

Quota Management

When completing a Quota Exchange Application Form it is the responsibility of the producer to:

- Ensure** that the available balance on the bank letter covers the “Full Settlement” of their bid and
- Confirm** that the bank letter will not expire prior to the date when the balance is due

A “**New**” Quota Exchange Application Form will be coming soon with a new requirement ensuring that the available dollar value and expiry date have been confirmed by the producer prior to submitting a bid.

Monthly Production Estimates

Staff will be unable to provide monthly production estimates less than 24 hours prior to the monthly Credits transfer deadline. If you would like assistance in estimating your month end position in order to determine the need to Buy or Sell credits, please contact the Quota Management department in a timely manner during the month and staff would be happy to help you.

For monthly production estimates please contact:
Kathy Wallis at kwallis@milk-bc.com
Pam Gregory at pgregory@milk-bc.com

BC Continuous Quota Position as of

December 2013 = -1.13%

January 2014 *forecasted -0.94%

Please visit www.milk-bc.com

Notice to Producers

**2014 Spring Producer Meetings – Revised Schedule
General Allocation – Effective March 1, 2014**

To see Producer Notices in detail visit www.milk-bc.com

Notice to Producers – 1% General Allocation – Effective March 1, 2014

After reviewing the current production requirements for the province of British Columbia, and reviewing a recommendation from the MIAC, the Board will implement a general allotment of 1% effective March 1, 2014. Producers will be informed of their quota increase by way of individual notices.

To see this notice in complete detail please visit *Notice to Producers* at www.milk-bc.com.

BC Dairy Quota Policy & Governance Consultation – Stage 2

During the period of September 26 – October 10, 2013 consultation sessions were held to discuss BC Quota Policy & Governance. The Board completed Stage 1 of the consultation “Identifying Issues and Ideas” at the fall producer meeting held in Vancouver on November 29, 2013.

During Stage 2 of the consultation “Finding Solutions”, the Board received comments from the industry with respect to quota policies that were defined during Stage 1 and provided in the January 13, 2014 discussion paper. These themes included Distribution of General Allotments, Graduated Entrant Program, Farm Succession, Declining Transfer Assessment and Whole Farm Transfers and Quota Exchange

All comments and submissions have now been received by the Board. The Board completed Stage 2 of the consultation “Finding Solutions” on January 31, 2014.

During the month of January, the Board also engaged in discussions with the BC Dairy Association (BCDA), the regional producer associations through webinar, the Quota Exchange Committee (QEC), and the Milk Industry Advisory Committee (MIAC) to ensure relevant policy considerations were discussed.

The Board will now review all comments from Stage 2 and determine final quota policy recommendations to FIRB based on all stakeholder input. The final submission, which will include all quota policies, will be posted online for all stakeholders to review, the expected date of submission will be provided in the next Issues Update.

Provincial Freight

The producer freight rate calculations for the months of December and January are summarized below:

Freight Rates (\$/hl)	Dec	Jan
Zone Transportation Costs	3.02	3.02
Less: Vendor Billings	(0.08)	(0.07)
Less: I/P Freight Cost Recovery	(0.00)	(0.00)
Gross Provincial Freight Rate	2.94	2.95
Add: Train/Volume Discounts	0.30	0.30
Less: Stop/Extra Pick-Up Charges	(0.13)	(0.13)
Transportation Department Costs	0.00	0.00
Adjustments from Prior Period	(0.01)	(0.00)
Net Provincial Freight Rate	3.10	3.12

Continuous Quota

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

December 2013		
	Kg of BF	%*
NL	-78,919	-4.09%
P5	917,347	0.39%
WMP	-790,521	-1.07%
P10	47,907	0.02%
BC	-296,212	-1.13%

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

Milk Quality Report

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

Milk Quality Data	Dec	Jan
Individual Bacteria Count	21,198	19,546
Somatic Cell Count	159,067	156,750
Quality Bonus Qualifiers (%)	78.32%	78.21%

Producer Payments

Participants in the January | February | March Pools will receive their payments as follows:

Month of Production:	Advance Payment	Final Payment
January	Feb 3	Feb 20
February	Mar 3	Mar 19
March	Apr 1	Apr 17

Credit Transfer Average Prices

Effective January 1st

Average Price	Conventional	Organic
	\$12.24	\$6.83

A Summary of Credit Transfer Statistics can be found at www.milk-bc.com with other credit transfer documents.

Quota Management-Important Dates

Application Deadlines	Date & Time	Effective Date(s)
Quota Exchange	Mar 3 @ 1:00pm	Apr 1
CDQ Buy/Sell of Credits	Feb 25 @ 1:00pm	Feb 1 Mar 1

If you have any questions please contact:

Kathy Wallis 604.854.4471 kwallis@milk-bc.com
Pam Gregory 604.854.4474 pgregory@milk-bc.com

Producer Component Prices and Standard Blend

The producer component prices for the month of January are as follows: BF= \$10.5884, PR= \$9.0325, OS= \$1.9623 or an equivalent return of \$78.4726 per standard hectolitre. This return compares to \$78.2025 in December 2013, with a difference of \$0.2701/std.hL. The P10/WMP equalization transfer for the month of January was \$493,291.99. Please refer to the BCMMB Statistics for the month of January 2014 for more details.

Current Exchange Price - Increase

The Current Exchange Price for the next month's quota exchange is posted on the website in the producer secure zone. Prior to submitting a bid please check the website or contact the BCMMB office to ensure that the Current Exchange Price used in calculating your quota bid is accurate.

www.milk-bc.com

For General Inquires & Assistance

Please contact reception at
T. 604.556.3444 Ext. 200

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Direct 604.854.4470
lgruban@milk-bc.com

Lori Sharpe
Direct 604.854.4481
lsharpe@mik-bc.com

BCMMD Spring 2014 Producer Meetings Schedule

Date	Region	Location	Time
March 13	Fraser Valley	Rainbow Country Inn Chilliwack	7:30 pm
March 17	Vancouver Island	Coast Bastion Hotel Nanaimo	7:30 pm
March 18	Bulkley Valley	Hudson Bay Lodge Smithers	11:00 am
March 18	Cariboo & Peace River	Treasure Cove Hotel Prince George	7:00 pm
March 25	Fraser Valley	Ramada Inn Abbotsford	7:30pm
March 26	Okanagan	Prestige Inn Salmon Arm	10:00 am
March 27	Kootenay	Ramada Inn Creston	10:30 am

All producers are invited to attend the regional meetings.

