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...

View PDF

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)	СВОТ	July Corn	\$3.10/bushel	0.09
Barley - Organic Practice Kansas (Spring type)	СВОТ	July Corn	\$6.61/bushel	0.09
Barley Iowa, Nebraska, New York (Spring type) & Pennsylvania (Spring type)	СВОТ	September Corn	\$3.13/bushel	0.12
Barley - Organic Practice Iowa, Nebraska, New York (Spring type) & Pennsylvania (Spring type)	СВОТ	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	СВОТ	September Corn	\$6.68/bushel	0.14

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Barley <i>Alaska</i>	СВОТ	December Corn	\$5.75/bushel	0.14
Barley - Organic Practice Alaska	СВОТ	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)	СВОТ	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	СВОТ	July Corn	\$3.10/bushel	0.09
Barley - Organic Practice (September 30 Sales Closing Date, Spring Type) Kansas	СВОТ	July Corn	\$6.61/bushel	0.09
Barley (September 30 Sales Closing Date, Spring Types) New York & Pennsylvania	СВОТ	September Corn	\$3.13/bushel	0.12
Barley - Organic Practice (September 30 Sales Closing Date, Spring Types) New York & Pennsylvania	СВОТ	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	СВОТ	September Corn	\$3.13/bushel	0.14
Barley - Organic Practice (September 30 Sales Closing Date, Spring Types) California, Colorado, Idaho, Oregon & Washington	СВОТ	September Corn	\$6.68/bushel	0.14
Barley (October 31 Sales Closing Date, Spring Types) Nevada & Utah	СВОТ	September Corn	\$3.13/bushel	0.14
Barley - Organic Practice (October 31 Sales Closing Date, Spring Types) Nevada & Utah	СВОТ	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	СВОТ	December Corn	\$4.00/bushel	0.14
Corn - Organic Practice Oklahoma & Texas	СВОТ	December Corn	\$9.22/bushel	0.14

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Corn	СВОТ	December Corn	\$4.00/bushel	0.15
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				

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	СВОТ	December Corn	\$9.22/bushel	0.15
Corn <i>Idaho, Michigan, Oregon & Washington</i>	СВОТ	December Corn	\$4.00/bushel	0.16
Corn - Organic Practice Idaho, Michigan, Oregon & Washington	СВОТ	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	СВОТ	December Corn	\$5.60/bushel	0.15
Cotton <i>Missouri, Tennessee, Texas</i> & <i>Virginia</i>	ICE	December Cotton	\$0.73/pound	0.13
Cotton - Organic Practice Missouri, Tennessee, Texas & Virginia	ICE	December Cotton	\$1.15/pound	0.13
Cotton <i>Kansas, New Mexico & Oklahoma</i>	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 <i>Texas</i>	СВОТ	December Corn	\$3.94/bushel	0.14

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Grain Sorghum - Organic Practice <i>Texas</i>	СВОТ	December Corn	\$8.34/bushel	0.14
Grain Sorghum All States, except Texas	СВОТ	December Corn	\$3.94/bushel	0.15
Grain Sorghum - Organic Practice All States, except Texas	СВОТ	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 <i>Alabama</i> (previously released: 2/15/2019)	СВОТ	September Corn	\$0.1707/pound	0.14
Popcorn - Organic Practice Alabama (previously released: 2/15/2019)	СВОТ	September Corn	\$0.2457/pound	0.14
Popcorn All States, except Alabama & Michigan	СВОТ	December Corn	\$0.1720/pound	0.15
Popcorn - Organic Practice All States, except Alabama & Michigan	СВОТ	December Corn	\$0.2476/pound	0.15
Popcorn <i>Michigan</i>	СВОТ	December Corn	\$0.1720/pound	0.16

Crop/Type/Practice/State	Exchange	Contract	Projected Price	Volatility Factor
Popcorn - Organic Practice Michigan	СВОТ	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	СВОТ	November Soybeans	\$19.05/bushel	0.12
Soybeans Delaware, Maryland, Oklahoma, Virginia & West Virginia	СВОТ	January (2020) Soybeans	\$9.63/bushel	0.12
Soybeans - Organic Practice Delaware, Maryland, Oklahoma, Virginia & West Virginia	СВОТ	January (2020)Soybeans	\$19.23/bushel	0.12
Sunflowers - Oil Type All States	СВОТ	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	СВОТ	December Soybean Oil	\$0.299/pound	0.11
Sunflowers - Confectionary Type All States	СВОТ	December Soybean Oil	\$0.225/pound	0.11
Wheat - All Types Except Durum Alaska, California, Colorado, Iowa, Maine, Minnesota, Montana,	MGE	September HRS Wheat	\$5.77/bushel	0.14

Nebraska, North Dakota,

Oregon (Klamath County

only), South Dakota,

Wyoming

Vermont, Wisconsin &

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 <i>Montana, North Dakota & South Dakota</i>	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	MGE	September HRS	\$5.77/bushel	0.14
(September 30 Sales		Wheat		
Closing Date, Spring				
Type)				
California, Colorado, Iowa,				
Montana (including				
Khorasan), Nebraska,				
Oregon (Klamath County				
only), South Dakota,				
Wisconsin & Wyoming				
Wheat - Organic	MGE	September HRS	\$12.95/bushel	0.14
Practice		Wheat		
(September 30 Sales				
Closing Date, Spring				
Type)				
California, Colorado, Iowa,				
Montana (including				
Khorasan), Nebraska,				
Oregon (Klamath County				
only), South Dakota,				
Wisconsin & Wyoming				

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	СВОТ	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