

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

March 2011

	<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	28.67%	198,078,725	194,647,003	3,431,722	6,292,188	11,594,106	17,886,294
Producer Milk - Class II	7.62%	52,624,926	48,612,534	4,012,392	1,580,489	2,894,710	4,475,199
Producer Milk - Class III	39.76%	274,747,056	264,167,912	10,579,144	8,888,911	15,761,757	24,650,668
Producer Milk - Class IV	23.95%	165,502,907	157,088,529	8,414,378	5,090,118	9,332,393	14,422,511
Total Producer Receipts	100.00%	690,953,614	664,515,978	26,437,636	21,851,706	39,582,966	61,434,672

	<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	194,647,003		\$10.50 /cwt	\$20,437,935.36
Butterfat		3,431,722	\$2.3136 /lb	7,939,632.04
Class I Differential at Location				3,761,224.48
Class II Butterfat		4,012,392	\$2.2929 /lb	9,200,013.63
Nonfat Solids	4,475,199		\$1.2444 /lb	5,568,937.62
Class III Butterfat		10,579,144	\$2.2859 /lb	24,182,865.27
Protein	8,888,911		\$3.3024 /lb	29,354,739.68
Other Solids	15,761,757		\$ 0.2665 /lb	4,200,508.25
Class IV Butterfat		8,414,378	\$2.2859 /lb	19,234,426.68
Nonfat Solids	14,422,511		\$1.3134 /lb	18,942,525.94
Classified Value				\$142,822,808.95
Class III Overage Skim and Butterfat	279,168	0		32,969.74
Class IV Overage Skim and Butterfat	367,975	49,000		155,503.74
Total Overage	647,143	49,000		\$188,473.48
Class II Inventory Skim and Butterfat	2,906,934	134,814		12,859.59
Total Inventory	2,906,934	134,814		\$12,859.59
Producer Milk Value				\$143,024,142.02
Butterfat in Prod Milk x Butterfat Price	26,437,636		\$2.2859 /lb	60,433,792.13
Protein in Prod Milk x Protein Price	21,851,706		\$3.3024 /lb	72,163,073.89
Other Solids in Prod Milk x Other Solids Price	39,582,966		\$ 0.2665 /lb	10,548,860.44
Producer Milk Credits				\$143,145,726.46
PM Value - PM Credits				(\$121,584.44)
Location Adjustments				356,617.48
1/2 Balance in Producer Settlement Fund				288,487.59
Total Producer Milk and Differential Value	690,953,614	26,437,636	\$ 0.07576784	\$523,520.63
Producer Settlement Fund Reserve			\$0.04576784	316,234.54

Producer Price Differential at King County, WA
Statistical Uniform Price at King County, WA

\$ 0.03 /cwt
\$19.43 /cwt

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