

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

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

**Federal Order No. 135**

**October 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	57.54 %	100,515,913	98,508,689	2,007,224	3,169,282	5,823,210	8,992,492
Producer Milk - Class II	17.63 %	30,811,780	28,927,229	1,884,551	940,054	1,712,008	2,652,062
Producer Milk - Class III	2.19 %	3,832,643	2,901,958	930,685	93,612	171,708	265,320
Producer Milk - Class IV	22.64 %	39,561,417	38,085,307	1,476,110	1,211,709	2,237,371	3,449,080
<b>Total Producer Receipts</b>	<b>100.00 %</b>	<b>174,721,753</b>	<b>168,423,183</b>	<b>6,298,570</b>	<b>5,414,657</b>	<b>9,944,297</b>	<b>15,358,954</b>

	<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	98,508,689		\$ 10.43 /cwt	\$10,274,456.26
Butterfat		2,007,224	\$ 1.2007/lb	2,410,073.86
Class I Differential at Location				1,827,843.36
Class II Butterfat		1,884,551	\$ 1.2623/lb	2,378,868.73
Nonfat Solids	2,652,062		\$ 0.7400/lb	1,962,525.88
Class III Butterfat		930,685	\$ 1.2553/lb	1,168,288.88
Protein	93,612		\$ 3.2815/lb	307,187.78
Other Solids	171,708		\$ 0.0311/lb	5,340.12
Class IV Butterfat		1,476,110	\$ 1.2553/lb	1,852,960.88
Nonfat Solids	3,449,080		\$ 0.6642/lb	2,290,878.95
<b>Classified Value</b>				<b>\$24,478,424.70</b>
Class I Overage Skim and Butterfat	0	661		804.24
Class III Overage Skim and Butterfat	379,968	0		39,364.68
Class IV Overage Skim and Butterfat	273,760	22,485		44,596.27
<b>Total Overage</b>	<b>653,728</b>	<b>23,146</b>		<b>\$84,765.19</b>
Class I Inventory Skim and Butterfat	659,999	2,927		39,915.01
Class II Inventory Skim and Butterfat	130,202	72,058		3,803.72
Class III Inventory Skim and Butterfat	210,507	1,766		9,279.36
<b>Total Inventory</b>	<b>1,000,708</b>	<b>76,751</b>		<b>\$52,998.09</b>
Class I Other Source Fluid	579,783	13,658		9,201.61
Class I Other Source Fluid and Nonfluid	411,656	0		24,905.19
<b>Producer Milk Value</b>				<b>\$24,650,294.78</b>
Butterfat in Prod Milk x Butterfat Price	6,298,570		\$ 1.2553/lb	7,906,594.91
Protein in Prod Milk x Protein Price	5,414,657		\$ 3.2815/lb	17,768,196.95
Other Solids in Prod Milk x Other Solids Price	9,944,297		\$ 0.0311/lb	309,267.63
<b>Producer Milk Credits</b>				<b>\$25,984,059.49</b>
<b>PM Value - PM Credits</b>				<b>(\$1,333,764.71)</b>
Location Adjustments				192,519.94
1/2 Balance in Producer Settlement Fund				112,300.36
<b>Total Producer Milk and Differential Value</b>	<b>175,315,194</b>	<b>6,312,228</b>	<b>(\$0.58691114)</b>	<b>(\$1,028,944.41)</b>
Producer Settlement Fund Reserve			\$ 0.04308886	75,541.32

<b>Producer Price Differential at Salt Lake County, UT</b>	<b>(\$0.63) /cwt</b>
<b>Statistical Uniform Price at Salt Lake County, UT</b>	<b>\$ 13.76 /cwt</b>

Estimated Market Wide Skim Utilization Class I	57 %
Estimated Market Wide Butterfat Utilization Class I	32%