

PM-22-005

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Date

January 13, 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 1/13/2022

Subject

2022 Crop Year Commodity Exchange Price Provisions (CEPP) – Peanuts Factors:
February 28, 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 January 15, 2022 to February 14, 2022. These factors apply only to states with a Sales Closing Date (SCD) of February 28, 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 February 28, 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:

<i>Commodity</i>	<i>Abbreviation</i>	<i>Value</i>
Wheat	???	-0.1413
Cotton	??t	0.2953
Soybean Oil	??o	0.3990
Soybean Meal	??m	-0.1061

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

<i>Variable</i>	<i>Abbreviation</i>	<i>Value</i>
Price Constant	?	0.1605
Price Weighting Formula	?	0.2439

The values for the type factors are:

<i>Type</i>	<i>Abbreviation</i>	<i>Value</i>
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:

<i>Commodity</i>	<i>Abbreviation</i>	<i>Value</i>
Wheat	???	-0.0666
Cotton	??t	0.4583
Soybean Oil	??o	0.1448
Soybean Meal	??m	-0.0941

The value for the volatility weighting factor is:

<i>Variable</i>	<i>Abbreviation</i>	<i>Value</i>
Volatility Weighting Factor	?	4.6010

DISPOSAL DATE

December 31, 2022