

Partial Broadcast TV Surcharge & Local Broadcast Retransmission FAQs

The price that a consumer pays each month for a video package is driven largely by the fees that cable companies like Grande Communications must pay to retransmit the programs from companies that create or package the programming—the TV channels and networks. Cable service providers pay a fee for every household that receives a given channel, regardless of whether anyone in that household even watches the channel.

Those content creators and TV networks can set certain rules or guidelines for how their shows and channels may be sold to customers. This often means that we must include less popular programming in the more popular cable packages. These factors, and the escalating fees, drive up your costs.

At the same time, local broadcast stations have also begun demanding significant fees to carry programming that they offer for free over the air and via the Internet. We don't think it's fair to make our customers pay for programming that others are receiving for free but this issue is controlled by the companies that create the programs and content.

In the past few years, many cable service providers have taken a stand against unreasonable fee increases by both cable networks and local broadcast TV stations. We are pushing back against TV networks that demand more money without delivering more value. Sometimes that results in a public dispute with both sides using TV, e-mail, and other communications vehicles to tell their side of the story. And customers are caught in the middle.

What is the Partial Broadcast TV Surcharge?

This surcharge is a portion of the fee being charged by the owners of broadcast TV stations to Grande and other cable service providers to retransmit the programs created by those broadcast TV networks to you, our customers.

Broadcast TV stations have historically distributed their programming for free over the air. To receive the signal, you need a TV antenna. Broadcasters used to allow cable service providers (at no charge) to retransmit their programming to our customers. However, these same broadcast TV stations now charge cable service providers significant fees to retransmit their signal over our cable lines to our customers. If we don't pay, the broadcasters can force us to drop their channels from our lineup.

While this situation has resulted in the surcharge on customer bills, we pledge not to profit from that surcharge. We will make sure we do not collect more from the surcharge than we pay to the owners of broadcast TV stations. At present, we are only asking for a portion of the fee being charged.

Why am I paying this cost now?

These signals were historically made available to Grande at no cost or low cost. However, the prices now demanded by broadcast stations have become so extreme that we pass these costs on to customers.

Where will I find the Partial Broadcast TV Surcharge on my bill?

The Partial Broadcast TV Surcharge will be found on your bill, under the "Taxes, Fees & Surcharges" section.

Is the Partial Broadcast TV Surcharge a government mandated tax or fee?

No.

Are other cable companies charging these same fees, or just Grande?

The majority of cable companies are now passing along whole or partial surcharges to their cable customers to cover the retransmission costs from local broadcast TV stations. And those who are not will probably begin doing so in the future as retransmission consent rates continue to rise.

Why can broadcast TV stations charge for carriage of their signals?

Broadcast TV stations distribute their signals over the air using free spectrum granted to them by the federal government. These same broadcast TV stations are then allowed by the government to charge for their signals. If we don't agree to pay, broadcasters can force us to drop their channels, thereby adversely impacting our customers.

How are local broadcast TV stations different from cable networks like Lifetime, MTV or HBO?

Local broadcast TV stations distribute their signals over the air using free spectrum granted to them by the federal government. As well, these same broadcasters can agree to allow their signal to be retransmitted over cable lines. However, cable programmers have never distributed their signals over the air for free but have always sold their programming to cable service providers to be retransmitted over actual cables in your home.

Are all local broadcast or network-affiliated TV stations charging Grande?

Yes. At this time, all local TV stations require significant payment from any cable service provider to retransmit their programming and it is their charges that are reflected in the Partial Broadcast TV Surcharge.

Can you tell me what one TV station costs?

No. Our contracts prohibit us from disclosing any information contained in an agreement with an individual TV station or cable channel. That includes the fees they charge.

What is retransmission consent?

Since 1992, television stations have been authorized by the U.S. Congress to grant or deny permission for a cable service provider to carry their signals over cable lines to cable customers. The name for this particular agreement is "retransmission consent." This right is renewable and the duration of the agreement varies by cable service provider. Our local broadcast station agreements expire at the end of 2013 and the broadcasters are denying us the right (or have threatened to deny us the right) to retransmit their signal on our cable systems unless we pay an exorbitant price increase with zero room for negotiation. You can help by contacting your United States Congressman/woman, and tell him/her how you feel about these unfair laws and that we need to change them.