

Producer Component Prices

The producer component prices for the month of June are as follows: BF=\$17.2269, PT=\$2.5784, OS=\$0.6873. The average BC producer hectoliter return for the month is \$81.3629 compared to \$78.4601 in May, an increase of \$2.9028.

BC producers were given access to more production in June by adding one day of allowance to their “daily quota” production limit as BC and other WMP provinces opened up restrictions on restaurants, schools and travel. There were no raw milk disposals in BC in the month and very little cream disposal. The increased production was also met with an increase in fluid utilization across the West and an average equalization payment which all helped to raise the producer return. This is the first month of BC pooling revenues nationally in which the full effect will be realized when all provinces submit their June results to the CDC and the equalization of revenues occurs. It is expected that the consequences of this agreement are that the financial returns of the WMP producers will decrease.

Continuous Quota			BC Continuous Quota Position
Cumulative Over/Under Production (with limits) as of May 2020			May 2020 Actual 1.17%
	Kg of BF	%*	
NL	(518,073)	-21.38%	
P5	(135,024)	-0.05%	
WMP	(69,885)	-0.07%	
P10	(722,982)	-0.19%	
BC	406,549	1.17%	
*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 May and June are summarized below:			Participants in the July August September Pools will receive payments as follows:		
Freight Rates (\$/hl)	May	June	Month of Production	Advance Payment	Final Payment
Zone Transportation Costs	3.20	3.19	July	Aug 4	Aug 20
Less: Vendor Billings	(0.10)	(0.12)	August	Sep 1	Sep 18
Gross Provincial Freight Rate	3.10	3.07	September	Oct 1	Oct 20
Add: Train/Volume Discounts	0.34	0.34	Please go to bcmilk.com to view all 2019-2020 Producer Payment Dates		
Less: Stop/Extra Pick-Up Charges	(0.14)	(0.13)			
Transportation Department Costs	0.00	0.00			
Adjustments from Prior Period	0.09	0.12			
Net Provincial Freight Rate	3.39	3.40			

Quota Management: Credit Transfer Average Prices			Milk Quality Report		
Effective June 1	Conventional	Organic	The provincial averages and quality bonus data based on the official milk quality tests for May and June are:		
Average Price	\$7.69	\$5.63			
<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	May	June
Application Deadlines	Date & Time	Effective Date(s)	Individual Bacteria Count	19,974	22,062
Quota Exchange	Aug 4@ 1 PM	Sep 1			
CDQ Buy/Sell of Credits	Jul 24@ 1 PM	Jul 1 or Aug1	Somatic Cell Count	151,431	162,708
<i>If you have any questions, please contact:</i>			Quality Bonus Qualifiers (%)	83.20%	76.00%
Kathy Wallis T. 604.854.4471 kwallis@bcmilk.com					
Pam Gregory T. 604.854.4474 pgregory@bcmilk.com					