



June 3, 2011

Mr. David Stawick
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

Via Online Submission

SUBJECT: Reopening and extension of comment periods

Dear Mr. Secretary:

The Minneapolis Grain Exchange, Inc. ("MGEX" or "Exchange") would like to thank the Commodity Futures Trading Commission ("CFTC" or "Commission") for this opportunity to respond to the Commission's request for comment on the above referenced matter published in the May 4, 2011 Federal Register Vol. 76, No. 86.

MGEX is both a Designated Contract Market ("DCM") and Derivatives Clearing Organization ("DCO") and will be greatly affected by many of the proposed rules if adopted by the CFTC under the umbrella of Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act"). MGEX appreciates the continued efforts the Commission has put forth to address the requirements placed upon it by the Dodd-Frank Act.

Appendix 2 – Order of Final Rules

MGEX believes that those proposed rulemakings necessary for implementation and required by the Dodd-Frank Act should be the primary focus of the Commission – that being the transfer of eligible over-the-counter ("OTC") activity onto exchanges and clearing houses. In general, until those regulations are adequately addressed, it appears that many of the remaining proposed rulemakings will be neither implementable nor enforceable.

From an aerial perspective, the phased schedule put forth by Commissioner O'Malia in Appendix 2 of the Federal Release appears to adequately prioritize the Dodd-Frank Act's mandate. Not only does it first address the primary concern of the Dodd-Frank Act, OTC swaps activity, but it also then clearly addresses the broader concerns for DCMs and DCOs. MGEX is hopeful that throughout the final rule adoption process, the

Commission listens to the futures industry and market participants who must adopt rules, procedures, and systems to comply with the Commission's rulemakings. Additionally, MGEX strongly encourages the Commission to continue with the core principle approach that has served the futures industry and its market participants well.

MGEX maintains that, as the final rules are adopted, the Commission could also adopt a schedule for implementation within each phase. MGEX will primarily be impacted by Phase II of Commissioner O'Malia's proposed schedule. If all of Phase II is enacted and to be implemented simultaneously, there will be a huge burden placed on the Exchange. Therefore, the Exchange respectfully requests that there be a thoroughly thought-out, staggered, and reasonable adoption and implementation schedule even within each phase.

Lastly, the Exchange would like to see an extensive and realistic cost-benefit analysis completed of each regulation prior to adoption. There have been many examples of costs not being included in the analysis, such as the cost of implementing new procedures and processes. These burdens will be significant to the industry and should be transparent to the public prior to adoption of final rules.

Conclusion

The Exchange thanks the Commission for the opportunity to comment on the proposed order of final rulemaking. If there are any questions regarding these comments, please contact me at (612) 321-7169 or lcarlson@mgex.com. Thank you for your attention to this matter.

Regards,



Layne G. Carlson
Corporate Secretary

cc: Mark G. Bagan, CEO, MGEX
Jesse Marie Bartz, Assistant Corporate Secretary, MGEX
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James D. Facente, Director, Market Operations, Clearing & IT, MGEX