

November 18, 2020

Town Manager Maureen Hartman
Town of South Bethany, DE
402 Evergreen Rd.
South Bethany, DE 19930

Dear Town Manager Maureen Hartman,

The purpose of this letter is to inform you that, on or about December 22, 2020, Mediacom will be implementing the following rate adjustments:¹

Product:	Old Rate:	New Rate:	Net Change:
Local Broadcast Station Surcharge ²	\$16.67	\$22.58	\$5.91
Regional Sports Surcharge	\$5.06	\$5.51	\$0.45
Variety TV	\$77.03	\$79.03	\$2.00
Prime TV	\$91.03	\$93.03	\$2.00
Digital Adapter	\$6.00	\$7.00	\$1.00
HD Digital Adapter	\$6.00	\$7.00	\$1.00
Additional TiVo Receivers	\$6.00	\$7.00	\$1.00
Standard Installation	\$99.99	\$109.99	\$10.00
Unreturned Equipment Rental Fee (Active Customers)	N/A	\$7.00	N/A

The decision to make price adjustments is always a difficult one as we know when we raise prices, we lose customers. Despite massive customer migration away from traditional pay TV services, the owners of the channels we carry continue to raise their rates. Instead of adjusting their prices to help slow customer losses, the channel owners are getting even more aggressive, driving prices higher and higher for the remaining cable and satellite customers. At the same time, many of these same channel owners are making much of their content available direct to consumer over the internet in smaller packages and, in many cases, for better prices.

The long-term effect of all the price increases pushed down by the channel owners onto cable and satellite companies is that traditional video bundle is no longer affordable. This has forced many consumers to migrate to web based over-the-top services for their entertainment needs.

¹ Depending on the terms of each customer's promotional package, these rate changes may not impact a customer until their current promotional package expires.

² Mediacom bills monthly in advance. As a result, the increases for both the Local Broadcast Surcharge and Regional Sports Surcharge are based on our best estimate of the cost increases our company will incur for broadcast and regional sports programming. Mediacom will "true up" customer bills in a subsequent month if it turns out that our estimate was too high or too low.

It is becoming more evident that the future of video is over the internet, so we have tried to make it easy for customers to access content online by deploying consumer friendly TiVo devices that easily navigate between traditional television and over-the-top services like Netflix and Hulu. In addition, we have continued to invest in our fiber-rich network to make sure our customers have access to the ultra-fast broadband speeds needed to support bandwidth intensive online video services they are increasingly using.

To accommodate price sensitive customers, Mediacom introduced a lower cost broadband service earlier this year called Access Internet 60 with retail price of \$29.99. At the end of December, we will be raising the monthly data allowance for the Access Internet 60 tier from 60 GB per month to 200 GB per month for no additional charge.

To help low-income students address remote learning challenges created by the COVID-19 pandemic, Mediacom has broadly launched a low-cost internet service featuring 25 Mbps download speeds for \$9.95 per month. This service known as Connect2Compete is offered in partnership with EveryoneOn and is available to families with students participating in the National School Lunch Program. Additional information is available at www.mediacomc2c.com.

Mediacom appreciates the opportunity to continue to serve your community's telecommunications needs. If you have any questions, please contact me directly at (850) 934-2551 or clord@mediacomcc.com.

Yours sincerely,
Christopher Lord
Sr. Manager, Government Relations, Coastal Region
Mediacom Communications