

Spokane Regional Office — Spokane, WA

Revised December 2014

Storage Onions

Quality Enhanced Coverage in Idaho and Oregon

Crop Insured

You must have a basic onion crop insurance policy in force for this coverage to be in effect. This information is specific to storage type onions grown in approved counties. Please see the Spokane Regional Office’s onion crop insurance fact sheet at: www.rma.usda.gov/fields/wa_rso/2014/onion.pdf for more information about basic coverage.

Counties Available

Idaho - Canyon, Owyhee, Payette, and Washington counties.

Oregon - Malheur County.

Causes of Loss

You are protected against the following:

- Adverse weather conditions;
- Earthquake;
- Failure of the irrigation water supply, if caused by an insured cause of loss that occurs during the insurance period;
- Fire;
- Insects and plant disease, but not damage due to insufficient or improper application of control measures;
- Volcanic eruption; or
- Wildlife.

Important Dates

Sales ClosingFebruary 1, 2015
 Final Planting Date April 20, 2015
 Acreage Report Date July 15, 2015
 Cancellation/Termination DateFebruary 1, 2016

Quality Enhanced Coverage

Recognizes that grower receipts will likely be reduced when storage type onions fail to achieve the expected percentage of Jumbo and larger sizes (Jumbo+). The production-to-count is adjusted, based on the

percentage of the onion crop that sizes Jumbo and larger. For each percentage point below 80 percent, 0.6 of a percentage point of the total yield is determined to be production-not-to-count. In other words, for each 5-percent reduction below 80 percent, 3 percent of the total yield is determined to be production-not-to-count. Risk Management Agency has approved the following statement, which has been added to the special provisions of Canyon, Owyhee, Payette, and Washington counties in Idaho, and Malheur County in Oregon.

"In lieu of the provisions in section 1 Definitions, 'Damaged onion production', the following shall apply only to onions having reached the final stage:

Damaged onion production - Storage-type onion production that does not size at least 80 percent U.S. No. 1 Jumbo or larger will be reduced 0.06 percent for each 0.1 not grading U.S. No. 1 Jumbo or larger. (All percentage points of damage will be rounded to the nearest 0.1 percent.)

Formula

Production-to-count = {100 percent - [(80 percent - actual percent Jumbo+) • 0.60]} • yield

Example

240.8cwt. = {1 - [(0.80 - 0.280) • 0.60]} • 350cwt."

Settlement of a Claim

If the damage to onion production exceeds the percentage shown in the special provisions, no production will be counted for that unit unless such damaged production is sold. If sold, cwt. of production sold will be adjusted by dividing the price received for the damaged onion production by the price election and multiplying the resulting factor by the cwt. sold.

Loss Example

Based on expected Jumbo+ production of 80 percent with. Assume you have 533 cwt. per acre APH, 400 cwt. per acre production guarantee (a 75-percent

guarantee), your target is 426 cwt. Jumbo+ (80 percent Jumbo+). Your actual US No. 1 Harvested is 350cwt. Your actual percent Jumbo+ is 98 cwt, which is 28 percent of 350 cwt. Your total production is listed below.

Step 1: List the different types of production harvested.

Production	
Colossal:	9 cwt
Jumbo:	89 cwt
Medium:	245 cwt
Small:	<u>7 cwt</u>
Total	350
Jumbo+	98

Step 2: Find your quality reduction.

You have production of 350 cwt. per acre, which is 50 cwt. per acre below the production guarantee of 400 cwt. Assume the portion of the onions sizing Jumbo and larger (Jumbo+) is equal to 28 percent. Subtract 28 percent from the expected 80 percent, which gives you a difference of 52 percent. Then multiple 52 by 0.6, which gives you 31.2 percentage points. Your actual total yield, 350 cwt., is then multiplied by 0.312 (31.2 percent), which equals 109.2 cwt. The 109.2 cwt. is then entered into the loss calculation.

Step 3: Calculate your loss.

"Quality Enhanced" Production Loss

400	cwt. guarantee
- 350	cwt. harvested production
50	cwt. production shortfall
+ 109.2	cwt. quality reduction
159.2	cwt. per acre deficiency
x \$3.90	Price election (spring planted yellows)
\$620.88	Indemnity due policyholder

Production-to-count (see example on first page). You can also solve for production by subtracting your guarantee from your deficiency. For example, take 400 cwt. Guarantee from the example above and subtract 159.2, the cwt. per acre deficiency and you have 240.8 cwt. production.

Where to Buy Crop Insurance

All multi-peril crop insurance, including CAT policies, are available from private insurance agents. A list of crop insurance agents is available at any USDA Service Center or on the RMA website: www3.rma.usda.gov/tools/agents/.

Regional Contact

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