

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Alamo Switchgrass, Full Season, Pivot Irrigated, Baled - 122 Acres
Far West Extension District - 6

Crop Acres	122					Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Switchgrass	3.17	Ton	\$123.00	\$389.91	\$389.91	\$47,569.02
Total Revenue				\$389.91	\$389.91	\$47,569.02
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						Total
Fertilizer						
N-32 in Water	20	Pound	\$0.17	\$3.40	\$3.40	\$414.80
Urea, Solid (46% N)	0.45	CWT	\$24.55	\$11.05	\$11.05	\$1,347.80
Herbicide						
2,4-D Amine 4	40	Ounce	\$0.13	\$5.20	\$5.20	\$634.40
Irrigation						
Energy or Water Cost	4.57	Mcf	\$4.25	\$19.40	\$19.40	\$2,366.95
Irrigation Labor	0.03	Hour	\$11.00	\$0.29	\$0.29	\$35.30
Other Labor						
Hand Labor	0.14	Hour	\$10.00	\$1.40	\$1.40	\$170.80
Machinery Labor						
Tractors/Self-Propelled	1.49	Hour	\$12.00	\$17.88	\$17.88	\$2,181.36
Diesel Fuel						
Tractors/Self-Propelled	7.34	Gallon	\$2.85	\$20.92	\$20.92	\$2,552.12
Repairs & Maintenance						
Irrigation Equipment	1	Acre	\$12.03	\$12.03	\$12.03	\$1,467.66
Tractors/Self-Propelled	1	Acre	\$2.94	\$2.94	\$2.94	\$358.89
Implements	1	Acre	\$0.71	\$0.71	\$0.71	\$86.75
Interest on Credit Line			6.50%	\$1.72	\$1.72	\$210.28
Total Variable Costs				\$96.94	\$96.94	\$11,827.10
Planned Returns Above Variable Costs:				\$292.97	\$292.97	\$35,741.92
Breakeven Price to Cover Variable Costs			\$30.58	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Irrigation Equipment	1	Acre	\$48.64	\$48.64	\$48.64	\$5,933.75
Tractors/Self-Propelled	1	Acre	\$5.64	\$5.64	\$5.64	\$688.16
Implements	1	Acre	\$2.16	\$2.16	\$2.16	\$262.91
Equipment Investment						
Irrigation Equipment	\$729.56	Dollars	6.50%	\$47.42	\$47.42	\$5,785.40
Tractors/Self-Propelled	\$96.89	Dollars	6.50%	\$6.30	\$6.30	\$768.34
Implements	\$44.37	Dollars	6.50%	\$2.88	\$2.88	\$351.82
Allocated Establishment Cost	1	Acre	\$43.99	\$43.99	\$43.99	\$5,366.78
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs				\$197.03	\$197.03	\$24,037.16
Total Specified Costs				\$293.97	\$293.97	\$35,864.26
Returns Above Specified Costs				\$95.94	\$95.94	\$11,704.76
Breakeven Price to Cover Total Costs			\$92.73	Ton		

Example Breakeven Prices						
Example Yield Percent	Example Yield Ton	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	2.38	\$40.78	\$40.78	\$123.65	\$123.65	\$0.00
90%	2.85	\$33.98	\$33.98	\$103.04	\$103.04	\$0.00
100%	3.17	\$30.58	\$30.58	\$92.73	\$92.73	\$0.00
110%	3.49	\$27.80	\$27.80	\$84.30	\$84.30	\$0.00
125%	3.96	\$24.47	\$24.47	\$74.19	\$74.19	\$0.00

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension.

Information presented is prepared solely as a general guide and not intended to recognize or predict the costs and returns from any one operation. Brand names are mentioned only as examples and imply no endorsement.