

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

December 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	29.45%	193,661,660	190,084,183	3,577,477	6,309,210	11,296,052	17,605,262
Producer Milk - Class II	5.98%	39,350,301	35,597,005	3,753,296	1,181,682	2,115,024	3,296,706
Producer Milk - Class III	39.43%	259,323,797	248,820,954	10,502,843	8,609,878	14,770,267	23,380,145
Producer Milk - Class IV	25.14%	165,341,681	157,285,611	8,056,070	5,209,535	9,331,518	14,541,053
Total Producer Receipts	100.00%	657,677,439	631,787,753	25,889,686	21,310,305	37,512,861	58,823,166

	<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	190,084,183		\$9.11 /cwt	\$17,316,669.07
Butterfat		3,577,477	\$2.3348 /lb	8,352,693.32
Class I Differential at Location				3,676,996.87
Class II Butterfat		3,753,296	\$1.8022 /lb	6,764,190.06
Nonfat Solids	3,296,706		\$1.0900 /lb	3,593,409.54
Class III Butterfat		10,502,843	\$1.7952 /lb	18,854,703.77
Protein	8,609,878		\$2.1706 /lb	18,688,601.19
Other Solids	14,770,267		\$ 0.1852 /lb	2,735,453.44
Class IV Butterfat		8,056,070	\$1.7952 /lb	14,462,256.86
Nonfat Solids	14,541,053		\$1.0068 /lb	14,639,932.16
Classified Value				\$109,084,906.28
Class I Overage Skim and Butterfat	2	0		0.22
Class II Overage Skim and Butterfat	279,047	7,182		40,317.91
Class III Overage Skim and Butterfat	209,462	40,164		88,482.34
Class IV Overage Skim and Butterfat	2,067	4,757		8,727.04
Total Overage	490,578	52,103		\$137,527.51
Class I Inventory Skim and Butterfat	77,255	0		1,436.95
Class II Inventory Skim and Butterfat	2,523,902	54,918		(7,506.19)
Class III Inventory Skim and Butterfat	2,985,363	65,309		(68,898.45)
Total Inventory	5,586,520	120,227		(\$74,967.69)
Class I Other Source Fluid	31,353	0		1,000.16
Producer Milk Value				\$109,148,466.26
Butterfat in Prod Milk x Butterfat Price	25,889,686		\$1.7952 /lb	46,477,164.33
Protein in Prod Milk x Protein Price	21,310,305		\$2.1706 /lb	46,256,148.05
Other Solids in Prod Milk x Other Solids Price	37,512,861		\$ 0.1852 /lb	6,947,381.85
Producer Milk Credits				\$99,680,694.23
PM Value - PM Credits				\$9,467,772.03
Location Adjustments				323,949.77
1/2 Balance in Producer Settlement Fund				307,302.59
Total Producer Milk and Differential Value	657,708,792	25,889,686	\$ 1.53548569	\$10,099,024.39
Producer Settlement Fund Reserve			\$0.04548569	299,163.38

Producer Price Differential at King County, WA	\$ 1.49	/cwt
Statistical Uniform Price at King County, WA	\$15.32	/cwt

Estimated Market Wide Skim Utilization Class I 31%
Estimated Market Wide Butterfat Utilization Class I 15%