

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

December 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	32.91%	190,489,190	186,925,230	3,563,960	6,114,591	11,118,018	17,232,609
Producer Milk - Class II	5.98%	34,595,995	30,601,806	3,994,189	1,008,148	1,819,985	2,828,133
Producer Milk - Class III	31.27%	180,972,215	173,972,614	6,999,601	5,788,286	10,347,503	16,135,789
Producer Milk - Class IV	29.84%	172,675,766	165,238,724	7,437,042	5,411,030	9,828,832	15,239,862
Total Producer Receipts	100.00%	578,733,166	556,738,374	21,994,792	18,322,055	33,114,338	51,436,393

	<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	186,925,230		\$15.65 /cwt	\$29,253,798.52
Butterfat		3,563,960	\$1.4120 /lb	5,032,311.53
Class I Differential at Location				3,616,563.10
Class II Butterfat		3,994,189	\$1.4418 /lb	5,758,821.72
Nonfat Solids	2,828,133		\$1.8167 /lb	5,137,869.22
Class III Butterfat		6,999,601	\$1.4348 /lb	10,043,027.52
Protein	5,788,286		\$4.7061 /lb	27,240,252.75
Other Solids	10,347,503		\$0.2637 /lb	2,728,636.54
Class IV Butterfat		7,437,042	\$1.4348 /lb	10,670,667.85
Nonfat Solids	15,239,862		\$1.6296 /lb	24,834,879.12
Classified Value				\$124,316,827.87
Class II Overage Skim and Butterfat	45,957	0		7,513.97
Class III Overage Skim and Butterfat	0	55,328		79,384.61
Class IV Overage Skim and Butterfat	643,095	3,150		98,861.65
Total Overage	689,052	58,478		\$185,760.23
Class II Inventory Skim and Butterfat	92,058	41,134		1,697.25
Class III Inventory Skim and Butterfat	1,437,206	70,831		3,500.45
Total Inventory	1,529,264	111,965		\$5,197.70
Class I Other Source Fluid	151,591	0		2,137.44
Producer Milk Value				\$124,509,923.24
Butterfat in Prod Milk x Butterfat Price	21,994,792		\$1.4348 /lb	31,558,127.56
Protein in Prod Milk x Protein Price	18,322,055		\$4.7061 /lb	86,225,423.02
Other Solids in Prod Milk x Other Solids Price	33,114,338		\$0.2637 /lb	8,732,250.92
Producer Milk Credits				\$126,515,801.50
PM Value - PM Credits				(\$2,005,878.26)
Location Adjustments				210,825.68
1/2 Balance in Producer Settlement Fund				309,961.85
Total Producer Milk and Differential Value	578,884,757	21,994,792	(\$0.25654342)	(\$1,485,090.73)
Producer Settlement Fund Reserve			\$0.04345658	251,563.52

Producer Price Differential at King County, WA	(\$0.30) /cwt
Statistical Uniform Price at King County, WA	\$20.30 /cwt

Estimated Market Wide Skim Utilization Class I 36%
 Estimated Market Wide Butterfat Utilization Class I 18%