

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

March 2008

	<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	37.67%	190,456,153	187,088,158	3,367,995	5,996,431	11,038,189	17,034,620
Producer Milk - Class II	7.97%	40,323,140	36,490,673	3,832,467	1,175,976	2,151,841	3,327,817
Producer Milk - Class III	7.54%	38,139,887	36,478,159	1,661,728	1,203,164	2,142,091	3,345,255
Producer Milk - Class IV	46.82%	236,763,370	226,886,695	9,876,675	7,351,522	13,327,725	20,679,247
Total Producer Receipts	100.00%	505,682,550	486,943,685	18,738,865	15,727,093	28,659,846	44,386,939

	<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	187,088,158		\$12.54 /cwt	\$23,460,855.02
Butterfat		3,367,995	\$1.3138 /lb	4,424,871.84
Class I Differential at Location				3,610,290.22
Class II Butterfat		3,832,467	\$1.3674 /lb	5,240,515.36
Nonfat Solids	3,327,817		\$1.2489 /lb	4,156,110.64
Class III Butterfat		1,661,728	\$1.3604 /lb	2,260,614.77
Protein	1,203,164		\$4.3331 /lb	5,213,429.93
Other Solids	2,142,091		\$0.0493 /lb	105,605.08
Class IV Butterfat		9,876,675	\$1.3604 /lb	13,436,228.66
Nonfat Solids	20,679,247		\$1.0833 /lb	22,401,828.28
Classified Value				\$84,310,349.80
Class I Overage Skim and Butterfat	0	396		527.78
Class IV Overage Skim and Butterfat	275	2,897		3,967.89
Total Overage	275	3,293		\$4,495.67
Class I Inventory Skim and Butterfat	194,203	0		7,690.44
Class II Inventory Skim and Butterfat	996,578	50,713		10,941.34
Total Inventory	1,190,781	50,713		\$18,631.78
Class I Other Source Fluid	503,942	0		3,628.38
Producer Milk Value				\$84,337,105.63
Butterfat in Prod Milk x Butterfat Price	18,738,865		\$1.3604 /lb	25,492,351.94
Protein in Prod Milk x Protein Price	15,727,093		\$4.3331 /lb	68,147,066.67
Other Solids in Prod Milk x Other Solids Price	28,659,846		\$0.0493 /lb	1,412,930.43
Producer Milk Credits				\$95,052,349.04
PM Value - PM Credits				(\$10,715,243.41)
Location Adjustments				233,227.23
1/2 Balance in Producer Settlement Fund				292,422.18
Total Producer Milk and Differential Value	506,186,492	18,738,865	(\$2.01301184)	(\$10,189,594.00)
Producer Settlement Fund Reserve			\$0.04698816	237,847.72

Producer Price Differential at King County, WA	(\$2.06) /cwt
Statistical Uniform Price at King County, WA	\$15.94 /cwt

Estimated Market Wide Skim Utilization Class I 31%
 Estimated Market Wide Butterfat Utilization Class I 14%