

### Producer Component Prices – January 2023

The producer component prices for the month of January are as follows: BF = \$18.5280, PT= \$2.9220 OS = \$0.8173. The average BC producer hectolitre return for the month is \$96.65/hl compared to \$98.17/hl in December, a decrease of \$1.52/hl to the blend price. Expressed in revenue per kg of bf, these averages are \$21.78 in January and \$21.69 in December (increase of \$0.09).

The impact from the sales product mix was a decrease to the blend price by \$2.22/hl compared to last month, resulting in an overall decreased pre-pooling blend price. The decrease was mostly due to lower fluid milk sales in January compared to December. The December payment for P10/WMP equalization was similar to that of the previous month, resulting in a decreased deduction of \$0.11/hl to the blend price.

Producers will notice that the provincial freight rate paid in the province has increased by \$0.03/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 <b>December 2022</b>			<b>December 2022</b> Actual -2.95%
	Kg of BF	%*	
NL	(1,019,067)	-40.24%	
P5	(2,935,989)	-0.99%	
WMP	(2,451,955)	-2.45%	
P10	(6,407,011)	-1.61%	
<b>BC</b>	<b>(1,046,124)</b>	<b>-2.95%</b>	
*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 November and December are summarized below:			Participants in the February, March & April Pools will receive payments as follows:		
Freight Rates (\$/hl)	December	January	Month of Production	Advance Payment	Final Payment
Zone Transportation Costs	4.01	3.95	Feb	Mar 1	Mar 17
Less: Vendor Billings	(0.03)	(0.03)	Mar	Apr 3	Apr 21
Gross Provincial Freight Rate	3.98	3.92	Apr	May 1	May 17
Add: Train/Volume Discounts	0.35	0.35	Go to <a href="http://bcmilk.com">bcmilk</a> to view Producer Payment Dates		
Less: Stop/Extra Pick-Up Charges	(0.12)	(0.13)	Transportation		
Transportation Department Costs	0.02	0.02			
Adjustments from Prior Period	0.06	0.16	Contact Chantale Frost-Gill for <b>transportation inquiries</b> T.604.854.4478 <a href="mailto:cfrostgill@bcmilk.com">cfrostgill@bcmilk.com</a>		
<b>Net Provincial Freight Rate</b>	<b>4.29</b>	<b>4.32</b>			

Quota Management: Credit Transfer Average Prices			Milk Quality Report		
<b>Effective Jan 1, 2023</b>	<b>Conventional</b>	<b>Organic</b>	The provincial averages and quality bonus data based on the official milk quality tests for December and January are:		
Average Price	\$7.20	\$5.44			
<i>A Summary of Credit Transfer Statistics can be found at <a href="http://bcmilk.com">bcmilk.com</a> with other credit transfer documents.</i>					
Quota Management: Important Dates			Milk Quality Data	December	January
<b>Application Deadlines</b>	<b>Date &amp; Time</b>	<b>Effective Date(s)</b>	Individual Bacteria Count	42,560	31,026
Quota Exchange	Mar 1 @ 1PM	Apr 1			
CDQ Buy/Sell of Credits	Feb 24 @ 1PM	Feb 1	Somatic Cell Count	149,054	146,032
<i>If you have any questions, please contact:</i>			Quality Bonus Qualifiers (%)	75.80%	75.90%
<b>Kathy Wallis</b> T. 604.854.4471 <a href="mailto:kwallis@bcmilk.com">kwallis@bcmilk.com</a>					
<b>Pam Gregory</b> T. 604.854.4474 <a href="mailto:pgregory@bcmilk.com">pgregory@bcmilk.com</a>					
<b>Contact Kathy to schedule an in-person quota management meeting.</b> Appointments can be booked for either Tues or Wed.					