

**UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE, DAIRY PROGRAMS**

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

September 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	31.42%	178,370,355	175,221,559	3,148,796	5,584,776	10,455,243	16,040,019
Producer Milk - Class II	6.95%	39,439,747	35,328,349	4,111,398	1,133,331	2,110,200	3,243,531
Producer Milk - Class III	31.29%	177,604,126	170,998,096	6,606,030	5,544,517	10,200,443	15,744,960
Producer Milk - Class IV	30.34%	172,216,035	165,201,864	7,014,171	5,304,820	9,837,211	15,142,031
Total Producer Receipts	100.00%	567,630,263	546,749,868	20,880,395	17,567,444	32,603,097	50,170,541

	<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	175,221,559		\$16.76 /cwt	\$29,367,133.28
Butterfat		3,148,796	\$1.6382 /lb	5,158,357.61
Class I Differential at Location				3,386,278.58
Class II Butterfat		4,111,398	\$1.5171 /lb	6,237,401.91
Nonfat Solids	3,243,531		\$1.9400 /lb	6,292,450.14
Class III Butterfat		6,606,030	\$1.5101 /lb	9,975,765.90
Protein	5,544,517		\$4.3929 /lb	24,356,508.74
Other Solids	10,200,443		\$0.2890 /lb	2,947,928.05
Class IV Butterfat		7,014,171	\$1.5101 /lb	10,592,099.63
Nonfat Solids	15,142,031		\$1.8797 /lb	28,462,475.68
Classified Value				\$126,776,399.52
Class II Overage Skim and Butterfat	0	8,705		13,206.36
Class IV Overage Skim and Butterfat	125,723	4,475		28,030.03
Total Overage	125,723	13,180		\$41,236.39
Class I Inventory Skim and Butterfat	266,850	0		4,669.88
Class II Inventory Skim and Butterfat	189,726	14,364		36.57
Class III Inventory Skim and Butterfat	2,800,305	114,321		(53,339.00)
Total Inventory	3,256,881	128,685		(\$48,632.55)
Class I Other Source Fluid	242,204	0		8,089.62
Class I Other Source Fluid and Nonfluid	84,895	0		1,477.18
Producer Milk Value				\$126,778,570.16
Butterfat in Prod Milk x Butterfat Price	20,880,395		\$1.5101 /lb	31,531,484.49
Protein in Prod Milk x Protein Price	17,567,444		\$4.3929 /lb	77,172,024.73
Other Solids in Prod Milk x Other Solids Price	32,603,097		\$0.2890 /lb	9,422,295.02
Producer Milk Credits				\$118,125,804.24
PM Value - PM Credits				\$8,652,765.92
Location Adjustments				198,483.84
1/2 Balance in Producer Settlement Fund				393,797.25
Total Producer Milk and Differential Value	567,872,467	20,880,395	\$1.62801466	\$9,245,047.01
Producer Settlement Fund Reserve			\$0.04801466	272,662.03

Producer Price Differential at King County, WA	\$1.58 /cwt
Statistical Uniform Price at King County, WA	\$21.65 /cwt

Estimated Market Wide Skim Utilization Class I 32%
Estimated Market Wide Butterfat Utilization Class I 16%