

MEMORANDUM

To: Metrolinx Board of Directors

From: Barclay Hancock

Chief Payments Officer

Date: December 1, 2022

Re: Payments (PRESTO) Quarterly Report

Payments (PRESTO) updates and status

- More PRESTO customers are enjoying the benefits of new and convenient payment options with PRESTO Contactless credit fare payment expansion beyond UP Express to GO Transit, Oakville Transit, Brampton Transit, and MiWay in Mississauga in August 2022. To date, more than 300,000 PRESTO Contactless payment taps have been made across these transit agencies, and this number is expected to increase as expansion continues in the months ahead. To support this new product, Metrolinx is using one of the most leading-edge open payments frameworks globally, which will help ensure a superior customer experience, support complex transit agency business rules, and deliver operational efficiencies by protecting revenue and mitigating against fraud.
- The first phase of PRESTO Card in Mobile Wallet, which will enable customers to add a virtual PRESTO card into their smartphone wallet to tap and pay at PRESTO devices, will soon be underway with a pilot to test functionality before a full rollout commences. The introduction of this product will add Metrolinx to a small list of geographies across the globe that have an account-based virtual card providing best-in-class payment options to our customers today, and the foundation to support PRESTO's future innovation.
- The transformational PRESTO Procurement Program that is underway to replace PRESTO's current services and systems continues its progress with the close of the bid submission period for the Request for Proposals (RFPs) of the first two components System Integration Services and Automated Fare Collection System. In November, the RFP for the Service Integration and Management component of the program was released to market. The remaining scope of services related to customer care and digital channels are tracking to be released early next year. All components will be integrated though a transition program, which will begin in 2023.
- Metrolinx continues to work closely with the TTC to deliver updated PRESTO devices to its
 network to support the future introduction of modern fare payment options (e.g. PRESTO
 Contactless fare payment). Milestones from the past quarter include the rollout of new fare
 payment devices for use on paratransit services, as well as a small pilot of new fare payment
 devices on select TTC vehicles to complete testing before the full device refresh
 commences.
- PRESTO customer satisfaction remains high at 81 per cent, with an update on the score to come next quarter based on the results of the Deep Dive PRESTO Customer Satisfaction Survey currently underway. In addition, PRESTO's Brand Reputation score recently increased to 75 per cent, reaching the highest score recorded to date. Over the past quarter, the team has continued to focus on continuously enhancing PRESTO products and services for customers, and key improvements include:

- Enhancements to the web chat virtual agent to support customers in completing a balance transfer to another PRESTO card.
- A new "how-to" video explaining details of the PRESTO customer co-fare discount (i.e. free local 905 transit when using GO Transit in the same journey).
- The addition of new PRESTO Perks program partners such as DoorDash, HelloFresh, and the One of a Kind Winter Show, providing customers discounts to attractions, events and more!
- A 'tip of the week' notice that was added to the website in an effort to provide proactive communication and education to customers, with a specific focus on only buying PRESTO cards through authorized channels.
- Metrolinx has continued to bring on partners for bulk sales of single-ride PRESTO paper fare
 tickets that can be used onboard vehicles and at stations along the TTC network. There are
 now over 200 organizations participating in the Bulk PRESTO Tickets program across the city
 (e.g. Toronto District School Board, Toronto Catholic District School Board, Youthlink Pathways, Native Child and Family Service of Toronto, Toronto Public Library, Centre for
 Addiction and Mental Health, etc.), with more anticipated to join the program in the months
 ahead. Work is underway to automate the system and introduce more features that will
 enhance the experience for both customers and participating organizations.
- PRESTO devices continue to perform exceedingly well, and availability has remained above target for both card load equipment (99.70 per cent YTD; target is 99.65 per cent) and individual fare payment devices (99.87 per cent YTD; target is 99.65 per cent). In the spirit of continuous improvement, Metrolinx remains focused on finding opportunities to further enhance device performance (e.g. increase service response time) to ensure an exceptional PRESTO customer experience.
- The installation of electrical and communications infrastructure for PRESTO equipment, as
 well as network services, fare payment equipment, and vending/loading devices has begun
 at stations and stops along the Eglinton Crosstown Light Rail Transit line in Toronto. This
 work will continue into 2023 and will be completed in time for the opening of the line.

Respectfully submitted,

Barclay Hancock Chief Payments Officer