PM-19-015: 2019 Crop Year (CY) Common Crop Insurance Policy and Area Risk Protection Insurance Projected Prices and Volatility Factors; Malting Barley Endorsement Projected Price Component and Volatility Factor; and Hybrid Seed Price Endorsement...

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Date

March 1, 2019

To

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

From

Richard H. Flournoy, Deputy Administrator /s/ Richard H. Flournoy 3/1/2019

Subject

2019 Crop Year (CY) Common Crop Insurance Policy and Area Risk Protection Insurance Projected Prices and Volatility Factors; Malting Barley Endorsement Projected Price Component and Volatility Factor; and Hybrid Seed Price Endorsement - Hybrid Seed Corn Prices

Common Crop Insurance Policy & Area Risk Protection Insurance [1]

The 2019 CY **projected prices** shown below are approved for the following plans of insurance: Yield Protection, Area Yield Protection, Revenue Protection, Area Revenue Protection, Revenue Protection with Harvest Price Exclusion, and Area Revenue Protection with the Harvest Price Exclusion. The 2019 CY **volatility factors** shown below are approved for the following plans of insurance: Revenue Protection, Area Revenue Protection, Revenue Protection with Harvest Price Exclusion, and Area

Revenue Protection with the Harvest Price Exclusion. The projected prices and volatility factors apply to policies with a **March 15 sales closing date, *unless otherwise indicated*,** and are applicable for the crops, practices, types, and states indicated below:

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Barley *Kansas (Spring type)*	CBOT	July Corn	$3.10/bushel	0.09
Barley – Organic Practice *Kansas (Spring type)*	CBOT	July Corn	$6.61/bushel	0.09
Barley *Iowa, Nebraska, New York (Spring type) & Pennsylvania (Spring type)*	CBOT	September Corn	$3.13/bushel	0.12
Barley – Organic Practice *Iowa, Nebraska, New York (Spring type) & Pennsylvania (Spring type)*	CBOT	September Corn	$6.68/bushel	0.12

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Barley *California (Spring types), Colorado (Spring types), Idaho (Spring types), Maine, Michigan, Minnesota, Montana, Nevada, North Dakota, Oregon (Spring types), South Dakota, Utah, Vermont, Washington (Spring types), Wisconsin & Wyoming*	CBOT	September Corn	$3.13/bushel	0.14
Barley – Organic Practice *California (Spring types), Colorado (Spring types), Idaho (Spring types), Maine, Michigan, Minnesota, Montana, Nevada, North Dakota, Oregon (Spring types), South Dakota, Utah, Vermont, Washington (Spring types), Wisconsin & Wyoming*	CBOT	September Corn	$6.68/bushel	0.14

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Barley *Alaska*	CBOT	December Corn	$5.75/bushel	0.14
Barley – Organic Practice *Alaska*	CBOT	December Corn	$12.29/bushel	0.14
Barley (March 15 Sales Closing Date, Winter Types without Winter Coverage Endorsement) *California, Idaho, Oregon & Washington* *(previously released 9/19/2018)*	CBOT	September Corn	$3.10/bushel	0.17
Barley – Organic Practice (March 15 Sales Closing Date, Winter Types without Winter Coverage Endorsement) *California, Idaho, Oregon & Washington* *(previously released 9/19/2018)*	CBOT	September Corn	$6.63/bushel	0.17

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Barley (September 30 Sales Closing Date, Spring Type) *Kansas*	CBOT	July Corn	$3.10/bushel	0.09
Barley – Organic Practice (September 30 Sales Closing Date, Spring Type) *Kansas*	CBOT	July Corn	$6.61/bushel	0.09
Barley (September 30 Sales Closing Date, Spring Types) *New York & Pennsylvania*	CBOT	September Corn	$3.13/bushel	0.12
Barley – Organic Practice (September 30 Sales Closing Date, Spring Types) *New York & Pennsylvania*	CBOT	September Corn	$6.68/bushel	0.12

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Barley (September 30 Sales Closing Date, Spring Types) *California, Colorado, Idaho, Oregon & Washington*	CBOT	September Corn	$3.13/bushel	0.14
Barley – Organic Practice (September 30 Sales Closing Date, Spring Types) *California, Colorado, Idaho, Oregon & Washington*	CBOT	September Corn	$6.68/bushel	0.14
Barley (October 31 Sales Closing Date, Spring Types) *Nevada & Utah*	CBOT	September Corn	$3.13/bushel	0.14
Barley – Organic Practice (October 31 Sales Closing Date, Spring Types) *Nevada & Utah*	CBOT	September Corn	$6.68/bushel	0.14

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Canola *All States*	ICE	November Canola	$0.171/pound	0.06
Canola - Rapeseed Type *All States*	ICE	November Canola	$0.245/pound	0.00
Canola (August 31 Sales Closing Date, Spring Type(s)) *Idaho, Oregon & Washington*	ICE	November Canola	$0.171/pound	0.06
Canola - Rapeseed Type (August 31 Sales Closing Date, Spring Type(s)) *Idaho, Oregon & Washington*	ICE	November Canola	$0.245/pound	0.00
Corn *Oklahoma & Texas*	CBOT	December Corn	$4.00/bushel	0.14
Corn - Organic Practice *Oklahoma & Texas*	CBOT	December Corn	$9.22/bushel	0.14

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Corn *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 & Wyoming*	CBOT	December Corn	$4.00/bushel	0.15

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Corn - Organic Practice *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 & Wyoming*	CBOT	December Corn	$9.22/bushel	0.15
Corn *Idaho, Michigan, Oregon & Washington*	CBOT	December Corn	$4.00/bushel	0.16
Corn - Organic Practice *Idaho, Michigan, Oregon & Washington*	CBOT	December Corn	$9.22/bushel	0.16

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Corn - High Amylose Type *Illinois, Indiana, Iowa, Kansas, Missouri, Nebraska & South Dakota*	CBOT	December Corn	$5.60/bushel	0.15
Cotton *Missouri, Tennessee, Texas & Virginia*	ICE	December Cotton	$0.73/pound	0.13
Cotton - Organic Practice *Missouri, Tennessee, Texas & Virginia*	ICE	December Cotton	$1.15/pound	0.13
Cotton *Kansas, New Mexico & Oklahoma*	ICE	December Cotton	$0.73/pound	0.14
Cotton - Organic Practice *Kansas, New Mexico & Oklahoma*	ICE	December Cotton	$1.15/pound	0.14
Grain Sorghum *Texas*	CBOT	December Corn	$3.94/bushel	0.14

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Grain Sorghum - Organic Practice *Texas*	CBOT	December Corn	$8.34/bushel	0.14
Grain Sorghum *All States, **except** Texas*	CBOT	December Corn	$3.94/bushel	0.15
Grain Sorghum – Organic Practice *All States, **except** Texas*	CBOT	December Corn	$8.34/bushel	0.15
Peanuts - Runner Type *New Mexico, Oklahoma, Texas & Virginia*	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	$0.1915/pound	0.11
Peanuts - Spanish Type *New Mexico, Oklahoma & Texas*	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	$0.2509/pound	0.11
Peanuts - Valencia Type *New Mexico, Oklahoma & Texas*	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	$0.2049/pound	0.11

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Peanuts - Virginia Type *New Mexico, Oklahoma, Texas & Virginia*	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	$0.2049/pound	0.11
Popcorn *Alabama* *(previously released: 2/15/2019)*	CBOT	September Corn	$0.1707/pound	0.14
Popcorn - Organic Practice *Alabama* *(previously released: 2/15/2019)*	CBOT	September Corn	$0.2457/pound	0.14
Popcorn *All States, **except** Alabama & Michigan*	CBOT	December Corn	$0.1720/pound	0.15
Popcorn - Organic Practice *All States, **except** Alabama & Michigan*	CBOT	December Corn	$0.2476/pound	0.15
Popcorn *Michigan*	CBOT	December Corn	$0.1720/pound	0.16

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Popcorn - Organic Practice *Michigan*	CBOT	December Corn	$0.2476/pound	0.16
Soybeans *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 & Wisconsin*	CBOT	November Soybeans	$9.54/bushel	0.12

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Soybeans - Organic Practice *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 & Wisconsin*	CBOT	November Soybeans	$19.05/bushel	0.12
Soybeans *Delaware, Maryland, Oklahoma, Virginia & West Virginia*	CBOT	January (2020) Soybeans	$9.63/bushel	0.12
Soybeans - Organic Practice *Delaware, Maryland, Oklahoma, Virginia & West Virginia*	CBOT	January (2020)Soybeans	$19.23/bushel	0.12
Sunflowers - Oil Type *All States*	CBOT	December Soybean Oil	$0.167/pound	0.11

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Sunflowers - Oil Type; Organic Practice *All States*	CBOT	December Soybean Oil	$0.299/pound	0.11
Sunflowers - Confectionary Type *All States*	CBOT	December Soybean Oil	$0.225/pound	0.11
Wheat - All Types *Except* Durum *Alaska, California, Colorado, Iowa, Maine, Minnesota, Montana, Nebraska, North Dakota, Oregon (Klamath County only), South Dakota, Vermont, Wisconsin & Wyoming*	MGE	September HRS Wheat	$5.77/bushel	0.14

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Wheat - All Types *Except* Durum; Organic Practice *Alaska, California, Colorado, Iowa, Maine, Minnesota, Montana, Nebraska, North Dakota, Oregon (Klamath County only), South Dakota, Vermont, Wisconsin & Wyoming*	MGE	September HRS Wheat	$12.95/bushel	0.14
Wheat - Durum Type *Montana, North Dakota & South Dakota*	MGE	September HRS Wheat	$5.98/bushel	0.14
Wheat - Durum Type; Organic Practice *Montana, North Dakota & South Dakota*	MGE	September HRS Wheat	$13.43/bushel	0.14

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Wheat (September 30 Sales Closing Date, Spring Type) *California, Colorado, Iowa, Montana (including Khorasan), Nebraska, Oregon (Klamath County only), South Dakota, Wisconsin & Wyoming*	MGE	September HRS Wheat	$5.77/bushel	0.14
Wheat – Organic Practice (September 30 Sales Closing Date, Spring Type) *California, Colorado, Iowa, Montana (including Khorasan), Nebraska, Oregon (Klamath County only), South Dakota, Wisconsin & Wyoming*	MGE	September HRS Wheat	$12.95/bushel	0.14

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

Malting Barley Endorsement

The Malting Barley Endorsement (MBE) utilizes a Chicago Board of Trade (CBOT) soft red wheat price component to derive the projected price for any insured whose malt barley contract provides for a premium amount above or below a base price to be determined, and the base price is not determined by the acreage reporting date.

Malting Barley Type	Exchange	Contract	Projected Price	Volatility Factor
Spring Planted Type	CBOT	September SRW Wheat	$5.16/bushel	0.15

Hybrid Seed Price Endorsement

The following 2019 CY hybrid seed corn prices have been approved for the Hybrid Seed Price Endorsement: $4.00 per bushel for the non-organic practice; and $9.22 per bushel for the certified organic practice.

These amounts reflect the higher values of either: 1) the previously-released 2019 crop year MPCI hybrid seed corn price elections [non-organic practice: $3.99 per bushel; certified organic practice: $9.06 per bushel]; or 2) the futures-based prices derived from the average daily settlement price in February for the 2019 December CBOT corn contract [non-organic practice: $4.00 per bushel], multiplied by an organic corn price factor [certified organic practice: $9.22 per bushel].

DISPOSAL DATE
December 31, 2019