

How do I get paid?

You will receive the initial payment at the elevator for the grade of wheat you deliver. This adjusts your contract price, which is based on a reference grade, to reflect the actual grade delivered.

The CWB will send you an additional payment, representing the balance of your contract price within 10 business days of the cash ticket(s) being applied to the EPO contract:

Additional payment = EPV – discount – reference grade initial price

Example

On January 27, the PRO for the reference grade No.1 CWRS 13.5 is \$5.55 per bushel in store Vancouver or St. Lawrence. Bob commits to an EPO contract, selecting the 90 per-cent EPV of \$5 per bushel with a discount of \$0.11 per bushel, for a net EPV of \$4.89 per bushel.

Bob delivers No. 1 CWRS 14.5 on February 5 and advises the elevator agent to apply the deliveries against his EPO contract. The initial payment for No. 1 CWRS 13.5 is \$4.25 per bushel and \$4.48 per bushel for No. 1 CWRS 14.5. Bob received the initial price net of freight and handling costs for his location of \$3.20 per bushel (\$4.48-\$1.28).

Within 10 business days of the cash ticket being applied to the EPO contract, the CWB issues a payment of \$0.64 per bushel, representing the difference between his net EPV and the initial price for the reference grade (\$4.89 - \$4.25).

Bob's farmgate price works out to \$3.84 per bushel (\$3.20 + \$0.64) for the No. 1 CWRS 14.5. Bob will receive future payments if the initial payment for No. 1 CWRS 14.5 increases above \$5.23 per bushel (\$5.00 - \$4.25 + \$4.48), his total gross payments.

If you have more than one EPO contract, deliveries will be applied to the highest price first. If you want your deliveries applied to a different price, you must contact us at the time of settlement.

The EPO at work on your farm

Type your own values in the worksheet below to calculate your own additional payment and EPO price.

	Bob's numbers		Your numbers
	Per bushel	Per tonne	
CWB January PRO	\$5.55	\$204.00	
EPV (90 per cent of PRO)	\$5.00	\$183.72	
Less discount	\$0.11	\$ 4.04	
Net EPV price	\$4.89	\$179.68	
CWB initial price for the grade delivered	\$4.48	\$164.61	
Less freight and handling deductions at the elevator*	\$1.28	\$ 47.03	
Net initial payment	\$3.20	\$117.58	
Net EPV price	\$4.89	\$179.68	
Less CWB initial payment for the reference grade	\$4.25	\$156.16	
CWB additional payment	\$0.64	\$ 23.52	
Farmgate price or floor price	\$3.84	\$141.10	

* Estimated deductions. These will vary by location.