

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

September 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	28.91%	190,032,816	186,706,993	3,325,823	6,002,998	11,078,488	17,081,486
Producer Milk - Class II	6.65%	43,710,370	40,502,556	3,207,814	1,308,566	2,402,637	3,711,203
Producer Milk - Class III	39.93%	262,454,056	252,299,991	10,154,065	8,430,279	14,973,828	23,404,107
Producer Milk - Class IV	24.51%	161,092,904	153,417,186	7,675,718	4,976,639	9,071,607	14,048,246
Total Producer Receipts	100.00%	657,290,146	632,926,726	24,363,420	20,718,482	37,526,560	58,245,042

	<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	186,706,993		\$8.79 /cwt	\$16,411,544.69
Butterfat		3,325,823	\$2.0047 /lb	6,667,277.37
Class I Differential at Location				3,608,130.78
Class II Butterfat		3,207,814	\$2.4114 /lb	7,735,322.68
Nonfat Solids	3,711,203		\$1.0544 /lb	3,913,092.46
Class III Butterfat		10,154,065	\$2.4044 /lb	24,414,433.89
Protein	8,430,279		\$2.3057 /lb	19,437,694.30
Other Solids	14,973,828		\$ 0.1673 /lb	2,505,121.43
Class IV Butterfat		7,675,718	\$2.4044 /lb	18,455,496.35
Nonfat Solids	14,048,246		\$0.9608 /lb	13,497,554.74
Classified Value				\$116,645,668.69
Class I Overage Skim and Butterfat	2	0		0.22
Class IV Overage Skim and Butterfat	112,974	20,065		58,016.53
Total Overage	112,976	20,065		\$58,016.75
Class II Inventory Skim and Butterfat	2,069,513	65,491		39,022.13
Class III Inventory Skim and Butterfat	1,979,561	58,417		8,397.98
Total Inventory	4,049,074	123,908		\$47,420.11
Class I Other Source Fluid	2,544,685	0		65,143.93
Producer Milk Value				\$116,816,249.48
Butterfat in Prod Milk x Butterfat Price	24,363,420		\$2.4044 /lb	58,579,407.08
Protein in Prod Milk x Protein Price	20,718,482		\$2.3057 /lb	47,770,603.94
Other Solids in Prod Milk x Other Solids Price	37,526,560		\$ 0.1673 /lb	6,278,193.50
Producer Milk Credits				\$112,628,204.52
PM Value - PM Credits				\$4,188,044.96
Location Adjustments				330,305.83
1/2 Balance in Producer Settlement Fund				292,578.33
Total Producer Milk and Differential Value	659,834,831	24,363,420	\$ 0.72911112	\$4,810,929.12
Producer Settlement Fund Reserve			\$0.04911112	324,052.28

Producer Price Differential at King County, WA	\$ 0.68	/cwt
Statistical Uniform Price at King County, WA	\$16.94	/cwt

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