

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

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

**Federal Order No. 124**

**January 2013**

	<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	27.24 %	190,337,228	186,982,677	3,354,551	6,301,971	11,145,717	17,447,688
Producer Milk - Class II	5.87 %	40,984,509	37,332,276	3,652,233	1,255,031	2,227,902	3,482,933
Producer Milk - Class III	42.08 %	293,983,166	282,003,723	11,979,443	9,884,060	16,845,537	26,729,597
Producer Milk - Class IV	24.81 %	173,339,617	164,341,312	8,998,305	5,504,172	9,783,330	15,287,502
<b>Total Producer Receipts</b>	<b>100.00 %</b>	<b>698,644,520</b>	<b>670,659,988</b>	<b>27,984,532</b>	<b>22,945,234</b>	<b>40,002,486</b>	<b>62,947,720</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	186,982,677		\$13.33 /cwt	\$24,924,790.84
Butterfat		3,354,551	\$1.7452 /lb	5,854,362.41
Class I Differential at Location				3,613,145.73
Class II Butterfat		3,652,233	\$1.6238 /lb	5,930,495.94
Nonfat Solids	3,482,933		\$1.4400 /lb	5,015,423.52
Class III Butterfat		11,979,443	\$1.6168 /lb	19,368,363.44
Protein	9,884,060		\$3.2862 /lb	32,480,997.97
Other Solids	16,845,537		\$ 0.4647 /lb	7,828,121.05
Class IV Butterfat		8,998,305	\$1.6168 /lb	14,548,459.52
Nonfat Solids	15,287,502		\$1.3784 /lb	21,072,292.76
<b>Classified Value</b>				<b>\$140,636,453.18</b>
Class I Overage Skim and Butterfat	162	841		1,508.37
Class II Overage Skim and Butterfat	0	3,985		6,470.84
Class IV Overage Skim and Butterfat	71,041	16,152		34,930.74
<b>Total Overage</b>	<b>71,203</b>	<b>20,978</b>		<b>\$42,909.95</b>
Class II Inventory Skim and Butterfat	2,055,323	83,116		6,787.48
Class III Inventory Skim and Butterfat	1,128,225	52,309		2,327.38
<b>Total Inventory</b>	<b>3,183,548</b>	<b>135,425</b>		<b>\$9,114.86</b>
Class I Other Source Fluid	9,848	0		226.50
<b>Producer Milk Value</b>				<b>\$140,688,704.49</b>
Butterfat in Prod Milk x Butterfat Price	27,984,532		\$1.6168 /lb	45,245,391.34
Protein in Prod Milk x Protein Price	22,945,234		\$3.2862 /lb	75,402,627.95
Other Solids in Prod Milk x Other Solids Price	40,002,486		\$ 0.4647 /lb	18,589,155.25
<b>Producer Milk Credits</b>				<b>\$139,237,174.54</b>
<b>PM Value - PM Credits</b>				<b>\$1,451,529.95</b>
Location Adjustments				420,128.16
1/2 Balance in Producer Settlement Fund				300,000.00
<b>Total Producer Milk and Differential Value</b>	<b>698,654,368</b>	<b>27,984,532</b>	<b>\$ 0.31083440</b>	<b>\$2,171,658.11</b>
Producer Settlement Fund Reserve			\$0.04083440	285,291.32

<b>Producer Price Differential at King County, WA</b>	<b>\$ 0.27</b>	<b>/cwt</b>
<b>Statistical Uniform Price at King County, WA</b>	<b>\$18.41</b>	<b>/cwt</b>

Estimated Market Wide Skim Utilization Class I 26 %  
 Estimated Market Wide Butterfat Utilization Class I 12 %