USDA Risk Management Agency
U.S. DEPARTMENT OF AGRICULTURE

PM-21-074

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Date
December 13, 2021
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
Subject
2022 Crop Year (CY) Commodity Exchange Price Provisions (CEPP) – Peanuts Factors:
January 31, 2022 Sales Closing Date

Background

The CEPP - Peanuts 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 December 15, 2021 to January 14, 2022. These factors apply only to states with a Sales Closing Date (SCD) of January 31, 2022. They are determined in accordance with the Peanut Price Methodology guidelines published and available at /sites/default/files/2025-02/Commodity-Exchange-Price-Provisions---Peanuts-21-CEPP-PT.pdf.

Action

The factor values for peanuts in states and counties with a January 31, 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	E_{wh}	-0.1421
Cotton	E_{ct}	0.2909
Soybean Oil	E_{so}	0.3955
Soybean Meal	E_{sm}	-0.1051

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

Variable	Abbreviation	Value
Price Constant	C	0.1631
Price Weighting Formula	W	0.2504

The values for the type factors are:

Type	Abbreviation	Value
Runner	T_{ru}	1.00
Spanish	T_{sp}	1.70
Valencia	T_{va}	1.19
Virginia	T_{vi}	1.19

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

Commodity	Abbreviation	Value
Wheat	G_{wh}	-0.1384
Cotton	G_{ct}	0.4803
Soybean Oil	G_{so}	0.2020
Soybean Meal	G_{sm}	-0.1401

The value for the volatility weighting factor is:

Variable	Abbreviation	Value
Volatility Weighting Factor	V	5.3339

DISPOSAL DATE:

December 31, 2022