

Producer Component Prices – September 2022

The producer component prices for the month of September are as follows: BF= \$18.8338, PT= \$2.8962, OS= \$0.7923. The average BC producer hectolitre return for the month is \$93.00/hl compared to \$89.89/hl in August, an increase of \$3.11/hl to the blend price. Expressed in revenue per kg of bf, these averages are \$22.14 in September and \$21.91 in August (increase of \$0.23).

The largest impact to the blend price came from the sales product mix and increase in pricing, which increased the blend price by \$3.01/hl, resulting in an overall increased pre-pooling blend price. The August deduction for P10/WMP equalization was lower than the previous month, a decrease of \$0.36 /hl. There were no milk disposals this month, and are unlikely over the next coming months. Producers will notice that the provincial freight rate paid in the province has decreased by \$0.04/hl. There have been recent significant increases in fuel costs that have contributed to increases in the overall freight rate over the past few months and partially offset by decreased re-routing costs from affected infrastructure from last year's flooding.

Continuous Quota			BC Continuous Quota Position
Cumulative Over/Under Production (with limits) as of August 2022			August 2022 Actual -2.39%
	Kg of BF	%*	
NL	(1,440,822)	-56.46%	
P5	(2,455,191)	-0.83%	
WMP	(2,515,986)	-2.50%	
P10	(6,411,999)	-1.61%	
BC	(852,255)	-2.39%	
*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 August and September are summarized below:			Participants in the October November December Pools will receive payments as follows:		
Freight Rates (\$/hl)	August	September	Month of Production	Advance Payment	Final Payment
Zone Transportation Costs	3.72	3.56			
Less: Vendor Billings	(0.03)	(0.03)	Oct	Nov 1	Nov 18
Gross Provincial Freight Rate	3.69	3.70	Nov	Dec 1	Dec 19
Add: Train/Volume Discounts	0.35	0.34	Dec	Jan 3	Jan 19
Less: Stop/Extra Pick-Up Charges	(0.12)	(0.10)	Please go to bcmilk to view all 2022-2023 Producer Payment Dates		
Transportation Department Costs	0.02	0.02			
Adjustments from Prior Period	(0.04)	(0.08)			
Net Provincial Freight Rate	3.90	3.86			

Quota Management: Credit Transfer Average Prices			Milk Quality Report		
Effective Sep 1, 2022	Conventional	Organic	The provincial averages and quality bonus data based on the official milk quality tests for August and September are:		
Average Price	\$6.70	\$5.60			
A Summary of Credit Transfer Statistics can be found at bcmilk.com with other credit transfer documents.					
Quota Management: Important Dates			Milk Quality Data	August	September
Application Deadlines	Date & Time	Effective Date(s)			
Quota Exchange	Nov 1 @ 1PM	Dec 1	Individual Bacteria Count	26,046	21,413
CDQ Buy/Sell of Credits	Oct 25 @ 1PM	Oct 1 or Nov 1	Somatic Cell Count	179,801	173,988
If you have any questions, please contact:			Quality Bonus Qualifiers (%)	68.70%	71.05%
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