

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

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

**Federal Order No. 124**

**December 2012**

	<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	25.91 %	179,008,062	175,676,332	3,331,730	5,921,724	10,456,462	16,378,186
Producer Milk - Class II	4.64 %	32,046,362	28,591,824	3,454,538	966,436	1,702,124	2,668,560
Producer Milk - Class III	43.31 %	299,222,648	287,042,644	12,180,004	10,081,867	17,116,682	27,198,549
Producer Milk - Class IV	26.14 %	180,586,536	171,839,542	8,746,994	5,755,026	10,220,128	15,975,154
<b>Total Producer Receipts</b>	<b>100.00 %</b>	<b>690,863,608</b>	<b>663,150,342</b>	<b>27,713,266</b>	<b>22,725,053</b>	<b>39,495,396</b>	<b>62,220,449</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	175,676,332		\$14.63 /cwt	\$25,701,447.34
Butterfat		3,331,730	\$2.0763 /lb	6,917,670.99
Class I Differential at Location				3,398,707.44
Class II Butterfat		3,454,538	\$1.7346 /lb	5,992,241.63
Nonfat Solids	2,668,560		\$1.4078 /lb	3,756,798.77
Class III Butterfat		12,180,004	\$1.7276 /lb	21,042,174.92
Protein	10,081,867		\$3.3113 /lb	33,384,086.21
Other Solids	17,116,682		\$ 0.4758 /lb	8,144,117.29
Class IV Butterfat		8,746,994	\$1.7276 /lb	15,111,306.84
Nonfat Solids	15,975,154		\$1.3569 /lb	21,676,686.47
<b>Classified Value</b>				<b>\$145,125,237.90</b>
Class I Overage Skim and Butterfat	2,073	1,487		3,458.38
Class IV Overage Skim and Butterfat	117,707	8,119		28,398.42
<b>Total Overage</b>	<b>119,780</b>	<b>9,606</b>		<b>\$31,856.80</b>
Class II Inventory Skim and Butterfat	1,568,129	91,850		(15,872.85)
<b>Total Inventory</b>	<b>1,568,129</b>	<b>91,850</b>		<b>(\$15,872.85)</b>
Class I Other Source Fluid	807	0		27.92
<b>Producer Milk Value</b>				<b>\$145,141,249.77</b>
Butterfat in Prod Milk x Butterfat Price	27,713,266		\$1.7276 /lb	47,877,438.37
Protein in Prod Milk x Protein Price	22,725,053		\$3.3113 /lb	75,249,468.00
Other Solids in Prod Milk x Other Solids Price	39,495,396		\$ 0.4758 /lb	18,791,909.43
<b>Producer Milk Credits</b>				<b>\$141,918,815.80</b>
<b>PM Value - PM Credits</b>				<b>\$3,222,433.97</b>
Location Adjustments				430,971.76
1/2 Balance in Producer Settlement Fund				180,180.91
<b>Total Producer Milk and Differential Value</b>	<b>690,864,415</b>	<b>27,713,266</b>	<b>\$ 0.55489711</b>	<b>\$3,833,586.64</b>
Producer Settlement Fund Reserve			\$0.04489711	310,178.16

<b>Producer Price Differential at King County, WA</b>	<b>\$ 0.51 /cwt</b>
<b>Statistical Uniform Price at King County, WA</b>	<b>\$19.17 /cwt</b>

Estimated Market Wide Skim Utilization Class I 46 %  
 Estimated Market Wide Butterfat Utilization Class I 22 %

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William A. Wise, Market Administrator