

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE PATENT TRIAL AND APPEAL BOARD

ALSTOM GRID LLC,
Petitioner,

v.

DOMINION RESOURCES, INC. and VIRGINIA ELECTRIC AND
POWER COMPANY,
Patent Owner.

Case IPR2016-00503
Patent 8,577,510 B2

Before KALYAN K. DESHPANDE, DANIEL N. FISHMAN,
KEVIN W. CHERRY, *Administrative Patent Judges*.

DESHPANDE, *Administrative Patent Judge*.

DECISION
Decision Denying Institution of *Inter Partes* Review
37 C.F.R. § 42.108

I. INTRODUCTION

Alstom Grid LLC (“Petitioner”) filed a Petition requesting an *inter partes* review of claims 1–5, 7–13, 15, 16, and 18–34 of U.S. Patent No. 8,577,510 B2 (Ex. 1002, “the ’510 patent”). Paper 2 (“Pet.”). Dominion Resources, Inc. and Virginia Electric and Power Company (collectively, “Patent Owner”) filed a Preliminary Response. Paper 8 (“Prelim. Resp.”). We have jurisdiction under 35 U.S.C. § 314(a), which provides that an *inter partes* review may not be instituted “unless . . . there is a reasonable likelihood that the petitioner would prevail with respect to at least 1 of the claims challenged in the petition.” After considering the Petition, the Preliminary Response, and associated evidence, we conclude that Petitioner has not demonstrated a reasonable likelihood that it would prevail in showing unpatentability of all the challenged claims. We, therefore, deny the Petition.

A. Related Proceedings

Petitioner indicates that the ’510 patent is the subject of *Dominion Resources, Inc. & Virginia Electric & Power Co. v. Alstom Grid, Inc.*, Case No. 2:15-cv-0024-MAK (E.D. Pa.). Pet. 1. In addition, the ’510 patent is the parent of U.S Patent No. 8,437,883 B2, which is the subject of IPR2016-00504. Pet. 1–2.

B. The ’510 Patent (Ex. 1002)

The ’510 patent discloses an implementation of voltage conservation using advanced infrastructure and substation centralized voltage control. Ex. 1002, 1:20–23. The voltage control and conservation (VCC) system

includes a substation to supply electrical power to a plurality of user locations. *Id.* at 2:9–11. Smart meters at the user locations generate smart meter data based on a measured component of electrical power received by the smart meter. *Id.* at 2:11–14. A voltage controller generates an energy delivery parameter based on the smart meter data. *Id.* at 2:14–16. The substation adjusts a voltage set point value for the user locations based on the energy delivery parameter. *Id.* at 2:16–19. The smart meter operates in a report-by-exception mode and sends the smart meter data to the voltage controller when the measured component of the electrical power is determined to be outside of a target component band. *Id.* at 2:19–23.

C. Illustrative Claim

Petitioner challenges claims 1–5, 7–13, 15, 16, and 18–34 of the '510 patent. Pet. 4. Claims 1, 18, and 25 are independent claims; claims 2–4, 7–13, 15, and 16 depend from independent claim 1, claims 19–24 and 34 depend from independent claim 18, and claims 26–33 depend from independent claim 25. Claim 1 is illustrative of the claims at issue and is reproduced below:

1. A voltage control and energy conservation system for an electric power transmission and distribution grid configured to supply electric power to a plurality of user locations, the system comprising:
 - a substation including a supply point configured to supply electrical power to a plurality of user locations;
 - a plurality of sensors, wherein each sensor is located at a respective one of a plurality of distribution locations on the distribution grid at or between the supply point and at least one of the plurality of user locations, and wherein each sensor is configured to sense a voltage of the supplied electric power at

the respective distribution location and to generate measurement data based on the sensed voltage;

a voltage controller configured to receive measurement data from each sensor of a subset of the plurality of sensors, wherein the subset includes more than one and substantially fewer than all of the plurality of sensors, and to generate an energy delivery parameter based on a comparison of the measurement data received from the subset to a controller target voltage band;

a voltage adjusting device configured to adjust a voltage of the electric power supplied at the supply point based on the energy delivery parameter;

wherein the energy delivery parameter is generated such that the voltage at each user location remains within a user target voltage band, the user target voltage band being a lower band of a safe nominal operating range;

wherein at least one other sensor of the plurality of sensors that is not included in the subset is further configured to send a respective reporting signal to the voltage controller when the voltage sensed by the sensor is determined to be outside of a respective sensor target voltage band; and

wherein the voltage controller is further configured to add to the subset the at least one other sensor in response to receiving the reporting signal indicating that the voltage sensed by the at least one other sensor is outside of the respective sensor target voltage band.

Ex. 1002, 26:64–27:36.

D. The Alleged Grounds of Unpatentability

The Petition sets forth proposed grounds of unpatentability for claims 1–5, 7–13, 15, 16, and 18–34 of the '510 patent as follows (*see* Pet. 4–59):¹

¹ Petitioner supports its challenge with the Declaration of Mladen Kezunovic, Ph. D. Ex. 1001.

References	Claims Challenged
Anticipated under § 102(e) by Deaver ²	1–5, 7–13, 15, 16, and 18–34
Anticipated under § 102(a) by LaPlace ³	1–3, 10, 11, 13, 18, 19, 25–28, 33, and 34
Obvious under § 103(a) by Deaver in view of Richeson ⁴	1, 4, 10, 13, 15–16, 18, 20, 25, 27–29, 33, and 34
Obvious under § 103(a) by LaPlace in view of Richeson	1, 4, 10, 13, 15–16, 18, 20, 25, 27–29, 33, and 34
Obvious under § 103(a) by Deaver in view of Richeson and Bell ⁵	3, 11, and 12
Obvious under § 103(a) by Deaver in view of Richeson, Keefe, ⁶ and ANSI C84.1-2006 ⁷	7–9, 22–24, and 30–32

II. ANALYSIS

A. Claim Construction

The Board interprets claims of an unexpired patent using the broadest reasonable construction in light of the specification of the patent in which they appear. *See* 37 C.F.R. § 42.100(b); Office Patent Trial Practice Guide,

² U.S. Patent No. 8,301,314 B2, issued on Oct. 30, 2012 (filed on Jan. 29, 2009) (Ex. 1004) (“Deaver”).

³ CARL LAPLACE & ROBERT W. ULUSKI, REALIZING THE SMART GRID OF THE FUTURE THROUGH AMI TECHNOLOGY, JUNE 1, 2009 (Ex. 1005) (“LaPlace”).

⁴ U.S. Patent No. 7,860,672 B2, issued on Dec. 28, 2010 (Ex. 1006) (“Richeson”).

⁵ U.S. Patent No. 7,729,810 B2, issued on Jun. 1, 2010 (Ex. 1007) (“Bell”).

⁶ U.S. Patent Application Publication 2010/0094479, published on Apr. 15, 2010 (Ex. 1008) (“Keefe”).

⁷ American National Standard for Electric Power System and Equipment – Voltage Ratings (60 Hertz) (Ex. 1009) (“ANSI C84.1-2006”).

77 Fed. Reg. 48,756, 48,766 (Aug. 14, 2012). Under the broadest reasonable construction standard, claim terms are given their ordinary and customary meaning, as would be understood by one of ordinary skill in the art in the context of the entire disclosure. *In re Translogic Tech. Inc.*, 504 F.3d 1249, 1257 (Fed. Cir. 2007). Any special definitions for claim terms or phrases must be set forth with reasonable clarity, deliberateness, and precision. *In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994). In the absence of such a definition, limitations are not to be read from the specification into the claims. *See In re Van Geuns*, 988 F.2d 1181, 1184 (Fed. Cir. 1993).

We determine that there is no need to construe expressly any of the claim terms at this time. Although Petitioner and Patent Owner disagree as to the construction of the term “energy delivery parameter,” we need not construe this term because it is not necessary to resolve the dispositive issues discussed below. *See Vivid Techs., Inc. v. Am. Sci. & Eng’g, Inc.*, 200 F.3d 795, 803 (Fed. Cir. 1999) (“only those terms need to be construed that are in controversy, and only to the extent necessary to resolve the controversy”).

B. Claims 1–5, 7–13, 15, 16, and 18–34 – Anticipated by Deaver

Petitioner contends that claims 1–5, 7–13, 15, 16, and 18–34 are anticipated under 35 U.S.C. § 102(e) by Deaver. Pet. 15–59.

1. Deaver (Ex. 1004)

Deaver, titled “System and Method for Providing Voltage Regulation in a Power Regulation in a Power Distribution Network”, was filed on January 29, 2009 and issued on October 30, 2012. Deaver is directed to a system and method for controlling the voltage supplied to customer premises

by a power distribution system. Ex. 1004, 1:7–11. In Deaver, an electric utility company selects one or more customer premises as a location for voltage monitoring. *Id.* at 4:1–6. At the selected customer premises, a customer premises voltage monitor (CPVM) is installed to measure the voltage. *Id.* at 5:40–62. The CPVM may alert a Monitoring System (MS) if the measured voltage exceeds a threshold range. *Id.* at 6:12–25, 6:60–67. Based on the alert, the MS may instruct a substation to adjust the power supplied to the customer premises. *Id.* at 3:7–9, 3:18–28, 3:41–51, 8:25–26.

2. Analysis

Petitioner argues that Deaver describes each of the limitations recited in challenged claims 1–5, 7–13, 15, 16, and 18–34. Pet. 15–59. Petitioner provides a detailed analysis as to where each claim limitation is disclosed by Deaver, and cites the Declaration of Dr. Kezunovic in support of the analysis advocated in the Petition. *Id.* However, we are not persuaded that Petitioner has demonstrated a reasonable likelihood that it would prevail in showing that claims 1–5, 7–13, 15, 16, and 18–34 are unpatentable under 35 U.S.C. § 102(e) as anticipated by Deaver.

Independent claim 1 recites, *inter alia*, “at least one other sensor of the plurality of sensors that is not included in the subset is further configured to send a respective reporting signal” and “wherein the voltage controller is further configured to add to the subset the at least one other sensor in response to receiving the reporting.” Ex. 1002, 27:26–36. Petitioner argues that Deaver discloses a conventional power grid, where power is conducted from a substation connected to a distribution transformer and on toward customer premises. Pet. 16 (citing Ex. 1004, 1:19–27, Figs. 1, 2). Petitioner further argues that the customer premises is the same as a plurality of user

locations. *Id.* Petitioner further argues that Deaver discloses that at each customer premises is a voltage monitor (CPVM), which is a sensor, that measures supplied voltages. *Id.* at 17 (citing Ex. 1004, 5:47–62, 6:8–28, 6:46–51). Petitioner also asserts that Deaver discloses a monitoring system (MS) that receives measured voltages from the CPVMs and generates voltage control instructions based on the comparison of the received voltage and parameters stored in the system. *Id.* at 18–19 (citing Ex. 1004, 3:46–53, 4:1–10, 4:20–35, 4:48–60, 5:6–24, 6:56–67). Petitioner additionally contends that Deaver discloses “load tap changers, capacitor banks, reclosers, switches, etc.” that adjust voltage based on received instructions. *Id.* at 20 (citing Ex. 1004, 1:19–27, 3:19–20, 3:41–45, 5:6–24, 8:25–26). Petitioner submits that Deaver discloses “alerts” that are issued by a CVPM based on stored minimum and maximum thresholds, and these “alerts” disclose the claimed “reporting signal.” *Id.* at 22 (citing Ex. 1004, 4:1–10, 4:20–35, 4:48–60, 5:47–62, 6:8–28, 6:46–51).

Patent Owner argues that Deaver fails to disclose “a signal reporting what was sensed by a sensor that is not included in the subset.” Prelim. Resp. 14–16. We agree with Patent Owner. As argued by Patent Owner, Petitioner contends that Deaver discloses “alerts” that are transmitted when the minimum and maximum voltage thresholds are exceeded. Prelim. Resp. 14–16; *see* Pet. 22. However, the CPVMs transmitting the alerts are monitors at each customer premises that are “selected by an electric utility company as a desired point within the power distribution system [] that will be voltage monitored.” Ex. 1004, 4:1–3. As such, the CPVMs are all in the subset of sensors being monitored, and none of the CPVMS are “not included in the subset.” Accordingly, we agree with Patent Owner that

Deaver fails to disclose “at least one other sensor of the plurality of sensors that is not included in the subset is further configured to send a respective reporting signal.”

Patent Owner further argues that Deaver fails to disclose “add[ing] to the subset the at least one other sensor that sent the respective reporting signal,” as recited by independent claim 1. Prelim. Resp. 8–14. We agree with Patent Owner. Petitioner contends that Deaver discloses voltage adjustment instructions based on the reported measurement data, and “because any number of customer premises may be selected for voltage monitoring, the reporting meter could be added to the monitored subset.” Pet. 23 (citing Ex. 1004, 4:45–60, 5:47–62, 6:46–51; Ex. 1001, 38–42). However, as argued by Patent Owner, Deaver is silent as to adding to the subset of CPVMs being monitored. *See* Prelim. Resp. 9. At best, Petitioner’s argument that any number of customer premises *may be* selected, and meters *could be* added to the subset is an argument towards the obviousness of this limitation, not anticipation, as challenged by Petitioner. *See* Pet. 23. Accordingly, we agree with Patent Owner that Deaver fails to disclose “wherein the voltage controller is further configured to add to the subset the at least one other sensor in response to receiving the reporting,” as recited by independent claim 1.

Independent claim 18 similarly recites “receiving a reporting signal indicating that a voltage is sensed by another sensor that is not part of the subset” and “in response to receiving the reporting signal . . . adding the another sensor to the subset.” Ex. 1002, 28:57–64. Independent claim 25 also similarly recites “the controller is configured to receive a signal . . . by at least one other sensor of the plurality of sensors” and “the controller is

further configured to add to the subset the at least one other sensor in response to receiving the signal.” *Id.* at 30:5–15. Petitioner sets forth similar arguments towards independent claims 18 and 25, as those presented in its analysis of independent claim 1. Pet. 35–41, 44–52. Patent Owner presents the same arguments towards independent claims 18 and 25, as it does for independent claim 1. Prelim. Resp. 7–16. Accordingly, we agree with Patent Owner that Deaver does not disclose these limitations of claims 18 and 25 for the same reasons discussed above. Dependent claims 2–5, 7–13, 15, 16, 19–24, and 26–34 incorporate these limitations by reference, and, therefore, we are not persuaded by Petitioner that Deaver anticipates these claims for the same reasons discussed above.

Accordingly, we are not persuaded that Petitioner has demonstrated a reasonable likelihood that it will prevail in showing claims 1–5, 7–13, 15, 16, and 18–34 are unpatentable under 35 U.S.C. § 102(e) as anticipated by Deaver.

C. Claims 1, 2, 5, 7, 8, 10, 15–17, 19, and 20 – Anticipated by LaPlace

Petitioner contends that claims 1–3, 10, 11, 13, 18, 19, 25–28, 33, and 34 are anticipated under 35 U.S.C. § 102(a) by LaPlace. Pet. 15–59.

1. LaPlace (Ex. 1005)

LaPlace is a white paper published on June 1, 2009. LaPlace is directed to an Advanced Metering Infrastructure (AMI) “that supports continual monitoring and remote control of power system components.” Ex.

1005, 4.⁸ AMI systems provide a utility company with “key measurements (voltage, current, equipment status, etc.) . . . from strategic locations across the distribution network.” *Id.* at 7. Advanced Grid Infrastructure (AGI) nodes report their measurements from the selected locations. *Id.* at 7, 10. AGInodes™ may provide their measurements when either polled by the utility company or via an exception report when a parameter is outside its operational band limits. *Id.* at 10. Using these measurements, the utility company can “optimize energy delivery across the feeder network.” *Id.* at 11.

2. Analysis

Petitioner argues that LaPlace describes each of the limitations recited in challenged claims 1–3, 10, 11, 13, 18, 19, 25–28, 33, and 34. Pet. 15–59. Petitioner provides a detailed analysis as to where each claim limitation is disclosed by LaPlace, and cites the Declaration of Dr. Kezunovic in support of the analysis advocated in the Petition. *Id.* However, we are not persuaded that the Petitioner has demonstrated a reasonable likelihood that it would prevail in showing that claims 1–3, 10, 11, 13, 18, 19, 25–28, 33, and 34 are unpatentable under 35 U.S.C. § 102(a) as anticipated by LaPlace.

Independent claim 1 recites, *inter alia*, “at least one other sensor of the plurality of sensors that is not included in the subset is further configured to send a respective reporting signal” and “wherein the voltage controller is further configured to add to the subset the at least one other sensor in response to receiving the reporting.” Ex. 1002, 27:26–36. Petitioner argues

⁸ Exhibit 1005 includes page numbers indicated by the publication itself, as well as different page numbers provided by Petitioner. Our references to Exhibit 1005 are to the page numbers provided by Petitioner.

that LaPlace discloses the use of Advanced Metering Infrastructure (AMI) system for the continual monitoring and remote control of power system components, and to build a “smart grid.” Pet. 16 (citing Ex. 1005, 9). According to Petitioner, LaPlace describes substations within the distribution network and the system includes a distribution transformer that supplies power to end points. *Id.* at 16 (citing Ex. 1005, 4–5). LaPlace further discloses smart meters located at the end points. *Id.* at 17 (citing Ex. 1005, 4–12). Petitioner asserts that the smart meters are the same as the claimed “sensors,” and the end points or AGInodes are the same as the claimed “user locations.” *Id.* Petitioner further asserts that LaPlace discloses the generation of an exception report from a meter or AGInode when an electrical parameter is out of a specified operational band limit. *Id.* at 22 (citing Ex. 1005, 8, 11–13). Petitioner argues that this exception report is the same as the claimed reporting signal. *Id.*

Patent Owner argues that LaPlace fails to teach “add[ing] to the subset the sensor that sent the respective reporting signal.” Prelim. Resp. 16–18. Patent Owner argues that “[e]ven assuming that ‘selected AGInodes at strategic feeder locations’ is considered to be a ‘subset’ of sensors as recited in the claims, LaPlace does not disclose adding AGInodes to this subset.” *Id.* at 17 (citing Pet. 25, 35, 48; Ex. 1005, 11–12). Additionally, the Patent Owner argues that, even if selecting locations for an AGInode constitutes “adding . . . to the subset”, LaPlace fails to disclose the adding being done in response to a signal. *Id.* at 19–21. We agree with Patent Owner. Petitioner generally argues that “because only selected nodes [sic] at strategic locations send voltage measurements, the reporting meter could be added to the subset.” Pet. 23. Although LaPlace discloses that feeder voltage

measurements are collected from “selected AGInodes at strategic feeder locations” (Ex. 1005, 11), LaPlace is silent as to the adding of subtracting of any AGInodes from the selected subset. *See* Prelim Resp. 16–18. At best, Petitioner’s argument that smart meters or AGInodes *could be* added to a subset is an argument towards the obviousness of this limitation, not anticipation, as challenged by Petitioner. Pet. 23. Furthermore, the only corrective actions taken in response to the exception report disclosed by LaPlace is the operation of a “capacitor bank controller, voltage regulator, or load tap changer” in order to “restore optimal conditions. Ex. 1005, 8. As such, we do not agree with Petitioner that LaPlace discloses “add[ing] to the subset the sensor that sent the respective reporting signal.” Accordingly, we agree with Patent Owner that LaPlace fails to teach both “add[ing] to the subset the sensor that sent the respective reporting signal,” as recited by independent claim 1.

Independent claim 18 similarly recites “receiving a reporting signal indicating that a voltage is sensed by another sensor that is not part of the subset” and “in response to receiving the reporting signal . . . adding the another sensor to the subset.” Ex. 1002, 28:57–64. Independent claim 25 also similarly recites “the controller is configured to receive a signal . . . by at least one other sensor of the plurality of sensors” and “the controller is further configured to add to the subset the at least one other sensor in response to receiving the signal.” *Id.* at 30:5–15. Petitioner sets forth similar arguments towards independent claims 18 and 25, as those presented in its analysis of independent claim 1. Pet. 35–41, 44–52. Patent Owner presents the same arguments towards independent claims 18 and 25, as it does for independent claim 1. Prelim. Resp. 7–16. Accordingly, we agree

with Patent Owner that LaPlace does not disclose these limitations of claims 18 and 25 for the same reasons discussed above. Dependent claims 2, 3, 10, 11, 13, 19, 26–28, 33, and 34 incorporate these limitations by reference, and, therefore, we are not persuaded by Petitioner that LaPlace anticipates these claims for the same reasons discussed above.

Accordingly, we are not persuaded that Petitioner has demonstrated a reasonable likelihood that it will prevail in showing claims 1–3, 10, 11, 13, 18, 19, 25–28, 33, and 34 are unpatentable under 35 U.S.C. § 102(a) as anticipated by LaPlace.

D. Claims 1, 4, 10, 13, 15–16, 18, 20, 25, 27–29, 33, and 34 – Obvious over Deaver and Richeson; Claims 1, 4, 10, 13, 15–16, 18, 20, 25, 27–29, 33, and 34 – Obvious over LaPlace and Richeson; Claims 3, 11, and 12 – Obvious over Deaver, Richeson, and Bell; and claims 7–9, 22–24, and 30–32 – Obvious over Deaver, Richeson, Keefe, and ANSI C84.1-2006

Petitioner contends that claims 1, 4, 10, 13, 15–16, 18, 20, 25, 27–29, 33, and 34 are unpatentable under 35 U.S.C. § 103(a) as obvious over Deaver and Richeson. Pet. 15–59. Petitioner also contends that claims 1, 4, 10, 13, 15–16, 18, 20, 25, 27–29, 33, and 34 are unpatentable under 35 U.S.C. § 103(a) as obvious over LaPlace and Richeson. *Id.* Petitioner additionally contends that claims 3, 11, and 12 are unpatentable under 35 U.S.C. § 103(a) as obvious over Deaver, Richeson, and Bell. *Id.* Petitioner further contends that claims 7–9, 22–24, and 30–32 are unpatentable under 35 U.S.C. § 103(a) as obvious over Deaver, Richeson, Keefe, and ANSI C84.1-2006. *Id.*

1. Richeson (Ex. 1006)

Richeson relates to monitoring line voltage of meters in a wireless metering network. Ex. 1006, 1:16–18, 6:24–29, 19:62–20:1. The meters measure the consumption of a service or commodity, such as electricity, at a customer premises. *Id.* at 3:11–15, 3:23–28. A collector periodically receives data from the meters registered with the collector. *Id.* at 7:46–49, 14:44–46. A collector registers meters using a “node scan.” *Id.* at 9:57–67. During a node scan, a collector broadcasts a request for all unregistered meters to respond with their identifier and other information that indicates the quality of the channel between the meter and the collector. *Id.* at 10:2–8, 10:13–15. If the quality of the channel is sufficient, the meter is registered with the collector. *Id.* at 10:45–48.

2. Bell (Ex. 1007)

Bell discloses “stabilized closed-loop control of delivered voltage in electrical power distribution systems.” Ex. 1007, 3:52–54. In Bell, a voltage controller receives power consumption from a plurality of sensors. *Id.* at 4:21–29, 4:48–49. Based on the consumption measured by the plurality of sensors, the controller adjusts the power being supplied to distribution system. *Id.* at 16:10–14.

3. Keefe (Ex. 1008)

Keefe discloses a system and method for monitoring and adjusting a voltage supplied to a power grid to thereby reduce power consumption. Ex. 1008 ¶ 1. In Keefe, voltage is measured at an electrical outlet of a customer premises to provide voltage data. *Id.* ¶ 7. The system determines whether the measured voltage is beyond a threshold voltage using a device or a remote computer. *Id.* The voltage data is transmitted from the customer

premises to a remote computer. *Id.* The voltage supplied to the customer premises is adjusted if the voltage is beyond the threshold voltage. *Id.*

4. *ANSI C84.1-2006 (Ex. 1009)*

ANSI C84.1-2006 establishes nominal voltage ratings and operating tolerances for 60-hertz electric power systems above 100 volts. Ex. 1009, 11. ANSI C84.1-2006 also makes recommendations to other standardizing groups with respect to voltage ratings for equipment used on power systems and for utilization devices connected to such systems. *Id.*

5. *Analysis*

Petitioner provides an analysis as to where each claim is disclosed by the cited prior art. Pet. 15–59. Patent Owner argues, under each of the asserted challenges to the claims by Petitioner, that “the Petition is silent regarding whether one of ordinary skill in the art would have had reason or been motivated to combine the references.” Prelim. Resp. 27–28; *see* Prelim. Resp. 34–35. Patent Owner specifically argues that the Petition provides an analysis as to whether the references are “Analogous Art,” but this is insufficient to provide a rationale to combine the cited prior art. *Id.* at 30 (citing Pet. 14–15). Patent Owner further argues that “[w]hile Petitioner’s expert, Dr. Kezunovic, attempts to address motivation to combine in his declaration, the PTAB ‘will address only the basis, rationale, and reasoning put forth by the Petitioner in the petition.’” Prelim. Resp. 30–31 (citing *Liberty Mutual Ins. Co. v. Progressive Casualty Ins. Co.*, CBM2012-000003, 2013 WL 6576693, slip. op. at 10, 14 (PTAB Oct. 25, 2012) (Paper 8)).

We agree with Patent Owner. Petitioner fails to provide articulated reasoning with some rational underpinning to support the legal conclusion of

obviousness. *KSR Int'l Co. v. Teleflex Inc.*, 550 U.S. 398, 418 (2007). “[A] patent composed of several elements is not proved obvious merely by demonstrating that each of its elements was, independently, known in the prior art.” *KSR*, 550 U.S. at 418.

Petitioner generally states that Deaver, LaPlace, Richeson, and Bell are analogous to the '510 patent because they are in the same field of endeavor, dealing with power distribution systems and power management in power distribution systems, and metering technology. Pet. 14. Petitioner goes on to characterize each of the references in this field of endeavor. *Id.* at 14–15. Although a determination that the cited prior art is analogous to the '510 patent provides insight into the scope and content of the prior art to be examined, such a determination is, by itself, insufficient to support the conclusion of obviousness. Petitioner must set forth an articulated reasoning with some rational underpinning in supporting its legal conclusion of obviousness, and must provide a reason that would have prompted a person of ordinary skill in the art to combine the elements disclosed by each of the references. Here, Petitioner has failed to provide such a reasoning.

We further agree with Patent Owner that testimony from Dr. Kezunovic's Declaration should not be incorporated in to the Petition. *See* Prelim. Resp. 31–33. The Petition itself does not address a rationale to combine Deaver, LaPlace, Richeson, Bell, Keefe, and ANSI C84.1-2006, and further does not direct us to discussion in Dr. Kezunovic's Declaration for a rationale to combine. At best, Dr. Kezunovic asserts that “DMS, smart meters, and substations are well-known prior art elements, whereby their combination yields predictable results.” Ex. 1001, 95; *see* Ex. 1001, 176, 238, 250. However, Dr. Kezunovic does not provide any explanation as to

why the combination of “DMS, smart meters, and substations” would yield predictable results. Accordingly, even if we were to incorporate Dr. Kezunovic’s Declaration in to the Petition, which we do not, we are not persuaded that Petitioner has set forth articulated reasoning with some rational underpinning in supporting its legal conclusion of obviousness. As such, Petitioner has not demonstrated a reasonable likelihood in prevailing in its obviousness challenges.

III. ORDER

For the reasons given, it is

ORDERED that the Petition is *denied* and *inter partes* review is not instituted.

IPR2016-00503
Patent 8,577,510 B2

For PETITIONER:

Leonard Searcy
Elena McFarland
Shook, Hardy & Bacon L.L.P.

lsearcy@shb.com
emcfarland@shb.com

For PATENT OWNER:

Salvatore P. Tamburo
Donald A. Gregory
Daniel Cardy
BLANK ROME LLP

STamburo@BlankRome.com
DGregory@BlankRome.com
DCardy@BlankRome.com