

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

May 2010

	<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	27.20%	185,001,246	181,856,973	3,144,273	5,814,680	10,812,935	16,627,615
Producer Milk - Class II	6.88%	46,804,168	43,385,726	3,418,442	1,391,384	2,578,824	3,970,208
Producer Milk - Class III	42.18%	286,847,911	275,979,135	10,868,776	9,040,902	16,446,024	25,486,926
Producer Milk - Class IV	23.74%	161,418,489	153,815,908	7,602,581	4,941,556	9,132,628	14,074,184
Total Producer Receipts	100.00%	680,071,814	655,037,742	25,034,072	21,188,522	38,970,411	60,158,933

	<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	181,856,973		\$8.53 /cwt	\$15,512,399.79
Butterfat		3,144,273	\$1.5920 /lb	5,005,682.61
Class I Differential at Location				3,512,695.51
Class II Butterfat		3,418,442	\$1.7128 /lb	5,855,107.45
Nonfat Solids	3,970,208		\$1.0256 /lb	4,071,845.32
Class III Butterfat		10,868,776	\$1.7058 /lb	18,539,958.10
Protein	9,040,902		\$2.1523 /lb	19,458,733.38
Other Solids	16,446,024		\$ 0.1704 /lb	2,802,402.47
Class IV Butterfat		7,602,581	\$1.7058 /lb	12,968,482.68
Nonfat Solids	14,074,184		\$1.0734 /lb	15,107,229.12
Classified Value				\$102,834,536.43
Class I Overage Skim and Butterfat	0	1		1.61
Class IV Overage Skim and Butterfat	157,733	10,586		33,294.61
Total Overage	157,733	10,587		\$33,296.22
Class II Inventory Skim and Butterfat	1,854,751	92,278		25,859.71
Class III Inventory Skim and Butterfat	1,049,007	52,922		(1,908.17)
Total Inventory	2,903,758	145,200		\$23,951.54
Class I Other Source Fluid and Nonfluid	272,089	8,351		462.09
Producer Milk Value				\$102,892,246.28
Butterfat in Prod Milk x Butterfat Price	25,034,072		\$1.7058 /lb	42,703,120.02
Protein in Prod Milk x Protein Price	21,188,522		\$2.1523 /lb	45,604,055.91
Other Solids in Prod Milk x Other Solids Price	38,970,411		\$ 0.1704 /lb	6,640,558.03
Producer Milk Credits				\$94,947,733.96
PM Value - PM Credits				\$7,944,512.32
Location Adjustments				362,049.66
1/2 Balance in Producer Settlement Fund				313,713.54
Total Producer Milk and Differential Value	680,071,814	25,034,072	\$ 1.26755371	\$8,620,275.52
Producer Settlement Fund Reserve			\$0.04755371	323,399.38

Producer Price Differential at King County, WA	\$ 1.22	/cwt
Statistical Uniform Price at King County, WA	\$14.60	/cwt

Estimated Market Wide Skim Utilization Class I 30%
Estimated Market Wide Butterfat Utilization Class I 13%