



United States  
Department of  
Agriculture

Farm and Foreign  
Agricultural  
Services

Risk  
Management  
Agency

Beacon Facility –  
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Kansas City, MO  
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March 1, 2017

**INFORMATIONAL MEMORANDUM: PM-17-012**

**TO:** All Approved Insurance Providers  
All Risk Management Agency Field Offices  
All Other Interested Parties

**FROM:** Richard H. Flournoy /s/ Jason Albright, for.  
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<sup>1</sup>**

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:

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Barley</b> <i>Kansas (Spring type)</i>	CBOT	July Corn	\$3.35/bushel	0.13
<b>Barley – Organic Practice</b> <i>Kansas (Spring type)</i>	CBOT	July Corn	\$7.17/bushel	0.13

<sup>1</sup> ***Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).***

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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

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**Common Crop Insurance Policy & Area Risk Protection Insurance**<sup>1</sup>

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Barley</b> <i>Iowa, Nebraska, New York (Spring type) &amp; Pennsylvania (Spring type)</i>	CBOT	September Corn	\$3.40/bushel	0.16
<b>Barley – Organic Practice</b> <i>Iowa, Nebraska, New York (Spring type) &amp; Pennsylvania (Spring type)</i>	CBOT	September Corn	\$7.28/bushel	0.16
<b>Barley</b> <i>Colorado (Spring types), Idaho (Spring types), Maine, Michigan, Minnesota, Montana, Nevada, North Dakota, Oregon (Spring types), South Dakota, Utah, Vermont, Washington (Spring types), Wisconsin &amp; Wyoming</i>	CBOT	September Corn	\$3.40/bushel	0.18
<b>Barley – Organic Practice</b> <i>Colorado (Spring types), Idaho (Spring types), Maine, Michigan, Minnesota, Montana, Nevada, North Dakota, Oregon (Spring types), South Dakota, Utah, Vermont, Washington (Spring types), Wisconsin &amp; Wyoming</i>	CBOT	September Corn	\$7.28/bushel	0.18
<b>Barley</b> <i>Alaska</i>	CBOT	December Corn	\$4.29/bushel	0.18
<b>Barley – Organic Practice</b> <i>Alaska</i>	CBOT	December Corn	\$9.17/bushel	0.18
<b>Barley</b> <i>California</i>	CBOT	December Corn	\$3.46/bushel	0.18
<b>Barley – Organic Practice</b> <i>California</i>	CBOT	December Corn	\$7.39/bushel	0.18

<sup>1</sup> **Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).**

Continued...

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

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**Common Crop Insurance Policy & Area Risk Protection Insurance<sup>1</sup>**

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Barley</b> <b>(March 15 Sales Closing Date, Winter Types without Winter Coverage Endorsement)</b> <i>Idaho, Oregon &amp; Washington</i> <i>(previously released 9/15/2016)</i>	CBOT	September Corn	\$3.18/bushel	0.21
<b>Barley – Organic Practice</b> <b>(March 15 Sales Closing Date, Winter Types without Winter Coverage Endorsement)</b> <i>Idaho, Oregon &amp; Washington</i> <i>(previously released 9/15/2016)</i>	CBOT	September Corn	\$6.79/bushel	0.21
<b>Barley</b> <b>(September 30 Sales Closing Date, Spring Type)</b> <i>Kansas</i>	CBOT	July Corn	\$3.35/bushel	0.13
<b>Barley – Organic Practice</b> <b>(September 30 Sales Closing Date, Spring Type)</b> <i>Kansas</i>	CBOT	July Corn	\$7.17/bushel	0.13
<b>Barley</b> <b>(September 30 Sales Closing Date, Spring Types)</b> <i>New York &amp; Pennsylvania</i>	CBOT	September Corn	\$3.40/bushel	0.16
<b>Barley – Organic Practice</b> <b>(September 30 Sales Closing Date, Spring Types)</b> <i>New York &amp; Pennsylvania</i>	CBOT	September Corn	\$7.28/bushel	0.16

<sup>1</sup> *Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).*

Continued...

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

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**Common Crop Insurance Policy & Area Risk Protection Insurance<sup>1</sup>**

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Barley</b> <b>(September 30 Sales Closing Date, Spring Types)</b> <i>Colorado, Idaho, Oregon &amp; Washington</i>	CBOT	September Corn	\$3.40/bushel	0.18
<b>Barley – Organic Practice</b> <b>(September 30 Sales Closing Date, Spring Types)</b> <i>Colorado, Idaho, Oregon &amp; Washington</i>	CBOT	September Corn	\$7.28/bushel	0.18
<b>Barley</b> <b>(October 31 Sales Closing Date, Spring Types)</b> <i>Nevada &amp; Utah</i>	CBOT	September Corn	\$3.40/bushel	0.18
<b>Barley – Organic Practice</b> <b>(October 31 Sales Closing Date, Spring Types)</b> <i>Nevada &amp; Utah</i>	CBOT	September Corn	\$7.28/bushel	0.18
<b>Canola</b> <i>All States</i>	ICE	November Canola	\$0.175/pound	0.10
<b>Canola - Rapeseed Type</b> <i>All States</i>	ICE	November Canola	\$0.247/pound	0.00
<b>Canola</b> <b>(August 31 Sales Closing Date, Spring Type(s))</b> <i>Idaho, Oregon &amp; Washington</i>	ICE	November Canola	\$0.175/pound	0.10
<b>Canola - Rapeseed Type</b> <b>(August 31 Sales Closing Date, Spring Type(s))</b> <i>Idaho, Oregon &amp; Washington</i>	ICE	November Canola	\$0.247/pound	0.00

<sup>1</sup> *Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).*

Continued...

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

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**Common Crop Insurance Policy & Area Risk Protection Insurance<sup>1</sup>**

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Corn</b> <i>Oklahoma &amp; Texas</i>	CBOT	December Corn	\$3.96/bushel	0.18
<b>Corn - Organic Practice</b> <i>Oklahoma &amp; Texas</i>	CBOT	December Corn	\$9.06/bushel	0.18
<b>Corn</b> <i>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 &amp; Wyoming</i>	CBOT	December Corn	\$3.96/bushel	0.19
<b>Corn - Organic Practice</b> <i>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 &amp; Wyoming</i>	CBOT	December Corn	\$9.06/bushel	0.19
<b>Corn – High Amylose Type</b> <i>Illinois, Indiana, Iowa, Kansas, Missouri, Nebraska &amp; South Dakota</i>	CBOT	December Corn	\$5.54/bushel	0.19

<sup>1</sup> **Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).**

Continued...

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

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**Common Crop Insurance Policy & Area Risk Protection Insurance**<sup>1</sup>

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Corn</b> <i>Idaho, Michigan, Oregon &amp; Washington</i>	CBOT	December Corn	\$3.96/bushel	0.21
<b>Corn - Organic Practice</b> <i>Idaho, Michigan, Oregon &amp; Washington</i>	CBOT	December Corn	\$9.06/bushel	0.21
<b>Cotton</b> <i>Missouri, Tennessee, Texas &amp; Virginia</i>	ICE	December Cotton	\$0.74/pound	0.15
<b>Cotton - Organic Practice</b> <i>Missouri, Tennessee, Texas &amp; Virginia</i>	ICE	December Cotton	\$1.14/pound	0.15
<b>Cotton</b> <i>Kansas, New Mexico &amp; Oklahoma</i>	ICE	December Cotton	\$0.74/pound	0.16
<b>Cotton - Organic Practice</b> <i>Kansas, New Mexico &amp; Oklahoma</i>	ICE	December Cotton	\$1.14/pound	0.16
<b>Grain Sorghum</b> <i>Texas</i>	CBOT	December Corn	\$3.83/bushel	0.18
<b>Grain Sorghum – Organic Practice</b> <i>Texas</i>	CBOT	December Corn	\$5.64/bushel	0.18
<b>Grain Sorghum</b> <i>All States, except Texas</i>	CBOT	December Corn	\$3.83/bushel	0.19
<b>Grain Sorghum – Organic Practice</b> <i>All States, except Texas</i>	CBOT	December Corn	\$5.64/bushel	0.19
<b>Peanuts - Runner Type</b> <i>New Mexico, Oklahoma, Texas &amp; Virginia</i>	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.1973/pound	0.12

<sup>1</sup> Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO) and Stacked Income Protection (STAX - cotton only).

Continued...

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

7

...Continued

**Common Crop Insurance Policy & Area Risk Protection Insurance<sup>1</sup>**

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Peanuts - Spanish Type</b> <i>New Mexico, Oklahoma &amp; Texas</i>	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2585/pound	0.12
<b>Peanuts - Valencia Type</b> <i>New Mexico, Oklahoma &amp; Texas</i>	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2190/pound	0.12
<b>Peanuts - Virginia Type</b> <i>New Mexico, Oklahoma, Texas &amp; Virginia</i>	CBOT/ICE	December Wheat, Cotton, Soybean Oil & Soybean Meal	\$0.2190/pound	0.12
<b>Popcorn</b> <i>Alabama (previously released: 2/16/2017)</i>	CBOT	September Corn	\$0.1664/pound	0.17
<b>Popcorn - Organic Practice</b> <i>Alabama (previously released: 2/16/2017)</i>	CBOT	September Corn	\$0.2396/pound	0.17
<b>Popcorn</b> <i>All States, except Alabama &amp; Michigan</i>	CBOT	December Corn	\$0.1703/pound	0.19
<b>Popcorn - Organic Practice</b> <i>All States, except Alabama &amp; Michigan</i>	CBOT	December Corn	\$0.2451/pound	0.19
<b>Popcorn</b> <i>Michigan</i>	CBOT	December Corn	\$0.1703/pound	0.21
<b>Popcorn - Organic Practice</b> <i>Michigan</i>	CBOT	December Corn	\$0.2451/pound	0.21

<sup>1</sup> **Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).**

Continued...

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

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**Common Crop Insurance Policy & Area Risk Protection Insurance**<sup>1</sup>

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Soybeans</b> <i>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 &amp; Wisconsin</i>	CBOT	November Soybeans	\$10.19/bushel	0.16
<b>Soybeans - Organic Practice</b> <i>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 &amp; Wisconsin</i>	CBOT	November Soybeans	\$20.52/bushel	0.16
<b>Soybeans</b> <i>Delaware, Maryland, Oklahoma, Virginia &amp; West Virginia</i>	CBOT	January (2018) Soybeans	\$10.23/bushel	0.15
<b>Soybeans - Organic Practice</b> <i>Delaware, Maryland, Oklahoma, Virginia &amp; West Virginia</i>	CBOT	January (2018) Soybeans	\$20.60/bushel	0.15
<b>Sunflowers - Oil Type</b> <i>All States</i>	CBOT	December Soybean Oil	\$0.182/pound	0.15
<b>Sunflowers - Oil Type; Organic Practice</b> <i>All States</i>	CBOT	December Soybean Oil	\$0.293/pound	0.15
<b>Sunflowers - Confectionary Type</b> <i>All States</i>	CBOT	December Soybean Oil	\$0.272/pound	0.15

<sup>1</sup> **Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).**

Continued...



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

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**Common Crop Insurance Policy & Area Risk Protection Insurance<sup>1</sup>**

<b>Crop/Practice/Type/State</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
<b>Wheat - All Types Except Durum</b> <i>Alaska, California, Colorado, Iowa, Maine, Minnesota, Montana, Nebraska, North Dakota, Oregon [Klamath County only], South Dakota, Vermont, Wisconsin &amp; Wyoming</i>	MGE	September HRS Wheat	\$5.65/bushel	0.13
<b>Wheat - All Types Except Durum; Organic Practice</b> <i>Alaska, California, Colorado, Iowa, Maine, Minnesota, Montana, Nebraska, North Dakota, Oregon [Klamath County only], South Dakota, Vermont, Wisconsin &amp; Wyoming</i>	MGE	September HRS Wheat	\$11.78/bushel	0.13
<b>Wheat - Durum Type</b> <i>Montana, North Dakota &amp; South Dakota</i>	MGE	September HRS Wheat	\$6.38/bushel	0.13
<b>Wheat - Durum Type; Organic Practice</b> <i>Montana, North Dakota &amp; South Dakota</i>	MGE	September HRS Wheat	\$13.30/bushel	0.13
<b>Wheat (September 30 Sales Closing Date, Spring Type)</b> <i>California, Colorado, Iowa, Montana (including Khorasan), Nebraska, Oregon (Klamath County only), South Dakota, Wisconsin &amp; Wyoming</i>	MGE	September HRS Wheat	\$5.65/bushel	0.13
<b>Wheat – Organic Practice (September 30 Sales Closing Date, Spring Type)</b> <i>California, Colorado, Iowa, Montana (including Khorasan), Nebraska, Oregon (Klamath County only), South Dakota, Wisconsin &amp; Wyoming</i>	MGE	September HRS Wheat	\$11.78/bushel	0.13

<sup>1</sup> **Projected Prices and Volatility Factors are applicable for the Supplemental Coverage Option (SCO).**

Continued...

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

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**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>

<b>Malting Barley Type</b>	<b>Exchange</b>	<b>Contract</b>	<b>Projected Price</b>	<b>Volatility Factor</b>
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 MPC I 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