

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

December 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	32.44%	200,656,896	196,909,309	3,747,587	6,536,869	11,721,559	18,258,428
Producer Milk - Class II	6.47%	40,031,701	36,769,923	3,261,778	1,224,782	2,190,693	3,415,475
Producer Milk - Class III	33.94%	209,987,356	201,725,784	8,261,572	6,801,204	12,007,275	18,808,479
Producer Milk - Class IV	27.15%	167,957,674	159,431,722	8,525,952	5,293,800	9,483,894	14,777,694
Total Producer Receipts	100.00%	618,633,627	594,836,738	23,796,889	19,856,655	35,403,421	55,260,076

	<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	196,909,309		\$9.31 /cwt	\$18,332,256.66
Butterfat		3,747,587	\$1.4310 /lb	5,362,797.02
Class I Differential at Location				3,807,472.60
Class II Butterfat		3,261,778	\$1.5503 /lb	5,056,734.43
Nonfat Solids	3,415,475		\$1.0156 /lb	3,468,756.40
Class III Butterfat		8,261,572	\$1.5433 /lb	12,750,084.07
Protein	6,801,204		\$2.8751 /lb	19,554,141.63
Other Solids	12,007,275		\$ 0.1727 /lb	2,073,656.40
Class IV Butterfat		8,525,952	\$1.5433 /lb	13,158,101.72
Nonfat Solids	14,777,694		\$1.1068 /lb	16,355,951.72
Classified Value				\$99,919,952.65
Class IV Overage Skim and Butterfat	30,145	1,357		5,096.70
Total Overage	30,145	1,357		\$5,096.70
Class II Inventory Skim and Butterfat	4,277,038	118,307		41,242.98
Class III Inventory Skim and Butterfat	1,909,233	104,242		37,119.95
Total Inventory	6,186,271	222,549		\$78,362.93
Class I Other Source Fluid	1,295,857	0		16,586.97
Producer Milk Value				\$100,019,999.25
Butterfat in Prod Milk x Butterfat Price	23,796,889		\$1.5433 /lb	36,725,738.81
Protein in Prod Milk x Protein Price	19,856,655		\$2.8751 /lb	57,089,868.77
Other Solids in Prod Milk x Other Solids Price	35,403,421		\$ 0.1727 /lb	6,114,170.79
Producer Milk Credits				\$99,929,778.37
PM Value - PM Credits				\$90,220.88
Location Adjustments				359,919.59
1/2 Balance in Producer Settlement Fund				252,027.68
Total Producer Milk and Differential Value	619,929,484	23,796,889	\$ 0.11326581	\$702,168.15
Producer Settlement Fund Reserve			\$0.04326581	268,217.51

Producer Price Differential at King County, WA	\$ 0.07	/cwt
Statistical Uniform Price at King County, WA	\$15.05	/cwt

Estimated Market Wide Skim Utilization Class I 30%
 Estimated Market Wide Butterfat Utilization Class I 15%