

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

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

**Federal Order No. 124**

**October 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	29.89 %	186,639,206	183,104,971	3,534,235	6,233,972	10,873,991	17,107,963
Producer Milk - Class II	6.05 %	37,792,517	33,714,646	4,077,871	1,152,417	2,001,875	3,154,292
Producer Milk - Class III	48.28 %	301,453,107	289,204,633	12,248,474	10,247,006	17,213,326	27,460,332
Producer Milk - Class IV	15.78 %	98,560,841	93,575,432	4,985,409	3,171,657	5,548,584	8,720,241
<b>Total Producer Receipts</b>	<b>100.00 %</b>	<b>624,445,671</b>	<b>599,599,682</b>	<b>24,845,989</b>	<b>20,805,052</b>	<b>35,637,776</b>	<b>56,442,828</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	183,104,971		\$14.55 /cwt	\$26,641,773.29
Butterfat		3,534,235	\$1.4727 /lb	5,204,867.87
Class I Differential at Location				3,543,607.03
Class II Butterfat		4,077,871	\$1.6708 /lb	6,813,306.88
Nonfat Solids	3,154,292		\$1.6944 /lb	5,344,632.38
Class III Butterfat		12,248,474	\$1.6638 /lb	20,379,011.06
Protein	10,247,006		\$3.4107 /lb	34,949,463.35
Other Solids	17,213,326		\$ 0.3852 /lb	6,630,573.17
Class IV Butterfat		4,985,409	\$1.6638 /lb	8,294,723.50
Nonfat Solids	8,720,241		\$1.6521 /lb	14,406,710.15
<b>Classified Value</b>				<b>\$132,208,668.68</b>
Class IV Overage Skim and Butterfat	123,090	5,647		27,698.96
<b>Total Overage</b>	<b>123,090</b>	<b>5,647</b>		<b>\$27,698.96</b>
Class II Inventory Skim and Butterfat	3,031,556	120,686		37,346.54
Class III Inventory Skim and Butterfat	1,874,735	95,074		(19,473.14)
<b>Total Inventory</b>	<b>4,906,291</b>	<b>215,760</b>		<b>\$17,873.40</b>
Class I Other Source Fluid	16,001	0		576.04
<b>Producer Milk Value</b>				<b>\$132,254,817.08</b>
Butterfat in Prod Milk x Butterfat Price	24,845,989		\$1.6638 /lb	41,338,756.50
Protein in Prod Milk x Protein Price	20,805,052		\$3.4107 /lb	70,959,790.85
Other Solids in Prod Milk x Other Solids Price	35,637,776		\$ 0.3852 /lb	13,727,671.32
<b>Producer Milk Credits</b>				<b>\$126,026,218.67</b>
<b>PM Value - PM Credits</b>				<b>\$6,228,598.41</b>
Location Adjustments				395,324.09
1/2 Balance in Producer Settlement Fund				273,470.56
<b>Total Producer Milk and Differential Value</b>	<b>624,461,672</b>	<b>24,845,989</b>	<b>\$ 1.10453425</b>	<b>\$6,897,393.06</b>
Producer Settlement Fund Reserve			\$0.04453425	278,099.32

<b>Producer Price Differential at King County, WA</b>	<b>\$ 1.06</b>	<b>/cwt</b>
<b>Statistical Uniform Price at King County, WA</b>	<b>\$19.28</b>	<b>/cwt</b>

Estimated Market Wide Skim Utilization Class I 30 %  
 Estimated Market Wide Butterfat Utilization Class I 14 %