

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

September 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	30.10%	188,861,125	185,598,251	3,262,874	5,906,158	10,985,709	16,891,867
Producer Milk - Class II	6.88%	43,138,001	39,235,477	3,902,524	1,256,825	2,321,595	3,578,420
Producer Milk - Class III	31.43%	197,141,142	189,484,120	7,657,022	6,138,831	11,194,967	17,333,798
Producer Milk - Class IV	31.59%	198,136,260	190,200,118	7,936,142	6,077,618	11,232,903	17,310,521
Total Producer Receipts	100.00%	627,276,528	604,517,966	22,758,562	19,379,432	35,735,174	55,114,606

	<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	185,598,251		\$11.98 /cwt	\$22,234,670.49
Butterfat		3,262,874	\$1.7411 /lb	5,680,989.93
Class I Differential at Location				3,581,515.89
Class II Butterfat		3,902,524	\$1.8266 /lb	7,128,350.35
Nonfat Solids	3,578,420		\$1.2878 /lb	4,608,289.27
Class III Butterfat		7,657,022	\$1.8196 /lb	13,932,717.23
Protein	6,138,831		\$3.2689 /lb	20,067,224.66
Other Solids	11,194,967		\$0.0234 /lb	261,962.24
Class IV Butterfat		7,936,142	\$1.8196 /lb	14,440,603.98
Nonfat Solids	17,310,521		\$1.0455 /lb	18,098,149.71

Classified Value

Class I Overage Skim and Butterfat	11	0		1.53
Class II Overage Skim and Butterfat	14,261	5,783		12,216.08
Class III Overage Skim and Butterfat	1,007,706	0		103,491.41
Class IV Overage Skim and Butterfat	0	6,898		12,551.60

Total Overage

1,021,978 12,681 \$128,260.62

Class II Inventory Skim and Butterfat 1,935,775 29,148 15,262.45

Class III Inventory Skim and Butterfat 2,390,687 106,720 (7,422.36)

Total Inventory **4,326,462** **135,868** **\$7,840.09**

Class I Other Source Fluid 419,350 7,923 14,667.12

Producer Milk Value

\$110,185,241.58

Butterfat in Prod Milk x Butterfat Price 22,758,562 \$1.8196 /lb 41,411,479.42

Protein in Prod Milk x Protein Price 19,379,432 \$3.2689 /lb 63,349,425.29

Other Solids in Prod Milk x Other Solids Price 35,735,174 \$0.0234 /lb 836,203.08

Producer Milk Credits

\$105,597,107.79

PM Value - PM Credits

\$4,588,133.79

Location Adjustments 420,245.19

1/2 Balance in Producer Settlement Fund 255,098.54

Total Producer Milk and Differential Value **627,703,801** **22,766,485** **\$0.83852886** **\$5,263,477.52**

Producer Settlement Fund Reserve \$0.04852886 304,617.50

Producer Price Differential at King County, WA

\$0.79 /cwt

Statistical Uniform Price at King County, WA

\$17.07 /cwt

Estimated Market Wide Skim Utilization Class I 29%

Estimated Market Wide Butterfat Utilization Class I 14%