

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

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

**Federal Order No. 124**

**March 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	31.07%	191,219,656	187,932,370	3,287,286	6,066,577	11,122,614	17,189,191
Producer Milk - Class II	7.20%	44,330,171	40,392,146	3,938,025	1,306,896	2,391,484	3,698,380
Producer Milk - Class III	36.26%	223,102,106	214,548,374	8,553,732	6,969,910	12,698,699	19,668,609
Producer Milk - Class IV	25.47%	156,712,649	149,449,566	7,263,083	4,810,484	8,843,584	13,654,068
<b>Total Producer Receipts</b>	<b>100.00%</b>	<b>615,364,582</b>	<b>592,322,456</b>	<b>23,042,126</b>	<b>19,153,867</b>	<b>35,056,381</b>	<b>54,210,248</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	187,932,370		\$5.81 /cwt	\$10,918,870.69
Butterfat		3,287,286	\$1.0918 /lb	3,589,058.85
Class I Differential at Location				3,630,538.01
Class II Butterfat		3,938,025	\$1.1664 /lb	4,593,312.36
Nonfat Solids	3,698,380		\$0.7233 /lb	2,675,038.24
Class III Butterfat		8,553,732	\$1.1594 /lb	9,917,196.88
Protein	6,969,910		\$2.1973 /lb	15,314,983.24
Other Solids	12,698,699		\$(0.0339) /lb	(430,485.91)
Class IV Butterfat		7,263,083	\$1.1594 /lb	8,420,818.45
Nonfat Solids	13,654,068		\$0.6423 /lb	8,770,007.87
<b>Classified Value</b>				<b>\$67,399,338.68</b>
Class I Overage Skim and Butterfat	100	0		7.71
Class IV Overage Skim and Butterfat	13,739	19,226		23,084.75
<b>Total Overage</b>	<b>13,839</b>	<b>19,226</b>		<b>\$23,092.46</b>
Class II Inventory Skim and Butterfat	1,441,016	53,592		13,817.71
Class III Inventory Skim and Butterfat	1,493,195	59,094		15,655.08
<b>Total Inventory</b>	<b>2,934,211</b>	<b>112,686</b>		<b>\$29,472.79</b>
Class I Other Source Fluid	1,399,130	14,984		14,662.21
<b>Producer Milk Value</b>				<b>\$67,466,566.14</b>
Butterfat in Prod Milk x Butterfat Price	23,042,126		\$1.1594 /lb	26,715,040.92
Protein in Prod Milk x Protein Price	19,153,867		\$2.1973 /lb	42,086,791.97
Other Solids in Prod Milk x Other Solids Price	35,056,381		\$(0.0339) /lb	(1,188,411.35)
<b>Producer Milk Credits</b>				<b>\$67,613,421.54</b>
<b>PM Value - PM Credits</b>				<b>(\$146,855.40)</b>
Location Adjustments				396,832.30
1/2 Balance in Producer Settlement Fund				279,341.16
<b>Total Producer Milk and Differential Value</b>	<b>616,778,696</b>	<b>23,057,110</b>	<b>\$ 0.08581977</b>	<b>\$529,318.06</b>
Producer Settlement Fund Reserve			\$0.04581977	282,606.58

<b>Producer Price Differential at King County, WA</b>	<b>\$ 0.04</b>	<b>/cwt</b>
<b>Statistical Uniform Price at King County, WA</b>	<b>\$10.48</b>	<b>/cwt</b>

Estimated Market Wide Skim Utilization Class I 29%  
 Estimated Market Wide Butterfat Utilization Class I 13%