

**UNITED STATES DEPARTMENT OF AGRICULTURE**  
**AGRICULTURAL MARKETING SERVICE, DAIRY PROGRAMS**  
**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

Federal Order No. 124

April 2015

|                                | <u>% UTILIZATION</u><br><u>PER CLASS</u> | <u>PRODUCT</u><br><u>POUNDS</u> | <u>SKIM</u><br><u>POUNDS</u> | <u>BUTTERFAT</u><br><u>POUNDS</u> | <u>PROTEIN</u><br><u>POUNDS</u> | <u>OTHER</u><br><u>SOLIDS</u> | <u>NONFAT</u><br><u>SOLIDS</u> |
|--------------------------------|--|---------------------------------|------------------------------|-----------------------------------|---------------------------------|-------------------------------|--------------------------------|
| Producer Milk - Class I        | 34.68 %                                  | 162,672,155                     | 159,664,849                  | 3,007,306                         | 5,241,916                       | 9,525,051                     | 14,766,967                     |
| Producer Milk - Class II       | 9.27 %                                   | 43,501,112                      | 39,528,961                   | 3,972,151                         | 1,297,232                       | 2,355,989                     | 3,653,221                      |
| Producer Milk - Class III      | 5.27 %                                   | 24,721,598                      | 23,524,935                   | 1,196,663                         | 763,017                         | 1,401,377                     | 2,164,394                      |
| Producer Milk - Class IV       | 50.78 %                                  | 238,122,579                     | 228,138,688                  | 9,983,891                         | 7,483,575                       | 13,569,553                    | 21,053,128                     |
| <b>Total Producer Receipts</b> | <b>100.00 %</b>                          | <b>469,017,444</b>              | <b>450,857,433</b>           | <b>18,160,011</b>                 | <b>14,785,740</b>               | <b>26,851,970</b>             | <b>41,637,710</b>              |

|   | <u>POUNDS</u>      | <u>BFAT</u><br><u>POUNDS</u> | <u>LB/CWT</u><br><u>PRICE</u> | <u>TOTAL</u><br><u>DOLLARS</u> |
|---|--------------------|------------------------------|-------------------------------|--------------------------------|
| Class I Skim Milk                                 | 159,664,849        |                              | \$9.37 /cwt                   | \$14,960,596.36                |
| Butterfat   |                    | 3,007,306                    | \$1.8442 /lb                  | 5,546,073.72                   |
| Class I Differential at Location                  |                    |                              |                               | 3,088,359.31                   |
| Class II Butterfat                                |                    | 3,972,151                    | \$1.9010 /lb                  | 7,551,059.06                   |
| Nonfat Solids                                     | 3,653,221          |                              | \$0.9589 /lb                  | 3,503,073.62                   |
| Class III Butterfat                               |                    | 1,196,663                    | \$1.8940 /lb                  | 2,266,479.73                   |
| Protein   | 763,017            |                              | \$2.5551 /lb                  | 1,949,584.75                   |
| Other Solids                                      | 1,401,377          |                              | \$ 0.2698 /lb                 | 378,091.52                     |
| Class IV Butterfat                                |                    | 9,983,891                    | \$1.8940 /lb                  | 18,909,489.57                  |
| Nonfat Solids                                     | 21,053,128         |                              | \$0.7926 /lb                  | 16,686,709.25                  |
| <b>Classified Value</b>                           |                    |                              |                               | <b>\$74,839,516.89</b>         |
| Class I Overage Skim and Butterfat                | 200                | 0                            |                               | 22.54                          |
| Class IV Overage Skim and Butterfat               | 0                  | 5,834                        |                               | 11,049.60                      |
| <b>Total Overage</b>                              | <b>200</b>         | <b>5,834</b>                 |                               | <b>\$11,072.14</b>             |
| Class II Inventory Skim and Butterfat             | 2,017,662          | 53,785                       |                               | 23,624.39                      |
| Class III Inventory Skim and Butterfat            | 0                  | 2,560                        |                               | 126.98                         |
| <b>Total Inventory</b>                            | <b>2,017,662</b>   | <b>56,345</b>                |                               | <b>\$23,751.37</b>             |
| Class I Other Source Fluid                        | 12,085             | 0                            |                               | 212.70                         |
| <b>Producer Milk Value</b>                        |                    |                              |                               | <b>\$74,874,553.10</b>         |
| Butterfat in Prod Milk x Butterfat Price          | 18,160,011         |                              | \$1.8940 /lb                  | 34,395,060.85                  |
| Protein in Prod Milk x Protein Price              | 14,785,740         |                              | \$2.5551 /lb                  | 37,779,044.25                  |
| Other Solids in Prod Milk x Other Solids Price    | 26,851,970         |                              | \$ 0.2698 /lb                 | 7,244,661.50                   |
| <b>Producer Milk Credits</b>                      |                    |                              |                               | <b>\$79,418,766.60</b>         |
| <b>PM Value - PM Credits</b>                      |                    |                              |                               | <b>(\$4,544,213.50)</b>        |
| Location Adjustments                              |                    |                              |                               | 146,689.23                     |
| 1/2 Balance in Producer Settlement Fund           |                    |                              |                               | 131,358.13                     |
| <b>Total Producer Milk and Differential Value</b> | <b>469,029,529</b> | <b>18,160,011</b>            | <b>\$(0.90957304)</b>         | <b>(\$4,266,166.14)</b>        |
| Producer Settlement Fund Reserve                  |                    |                              | \$0.04042696                  | 189,614.38                     |

|   |                 |             |
|---|-----------------|-------------|
| <b>Producer Price Differential at King County, WA</b> | <b>\$(0.95)</b> | <b>/cwt</b> |
| <b>Statistical Uniform Price at King County, WA</b>   | <b>\$14.86</b>  | <b>/cwt</b> |

Estimated Market Wide Skim Utilization Class I 33 %  
Estimated Market Wide Butterfat Utilization Class I 16 %