

## Issues Update October 2013

Volume 19 No. 3 -For the September 2013 Production Month

### Producer Component Prices and Standard Blend Price

The producer component prices for the month of September are as follows:

BF= \$10.2692, PR= \$9.3761, OS= \$1.9662 or an equivalent return of \$78.4563 per standard hectolitre. This return compares to \$76.5637 in August 2013, with a difference of \$1.8926/std.hL. The P10/WMP equalization transfer for the month of September was \$1,094,163.41. Please refer to the BCMMB Statistics for the month of September 2013 for more details.

#### **Notice to Producers-Non-Qualifying Milk Policy**

#### **Notice to Producers- Incentive Days for Fall 2013**

To see these notices in detail and a complete listing of all other Notice to Producers please visit [www.milk-bc.com](http://www.milk-bc.com)

#### **BC Continuous Quota Position as of**

August 2013 = -0.06%

September 2013 \*forecasted -0.36%

### Notice to Producers-Incentive Days for Fall 2013

The Board has reviewed the production and quota projections for the fall of 2013 and has revised its August 14<sup>th</sup>, 2013 NTP to add 1 additional day for October 2013.

At this time, the additional production during this period:

- **August 2013**                      **1.0 Production Day(s)**
- **September 2013**                **1.5 Production Day(s)**
- **October 2013**                    **2.5 Production Day(s)**

Due to the rapidly changing production environment, the Board will continue to review market production requirements and will provide any change in direction to the industry as needed. If you have questions regarding this policy, please contact Zahra Abdalla-Shamji at 604.854.4480 or at [zabdalla@milk-bc.com](mailto:zabdalla@milk-bc.com)

\*The see this Notice to Producers in complete detail please visit [www.milk-bc.com](http://www.milk-bc.com)

### BC Quota Policy & Governance Review Update

During the period of September 26 –October 10, 2013 consultation sessions were held to discuss BC Quota Policy & Governance. The sessions were held in the following regions in British Columbia –Vancouver Island (Nanaimo), Fraser Valley (Abbotsford), Bulkley Valley (Smithers), Cariboo & Peace River (Prince George), Fraser Valley (Chilliwack), Okanagan (Salmon Arm) and Kootenays (Creston).

The participation and dialogue during these sessions was impressive with a total number of 229 in attendance to provide input on current quota policies and insight for the development of future policy.

The opportunity to provide feedback is still available until October 31, 2013 through the quota policy and governance review website which can be found at [www.milk-bc.com](http://www.milk-bc.com) please click on the BC Dairy Quota Policy & Consultation link on the homepage or comments can be email directly to [quota-governance@milk-bc.com](mailto:quota-governance@milk-bc.com)

A summary of key points developed from these sessions and any written feedback will be provided in November 2013. The Board would like to thank all participants for their time and dedication throughout this process.

### Provincial Freight

The producer freight rate calculations for the months of August and September are summarized below:

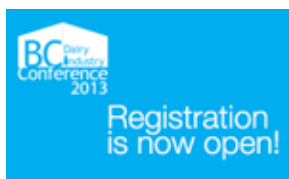
Freight Rates (\$/hl)	Aug	Sep
Zone Transportation Costs	2.98	2.97
Less: Vendor Billings	(0.08)	(0.07)
Less: I/P Freight Cost Recovery	(0.00)	(0.00)
Gross Provincial Freight Rate	2.90	2.90
Add: Train/Volume Discounts	0.29	0.29
Less: Stop/Extra Pick-Up Charges	(0.14)	(0.14)
Transportation Department Costs	0.00	0.00
Adjustments from Prior Period	0.02	0.02
<b>Net Provincial Freight Rate</b>	<b>3.07</b>	<b>3.07</b>

### Continuous Quota

Cumulative Over/Under Production (with limits) as of:

	August 2013	%*
	Kg of BF	
NL	-42,211	-2.26%
P5	927,413	0.39%
WMP	131,563	0.18%
P10	1,016,765	0.33%
<b>BC</b>	<b>-16,780</b>	<b>-0.06%</b>

\*Cumulative Over/Under Production (with limits) expressed as a % of the most recent 12 months total quota.



### Quota Management News

Please be advised that our Quota Officer, Kathy Wallis, will be on vacation from November 12 - 15th. During her absence we encourage you to explore and utilize our website [www.milk-bc.com](http://www.milk-bc.com). You can access your statement, lab results, Quota Exchange & Buy/Sell Credits deadline calendars, Quota Exchange information (Current Exchange Price, Previous Exchange results & Application forms), Credit Transfer information (Applications forms, Average Price Summary and Buyer or Seller lists), etc. We also have a production calculator available that will enable you to do your own production and credit transfer calculations throughout the month. Also posted for your reference are FAQs and contact information for all BCMMB staff and Management.

If you require immediate Quota Management assistance during Kathy's absence, please contact reception at 604.556.3444 ext. 200

### Milk Quality Report

The provincial averages and quality bonus data based on the official milk quality tests for August and September are:

Milk Quality Data	Aug	Sep
Individual Bacteria Count	22,112	25,635
Somatic Cell Count	182,820	178,334
Quality Bonus Qualifiers (%)	68.30%	67.50%

### Producer Payments

Participants in the September | October | November Pools will receive their payments as follows:

Month of Production:	Advance Payment	Final Payment
September	Oct 1	Oct 18
October	Nov 1	Nov 20
November	Dec 2	Dec 18

### Credit Transfer Average Prices

Effective September 1 <sup>st</sup>	Conventional/Organic
Average Price	\$7.03/\$6.80

A Summary of Credit Transfer Statistics can be found at [www.milk-bc.com](http://www.milk-bc.com) with other credit transfer documents.

### Quota Management-Important Dates

Application Deadlines	Date & Time	Effective Date(s)
Quota Exchange	Nov 1 @ 1:00pm	Dec 1
CDQ Buy/Sell of Credits	Oct 25 @ 1:00pm	Oct 1 Nov 1

If you have any questions please contact Kathy Wallis  
604.854.4471 [kwallis@milk-bc.com](mailto:kwallis@milk-bc.com)

[www.milk-bc.com](http://www.milk-bc.com)

### Quota Management News

#### NEW Quota Exchange Buyer Application Forms

NEW Quota Exchange BUYERS Application forms are now available in documents found in producer secure zone of the BCMMB website.

A new "REQUIRED" section has been added to the BUYERS Quota Exchange Application form to ensure timely operation of the Quota Exchange.

Producers submitting a bid to BUY on the quota exchange are now required to complete the newly added section confirming the following bid requirements:

- Bank Letter on file with BCMMB covers FULL SETTLEMENT TOTAL OF BID, and
- Bank Letter on file will not EXPIRE prior to the date when balance is due for quota purchased on the current month's exchange

If you are unsure of the status of your bank letter on file with the BCMMB, prior to submitting your application form please contact the BCMMB office and we will be happy to check your file for you.