

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

February 2009

	<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	28.55%	178,946,316	175,836,169	3,110,147	5,668,638	10,369,072	16,037,710
Producer Milk - Class II	6.03%	37,817,702	34,518,486	3,299,216	1,117,367	2,037,704	3,155,071
Producer Milk - Class III	41.02%	257,182,711	247,341,276	9,841,435	8,139,058	14,587,865	22,726,923
Producer Milk - Class IV	24.40%	152,968,127	145,751,785	7,216,342	4,709,430	8,573,534	13,282,964
Total Producer Receipts	100.00%	626,914,856	603,447,716	23,467,140	19,634,493	35,568,175	55,202,668

	<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	175,836,169		\$7.07 /cwt	\$12,431,617.14
Butterfat		3,110,147	\$1.1140 /lb	3,464,703.75
Class I Differential at Location				3,393,465.41
Class II Butterfat		3,299,216	\$1.1011 /lb	3,632,766.74
Nonfat Solids	3,155,071		\$0.7367 /lb	2,324,340.81
Class III Butterfat		9,841,435	\$1.0941 /lb	10,767,514.04
Protein	8,139,058		\$1.9139 /lb	15,577,343.13
Other Solids	14,587,865		\$(0.0437) /lb	(637,489.70)
Class IV Butterfat		7,216,342	\$1.0941 /lb	7,895,399.78
Nonfat Solids	13,282,964		\$0.6472 /lb	8,596,734.31
Classified Value				\$67,446,395.41
Class I Overage Skim and Butterfat	0	44		49.86
Class II Overage Skim and Butterfat	19,488	0		1,292.05
Class III Overage Skim and Butterfat	6,800	1,751		2,302.01
Class IV Overage Skim and Butterfat	162,879	6,617		16,719.22
Total Overage	189,167	8,412		\$20,363.14
Class II Inventory Skim and Butterfat	1,612,273	93,309		10,765.98
Class III Inventory Skim and Butterfat	3,058,919	127,281		(9,161.51)
Total Inventory	4,671,192	220,590		\$1,604.47
Class I Other Source Fluid	2,002,879	2,487		65,991.46
Producer Milk Value				\$67,534,354.48
Butterfat in Prod Milk x Butterfat Price	23,467,140		\$1.0941 /lb	25,675,397.87
Protein in Prod Milk x Protein Price	19,634,493		\$1.9139 /lb	37,578,456.17
Other Solids in Prod Milk x Other Solids Price	35,568,175		\$(0.0437) /lb	(1,554,329.27)
Producer Milk Credits				\$61,699,524.77
PM Value - PM Credits				\$5,834,829.71
Location Adjustments				514,692.79
1/2 Balance in Producer Settlement Fund				245,475.01
Total Producer Milk and Differential Value	628,920,222	23,469,627	\$ 1.04862227	\$6,594,997.51
Producer Settlement Fund Reserve			\$0.04862227	305,795.29

Producer Price Differential at King County, WA

\$ 1.00 /cwt

Statistical Uniform Price at King County, WA

\$10.31 /cwt

Estimated Market Wide Skim Utilization Class I 29%

Estimated Market Wide Butterfat Utilization Class I 13%