



OFFICE OF THE MAYOR  
CITY OF CHICAGO



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**CITY COUNCIL APPROVES NEW CABLE FRANCHISE AGREEMENT WITH RCN**

*Franchise Renewal Agreement Benefits the City's Public, Educational and Government Programming*

CHICAGO - Today, the City Council approved a 10 year franchise renewal agreement with RCN Cable, a cable service provider in the City of Chicago. The new agreement will help to secure the future of public, educational and government (PEG) programming.

"This franchise agreement represents the cable industry and the City's commitment to the importance of PEG programming that benefit the City at large on the municipal stations as well as CAN-TV," Said Commissioner Rosemary Krimbel of the Department of Business Affairs and Consumer Protection (BACP).

**Highlights of the agreement:**

- The city collects revenue from premium services such as video on demand.
- The franchise renewal agreement lasts 10 years instead of 15 to allow agreements to stay current with market and technological trends.
- Elimination of unnecessary procedural requirements by the cable operators themselves and the City.



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Under the new franchise agreement, RCN pays the City and CAN TV a total of 1% of gross revenues) programming on the City's three municipal cable channels and CAN as compensation to fund PEG (public, educational and government TV's five public cable channels. This new compensation structure is tied to the cable operator's revenue and allows future payment levels to increase as industry revenue grows. In the past, RCN paid the City and CAN TV a fixed dollar amount per year in PEG fees.

The new franchise agreement also ensures technical parity for PEG channels. Broadcasts will be equivalent to commercial channels in audio and visual quality and functionality.

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