

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

July 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	26.23%	179,924,041	176,742,673	3,181,368	5,523,707	10,511,238	16,034,945
Producer Milk - Class II	6.81%	46,732,693	43,307,826	3,424,867	1,362,748	2,575,260	3,938,008
Producer Milk - Class III	39.93%	273,921,719	263,655,281	10,266,438	8,521,665	15,693,944	24,215,609
Producer Milk - Class IV	27.03%	185,406,134	177,580,059	7,826,075	5,612,590	10,540,219	16,152,809
Total Producer Receipts	100.00%	685,984,587	661,285,839	24,698,748	21,020,710	39,320,661	60,341,371

	<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	176,742,673		\$10.12 /cwt	\$17,886,358.52
Butterfat		3,181,368	\$1.6839 /lb	5,357,105.58
Class I Differential at Location				3,416,157.86
Class II Butterfat		3,424,867	\$1.9034 /lb	6,518,891.85
Nonfat Solids	3,938,008		\$1.2022 /lb	4,734,273.22
Class III Butterfat		10,266,438	\$1.8964 /lb	19,469,273.04
Protein	8,521,665		\$2.0515 /lb	17,482,195.75
Other Solids	15,693,944		\$ 0.1700 /lb	2,667,970.48
Class IV Butterfat		7,826,075	\$1.8964 /lb	14,841,368.63
Nonfat Solids	16,152,809		\$1.0493 /lb	16,949,142.48
Classified Value				\$109,322,737.41
Class II Overage Skim and Butterfat	597,581	2,928		70,231.42
Class III Overage Skim and Butterfat	21,312	0		1,568.56
Class IV Overage Skim and Butterfat	292,118	18,084		61,870.44
Total Overage	911,011	21,012		\$133,670.42
Class I Inventory Skim and Butterfat	74,347	0		1,680.24
Class II Inventory Skim and Butterfat	2,585,820	104,785		46,270.99
Class III Inventory Skim and Butterfat	570,052	48,936		(5,215.33)
Total Inventory	3,230,219	153,721		\$42,735.90
Class I Other Source Fluid	364,844	0		17,001.73
Producer Milk Value				\$109,516,145.46
Butterfat in Prod Milk x Butterfat Price	24,698,748		\$1.8964 /lb	46,838,705.70
Protein in Prod Milk x Protein Price	21,020,710		\$2.0515 /lb	43,123,986.56
Other Solids in Prod Milk x Other Solids Price	39,320,661		\$ 0.1700 /lb	6,684,512.37
Producer Milk Credits				\$96,647,204.63
PM Value - PM Credits				\$12,868,940.83
Location Adjustments				349,287.56
1/2 Balance in Producer Settlement Fund				313,080.75
Total Producer Milk and Differential Value	686,349,431	24,698,748	\$ 1.97148982	\$13,531,309.14
Producer Settlement Fund Reserve			\$0.04148982	284,765.14

Producer Price Differential at King County, WA

Statistical Uniform Price at King County, WA

\$ 1.93 /cwt

\$15.67 /cwt

Estimated Market Wide Skim Utilization Class I

27%

Estimated Market Wide Butterfat Utilization Class I

13%