

# PRODUCT MANAGEMENT BULLETIN: PM-23-003

DATE January 13, 2023

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

FROM: Richard H. Flourney, Deputy Administrator /s/ Richard H. Flourney 1/13/2023

SUBJECT: 2023 Crop Year (CY) Commodity Exchange Price Provisions (CEPP) – Peanuts  
Factors: February 28, 2023, Sales Closing Date (SCD)

## Background

The CEPP – Peanuts factors necessary to establish a producer's amount of protection under the peanut program for the 2023 CY are identified below. The factors are applied to the commodity prices for wheat, cotton, soybean oil, and soybean meal during the discovery period of January 15, 2023, to February 14, 2023. These factors apply only to states with a SCD of February 28, 2023. They are determined in accordance with the Peanut Price Methodology guidelines published and available at [rma.usda.gov/-/media/RMA/Policies/CEPP/2021/Commodity-Exchange-Price-Provisions---Peanuts-21-CEPP-PT.ashx](https://rma.usda.gov/-/media/RMA/Policies/CEPP/2021/Commodity-Exchange-Price-Provisions---Peanuts-21-CEPP-PT.ashx)

## Action

The factor values for peanuts in states and counties with a February 28, 2023, SCD, as specified in the CEPP – Peanuts document for the 2023 crop year are shown below.

The values for the exponent factors for each commodity exchange futures contract are:

<b>Commodity</b>	<b>Abbreviation</b>	<b>Value</b>
Wheat	$E_{wh}$	-0.1775
Cotton	$E_{ct}$	0.2606
Soybean Oil	$E_{so}$	0.4458
Soybean Meal	$E_{sm}$	-0.0858

The values for the price constant and price weighting factors are:

<b>Variable</b>	<b>Abbreviation</b>	<b>Value</b>
Price Constant	C	0.1373
Price Weighting Formula	W	0.4144

The values for the type factors are:

<b>Type</b>	<b>Abbreviation</b>	<b>Value</b>
Runner	$T_{ru}$	1.00
Spanish	$T_{sp}$	1.79
Valencia	$T_{va}$	1.11
Virginia	$T_{vi}$	1.11

Additionally, the factor specifications for commodities utilized to determine price volatility are as follows:

<b>Commodity</b>	<b>Abbreviation</b>	<b>Value</b>
Wheat	$G_{wh}$	-0.0823
Cotton	$G_{ct}$	0.3196
Soybean Oil	$G_{so}$	-0.1620
Soybean Meal	$G_{sm}$	0.2616

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The value for the volatility weighting factor is:

<i>Variable</i>	<i>Abbreviation</i>	<i>Value</i>
Volatility Weighting Factor	V	5.9856

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**DISPOSAL DATE:**  
December 31, 2023