

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2018 Estimated Costs and Returns per Acre**  
**Alamo Switchgrass, Full Season, Pivot Irrigated, Baled**  
**Far West Extension District - 6**

Crop Acres		122			
				Enterprise	
<b>REVENUE</b>				Total	Total
Switchgrass	Quantity	Units	\$/Unit	\$443.80	\$54,143.60
	3.17	Ton	\$140.00		
<b>Total Revenue</b>				<b>\$443.80</b>	<b>\$54,143.60</b>
<b>VARIABLE COSTS</b>				Total	Enterprise Total
<b>Production Costs</b>					
<b>Fertilizer</b>					
N-32 in Water	20	Pound	\$0.39	\$7.80	\$951.60
Urea, Solid (46% N)	0.45	CWT	\$19.75	\$8.89	\$1,084.28
<b>Herbicide</b>					
2,4-D Amine 4	40	Ounce	\$0.14	\$5.60	\$683.20
<b>Other Labor</b>					
Hand Labor	0.14	Hour	\$8.50	\$1.19	\$145.18
<b>Irrigation</b>					
Energy Cost	4.56	Mcf	\$4.00	\$18.24	\$2,225.28
Irrigation Labor	0.03	Hour	\$11.00	\$0.29	\$35.43
<b>Machinery Labor</b>					
Tractors/Self-Propelled	2.89	Hour	\$12.00	\$34.68	\$4,230.96
<b>Diesel Fuel</b>					
Tractors/Self-Propelled	15.99	Gallon	\$2.14	\$34.22	\$4,174.67
<b>Repairs &amp; Maintenance</b>					
Irrigation Equipment	1	Acre	\$12.02	\$12.02	\$1,466.07
Tractors/Self-Propelled	1	Acre	\$20.06	\$20.06	\$2,447.88
Implements	1	Acre	\$1.73	\$1.73	\$211.20
Interest on Credit Line			6.50%	\$3.46	\$421.68
<b>Total Variable Costs</b>				<b>\$148.18</b>	<b>\$18,077.42</b>
Planned Returns Above Variable Costs:				\$295.62	\$36,066.18
Breakeven Price to Cover Variable Costs				\$46.74	Ton
<b>FIXED COSTS</b>				Total	Enterprise Total
<b>Machinery Depreciation</b>					
Irrigation Equipment	1	Acre	\$48.64	\$48.64	\$5,933.75
Tractors/Self-Propelled	1	Acre	\$24.68	\$24.68	\$3,010.83
Implements	1	Acre	\$3.87	\$3.87	\$471.84
<b>Equipment Investment</b>					
Irrigation Equipment	\$364.78	Dollars	6.50%	\$23.71	\$2,892.70
Tractors/Self-Propelled	\$182.60	Dollars	6.50%	\$11.87	\$1,447.99
Implements	\$30.54	Dollars	6.50%	\$1.99	\$242.18
<b>Allocated Establishment Cost</b>					
Trans Pecos Irrigated Land	1	Acre	\$41.84	\$41.84	\$5,104.48
	1	Acre	\$40.00	\$40.00	\$4,880.00
<b>Total Fixed Costs</b>				<b>\$196.59</b>	<b>\$23,983.76</b>
<b>Total Specified Costs</b>				<b>\$344.76</b>	<b>\$42,061.18</b>
Returns Above Specified Costs				\$99.04	\$12,082.42
<b>Breakeven Price to Cover Total Costs</b>				<b>\$108.76</b>	<b>Ton</b>

<b>Example Breakeven Prices</b>				
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs	
75%	2.38	\$62.32	\$145.01	
90%	2.85	\$51.94	\$120.84	
100%	3.17	\$46.74	\$108.76	
110%	3.49	\$42.49	\$98.87	
125%	3.96	\$37.39	\$87.01	

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

**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.**