

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

August 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	28.05%	184,880,117	181,560,591	3,319,526	5,649,143	10,776,778	16,425,921
Producer Milk - Class II	7.13%	46,947,387	42,774,407	4,172,980	1,339,900	2,538,806	3,878,706
Producer Milk - Class III	31.63%	208,385,531	200,500,044	7,885,487	6,365,105	11,886,894	18,251,999
Producer Milk - Class IV	33.19%	218,672,771	210,491,477	8,181,294	6,603,145	12,461,997	19,065,142
Total Producer Receipts	100.00%	658,885,806	635,326,519	23,559,287	19,957,293	37,664,475	57,621,768

	<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	181,560,591		\$13.05 /cwt	\$23,693,657.13
Butterfat		3,319,526	\$1.6804 /lb	5,578,131.48
Class I Differential at Location				3,505,758.94
Class II Butterfat		4,172,980	\$1.7483 /lb	7,295,620.96
Nonfat Solids	3,878,706		\$1.3044 /lb	5,059,384.09
Class III Butterfat		7,885,487	\$1.7413 /lb	13,730,998.51
Protein	6,365,105		\$3.6497 /lb	23,230,723.71
Other Solids	11,886,894		\$0.0529 /lb	628,816.68
Class IV Butterfat		8,181,294	\$1.7413 /lb	14,246,087.24
Nonfat Solids	19,065,142		\$1.2147 /lb	23,158,427.98
Classified Value				\$120,127,606.72
Class I Overage Skim and Butterfat	0	13		22.10
Class III Overage Skim and Butterfat	171,414	0		19,935.45
Class IV Overage Skim and Butterfat	116,312	285		13,209.17
Total Overage	287,726	298		\$33,166.72
Class II Inventory Skim and Butterfat	159,485	4,335		1,296.16
Class III Inventory Skim and Butterfat	2,726,480	90,364		19,679.31
Total Inventory	2,885,965	94,699		\$20,975.47
Class I Other Source Fluid	811,491	13,134		26,391.20
Producer Milk Value				\$120,208,140.11
Butterfat in Prod Milk x Butterfat Price	23,559,287		\$1.7413 /lb	41,023,786.45
Protein in Prod Milk x Protein Price	19,957,293		\$3.6497 /lb	72,838,132.26
Other Solids in Prod Milk x Other Solids Price	37,664,475		\$0.0529 /lb	1,992,450.71
Producer Milk Credits				\$115,854,369.42
PM Value - PM Credits				\$4,353,770.69
Location Adjustments				438,312.16
1/2 Balance in Producer Settlement Fund				178,545.00
Total Producer Milk and Differential Value	659,710,431	23,572,421	\$0.75345600	\$4,970,627.85
Producer Settlement Fund Reserve			\$0.04345600	286,683.76

Producer Price Differential at King County, WA	\$0.71 /cwt
Statistical Uniform Price at King County, WA	\$18.03 /cwt

Estimated Market Wide Skim Utilization Class I 28%
 Estimated Market Wide Butterfat Utilization Class I 14%