UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

Inquiry Regarding the Commission's)	PL19-3-000
Transmission Electric Incentives Policy)	

COMMENTS OF LINEVISION, INC.

LineVision, Inc. ("LineVision") appreciates the opportunity to comment on the Federal Energy Regulatory Commission's ("Commission") March 21, 2019 Notice of Inquiry ("NOI") in the above-captioned proceeding. We are a member of the WATT Coalition and support the WATT Coalition comments filed in this proceeding.

I. BACKGROUND

LineVision provides transmission line monitoring solutions to electric utilities, which increase the capacity, flexibility, and reliability of existing transmission lines. Our systems use patented non-contact sensors and advanced analytics to provide situational awareness and alerting, increase capacity on lines through forecasted and real-time dynamic line ratings, and monitor the health of aging transmission lines. LineVision does business in US and Japan and has active projects pending in other regions. We are headquartered in Somerville, Massachusetts and employ 11 people across four states.

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¹ For more information about LineVision, visit the our website: https://www.linevision.co

II. RELEVANT EXPERIENCE

LineVision's technology has been deployed successfully in pilot projects with six leading utilities in the U.S., including a study of the benefits with PJM and AEP.² Misalignment of existing transmission incentives, however, has been confidentially cited as a primary obstacle to wider deployment of our technology by several of these utilities.

As an example, we recently worked with a leading generation owner whose Kansas wind farm was experiencing congestion costs of over \$3.5M/yr due to thermal constraints on a key line in Oklahoma. After detailed economic analysis, which showed a payback period of less than four months, the wind farm owner agreed to fully fund the deployment of LineVision systems to enable dynamic line ratings and reduce congestion on the constraint. With the support of Southwest Power Pool, this project was proposed to the Transmission Operator who declined the request to consider it, citing operational complications. While this is a rational response and aligned with the interests of their shareholders under the current rate-of-return based transmission incentives, we believe that if incentives were properly aligned, the effort to solve these issues would have been overcome.

The contrast between our experience in the U.S. and outside the U.S. is particularly stark. Within the U.S., utilities have shown some interest in our technology but activity is limited to R&D-funded pilot projects. The majority of our sales activity is outside of the U.S. where we are actively engaged on many larger scale projects in Latin America, Asia, Australia and Europe.

² The white paper linked here indicated a projected reduction in congestion costs on a single 345kV line of over \$4M for the 12-month period.

 $[\]frac{https://cdn2.hubspot.net/hubfs/4412998/CIGRE\%20GOTF\%202018\%20NGN\%20-\%20PJM\%20AEP\%20LineVision\%20-\%20Final.pdf}{}$

III. RECOMMENDATION

We recommend that the Commission shift to using "benefits" as a criterion and adopt a shared-savings approach as described in detail in the WATT Coalition comments. This shift will encourage deployment of advanced transmission technologies such as LineVision's which use low-cost sensors and software to improve the efficiency, flexibility, reliability and safety of the existing grid.

IV. CONCLUSION

We thank the Commission for the opportunity to comment in this proceeding and believe consumers, generators and utilities alike would benefit from the Commission using the criteria mentioned above to adopt innovative transmission operations technologies.

Respectfully submitted,

G. Hudson Gilmer LineVision, Inc.

hgilmer@linevision.co

444 Somerville Ave. Somerville, MA 02143

+1 617-429-5593

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