

To: Metrolinx Board of Directors
From: Annalise Czerny
Executive Vice President, PRESTO
Date: December 6, 2018
Re: PRESTO QUARTERLY REPORT

Executive Summary

That this report be received for information.

PRESTO Accomplishments:

Enhancing the Client and Customer Experience

- In September, Metrolinx completed the retrofit of GO Transit Ticket Vending Machines with PRESTO functionality. All of the 215 retrofit devices now have PRESTO loading/querying capabilities and a select number also have card dispensing capabilities.
- A PRESTO system upgrade in October included the functionality needed to introduce PRESTO Tickets, a new user management portal for transit agencies, and software for new PRESTO devices (i.e. inspection devices and mobile fare transaction processors used for paratransit).
- Every TTC subway station entrance now has a PRESTO Self-Serve Reload Machine. In addition to being able to add value, check the card balance, and review transaction history, new functionality is being added to the machines in late December (for launch in January) that will allow customers to add monthly passes to their card - no more waiting in line each month.

The Self-Serve Reload Machine rollout across GO Transit stations is also progressing on track. Beyond the stations on the Barrie line, which were outfitted with devices earlier this year, most stations on the Stouffville line (Mount Joy, Centennial, Unionville, Milliken, and Agincourt) and select stations on the Lakeshore East and Lakeshore West line (Ajax, Eglinton, Scarborough, Mimico, Long Branch) now have PRESTO reload devices. All stations across every GO Train line as well as select GO Bus terminals will have Self-Serve Reload Machines by mid-2019.

- PRESTO customer satisfaction (CSAT) is now being measured twice a year. The 2018 mid-year CSAT was in field between September 17 - October 1 and topline results show: 84% of respondents are satisfied with PRESTO, 93% of respondents are likely to continue using PRESTO, and 85% of respondents are likely to recommend PRESTO to others.

The survey was made available to PRESTO customers (lapsed and current users) in the following ways:

- 30,000 email invitations were sent out to a random sample of PRESTO customers
- a link was featured on the PRESTO website
- through PRESTO's Twitter account

Over 8,000 qualifying PRESTO customers completed the survey (significantly more than 2017).

- Since PRESTO implementation began on TTC, Metrolinx has been working to ensure that PRESTO devices are performing at an optimal level. Recent reporting shows 99.89% for device service availability (i.e. at least one device on board or at the station is available for fare payment), and 98.58% for individual device availability (week of October 29 to November 4). Recent device improvement initiatives have included system updates, improved connectivity, and preventative maintenance.

Increasing PRESTO Adoption

- Metrolinx completed installations of PRESTO Fare Vending Machines at every TTC subway station entrance, making it easier for TTC riders to purchase (and load) a PRESTO card. In November, a select number of these devices were outfitted with PRESTO Tickets to conduct an internal field trial of this new fare medium.
- Customers can now purchase and load PRESTO cards at every Shoppers Drug Mart location in the Greater Toronto and Hamilton Area, and Ottawa (as well as some Loblaws banner locations). Metrolinx has been working with its retail partner Loblaws since 2017 to rollout PRESTO cards and Mobile Point of Sale devices, which are used to activate and load value to cards, to a total of 384 locations. To date over 275,000 cards have been sold to customers through this channel.
- Metrolinx partnered with Scotiabank to giveaway 20,000 preloaded co-branded PRESTO cards and drive awareness of Scotiabank Arena's re-launch. The initiative, sponsored by Scotiabank, distributed PRESTO cards to fans travelling to Scotiabank Arena for Toronto Maple Leafs and Toronto Raptors home opener games at select TTC and GO Transit stations in October.
- By the end of December, Metrolinx will have supplied the TTC with 500,000 discounted PRESTO cards for a TTC-led initiative to provide select customers (e.g. children, youth, low-income) with complimentary cards.

Evolving the PRESTO Business Model

- The Request for Information (RFI) to sound the market in support of PRESTO's future closed at the end of August and received a number of responses from the local and international market. The findings from the RFI will be used to inform PRESTO's future infrastructure, sourcing and contracting approaches.
- In October, Metrolinx hosted a fare payment summit with jurisdictions from around the world in attendance to share best practices, and challenges in fare payment systems globally. Attendees included the leadership of fare payment systems in Boston, Montreal, Ireland, Denmark, and the Netherlands, and the lessons shared will help inform how PRESTO evolves into the future.
- Metrolinx is reducing PRESTO's operating costs to ensure the division's sustainability in the future, while continuing to provide the best possible customer and client experience.

Current Status

- PRESTO Usage and Adoption:
 - PRESTO card boardings (total includes all taps: passes, e-purse, and transfers):
 - August 2018: 34.1 million (vs. August 2017: 24.5 million)
 - September 2018: 38.6 million (vs. September 2017: 27.6 million)
 - October 2018: 43.6 million (vs. October 2017: 28.8 million)
 - Approximately 1.5 million unique PRESTO cards used each month of the last quarter
 - The PRESTO adoption rate among the '905' and Ottawa transit agencies is 62%
 - The PRESTO adoption rate on the TTC is 32.2%
 - Although TTC adoption rate is lower than the other transit agencies, they had the highest number of boardings per month with over 20.7 million PRESTO boardings of the 43.6 million overall in October.
- PRESTO Card Availability (retail update):
 - Shoppers Drug Mart: Over 275,000 cards sold to date
 - Gateway Newstands: Over 260,000 preloaded PRESTO cards sold to date

Coming Up in the Next Quarter...

- Following the successful completion of field trials, Metrolinx and the TTC will make PRESTO Tickets available to customers in early 2019. Tickets are PRESTO's single-ride, two-ride, and day pass that will be initially available for purchase at all Fare Vending Machines in TTC subway stations. Tickets will then be available for sale at Shoppers Drug Mart locations in Toronto later in the year.
- PRESTO customers will soon be able to use the PRESTO app to manage and load their cards directly from their phones (with additional functionality, e.g. instant top-up, for Android users). The app will launch following the pilot, which is anticipated for completion this month.

Respectfully submitted,

Annalise Czerny
Executive Vice President, PRESTO