

August 18, 2020

Notice to Organic Processors – 95% Commitment

The Board has made a change in how the 95% commitments made by organic processors is calculated each month. The change was made in consultation with the Specialty Products Advisory Council (SPAC). The adjusted calculation will ensure even weekly ordering of milk from processors as well as a fair calculation of premium payments.

The below excerpt can be found on page 14 in the updated [Specialty \(Organic\) Policy Guide-August 1, 2020](#) located on our website and is reflective of the change in calculation which will be effective August 29, 2020.

Processor Organic Premium Obligation

Where organic production is not received by any Pool Participant Vendor in accordance with a Pool Participant Vendor’s planned annual forecast of milk requirements as provided to the Board, that Pool Participant Vendor shall pay to the Board the applicable premium on 95% of the Qualifying Milk so shipped and not received by that Pool Participant Vendor.

- i) Individual processors will be charged the premium on all organic milk ordered and received where this volume is greater than 95% of their committed volume.
- ii) If organic milk ordered and received [during the 4- or 5-week period as outlined in \(iv\)](#), is less than 95% of a processor’s committed volume [for that period](#), the processor will pay the organic premium on 95% of their committed volume. If there is no surplus organic milk, the requirement to pay the organic premium on up to 95% of the committed volume will not apply.
- iii) Processors are always required to pay the organic premium on all organic milk ordered and received.
- iv) [Each period will end on the last Friday of the month, and each week will be considered from Saturday to Friday. Each period will begin on the Saturday, following the last Friday of the previous month.](#)
- v) [An example of the 2020 period dates are below, along with a sample calculation of the 95% commitments.](#)

Processor	Weekly Commitment	# of weeks in period	Total Litres Committed	Shorted by BCMMB	95% of Commitment less Shorted Litres	Litres Received	95% of Committed Litres less receipts	Surplus Litres Charged to Processors up to 95% of Commitment	Actual Surplus Litres up to 95% of Commitment
1	110,410	5	552,050	0	524,448	520,100	4,348	4348	4,348
2	190,000	5	950,000	0	902,500	903,500	-1,000	0	0
3	80,235	5	401,175	0	381,116	415,000	-33,884	0	0
4	60,000	5	300,000	0	285,000	250,400	34,600	34600	34,600
5	31,500	5	157,500	0	149,625	160,000	-10,375	0	0
Total	472,145		2,360,725	0	2,242,689	2,249,000	-6,311	38,948	38,948

2020

JANUARY -5							FEBRUARY -4							MARCH -4							APRIL -4						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
29	30	31	1	2	3	4	26	27	28	29	30	31	1	1	2	3	4	5	6	7	29	30	31	1	2	3	4
5	6	7	8	9	10	11	2	3	4	5	6	7	8	8	9	10	11	12	13	14	5	6	7	8	9	10	11
12	13	14	15	16	17	18	9	10	11	12	13	14	15	15	16	17	18	19	20	21	12	13	14	15	16	17	18
19	20	21	22	23	24	25	16	17	18	19	20	21	22	22	23	24	25	26	27	28	19	20	21	22	23	24	25
26	27	28	29	30	31	1	23	24	25	26	27	28	29	29	30	31	1	2	3	4	26	27	28	29	30	1	2

MAY -5							JUNE -4							JULY -5							AUGUST -4						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
26	27	28	29	30	1	2	31	1	2	3	4	5	6	28	29	30	1	2	3	4	26	27	28	29	30	31	1
3	4	5	6	7	8	9	7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8
10	11	12	13	14	15	16	14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	13	14	15
17	18	19	20	21	22	23	21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	19	20	21	22
24	25	26	27	28	29	30	28	29	30	1	2	3	4	26	27	28	29	30	31	1	23	24	25	26	27	28	29
31	1	2	3	4	5	6	5	6	7	8	9	10	11	2	3	4	5	6	7	8	30	31	1	2	3	4	5

SEPTEMBER -4							OCTOBER -5							NOVEMBER -4							DECEMBER -4						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
30	31	1	2	3	4	5	27	28	29	30	1	2	3	1	2	3	4	5	6	7	29	30	1	2	3	4	5
6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12
13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19
20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26
27	28	29	30	1	2	3	25	26	27	28	29	30	31	29	30	1	2	3	4	5	27	28	29	30	31	1	2