

Producer Component Prices – November 2021

The producer component prices for the month of November are as follows: BF=\$16.1482, PT=\$2.4657, OS=\$0.6972. The average BC producer hectoliter return for the month is \$82.2317 compared to \$85.0690 in October, a decrease of \$2.8373. Expressed in revenue per KG of BF, these averages are \$18.9748 in November and \$19.8820 in October.

The province of BC disposed of 7.5M litres of raw milk due to inaccessibility and highway closures caused by the severe flooding in November. Transporters worked extremely hard to continue milk pickups wherever possible despite significant challenges throughout the province. The disposed milk represents a loss of industrial processing for the province and without support or funding from government or other sources, represents a loss of approx. \$5.5M in revenue, or \$10/HL on the producer return. BC Milk has received support from the CDC and all provinces across the country to provide financial support to BC until such funding can be sourced. Currently, this support is taking the form of the CDC granting an extension of the October pooling transfer, which amounts to approx. \$4.5M so the transfer payment changed to the November pool of \$400K is only for other national pooling programs – the revenue pooling with the WMP and P10 is not included here. This will help maintain cash flows for province and producers until funding or aid is received which is actively being worked on.

Continuous Quota

BC Continuous Quota Position

Cumulative Over/Under Production (with limits) as of October 2021			October 2021 Actual -0.27%
	Kg of BF	%*	
NL	(1,121,489)	-43.79%	
P5	(4,108,472)	-1.40%	
WMP	(1,466,573)	-1.45%	
P10	(6,696,533)	-1.68%	
BC	(96,218)	-0.27%	

*Cumulative Over/Under Production (with limits) expressed as a % of the most recent 12 months total quota.

Provincial Freight

Producer Payment Dates

The producer freight rate calculations for the months of October and November are summarized below:

Participants in the Dec | Jan | Feb Pools will receive payments as follows:

Freight Rates (\$/hl)	October	November	Month of Production	Advance Payment	Final Payment
Zone Transportation Costs	3.33	3.16	Dec	Jan 4	Jan 20
Less: Vendor Billings	(0.17)	(0.08)	Jan	Feb 1	Feb 17
Gross Provincial Freight Rate	3.16	3.08	Feb	Mar 1	Mar 17
Add: Train/Volume Discounts	0.35	0.34	Please go to bcmilk.com to view all 2021-2022 Producer Payment Dates		
Less: Stop/Extra Pick-Up Charges	(0.13)	(0.09)			
Transportation Department Costs	0.02	0.02			
Adjustments from Prior Period	(0.07)	0.06			
Net Provincial Freight Rate	3.33	3.41			

Quota Management: Credit Transfer Average Prices

Milk Quality Report

Effective Nov 1	Conventional	Organic
Average Price	\$7.77	\$6.17

A Summary of Credit Transfer Statistics can be found at bcmilk.com with other credit transfer documents.

Quota Management: Important Dates

Application Deadlines	Date & Time	Effective Date(s)	Milk Quality Data	October	November
Quota Exchange	Jan 4 @ 1 PM	Feb 1	Individual Bacteria Count	21,708	17,920
CDQ Buy/Sell of Credits	Dec 22 @ 1 PM	Dec 1 or Jan 1	Somatic Cell Count	159,832	153,800
If you have any questions, please contact:			Quality Bonus Qualifiers (%)	75.40%	80.90%
Kathy Wallis T. 604.854.4471 kwallis@bcmilk.com					
Pam Gregory T. 604.854.4474 pgregory@bcmilk.com					