

Producer Component Prices – February 2023

The producer component prices for the month of February are as follows: BF = \$18.6322, PT = \$2.9359, OS = \$0.8194. The average BC producer hectolitre return for the month is \$97.11/hl compared to \$96.65/hl in January, an increase of \$0.46/hl to the blend price. Expressed in revenue per kg of bf, these averages are \$21.91 in February and \$21.78 in January (increase of \$0.13).

The impact from the sales product mix and price change was an increase to the blend price of \$1.33/hl. The unfavorable product mix this month was offset by the increase in class prices for Feb. 2023, resulting in an overall increased pre-pooling blend price. The January payment for P10/WMP equalization was higher than the previous month, resulting in an increased deduction of \$1.34/hl to the blend price.

Producers will notice that the provincial freight rate paid in the province has decreased by \$0.18/hl. There have been recent significant increases in fuel and operating costs that have contributed to increases in the overall freight rate over the past few months.

Continuous Quota			BC Continuous Quota Position
Cumulative Over/Under Production (with limits) as of January 2023			January 2023 Actual -2.43%
	Kg of BF	%*	
NL	(1,056,485)	-41.02%	
P5	(1,536,699)	-0.52%	
WMP	(1,854,119)	-1.85%	
P10	(4,447,303)	-1.12%	
BC	(859,523)	-2.43%	
<small>*Cumulative Over/Under Production (with limits) expressed as a % of the most recent 12 months total quota.</small>			

Provincial Freight			Producer Payment Dates		
The producer freight rate calculations for the months of January and February are summarized below:			Participants in the March, April & May Pools will receive payments as follows:		
Freight Rates (\$/hl)	January	February	Month of Production	Advance Payment	Final Payment
Zone Transportation Costs	3.95	3.94			
Less: Vendor Billings	(0.03)	(0.03)	Mar	Apr 3	Apr 21
Gross Provincial Freight Rate	3.92	3.91	Apr	May 1	May 17
Add: Train/Volume Discounts	0.35	0.34	May	June 1	June 19
Less: Stop/Extra Pick-Up Charges	(0.13)	(0.12)	Go to bcmilk to view Producer Payment Dates		
Transportation Department Costs	0.02	0.02	Transportation		
Adjustments from Prior Period	0.16	(0.01)	Contact Chantale Frost-Gill for transportation inquiries T.604.854.4478 cfrostgill@bcmilk.com		
Net Provincial Freight Rate	4.32	4.14			

Quota Management: Credit Transfer Average Prices			Milk Quality Report		
Effective Feb 1, 2023	Conventional	Organic	The provincial averages and quality bonus data based on the official milk quality tests for January and February are:		
Average Price	\$7.99	\$6.00			
<small>A Summary of Credit Transfer Statistics can be found at bcmilk.com with other credit transfer documents.</small>			Milk Quality Data	January	February
Quota Management: Important Dates					
Application Deadlines	Date & Time	Effective Date(s)			
Quota Exchange	Apr 3 @ 1PM	May 1	Individual Bacteria Count	31,026	24,411
CDQ Buy/Sell of Credits	Mar 24 @ 1PM	March 1	Somatic Cell Count	146,032	144,679
<small>If you have any questions, please contact:</small>					
Kathy Wallis T. 604.854.4471 kwallis@bcmilk.com					
Pam Gregory T. 604.854.4474 pgregory@bcmilk.com					
Contact Kathy to schedule an in-person quota management meeting. Appointments can be booked for either Tues or Wed.			Quality Bonus Qualifiers (%)	75.90%	78.5%