By the Commission:

On August 13, 2008, this Commission entered an Order in which it commenced this docket for the purpose of developing standards for interconnection that is not subject to Part 466 (83 Ill. Adm. Code 466.50 et seq.) and, also, not subject to the rules promulgated by the Federal Energy Regulatory Commission (“the FERC”) or subject to the rules of any Regional Transmission Organization (“an RTO”) that operates in Illinois. On January 8, 2008, Staff of the Commission’s Energy Division issues a Staff Report, in which, Staff recommended adopting Part 467, which is attached hereto. Staff’s recommendations are reasonable and they should be adopted.

Part 467 was developed after Staff conducted multiple workshops. It sets forth the standards for interconnections that are not subject to Part 466 and also are not subject to FERC or RTO rules. Part 466, which was developed earlier in Docket 06-0525, sets forth rules for the interconnection of generators that are 10MVA and below in size. Some of the larger generators, the ones that exceed 10MVA, are also not subject to FERC or RTO Rules. This Commission initiated the instant docket for the purpose of closing the gap between federal and RTO jurisdiction, on the one hand, and state jurisdiction on the other. Part 467 addresses this gap, as it covers generators that produce more than 10MVA and also are connecting to a distribution system that is state-jurisdictional.

The Commission, being fully advised in the premises, is of the opinion and finds that:

1) the Commission has subject-matter jurisdiction;
2) the recitals of fact set forth herein are supported by the record and are hereby adopted as findings of fact;

(3) Notice of the Proposed Rule, 83 Ill. Adm. Code 467, as reflected in the Appendix to this Order, shall be submitted to the Illinois Secretary of State pursuant to Section 5-40 of the Administrative Procedure Act to commence the first notice period;

(4) the Staff Report dated January 9, 2008, is hereby made part of the record of this proceeding;

(5) this procedure is a rulemaking and should be conducted as such.

IT IS THEREFORE ORDERED that 83 Ill. Adm. Code 467, as reflected in the Appendix to this Order, shall be submitted to the Secretary of State pursuant to Section 5-40 of the Illinois Administrative Procedure Act.

IT IS FURTHER ORDERED that the Chief Clerk’s Office is directed to serve a copy of this First Notice Order upon all parties or entities that appear on the service list in this docket.

IT IS FURTHER ORDERED that the Staff Report dated January 9, 2009, is made a part of the record of this proceeding.

IT IS FURTHER ORDERED that this proceeding is a rulemaking and shall be conducted as such and not as a contested case.

IT IS FURTHER ORDERED that this Order is not final; it is not subject to the Administrative Review Law.

By Order of the Commission this 11th day of February, 2009.

(SIGNED) CHARLES E. BOX

Chairman