

Impact of Fuel Prices and Surcharges For August and September 2005

Using Actual and Calculated Adjustments (based on current vs. previous year) for Costs

All Costs Per Hundredweight

ACTUAL

Feed Surcharges

a. Dry Roughage	2.4¢
b. Wet Feed & Wet Roughage	1.6¢
c. Grain	4.0¢
d. Minerals & Supplements	0.1¢
Total Feed Surcharges	8.1¢

Milk Hauling

Milk Hauling	2.7¢
Total Milk Hauling	2.7¢

CALCULATED ADJUSTMENTS

Fuel and Oil	5.6¢
Total Fuel & Oil Adjustments	5.6¢

Total Impact of Surcharges and Fuel Prices

16.4¢

- The largest increase was due to the surcharges for feed deliveries, followed by fuel costs and milk hauling surcharges, respectively.
- At the farm level, the increased fuel prices and surcharges increased the total cost of production by 16.4¢.
- The three main items reflected in the increased energy costs: fuel surcharges on feed deliveries, changes in fuel prices for diesel and unleaded gas, and rate changes to the milk hauling costs.

Sources:

Actual surcharges taken directly from producer receipts; calculated adjustments were taken from the difference in cost between August and September 2005 compared to the same time period of the previous year.