



United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Risk
Management
Agency

Beacon Facility –
Mail Stop 0801
P.O. Box 419205
Kansas City, MO
64141-6205

February 17, 2015

INFORMATIONAL MEMORANDUM: PM-15-009

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

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

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

Common Crop Insurance Policy & Area Risk Protection Insurance¹

The 2015 CY **projected prices** shown below are approved for the Yield Protection, Area Yield Protection, Revenue Protection, Area Revenue Protection, Revenue Protection with Harvest Price Exclusion and Area Revenue Protection - Harvest Price Exclusion plans of insurance. The 2015 CY **volatility factors** shown below are approved for the Revenue Protection, Area Revenue Protection, Revenue Protection with Harvest Price Exclusion and Area Revenue Protection - Harvest Price Exclusion plans of insurance. The projected prices and volatility factors apply to policies with a **February 28 sales closing date, unless otherwise indicated**, and are applicable for the crops, types, practices and states indicated below:

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Corn <i>Alabama, Florida, Georgia, Louisiana & South Carolina</i>	CBOT	September Corn	\$4.05/bushel	0.19
Corn - Organic Practice <i>Alabama, Florida, Georgia, Louisiana & South Carolina</i>	CBOT	September Corn	\$7.62/bushel	0.19
Corn <i>Arkansas & Mississippi</i>	CBOT	December Corn	\$4.13/bushel	0.18
Corn - Organic Practice <i>Arkansas & Mississippi</i>	CBOT	December Corn	\$7.77/bushel	0.18

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

Continued...

2015 Crop Year (CY) **Common Crop Insurance Policy** and **Area Risk Protection Insurance**
 Projected Prices and Volatility Factors

...Continued

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Corn <i>North Carolina</i>	CBOT	December Corn	\$4.13/bushel	0.19
Corn - Organic Practice <i>North Carolina</i>	CBOT	December Corn	\$7.77/bushel	0.19
Corn <i>Arizona, California & Nevada</i>	CBOT	December Corn	\$4.13/bushel	0.20
Corn - Organic Practice <i>Arizona, California & Nevada</i>	CBOT	December Corn	\$7.77/bushel	0.20
Cotton <i>All States</i>	ICE	December Cotton	\$0.63/pound	0.16
Cotton – Organic Practice <i>All States</i>	ICE	December Cotton	\$1.18/pound	0.16
Grain Sorghum <i>Alabama, Florida, Georgia & South Carolina</i>	CBOT	December Corn	\$3.97/bushel	0.17
Grain Sorghum – Organic Practice <i>Alabama, Florida, Georgia & South Carolina</i>	CBOT	December Corn	\$6.08/bushel	0.17
Grain Sorghum <i>Arkansas, Louisiana & Mississippi</i>	CBOT	December Corn	\$3.97/bushel	0.19
Grain Sorghum – Organic Practice <i>Arkansas, Louisiana & Mississippi</i>	CBOT	December Corn	\$6.08/bushel	0.19

Continued...

2015 Crop Year (CY) **Common Crop Insurance Policy** and **Area Risk Protection Insurance**
 Projected Prices and Volatility Factors

...Continued

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Grain Sorghum <i>Arizona, California & North Carolina</i>	CBOT	December Corn	\$3.97/bushel	0.20
Grain Sorghum – Organic Practice <i>Arizona, California & North Carolina</i>	CBOT	December Corn	\$6.08/bushel	0.20
Peanuts – Runner Type <i>Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina & Texas</i>	CBOT/ ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2123/pound	0.08
Peanuts – Spanish Type <i>Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi & Texas</i>	CBOT/ ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2824/pound	0.08
Peanuts – Virginia Type <i>Alabama, Florida, Georgia, Mississippi, North Carolina & South Carolina</i>	CBOT/ ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2463/pound	0.08
Popcorn <i>March 15 Sales Closing Date Alabama</i>	CBOT	September Corn	\$0.1746/pound	0.19
Popcorn – Organic Practice <i>March 15 Sales Closing Date Alabama</i>	CBOT	September Corn	\$0.2515/pound	0.19

Continued...

2015 Crop Year (CY) **Common Crop Insurance Policy** and **Area Risk Protection Insurance**
 Projected Prices and Volatility Factors

...Continued

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Rice – Long Grain Type <i>Louisiana</i>	CBOT	<i>September Rice*</i>	<i>\$0.110/pound*</i>	<i>0.00*</i>
Rice – Medium/Short Grain Types <i>Louisiana</i>	CBOT	<i>September Rice*</i>	<i>\$0.124/pound*</i>	<i>0.00*</i>
Rice – Long Grain Type <i>Arkansas, California, Illinois, Mississippi, Missouri, Oklahoma, Tennessee & Texas</i>	CBOT	<i>November Rice*</i>	<i>\$0.112/pound*</i>	<i>0.00*</i>
Rice – Medium/Short Grain Types <i>Arkansas, Illinois, Mississippi, Missouri, Oklahoma, Tennessee & Texas</i>	CBOT	<i>November Rice*</i>	<i>\$0.127/pound*</i>	<i>0.00*</i>
Rice – Medium/Short Grain Types <i>California</i>	CBOT	<i>November Rice*</i>	<i>\$0.151/pound*</i>	<i>0.00*</i>

* Revenue protection coverage is not offered for rice counties with a February 28 sales closing date due to an insufficient number of 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 coverage is still available; revenue protection coverage plans of insurance have volatility set equal to zero and the harvest price set equal to the projected price. The projected price equals the average daily settlement price for either the CBOT 2015 September rice contract (Louisiana) or the CBOT 2015 November rice contract (all other states) for the period January 15, 2015 - February 14, 2015.

Continued...

2015 Crop Year (CY) **Common Crop Insurance Policy** and **Area Risk Protection Insurance**
 Projected Prices and Volatility Factors

...Continued

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Soybeans <i>Arkansas, Louisiana, Mississippi & Texas</i>	CBOT	November Soybeans	\$9.62/bushel	0.16
Soybeans - Organic Practice <i>Arkansas, Louisiana, Mississippi & Texas</i>	CBOT	November Soybeans	\$16.78/bushel	0.16
Soybeans <i>Alabama, Florida, Georgia, North Carolina & South Carolina</i>	CBOT	January (2016) Soybeans	\$9.67/bushel	0.16
Soybeans - Organic Practice <i>Alabama, Florida, Georgia, North Carolina & South Carolina</i>	CBOT	January (2016) Soybeans	\$16.86/bushel	0.16

DISPOSAL DATE

December 31, 2015