

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Volcano Vision, Inc.)	CS Docket No. 97-80
)	
Request for Waiver of Section 76.1204(a)(1) of the Commission's Rules)	CSR-7214-Z
)	
Implementation of Section 304 of the Telecommunications Act of 1996)	
)	
Commercial Availability of Navigation Devices)	
)	

REPLY COMMENTS OF VOLCANO VISION, INC.

Volcano Vision, Inc. ("Volcano Vision"), by its attorneys, hereby submits these comments in reply to the comments of Motorola, Inc. ("Motorola") and the Consumer Electronics Association ("CEA") addressing Volcano Vision's request for a limited waiver of the set-top box integration ban, 47 C.F.R. §76.1204(a)(1).

Volcano Vision appreciates CEA's concern that Congress' intent should be met for provision of separable security solutions to cable television subscribers. However, postponement of the rule has reflected the Federal Communications Commission's good judgment in permitting industry and consumers to prepare for the costs of compliance. The Commission furthermore established a waiver policy in its *2005 Deferral Order*, 20 FCC Rcd 6974, 6802-03, ¶ 13 (2005), and it has received and

granted waiver requests submitted in accordance with FCC Rule Sections 1.3 and 76.7, 47 C.F.R. §§ 1.3 and 76.7.¹

Volcano Vision bases its waiver request on a particular set of facts which will enable Volcano Vision to rapidly migrate to an all-digital network, thereby producing clear, non-speculative public interest benefits. Grant of the waiver will not interfere with the Commission's goal to develop a competitive marketplace for navigation devices. It will enable Volcano Vision's customers to receive digital TV signals and participate in this essential part of a successful completion of the DTV transition.

Digital set-top boxes such as the Motorola models for which Volcano Vision seeks a waiver are integral to Volcano Vision's plan to convert its small, rural cable television to an all-digital network by early 2008. After the conversion customers will receive expanded, high quality programming services and broadband internet access. Customers will have access to CableCARDs and Volcano Vision's network system will be compatible with CableCARD-reliant navigation devices.

The requested waiver will facilitate Volcano Vision's migration to an all-digital network prior to the end of analog, over-the-air broadcasts by full-power television stations on February 17, 2009. Subscribers will be able to view the digital broadcast signals after the DTV transition, and will be spared the expense of higher cost boxes with only limited features. As noted by Motorola, its current lower-cost CableCARD-enabled set-top box, the DCH-100, costs substantially more than the

¹ See *In the matter of Bend Broadband's Request for Waiver of Section 76.1204(a) of the Commission's Rules*, Mem. Opin. & Order, 22 FCC Rcd. 209 (2007), *In the matter of One Source's Request for Waiver of Section 76.1204(a) of the Commission's Rules*, Mem. Opin. & Order, DA 07-2009, released May 4, 2007, and *In the matter of GCI Cable Inc.'s Request for Waiver of Section*

DCT-700, even in higher volumes. Nor are there available significantly more economical boxes from other manufacturers. *See*, Motorola Comments, at 6. The added costs of set-top boxes with non-integrated security features would disadvantage a small operator such as Volcano Vision, and would burden subscribers who face the digital conversion. Subscribers have no choice but to obtain a box that will accommodate digital signals, or they will lose cable television service

Volcano Vision should be granted a waiver for Motorola digital set-top boxes DCT-2000, DCT-2500, DCT-6200, DCT-6412 which were in stock prior to September 2006, and (3) Motorola digital set-top box models DCT-700, DCT-6200 and DCT-3412, purchased in September 2006 for \$75, \$289 and \$430 per unit, respectively, for the purpose of completing the plan to convert to an all-digital network. Use of these low-cost boxes will advance the migration to an all-digital network. All of the boxes are low-cost compared to the cost of new, non-integrated set-top boxes, and the impact of those costs on a small operator and its subscribers. When the boxes were acquired, it was clear that without the DCT-6200 and DCT-3412 models Volcano Vision would not be able to provide high definition signals to subscribers. Given the timeline and the uncertain availability of boxes in that period of time, Volcano Vision had no choice but to act to accommodate high definition customers.

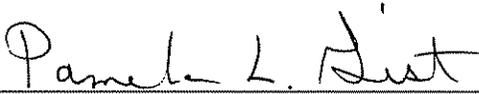
Volcano Vision is a small operation with very limited resources. All efforts are focused on the digital upgrade and running the rest of the operation with a core, multi-tasking staff. Efficient deployment of capital, including capital already invested in the set-top boxes, is essential to Volcano Vision's success as an all-digital cable television system operator. For a company of its size to strand approximately \$500,000 worth of high-end set-top boxes would create a financial hardship, one that can be avoided by grant of the requested waiver.

The boxes for which waiver is requested will help ensure that all of Volcano Vision's subscribers will be able to view digital cable programming on analog television sets upon Volcano Vision's migration to the all-digital network. The digital transition proceeds on pace with installation of a state of the art system. The architecture and configuration of the head end, although complicated and taking longer than anticipated when the project was begun in July 2005, will readily accommodate programmers' transition to digital and high definition services and delivery of upgraded programming to subscribers.

Accordingly, it is appropriate to find that Volcano Vision has met the standard for waiver under Sections 1.3 and 76.7 of the Commission's rules, and that a waiver of the integration ban is justified.

Respectfully submitted,

Volcano Vision, Inc.



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CERTIFICATE OF SERVICE

I, Pamela Gist, hereby certify that on June 22, 2007, copies of the attached Reply Comments of Volcano Vision, Inc., were served via regular mail, on the following:

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