



November 21, 2014

Mr. John Szerlag  
 City Manager  
 City of Troy  
 500 W. Big Beaver  
 Troy 48084

Dear Mr. John Szerlag,

At WOW!, our objective is to continue to provide excellent customer service and a variety of Internet, cable and phone services at a great value to our customers.

Cable and broadcast networks raise their prices every year for the channels we provide our customers, and this year is no exception. In fact, their price increases are even higher than normal. To help keep pace with these costs, our rates will be adjusted with the January 1, 2015 billing cycle.

**WOW! Residential customer impacts:**

- Bundled customers (those with cable as well as Internet or and/or Phone) with a bundle rate guarantee expiring January 1, 2015 will experience a bundle rate increase of \$12.00 per month.

**WOW! Business customer impacts:**

- New Cable a la carte pricing
  - Limited Basic Cable \$32.00
  - Basic Cable \$79.00
  - Digital Basic Cable \$23.00
- The rate for HBO will increase by \$1.00 from \$18.00 to \$19.00 per month for HBO and the rate for Starz/Encore will increase by \$3.00 from \$12.00 to \$15.00 per month.
- Broadcast TV Fee will increase \$2.00, to \$5.75 per month.
- Cable Modem rental will increase \$1.00 to \$7.00 per month.
- Network Line Fee / Subscriber Line Charge will increase to \$6.50 per month.

**WOW! Residential and Business customer impacts:**

- We also find ourselves in the difficult position of passing through a separate Sports Surcharge of \$2.00 per month beginning January 1, 2015 for both residential customers with a bundle rate guarantee expiring January 1, 2015 and all WOW! Business cable customers. The combined cost of national and regional sports networks alone represents about 25 cents of every dollar our customers pay for cable service. Last year, sports channel prices on WOW! Basic Cable went up by more than seven times the rate of inflation, and they keep going up. The network owners require that we keep these channels on Basic Cable. Unfortunately, the only way we can continue to offer sports channels is to institute this \$2.00 charge. Limited Cable customers will be exempt from this Sports Surcharge.

Customers impacted by the rate adjustments will receive a notice in their December billing statement. Samples of both the residential and business notification letters are enclosed.

Thank you for your continued support and cooperation. If you have any questions, please contact me at 248-677-9030.

Sincerely,

Robert DiNardo  
**Coach, Family Guy, Chocolate Enthusiast**  
 Vice President and General Manager – Michigan  
 WOW! Internet, Cable and Phone

Enclosures

# IMPORTANT INFORMATION

# ABOUT YOUR WOW! BILL

Dear Valued Customer,

WOW! never forgets that you have other choices for Internet, cable and phone. That means we never take for granted the opportunity to serve you. And why we do everything in our power to avoid giving you bad news.

Cable and broadcast networks raise their prices every year for the channels you receive on your cable lineup, and this year is no exception. In fact, their price increases are even higher than normal. As a result, the price for your bundled WOW! services including cable will increase \$12.00 per month starting next month, when the promotional price of your WOW! bundle expires.

We also find ourselves in the difficult position of passing through to you a separate Sports Surcharge of \$2.00 per month that will also take effect beginning January 2015. The combined cost of national and regional sports networks alone represents about 25 cents of every dollar you pay for cable service. Last year, sports channel prices on WOW! Basic Cable went up by more than seven times the rate of inflation, and they keep going up. The network owners require that we keep these channels on Basic Cable. Unfortunately, the only way we can continue to offer sports channels is to institute this \$2.00 charge.

We know you don't want to pay more for the services you receive so we keep a careful eye on the business costs we can directly control, while working hard to provide a superior customer experience.

We also work hard to prevent significant increases in the biggest portion of your cable bill by negotiating aggressively on your behalf with the big network owners. However, some of the networks started discussions this year by demanding more than twice their current fees. While those initial demands came down, programming cost increases are still high and the primary reason for this rate increase. For more information on the cost of cable programming, please visit [www.wowway.com/aboutprogramming](http://www.wowway.com/aboutprogramming).

We are very grateful to be your Internet, cable and phone provider, and we'll keep working to earn the privilege of serving you. If you have any questions about our services or this notice, you can call us toll-free at 1-800-491-1419. Thank you for choosing WOW!.

Sincerely,



Steven Cochran  
**Family Guy, Sports Fan, Person of Faith**  
CEO/President  
WOW! Internet, Cable and Phone

Pricing for WOW! Services excludes taxes, fees (such as applicable franchise, PEG and right-of-way access fees), the Network Line Fee/Subscriber Line Charge, the Broadcast TV Fee, Sports Surcharge, government program related fees (such as applicable 911 fees, and USF and TRS charges), additional equipment, installation and service call charges, and usage-based charges. Effective January 1, 2015 WOW! will impose a Sports Surcharge on customers who subscribe (whether alone or part of a bundle of services) to any WOW! Cable television service (except Limited Basic). © 2014 WideOpenWest Finance, LLC.

**WOW!**   
It's that kind of experience.  
[wowway.com](http://wowway.com)



# IMPORTANT INFORMATION ABOUT YOUR WOW! BILL

Dear Valued Business Customer,

WOW! Business never forgets that you have other choices for Internet, cable and phone. That means we never take for granted the opportunity to serve you. And why we do everything in our power to avoid giving you bad news.

Cable and broadcast networks raise their prices every year for the channels you receive on your cable lineup, and this year is no exception. In fact, their price increases are even higher than normal. At the same time, the cost of providing phone service and managing our network has gone up. As a result, your WOW! Business bill will contain some price increases starting next month.

New prices for some WOW! Business services take effect January 1, 2015. These rate adjustments are listed below for your reference. Please note that some services may be listed that are not part of your WOW! Business subscription, as this message is intended to provide information for all WOW! Business customers. Your bill next month will reflect only the price adjustments for those services you subscribe to.

<b>CABLE SERVICE</b>	<b>Monthly Price Increase Effective January 1, 2015</b>
WOW! Limited Cable	\$6.00
<b>INTERNET SERVICE</b>	
Cable Modem Rental	\$1.00
<b>PHONE SERVICE</b>	
Network Line Fee	\$2.50
Advanced Modem Rental	\$1.00

We also find ourselves in the difficult position of passing through to you a separate Broadcast TV Fee of \$7.75 per month that will also take effect beginning January 2015. This fee recovers a portion of our costs of retransmitting television broadcast signals. With programming fees, our negotiating leverage is limited. What broadcasters are demanding is just plain greedy. The Federal Communications Commission reported that the national cost of carrying local broadcast channels went from \$28 million in 2005 to \$2.4 BILLION in 2012. And industry expert SNL Kagan predicts the price will go up to \$7.6 billion in 2019! We think you should know the impact of these demands. That's why we're listing the Broadcast TV Fee separately.

We know you don't want to pay more for the services you receive so we keep a careful eye on the business costs we can directly control, while working hard to provide a superior customer experience.

We also work hard to prevent significant increases in the biggest portion of your cable bill by negotiating aggressively on your behalf with the big network owners. However, some of the networks started discussions this year by demanding more than twice their current fees. While those initial demands came down, programming cost increases are still high and the primary reason for this rate increase. For more information on the cost of cable programming, please visit [www.wowway.com/aboutprogramming](http://www.wowway.com/aboutprogramming).

We are very grateful to be your Internet, cable and phone provider, and we'll keep working to earn the privilege of serving you. If you have any questions about our services or this notice, you can call us toll-free at 1-877-437-5624.

Thank you for choosing WOW! Business.

Sincerely,

Brad Cheedle  
**Family Man, Golfaholic, Aspiring Guitar Legend**  
Senior Vice President, WOW! Business

Pricing for WOW! Services excludes taxes, fees (such as applicable franchise, PEG and right-of-way access fees, the Network Line Fee/Subscriber Line Charge, the Broadcast TV Fee, Sports Surcharge, government program related fees (such as applicable 911 fees, and USF and TRS charges), additional equipment, installation and service call charges, and usage-based charges. © 2014 WideOpenWest Finance, LLC.

**WOW!business™**  
Internet • Voice • Data • Cloud