



United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Risk
Management
Agency

Beacon Facility –
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Kansas City, MO
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January 16, 2015

INFORMATIONAL MEMORANDUM: PM-15-004

TO: All Approved Insurance Providers
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Tim B. Witt /s/ *Tim B. Witt*
Deputy Administrator

SUBJECT: 2015 Crop Year (CY) **Common Crop Insurance Policy** Projected Prices
and Volatility Factors

Common Crop Insurance Policy¹

The 2015 CY **projected prices** shown below are approved for the Yield Protection, Revenue Protection and Revenue Protection with Harvest Price Exclusion plans of insurance. The 2015 CY **volatility factors** shown below are approved for the Revenue Protection and Revenue Protection with Harvest Price Exclusion plans of insurance. The projected prices and volatility factors apply to policies with a **January 31 sales closing date** and are applicable for the crops, types, practices, and states indicated below:

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Corn Texas	CBOT	September Corn	\$4.22/bu.	0.20
Corn – Organic Practice Texas	CBOT	September Corn	\$7.94/bu.	0.20
Cotton Texas	ICE	December* Cotton	\$0.65lb.	0.16
Cotton – Organic Practice Texas	ICE	December* Cotton	\$1.20/lb.	0.16

** Beginning in the 2015 CY, the ICE December cotton contract will be used to determine projected and harvest prices for Texas counties covered by the January 31 sales closing date (see <http://www.rma.usda.gov/bulletins/pm/2014/14-050.pdf>).*

¹ Projected Prices and Volatility Factors are applicable for Stacked Income Protection (STAX) and the Supplemental Coverage Option (SCO).

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Common Crop Insurance Policy¹

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Grain Sorghum Texas	CBOT	September Corn	\$4.06/bu.	0.20
Grain Sorghum – Organic Practice Texas	CBOT	September Corn	\$6.22/bu.	0.20
Peanuts – Runner Type Texas	CBOT/ ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.22/lb.	0.08
Peanuts – Spanish Type Texas	CBOT/ ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.28/lb.	0.08
Rice – Long Grain Type Texas	CBOT	September Rice	\$0.119/lb.**	0.00
Rice – Medium & Short Grain Types Texas	CBOT	September Rice	\$0.145/lb.**	0.00
Soybeans Texas	CBOT	November Soybeans	\$10.13/bu.	0.17
Soybeans – Organic Practice Texas	CBOT	November Soybeans	\$17.67/bu.	0.17
Sunflowers – Oil Type Texas	CBOT	July Soybean Oil	\$0.175/lb.	0.13
Sunflowers – Confectionary Type Texas	CBOT	July Soybean Oil	\$0.271/lb.	0.13

** Revenue protection coverage **will not be offered** for rice counties with a January 31, 2015 sales closing date in Texas due to insufficient full active trading days as stipulated in the Commodity Exchange Price Provisions (CEPP) – Section 1 (<http://www.rma.usda.gov/policies/2014/14cepp.pdf>). Yield protection will still be available and revenue coverage plans of insurance will have the harvest price equal the projected price with zero volatility. The projected price equals the average daily settlement price for the CBOT 2015 September rice contract for the period December 15, 2014 through January 14, 2015.

¹ Projected Prices and Volatility Factors are applicable for Stacked Income Protection (STAX) and the Supplemental Coverage Option (SCO).

DISPOSAL DATE

December 31, 2015