USDA Risk Management Agency
U.S. DEPARTMENT OF AGRICULTURE

PM-22-010

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Date

January 31, 2022

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 1/31/2022

Subject

2022 Crop Year (CY) Commodity Exchange Price Provisions (CEPP) – Peanut Factors – March 15, 2022, Sales Closing Date

Background

The CEPP peanut factors necessary to establish the insured's amount of protection under the peanut program for the 2022 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 February 1, 2022 to February 28, 2022. These factors apply only to states with a Sales Closing Date (SCD) of March 15, 2022. They are determined in accordance with the Peanut Price Methodology guidelines published and available at www.rma.usda.gov/policy-procedure/general-policies/commodity-exchange-price-provisions

Action

The factor values for peanuts in states and counties with a March 15, 2022 SCD as specified in the CEPP – Peanuts document for the 2022 crop year are shown below.

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

Commodity	Abbreviation	Value
Wheat	$?_{??}$	-0.1409
Cotton	$?_{?t}$	0.2955
Soybean Oil	$?_{?o}$	0.3980
Soybean Meal	$?_{?m}$	-0.1064

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

Variable	Abbreviation	Value
Price Constant	?	0.1595
Price Weighting Factor	?	0.2439

The values for the type factors are:

Type	Abbreviation	Value
Runner	$?_{?u}$	1.00
Spanish	$?_{?p}$	1.82
Valencia	$?_{?a}$	1.11
Virginia	$?_{?i}$	1.11

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

Commodity	Abbreviation	Value
Wheat	$?_{??}$	-0.0648
Cotton	$?_{?t}$	0.4574
Soybean Oil	$?_{?o}$	0.1427
Soybean Meal	$?_{?m}$	-0.0908

The value for the volatility weighting factor is:

Variable	Abbreviation	Value
Volatility Weighting Factor	?	4.5678

DISPOSAL DATE

December 31, 2022