



News Release

RCN'S LIBERTY CABLE TO DELIVER DIRECTV® TO NEW YORK CITY MULTIPLE DWELLING UNIT MARKET

Alliance Is First In Country Serving The MDU Market

LOS ANGELES/NEW YORK, October 2, 1996 - DIRECTV, Inc. and RCN, Inc., a subsidiary of C-TEC Corporation, announced today an agreement for RCN to distribute the DIRECTV® high-power direct broadcast satellite (DBS) service and DSS® equipment to multiple-family dwelling unit (MDU) properties in New York City. RCN will serve as the first DIRECTV MDU system operator in the country beginning this month and will initially roll out DIRECTV in buildings recently acquired from Liberty Cable.

DIRECTV – which delivers more than 175 channels of entertainment, sports, news and informational programming to owners of a DSS system – is the first DBS service to offer a full range of programming packages to the MDU market, which is comprised of apartment buildings, co-ops, townhomes and condominiums.

RCN, which today provides video television service to MDU properties representing 50,000 units in the New York metropolitan area, will integrate DIRECTV with its current offerings at its present and future MDU properties, and facilitate the sale, installation and maintenance of DSS systems, including the handling of all equipment. RCN's Liberty Cable customers will be among the first MDU residents in the country to have access to a combined 250 channels via DIRECTV and RCN's existing programming service.

MORE....

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"This landmark initiative will enable thousands of New Yorkers that reside in RCN-serviced apartment buildings, co-ops and condominiums to receive the same DIRECTV programming that more than 1.8 million single family homeowners across the country enjoy," said Larry Chapman, senior vice president of Special Markets and Distribution for DIRECTV. "MDU residents can subscribe to DIRECTV – with its more than 175 channels – and enjoy a wide array of digital quality programming, including many channels and sports packages not available on traditional cable."

"With the addition of DIRECTV, RCN now offers its customers the best television product in the country," said Mark Haverkate, executive vice president of RCN. "Our present and future customers can get the benefit of both our existing video service and DIRECTV: RCN's expansive, high-quality video lineup plus the digital picture and sound, 55 pay per view movies every night and sports programming found only on DIRECTV. This news gives us another tool to remain the leader in competitive facilities-based residential communications."

To receive DIRECTV programming, RCN customers will not be required to obtain a satellite dish - they need only to place an order with RCN for a DSS receiver and remote control or obtain the equipment from an authorized DIRECTV dealer. Current customers interested in DIRECTV should call 1-800-321-4208. Residents in buildings not yet serviced by RCN or Liberty Cable should also contact RCN so that efforts can begin to service their building.

MORE....

3-3-3-3

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DIRECTV and DSS are official trademarks of DIRECTV, Inc., a unit of Hughes Electronics Corporation. The earnings of Hughes Electronics are used to calculate the earnings per share attributable to GMH (NYSE symbol) common stock. Visit DIRECTV on the World Wide Web at <http://www.directv.com>.

RCN, Inc., a unit of C-TEC (Nasdaq: CTEX) provides local and long distance telephone, video and data services in one package to residential customers in urban markets. C-TEC Corporation, headquartered in Princeton, N.J., is a diversified, international telecommunications and high technology company with interests in local telephone, long distance telephone, cable television and communications services.

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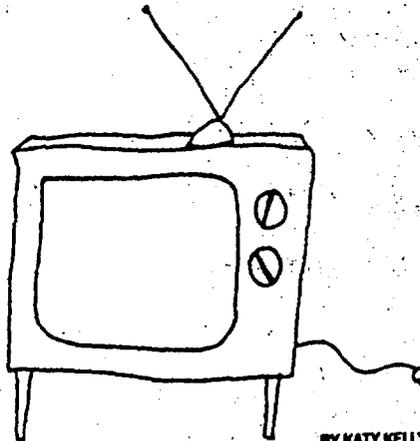
Savings of Satellite TV

The Oct. 12 business article "Dishing Out the Competition to Cable TV" is wrong. The article stated that satellite television is far more expensive than cable television service—e.g., "DBS service is still more expensive than cable."

That is not true. My wife and I are considering converting to a satellite. Our Media General bill is \$80 per month. A satellite receiver will cost \$199, and installation costs \$199. But programming comparable to our present cable service will cost \$35 per month. Our total cost for the first year will be \$818 for satellite versus \$960 for cable. In later years the

costs will be \$420 for satellite versus \$960 for cable. That is a substantial savings.

WILLIAM C. DIXON
Alexandria



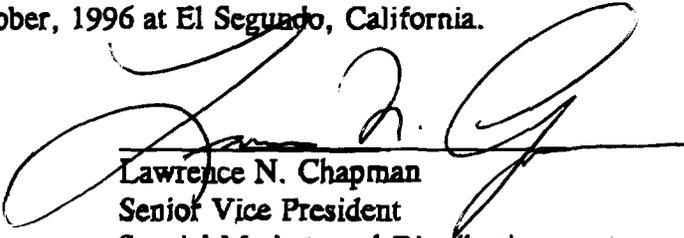
BY KATY KELLY

DECLARATION OF LAWRENCE N. CHAPMAN

1. I, Lawrence N. Chapman, am the Senior Vice President for Special Markets and Distribution for DIRECTV, Inc. My responsibilities include marketing DIRECTV's satellite programming services to both residents and owners of multiple dwelling units ("MDUs"), a term that includes apartment buildings, condominiums, and townhome developments.
2. DIRECTV can serve MDU residents in two ways. First, DIRECTV serves MDUs through its contractors who enter into agreements with building owners to provide service to residents via a master antenna. DIRECTV has, however, been precluded from serving many MDUs through such contracts, not because the building owner does not want to allow DIRECTV to provide programming, but because the building owner had been forced to grant the local cable company an exclusive contract. Cable operators commonly demanded -- and received -- these exclusivity provisions when they were the only multichannel video programming distributor ("MVPD") in the market. These contracts typically bind building owners for many years; in some cases, they last for the life of the cable franchise.
3. Second, MDU residents can receive DIRECTV by installing antennas on their balconies or in other leased or owned areas. There are numerous readily available ways in which small DBS antennas may be installed without requiring the penetration of any exterior wall or surface. These include weighted platforms with pole mounts and clamping devices for the temporary attachment to balcony railings. Such techniques can provide safe, non-intrusive antenna installation that in many cases can be hidden from view. Additionally, there are cable connection devices specifically designed for sliding glass doors and windows that allow cabling to be brought into the interior of the multiple dwelling unit without any need for drilling holes in building walls. DIRECTV is confident that once the Commission provides a confirmation of the rights of MDU residents to install antennas to receive alternative video programming, manufacturers will make available to the public an even greater variety of MDU-friendly antenna installation and cabling devices. For example, the transparent antennas made of leaded glass and flat plate antennas that are currently available for the European DBS market could be sold in the United States.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 25th day of October, 1996 at El Segundo, California.



Lawrence N. Chapman
Senior Vice President
Special Markets and Distribution
DIRECTV, Inc.