

CS 97-80

CONFIDENTIAL

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Federal Communications Commission  
Office of the Secretary

February 15, 2007

Secretary  
Federal Communications Commission  
Office of the Secretary  
9300 East Hampton Drive  
Capitol Heights, MD 20743

via Hand Delivery

**Re: In the Matter of The World Company ("Sunflower Broadband");  
Supplement to November 20, 2006 Request for Waiver of 47 C.F.R. §  
76.1204(a)(1); CSR-7114Z**

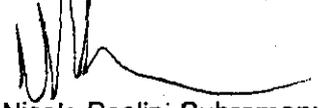
Dear Sir or Madam:

On November 20, 2006, Sunflower Broadband filed a Request for Waiver of 47 C.F.R. § 76.1204(a)(1). In light of the Commission's January 10, 2007 Memorandum Opinion and Order in *Bend Cable Communications, LLC d/b/a BendBroadband, Request for Waiver of Section 76.1204(a)(1) of the Commission's Rules, CSR-7057-Z, CS 97-80, DA 07-47*, Sunflower Broadband files this Supplement to its Request for Waiver.

We enclose an original and four copies of the Supplement. We also enclose a copy of this letter and a copy of the first page of the Supplement. Please date-stamp each page and return in to the messenger so that we may have it for our records.

Please contact me if you have any questions regarding this matter.

Sincerely,



Nicole Paolini-Subramanya

- cc: Patrick Knorr
- Donna Gregg (via email: donna.gregg@fcc.gov)
- John Norton (via email: john.norton@fcc.gov)
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**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of: )  
 )  
The World Company, d/b/a ) CSR- 71142  
Sunflower Broadband )  
 )  
Supplement to Request for Waiver of )  
47 C.F.R. § 76.1204(a)(1) )  
 )  
To: Chief, Media Bureau )

**SUPPLEMENT TO REQUEST FOR WAIVER OF 47 C.F.R. § 76.1204(a)(1)**

**I. Introduction**

On November 20, 2006, The World Company ("Sunflower Broadband") filed a request for waiver of the deadline in 47 C.F.R. § 76.1204(a)(1) ("*Original Request*").<sup>1</sup> The *Original Request* was put on public notice on February 12, 2007.

Upon review of the Commission's January 10, 2007 *BendBroadband Order*,<sup>2</sup> Sunflower Broadband noted that it could meet the conditions specified in the *BendBroadband Order* for the grant of a waiver of 47 C.F.R. § 76.1204(a)(1). Accordingly, Sunflower Broadband files this *Supplement* to its *Original Request* to provide these commitments to the Commission. Sunflower Broadband believes that the commitments that it makes in this *Supplement* warrant the grant of a waiver of the

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<sup>1</sup> We attach the *Original Request* as Exhibit 1.

<sup>2</sup> *In the Matter of Bend Cable Communications, LLC d/b/a BendBroadband, Request for Waiver of Section 76.1204(a)(1) of the Commission's Rules, Memorandum Opinion and Order, CSR-7057-Z, CS 97-80, DA 07-47 (rel. January 10, 2007).*

deadline in 47 C.F.R. § 76.1204(a)(1) under terms of the *BendBroadband Order* and 47 C.F.R. §§ 1.3 and 76.7.<sup>3</sup>

Please note that time is of the essence in this matter. Sunflower Broadband's waiver has been pending almost 90 days, and the company must know by March 31, 2007 if the waiver will be granted. This is because the company has ordered over \$1 million in low-cost set-top boxes to meet the commitments it makes in this *Supplement*. If the Commission does not grant Sunflower Broadband the requested waiver, Sunflower Broadband will not be able to deploy the boxes that it has ordered, and will need to cancel the order by the end of March or lose its \$1 million-plus investment. For a company the size of Sunflower Broadband, \$1 million in stranded investment would be a financial disaster.

## **II. Sunflower Broadband's commitment to a digital transition**

As described in the *Original Request*, Sunflower Broadband is a small, independent cable operator providing video and broadband services to approximately 30,000 subscribers in and around Lawrence, Kansas. The company has a consistent track record of offering the newest and most cutting-edge digital services in the industry, especially to smaller-market and rural subscribers. Sunflower Broadband's services and channel offerings include:

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<sup>3</sup> Section 1.3 of the Commission's rules provides: "The provisions of this chapter may be suspended, revoked, amended, or waived for good cause shown... Any provision of the rules may be waived by the Commission on its own motion or on petition if good cause therefor is shown."

Section 76.7(a)(1) of the Commission's rules provides: "On petition by any... cable television system operator the Commission may waive any provision of this part 76, [or] impose additional or different requirements...."

- Over 210 channels, including 45 music channels, VOD, advanced parental controls, and DVR functionality
- Digital simulcast
- Wireless broadband for rural subscribers
- Cable modem services, including three different high-speed broadband packages
- Video caller ID
- Local video on demand services, including local news, city commission meetings, and programs from local schools
- HD services, including broadcast HD<sup>4</sup>

Sunflower Broadband plans to reclaim a significant amount of its analog spectrum to deploy additional advanced services to its subscribers, including:

- HD channels, digital multicast, and digital signals from independent broadcasters;
- More video on demand services;
- New interactive services
- Faster broadband services, with speeds up to 20 Mbs.<sup>5</sup>

Accordingly, if granted a waiver of the deadline in 47 C.F.R. § 76.1204(a)(1) until December 31, 2008 to continue to deploy low-cost set-top boxes like the DCT-700, Sunflower Broadband commits to the following:

**1. Digital transition.** Sunflower Broadband will transition all its services to digital by December 31, 2008, creating capacity to cablecast the digital signal of every broadcast station that is licensed to the subscriber's market. The company also plans to offer limited analog simulcast services consisting primarily of broadcast stations. These simulcast services would contain the primary signal of every broadcast station in the subscriber's market that is cablecast on Sunflower Broadband's digital tiers. This transition will allow Sunflower Broadband to reclaim the majority of its analog spectrum,

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<sup>4</sup> See Affidavit of Patrick Knorr at ¶ 3, attached as Exhibit 2 ("Knorr Affidavit").

<sup>5</sup> Knorr Affidavit at ¶ 4.

which will be more than sufficient for Sunflower Broadband to continue to provide the new and innovative broadband and video services discussed above.<sup>6</sup>

At the same time, Sunflower Broadband believes that limited analog simulcast services will provide a critical public service during the digital transition because Sunflower Broadband's smaller market and rural subscribers will not need to make a costly investment to upgrade every TV in their homes. More importantly, Sunflower Broadband's elderly subscribers will continue to have access to limited analog services. Sunflower Broadband's market research has conclusively shown that some older consumers have great difficulty managing and investing in newer technology, and are best-served with analog services.

**2. Subscriber notification.** Sunflower Broadband will notify all of its customers of its plans to transition to digital at least six months in advance of the transition.<sup>7</sup>

**3. Inventory of low-cost set-top boxes.** Sunflower Broadband will ensure that, at least six months prior to migrating to digital services, it has in inventory or has placed orders for enough set-top boxes to ensure that each of its customers can continue to view its video programming on analog television sets.

**4. Sworn declaration.** Sunflower Broadband will submit a sworn declaration to the Commission confirming that it has provided notice to its customers of its digital

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<sup>6</sup> *Knorr Affidavit* at ¶ 6. Reclaiming one hundred percent of the analog capacity on Sunflower Broadband's closed, 750-MHz, wireline cable network is more than is needed for advanced services. Further, as explained in this *Supplement*, eliminating all analog services would not serve the public interest because of the negative effect on Sunflower Broadband's smaller-market and elderly subscribers.

<sup>7</sup> *Knorr Affidavit* at ¶ 7.

transition, and that it has sufficient inventory of set top boxes to ensure that each customer can continue to use his or her analog television set with Sunflower Broadband's services.<sup>8</sup>

Sunflower Broadband believes that its commitments are substantively identical to the conditions specified in the *BendBroadband Order*, and warrant a waiver of the deadline in 47 C.F.R. § 76.1204(a)(1) for Sunflower Broadband's deployment of low-cost set-top boxes like the DCT-700 through December 31, 2008.

### III. Justification for requested waiver

The Commission has ample authority to grant Sunflower Broadband's requested waiver under Sections 1.3 and 76.7 of the Commission's rules because the waiver will have a direct and immediate impact on Sunflower Broadband's ability to reclaim substantial analog bandwidth with which to provide new advanced services. Further, the waiver will produce clear, non-speculative public interest benefits.

The Telecommunications Act of 1996 requires the Commission to encourage the deployment of advanced telecommunications capabilities, including high-speed broadband capabilities.<sup>9</sup> Accordingly, in its *BendBroadband Order*, the Commission granted BendBroadband a conditional waiver<sup>10</sup> of the July 1, 2007 deadline because the

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<sup>8</sup> *Knorr Affidavit* at ¶ 8.

<sup>9</sup> See Pub.L. 104-104, Title VII, § 706, Feb. 8, 1996, 110 Stat. 153, as amended Pub.L. 107-110, § 1076(gg), Jan. 8, 2002, 115 Stat. 2093, reproduced in notes to 47 U.S.C. § 153(a):

The Commission...shall encourage the deployment on a reasonable and timely basis of advanced telecommunications capability to all Americans...

The term 'advanced telecommunications capability' is defined, without regard to any transmission media or technology, as high-speed...broadband telecommunications capability....

<sup>10</sup> The Commission's waiver for BendBroadband was conditioned on the company meeting certain deployment and customer notification milestones. Sunflower Broadband commits to

waiver would allow BendBroadband "to focus its capital on other new digital services such as wireless, business services and other advanced services" and to ensure that its subscribers would be able to view digital broadcast signals after the end of the DTV transition.<sup>11</sup> The Commission stated:

We believe that BendBroadband's migration to an all-digital system by 2008 would allow it to reclaim a considerable amount of spectrum within a clearly defined timeframe, which would enable it to provide consumers with advanced telecommunications capabilities, thereby furthering the goals of Section 706 [of the Telecommunications Act of 1996]....<sup>12</sup>

The Telecommunications Act of 1996 and the *BendBroadband Order* provide ample authority for the requested waiver: Like BendBroadband, a waiver will allow Sunflower Broadband to move to a primarily all-digital system within a clearly defined timeframe by using low-cost set-top boxes.<sup>13</sup> This transition will allow Sunflower Broadband to reclaim sufficient capacity to provide new and more robust broadband and video services.

Further, Sunflower Broadband's digital transition will ensure that the company's cable subscribers will be able to view digital broadcast signals after the end of the DTV transition because (i) Sunflower Broadband will have enough set-top boxes in inventory

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meeting functionally equivalent milestones in this waiver request. See *BendBroadband Order* at ¶ 26; *Knorr Affidavit* at ¶¶ 5-9.

<sup>11</sup> *BendBroadband Order* at ¶¶ 24-25.

<sup>12</sup> *BendBroadband Order* at ¶ 25.

<sup>13</sup> The Commission has recognized the critical role that low-cost set-top boxes play in the digital transition. See *In the Matter of: Implementation of Section 304 of the Telecommunications Act of 1996: Commercial Availability of Navigation Devices, Second Report and Order*, 20 FCC Rcd. 6794 (2005) ("*Second Report and Order*") at ¶ 37 ("It is critical to the DTV transition that consumers have access to inexpensive digital set-top boxes that will permit the viewing of digital programming on analog television sets both during and after the transition. The availability of low-cost boxes will further the cable industry's migration to all-digital networks...").

to permit each subscriber to place at least one in his or her home, (ii) Sunflower Broadband will have the capacity to cablecast all of the digital broadcast signals licensed to each subscriber's market, and (iii) Sunflower Broadband's subscribers will have the additional option of choosing analog simulcast services offering the primary signal of every broadcast station in the subscriber's market that is cablecast on Sunflower Broadband's digital tiers.<sup>14</sup>

Conversely, denial of the waiver will mean that Sunflower Broadband cannot reclaim much-needed analog spectrum by migrating towards a digital network. Unless it can provide digital services using low-cost set-top boxes, Sunflower Broadband will not achieve sufficient digital penetration to make its transition to digital financially feasible.<sup>15</sup> Denial of the requested waiver will mean that Sunflower Broadband will not be able to free up sufficient analog spectrum to provide its planned advanced services.

#### **IV. Conclusion**

Sunflower Broadband's plan to transition its subscribers to a digital network is dependent on the continued availability low-cost set-top boxes like the DCT-700. The requested waiver will ensure that (i) Sunflower Broadband can reclaim the majority of its analog bandwidth by a date certain in order to provide new and innovative video and high-speed Internet services; and (ii) Sunflower Broadband's subscribers will be able to view broadcast television signals after the DTV transition date. Conversely, denial of the waiver will have a negative effect on the public interest by increasing costs to consumers and limiting the deployment of advanced services. For the reasons set forth

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<sup>14</sup> *Knorr Affidavit* at ¶ 6.

<sup>15</sup> *See Original Request* at pp. 2-3.

above, Sunflower Broadband respectfully requests that the Commission grant the requested relief.

The undersigned has read this Petition and to the best of her knowledge, information and belief formed after reasonable inquiry, it is well grounded in fact and is warranted by existing law or a good faith argument for the extension, modification or reversal of existing law; and is not interposed for any improper purpose.

Respectfully submitted,

By: 

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February 14, 2007

**EXHIBIT 1**  
**ORIGINAL REQUEST**

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of: )  
 )  
The World Company, d/b/a ) CSR- \_\_\_\_\_  
Sunflower Broadband )  
 )  
Request for Waiver of )  
47 C.F.R. § 1204(a)(1) )  
  
To: Chief, Media Bureau

**REQUEST FOR WAIVER OF 47 C.F.R. § 1204(a)(1) and  
REQUEST FOR CLARIFICATION**

**I. Introduction and Summary**

Pursuant to 47 U.S.C. § 549(c), and 47 C.F.R. §§ 76.7 and 76.1207, The World Company ("Sunflower Broadband") respectfully requests that the Commission grant a limited waiver of 47 C.F.R. § 76.1204(a)(1) for the Motorola DCT-700 low-cost set-top converter box.<sup>1</sup> Granting Sunflower Broadband's requested waiver will benefit consumers and speed the digital transition in the smaller markets served by Sunflower Broadband. At the same time, granting Sunflower Broadband's request will have no negative effect on the development of a competitive market for navigation devices.

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<sup>1</sup> As required by the Commission's *Second Report and Order*, Sunflower Broadband attaches as Exhibit 1 the full specifications for the DCT-700. See *In the Matter of: Implementation of Section 304 of the Telecommunications Act of 1996, Commercial Availability of Navigation Devices, Second Report and Order*, 20 FCC Rcd. 6794 (2005) ("*Second Report and Order*") at ¶ 37.

We organize this waiver request as follows:

- Relief requested
- Background information on Sunflower Broadband and its use of the DCT-700
- Justification for the requested waiver
- Request for clarification
- Conclusion

## **II. Relief Requested**

**Waiver.** Sunflower Broadband requests that the Commission grant a limited waiver of 47 C.F.R. § 76.1204(a)(1) for the Motorola DCT-700 until the earlier of: (i) December 31, 2009; or (ii) the availability of downloadable security. Alternatively, Sunflower Broadband requests that the waiver for the DCT-700 be limited to small and medium-sized cable operators like Sunflower Broadband. These operators serve the low-density and rural areas that will be hardest hit by the integration ban.

**Request for clarification.** Sunflower Broadband also requests that the Commission clarify that refurbished integrated boxes acquired on the used equipment market are not "new" navigation devices and are therefore not subject to the integration ban in 47 C.F.R. § 1204(a)(1).

## **III. Sunflower Broadband and the DCT-700**

Sunflower Broadband provides cable services to about 30,000 basic subscribers in the lower-density and rural markets of Lawrence, Eudora, Tonganoxie, Basehor, Tanglewood, and Linwood, Kansas. In April 2005, the company began digital simulcasting and has already converted approximately 60% of its subscribers to a digital platform. For Sunflower Broadband, the DCT-700 has been the driver of this digital transition. The low price of the Motorola DCT-700 allows Sunflower Broadband to provide subscribers with a digital simulcast of its analog basic tier – along with

advanced parental controls and additional channels, including local VOD – for just \$3.95 per month more than its analog basic tier.<sup>2</sup> With this value proposition, Sunflower Broadband has deployed approximately 18,000 DCT-700 boxes since it began providing digital services. In the year and a half since Sunflower Broadband began deploying the DCT-700, Sunflower Broadband has been able to more than double its number of digital access subscribers, with almost all subscribers requesting one or more DCT-700s. This is a remarkably fast deployment rate, and a major step toward an all-digital network. At this pace - if the Commission grants a waiver for the DCT-700 - Sunflower Broadband anticipates that it can transition to an all-digital network by the end of 2008. If the DCT-700 remains subject to the integration ban, however, Sunflower Broadband's digital transition will be significantly delayed.

If Sunflower Broadband cannot deploy the DCT-700 box, it will be required to deploy the Motorola DCH-100. The DCH-100 costs nearly three times as much as the DCT-700, and Sunflower Broadband will need to charge \$6.95 per month for the DCH-100 – nearly twice the current cost of a DCT-700. Sunflower Broadband's remaining non-digital customers are extremely price-sensitive, and they are not willing to pay this higher cost to convert to digital. Without a waiver for the DCT-700, based on Sunflower Broadband's historic deployment rate for higher-priced set-top boxes,<sup>3</sup> the integration ban will push back Sunflower Broadband's planned December 2008 transition to an all-digital network at least 2 years.

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<sup>2</sup> We attach Sunflower's current price list as Exhibit 2.

<sup>3</sup> In the same period in which Sunflower Broadband has deployed 18,000 DCT-700s, it has deployed only 4,000 "higher-end" set-top boxes. These boxes have HD or PVR capabilities, and include the Pace Vegas, Pace Tahoe, Motorola 3412, and Digeo Moxie.

Further, failure to grant the requested waiver will necessarily raise the price of access to the advanced parental controls available only on Sunflower's digital program guide,<sup>4</sup> and will affect the company's ability to provide family and genre tiers. This is because programmers require smaller operators to achieve a certain digital penetration rate before permitting tiering.

In summary, if the Commission does not grant the requested waiver, Sunflower's digital transition will be slowed or halted, and its contractual ability to provide family-friendly and genre tiers will be correspondingly delayed.

#### **IV. Justification for Requested Waiver**

The Commission has ample authority to grant Sunflower Broadband's waiver. Section 549(c) of the Commission's rules expressly authorizes the Commission to grant waivers of the integration ban for a set-top box:

The Commission shall waive a regulation adopted under subsection (a) of this section for a limited time upon an appropriate showing by [an MVPD]...that such waiver is necessary to assist the development or introduction of a new or improved multichannel video programming or other service offered over multichannel video programming systems, technology, or products.<sup>5</sup>

Similarly, Section 76.1207 of the Commission's rules provides:

The Commission "may waive a regulation adopted under this subpart for a limited time, upon an appropriate showing by [an MVPD]...that such a waiver is necessary to assist the development or introduction of a new or improved multichannel video programming or other service offered over multichannel video programming systems, technology, or products."<sup>6</sup>

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<sup>4</sup> This is because Sunflower will need to raise its rates to account for the increased price of the DCH-100.

<sup>5</sup> 47 U.S.C. § 549(c).

<sup>6</sup> 47 C.F.R. § 76.1207.

In its *Second Report and Order*, the Commission confirmed that it would grant waivers under Section 549(c) and 47 C.F.R. § 76.1207 for low-cost, limited functionality set-top boxes:

It is critical to the DTV transition that consumers have access to inexpensive digital set-top boxes that will permit the viewing of digital programming on analog television sets both during and after the transition. The availability of low-cost boxes will further the cable industry's migration to all-digital networks, therefore freeing up spectrum and increasing service offerings such as high-definition television....We are inclined to believe that the provision of such devices by cable operators will not endanger the development of the competitive marketplace envisioned in Section 629....In the interim, we will entertain requests for waiver of the prohibition on integrated devices for limited capability integrated digital cable boxes.<sup>7</sup>

The DCT-700 is just such a box. It is low-cost and has limited capabilities. It is also the driver of Sunflower Broadband's rapid transition toward an all-digital network. Further, a waiver for the box will not endanger the development of a competitive set-top device market.

The DCT-700 is low cost. At approximately \$80 per unit, the DCT-700 is the least expensive digital set-top box for use in Sunflower Broadband's systems. The DCT-700 costs even less than a unidirectional CableCARD.<sup>8</sup>

The DCT-700 is a very limited-functionality device. The DCT-700 is simply a stripped down digital-to-analog converter, providing access to encrypted digital signals, an interactive guide and parental controls. The DCT-700 does not contain any PVR, HD, Internet access, multiple tuner or other advanced capabilities. The box is so basic

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<sup>7</sup> *Second Report and Order* at ¶ 37 (emphasis added).

<sup>8</sup> The unidirectional CableCARD costs Sunflower Broadband approximately \$89.

that it does not even include an on/off switch, a clock or display.<sup>9</sup> In short, the DCT-700 is designed to provide digital services as economically as possible.

**The DCT-700 is accelerating Sunflower Broadband's transition to an all-digital network.** As described above, consumer demand for the DCT-700 is high due to the low price of the DCT-700. With the DCT-700, Sunflower Broadband can offer its subscribers a digital simulcast of its analog basic tier - along with advanced parental controls and several additional channels, including local VOD - for just \$3.95 per month more than analog basic. Sunflower Broadband believes that its ability to discontinue its analog services and reclaim the bandwidth for digital services will hinge on the availability of the low-cost of the DCT-700. With the requested waiver for the DCT-700, Sunflower Broadband believes its transition to an all-digital network will occur before the end of 2008.

**Granting a waiver for the DCT-700 will not endanger the development of a competitive market for navigation devices.** For the subscribers who use the DCT-700, the choice is not between the DCT-700 and a higher-priced, non-integrated box. The choice is between the DCT-700 or no digital services at all. The DCT-700 is so basic and limited in its functionality that it attracts only the most price-sensitive consumers – those with lower or fixed incomes, or those who simply do not place a high enough value on digital services to justify a more expensive box. Higher-end consumers will still purchase or lease the more expensive non-integrated boxes regardless of the availability of the DCT-700. Accordingly, a waiver for the DCT-700 will not endanger the development of a competitive market for higher-priced, non-integrated

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<sup>9</sup> See Exhibit 1.

boxes. Further, as described in Charter's and Comcast's set-top box waiver requests, a limited waiver for the low-end DCT-700 will have no detrimental effect on the robust market for digital consumer products.<sup>10</sup> And with only 30,000 subscribers, Sunflower Broadband has no ability to influence the set-top box market.

In short, the DCT-700 satisfies all the criteria set forth in 47 U.S.C. § 549(c), 47 C.F.R. §§ 76.7 and 76.1207, and the *Second Report and Order* for a waiver of the integration ban in 47 C.F.R. § 76.1204(a)(1).

If the Commission is for some reason reluctant to grant a broad waiver for the DCT-700, it could in the alternative grant a more limited waiver for the box under 47 C.F.R. § 1.3.<sup>11</sup> The limited waiver would be applicable to small and medium-sized operators only. These operators serve the price-sensitive low-density and rural areas that will be hit hardest by the application of the integration ban because the cost of converting to a digital network is much higher in these small, price-sensitive communities. As this request shows, there is certainly good cause for such a waiver.

#### **V. Request for Clarification**

By its terms, the Commission's integration ban applies to deployment of "new" navigation devices only.<sup>12</sup> The Commission has also made clear that the integration ban is "[not] intended to render equipment obsolete that has already been manufactured

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<sup>10</sup> See *In the Matter of Application of Charter Communications Inc.'s Request for Waiver of 47 C.F.R. § 76.1204(a)(1)*, CS Docket No. 97-80, CSR 7049-Z (July 14, 2006) at 11; *In the Matter of Application of Comcast Corporation's Request for Waiver of 47 C.F.R. § 76.1204(a)(1)*, CS Docket No. 97-80, CSR 7012-Z (April 19, 2006) at 14-17.

<sup>11</sup> Under 47 C.F.R. § 1.3, the Commission may waive any of its rules on petition if good cause is shown.

<sup>12</sup> 47 C.F.R. § 76.1204(a)(1).

and deployed and still has a useful life.”<sup>13</sup> Sunflower Broadband asks the Commission to clarify that cable operators may still deploy after July 1, 2007 refurbished integrated boxes purchased on the used equipment market. These refurbished boxes have “already been manufactured and deployed” and still have a “useful life.” Such a clarification will avoid economic waste, will help cable operators to continue to provide their subscribers with affordable digital services, and will facilitate the transition to all-digital networks.

#### **VI. Conclusion**

Thanks to the DCT-700, Sunflower Broadband is transitioning customers to digital services at a swift pace. But Sunflower Broadband's rapid digital transition will slow to a crawl or halt altogether if the Commission does not grant a limited waiver of the integration ban for the DCT-700. Granting the requested waiver will benefit consumers and speed the digital transition in the smaller markets served by Sunflower Broadband and other operators, while having no negative impact on the market for competitive navigation devices.

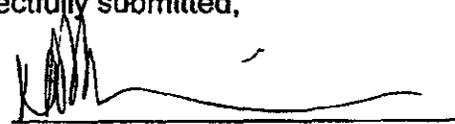
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<sup>13</sup> *In the Matter of Implementation of Section 304 of the Telecommunications Act of 1996, Order on Reconsideration*, 14 FCC Rcd. 7596 (1999) at ¶ 35.

The undersigned has read this Petition and to the best of her knowledge, information and belief formed after reasonable inquiry, it is well grounded in fact and is warranted by existing law or a good faith argument for the extension, modification or reversal of existing law; and is not interposed for any improper purpose.

Respectfully submitted,

By:

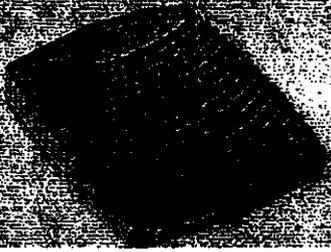


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November 20, 2006

**EXHIBIT 1**

**SPECIFICATIONS FOR THE MOTOROLA DCT-700**



## DCT700 All-Digital Set-top

An interactive digital set-top with small size and big performance.

Motorola's DCT700 provides versatile interactivity in the all-digital network for expanded information and entertainment services.

The Motorola DCT700 is an all-digital set-top that provides you with the advantages of an all-digital network. Digital channels take up less room on your cable TV network. This results in increased "bandwidth" for more channels and services like high-definition TV (HDTV), electronic program guides (EPGs), pay-per-view (PPV), Video on Demand (VOD), and other on-demand information and entertainment services. The DCT700's capabilities are limited only by what your cable service provider offers. If your cable service provider eliminated analog channels in your area and replaced them with "all digital" channels, there would be even more room on the cable network system for additional services such as high-speed data, VOD, and high-definition content.

To decode the data used to transmit the digital channels, a separate set-top is required for each television in the home. The DCT700 provides digital channels to all your TVs through coaxial cable or analog (RCA-type) audio/video jacks.

Check with your local cable service provider for availability of the DCT700 in your area.

### HIGHLIGHTS

- Supports services such as EPGs, PPV, and VOD
- Reclaims bandwidth allocated to analog channels
- Compatible with Motorola's award-winning secure MediaCipher® conditional access technology
- Two-way capability to enable interactivity
- Motion picture industry standard for coding and decoding video (MPEG-2)
- AC-3 standard for 5.1 Dolby® Digital Surround Sound

# CONNECTED MOTO



MOTOROLA

# DCT700 All-Digital Set-top

## Technical Specifications

### STANDARD FEATURES

- MPEG-2 Digital Video Processor
- ATSC standard Dolby® Digital (AC-3) audio processor
- ITU standard 64/256 QAM/FEC/enhanced adaptive equalizer
- On-board real-time RF return (256 Kbps)
- Bitmapped graphics display (4-/8-bit)
- 90-860 MHz tuner
- DES-Based encryption/DCII access control
- Digital diagnostics
- Frequency agile 2.048 Mbps out-of-band data receiver
- Macrovision® copy protection
- IR support for remote control

### STANDARD INTERFACES

- RF remodulator output (ch. 3, 4)
- Baseband video and audio outputs

### OPTIONAL FEATURES

- Motorola Universal Remote Control (DRC450)

To view our full line of Connected Home Solutions, visit our Web site at  
[broadband.motorola.com/consumers](http://broadband.motorola.com/consumers)

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**EXHIBIT 2**

**SUNFLOWER BROADBAND'S PRICE LIST**

## cable television services

- Limited Basic** **\$21<sup>95</sup>**  
(over 32 channels)
- Expanded Basic** **\$41<sup>95</sup>**  
(over 65 channels)
- Digital Expanded Basic (Bronze)** (includes Basic Digital Converter Box) **\$45<sup>90</sup>**  
(over 130 channels)

## PREMIUM CHANNELS

- HBO The Works** **\$14<sup>95</sup>**  
(HBO On Demand, HBO, HBO Plus, HBO Signature, HBO Family)
- Cinemax Multimax** **\$9<sup>95</sup>**  
(Cinemax On Demand, Cinemax, MoreMax, ActionMax)
- HBO The Works + Cinemax Multimax** **\$20<sup>95</sup>**
- Showtime Unlimited w/ The Movie Channel** **\$13<sup>95</sup>**  
(Showtime On Demand, Showtime, Showtime Beyond, Showtime Too, ShowCase, Showtime Extreme, Showtime Next, Showtime Family, Showtime Women, TMC On Demand The Movie Channel, The Movie Channel 2)
- Starz Encore Movie Super Pak** **\$12<sup>95</sup>**  
(Encore, Encore Love, Encore Mystery, Encore Drama, Encore Westerns, Encore Actions, Encore WAMI, Starz On Demand, Starz, Starz Comedy, Starz Edge, Starz Kids & Family, Starz InBlack, Starz Cinema)
- Showtime Unlimited + Starz Encore Movie Super Pak** **\$22<sup>95</sup>**
- Playboy** **\$19<sup>95</sup>**

## DIGITAL PACKS

- Digital Variety Pack** **\$7<sup>95</sup>**  
(over 24 channels)
- Digital Sports Pack** **\$7<sup>95</sup>**  
(over 14 channels)
- Digital Movie Pack** **\$7<sup>95</sup>**  
(over 7 channels)
- Get all 3 of the above
- Discovery Pack FREE**  
with purchase of any above digital pack

**HD Pack**  
(includes 11 HD channels and growing)

## SUBSCRIPTION ON DEMAND

**WWE 24-7**

**Anime Network**

## DIGITAL CONVERTER BOX OPTIONS

**Standard Digital Boxes**  
**Basic Digital Converter Box**  
(included with Gold, Silver & Bronze television options)

**Advanced Digital Converter Box**  
(includes S-Video & Dolby 5.1 Surround Sound)

**HD Converter Boxes**  
**Motorola HD Converter Box**

## Digital Video Recorders (DVRs)

- Motorola HD/DVR Combo Converter Box** **\$12<sup>95</sup>**  
(additional \$5 DVR service fee, waived with premium [Gold] Internet service)
- Moxi HD/DVR Combo Converter Box** **\$24<sup>95</sup>**  
(additional \$5 DVR service fee, waived with premium [Gold] Internet service)
- Moxi Mate** **\$5<sup>00</sup>**

Prices listed above are monthly prices and do not include taxes and fees. Prices are subject to change.

## internet services

- Express High-Speed Internet (Bronze)** **\$19<sup>95</sup>**  
Service for one computer  
Up to 512 Kbps download  
2 e-mail accounts  
512 MB/month transfer limit
- Basic High-Speed Internet (Silver)** **\$29<sup>95</sup>**  
Service for one computer  
Up to 3 Mbps download  
3 e-mail accounts  
6 GB/month transfer limit
- Premium High-Speed Internet (Gold)** **\$44<sup>95</sup>**  
Service for up to four computers  
Up to 10 Mbps download  
5 e-mail accounts  
18 GB/month transfer limit

Note: Above prices include \$10 multiple services discount. Residential Internet service requires an active Sunflower Broadband cable line to your residence; any basic cable package or Cable Transport service. Residential service also requires a DOCSIS cable modem which may be leased or purchased from Sunflower Broadband (or provided by customer).

- 10 GB Additional Bandwidth** **\$10<sup>00</sup>**  
monthly recurring charge
- Cable Modem** **\$5<sup>00</sup>**  
monthly lease
- Cable Modem Purchase** **Call for current price**

## Geeks on Wheels

**\$65 - \$90/hr**

Call about our professional "house call" assistance with computer setup, software configuration, virus/spyware/malware removal and protection, home & professional networking and more. (Networking may require additional fees beyond standard hourly rate).

Prices listed above are monthly prices unless otherwise noted. Prices do not include taxes and fees. Prices are subject to change.

## telephone services

- Basic Residential Service (Bronze)** **\$17<sup>95</sup>**  
see front for service details
- Silver Telephone Service** **\$25<sup>95</sup>**  
see front for service details
- Gold Telephone Service** **\$39<sup>95</sup>**  
see front for service details
- Additional Line(s)** **\$9<sup>95</sup>**

Above prices include \$10 multiple services discount.

## TELEPHONE FEATURES

- Feature Packages** **\$10<sup>95</sup>**
- The Essentials** **\$9<sup>95</sup>**  
Caller ID/Name, Call Waiting, Call Return, Call Forward

## TELEPHONE FEATURES CONT.

**The Essentials Plus** **\$14<sup>95</sup>**  
Caller ID/Name, Call Waiting, Call Return, Call Forward, Auto Redial, Selective Call Forward, Distinctive Ring, 3-way Calling, Remote Access to Call Forward, Call Blocker

**VoiceMail** **\$6<sup>95</sup>**  
**Voice Connect**  
One Mailbox, 20-Message Capacity, 15-day Message Storage, Call Forward/Busy/No Answer

**Voice Connect Plus** **\$12<sup>95</sup>**  
Up to 4 Mailboxes with private passwords, 30-day Message Storage, Call Forward/Busy/No Answer

### Additional Voicemail Features

Message Delivery to One Device **\$2.00**  
Additional Mailbox **\$1.00**  
Wake-Up Service **\$2.00**

### Additional Telephone Features

Caller ID/Name	\$7.95	Call Blocking	\$3.50
Call Waiting	\$3.50	Non-listed Number	\$3.50
Call Return	\$3.50	Non-published Number	\$3.50
Call Forward	\$3.50	Distinctive Ring	\$3.50
Call Waiting/Caller ID	\$3.50	Speed Calling	\$3.50
Anonymous Call Rejection	\$3.50	Three-way Calling	\$3.50
Additional Listing	\$1.50		

Sunflower Broadband Internet and telephone services may not be available in all areas. All prices listed here are monthly prices unless otherwise noted. Prices do not include taxes and fees, and may be subject to change.

## service and installation charges

**Professional Residential Installation**

Cable TV/Digital Cable **\$39.00**

High-Speed Internet **\$39.00**

Telephone **\$39.00**

Save on your installation fees by installing multiple services at the same time:

Two Services (In above categories) **\$69.00**

Three Services (In above categories) **\$89.00**

**New Service (No-Truck Activation)** **\$15.00**

**Install/Remove trap** **\$15.00**

**Service Reconnection Charge** **\$39.00**  
(to restore services after being disconnected for non-payment of fees)

**Other Fees/Charges** **\$10.00/mo**

Cable Transport Service (active service w/o video services)

Unreturned or Damaged Equipment

NID (for phone service) **\$150 - \$700**

Digital Converter Box **\$200 - \$900**

Cable Modem **\$150**

Returned Check Charge **\$30.00**

Late Payment Fee (residential) **\$5.00**

In-Field Collection Fee **\$10.00**

Additional Bandwidth Fee **\$2.00/GB**

**Customer Premise Service/Repair**

Service, Repair or replace Sunflower Broadband Wiring/Lines to Residence **No Charge**

Service, Repair or Replace Customer's In-Home (Interior) Wiring\* (1/2 hour minimum) **\$60.00/hr**

Service Call to Replace/Repair Standard Outlet **\$30.00/outlet**

**\*HOME WIRING INFORMATION**

Broadband technology requires that high-quality cabling and materials be used to insure the best signal quality. The interior wiring within your residence including wall plates, outlets, splitters, connectors and amplifiers belongs to the homeowner or landlord. Sunflower Broadband will repair, remove, add or replace interior wiring at the customer's request for the applicable hourly charge. Customers also have the option of selecting a qualified third-party contractor to perform the service's requirements. Materials that meet our quality standards can be reauthorized by or obtained from Sunflower Broadband. For additional home wiring information, call Sunflower Broadband Customer Service at:

**EXHIBIT 2  
KNORR AFFIDVAIT**

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of: )  
 )  
The World Company, d/b/a ) CSR- 71142  
Sunflower Broadband )  
 )  
Supplement to Request for Waiver of )  
47 C.F.R. § 1204(a)(1) )  
 )  
To: Chief, Media Bureau )

**AFFIDAVIT OF PATRICK KNORR**

I, Patrick Knorr, make this affidavit based upon personal knowledge and a review of records, and can testify if necessary as to the truth of the matters asserted:

1. I have been General Manager of Sunflower Broadband, a division of The World Company ("Sunflower Broadband") since January 2000.
2. Sunflower Broadband is a small, independent cable operator providing video and broadband services to approximately 30,000 subscribers in and around Lawrence, Kansas.
3. The company has a consistent track record of offering the newest and most cutting-edge digital services in the industry, especially to smaller-market and rural subscribers. Sunflower Broadband's services and channel offerings include:
  - Over 210 channels, including 45 music channels, VOD, advanced parental controls, and DVR functionality
  - Digital simulcast
  - Wireless broadband for rural subscribers
  - Cable modem services, including three different high-speed broadband packages

- Video caller ID
  - Local video on demand services, including local news, city commission meetings, and programs from local schools
  - HD services, including broadcast HD
4. Sunflower Broadband plans to reclaim a significant amount of its analog spectrum to deploy additional advanced services to its subscribers, including:
- HD channels, digital multicast, and digital signals from independent broadcasters;
  - More video on demand services;
  - New interactive services
  - Faster broadband services, with speeds up to 20 Mbs.
5. Accordingly, if granted a waiver of the deadline in 47 C.F.R. § 1204(a)(1) until December 31, 2008 to continue to deploy low-cost set-top boxes like the DCT-700, Sunflower Broadband will make the commitments outlined in Paragraphs 6 – 9 below.
6. Sunflower Broadband will transition all its services to digital by December 31, 2008, creating capacity to cablecast all of the digital signals licensed to each subscriber's market. The company also plans to offer limited analog simulcast services consisting primarily of broadcast stations. These simulcast services would contain primary signal of every broadcast station in the subscriber's market that is cablecast on Sunflower Broadband's digital tiers. This transition will allow Sunflower Broadband to reclaim the majority of its analog spectrum, which will be more than sufficient for Sunflower Broadband to continue to provide the new and innovative broadband and video services discussed in Paragraph 4 above. Reclaiming one hundred percent of the analog capacity on Sunflower

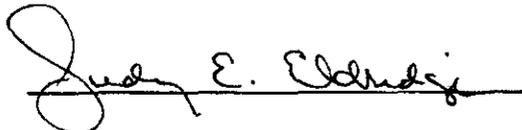
Broadband's closed, 750-MHz, wireline cable network is more than is needed for the advanced services discussed in Paragraph 4.

7. Sunflower Broadband will notify all of its customers of its plans to transition to digital at least six months in advance of the transition.
8. Sunflower Broadband will ensure that, at least six months prior to migrating to digital services, it has in inventory or has placed orders for enough set-top boxes to ensure that each of its customers can continue to view its video programming on analog television sets.
9. Sunflower Broadband will submit a sworn declaration to the Commission confirming that it has provided notice to its customers of its digital transition, and that it has a sufficient inventory of set top boxes to ensure that each customer can continue to use his or her analog television set with Sunflower Broadband's services.



Patrick Knorr, General Manager  
Sunflower Broadband, a division of The  
World Company

Subscribed and sworn to before me this <sup>th</sup> 9 day of February, 2007.



Notary Public

