

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 135

November 2001

| | <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 | 20.15 % | 91,334,717 | 89,520,898 | 1,813,819 | 2,925,758 | 5,302,062 | 8,227,820 |
| Producer Milk - Class II | 9.86 % | 44,688,420 | 40,338,727 | 4,349,693 | 1,321,920 | 2,391,314 | 3,713,234 |
| Producer Milk - Class III | 47.14 % | 213,748,543 | 205,523,826 | 8,224,717 | 6,741,535 | 12,225,184 | 18,966,719 |
| Producer Milk - Class IV | 22.85 % | 103,618,828 | 101,184,683 | 2,434,145 | 3,287,646 | 5,995,725 | 9,283,371 |
| Total Producer Receipts | 100.00 % | 453,390,508 | 436,568,134 | 16,822,374 | 14,276,859 | 25,914,285 | 40,191,144 |

| | <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 | 89,520,898 | | \$ 9.60 /cwt | \$8,594,006.19 |
| Butterfat | | 1,813,819 | \$ 1.8556/lb | 3,365,722.55 |
| Class I Differential at Location | | | | 1,668,955.02 |
| Class II Butterfat | | 4,349,693 | \$ 1.4570/lb | 6,337,502.68 |
| Nonfat Solids | 3,713,234 | | \$ 0.8844/lb | 3,283,984.14 |
| Class III Butterfat | | 8,224,717 | \$ 1.4500/lb | 11,925,839.65 |
| Protein | 6,741,535 | | \$ 1.8045/lb | 12,165,099.92 |
| Other Solids | 12,225,184 | | \$ 0.1470/lb | 1,797,102.05 |
| Class IV Butterfat | | 2,434,145 | \$ 1.4500/lb | 3,529,510.25 |
| Nonfat Solids | 9,283,371 | | \$ 0.7949/lb | 7,379,351.60 |
| Classified Value | | | | \$60,047,074.05 |
| Class III Overage Skim and Butterfat | 86,063 | 0 | | 5,559.67 |
| Class IV Overage Skim and Butterfat | 0 | 1,606 | | 2,328.70 |
| Total Overage | 86,063 | 1,606 | | \$7,888.37 |
| Class II Inventory Skim and Butterfat | 900,793 | 7,891 | | 4,942.22 |
| Class III Inventory Skim and Butterfat | 798,091 | 19,493 | | (10,174.38) |
| Total Inventory | 1,698,884 | 27,384 | | (\$5,232.16) |
| Class I Other Source Fluid and Nonfluid | 3,618 | 0 | | 182.35 |
| Producer Milk Value | | | | \$60,049,912.61 |
| Butterfat in Prod Milk x Butterfat Price | 16,822,374 | | \$ 1.4500/lb | 24,392,442.30 |
| Protein in Prod Milk x Protein Price | 14,276,859 | | \$ 1.8045/lb | 25,762,592.09 |
| Other Solids in Prod Milk x Other Solids Price | 25,914,285 | | \$ 0.1470/lb | 3,809,399.90 |
| Producer Milk Credits | | | | \$53,964,434.29 |
| PM Value - PM Credits | | | | \$6,085,478.32 |
| Location Adjustments | | | | 760,394.93 |
| 1/2 Balance in Producer Settlement Fund | | | | 414,807.98 |
| Total Producer Milk and Differential Value | 453,394,126 | 16,822,374 | \$ 1.60140611 | \$7,260,681.23 |
| Producer Settlement Fund Reserve | | | \$ 0.04140611 | 187,732.87 |
| Producer Price Differential at Salt Lake County, UT | | | \$ 1.56 /cwt | |
| Statistical Uniform Price at Salt Lake County, UT | | | \$ 12.87 /cwt | |

Estimated Market Wide Skim Utilization Class I 0 %
 Estimated Market Wide Butterfat Utilization Class I 0 %