

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Alamo Switchgrass, Full Season, Pivot Irrigated, Baled
Far West Extension District - 6

Crop Acres	122					Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Switchgrass	3.17	Ton	\$136.00	\$431.12	\$431.12	\$52,596.64
Total Revenue				\$431.12	\$431.12	\$52,596.64
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Fertilizer						
N-32 in Water	20	Pound	\$0.41	\$8.20	\$8.20	\$1,000.40
Urea, Solid (46% N)	0.45	CWT	\$22.25	\$10.01	\$10.01	\$1,221.53
Herbicide						
2,4-D Amine 4	40	Ounce	\$0.10	\$4.00	\$4.00	\$488.00
Other Labor						
Hand Labor	0.14	Hour	\$8.50	\$1.19	\$1.19	\$145.18
Irrigation						
Energy Cost	4.56	Mcf	\$5.61	\$25.58	\$25.58	\$3,120.96
Irrigation Labor	0.03	Hour	\$15.00	\$0.40	\$0.40	\$48.31
Machinery Labor						
Tractors/Self-Propelled	2.89	Hour	\$15.00	\$43.35	\$43.35	\$5,288.70
Diesel Fuel						
Tractors/Self-Propelled	15.99	Gallon	\$2.60	\$41.57	\$41.57	\$5,072.03
Repairs & Maintenance						
Irrigation Equipment	1	Acre	\$12.02	\$12.02	\$12.02	\$1,466.07
Tractors/Self-Propelled	1	Acre	\$19.71	\$19.71	\$19.71	\$2,404.20
Implements	1	Acre	\$1.84	\$1.84	\$1.84	\$224.22
Interest on Credit Line			6.00%	\$3.57	\$3.57	\$435.57
Total Variable Costs				\$171.44	\$171.44	\$20,915.17
Planned Returns Above Variable Costs:				\$259.68	\$259.68	\$31,681.47
Breakeven Price to Cover Variable Costs			\$54.08	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	\$24.24	\$24.24	\$24.24	\$2,957.05
Implements	1	Acre	\$4.07	\$4.07	\$4.07	\$496.01
Equipment Investment						
Irrigation Equipment	\$364.78	Dollars	6.00%	\$21.89	\$21.89	\$2,670.19
Tractors/Self-Propelled	\$179.35	Dollars	6.00%	\$10.76	\$10.76	\$1,312.83
Implements	\$31.90	Dollars	6.00%	\$1.91	\$1.91	\$233.51
Allocated Establishment Cost	1	Acre	\$41.91	\$41.91	\$41.91	\$5,113.02
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs				\$193.41	\$193.41	\$23,596.35
Total Specified Costs				\$364.85	\$364.85	\$44,511.52
Returns Above Specified Costs				\$66.27	\$66.27	\$8,085.12
Breakeven Price to Cover Total Costs			\$115.09	Ton		

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.38	\$72.11	\$153.46
90%	2.85	\$60.09	\$127.88
100%	3.17	\$54.08	\$115.09
110%	3.49	\$49.16	\$104.63
125%	3.96	\$43.26	\$92.08

Developed by Bill Thompson, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service, 325-653-4576.

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.