

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

August 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	27.75%	184,383,391	181,073,419	3,309,972	5,706,451	10,809,498	16,515,949
Producer Milk - Class II	7.34%	48,763,420	44,712,675	4,050,745	1,416,123	2,666,595	4,082,718
Producer Milk - Class III	35.38%	235,062,598	226,133,208	8,929,390	7,234,918	13,517,239	20,752,157
Producer Milk - Class IV	29.53%	196,222,634	188,379,789	7,842,845	6,005,650	11,202,650	17,208,300
Total Producer Receipts	100.00%	664,432,043	640,299,091	24,132,952	20,363,142	38,195,982	58,559,124

	<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	181,073,419		\$14.05 /cwt	\$25,440,815.37
Butterfat		3,309,972	\$2.2496 /lb	7,446,113.02
Class I Differential at Location				3,500,686.29
Class II Butterfat		4,050,745	\$2.3055 /lb	9,338,992.59
Nonfat Solids	4,082,718		\$1.5522 /lb	6,337,194.88
Class III Butterfat		8,929,390	\$2.2985 /lb	20,524,202.93
Protein	7,234,918		\$3.8305 /lb	27,713,353.41
Other Solids	13,517,239		\$ 0.3811 /lb	5,151,419.78
Class IV Butterfat		7,842,845	\$2.2985 /lb	18,026,779.23
Nonfat Solids	17,208,300		\$1.3920 /lb	23,953,953.58
Classified Value				\$147,433,511.08
Class I Overage Skim and Butterfat	1	0		0.16
Class II Overage Skim and Butterfat	54,082	0		7,555.26
Class IV Overage Skim and Butterfat	34,446	55,838		132,659.73
Total Overage	88,529	55,838		\$140,215.15
Class I Inventory Skim and Butterfat	63,236	0		1,928.69
Class II Inventory Skim and Butterfat	3,614,055	156,111		47,162.83
Class III Inventory Skim and Butterfat	86,980	8,974		1,486.52
Total Inventory	3,764,271	165,085		\$50,578.04
Producer Milk Value				\$147,624,304.27
Butterfat in Prod Milk x Butterfat Price	24,132,952		\$2.2985 /lb	55,469,590.18
Protein in Prod Milk x Protein Price	20,363,142		\$3.8305 /lb	78,001,015.45
Other Solids in Prod Milk x Other Solids Price	38,195,982		\$ 0.3811 /lb	14,556,488.73
Producer Milk Credits				\$148,027,094.36
PM Value - PM Credits				(\$402,790.09)
Location Adjustments				309,950.92
1/2 Balance in Producer Settlement Fund				311,946.69
Total Producer Milk and Differential Value	664,432,043	24,132,952	\$ 0.03297666	\$219,107.52
Producer Settlement Fund Reserve			\$0.04297666	285,550.70

Producer Price Differential at King County, WA

Statistical Uniform Price at King County, WA

\$(0.01) /cwt

\$21.66 /cwt

Estimated Market Wide Skim Utilization Class I 24%
Estimated Market Wide Butterfat Utilization Class I 12%