

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

May 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	25.35%	186,892,086	183,668,253	3,223,833	5,885,520	10,948,231	16,833,751
Producer Milk - Class II	5.65%	41,679,343	37,863,524	3,815,819	1,212,350	2,256,395	3,468,745
Producer Milk - Class III	42.16%	310,754,431	299,001,137	11,753,294	9,880,267	17,901,158	27,781,425
Producer Milk - Class IV	26.84%	197,790,781	189,278,741	8,512,040	6,068,696	11,261,861	17,330,557
Total Producer Receipts	100.00%	737,116,641	709,811,655	27,304,986	23,046,833	42,367,645	65,414,478

	<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	183,668,253		\$10.76 /cwt	\$19,762,704.04
Butterfat		3,223,833	\$1.5633 /lb	5,039,818.12
Class I Differential at Location				3,548,325.36
Class II Butterfat		3,815,819	\$1.4532 /lb	5,545,148.16
Nonfat Solids	3,468,745		\$1.1633 /lb	4,035,191.04
Class III Butterfat		11,753,294	\$1.4462 /lb	16,997,613.78
Protein	9,880,267		\$2.7344 /lb	27,016,602.07
Other Solids	17,901,158		\$ 0.3500 /lb	6,265,405.30
Class IV Butterfat		8,512,040	\$1.4462 /lb	12,310,112.24
Nonfat Solids	17,330,557		\$0.9774 /lb	16,938,886.42
Classified Value				\$117,459,806.53
Class I Overage Skim and Butterfat	0	80		126.58
Class II Overage Skim and Butterfat	64,748	0		6,779.12
Class IV Overage Skim and Butterfat	0	4,748		6,866.55
Total Overage	64,748	4,828		\$13,772.25
Class II Inventory Skim and Butterfat	2,606,141	71,267		13,177.73
Class III Inventory Skim and Butterfat	0	46,596		(5,512.31)
Total Inventory	2,606,141	117,863		\$7,665.42
Producer Milk Value				\$117,481,244.20
Butterfat in Prod Milk x Butterfat Price	27,304,986		\$1.4462 /lb	39,488,470.75
Protein in Prod Milk x Protein Price	23,046,833		\$2.7344 /lb	63,019,260.17
Other Solids in Prod Milk x Other Solids Price	42,367,645		\$ 0.3500 /lb	14,828,675.75
Producer Milk Credits				\$117,336,406.67
PM Value - PM Credits				\$144,837.53
Location Adjustments				469,564.70
1/2 Balance in Producer Settlement Fund				305,863.64
Total Producer Milk and Differential Value	737,116,641	27,304,986	\$ 0.12484671	\$920,265.87
Producer Settlement Fund Reserve			\$0.04484671	330,572.56

Producer Price Differential at King County, WA	\$ 0.08	/cwt
Statistical Uniform Price at King County, WA	\$15.31	/cwt

Estimated Market Wide Skim Utilization Class I 28%
 Estimated Market Wide Butterfat Utilization Class I 13%