

PM-17-012

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Date

March 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; 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 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 with the 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 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/Practice/Type/State | Exchange Contract | Projected Price | Volatility Factor |
|--------------------------|-------------------|-----------------|-------------------|
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|--|------|----------------|---------------|------|
| Barley Kansas (Spring type) | CBOT | July Corn | \$3.35/bushel | 0.13 |
| Barley – Organic Practice Kansas (Spring type) | CBOT | July Corn | \$7.17/bushel | 0.13 |
| Barley Iowa, Nebraska, New York (Spring type) & Pennsylvania (Spring type) | CBOT | September Corn | \$3.40/bushel | 0.16 |
| Barley – Organic Practice Iowa, Nebraska, New York (Spring type) & Pennsylvania (Spring type) | CBOT | September Corn | \$7.28/bushel | 0.16 |
| Barley 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 | \$3.40/bushel | 0.18 |
| Barley – Organic Practice 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 | \$7.28/bushel | 0.18 |
| Barley Alaska | CBOT | December Corn | \$4.29/bushel | 0.18 |
| Barley – Organic Practice Alaska | CBOT | December Corn | \$9.17/bushel | 0.18 |
| Barley California | CBOT | December Corn | \$3.46/bushel | 0.18 |
| Barley – Organic Practice California | CBOT | December Corn | \$7.39/bushel | 0.18 |

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| Barley (March 15 Sales Closing Date, Winter Types without Winter Coverage Endorsement) Idaho, Oregon & Washington (previously released 9/15/2016) | CBOT | September Corn | \$3.18/bushel | 0.21 |
| Barley - Organic Practice (March 15 Sales Closing Date, Winter Types without Winter Coverage Endorsement) Idaho, Oregon & Washington (previously released 9/15/2016) | CBOT | September Corn | \$6.79/bushel | 0.21 |
| Barley (September 30 Sales Closing Date, Spring Type) Kansas | CBOT | July Corn | \$3.35/bushel | 0.13 |
| Barley - Organic Practice (September 30 Sales Closing Date, Spring Type) Kansas | CBOT | July Corn | \$7.17/bushel | 0.13 |
| Barley (September 30 Sales Closing Date, Spring Types) New York & Pennsylvania | CBOT | September Corn | \$3.40/bushel | 0.16 |
| Barley - Organic Practice (September 30 Sales Closing Date, Spring Types) New York & Pennsylvania | CBOT | September Corn | \$7.28/bushel | 0.16 |
| Barley (September 30 Sales Closing Date, Spring Types) Colorado, Idaho, Oregon & Washington | CBOT | September Corn | \$3.40/bushel | 0.18 |
| Barley - Organic Practice (September 30 Sales Closing Date, Spring Types) Colorado, Idaho, Oregon & Washington | CBOT | September Corn | \$7.28/bushel | 0.18 |
| Barley (October 31 Sales Closing Date, Spring Types) Nevada & Utah | CBOT | September Corn | \$3.40/bushel | 0.18 |
| Barley - Organic Practice (October 31 Sales Closing Date, Spring Types) Nevada & Utah | CBOT | September Corn | \$7.28/bushel | 0.18 |

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| Canola All States | ICE | November Canola | \$0.175/pound | 0.10 |
| Canola - Rapeseed Type All States | ICE | November Canola | \$0.247/pound | 0.00 |
| Canola (August 31 Sales Closing Date, Spring Type(s)) Idaho, Oregon & Washington | ICE | November Canola | \$0.175/pound | 0.10 |
| Canola - Rapeseed Type (August 31 Sales Closing Date, Spring Type(s)) Idaho, Oregon & Washington | ICE | November Canola | \$0.247/pound | 0.00 |
| Corn Oklahoma & Texas | CBOT | December Corn | \$3.96/bushel | 0.18 |
| Corn - Organic Practice Oklahoma & Texas | CBOT | December Corn | \$9.06/bushel | 0.18 |
| 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 | \$3.96/bushel | 0.19 |

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| 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 | \$9.06/bushel | 0.19 |
| Corn - High Amylose Type Illinois, Indiana, Iowa, Kansas, Missouri, Nebraska & South Dakota | CBOT | December Corn | \$5.54/bushel | 0.19 |
| Corn Idaho, Michigan, Oregon & Washington | CBOT | December Corn | \$3.96/bushel | 0.21 |
| Corn - Organic Practice Idaho, Michigan, Oregon & Washington | CBOT | December Corn | \$9.06/bushel | 0.21 |
| Cotton Missouri, Tennessee, Texas & Virginia | ICE | December Cotton | \$0.74/pound | 0.15 |
| Cotton - Organic Practice Missouri, Tennessee, Texas & Virginia | ICE | December Cotton | \$1.14/pound | 0.15 |
| Cotton Kansas, New Mexico & Oklahoma | ICE | December Cotton | \$0.74/pound | 0.16 |
| Cotton - Organic Practice Kansas, New Mexico & Oklahoma | ICE | December Cotton | \$1.14/pound | 0.16 |
| Grain Sorghum Texas | CBOT | December Corn | \$3.83/bushel | 0.18 |
| Grain Sorghum - Organic Practice Texas | CBOT | December Corn | \$5.64/bushel | 0.18 |
| Grain Sorghum All States, except Texas | CBOT | December Corn | \$3.83/bushel | 0.19 |
| Grain Sorghum - Organic Practice All States, except Texas | CBOT | December Corn | \$5.64/bushel | 0.19 |

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| Peanuts - Runner Type New Mexico, Oklahoma, Texas & Virginia | CBOT/ICE | December Wheat, Cotton, Soybean Oil & Soybean Meal | \$0.1973/pound 0.12 |
| Peanuts - Spanish Type New Mexico, Oklahoma & Texas | CBOT/ICE | December Wheat, Cotton, Soybean Oil & Soybean Meal | \$0.2585/pound 0.12 |
| Peanuts - Valencia Type New Mexico, Oklahoma & Texas | CBOT/ICE | December Wheat, Cotton, Soybean Oil & Soybean Meal | \$0.2190/pound 0.12 |
| Peanuts - Virginia Type New Mexico, Oklahoma, Texas & Virginia | CBOT/ICE | December Wheat, Cotton, Soybean Oil & Soybean Meal | \$0.2190/pound 0.12 |
| Popcorn Alabama (previously released: 2/16/2017) | CBOT | September Corn | \$0.1664/pound 0.17 |
| Popcorn - Organic Practice Alabama (previously released: 2/16/2017) | CBOT | September Corn | \$0.2396/pound 0.17 |
| Popcorn All States, except Alabama & Michigan | CBOT | December Corn | \$0.1703/pound 0.19 |
| Popcorn - Organic Practice All States, except Alabama & Michigan | CBOT | December Corn | \$0.2451/pound 0.19 |
| Popcorn Michigan | CBOT | December Corn | \$0.1703/pound 0.21 |

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| Popcorn - Organic Practice Michigan | CBOT | December Corn | \$0.2451/pound | 0.21 |
| 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 | \$10.19/bushel | 0.16 |
| 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 | \$20.52/bushel | 0.16 |
| Soybeans Delaware, Maryland, Oklahoma, Virginia & West Virginia | CBOT | January (2018) Soybeans | \$10.23/bushel | 0.15 |
| Soybeans - Organic Practice Delaware, Maryland, Oklahoma, Virginia & West Virginia | CBOT | January (2018) Soybeans | \$20.60/bushel | 0.15 |
| Sunflowers - Oil Type All States | CBOT | December Soybean Oil | \$0.182/pound | 0.15 |
| Sunflowers - Oil Type; Organic Practice All States | CBOT | December Soybean Oil | \$0.293/pound | 0.15 |
| Sunflowers - Confectionary Type All States | CBOT | December Soybean Oil | \$0.272/pound | 0.15 |

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| 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 | \$5.65/bushel | 0.13 |
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|--|----|------------------------|----------------|------|
| 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 | GE | September HRS Wheat | \$11.78/bushel | 0.13 |
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| Wheat - Durum Type Montana, North Dakota & South Dakota | MGE | September HRS Wheat | \$6.38/bushel | 0.13 |
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| Wheat - Durum Type; Organic Practice Montana, North Dakota & South Dakota | MGE | September HRS Wheat | \$13.30/bushel | 0.13 |
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| 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 | \$5.65/bushel | 0.13 |
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|---|-----|------------------------|----------------|------|
| 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 | \$11.78/bushel | 0.13 |
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1 Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).

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.

Please see the MBE for details: <http://www.rma.usda.gov/policies/2017/17-0091b.pdf>

| Malting Barley Type | Exchange Contract | Projected Price | Volatility Factor |
|---------------------|--------------------------|-----------------|-------------------|
| Spring Planted Type | CBOT September SRW Wheat | \$4.79/bushel | 0.17 |

Hybrid Seed Price Endorsement

The following 2017 CY hybrid seed corn prices have been approved for the Hybrid Seed Price Endorsement: \$3.96 per bushel for the non-organic practice; and \$9.06 per bushel for the certified organic practice.

These amounts reflect the higher values of either: 1) the previously-released 2017 crop year MPCl hybrid seed corn price elections [non-organic practice: \$3.79 per bushel; certified organic practice: \$8.64 per bushel]; or 2) the futures-based prices derived from the average daily settlement price in February for the 2017 December CBOT corn contract [non-organic practice: \$3.96 per bushel], multiplied by an organic corn price factor [certified organic practice: \$9.06 per bushel].

DISPOSAL DATE December 31, 2017