

To: Metrolinx Board of Directors
From: Robert Hollis
Executive Vice President
PRESTO
Date: June 28, 2017
Re: PRESTO QUARTERLY REPORT

Executive Summary

That this report be received for information.

Recent Highlights:

Extending the PRESTO Footprint

- To support the TTC's modernization agenda, Metrolinx has completed civil works to accommodate new TTC fare gates at 43 subway stations, for a combined total of 75 auxiliary and main entrances. By early June, the construction and re-design work required to prepare all fare lines was executed at these stations, which allowed the TTC to install approximately 500 of its modern fare gates – a major renovation upgrade.
- In February, Metrolinx processed more than 1 million transactions in a single day for the first time, reflecting the significant growth of the PRESTO system. Since then, there have been several additional days logging more than 1 million transactions, indicating the new standard as TTC volumes continue to rise.
- The full GO Transit retrofit of ticket vending machines with PRESTO capabilities commenced in May. A total of 183 machines will have PRESTO card loading capabilities and query options, and 31 machines will dispense PRESTO cards. The rollout is expected to be complete by fall 2017.
- Durham Region Transit has recently completed field trials to enable the Para Transit program on all of their specialized vehicles. Implementation of the program is scheduled for fall 2017.

Enhancing the PRESTO System

- A major PRESTO system upgrade set for July 2017 will enable new functionalities for PRESTO on the TTC. These include support for the Metropass Discount Plan (MDP) program, daily fare caps and express bus fares.

The upgrade will also make it easier and more convenient for customers to use the PRESTO website. Improvements include the option for customers to update their card nickname and opt in and out of emails.

Other innovations include more comprehensive transit history report data, easier access to transit usage reports and additional self-service options on the interactive voice response.

- The 2016 customer satisfaction survey was completed by 8,206 PRESTO customers via email, the PRESTO website and PRESTO social media. Approximately two in three respondents are satisfied with PRESTO, reporting no problem experienced in the past 12 months. Top findings also include 86 per cent of respondents saying they would continue using PRESTO and 76 per cent answering that they would recommend PRESTO.
- PRESTO fare payment device reliability on TTC buses, streetcars and turnstile readers is now consistently reaching 97 per cent since a number of upgrades were introduced to the 5,000 PRESTO readers earlier this year. Efforts to reach our goal of 99+ per cent will continue throughout 2017. Availability of at least one fare payment reader on every vehicle in revenue service meets an average of 99.5 per cent.
- Following updates applied at the beginning of the year, the 75 Self-Serve Reload Machines (SSRMs) have also shown consistent reliability improvements, processing more than 48,000 customer transactions per week. One SSRM in the GO Transit concourse consistently handles 3,800 transactions a week alone.

Evolving the PRESTO Business Model

- The original 10-year PRESTO operating agreement with the Greater Toronto and Hamilton Area (GTHA) municipalities, GO Transit, Up Express and Ottawa has been extended to October 2017 after successfully reaching an agreement in principle with all parties. Ottawa approved the new agreement in principle in December 2016 and the GTHA municipalities received council approvals in the spring of 2017 (April though to June). Detailed and intensive negotiations are underway with the goal of reaching a definitive agreement by October 2017.

Increasing PRESTO Adoption

- Metrolinx’s highly anticipated new PRESTO retail partner, Shoppers Drug Mart, was launched in May. A public announcement between the province, Loblaw, and Metrolinx was made at a Toronto Shoppers Drug Mart to launch the program that is providing sales and service support to PRESTO customers.

Commuters are now able to buy, load and set child, student and senior discounts on their PRESTO cards at 10 Shoppers Drug Mart locations in Toronto. Metrolinx and Shoppers Drug Mart want to ensure all processes and supporting technology work flawlessly before expansion to more stores across Toronto. Customers are also invited to provide their feedback to Metrolinx on the field trial to help with our evaluation. The partnership with Loblaw / Shoppers Drug Mart will also be made available to the PRESTO participating transit agencies in Ottawa and the GTHA, subject to further discussions.

To date, the program has been very successful; initial sales indicate that over \$175,000 has been loaded in value to over 3300 PRESTO cards.

- For the first time, monthly passes for TTC customers became available on PRESTO for the month of June. Adult and senior customers are now able to load passes onto their PRESTO cards through the prestocard.ca website for unlimited monthly travel. Growth of pass sales will continue throughout the year as new features such as AutoRenew and the MDP program are introduced in phases.
- A PRESTO education campaign is currently in the Toronto market with the goal of helping customers decide if PRESTO is right for them as the rollout continues. It is helping customers understand what PRESTO is and how to use it while highlighting the many benefits it brings to TTC customers.
- The Gateway Newstands card sales program, which allows customers to purchase pre-loaded adult and senior PRESTO cards, continues to be successful, with over 88,000 PRESTO cards sold as of May 31, 2017.

Current Status

- Card adoption across the PRESTO network continues to increase.
 - There are now more than 2.8 million activated PRESTO cards, an increase of over 760,000 since this time last year.
 - Of that number, approximately 1.8 million cards have been registered, allowing customers to take advantage of features such as balance protection if their card is ever lost or stolen, Autoload/Autorenew contracts, and Transit Usage Reports to help with making a claim for

- taxable travel benefits (which are still required notwithstanding the recent federal government announcement regarding tax credits).
- The top three transit agency adopters of PRESTO over the last quarter:
 - Brampton (86.3% per cent adoption rate)
 - GO Transit (85.3% per cent adoption rate)
 - Oakville Transit (83.5% per cent adoption rate)
- In February, the TTC surpassed GO Transit with the highest number of PRESTO transaction volumes. There are now more than 6.6 million PRESTO boardings throughout the TTC each month.
 - Weekly TTC bus taps exceed 492,000*. (**As of May 31, 2017*).
 - There were 1 million* streetcar and subway taps. (**As of May 31, 2017*).
 - 245,000* fares are being paid weekly at TTC's new fare gates using PRESTO cards - a number that is quickly rising. (**As of May 31, 2017*).
- Approximately 3,800 customers used a combination of at least one GTHA transit system and OC Transpo in Ottawa during each month of the last quarter, and there were over 2.8 million cross-agency transfers recorded across the entire network in the last quarter.
- PRESTO card taps** per month:
 - March 2017: 24.3 million
 - April 2017: 21.5 million
 - May 2017: 24.7 million

*** Taps refers to the total number of boardings by month for balance transactions, Period Pass transactions, and Transfers.*

- Social media trends indicate that PRESTO had over 2,272,786 online impressions** and 17,306 engagements with its Facebook and Twitter Page this past quarter. We reached over 13,987 Twitter followers and over 9,331 Facebook likes (a 7% increase of Twitter followers and 12% increase of Facebook page likes since January 30, 2017).

*** Online impressions refer to the number of people that saw any posts or content associated with PRESTO's Facebook and Twitter page.*

Coming Up in the Next Quarter...

- Metrolinx is committed to protecting customer privacy in compliance with the law. We are reviewing our privacy policy to identify that PRESTO information may be shared with law enforcement, in accordance with the Freedom of Information and Protection of Privacy Act. We will also be reviewing our related protocols, including recording and reporting activities. Our goal is to ensure Metrolinx's policies and protocols have the right balance of protecting customer privacy against other policy objectives, such as the safety and security of customers and the transportation system. Our revised privacy policy will be posted online this summer.

- A major release set for fall 2017, currently in build mode, will introduce the PRESTO-enabled UPASS program that provides discounted fares to university students in their jurisdiction, via passes purchased and administered through transit agencies/universities.

Once UPASS is available on PRESTO cards, customers will be able to load value on their card electronically and universities will be able to automatically add or remove customers.

- The PRESTO retail partnership with Shoppers Drug Mart will expand to additional locations throughout Toronto beginning this summer.
- TTC civil works are now focused on the first 26 subway stations originally equipped with PRESTO readers appended to legacy turnstiles. Work should commence late summer with an aggressive target of having all entrances of these stations enabled with TTC's new fare gates by the end of year, replacing the legacy turnstiles. Once this effort is completed all TTC subway station entrances will be operating with modern TTC fare gates. This phase will mark the completion of the full PRESTO enablement of all stations and vehicles which allows the TTC to begin removing legacy fare media.
- Pending successful testing, second generation Self-Serve Reload Machines (SSRMs) will be deployed across TTC stations and will also be used to replace the current fleet of SSRMs at GO Transit, UP Express and TTC. These devices are targeted to enter rigorous field trials in late summer to ensure reliability in production, using lessons learned from the initial launch of SSRMs. Customers will be invited to test the devices and provide their feedback to Metrolinx as part of our field test evaluations.

Respectfully submitted,

Robert Hollis
Executive Vice President, PRESTO