

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

Federal Order No. 124

February 2018

| | <u>% UTILIZATION PER CLASS</u> | <u>PRODUCT POUNDS</u> | <u>SKIM POUNDS</u> | <u>BUTTERFAT POUNDS</u> | <u>PROTEIN POUNDS</u> | <u>OTHER SOLIDS</u> | <u>NONFAT SOLIDS</u> |
|--------------------------------|------------------------------------|---------------------------|------------------------|-----------------------------|---------------------------|-------------------------|--------------------------|
| Producer Milk - Class I | 21.01 % | 142,184,559 | 139,365,477 | 2,819,082 | 4,688,536 | 8,367,847 | 13,056,383 |
| Producer Milk - Class II | 6.14 % | 41,524,731 | 37,333,187 | 4,191,544 | 1,263,532 | 2,239,042 | 3,502,574 |
| Producer Milk - Class III | 41.45 % | 280,439,197 | 268,898,510 | 11,540,687 | 9,497,118 | 16,088,119 | 25,585,237 |
| Producer Milk - Class IV | 31.40 % | 212,448,637 | 202,850,667 | 9,597,970 | 6,899,303 | 12,145,423 | 19,044,726 |
| Total Producer Receipts | 100.00 % | 676,597,124 | 648,447,841 | 28,149,283 | 22,348,489 | 38,840,431 | 61,188,920 |

| | <u>POUNDS</u> | <u>BFAT POUNDS</u> | <u>LB/CWT PRICE</u> | <u>TOTAL DOLLARS</u> |
|---|--------------------|------------------------|-------------------------|--------------------------|
| Class I Skim Milk | 139,365,477 | | \$5.71 /cwt | \$7,957,768.73 |
| Butterfat | | 2,819,082 | \$2.4976 /lb | 7,040,939.20 |
| Class I Differential at Location | | | | 2,699,200.44 |
| Class II Butterfat | | 4,191,544 | \$2.3560 /lb | 9,875,277.67 |
| Nonfat Solids | 3,502,574 | | \$0.5978 /lb | 2,093,838.74 |
| Class III Butterfat | | 11,540,687 | \$2.3490 /lb | 27,109,073.77 |
| Protein | 9,497,118 | | \$1.6265 /lb | 15,447,062.42 |
| Other Solids | 16,088,119 | | \$ 0.0550 /lb | 884,846.56 |
| Class IV Butterfat | | 9,597,970 | \$2.3490 /lb | 22,545,631.55 |
| Nonfat Solids | 19,044,726 | | \$0.5352 /lb | 10,192,737.36 |
| Classified Value | | | | \$105,846,376.44 |
| Class II Overage Skim and Butterfat | 171,732 | 0 | | 9,239.18 |
| Class IV Overage Skim and Butterfat | 70,477 | 576 | | 4,750.01 |
| Total Overage | 242,209 | 576 | | \$13,989.19 |
| Class II Inventory Skim and Butterfat | 1,202,293 | 61,699 | | 2,064.38 |
| Class III Inventory Skim and Butterfat | 622,209 | 3,198 | | 3,773.67 |
| Total Inventory | 1,824,502 | 64,897 | | \$5,838.05 |
| Class I Other Source Fluid | 24,832 | 0 | | 556.24 |
| Producer Milk Value | | | | \$105,866,759.92 |
| Butterfat in Prod Milk x Butterfat Price | 28,149,283 | | \$2.3490 /lb | 66,122,665.78 |
| Protein in Prod Milk x Protein Price | 22,348,489 | | \$1.6265 /lb | 36,349,817.35 |
| Other Solids in Prod Milk x Other Solids Price | 38,840,431 | | \$ 0.0550 /lb | 2,136,223.75 |
| Producer Milk Credits | | | | \$104,608,706.88 |
| PM Value - PM Credits | | | | \$1,258,053.04 |
| Location Adjustments | | | | 477,915.79 |
| 1/2 Balance in Producer Settlement Fund | | | | 316,165.31 |
| Total Producer Milk and Differential Value | 676,621,956 | 28,149,283 | \$ 0.30329110 | \$2,052,134.14 |
| Producer Settlement Fund Reserve | | | \$0.04329110 | 292,917.09 |

| | |
|---|---------------------|
| Producer Price Differential at King County, WA | \$ 0.26 /cwt |
| Statistical Uniform Price at King County, WA | \$13.66 /cwt |

Estimated Market Wide Skim Utilization Class I 22 %
 Estimated Market Wide Butterfat Utilization Class I 10 %