

Producer Component Prices – November 2022

The producer component prices for the month of November are as follows: BF = \$18.7950, PT= \$2.9462 OS = \$0.8416. The average BC producer hectolitre return for the month is \$99.28/hl compared to \$95.70/hl in October, an increase of \$3.58/hl to the blend price. Expressed in revenue per kg of bf, these averages are \$22.09 in November and \$22.13 in October (decrease of \$0.04).

The largest impact to the blend price came from the sales product mix, which increased the blend price by \$2.62/hl, resulting in an overall increased pre-pooling blend price. The October payment for P10/WMP equalization was lower than the previous month, resulting in a reduced deduction of \$0.47/hl. There were no milk disposals this month. Producers will notice that the provincial freight rate paid in the province has increased by \$0.36/hl. This is due to the annual increase of the route based formula for 2022-2023 for all transporters. This increase has taken into account the rising significant operating costs such as fuel, inflation and payroll etc. Lower off-farm volumes have also contributed to a higher freight cost per litre for the month of November.

Continuous Quota			BC Continuous Quota Position
Cumulative Over/Under Production (with limits) as of October 2022			October 2022 Actual -3.17%
	Kg of BF	%*	
NL	(1,161,442)	-45.51%	
P5	(4,079,744)	-1.38%	
WMP	(2,955,365)	-2.94%	
P10	(8,196,551)	-2.05%	
BC	(1,129,083)	-3.17%	
<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 October and November are summarized below:			Participants in the December, January & February Pools will receive payments as follows:		
Freight Rates (\$/hl)	October	November	Month of Production	Advance Payment	Final Payment
Zone Transportation Costs	3.74	4.07	Dec	Jan 3	Jan 19
Less: Vendor Billings	(0.04)	(0.03)	Jan	Feb 1	Feb 17
Gross Provincial Freight Rate	3.70	4.04	Feb	Mar 1	Mar 17
Add: Train/Volume Discounts	0.35	0.34	Please go to bcmilk to view all 2022-2023 Producer Payment Dates		
Less: Stop/Extra Pick-Up Charges	(0.13)	(0.13)			
Transportation Department Costs	0.02	0.02			
Adjustments from Prior Period	(0.04)	(0.01)			
Net Provincial Freight Rate	3.90	4.26			

Quota Management: Credit Transfer Average Prices			Milk Quality Report		
Effective Nov 1, 2022	Conventional	Organic	The provincial averages and quality bonus data based on the official milk quality tests for October and November are:		
Average Price	\$5.82	\$5.29			
<small>A Summary of Credit Transfer Statistics can be found at bcmilk.com with other credit transfer documents.</small>					
Quota Management: Important Dates			Milk Quality Data	October	November
Application Deadlines	Date & Time	Effective Date(s)			
Quota Exchange	Jan 3 @ 1PM	Feb 1	Individual Bacteria Count	27,443	18,004
CDQ Buy/Sell of Credits	Dec 21 @ 1PM	Dec 1 or Jan 1	Somatic Cell Count	163,154	156,110
<small>If you have any questions, please contact:</small>			Quality Bonus Qualifiers (%)	73.80%	77.4%
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