



United States  
Department of  
Agriculture

Farm and Foreign  
Agricultural  
Services

Risk  
Management  
Agency

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March 1, 2012

**INFORMATIONAL MEMORANDUM: PM-12-009**

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

**FROM:** Tim B. Witt /s/Rodger Matthews, for  
Deputy Administrator

**SUBJECT:** 2012 Crop Year (CY) **Common Crop Insurance Policy** Projected Prices and Volatility Factors and **Group Risk Income Protection (GRIP)** Expected Prices and Volatility Factors and **Hybrid Seed Price Endorsement (HSPE)** Hybrid Seed Corn Price and **Malting Barley Additional Value Prices**

**Common Crop Insurance Policy**

The 2012 CY **projected prices** shown below are approved for the Yield Protection, Revenue Protection, and Revenue Protection with Harvest Price Exclusion plans of insurance. The 2012 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 pertain to counties with a **March 15 sales closing date, unless otherwise indicated**, and are applicable for the crops, practices, types, and states indicated in the following table.

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Barley</b> <i>Kansas</i>	CBOT	July Corn	\$5.85/bushel	0.16
<b>Barley</b> <i>Iowa, Nebraska, New York &amp; Pennsylvania</i>	CBOT	September Corn	\$5.37/bushel	0.19
<b>Barley</b> <i>Colorado, Idaho, Maine, Michigan, Minnesota, Montana, Nevada, North Dakota, Oregon, South Dakota, Utah, Vermont, Washington, Wisconsin &amp; Wyoming</i>	CBOT	September Corn	\$5.37/bushel	0.21

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The Risk Management Agency Administers  
And Oversees All Programs Authorized Under  
The Federal Crop Insurance Corporation

2012 CY Common Crop Insurance Policy Projected Prices and Volatility Factors and **Group Risk Income Protection (GRIP)** Expected Prices and Volatility Factors and **Hybrid Seed Price Endorsement (HSPE)** Hybrid Seed Corn Price and **Malting Barley Additional Value Prices**

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**Common Crop Insurance Policy**

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Barley</b> <i>Alaska</i>	CBOT	December Corn	\$5.30/bushel	0.21
<b>Barley</b> <i>California</i>	CBOT	December Corn	\$5.13/bushel	0.21
<b>Barley</b> <b>(March 15 Sales Closing Date, Winter Types without Winter Coverage Endorsement)</b> <i>Idaho, Oregon &amp; Washington</i>	CBOT	September Corn	\$6.33/bushel	0.27
<b>Barley</b> <b>(September 30 Sales Closing Date, Spring Type)</b> <i>Kansas</i>	CBOT	July Corn	\$5.85/bushel	0.16
<b>Barley</b> <b>(September 30 Sales Closing Date, Spring Types)</b> <i>New York &amp; Pennsylvania</i>	CBOT	September Corn	\$5.37/bushel	0.19
<b>Barley</b> <b>(September 30 Sales Closing Date, Spring Types)</b> <i>Colorado, Idaho, Oregon &amp; Washington</i>	CBOT	September Corn	\$5.37/bushel	0.21
<b>Barley</b> <b>(October 31 Sales Closing Date, Spring Types)</b> <i>Nevada &amp; Utah</i>	CBOT	September Corn	\$5.37/bushel	0.21
<b>Canola</b> <i>All States</i>	ICE	November Canola	\$0.237/pound	0.10
<b>Canola - Rapeseed Type</b> <i>All States</i>	ICE	November Canola	\$0.266/pound	0.00

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2012 CY Common Crop Insurance Policy Projected Prices and Volatility Factors and **Group Risk Income Protection (GRIP)** Expected Prices and Volatility Factors and **Hybrid Seed Price Endorsement (HSPE)** Hybrid Seed Corn Price and **Malting Barley Additional Value Prices**

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**Common Crop Insurance Policy**

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Canola</b> (August 31 Sales Closing Date, Spring Type) <i>Idaho, Oregon &amp; Washington</i>	ICE	November Canola	\$0.237/pound	0.10
<b>Canola - Rapeseed Type</b> (August 31 Sales Closing Date, Spring Type) <i>Idaho, Oregon &amp; Washington</i>	ICE	November Canola	\$0.266/pound	0.00
<b>Corn</b> <i>Oklahoma &amp; Texas</i>	CBOT	December Corn	\$5.68/bushel	0.21
<b>Corn - Organic Practice</b> <i>Oklahoma &amp; Texas</i>	CBOT	December Corn	\$7.99/bushel	0.21
<b>Corn</b> <i>Colorado, Connecticut, Delaware, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Pennsylvania, Rhode Island, South Dakota, Tennessee, Utah, Vermont, Virginia, West Virginia, Wisconsin &amp; Wyoming</i>	CBOT	December Corn	\$5.68/bushel	0.22
<b>Corn - Organic Practice</b> <i>Colorado, Connecticut, Delaware, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Pennsylvania, Rhode Island, South Dakota, Tennessee, Utah, Vermont, Virginia, West Virginia, Wisconsin &amp; Wyoming</i>	CBOT	December Corn	\$7.99/bushel	0.22
<b>Corn</b> <i>Idaho, Michigan, Oregon &amp; Washington</i>	CBOT	December Corn	\$5.68/bushel	0.24
<b>Corn - Organic Practice</b> <i>Idaho, Michigan, Oregon &amp; Washington</i>	CBOT	December Corn	\$7.99/bushel	0.24

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2012 CY Common Crop Insurance Policy Projected Prices and Volatility Factors and **Group Risk Income Protection (GRIP)** Expected Prices and Volatility Factors and **Hybrid Seed Price Endorsement (HSPE)** Hybrid Seed Corn Price and **Malting Barley Additional Value Prices**

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**Common Crop Insurance Policy**

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Cotton</b> <i>Missouri, Tennessee, Texas &amp; Virginia</i>	ICE	December Cotton	\$0.93/pound	0.18
<b>Cotton - Organic Practice</b> <i>Missouri, Tennessee, Texas &amp; Virginia</i>	ICE	December Cotton	\$1.30/pound	0.18
<b>Cotton</b> <i>Kansas, New Mexico &amp; Oklahoma</i>	ICE	December Cotton	\$0.93/pound	0.19
<b>Cotton - Organic Practice</b> <i>Kansas, New Mexico &amp; Oklahoma</i>	ICE	December Cotton	\$1.30/pound	0.19
<b>Grain Sorghum</b> <i>Texas</i>	CBOT	December Corn	\$5.53/bushel	0.21
<b>Grain Sorghum</b> <i>All States, except Texas</i>	CBOT	December Corn	\$5.53/bushel	0.22
<b>Popcorn</b> <i>Alabama (previously released: 2/15/12)</i>	CBOT	September Corn	\$0.2360/pound	0.22
<b>Popcorn</b> <i>All States, except Alabama &amp; Michigan</i>	CBOT	December Corn	\$0.2272/pound	0.22
<b>Popcorn</b> <i>Michigan</i>	CBOT	December Corn	\$0.2272/pound	0.24
<b>Soybeans</b> <i>Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, North Dakota, Ohio, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Vermont, Washington &amp; Wisconsin</i>	CBOT	November Soybeans	\$12.55/bushel	0.18
<b>Soybeans - Organic Practice</b> <i>Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, North Dakota, Ohio, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Vermont, Washington &amp; Wisconsin</i>	CBOT	November Soybeans	\$19.97/bushel	0.18
<b>Soybeans</b> <i>Delaware, Maryland, Oklahoma, Virginia &amp; West Virginia</i>	CBOT	January (2013) Soybeans	\$12.60/bushel	0.18
<b>Soybeans - Organic Practice</b> <i>Delaware, Maryland, Oklahoma, Virginia &amp; West Virginia</i>	CBOT	January (2013) Soybeans	\$20.05/bushel	0.18

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<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Sunflowers - Oil Type</b> <i>All States</i>	CBOT	December Soybean Oil	\$0.282/pound	0.16
<b>Sunflowers - Confectionary Type</b> <i>All States</i>	CBOT	December Soybean Oil	\$0.357/pound	0.16
<b>Wheat - All Types Except Durum</b> <i>Alaska, Colorado, Iowa, Maine, Minnesota, Montana, Nebraska, North Dakota, South Dakota, Vermont, Wisconsin &amp; Wyoming</i>	MGE	September HRS Wheat	\$7.84/bushel	0.19
<b>Wheat - Durum Type</b> <i>Montana, North Dakota &amp; South Dakota</i>	MGE	September HRS Wheat	\$8.98/bushel	0.19
<b>Wheat</b> <b>(September 30 Sales Closing Date, Spring Type)</b> <i>Colorado, Iowa, Nebraska &amp; Wisconsin</i>	MGE	September HRS Wheat	\$7.84/bushel	0.19
<b>Wheat</b> <b>(September 30 Sales Closing Date, Spring &amp; Khorasan Types)</b> <i>Montana</i>	MGE	September HRS Wheat	\$7.84/bushel	0.19
<b>Wheat</b> <b>(September 30 Sales Closing Date, Spring Type &amp; No Type Specified)</b> <i>South Dakota &amp; Wyoming</i>	MGE	September HRS Wheat	\$7.84/bushel	0.19
<b>Wheat - Spring Type</b> <i>California</i>	CBOT	September Wheat	\$6.69/bushel	0.21
<b>Wheat</b> <b>(September 30 Sales Closing Date, Spring Type)</b> <i>California, Idaho, Oregon &amp; Washington</i>	CBOT	September Wheat	\$6.69/bushel	0.21
<b>Wheat</b> <b>(October 31 Sales Closing Date, Spring Type)</b> <i>Nevada &amp; Utah</i>	CBOT	September Wheat	\$6.69/bushel	0.21

**2012 CY Common Crop Insurance Policy Projected Prices and Volatility Factors and Group Risk Income Protection (GRIP) Expected Prices and Volatility Factors and Hybrid Seed Price Endorsement (HSPE) Hybrid Seed Corn Price and Malting Barley Additional Value Prices**

**Group Risk Income Protection (GRIP)**

The following 2012 CY expected prices and volatility factors have been approved for GRIP corn, grain sorghum, soybeans and wheat in counties with a March 15 cancellation date.

<b><u>Crop</u></b>	<b><u>Expected Price</u></b>	<b><u>Volatility Factor</u></b>
Corn	\$5.68/bushel	0.22
Grain Sorghum	\$5.53/bushel	0.22
Soybeans	\$12.55/bushel	0.18
Spring Wheat	\$7.84/bushel	0.19

**Hybrid Seed Price Endorsement (HSPE)**

The 2012 CY hybrid seed corn price of \$5.68 per bushel has been approved for the Hybrid Seed Price Endorsement.

**Malting Barley Additional Value Prices**

In accordance with the Small Grains Crop Insurance Malting Barley Price and Quality Endorsement, the following 2012 CY additional value prices under Option A have been approved for counties with a March 15 sales closing date.

<b><u>States</u></b>	<b><u>Price</u></b>
Alaska, Oregon & Washington	\$0.85/bushel
Colorado, Idaho, Montana, Nebraska & Wyoming	\$1.25/bushel
Minnesota, North Dakota & South Dakota	\$0.90/bushel

**DISPOSAL DATE**

December 31, 2012