

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

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Federal Order No. 124

April 2014

| | <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 | 29.10 % | 168,420,887 | 165,357,090 | 3,063,797 | 5,416,411 | 9,858,881 | 15,275,292 |
| Producer Milk - Class II | 8.40 % | 48,636,011 | 44,267,259 | 4,368,752 | 1,449,877 | 2,635,260 | 4,085,137 |
| Producer Milk - Class III | 25.28 % | 146,332,777 | 140,725,341 | 5,607,436 | 4,590,050 | 8,378,294 | 12,968,344 |
| Producer Milk - Class IV | 37.22 % | 215,347,545 | 206,565,112 | 8,782,433 | 6,774,938 | 12,295,194 | 19,070,132 |
| Total Producer Receipts | 100.00 % | 578,737,220 | 556,914,802 | 21,822,418 | 18,231,276 | 33,167,629 | 51,398,905 |

| | <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 | 165,357,090 | | \$17.22 /cwt | \$28,474,490.90 |
| Butterfat | | 3,063,797 | \$2.0094 /lb | 6,156,393.70 |
| Class I Differential at Location | | | | 3,197,609.13 |
| Class II Butterfat | | 4,368,752 | \$2.1277 /lb | 9,295,393.62 |
| Nonfat Solids | 4,085,137 | | \$1.9911 /lb | 8,133,916.30 |
| Class III Butterfat | | 5,607,436 | \$2.1207 /lb | 11,891,689.52 |
| Protein | 4,590,050 | | \$4.7089 /lb | 21,614,086.44 |
| Other Solids | 8,378,294 | | \$ 0.4926 /lb | 4,127,147.63 |
| Class IV Butterfat | | 8,782,433 | \$2.1207 /lb | 18,624,905.68 |
| Nonfat Solids | 19,070,132 | | \$1.8328 /lb | 34,951,737.93 |
| Classified Value | | | | \$146,467,370.85 |
| Class IV Overage Skim and Butterfat | 138,434 | 3,298 | | 29,835.68 |
| Total Overage | 138,434 | 3,298 | | \$29,835.68 |
| Class II Inventory Skim and Butterfat | 1,485,957 | 51,454 | | 16,389.89 |
| Class III Inventory Skim and Butterfat | 1,169,353 | 45,764 | | 8,127.54 |
| Total Inventory | 2,655,310 | 97,218 | | \$24,517.43 |
| Class I Other Source Fluid | 8,147 | 0 | | 131.98 |
| Producer Milk Value | | | | \$146,521,855.94 |
| Butterfat in Prod Milk x Butterfat Price | 21,822,418 | | \$2.1207 /lb | 46,278,801.83 |
| Protein in Prod Milk x Protein Price | 18,231,276 | | \$4.7089 /lb | 85,849,255.56 |
| Other Solids in Prod Milk x Other Solids Price | 33,167,629 | | \$ 0.4926 /lb | 16,338,374.04 |
| Producer Milk Credits | | | | \$148,466,431.43 |
| PM Value - PM Credits | | | | (\$1,944,575.49) |
| Location Adjustments | | | | 276,574.08 |
| 1/2 Balance in Producer Settlement Fund | | | | 315,073.37 |
| Total Producer Milk and Differential Value | 578,745,367 | 21,822,418 | \$(0.23376914) | (\$1,352,928.04) |
| Producer Settlement Fund Reserve | | | \$0.04623086 | 267,558.96 |

| | | |
|---|-----------------|-------------|
| Producer Price Differential at King County, WA | \$(0.28) | /cwt |
| Statistical Uniform Price at King County, WA | \$24.03 | /cwt |

Estimated Market Wide Skim Utilization Class I 23 %
 Estimated Market Wide Butterfat Utilization Class I 10 %