

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

August 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	26.13%	178,308,971	175,119,637	3,189,334	5,494,234	10,401,005	15,895,239
Producer Milk - Class II	7.37%	50,275,905	46,521,787	3,754,118	1,470,044	2,761,352	4,231,396
Producer Milk - Class III	40.93%	279,347,913	269,060,558	10,287,355	8,757,754	15,960,823	24,718,577
Producer Milk - Class IV	25.57%	174,530,757	167,084,535	7,446,222	5,313,313	9,907,363	15,220,676
Total Producer Receipts	100.00%	682,463,546	657,786,517	24,677,029	21,035,345	39,030,543	60,065,888

	<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	175,119,637		\$9.49 /cwt	\$16,618,853.56
Butterfat		3,189,334	\$1.8899 /lb	6,027,522.30
Class I Differential at Location				3,384,952.21
Class II Butterfat		3,754,118	\$2.0406 /lb	7,660,653.19
Nonfat Solids	4,231,396		\$1.1322 /lb	4,790,786.55
Class III Butterfat		10,287,355	\$2.0336 /lb	20,920,365.15
Protein	8,757,754		\$2.3788 /lb	20,832,945.22
Other Solids	15,960,823		\$ 0.1647 /lb	2,628,747.56
Class IV Butterfat		7,446,222	\$2.0336 /lb	15,142,637.07
Nonfat Solids	15,220,676		\$0.9780 /lb	14,885,821.15
Classified Value				\$112,893,283.96
Class I Overage Skim and Butterfat	4,003	0		455.94
Class II Overage Skim and Butterfat	38,426	8,899		22,074.91
Class IV Overage Skim and Butterfat	0	14,327		29,135.38
Total Overage	42,429	23,226		\$51,666.23
Class II Inventory Skim and Butterfat	1,498,189	71,683		21,573.10
Class III Inventory Skim and Butterfat	422,024	121,444		12,062.05
Total Inventory	1,920,213	193,127		\$33,635.15
Class I Other Source Fluid	872,528	0		26,524.85
Producer Milk Value				\$113,005,110.19
Butterfat in Prod Milk x Butterfat Price	24,677,029		\$2.0336 /lb	50,183,206.17
Protein in Prod Milk x Protein Price	21,035,345		\$2.3788 /lb	50,038,878.67
Other Solids in Prod Milk x Other Solids Price	39,030,543		\$ 0.1647 /lb	6,428,330.43
Producer Milk Credits				\$106,650,415.27
PM Value - PM Credits				\$6,354,694.92
Location Adjustments				351,413.54
1/2 Balance in Producer Settlement Fund				317,522.76
Total Producer Milk and Differential Value	683,336,074	24,677,029	\$ 1.02784435	\$7,023,631.22
Producer Settlement Fund Reserve			\$0.04784435	326,937.70

Producer Price Differential at King County, WA	\$ 0.98	/cwt
Statistical Uniform Price at King County, WA	\$16.16	/cwt

Estimated Market Wide Skim Utilization Class I 27%
 Estimated Market Wide Butterfat Utilization Class I 13%