

To: Metrolinx Board of Directors
From: Barclay Hancock
Chief Payments Officer
Date: February 16, 2023
Re: **Payments (PRESTO) Quarterly Report**

Executive summary

This report is presented for information.

Payments (PRESTO) updates and status

- PRESTO Contactless credit fare payment has launched across Hamilton Street Railway, Burlington Transit, York Region Transit, and Durham Region Transit - on both the traditional transit and para/specialized transit services within these networks. As part of the launch, Oakville Transit's specialized service, care-A-van, also joined the list of systems that offer credit fare payment to customers. This means that customers on these networks, as well as GO, UP, and the rest of the 905 agencies (Brampton Transit, Oakville Transit, and MiWay in Mississauga), which added PRESTO Contactless credit payment in 2022, have more choice and convenience with the ability to pay their fares with the tap of a credit card, including those cards on a smartphone or smartwatch.
- TTC customers will soon have more ways to pay their fares as well with the advancement of the device refresh project, which involves the replacement of bus, streetcar, and para/specialized transit PRESTO fare payment devices, as well as fare inspection devices across the TTC network to support the future launch of PRESTO Contactless payment and other modern fare payment options. Following the completion of field trials of new PRESTO fare payment devices in late 2022, teams have been working to complete the full rollout on streetcars and have also now begun installations on buses. The project is anticipated to be completed in the spring once remaining devices (e.g. fare inspection devices, mobile fare payment app adaptors) have been delivered. Metrolinx will continue to work closely with the TTC to determine the timing to launch PRESTO Contactless payment across the network following the completion of the device refresh project.
- Work was completed in December on software and hardware upgrades for legacy PRESTO devices that were nearing end of life across systems in the GTHA and Ottawa. The project included updates to mobile point of sale devices used to sell and load PRESTO cards at retail locations, fare payment devices on buses used for cross-boundary travel between TTC and 905 transit agencies, as well as devices and the payment app used onboard para/specialized transit to support PRESTO fare payment.
- To support the delivery of a PRESTO card in a mobile wallet, a field trial as well as the first pilot with a small number of transit agencies was completed in late 2022 and early 2023. Once delivered, this product will enable customers to add a virtual PRESTO card to their smartphone wallet to tap and pay fares at PRESTO devices. Teams are now working with transit agencies to confirm next steps as well as the future rollout approach.

- Much progress has been made to advance the transformational PRESTO Procurement Program that is underway to replace PRESTO's current services and systems. Over the past quarter, evaluations began for the Request for Proposal (RFP) bid submissions for both the System Integration Services component as well as the Automated Fare Collection System component of the program. In addition to these streams of work, the RFP for the Service Integration and Management component is due to close in the weeks ahead, which will prompt the beginning of the next evaluation process to begin. The remaining scope of services related to customer care and digital channels will be an area of focus in the months ahead, with the aim of completing all contracting work and beginning a transition program this year to migrate all components.
- Over the past quarter, the team remained focused on continuously enhancing PRESTO products and services for customers, which is having a positive impact on adoption. At last reporting, more than 84 per cent of transit customers are choosing PRESTO for fare payment. Highlights of enhancements from the past quarter include:
 - The introduction of a call-back feature at the PRESTO Contact Centre whereby the customer will be called back as soon as the next agent is available. This allows the customer to retain their spot in the queue without having to wait on the line.
 - The addition of new PRESTO Perks program partners including Holiday Night of Lights, Lights on Stratford, Bird Kingdom, Toronto Marlies, and The Second City Toronto.
 - Updates to the PRESTO customer website, such as a "Tip of the Week" banner on the 'Contact Us' page to provide customers with proactive communication and education on how to report their PRESTO card lost/stolen and how to transfer their balance onto an existing card on their account.
- Since the last update in the fall, a number of organizations across Toronto have joined the Bulk PRESTO Tickets program, bringing the total number of participating organizations close to 300. The program provides bulk sales of single-ride PRESTO paper fare tickets that can be scanned on PRESTO devices onboard vehicles and at stations along the TTC network. Since the program launched, teams have been working to introduce program enhancements to complement what is currently offered such as system automation and additional payment options for organizations to use for ordering. This additional work is anticipated to be completed in early spring 2023.
- 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.
- As part of the Eglinton Crosstown Light Rail Transit project in Toronto, work is nearing completion on both network services as well as electrical and communication infrastructure required at all stations and stops in order to install PRESTO devices. Teams are now working to install fare payment and PRESTO card loading/vending devices across the line, which is on track to be completed in time for the opening.

- The 2022 PRESTO Law Enforcement Requests Data Transparency Report has now been released (see the Appendix). Metrolinx has an established process to facilitate access to PRESTO information requests made by law enforcement agencies or entities in very limited circumstances. This process is rigorously managed and monitored by Metrolinx's Privacy Office staff, follows the requirements of the Freedom of Information and Protection of Privacy Act, and incorporates best practices as recommended by Ontario's Information and Privacy Commissioner.

Respectfully submitted,

Barclay Hancock

Chief Payments Officer

2022 PRESTO Law Enforcement Requests Data Transparency Report

Metrolinx has an established process to facilitate access to PRESTO information requests made by law enforcement entities in very limited circumstances. This process includes logging and verifying the authority of the requestor, the purpose of the request, and the reasonableness of the type and amount of information requested vis-a-vis the stated purpose. Metrolinx's process is rigorously managed and monitored by Metrolinx's Privacy Office staff, follows the requirements of the Freedom of Information and Protection of Privacy Act, and incorporates best practices as recommended by Ontario's Information and Privacy Commissioner.

In 2022, Metrolinx received 229 requests from law enforcement for PRESTO customer data including 5 requests related to GO ticket/e-ticket transactions. This represents an increase of 43 per cent over 2021, when 160 law enforcement requests were received.

While the number of *active* PRESTO cards used increased from 2021 to 2022 by 59 per cent (reflecting an increase in ridership post-pandemic), information relating to only 3,363 unique cards or accounts was disclosed through this process - or, by comparison, less than 0.07 per cent of all cards/accounts in circulation. Notably, a single law enforcement investigation was associated with the disclosure of 1,519 unique cards/accounts belonging to one individual, and another investigation involved disclosure of 1,772 unique cards/accounts - meaning almost 98 per cent of all unique cards/accounts were disclosed under two requests. In both cases the investigation involved fraud.

Metrolinx provided some or all of the information requested 28 per cent of the time (65 instances), which is less than 2021, where Metrolinx released information 39 per cent of the time. Less than half of the requests (38 per cent, or 86 instances) related to law enforcement investigations (such as criminal offences or investigations), and approximately 60 per cent (138 instances) related to emergencies or compassionate circumstances, such as locating missing persons where there were concerns for their health or safety. In about two per cent of cases (five instances), the law enforcement requests related to missing or found PRESTO cards or other customer items (i.e. lost wallets). In each of these cases, no cardholder information was disclosed, instead, the cardholder was contacted by Metrolinx and advised to contact the relevant law enforcement entity.

Based on these numbers, Metrolinx staff believe the current process and policy continues to provide an appropriate level of oversight and rigour to ensure Metrolinx responds to law enforcement requests in a compliant and transparent manner, balancing Metrolinx's commitment to protecting the privacy of PRESTO card users and the safety and security of the transit system and its passengers.

See Appendix A for further information on this process and the associated data for 2022.

Attachments:

Appendix "A" 2022 PRESTO Law Enforcement Requests Data

Appendix "A"

2022 PRESTO Law Enforcement Requests Data

Background

In December 2017, Metrolinx committed to reporting annually on how it receives and responds to law enforcement requests for PRESTO card information. Metrolinx started tracking these requests in January 2017 and released its first report in March 2018. Below is Metrolinx's sixth annual report, which will also be published on the PRESTO card website. This annual analysis provides Metrolinx with an opportunity to review and improve our processes and policies over time.

Grounded in a commitment to public safety and the safety and security of the region's transit system, Metrolinx's policy stipulates that, in certain circumstances, a court order will not be required to disclose certain PRESTO information to law enforcement. These situations include:

- where there are immediate concerns for a person's health and safety, such as a lost or missing person;
- in emergencies, such as where a person has been injured or is ill;
- where Metrolinx or another PRESTO transit operator is investigating a safety or security incident, such as theft or vandalism, or for the prevention or detection of crime on or in relation to a transit operator's property or services.

A court order is generally required in cases where the information requested is related to a crime or incident committed outside of a transit system. These situations are described in PRESTO's privacy policy as posted on its website.

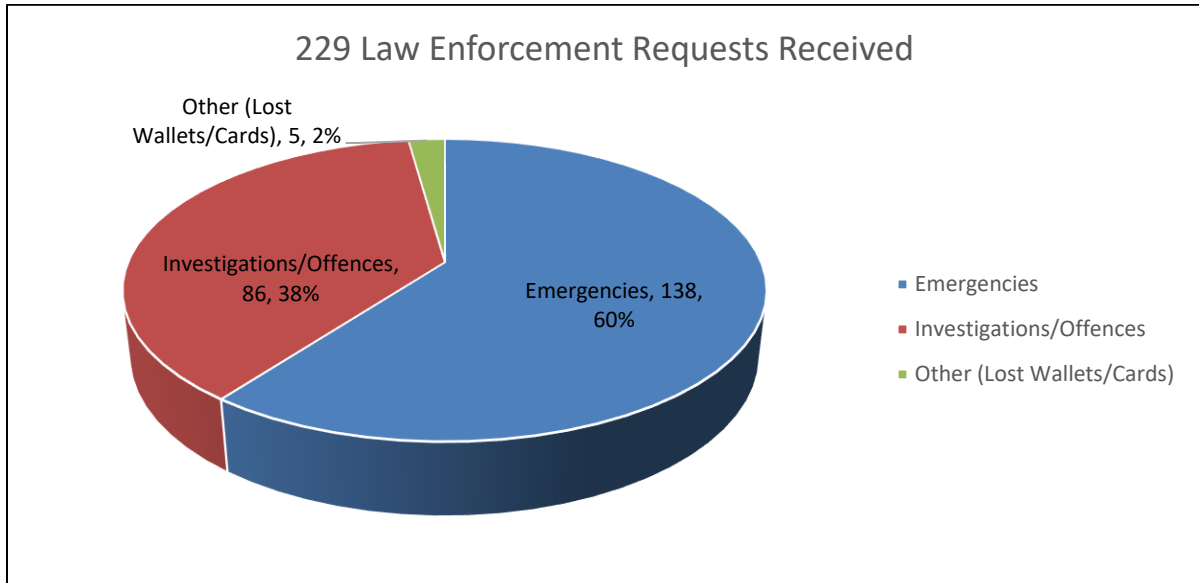
Metrolinx requires that all such requests be made through a specific law enforcement request form. This form requires a rationale for why the information is being sought, what it will be used for, and whether Metrolinx can notify the individual of the request. Metrolinx also requires an additional layer of oversight on these requests by requiring the requestor to obtain signed approval from their supervisor. Each form is reviewed by Privacy Office staff before requests are processed and any information is disclosed.

To provide additional transparency into its processes, Metrolinx annually publishes a transparency report on the number of law enforcement requests it receives and responds to. For these purposes, Metrolinx logs the following information:

- how many requests were received;
- how many disclosures were made, with and without a court order;
- how many requests were contested or rejected, including those modified by Metrolinx (these are treated as partial disclosures);
- a description of the types of information disclosed;
- what law enforcement agencies have issued requests to Metrolinx; and
- a summary of reasons why requests were rejected or modified (by disclosing less information than requested and available).

2022 PRESTO Law Enforcement Requests Data

Requested Data:



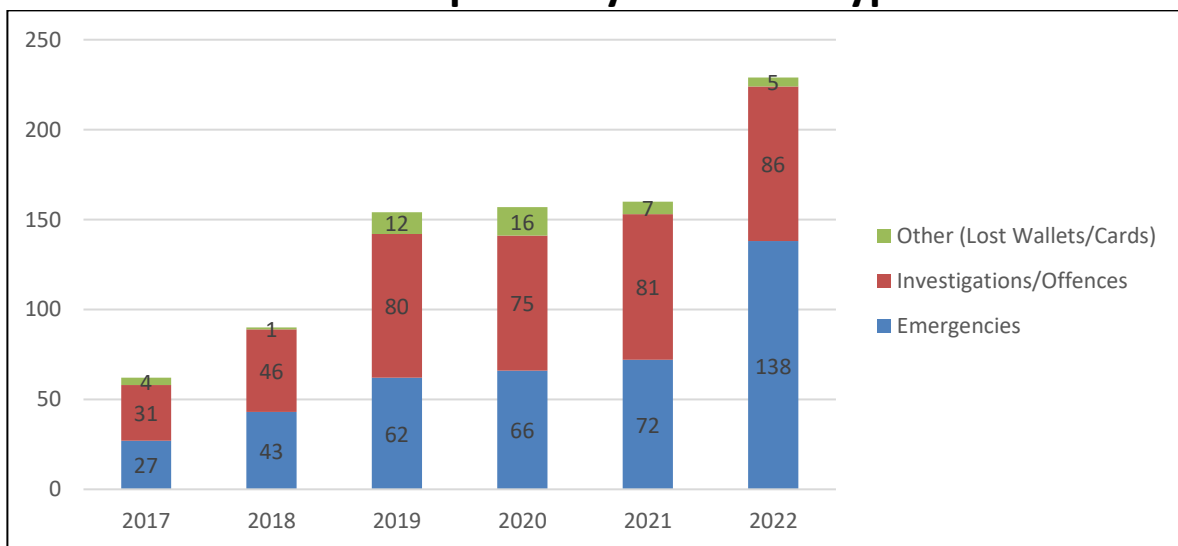
Total PRESTO Cards Used

2018:	3,017,290
2019:	4,249,129
2020:	3,306,085
2021:	2,925,834
2022:	4,641,406

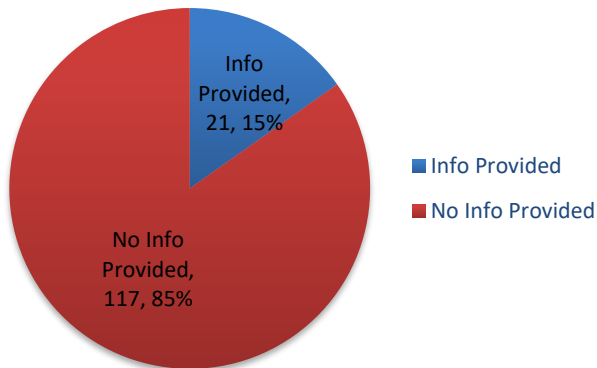
% of Requests based on Cards Used

2018:	0.003%
2019:	0.004%
2020:	0.005%
2021:	0.006%
2022:	0.07%

Total Requests by Year and Type



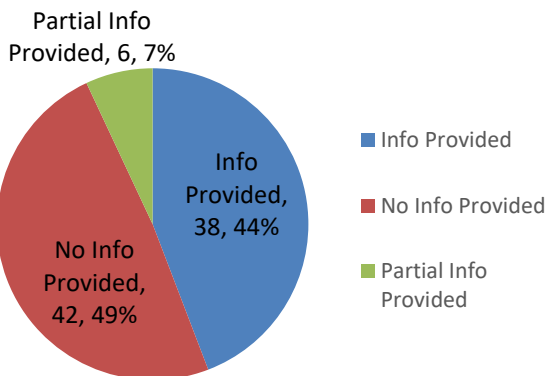
138 Emergency Requests



Emergency Requests

- Includes requests for information relating to missing persons where there are immediate and compelling concerns about their health and safety, as well as compassionate requests relating to injuries, illnesses or fatalities
- Some or all of the requested information was disclosed in 21 instances (15%)
- For requests relating to missing persons, travel information is typically provided only from the date that the person is reported missing

86 Law Enforcement Investigations/Offences



Investigations/Offences

- Of the 86 requests received, full information was provided in 38 instances (44%) and partial information in 6 instances (7%)
- Of the 86 requests received, 22 cases (26%) information was provided in response to a court order (two additional court orders did not result in disclosure of information)
- 14 (16%) of all investigation requests came from Metrolinx Transit Safety
- Requests were also received from Police forces in Brantford, Durham, Halton, Hamilton, Peel, Peterborough, Ottawa, South Simcoe, Toronto, and York Region

Additional Information:

- Five of the 229 requests (two per cent) received related to GO ticket/e-ticket purchases. All remaining requests were about PRESTO card information.
- Another five of the 229 requests (two per cent) received related to found PRESTO cards and other customer belongings. In each of these cases no cardholder information was disclosed; instead, the customer was contacted by Metrolinx and advised to contact the relevant law enforcement entity.
- Registered cardholder personal information, such as name and address, was disclosed 40 times (17 per cent); seven of those instances related to emergency circumstances, while the remaining 33 instances were related to investigations. These instances are accounted for in the diagrams above.
- Travel information was disclosed 39 times (17 per cent); 15 of those instances related to emergency circumstances, while the remaining 24 instances related to investigations.

- Financial transaction information (such as truncated payment card (ie. VISA) number or PRESTO card load by a payment card) was disclosed five times. In addition, GO ticket/e-ticket transaction information was disclosed five times.
- We received a total of 22 court orders over the year and disclosed information in 20 instances - representing approximately 30 per cent of all instances where Metrolinx disclosed information in response to a Law Enforcement Investigation/Offence request.
- 10 (12 per cent) of the Law Enforcement Investigation/Offence requests related to suspected fraud including impersonation investigations; two of those cases were on a large-scale and involved 1,519 cards and 1,772 cards respectively.
- Another seven investigative cases involved multiple cards (but all involved less than five cards in each instance). All nine cases involving multiple cards resulted in full disclosures.
- Law enforcement requests were denied or modified for the following reasons:
 - the requestor did not follow up/provide complete information/did not provide court order on request
 - the card was not registered so no information was available
 - the requestor withdrew or abandoned the request
 - the request was either too broad (for example, seeking travel information beyond what was necessary to substantiate the incident at issue, or identify the last location of the missing individual)
 - the request sought information about an offence not committed on a transit operator's property; in these cases officers were asked to obtain a court order
 - the request sought financial transaction information; in these cases officers were asked to obtain a court order
 - an alternative approach to contact the customer was agreed upon, such as Metrolinx contacting the customer and asking them to contact the relevant law enforcement entity