



COMMODITY FUTURES
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January 25, 1999
COMMODITY FUTURES TRADING COMMISSION

Jean A. Webb, Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

COMMENT

Dear Ms. Webb:

The American Soybean Association (ASA) appreciates the opportunity to respond to the notice published in the Federal Register of January 11, 1999, in which the Commission requested comments on the proposal by the Chicago Board of Trade (CBT) to revise the rules governing delivery points for its soybean oil futures contracts. ASA is a national trade association representing 31,500 producer members on issues of importance to all U.S. soybean farmers.

In reviewing the changes proposed by the CBT, ASA has been advised that several of the revisions could have an adverse effect on the current status of South Dakota Oilseed Processors of Volga, South Dakota, as a major delivery point for expiring soybean oil contracts. We understand the CBT is permitted to modify contract rules, provided the modifications do not have the effect of distorting resolution of differences between cash and futures values. However, we are interested in determining whether the proposed changes are intended to address any existing impairment or potential improper operation of the current delivery point system for expiring soyoil contracts.

We respectfully request the Commission to include in its review of the proposed changes an assessment of their impact, if any, on the effectiveness of the current CBT soybean oil futures contract delivery system. Since the comment period on these changes expires one day prior to the end of the requested 45-day fast track review process, ASA would appreciate an extension of the process to allow full examination of this issue. We believe an additional 30 days would allow the Commission to complete its assessment and ASA and other interested parties to review the impact of the changes.

Thank you for considering our views on this important matter.

Sincerely yours,

Mike Yost
President