

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

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

**Federal Order No. 124**

**June 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	34.48%	174,567,798	171,500,637	3,067,161	5,329,330	10,174,546	15,503,876
Producer Milk - Class II	8.89%	44,991,431	40,876,321	4,115,110	1,277,408	2,424,331	3,701,739
Producer Milk - Class III	13.40%	67,845,118	64,738,336	3,106,782	2,032,460	3,828,815	5,861,275
Producer Milk - Class IV	43.23%	218,876,681	211,178,452	7,698,229	6,612,511	12,488,395	19,100,906
<b>Total Producer Receipts</b>	<b>100.00%</b>	<b>506,281,028</b>	<b>488,293,746</b>	<b>17,987,282</b>	<b>15,251,709</b>	<b>28,916,087</b>	<b>44,167,796</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	171,500,637		\$13.17 /cwt	\$22,586,633.90
Butterfat		3,067,161	\$1.5625 /lb	4,792,439.11
Class I Differential at Location				3,310,140.47
Class II Butterfat		4,115,110	\$1.6230 /lb	6,678,823.54
Nonfat Solids	3,701,739		\$1.2100 /lb	4,479,104.19
Class III Butterfat		3,106,782	\$1.6160 /lb	5,020,559.71
Protein	2,032,460		\$4.7193 /lb	9,591,788.48
Other Solids	3,828,815		\$0.0826 /lb	316,260.12
Class IV Butterfat		7,698,229	\$1.6160 /lb	12,440,338.07
Nonfat Solids	19,100,906		\$1.1819 /lb	22,575,360.81
<b>Classified Value</b>				<b>\$91,791,448.40</b>
Class II Overage Skim and Butterfat	20,171	99		2,357.30
Class IV Overage Skim and Butterfat	256,381	30,328		76,288.98
<b>Total Overage</b>	<b>276,552</b>	<b>30,427</b>		<b>\$78,646.28</b>
Class II Inventory Skim and Butterfat	288,389	3,912		2,337.72
<b>Total Inventory</b>	<b>288,389</b>	<b>3,912</b>		<b>\$2,337.72</b>
Class I Other Source Fluid	513,993	3,478		(376.98)
<b>Producer Milk Value</b>				<b>\$91,872,055.42</b>
Butterfat in Prod Milk x Butterfat Price	17,987,282		\$1.6160 /lb	29,067,447.73
Protein in Prod Milk x Protein Price	15,251,709		\$4.7193 /lb	71,977,390.32
Other Solids in Prod Milk x Other Solids Price	28,916,087		\$0.0826 /lb	2,388,468.80
<b>Producer Milk Credits</b>				<b>\$103,433,306.85</b>
<b>PM Value - PM Credits</b>				<b>(\$11,561,251.43)</b>
Location Adjustments				279,846.68
1/2 Balance in Producer Settlement Fund				234,513.67
<b>Total Producer Milk and Differential Value</b>	<b>506,798,499</b>	<b>17,990,760</b>	<b>(\$2.17974029)</b>	<b>(\$11,046,891.08)</b>
Producer Settlement Fund Reserve			\$0.04025971	204,035.61

<b>Producer Price Differential at King County, WA</b>	<b>(\$2.22)</b>	<b>/cwt</b>
<b>Statistical Uniform Price at King County, WA</b>	<b>\$18.03</b>	<b>/cwt</b>

Estimated Market Wide Skim Utilization Class I 36%  
 Estimated Market Wide Butterfat Utilization Class I 17%

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James R. Daugherty, Market Administrator