



Date: December 29, 2017

To: NCTC Cable Television Customers

NCTC strives to ensure our communities and customers have access to quality and fairly priced broadband (Internet), telephone and cable TV services.

When it comes to cable TV we must enter into multi-year programming agreements with programmers like ESPN, Discovery, etc. and local broadcast TV stations (ABC, CBS, Fox, and NBC) in order to put their content on our system so you can watch it. We belong to a Cable TV Cooperative for purchasing programming whenever we can, but a number of the programmers and broadcasters require direct contracts with us.

Per FCC rules these negotiations are to be “in good faith”, but in the end, as a small provider, we have very little leverage and we end up being presented with a final “take it or leave it” price for the programming. At that point our option is to take the pricing that is offered or walk away and not put the programming on our cable system. Several years ago we did walk away from AMC as we thought their pricing demands were excessive.

Every three years we must renegotiate with the local television stations for the rights to rebroadcast their stations’ programming. This process and the resulting agreements are characterized as Retransmission Consent. Over the last several months we have been negotiating with the local broadcasters for these carriage rights and we are at the point of needing to meet their rate demands or prepare to let the stations go dark on our systems on January 1. You may have heard of station “blackouts” in other parts of the country, which frustrates everyone.

We have come to the point in this year’s negotiations where we needed to execute the agreements or discontinue carriage of the local stations. We chose to continue to carry the stations but it comes at a price. The 2018 increase in costs for carrying the 4 local stations will be \$6.35 per customer per month. The significant increase in the costs for carrying these stations will be shown on your monthly statement as the “Broadcast Surcharge” beginning in February. As distasteful as this is for you and us, we think it is important for you as our customer to know what it costs to have access to local television content.

If you wish to learn more about the retransmission consent process information is available at: <http://www.tvonmyside.com/nctc/index.php>

and

<https://keeptheconnections.com/>

Please contact us at 888-873-6282 if you have questions or would like additional information.

We appreciate your patronage!

22 LaBarre St
PO Box 700
Gibbon, NE 68840-0700

Phone: (308) 468-6341
Fax: (308) 468-9929

www.nctc.net