



PRESTO Implementation Update

June 12, 2019



Presentation Outline

- Our Vision ... 10 Years Ago
- Where Are We Today
 - Achievements
 - Gaps
- Look Ahead
 - One Year Outlook
 - Long-Term Outlook (Beyond 2020)



10 Years Ago: Vision for Fare Collection



TTC developed a vision and detailed business requirements

- Review fare collection systems at other transit systems
- Establish current and future TTC distinct customer, business and financial needs
- Innovation and advances in fare payment technologies were key
- Three forms of payment: 1) Farecard; 2) Limited Use Media “tickets”; 3) Open payments

TTC - Metrolinx Master E-Fare Agreement



TTC VISION & RFP


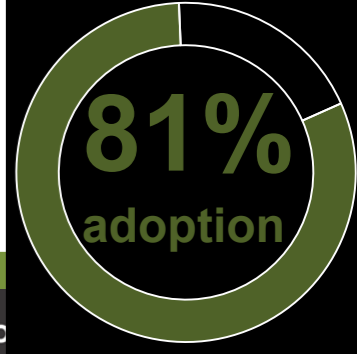
- Current PRESTO system could not satisfy TTC needs
- Competitive tender for Open Payment Based System
 - Successful proponent identified
 - Fully managed service at 5.35% rate




PROVINCIAL PROPOSAL

- PRESTO system upgraded to satisfy TTC needs
- Fully managed service at 5.25% rate
- Capital jeopardized if TTC did not implement PRESTO


| Where are we?




- Buses and streetcars
- Wheel-Trans buses & accessible taxis
- Subway station fare gates
- Device reliability
- Valuable new transit customer data




Infrastructure & Devices




- PRESTO Vending Machines
- 135 + Shoppers Drug Mart locations
- PRESTO App & Web




Purchasing Fares




- Fair Pass
- 2-hour transfer
- 79k free PRESTO Cards for low-income residents



Equity Initiatives



- Over 1M PRESTO farecards in circulation (passes and e-Purse)
- PRESTO Tickets (rollout commenced)

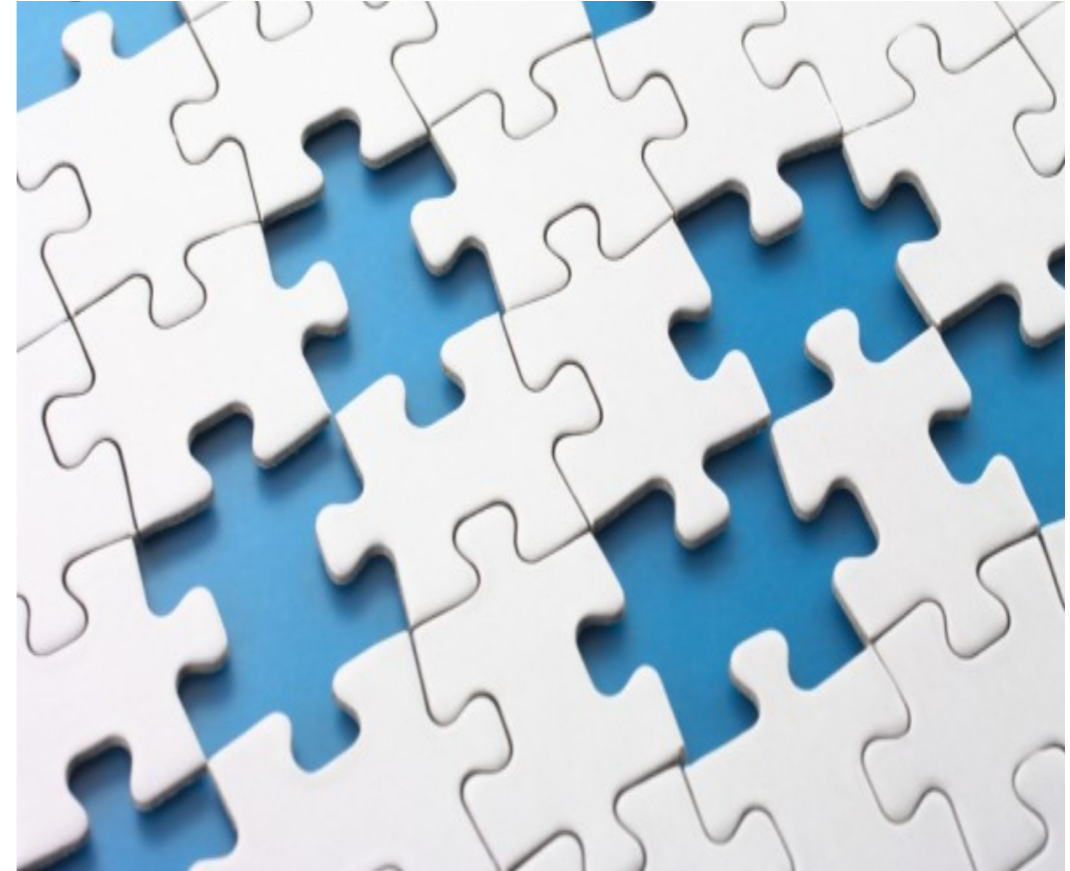


PRESTO

Significant progress was made since contract inception, but not enough to realize the full TTC vision

Gaps in Deliverables

1. Open payment and Account Based Technology
2. Fare Rules, Products and Policy
3. System/Device Performance & Functionality
4. PRESTO tickets on Surface Vehicles
5. Third Party Network



Gap 1: Open Payment & Account Based Technology

CONTRACT

- **Account Based Technology:** flexible fare products and real time loading/payment
- **Open Payment:** purchase fares using contactless debit/ credit cards or mobile wallet

CURRENT STATE

- **Open Payment:** 2016 open payment discussions put on hold after initial pilot was completed in 2013

CUSTOMER IMPACT

- Delays to loading and creating new products
- No credit/ debit/ mobile fare payment

OUTLOOK

- **2020:** Account Based Technology available
- **Beyond 2021:** Open payment available



Gap 2: Flexible Fare Rules, Products and Policy

CONTRACT

Flexible and dynamic fare policies and fare products:

- Location or time of day, changes within 24 hours, multiple loyalties
- Rolling passes/ Non-calendar passes

CURRENT STATE

- Legacy fares migrated to PRESTO
- PRESTO Tickets (1-ride, 2-ride, 1-day)

CUSTOMER IMPACT

- **Rolling/non-calendar passes:** increased convenience and flexibility for customers
- **Time of day products and pricing:** ridership growth, lessen crowding, encourage travel patterns to shift

OUTLOOK

- Five-year fare strategy and 10- year fare collection outlook



Gap 3: System/Device Performance & Functionality

CONTRACT

- **Device availability:** 99.99% for card readers
- **Functionality:** Downtown Express, cross-boundary, Wheel-Trans sedan taxi
- Service Level Agreements (SLAs)

CURRENT STATE

- **Device availability** remains below targets (94 -98% range)
- **Debit/credit removed** from vending machines on streetcars
- **Functionality delayed**

CUSTOMER IMPACT

- **Device availability:** Frustration with out of-service devices; Fare evasion a possible consequence
- **Functionality:** Customers can't pay with PRESTO alone

OUTLOOK

- Downtown Express, cross-boundary, wheel-trans sedan taxi solutions expected in 2019

Gap 4: PRESTO tickets on Surface Vehicles

CONTRACT

- PRESTO Tickets (LUMs) available via dispensers as proof-of-payment (POP) for cash fares on-board vehicles

CURRENT STATE

- PRESTO Tickets roll-out at stations and select Shoppers Drug Mart
- POP receipts dispensed on-board new streetcars
- Cash continues to be accepted

CUSTOMER IMPACT

- 0.4% of rides start journey on a surface vehicle and transfer at a non-integrated station
- Solution required to Stop Accepting legacy fares

OUTLOOK

- Fare collection on surface vehicles business case
- No current plan from Metrolinx to fulfill contract requirement



Gap 5: Third Party Network

CONTRACT

Metrolinx to ensure:

- “the third party network extends across the City of Toronto”
- “the same convenience and accessibility as TTC’s current network”

CURRENT STATE

- **2017:** Metrolinx sign agreement with Loblaw Companies-some exclusivity
- **136 Shoppers Drug Marts** in Toronto-
insufficient in North-West and Scarborough

CUSTOMER IMPACT

Most impact on customers who:

- Do not live/work near Shoppers Drug Mart or TTC stations
- Customers who purchase with cash

OUTLOOK

- Working with Metrolinx on options to expand Third Party Network
- Cash will continue to be accepted



One Year Look Ahead: Retiring Legacy Fare Media

1

Stop Selling

- PRESTO Tickets: all stations
- Cross Boundary
- Downtown Express
- Wheel Trans Fare Payment App

2

Stop Accepting

- PRESTO Tickets: Shoppers
- Third Party Network expansion
- Minimum Load reduction
- Improved device reliability
- Bulk Sales Program
- Cash on Surface
- Support Person Cards
- Child PRESTO card controls
- Passenger Assistance Intercoms

Back to the Future: Original Vision

TTC committed to original vision and core principles:

- **Account-Based**
- **Open Payment**
- **Customer Experience**
East of Use
- **Flexible Fare Policy**
- **High reliability**
- **Data stream**
Customer and system insights

Long-Term Look Ahead (Beyond 2020)

- 5 year Fare Strategy & 10 year Collection Outlook:
 - Clear articulation of fare policy gaps and priorities
 - Fare structure: best suited product mix and pricing
 - Collection – how do we want to collect fares going forward and opportunities with technology

Working with Metrolinx and our partners to shape the future

Working toward renewing the vision from 10 years ago

