

To: Metrolinx Board of Directors
From: Barclay Hancock
Chief Payments Officer
Date: September 7, 2023
Re: **Payments (PRESTO) Quarterly Report**

Executive summary

This report is presented for information.

Payments (PRESTO) updates and status

- Metrolinx is providing more choice for Toronto Transit Commission (TTC) customers to pay their transit fares with the launch of PRESTO Contactless credit (Visa, Mastercard, American Express) and Interac debit fare payment in August. This means customers can pay their fares with a traditional plastic PRESTO card, a paper PRESTO ticket and now a credit or debit card (including those cards on their smart phone or smart watch). This follows on the launch of PRESTO Contactless with credit and debit payment to GO Transit, UP Express, and all 905 transit agencies. This product has been long requested by customers, and usage continue to grow with 3.4 million credit and debit fare payments across all agencies to date, and more than 700,000 transactions on the TTC in the first two weeks.

As the world's first real-time mass transit transactions open payment solution, Metrolinx is delivering an elevated experience to PRESTO customers with transactions showing up in real time through customer channels like the mobile PRESTO app and website, and an elevated experience to our transit agency clients by supporting unique transit business rules.

- To support the launch of another modern way to pay fares, a pilot was completed in July with the TTC of a virtual PRESTO card loaded into a mobile wallet. Teams are now working to make final updates to the product based on the feedback from the initial pilot with GO Transit, UP Express, and 905 agencies earlier this year, as well as the most recent pilot with TTC. Once the first phase of the project is delivered in the fall, customers will be able to add a virtual PRESTO card with set fare types (e.g., youth concession, senior concession, etc.), at no cost, to select smartphone wallets to tap and pay fares at PRESTO devices.
- Much progress has been made to advance the transformational PRESTO Procurement Program that is underway to replace PRESTO's current services and systems. The fifth and final Procurement Program Request for Proposal (RFP) for the Contact Centre lot was released to market in August and will remain open into early fall. Additional project components, which include System Integration Services, Automated Fare Collection System, Service Integration and Management, and Digital Channels, are all in various stages of market and evaluation activities.
- Following a successful pilot over the summer, Metrolinx expanded its PRESTO University Pass program to include University of Toronto Mississauga campus students who travel on MiWay. The pass rolled out to more than 18,000 students in time for the start of school in the fall and supports unlimited travel on MiWay throughout the semester. Students can select to use the PRESTO E-Ticket platform for a virtual pass or the traditional plastic PRESTO card if that is their preference. Additionally, the PRESTO University Pass program returned to 45,000 students from McMaster University, Redeemer University, and Mohawk College for use on HSR in Hamilton, as well as 27,000 students from Durham College, Ontario Tech University, and the Trent University GTA Campus for use on DRT in Durham.

- Metrolinx lowered the cost to purchase a PRESTO card from \$6 to \$4 in August, making it easier for customers to take transit. This was communicated to customers with advanced notice in time for the back-to-school season.
- Over the past quarter, the team remained focused on continuously enhancing PRESTO products and services for customers, with the aim of increasing customer satisfaction. Highlights of recent enhancements include:
 - A new how-to video for customers with information on the lost/stolen card replacement process including details on the new balance transfer option
 - A re-design of the “Check Balance” feature on the PRESTO app to increase its prominence on the home screen
 - Updates to the PRESTO app on the Saved Payment Method (SPM) page to advise customers that removing an SPM will terminate an active Autoload or Autorenew contract, along with steps on how to update a payment method to avoid contract termination
 - Updates to the PRESTO website to clarify that remote loads will be available in 4-7 hours as opposed to 4-24 hours due to the new PRESTO payment devices recently installed
 - The addition of new PRESTO Perks program partners including PRIDE Beach Party and Pool Party, Toronto Reel Asian Film Festival, SPIN CO, Dove, Fort George, National Bank Open, Honda Indy, CNE, the Pink Floyd Exhibit, Toronto Argos, Hamilton Tiger-Casts, Go Tours Canada, Toronto Arrows, Disney Immersive, and Cirque du Soleil
- The team also recently completed a larger-scale project to evolve and enhance PRESTO’s digital channels (i.e., the PRESTO website and app) to support a frictionless customer experience and to align with industry standards. Highlights of the project include a new landing page within the PRESTO app to provide news and updates for customers, accessibility improvements, and biometric login so customers can use their fingerprint or facial recognition to open the app. Push notifications have also now been introduced for customers when their fare type (e.g., student concession) is expiring and improvements have been made to the customer service outlet page to help customers more easily find locations for in-person services such as fare type setting.
- A customer-facing pilot of new Ticket Vending Machines with PRESTO functionality is now underway at select GO Transit stations, with full rollout across the GO and UP Express network set to begin later in September. The new devices have enhanced functionality, such as touch screen navigation on a larger display screen, and improved accessibility features. The devices allow customers to purchase PRESTO cards, load cards using cash or debit/credit, and will continue to sell GO and UP paper fare tickets for customers who prefer that method.
- PRESTO devices continue to perform exceedingly well, and availability has remained above target for both card load equipment (99.71 per cent YTD; target is 99.65 per cent) and individual fare payment devices (99.83 per cent YTD; target is 99.65 per cent).

Respectfully submitted,

Barclay Hancock
Chief Payments Officer