

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 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 | \$170.00 | \$538.90 | \$65,745.80 |
| Total Revenue | | | | | \$538.90 | \$65,745.80 |
| VARIABLE COSTS | | Quantity | Units | \$/Unit | Total | Enterprise |
| Production Costs | | | | | | |
| Fertilizer | | | | | | |
| | N-32 in Water | 20 | Pound | \$0.17 | \$3.40 | \$414.80 |
| | Urea, Solid (46% N) | 0.45 | CWT | \$25.75 | \$11.59 | \$1,413.68 |
| Herbicide | | | | | | |
| | 2,4-D Amine 4 | 40 | Ounce | \$0.14 | \$5.60 | \$683.20 |
| 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 | \$2.15 | \$15.78 | \$1,925.28 |
| 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% | \$1.81 | \$221.04 |
| Total Variable Costs | | | | | \$97.40 | \$11,882.69 |
| Planned Returns Above Variable Costs: | | | | | \$441.50 | \$53,863.11 |
| Breakeven Price to Cover Variable Costs | | | | \$30.73 | Ton | |
| FIXED COSTS | | Quantity | Units | \$/Unit | Total | Enterprise |
| Machinery Depreciation | | | | | | |
| | 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 | \$729.56 | Dollars | 6.50% | \$47.42 | \$5,785.40 |
| | Tractors/Self-Propelled | \$117.35 | Dollars | 6.50% | \$7.63 | \$930.56 |
| | Implements | \$42.52 | Dollars | 6.50% | \$2.76 | \$337.20 |
| Allocated Establishment Cost | | | | | | |
| | Trans Pecos Irrigated Land | 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 | | | | | \$202.75 | \$24,736.00 |
| Total Specified Costs | | | | | \$300.15 | \$36,618.69 |
| Returns Above Specified Costs | | | | | \$238.75 | \$29,127.11 |
| Breakeven Price to Cover Total Costs | | | | \$94.69 | 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 | \$40.97 | \$40.97 | \$126.25 | \$126.25 | \$0.00 |
| 90% | 2.85 | \$34.14 | \$34.14 | \$105.21 | \$105.21 | \$0.00 |
| 100% | 3.17 | \$30.73 | \$30.73 | \$94.69 | \$94.69 | \$0.00 |
| 110% | 3.49 | \$27.93 | \$27.93 | \$86.08 | \$86.08 | \$0.00 |
| 125% | 3.96 | \$24.58 | \$24.58 | \$75.75 | \$75.75 | \$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.