

PM-17-007

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Date

February 1, 2017

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Richard H. Flournoy, Deputy Administrator

Subject

2017 Crop Year (CY) Common Crop Insurance Policy and Area Risk Protection Insurance Projected Prices and Volatility Factors

Common Crop Insurance Policy & Area Risk Protection Insurance 1 The 2017 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 - Harvest Price Exclusion. The 2017 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 - Harvest Price Exclusion. The projected prices and volatility factors apply to policies with a February 15 sales closing date and are applicable for the crops, types, practices and states indicated below:

| Crop/Type/Practice/State | Exchange | Contract | Projected Price | Volatility Factor |
|-------------------------------|----------|---------------|-----------------|-------------------|
| Corn Texas | CBOT | December Corn | \$3.89/bu. | 0.17 |
| Corn - Organic Practice Texas | CBOT | December Corn | \$8.90/bu. | 0.17 |

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|--|------|--------------------|-------------|------|
| Grain Sorghum Texas | CBOT | December Corn | \$3.76/bu. | 0.17 |
| Grain Sorghum - Organic Practice Texas | CBOT | December Corn | \$5.54/bu. | 0.17 |
| Rice - Long Grain Type & No Type Specified Florida | CBOT | September2 Rice | \$0.104/lb. | 0.18 |
| Rice - Long Grain Type & No Type Specified; Organic Practice Florida | CBOT | September2 Rice | \$0.139/lb. | 0.18 |
| Rice - Medium & Short Grain Types Florida | CBOT | September2 Rice | \$0.110/lb. | 0.18 |
| Rice - Medium & Short Grain Types; Organic Practice Florida | CBOT | September2 Rice | \$0.148/lb. | 0.18 |

1 Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO). 2 In accordance with the Commodity Exchange Price Provisions (CEPP), the CBOT September rice contract is used to derive the projected rice prices since the November contract lacks sufficient volume and open interest activity. See the relevant CEPP document for details:

<http://www.rma.usda.gov/policies/2016/16cepp.pdf>

DISPOSAL DATE December 31, 2017