

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 135

July 2003

	<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	52.59 %	92,612,684	90,793,133	1,819,551	2,740,824	5,375,428	8,116,252
Producer Milk - Class II	15.42 %	27,154,796	25,147,279	2,007,517	764,484	1,493,915	2,258,399
Producer Milk - Class III	2.63 %	4,632,810	4,086,860	545,950	122,101	240,313	362,414
Producer Milk - Class IV	29.36 %	51,700,177	49,987,739	1,712,438	1,505,204	2,955,468	4,460,672
Total Producer Receipts	100.00 %	176,100,467	170,015,011	6,085,456	5,132,613	10,065,124	15,197,737

	<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	90,793,133		\$ 5.92 /cwt	\$5,374,953.48
Butterfat		1,819,551	\$ 1.1590/lb	2,108,859.60
Class I Differential at Location				1,686,704.27
Class II Butterfat		2,007,517	\$ 1.2125/lb	2,434,114.36
Nonfat Solids	2,258,399		\$ 0.7356/lb	1,661,278.30
Class III Butterfat		545,950	\$ 1.2055/lb	658,142.74
Protein	122,101		\$ 2.5480/lb	311,113.34
Other Solids	240,313		(\$0.0124)/lb	(2,979.89)
Class IV Butterfat		1,712,438	\$ 1.2055/lb	2,064,344.02
Nonfat Solids	4,460,672		\$ 0.6605/lb	2,946,273.86
Classified Value				\$19,242,804.08
Class III Overage Skim and Butterfat	1,538	0		120.43
Class IV Overage Skim and Butterfat	0	14,200		17,118.10
Total Overage	1,538	14,200		\$17,238.53
Class I Inventory Skim and Butterfat	231,416	14,622		3,957.08
Class II Inventory Skim and Butterfat	637,531	23,949		5,777.51
Class III Inventory Skim and Butterfat	148,589	10,225		3,327.83
Total Inventory	1,017,536	48,796		\$13,062.42
Class I Other Source Fluid	603,931	15,721		0.00
Producer Milk Value				\$19,273,105.03
Butterfat in Prod Milk x Butterfat Price	6,085,456		\$ 1.2055/lb	7,336,017.21
Protein in Prod Milk x Protein Price	5,132,613		\$ 2.5480/lb	13,077,897.92
Other Solids in Prod Milk x Other Solids Price	10,065,124		(\$0.0124)/lb	(124,807.54)
Producer Milk Credits				\$20,289,107.59
PM Value - PM Credits				(\$1,016,002.56)
Location Adjustments				247,712.19
1/2 Balance in Producer Settlement Fund				253,991.24
Total Producer Milk and Differential Value	176,720,119	6,101,177	(\$0.29102466)	(\$514,299.13)
Producer Settlement Fund Reserve			\$ 0.04897534	86,549.28
Producer Price Differential at Salt Lake County, UT			(\$0.34) /cwt	
Statistical Uniform Price at Salt Lake County, UT			\$ 11.44 /cwt	

Estimated Market Wide Skim Utilization Class I 15 %
Estimated Market Wide Butterfat Utilization Class I 8%