

How RPowerD® works

RPowerD® allows the policyholder to complement the risk coverage of revenue policies through additional crop price discovery methods and higher coverage levels* beyond those offered under the Multi-Peril Crop Insurance (MPCI) plans of insurance. It also allows the policyholder to take additional action by customizing the price discovery for crop prices to better match their own marketing and risk management needs.

An indemnity will be paid whenever the final value (Revenue Protection (RP) policy's revenue to count) is less than the RPowerD guarantee. Regardless of the underlying policy unit structure, your RPowerD coverage will be adjusted as an Enterprise Unit (EU). The RPowerD guarantee is your approved yield (rate yield adjusted for TA, YA, YE, etc.) times coverage level elected, times the highest alternative price, times acres, and share.

There is a liability adjustment factor that will equally reduce premium and liability but does not change the trigger revenue. There can be different coverage levels and guarantees by practice.

Option Overview

1. Choose Revenue Bands above your MPCI Coverage*.
2. Customize your price discovery.
3. Use the current futures price as your trigger**.

Pricing Options

1. Elect ECO/SCO offset to eliminate overlapping coverage with Area-Based MPCI endorsements on your individual based RPowerD coverage. The sales closing date for this option is April 1, 2023.
2. Select a monthly average of the daily settlement closing prices from the Chicago Board of Trade (CBOT) December corn futures and November soybean futures. The available intervals are from April of 2022 - August of 2023. The choice must be made by the 25th of the Month. No later than April 1 of the harvest year.
3. Elect bi-monthly averages (1st ½ or 2nd ½) of the CBOT December corn futures and November soybean futures. The 1st half of the month must be elected by the 10th of the month. If you elect the 2nd ½ of the month you must elect by the 25th of the month. No later than April 1 of the harvest year. The available bi-monthly intervals are April 2022 - August 2023.
4. Nineteen (19) 10-day intervals beginning on 3/21 and ending 9/30 of the growing season.
5. Choose the prior day's closing price from the CBOT December corn futures and November soybean futures market price**. The premium generated on the quote is valid only for that day. The estimate must be purchased by midnight the following day. No later than April 1, 2023.

Coverage Details

- The RPowerD coverage is on an Enterprise Unit level (by practice).
- You can elect any level of RPowerD coverage from 50% to 85% with or without the SCO offset.
- The coverage with a SCO/ECO offset considers RPowerD with RP and ECO-RP. The liability and coverage for RPowerD is based on the base price and does not increase liability if the harvest price is greater than the base price.
- If you Opt Out of the SCO offset your RPowerD coverage matches your indicated underlying MPCI Coverage and you have supplemental price coverage. You can also increase your supplemental revenue (price x yield) coverage up to 95% with the SCO/ECO offset dependent on your MPCI coverage and endorsements.
- You must elect a maximum price movement limit. The range for corn is from \$.10 to \$1.00 in \$.10 increments and on soybeans from \$.20 to \$2.00 in \$.20 increments. This limit represents how far over the projected price (February average price) your alternative pricing period price will be limited to, but not exceed. The lower the limit is set, the less your premium will be on the quote.
- The RPowerD coverage stops where the underlying policy starts when written at the same coverage level. This is the default. The only option to purchase a higher coverage level is with an ECO/SCO offset.

2023 Sales Closing

Applications must be made by the RPowerD Sales Closing Date (SCD) of April 1. Acreage reports must be signed by the Acreage Reporting Date (ARD) for the corresponding MPCI policy.

Coverage Availability

Coverage is available on corn, soybeans, grain sorghum, wheat, cotton, and rice. Please note: Wheat has different discovery periods depending on variety (Spring/Winter), futures contract, and MPCI price discovery periods.

RPowerD Basics

- You are required to submit intended acres on your application. Your final acres will be limited to 10% over the intended acres submitted on the application. You only pay for eligible planted acres.
- You may elect one or multiple pricing periods. The indemnity will be based off the highest price. This includes a combination of full month, bi-monthly discovery periods, 10-day average, or market price.
- It will be the most cost effective to choose all desired alternative pricing period intervals at one time.
 - Additional pricing intervals can be added up to April 1, 2023.
- In general, the earlier you elect your alternative pricing period the lower your cost will be.
- The quote will change daily. Your quote for the day will be good through midnight and the estimate must be purchased by midnight the following day or it expires.
- If you have already managed your price risk, you can reduce the liability (therefore premium) by using the Liability Cap feature within the *Estimate Details* section. The elected liability factor ranges from 20% to 100%.
- Your intended acres may not exceed the largest number of gross planted acres of the crop in which you had a share during the previous four years. If you have added land, proof must be submitted with the application to exceed this limit.
- You must carry an underlying buy-up policy to purchase RPowerD. The underlying policy may be YP, RP, RPHPE, Area Risk Protection (ARP), Area Yield Protection (AYP), or Margin Protection (MP). Regardless RPowerD will use the RP coverage level indicated on your quote.
- The coverage is written under a 1-year term policy. It must be re-written each year.
- Premiums will be billed and are due along with your MPCl premiums.
- RPowerD is not available on land designated as High Risk.

Circuit Breaker

- Increase or decrease in price: \$.21 corn, \$.50 soybeans, \$.30 wheat, \$.03 cotton – All active estimates expire at 11:59 the same day.
- Increase or decrease in price: \$.25 corn, \$.70 soybeans, \$.40 wheat, \$.03 cotton – Sales immediately shut off for crop and state. Estimates immediately expire.

Quoting

Quoting is available through www.agentevantage.com. You can also access the site in NAU Country's Agent Portal under the "Quoting" tab. You must be certified by passing the 20-question online exam prior to quoting the first time.

- Your username/password is set up through the NAU Country Call Center.
 - Phone: 1.866.942.6724 | Email: callcenter@naucountry.com
- Your application will be generated from the quote. Print the application for the farmer's signature.
- Signed applications are due within ten days of the purchase date.
- Completed applications must be submitted to your NAU Country Underwriter via email, mail, or fax.
- Premium is due 11/1.

Processing Steps

- Your application will be generated from the quote. Print the application for the farmer's signature.
- Signed applications are due within ten days of the purchase date.
- Completed applications must be submitted to your NAU Country underwriter via email, mail, or fax.
- If the underlying policy is not written with NAU Country, please submit a copy of the following:
 - Production Report.
 - MPCl Policy Confirmation.
 - MPCl Schedule of Insurance.
- If the underlying policy is not written with NAU Country and there is an MPCl claim, a copy of the following documentation is required. Please note: We have the right, but not the obligation, to inspect and/or appraise your farm at any time during the coverage period.
 - Notice of Loss.
 - Claim documentation.
 - Production Report.

**Increase your coverage level up to 95% with the SCO and ECO offset.*

***RPowerD has a defined price movement limit for each crop. Visit with your NAU Country Marketing Representative for more information.*