



VIA ELECTRONIC FILING

August 13, 2021

Re: Changes to/Standardization of Video Pricing

To Whom it May Concern:

Altice USA, Inc. ("Altice" or "the Company") hereby notifies your office of upcoming changes to the standard pricing of certain Optimum video offerings.

Embedding Video Fees Into Standard Video Tier Prices. In an effort to simplify video offerings and customer bills, the Company will incorporate video fees that were previously listed separately on the customer bill within Optimum's standard video tier rates.¹ (For customers currently on initial acquisition promotional rates, these fees will be embedded into their video tier pricing when their promotion expires.)

Adjustments to Standard Pricing for Certain Optimum Video Packages. The monthly price for certain standard video tiers and niche a la carte services are being adjusted as indicated below and in the attachment. These changes are primarily driven by the rising cost of securing programming – including sports and broadcast channels – and represent just a fraction of the escalating costs. Other a la carte video services will have their rates standardized for any customer currently not paying the advertised price. (Standard pricing for the Broadcast Basic Tier is increasing by only \$0.02/mo.) These new rates will go into effect beginning September 13, 2021, and existing customers will receive 30 days advance notice of any change to their monthly price (unless the customer elects to make a change to his or her video service or package, in which case the adjustments will be disclosed at the time the customer requests the change). Please note the following:

- *Nominal Increase from These Changes:* In an effort to minimize the impact on our current video customers, the Company will issue credits on their bill designed to offset any increase that would have otherwise occurred due to these changes, though some customers may see a nominal change between \$0 and \$0.49/mo. (due to operational billing system controls) to the monthly recurring rate.²
- *Does Not Change Terms of Promotions:* Any customer on initial acquisition promotional rates is unaffected until the expiration of their promotion, which is preceded by 30 days advance customer notice.

¹ Specifically, the TV Broadcast Fee (\$9.99/mo.), Regional Sports Network Fee (\$10.47/mo.) and Additional Outlet Premium Service Fee (\$1.50/mo.) will be embedded with the Optimum video monthly tier charge, exclusive of government fees and taxes. Note that neither Broadcast Basic nor Economy customers pay the RSN Fee.

² The up to \$.49 change is exclusive of any associated changes to taxes and fees, which should be de minimis.



This pricing adjustment is only for Optimum video offerings; there is no price adjustment to Optimum broadband or voice service rates. Optimum does not have long term contracts or early termination fees, and customers may cancel or downgrade their service at any time.

Please see below and attached for more detail on the changes.³

- Renaming of Optimum Preferred to Optimum Select – Any customer currently subscribed to Optimum Preferred will have their package renamed to Optimum Select. The content and pricing of Optimum Preferred and Select are identical; therefore there will be no channel loss or increase in rate as a result of this package renaming.
- Optimum College Sports Pack Rate Change – The monthly rate for the optional Optimum College Sports Pack a la carte service will increase from \$2.95/month to \$5.00/month. To align pricing, any existing customer currently paying \$2.95/month will see \$5.00/month reflected on his or her bill for this service.
- Optimum en Español Rate Change – The monthly rate for the optional Optimum en Español a la carte service for customers subscribed to a video package higher than Broadcast Basic will increase from \$12.95/month to \$15.00/month. To align pricing, any existing customer currently paying \$10.95/month will see \$15.00/month reflected on his or her bill for this service.
- HBO Max Price Standardization – Currently there are some existing video customers still paying the prior \$14.95 rate for the optional HBO Max a la carte service, which is \$0.04 less than the advertised rate of \$14.99/month. Effective with these changes, all customers will see \$14.99/month for this service reflected on their bills.
- Clean Up of Customers with Legacy “Add On” Packages -- A small percentage of video customers who previously opted into receiving a higher level of video service are currently receiving an “add-on” of a higher video package, rather than the full price for the higher video package. For example, a longtime Optimum Value customer may have added on Optimum Select content, and his or her bill may show “Optimum Value” with “Optimum Select add-on” as a separate line item. To simplify the customer’s bill and Optimum’s offerings, effective with these changes, any customer paying full price for their base video package and also receiving an add-on for a higher package will see the full rate for the highest video tier reflected on their bill. In the example, this customer will have only “Optimum Select” which will include all services from both Value and the Select Add-On.

³ As indicated above: (1) these new rates will now incorporate the video fees that are currently listed as separate line items; and (2) credits will be applied to the bills of existing customers who make no changes to their video service in order to limit any changes to the customer’s video pricing to 49 cents or less.



Customers are being notified at least 30 days in advance of the total increase to their bill through bill messages or inserts. Current rate information is always made available on the Optimum website at optimum.net/pricing-packages, which will be updated to reflect these changes on September 13, 2021.

Should you have any questions please do not hesitate to contact me at 929-418-4750 or by email at John.Dullaghan@AlticeUSA.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'JD', is written over a faint, illegible printed name.

John Dullaghan
Director, Government Affairs

Enclosure