

Producer Component Prices – December 2022

The producer component prices for the month of December are as follows: BF = \$18.4555, PT= \$2.9192 OS = \$0.8312. The average BC producer hectolitre return for the month is \$98.17/hl compared to \$99.28/hl in November, a decrease of \$1.11/hl to the blend price. Expressed in revenue per kg of bf, these averages are \$21.69 in December and \$22.09 in November (decrease of \$0.40). The impact to the blend price from the sales product mix was an increase to the blend price by \$0.18/hl, resulting in an overall increased pre-pooling blend price. The November payment for P10/WMP equalization was higher than the previous month, resulting in an increased deduction of \$0.31/hl.

BC disposed of just under 600K litres of raw milk due directly to inaccessibility, infrastructural difficulties and highway closures caused by the snowstorms in December. Transporters worked extremely hard to continue milk pickups wherever possible, despite significant challenges throughout the province.

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 November 2022			November 2022 Actual -3.19%
	Kg of BF	%*	
NL	(964,848)	-37.80%	
P5	(4,459,140)	-1.50%	
WMP	(2,850,492)	-2.83%	
P10	(8,274,479)	-2.07%	
BC	(1,134,738)	-3.19%	

*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 January, February & March Pools will receive payments as follows:		
Freight Rates (\$/hl)	November	December	Month of Production	Advance Payment	Final Payment
Zone Transportation Costs	4.07	4.01	Jan	Feb 1	Feb 17
Less: Vendor Billings	(0.03)	(0.03)	Feb	Mar 1	Mar 17
Gross Provincial Freight Rate	4.04	3.98	Mar	Apr 3	Apr 21
Add: Train/Volume Discounts	0.34	0.35	Please go to bcmilk to view all 2022-2023 Producer Payment Dates		
Less: Stop/Extra Pick-Up Charges	(0.13)	(0.12)			
Transportation Department Costs	0.02	0.02			
Adjustments from Prior Period	(0.01)	0.06			
Net Provincial Freight Rate	4.26	4.29			

Quota Management: Credit Transfer Average Prices			Milk Quality Report		
Effective Dec 1, 2022	Conventional	Organic	The provincial averages and quality bonus data based on the official milk quality tests for November and December are:		
Average Price	\$6.30	\$5.71			
<i>A Summary of Credit Transfer Statistics can be found at bcmilk.com with other credit transfer documents.</i>					
Quota Management: Important Dates			Milk Quality Data	November	December
Application Deadlines	Date & Time	Effective Date(s)	Individual Bacteria Count	18,004	42,560
Quota Exchange	Feb 1 @ 1PM	Mar 1	Somatic Cell Count	156,110	149,054
CDQ Buy/Sell of Credits	Jan 25 @ 1PM	Jan 1 or Feb 1	Quality Bonus Qualifiers (%)	77.40%	75.80%
<i>If you have any questions, please contact:</i>					
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