

### Producer Component Prices

The producer component prices for the month of May are as follows: BF=\$16.2823, PT=\$2.3146, OS=\$0.6682. The average BC producer hectoliter return for the month is \$77.1705 compared to \$75.0031 in April – an increase of \$2.1674. This increase in hectoliter return is due to the decrease in the P10/WMP equalization payment charged to the producer pool in May for the production month of April which was \$2,089,8880, being approx. \$450K lower than the 12-month average for this payment. The lower equalization payment was again due to pooling of BC's 4M costs incurred as explained in the previous newsletter.

Next month, the pool will be incurring its last of three months of the class 4M costs which again will be mostly recovered the following month through the national pooling process.

### Producer Licences

The annual licence fee and levies for new producer licences effective August 1, 2018 will be deducted from the final June producer milk pay to be deposited on July 19, 2018.

New licences effective August 1<sup>st</sup> will be mailed out in late July. The new licence must be displayed for August 1, 2018, in clear view for the transporter, in the milk house preferably next to your dairy farm licence issued by the BC Ministry of Agriculture, Livestock Health Management and Regulation.

If you have any questions with respect to your licence, please contact Kathy kwallis@bcmilk.com or 604.854.4471.

### BC Continuous Quota Position

as of April 2018: -0.04%  
May 2018 \*forecasted: -0.20%

### Flexible Incentive Days

- Incentive Day(s) are issued by the Board during specific months to encourage additional production.
- A producer must be proAction® certified (or on 6-month grace period) to be eligible to participate.
- In order to provide more production flexibility for farm management, producers have the opportunity to determine when the incentive days are produced during the five-month period of August through December 2018.

**\*Producers are limited to a TOTAL of 8 incentive days between August and December, with the following maximum monthly limits:**

- **August**            **Maximum of 3 days**
- **September**       **Maximum of 3 days**
- **October**           **Maximum of 3 days**
- **November**        **Maximum of 3 days**
- **December**        **Maximum of 3 days**

**\*The total number of days from August to December cannot exceed 8 days**

- An incentive day provides the producer an opportunity to ship additional day(s) of production **as long as they have shipped at least 100% of that "month's quota" (CDQ x ship days)**.
- Quota is utilized during an "Incentive Day" month(s) for production in this order: **1) Month's quota 2) Incentive days 3) Over production credits**.
- Eligibility for an incentive day is only based on the actual current month's production and not on your over/under credits position.
- Credits cannot be sold in order to meet the production requirement to access incentive day(s)

If you have any questions please contact Kathy Wallis at kwallis@bcmilk.com

## Provincial Freight

The producer freight rate calculations for the months of April and May are summarized below:

Freight Rates (\$/hl)	April	May
Zone Transportation Costs	2.98	3.01
Less: Vendor Billings	(0.05)	(0.05)
Gross Provincial Freight Rate	2.93	2.96
Add: Train/Volume Discounts	0.33	0.33
Less: Stop/Extra Pick-Up Charges	(0.14)	(0.13)
Transportation Department Costs	0.00	0.00
Adjustments from Prior Period	0.01	(0.01)
<b>Net Provincial Freight Rate</b>	<b>3.13</b>	<b>3.15</b>

## Continuous Quota

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

	April 2018	%*
	Kg of BF	
NL	-927,945	-36.88%
P5	16,235,623	5.96%
WMP	-4,277,829	-4.58%
P10	11,029,849	3.00%
BC	<b>-14,647</b>	<b>-0.04%</b>

\*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 April and May are:

Milk Quality Data	April	May
Individual Bacteria Count	21,866	20,611
Somatic Cell Count	157,606	164,627
Quality Bonus Qualifiers(%)	77.69%	78.67%

## Producer Payments

Participants in the June | July | August Pools will receive their payments as follows:

Month of Production:	Advance Payment	Final Payment
June	Jul 03	Jul 19
July	Aug 1	Aug 20
August	Sep 04	Sep 20

## Credit Transfer Average Prices

Effective May 1, 2018	Conventional	Organic
Average Price	\$10.15	\$5.33

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

## Quota Management: Important Dates

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

If you have any questions, please contact:

Kathy Wallis 604.854.4471 [kwallis@bcmilk.com](mailto:kwallis@bcmilk.com)

Pam Gregory 604.854.4474 [pgregory@bcmilk.com](mailto:pgregory@bcmilk.com)

**bcmilk.com**

## Transportation: Daily Pickup Reminder

A reminder that on August 1, 2018, the minimum daily pickup charge will be increased to \$150 each extra pickup. The Board will review the daily pickup cost to determine if the minimum daily pickup rates need to be adjusted again in future. Any producer wishing to go on to a daily pickup schedule must give two weeks' notice to the BCMMB and must remain on daily pickup for at least one month

If you have any questions please contact Woody Siemens at [wsiemens@bcmilk.com](mailto:wsiemens@bcmilk.com).

## MIAC & SPAC Reappointments

The Board is pleased to announce the following reappointments:

### MIAC Producers:

Ben Cuthbert, Len Bouwman and Casey Pruim were reappointed to MIAC for a 3-year term until April 30, 2021.

### SPAC Organic Producers:

Ben Brandsema was reappointed to SPAC for a 3-year term until April 30, 2021.

### SPAC Conventional Producer:

Casey Pruim was reappointed to SPAC for a 3-year term until April 30, 2021.

## Quota Management:

### Quota Exchange application submission reminder:

To submit a quota exchange application, please use one of the following options;

1. Email application to specific designated QE mailbox [quotaexchange@bcmilk.com](mailto:quotaexchange@bcmilk.com). **Applications sent to BCMMB staff email or fax cannot be accepted.**
2. All emailed applications will receive a confirmation email within one business day, that the submission has been received.
3. Hard copy mail application via Canada Post or Courier to: 200-32160 South Fraser Way, Abbotsford, BC V2T 1W5
4. Submit a hard copy application in person at the BCMMB office address

All applications must be received by the BCMMB office via any of the above options by the applicable Quota Exchange deadline.

The Board will not be using a third-party administrator (KPMG) going forward and **will not accept any faxed applications.**

Please note that application forms will not be reviewed by staff until after the exchange deadline.

If you have any questions regarding the quota exchange, please contact [kwallis@bcmilk.com](mailto:kwallis@bcmilk.com)