



Daily Pickup Policy

Bulk Haulage Regulations (revised effective May 1, 2017)

Bulk haulage charges paid by producers

7A The following rates shall be the maximum bulk haulage rates to be charged to a producer by a transporter and shall be applicable to all transporters in the Province:

- (a) for milk transported from a farm that has milk pick-up every day: mandatory charge, calculated on all milk, in accordance with a Board policy established for the purpose of calculating the rate for every day pick-up;
- (b) for a second trip in one day by a bulk milk truck to a farm for milk pick up: charge of \$50 per return trip, in addition to the amount payable by the Board pursuant to ~~subsection~~ [clause] 7(a);
- (c) minimum charge: if the total amount payable during a week by the Board to a transporter pursuant to ~~subsection~~ [clause] 7(a) for milk transported from a farm is less than \$63, the producer that owns that farm must pay to the transporter the difference between \$63 and the amount paid by the Board for that week.

Section 7A added: N.S. Reg. 64/2017.

DFNS Board Policy for Daily Pickup

The DFNS Board of Directors has approved the wording of following daily pickup policy:

- Any producer requiring daily pickup must notify DFNS of the requirement;
- In the case of tanker top-up, there will be no additional charge and it will occur with the producer's agreement and at the transporter's discretion;
- In cases of seasonal flush milk¹, waiting for delivery of a larger tank², or other extraordinary circumstances³ the transporter must calculate and charge a \$/extra visit fee (represents actual additional costs plus reasonable margin) from the producer;
- If none of the above cases apply, transporters must charge the producer at a rate of 150% of their hauling rate for all milk produced.

1 Seasonal Flush duration cannot exceed 50 extra pickups in a year – if it does then 150% on all milk produced is charged after 50 extra pickups.

2 Satisfactory proof of larger (or additional) tank on order and anticipated delivery date must be provided to DFNS by producer.

3 The decision as to whether there are "extraordinary circumstances" will be made by DFNS after consulting with the producer and transporter.

Administrative Procedures to Implement Every Day Pickup

1. Producers must make written request of every day pickup to DFNS with at least five business days' notice before the intended start. A DFNS form will be provided to drivers and available from our office.
2. DFNS, in consultation with transporters, will determine if every day pickup is possible. All requests will be dealt with on a case-by-case basis. Criteria used will include:
 - a. Tanker capacity on an alternate route
 - b. Hours of service requirements for Bulk Milk Grader (BMG)
 - c. Delivery implications to plant destination (i.e. receiving hours)
 - d. Reasonableness of the request related to overall logistics
3. If approved, an incremental charge for every day pick up will be calculated as follows:
 - a. \$2.50 per extra km travelled; AND
 - b. Extra Stop Charge of \$25 per extra pickup

Example: A producer requiring everyday pickup is 10 km out of the way on their alternate pickup day, their incremental charge will be calculated as follows: $2 \times 10 \text{ km} = 20\text{km} \times \$2.50 = \$50 + \25 for total \$75/extra pickup. For an additional 15 pickups (30 day month) the total monthly charge would be \$1,125

4. Transporter will submit their everyday pickup charges incurred to DFNS monthly. DFNS will work through the payment agent to have these fees collected from the producer and settle with the transporter.
5. DFNS will track the seasonal flush 50 extra pickups based on transporter and HH information. The 50 pickups will be tracked on a rolling twelve-month basis.
6. DFNS will direct the payment agent to collect the 150% charge, as per the policy, with the premium amounts being paid to the transporter.

Implementation timeline:

- Modify and Implement Policy of extra charges and administrative procedures **effective August 1, 2017.**
- Inform producers through June DFNS newsletter and separate email communication.
- Transporters to inform DFNS of which farms are currently on everyday pickup.
- DFNS to directly contact producers who are currently on everyday pickup immediately to advise them of the policy, related charges and the effective date.



Every Day Pick-up Request Form (EDPU)

DFNS Registration Number: _____

Registered Producer Name: _____

Phone Number: _____ (cell): _____

Email Address: _____

Anticipated Start Date of EDPU: _____ Estimated Duration of EDPU: _____

Reason for Request (detailed): _____

NOTE:

1. A producer requiring every day milk pickup must submit this request to DFNS with at least five business days' notice before the intended start date.
2. On a case-by-case basis DFNS, in consultation with transporters, will determine if EDPU is possible.
3. If approved, an incremental charge for EDPU will be calculated as follows:
 - a. \$2.50 per extra km travelled; AND
 - b. Extra Stop Charge of \$25.00 per extra pick-up
4. DFNS will track the seasonal flush 50 extra pick-ups based on transporter and HH information, on a rolling twelve-month basis.

Complete details are available in Section 7A of the Bulk Haulage Regulations of the *Dairy Industry Act* and DFNS board policy, effective August 1, 2017.

Date

Authorized Signature(s)

Send completed form to:
Dairy Farmers of Nova Scotia, 100-4060 Highway 236, Lower Truro NS B6L 1J9
Tel: (902) 893-6455 | Fax: (902) 897-9768 | E-mail: dfns@dfns.ca

<u>FOR DFNS OFFICE USE ONLY</u>		Routes <input style="width: 80px; height: 20px;" type="text"/>
<input type="checkbox"/>	Transporter Consult: _____ <small>Company/Contact</small> <small>Date</small>	
APPROVED AND RECORDED on _____, 20____, by _____.		
<small>EDPU 06/17</small>		