

UNITED STATES DEPARTMENT OF AGRICULTURE  
AGRICULTURAL MARKETING SERVICE, DAIRY PROGRAMS

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

Federal Order No. 124

August 2007

	<u>% UTILIZATION</u> <u>PER CLASS</u>	<u>PRODUCT</u> <u>POUNDS</u>	<u>SKIM</u> <u>POUNDS</u>	<u>BUTTERFAT</u> <u>POUNDS</u>	<u>PROTEIN</u> <u>POUNDS</u>	<u>OTHER</u> <u>SOLIDS</u>	<u>NONFAT</u> <u>SOLIDS</u>
Producer Milk - Class I	31.50%	188,027,003	184,651,967	3,375,036	5,766,338	10,994,009	16,760,347
Producer Milk - Class II	7.23%	43,174,783	38,597,717	4,577,066	1,213,309	2,301,247	3,514,556
Producer Milk - Class III	31.12%	185,724,454	178,987,379	6,737,075	5,655,113	10,696,728	16,351,841
Producer Milk - Class IV	30.15%	179,948,788	173,026,937	6,921,851	5,463,776	10,276,070	15,739,846
<b>Total Producer Receipts</b>	<b>100.00%</b>	<b>596,875,028</b>	<b>575,264,000</b>	<b>21,611,028</b>	<b>18,098,536</b>	<b>34,268,054</b>	<b>52,366,590</b>

	<u>POUNDS</u>	<u>BFAT</u> <u>POUNDS</u>	<u>LB/CWT</u> <u>PRICE</u>	<u>TOTAL</u> <u>DOLLARS</u>
Class I Skim Milk	184,651,967		\$16.74 /cwt	\$30,910,739.27
Butterfat		3,375,036	\$1.6010 /lb	5,403,432.66
Class I Differential at Location				3,569,800.55
Class II Butterfat		4,577,066	\$1.5942 /lb	7,296,758.62
Nonfat Solids	3,514,556		\$1.9378 /lb	6,810,506.62
Class III Butterfat		6,737,075	\$1.5872 /lb	10,693,085.42
Protein	5,655,113		\$3.9412 /lb	22,287,931.36
Other Solids	10,696,728		\$0.4368 /lb	4,672,330.79
Class IV Butterfat		6,921,851	\$1.5872 /lb	10,986,361.90
Nonfat Solids	15,739,846		\$1.8785 /lb	29,567,300.72
<b>Classified Value</b>				<b>\$132,198,247.91</b>
Class II Overage Skim and Butterfat	49,689	0		8,665.76
Class IV Overage Skim and Butterfat	0	54,738		86,880.15
<b>Total Overage</b>	<b>49,689</b>	<b>54,738</b>		<b>\$95,545.91</b>
Class I Inventory Skim and Butterfat	759,170	0		15,638.90
Class II Inventory Skim and Butterfat	1,698,906	29,789		14,110.13
Class III Inventory Skim and Butterfat	3,942,222	121,577		(73,459.29)
<b>Total Inventory</b>	<b>6,400,298</b>	<b>151,366</b>		<b>(\$43,710.26)</b>
Class I Other Source Fluid	338,120	0		13,017.62
Class I Other Source Fluid and Nonfluid	787,937	0		13,631.31
<b>Producer Milk Value</b>				<b>\$132,276,732.49</b>
Butterfat in Prod Milk x Butterfat Price	21,611,028		\$1.5872 /lb	34,301,023.62
Protein in Prod Milk x Protein Price	18,098,536		\$3.9412 /lb	71,329,950.08
Other Solids in Prod Milk x Other Solids Price	34,268,054		\$0.4368 /lb	14,968,286.00
<b>Producer Milk Credits</b>				<b>\$120,599,259.70</b>
PM Value - PM Credits				\$11,677,472.79
Location Adjustments				204,549.75
1/2 Balance in Producer Settlement Fund				411,008.64
<b>Total Producer Milk and Differential Value</b>	<b>597,213,148</b>	<b>21,611,028</b>	<b>\$2.05839929</b>	<b>\$12,293,031.18</b>
<b>Producer Settlement Fund Reserve</b>			<b>\$0.04839929</b>	<b>289,046.92</b>
Producer Price Differential at King County, WA			\$2.01 /cwt	
Statistical Uniform Price at King County, WA			\$21.84 /cwt	
Estimated Market Wide Skim Utilization Class I		31%		
Estimated Market Wide Butterfat Utilization Class I		15%		