

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 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	
Switchgrass	3.17	Ton	\$160.00	\$507.20	\$61,878.40	
Total Revenue				\$507.20	\$61,878.40	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Production Costs					Total	
Fertilizer						
N-32 in Water	20	Pound	\$0.17	\$3.40	\$414.80	
Urea, Solid (46% N)	0.45	CWT	\$19.75	\$8.89	\$1,084.28	
Herbicide						
2,4-D Amine 4	40	Ounce	\$0.12	\$4.80	\$585.60	
Other Labor						
Hand Labor	0.14	Hour	\$8.50	\$1.19	\$145.18	
Irrigation						
Energy Cost	4.56	Mcf	\$4.00	\$18.24	\$2,225.28	
Irrigation Labor	0.03	Hour	\$11.00	\$0.29	\$35.43	
Machinery Labor						
Tractors/Self-Propelled	1.5	Hour	\$12.00	\$18.00	\$2,196.00	
Diesel Fuel						
Tractors/Self-Propelled	7.34	Gallon	\$2.10	\$15.41	\$1,880.51	
Repairs & Maintenance						
Irrigation Equipment	1	Acre	\$12.02	\$12.02	\$1,466.07	
Tractors/Self-Propelled	1	Acre	\$7.83	\$7.83	\$955.01	
Implements	1	Acre	\$1.65	\$1.65	\$201.72	
Interest on Credit Line			6.50%	\$1.90	\$232.16	
Total Variable Costs				\$93.62	\$11,422.03	
Planned Returns Above Variable Costs:				\$413.58	\$50,456.37	
Breakeven Price to Cover Variable Costs			\$29.53	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery Depreciation					Total	
Irrigation Equipment	1	Acre	\$48.64	\$48.64	\$5,933.75	
Tractors/Self-Propelled	1	Acre	\$11.04	\$11.04	\$1,347.15	
Implements	1	Acre	\$3.42	\$3.42	\$417.46	
Equipment Investment						
Irrigation Equipment	\$364.78	Dollars	6.50%	\$23.71	\$2,892.70	
Tractors/Self-Propelled	\$78.70	Dollars	6.50%	\$5.12	\$624.09	
Implements	\$29.78	Dollars	6.50%	\$1.94	\$236.16	
Coa Allocated Establishment Cost	1	Acre	\$41.84	\$41.84	\$5,104.48	
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$4,880.00	
Total Fixed Costs				\$175.70	\$21,435.78	
Total Specified Costs				\$269.33	\$32,857.81	
Returns Above Specified Costs				\$237.87	\$29,020.59	
Breakeven Price to Cover Total Costs			\$84.96	Ton		

Example Breakeven Prices			
Example	Example	Price Needed to Cover	Price Needed to Cover
Yield	Yield	Your Variable Costs	Your Total Costs
Percent	Ton		
75%	2.38	\$39.38	\$113.28
90%	2.85	\$32.82	\$94.40
100%	3.17	\$29.53	\$84.96
110%	3.49	\$26.85	\$77.24
125%	3.96	\$23.63	\$67.97

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.