



To: Board of Directors
From: Robert Siddall, Chief Financial Officer
Date: June 27th, 2013
Re: **2013/2014 Business Plan**

Attached is Metrolinx's 2013/2014 Business Plan. As part of Metrolinx's fiscal accountability and reporting to the Province of Ontario, the Business Plan provides a more in-depth look at the approved budget items and translates them into over 100 identified deliverables. For this reason, it is also closely aligned with the objectives of Metrolinx's planning documents (e.g. *The Big Move*, *Ten Year Capital Plan*, *Investment Strategy*, and *Five Year Strategy*).

This year's plan was prepared in consultation with all operating divisions, and in partnership with Policy, Planning and Innovation.

Recommendations

That the Board pass the following resolution:

RESOLVED:

THAT the 2013/2014 Business Plan attached to the June 27th, 2013 report of the CFO be approved for submission to the Minister of Transportation for the Minister's consideration and approval in accordance with section 32 of the Metrolinx Act, 2006;

AND That, in the event the Minister requests material amendments to the Business Plan, an amended Business Plan be brought back to the Board for further consideration prior to adoption.

Background

The Business Plan is structured to reflect the requirements as set out in the *Agency Accountability and Establishment Directive*. It includes an overview of Metrolinx's mandate and strategic directions. It provides an overview of current and future projects, activities and the financial resources required to meet the objectives (including operating and capital expenditures), initiatives with third parties, and any risks and mitigation strategies that may impact Metrolinx in achieving its corporate objectives. The plan provides a contextual environmental scan to reveal the external pressures and controls that may impact Metrolinx's operating environment, as well as an internal scan of the impact on human resources, information and technology, and communications planning. Finally, the plan determines performance measures and targets to be met over the life of the Business Plan.

The Business Plan also includes three appendices. The first includes an organizational chart. The second provides more details on the roll-out of the GO Transit Customer Service Strategy. The last appendix provides details behind the key assumptions.

Significant 2012-13 achievements highlighted in the 2013-14 Business Plan include:

- Investment Strategy research and analysis and stakeholder outreach;
- GO Transit expansion (e.g. completing the Oakville parking structure, the Oshawa Maintenance facility, and the new Acton GO station, adding more trains on Milton, Stouffville and Barrie corridors);
- Customer service improvements, including the signature 15 minute service guarantee and the Quiet Car pilot on the Barrie line;
- PRESTO utilization surpassing 500,000 and signing the partnership agreement with the TTC;
- Several rapid transit procurement and construction milestones, as well as signing the Master Agreement with TTC for new LRT lines;
- Design and manufacturing for the UP Express shuttle vehicles, design completed and construction started in 3 of 4 stations, and construction starting on the SPUR; and
- The response to the Auditor General.

This year's Business Plan is organized by the 18 business objectives of the refreshed *Five-Year Strategy*, which allows for year-to-year comparison and ease of evaluation at fiscal year-end.

Once adopted by the Board, the report would be submitted to the Minister of Transportation for approval.

To support the implementation of the approved Business Plan, Metrolinx will provide the Board of Directors and ministry with quarterly reports and audited statements at fiscal year-end.

Attachments

2013/2014 Business Plan

Respectfully submitted,

Robert Siddall
Chief Financial Officer

Metrolinx

2013-14 Business Plan

Title Page

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1.0 Message from the Chair, Robert Prichard

The transportation network that supports our economy by moving people and goods is a daily topic of discussion in our great region. Throughout our communities, people see, feel and experience the impacts of congestion. Commutes have slowed - it's taking longer to get to our destinations; crowding on transit has worsened, particularly during peak commuting times; and greenhouse gas emissions have risen. People are talking about it because these impacts are affecting our economic potential and our quality of life.

Residents of the Greater Toronto and Hamilton Area (GTHA) and those that travel through our region recognize that congestion is a problem that must be addressed. People need access to transit that better connects our region and provides more choices for people to travel conveniently, to get them where they need to go.

This Metrolinx Business Plan for 2013-14 documents the ambitious scope of work that this organization has underway to address this issue. The UP Express service to Pearson, PRESTO fare payment across the region, Eglinton Crosstown and other light rail lines across Toronto, bus rapid transit in York Region, and continuing major increases to GO Transit service are each very significant projects that are being delivered on time and on budget to enhance transportation in our communities.

Our ability to continue meeting the transportation needs of the region in future years depends on establishing a source of funding to pay for the work that needs to be done. That is why delivering the Investment Strategy with credible policy and revenue tools is one of our organization's biggest priorities.

On behalf of the Board of Directors, it is my pleasure to introduce Metrolinx's Business Plan for the 2013-14 fiscal year.

2.0 Message from the President and CEO, Bruce McCuaig

Metrolinx is a relatively young organization, created in 2006, with a huge mandate to deliver on. The diversity and scale of activities underway at Metrolinx demonstrates the commitment of the Metrolinx team to the work that we do. Our staff bring energy and an impressive range of expertise and experience to address the region's transportation needs and challenges.

Over the past year we made progress on increasing the capacity of the transit network by expanding the services offered by GO Transit, along with customer service improvements, PRESTO reached over 500,000 active cards and was formally adopted by the TTC; construction on the Eglinton Crosstown light rail line is well underway; and the elevated guideway for UP Express is taking shape; and rapidway construction in York Region is progressing well. These are just a sample of our achievements from last year.

We plan to build on our previous successes and continue on the journey to implementing *The Big Move*. Some of our critical deliverables for 2013/2014 are delivering the Investment Strategy, rolling out 30 minute off-peak service on the Lakeshore line, continuing to make progress on building UP Express to ensure it is operational before the 2015 Pan Am games, continuing to rollout PRESTO fare payment across the region, implementing our customer service improvements, and continuing to build key projects like the Eglinton Crosstown, York Viva Bus Rapid Transit (BRT), Mississauga Transitway and design work for other light rail lines across the city.

We value and develop our employees to ensure that we have a strong organization, and are able to effectively bring *The Big Move* vision to life. We pride ourselves on delivering quality projects on time and on budget. Our services put customers first and are designed to meet the needs of the region's businesses and residents. We work to earn the trust and respect of our partners who are involved in providing the region with integrated travel choices. I look forward to working with the Metrolinx team and our many partners as we move forward.

3.0 Executive Summary

The 2013-14 Business Plan outlines the strategies that will keep the organization on track for the upcoming year. Each division of Metrolinx has collaborated on the development of the Five Year Strategy and the resulting annual Business Plan.

Context

Momentum from the 2012-13 year has facilitated a new set of goals and objectives for the 2013-14 year. Metrolinx has seen major milestone achievements, such as the release of the Investment Strategy, increased utilization of PRESTO technology, branding and significant construction progress on UP Express, significant GO Transit expansion, customer service improvements and several procurement and construction milestones. Metrolinx has anticipated numerous emerging trends which will influence strategic priorities.

Financial Analysis

The operating budget for the 2013-14 year is \$590M in expenses and \$445M in revenue, resulting in a net operating requirement of \$144M from the Province of Ontario. The increase from the previous year requirement (\$131M) is due to the increased expenses related to expansion, which increase at a greater rate than revenues for the upcoming year. Metrolinx is committed to performance within three percent of the operating budget for the 2013-14 year. The capital budget for 2013-14 is over \$2.76B, a 44 percent increase from 2012-13 of \$1.93B. Two-thirds of the increase can be attributed to investments in Toronto LRT projects, the East Rail Maintenance Facility, and the UP Express/Georgetown South projects.

Objectives and Deliverables

The Metrolinx Five Year Strategy (2013-18) identifies five overarching strategic priorities for the organization. Operationalizing these priorities is supported by 17 objectives and their success will be measured by the execution of deliverables. The Business Plan outlines more than 100 deliverables for 2013-14. See Section 7.

Performance & Risk Assessment

In the 2012-13 year, the Enterprise Risk Management (ERM) office established a roadmap to increase risk management capability. Moving into the 2013-14 year, Metrolinx will be focusing on updating ERM Policy as well as developing guidelines, a Project Risk Management Policy and an ERM website. Metrolinx will develop and implement organization-wide key performance indicators to assist with monitoring performance on an ongoing basis.

Joint Initiatives with Third-Parties

Metrolinx works with several partners, many of which are critical to service delivery. Infrastructure Ontario, Bombardier, Canadian National Railways, Ultramar and municipal partners play large roles in this delivery.

Human Resource, Information & Information Technology and Communications Plans

The organization has experienced significant growth and change. The Human Resources, IT and Strategic Communications departments' mission is to work as strategic partners in optimizing organizational effectiveness. For the 2013-14 year, an emphasis is placed on customer service and improving efficiency through training programs and strategic plans.

4.0 Metrolinx Today

4.1 Our Mandate

Metrolinx was established in 2006 as an agency of the Government of Ontario to act as the regional transit authority for the Greater Toronto and Hamilton Area (GTHA). Our mandate is to provide leadership in the coordination, planning, financing, project delivery, and development of an integrated multi-modal transportation network, while working closely with the Province and municipal partners.

In addition, Metrolinx is also responsible for three operating divisions that deliver key elements of the region's transportation system: **GO Transit**, responsible for delivering, growing and improving GO Train and GO Bus services; **UP Express**, accountable for building and operating the critical transit link between downtown Toronto and Pearson International Airport; and **PRESTO**, in charge of running the electronic fare system to better integrate payment across the nine municipal transit systems in the region.

Vision: Working together to transform the way the region moves.

Mission: To champion and deliver mobility solutions for the GTHA.

Metrolinx's vision for the future of transportation is set out in its 2008 award-winning plan, *The Big Move*. Endorsed by the Province and supported by municipalities, this plan is the first multi-modal, wholly integrated regional transportation plan for the GTHA. Metrolinx has now been focused on the implementation of *The Big Move*.

More than \$16 billion from all three orders of government has been allocated to the "first wave" of projects drawn from *The Big Move's* list of top priorities. This is the largest financial commitment to transit expansion in Canadian history. The "Next Wave" includes 10 projects anticipated to cost approximately \$34 billion.

Progress made in the expansion of regional rapid transit includes 2008 Quick Win projects, a major expansion of GO Transit, and advancing priority projects in Toronto, Mississauga, Brampton and York Region. Many of these new projects will be completed within the next 10 years. Metrolinx recently released the Investment Strategy that will help to secure funding for the Next Wave of priority projects.

4.2 Governance and Accountability to the Province

The business and affairs of Metrolinx are managed by a Board of Directors that meet a minimum of four times per year. Board members are appointed by the Lieutenant Governor in Council on the recommendation of the Minister of Transportation. The board is made up members with a mix of corporate and public sector experience to help deliver an efficient transportation network. The current Board of Directors membership is as follows:

J. Robert S. Prichard, Chair

Stephen Smith, Vice-Chair

Rahul Bhardwaj, President and CEO, Toronto Community Foundation

Janet Ecker, President and CEO of the Toronto Financial Services Alliance

Joseph Halstead, former Commissioner, Economic Development, Toronto

Richard Koroscil, President and CEO, John C Munro Hamilton International Airport (Retired)

Frances Lankin, former President and CEO of United Way, Toronto

Marianne McKenna, Partner, Kuwabara Payne McKenna Blumberg Architects

Nicholas Mutton, Executive VP, HR and Administration, Four Seasons Hotels and Resorts

Lee Parsons, Founding Partner, Malone, Given Parsons Ltd.

Rose Patten, Senior Exec. VP, Head of HR and Senior Leadership Advisor, BMO Financial Group

Bonnie Patterson, President and CEO of the Council of Ontario Universities

Howard Shearer, Chairman of the Board of Hitachi Power Systems Canada Ltd.

Douglas Turnbull, Deputy Chairman, TD Securities

Bruce McCuaig, President and CEO, Metrolinx

Metrolinx is committed to fiscal transparency to Ontarians. In preparation for each fiscal year, Metrolinx identifies its anticipated revenues, operating budget, amortization costs and required subsidies from the government. These estimates are submitted to the Ministry of Transportation (MTO) for approval as part of the provincial budget. Following the approval of the budget in the Legislature, Metrolinx develops a Business Plan that presents tangible deliverables associated with the budget for the fiscal year. The Business Plan is submitted to the Minister of Transportation for approval. Metrolinx is responsible for providing MTO with quarterly reports and audited statements at fiscal year-end. This supports the Province's expectations of financial reporting and governmental accountability.

To support the Business Plan, Metrolinx is committed to the integration of a risk-based approach into all business activities, reporting and decision-making according to the *Agency Establishment and Accountability Directive of the Province of Ontario*.

4.3 Metrolinx's Strategic Alignment

The Big Move regional transportation plan provides an overarching 25-year plan to transform transportation and transit in the GTHA. The plan will help tackle gridlock and improve transportation access, integration and efficiency.

In order to prioritize and operationalize the elements contained within *The Big Move*, Metrolinx undertakes both long-term and short-term planning processes. The agency develops a Five-Year Strategy, updated on an annual basis, which identifies organizational objectives and deliverables. The Metrolinx Five Year Strategy guides the annual business planning process, shapes policy and planning direction, strategic decision-making, and clarifies our intent and strategic focus for the next five years to our partners and stakeholders. The five Strategic Priorities and their supporting objectives identified in the Five Year Strategy provide a framework for tracking corporate progress toward our longer term objectives.

Metrolinx Strategic Priorities 2013- 2018

I. Provide regional leadership to enhance mobility options in line with *The Big Move* regional transportation plan, stimulating and supporting the activities of partners across the region.

II. Implement Priority Regional Transit Infrastructure Projects in *The Big Move* regional transportation plan as world-class city-building projects.

III. Pursue stable funding to support the integrated mobility improvements outlined in *The Big Move* regional transportation plan.

IV. Operate Metrolinx services in a way that sets the standard in **customer service excellence**.

V. Ensure that Metrolinx remains a trusted organization with the capacity and flexibility to deliver *The Big Move* regional transportation plan.

Transit projects are generally large scale and take a long time to plan and complete. As a result, Metrolinx also prepares a rolling ten-year capital plan to track the allocation of capital, maintenance programs and management of existing assets. This includes the list of top priority projects established in *The Big Move*, as guided by the 2010 Project Prioritization Framework.

Exhibit 1: Strategic Alignment



To realize *The Big Move*, Metrolinx must work with all levels of government to secure long-term, reliable, and sustainable transportation funding. The Investment Strategy provides recommendations to ensure Metrolinx can implement *The Big Move*, keep pace with infrastructure growth, and support future prosperity of the region.

5.0 Context

The context for the 2013-14 Business Plan is informed by: the momentum from 2012-13 deliverables and what has been achieved to date; a scan of the current business environment; the delivery of the Investment Strategy (a strong focus for the organization); GO Transit expansion and customer service improvements; and the status of major projects.

5.1 Momentum from 2012-13

Across the organization, Metrolinx accomplished many milestones in 2012/13 that helped to continue the transformation of the transit network by expanding transit services, improving the customer experience and better integrating transit systems.

Exhibit 2: Status of 2012-13 Deliverables

Objectives	Deliverables	Status
1. Maintain the relevance of The Big Move as the strategy for all investment and policy decision-making.	Complete The Big Move Progress Report and Technical Update by early 2013.	Completed
2. Continue to plan for integrated transit services across the GTHA, removing barriers and creating seamless connections to improve customer experience.	<p>Service and fare integration studies will start in 2012-13.</p> <p>GO Transit and Local Fare Integration</p> <ul style="list-style-type: none"> o Expand program to include Barrie Transit by the end of 2012. o Formalize fare integration agreement with Guelph Transit by the Fall of 2012. o Develop a post-PRESTO solution for our Local Fare Agreement with Durham Region Transit by the end of 2012. o Invest up to \$1.5 million during the 2012-13 fiscal year to PRESTO-enabled Municipal Service Provider (MSP) to support fare integration between GO Bus and local transit. 	<p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p>
3. Demonstrate regional leadership in transit, transportation and mobility enhancement by Metrolinx and its operating divisions, and increased public recognition of corporate and divisional brands.	<p>Regional Transit Traveler Information System</p> <ul style="list-style-type: none"> o Establish an approved implementation model, retain a consultant, and begin developing requirements to procure a contractor (by the end of the fiscal year). <p>Transportation Demand Management (TDM)</p> <ul style="list-style-type: none"> o Perform a gap analysis of the TDM measures outlined in The Big Move. <p>Urban Goods Movement</p> <ul style="list-style-type: none"> o Complete the Urban Goods Movement data collection framework Study. o Complete “Investigating the Potential for Truck lanes in Urban areas in Canada” study with the Transportation Association of Canada <p>Smart Commute</p> <ul style="list-style-type: none"> o Grow the Smart Commute network to 294 workplaces. o Develop a strategic plan. o Develop and implement a new set of KPIs for reporting the results of the Smart Commute program. o Procure and develop new online services platform to replace CarpoolZone.ca for launch April 1, 2013. <p>Active & Sustainable School Transportation (ASST)</p> <ul style="list-style-type: none"> o Develop and implement a Stakeholder Engagement and Communications Plan. <p>Transit Procurement Initiative</p> <ul style="list-style-type: none"> o Expand the number of participating transit operators from 25 to 28 and initiate at least one new procurement initiative. <p>Implement communication strategies to improve the positive name recognition associated with Metrolinx and its</p>	<p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Strategic plan In progress and expected to be completed in summer 2013.</p> <p>Completed</p> <p>Procurement process was unsuccessful. RFI issued and completed. RFP to be reissued in summer 2013 and system procured by the end of 2013-14.</p> <p>Completed</p> <p>Expanded participation to 27 transit operators and launched procurement for Electric Cooling Systems.</p> <p>Completed</p>

Objectives	Deliverables	Status
	operating divisions.	
4. Ensure that land use and transportation planning are integrated to leverage all public investments.	<p>Stakeholder engagement for <i>The Big Move</i> Progress Report is underway and tracking for early 2013 completion.</p> <p>Stations and Mobility Hubs</p> <ul style="list-style-type: none"> o Oakville: Complete Mobility Hub Study (Summer 2012). o Kennedy: Complete Mobility Hub study (late 2012, pending TTC station design). o Weston: Finalize master plan in consultation with technical advisory committee (May 2012), Community Liaison Group. o Cooksville: Develop business case and implementation for GO transit parking areas (late 2012). 	<p>Completed</p> <p>Completed</p> <p>Progress on the Kennedy Mobility Hub Study is waiting on design work - completed by end of 2013.</p> <p>Completed</p> <p>Completed</p>
5. Emphasize innovation in the planning and delivery of programs and projects throughout the organization and in collaboration with regional partners and stakeholders.	<p>Organize quarterly Transit Leader's Forums and Planning Leader's Forums.</p> <p>Implement the second iteration of the Rob MacIsaac Innovation Fellowship.</p>	<p>Completed</p> <p>Completed</p>
6. Develop a sustainable and dedicated funding program that supports all modes of transportation for people and goods, performs on a regional and local scale, and addresses the capital and operating needs of the transportation system including GO Transit.	<p>Working with the Province through technical review panels and in consultation with municipal partners, develop policy analysis and recommendations in support of a sustainably funded and financed Investment Program for the next stage of <i>The Big Move</i>.</p> <p>Launch a broad-based stakeholder and public engagement campaign for the Investment Strategy.</p> <p>Research and prepare the Investment Strategy for submission to the Province by June 2013.</p>	<p>Completed</p> <p>Completed</p> <p>Completed</p>
7. Expand GO Transit service to accommodate growing ridership, transforming it from a commuter service to a comprehensive regional transit network throughout the day.	<p>Project 5% ridership increase (65M rides across the system).</p> <p>Invest \$11.9M in new rail and bus services to support ridership growth:</p> <ul style="list-style-type: none"> o One train to AM and PM peak times on the Milton Corridor on June 25, 2012. o Introduce 12-car trains on the Stouffville and Barrie Corridors and extend one 10-car train on the Lakeshore East/West Corridor to a 12-car train by the Fall of 2012. o Introduce pilot weekend Barrie service with six northbound and six southbound trains on June 25 2012. o Introduce seasonal Fridays and weekends GO Bus service between St. Catharines and Niagara-on-the-Lake by June 2012. o Several suburb-to-suburb bus services, including: Highway 404 Corridor in York Region, Highway 2 Corridor in Durham Region, Airport Access, and in employment areas such as Brampton, and Meadowvale, and Beaver Creek (404/407) area. 	<p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p>

Objectives	Deliverables	Status
	<p>Invest \$619M in GO Transit Asset Expansion and Optimization</p> <ul style="list-style-type: none"> o Complete platform extensions on Barrie, Kitchener and Stouffville Corridors (except Markham) to accommodate 12-car trains. o The \$55M Oshawa Bus Service facility is scheduled to open in December 2012. o Commence signal installation on the Barrie Corridor and complete signal installation on the Stouffville Corridor. <p>Invest \$346M in Infrastructure Rehabilitations, including:</p> <ul style="list-style-type: none"> o Begin accessibility elevator improvements per the 2009 Accessibility Plan at Appleby and Mimico Stations. o Complete assessment of GO facilities to inform the Five Year GO Rolling Capital Plan. o Complete construction of Oakville parking structure by December 2012. Continue construction of structures in Pickering and Erindale (anticipated completion in late 2013). o Increase the number of reserved parking spaces by 10%. o Advance development of East Rail Maintenance Facility as an Alternative Financing and Procurement (AFP). <p>Customer Satisfaction Initiatives</p> <ul style="list-style-type: none"> o Implement the 15-Minute Fare Guarantee program by September 2012. o Implement pilot project of Real-time Information on GO Electronic displays by May 2012, online and on customers' mobile devices by June 2012. o Explore the possibility of wireless internet connectivity throughout GO system by early 2013 <p>The Union Station West Wing project will be complete (e.g., purchase of the property from the City of Toronto and final fit-up construction and furnishings of the new Metrolinx Head Office) by fiscal year end.</p>	<p>Completed</p> <p>Work is progressing and staff are expected to move to Union Station West Wing over the summer 2013.</p>
<p>8. Pursue construction of prioritized Rapid Transit projects, developing the network in line with The Big Move.</p>	<p>Mississauga</p> <ul style="list-style-type: none"> o Continue construction of the Mississauga BRT "403 Bus Transitway" (a bus-only roadway from the Mississauga City Centre to Renforth Gateway) through to the end of 2013. o Complete construction from Fieldgate to Renforth late 2012, and the City Centre to Fieldgate section in Summer 2012. o Complete design of the Renforth Gateway mobility hub by Fall 2012. <p>York Region</p> <ul style="list-style-type: none"> o Complete design of Highway 7 between Yonge and Warden by July 2012, utility relocations completed by late 2012. 	<p>The city of Mississauga now expects to complete all sections in this segment of the Transitway by 2015.</p> <p>The city of Mississauga now expects to complete construction of City Centre to Fieldgate section in summer 2013, Fieldgate to Renforth by 2015.</p> <p>The design of the Renforth mobility hub was delayed as a result of relocating hydro services and property agreements. The hub is expected to be completed by the end of 2013.</p> <p>Utility relocations are 85% complete and expected to be completed by the end of 2013.</p>

Objectives	Deliverables	Status
	<ul style="list-style-type: none"> o Complete design for Davis Drive in Newmarket by July 2012, utility relocations underway beginning in April 2012. o Commence construction on Yonge Street – Highway 7 to Major Mackenzie Drive in early 2013. <p>City of Toronto</p> <ul style="list-style-type: none"> o Sign Master Agreement with City of Toronto and TTC. o Eglinton-Scarborough Crosstown Light Rail Transit (LRT): <ul style="list-style-type: none"> § Complete the West Launch Site (late 2012). § Tunneling from West launch site towards Yonge station to commence in late 2012 § Issue Request for Qualifications by late 2012, for AFP delivery. § Advance the Allen-Eglinton West station to the 30% design level by September 2012. o Sheppard East LRT <ul style="list-style-type: none"> § Complete Agincourt grade separation by late 2012. <p style="padding-left: 40px;">§ Begin construction in 2013 for the Scarborough Rapid Transit/Sheppard East LRT Yard.</p>	<p>Completed</p> <p>RFQ was issued January 2013 and closed March 14, 2013. Construction is expected to commence in 2013.</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Completed</p> <p>Grade separation was 97% completed by April 2013. Completion is expected by summer 2013.</p> <p>Completed</p>
	Final design review phase underway for the Light Rail Vehicles in 2012	Completed - deliverable emerged in-year
9. Modernize organizational design and ensure that processes and systems meet evolving business standards and anticipate future needs.	<p>Conduct a review and update of the corporate Information and Information Technology Strategy by 2013.</p> <p>Metrolinx will have a detailed condition survey of GO Train line stations to support capital State of Good Repair Program, by December 2012</p> <p>Develop a planning framework for Corporate Asset Management by March 31, 2013.</p> <p>Apply to Canada's Top 100 Employers national competition to be recognized as one of the best places to work in Canada by Spring 2012.</p>	<p>Development is underway and expected to be complete by the end of 2013-14.</p> <p>Completed</p> <p>Completed</p> <p>Completed</p>
10. Fully implement PRESTO.	<p>Complete deployment of PRESTO to OC Transpo in early 2013.</p> <p>Implement PRESTO Next Generation (PNG) platform as part of OC Transpo roll-out, and move to deploy in GTHA, by early 2013.</p> <p>Sign agreement with the Toronto Transit Commission (TTC) in 2012 for implementation of PRESTO in the future.</p> <p>Deploy new Self-Service kiosks at high volume locations</p> <p>Adapt Ticket Vending Machines to dispense and reload PRESTO cards</p>	<p>Deployment is underway with completion scheduled for summer 2013.</p> <p>Migration has started, scheduled completion by summer 2013.</p> <p>Completed</p> <p>Proof of concept revealed several areas of improvements. Modifying self-service kiosk concept with expected deployment by the end of 2013-14.</p> <p>Adapting ticket vending machines was delayed because the scope of this project was expanded to include the UP Express. Machines should be adapted by 4th quarter</p>

Objectives	Deliverables	Status
		2014.
	Deploy 40 new fare transaction devices at Union Station by early 2013. Investigate new PRESTO product opportunities, such as transit agency pay parking and university card initiatives by early 2013.	Completed Completed
11. Improve multi-modal station and system access in collaboration with municipalities.	Complete the study on shuttle services to GO stations and based on results, work with other departments to launch a pilot shuttle service.	Study will be completed by June. Creation of pilot program will be dependent upon committee review of the recommendations.
12. Launch the UP Express service on budget, in time for the 2015 Pan Am/Parapan Games, connecting Pearson Airport, Canada's busiest airport, with Union Station, Canada's busiest rail and transit hub.	<p>Complete all required land acquisition and Right-of-Way agreements for the construction of the spur line (3.3 km to Airport) by June 2012. Finalize lease agreement for the Union Station lounge by June 2012. Develop a Five-Year Strategic Plan by Summer 2012. Develop a Five-Year Implementation Plan by Summer 2012. Complete detailed design of UP Express vehicles by December 2012. Develop an Operations Plan by December 2012.</p> <p>Complete design of UP Express stations for Terminal One, Weston and Bloor by March 2013. Commence construction on the 3 km UP Express Spur Line Develop a technology strategy to respond to the customer experience and operational needs of the new service. Implement a long-term engagement strategy to proactively deliver the UP Express brand. Develop the UP Express 5-Year Workforce Plan.</p>	<p>Completed Completed Completed Completed Completed</p> <p>The Operations Plan has been developed and a more detailed operations and maintenance plan is expected to be completed by the end of 2013-14. Completed Completed Completed Completed</p>
13. Establish a new corporate sustainability framework to track targets and prioritize opportunities.	<p>Develop a Metrolinx Sustainability Charter and initiate quick-win projects to fulfill the charter mandate</p> <p>Sign on to the American Public Transportation Association (APTA) and the International Association of Public Transport (UITP) sustainability programs Development of a baseline and energy tracking system.</p> <p>GO/UP Express Electrification</p> <ul style="list-style-type: none"> o Complete performance standards for electrification. o Complete conceptual design for the electrification of the Kitchener and Lakeshore Corridors. o Identify additional real estate for electrification (substations, switching station, and paralleling station). 	<p>Charter was deferred until 2014-15 to focus on completing an energy management plan. Completed</p> <p>Developing the baseline is in progress and expected to be complete by end of 2013.</p> <p>Completed Completed Completed</p>

Investment Strategy Research Analysis and Stakeholder Outreach

The major milestones for the Investment Strategy in 2012-13 focused on building awareness and support for the Next Wave of *The Big Move* projects, policy instruments, and revenue tools to fund projects through public engagement and consultation. Discussions with the public were instrumental in helping to shape the policies and tools that were outlined in the final strategy and critical to building momentum leading up to the delivery of the Investment Strategy in May 2013.

To engage and learn from the public, Metrolinx presented and participated in events across the region, engaged GTHA municipalities and stakeholders, hosted 12 public roundtable discussions throughout the region, held a Residents' Reference Panel which brought 36 randomly selected residents from across the GTHA to take an in-depth look at the transit and transportation challenges and how to address it, and provided an interactive website dedicated to The Big Move and the Investment Strategy.

GO Transit

This year brought many expansions to GO Transit services, including new rail and bus services to accommodate growing ridership and a collection of customer service initiatives to improve the customer experience. Key GO Transit expansion in 2012-13 included opening a new GO Station in Acton, adding more trains to the Milton, Stouffville and Lakeshore East corridors, introducing 12-car trains on the Stouffville and Barrie corridors, introducing pilot weekend service to Barrie, seasonal GO Bus services to Niagara-on-the-Lake, the opening of the new Sportsworld Park and Ride lot in Kitchener, and enhancing several suburb-to-suburb bus services.

The signature customer service initiative last year was introducing the GO Train Service Guarantee, providing refunds to passengers whose trains are more than 15 minutes late. The claims process for the Service Guarantee is the first of its kind for transit. The claims process is automated and provides fare credits directly to a customer's PRESTO card.

Additional customer service enhancements included a Quiet Zone pilot project on the Barrie GO Line, GO Tracker which is a tool that provides real-time GO Train service information and the expansion of station electronic signage that displays this information. The implementation of real time information has driven an 11 percent increase in customer satisfaction with GO Transit communications.

PRESTO

During the 2012-13 fiscal year, PRESTO use increased at a significant rate across all municipal transit service providers and GO Transit. As of the end of March 2013, there were 541,000 cards activated, compared to 140,000 in March 2012. In terms of usage on the systems, overall PRESTO penetration was 42 percent in March 2013, up from 19 percent in March 2012. As of March 2013, 75 percent of GO ridership used the state-of-the-art electronic fare payment system. All other transit agencies at least doubled their usage rate over the past year and on November 28, 2012 Metrolinx signed an agreement with the TTC to implement PRESTO fare card technology in all subway stations, buses and streetcars by 2016.

PRESTO has created a section on the Metrolinx website that discloses project information and budgets. The site also includes independent reports from Grant Thornton on Value for Money and a Review of Metrolinx's contract with Accenture for the PRESTO program by Former Ontario Supreme Court Justice the Hon. Coulter A. Osborne. In the interest of transparency, PRESTO has also posted the Master Agreement and associated supporting agreements regarding system wide implementation on the TTC.

There was also progress in 2012-13 towards launching PRESTO in Ottawa. The original public launch date of July 1, 2012 for the PRESTO system in Ottawa was delayed due to technical and reliability issues that were uncovered during the PRESTO "Friends and Family" pilot that began in April 2012. However, following the deployment delay PRESTO remained steadfast in working with vendors and OC Transpo to restore confidence in the system and increase reliability and technical stability of devices. Based on the significant progress achieved, in November 2012, the OC Transpo Commission provided go-ahead for a "Service Readiness Test" beginning in January 2013. PRESTO cards were launched on January 18th, 2013, with overwhelming success. On launch day, 5,200 cards were issued by OC Transpo customer centres and approximately 4,000 cards were issued through the PRESTO website. On April 17, 2013, Ottawa's Transit Commission unanimously approved full PRESTO deployment in Ottawa based on the results of the Service Readiness Test. Ottawa's OC Transpo has begun initial public deployment of PRESTO, with over 82,000 customers currently tapping on to an easier commute. The roll out program continues through to the fall, as 200,000 total cards will be distributed.

Rapid Transit Implementation Projects

For the Toronto projects, Metrolinx, the City of Toronto, and the TTC reached an agreement for the implementation, operating and maintenance of Toronto's new light rail transit (LRT) lines. The Master Agreement outlines the roles and responsibilities of each party with respect to the Toronto LRT projects. Under the Master Agreement, the TTC will operate the four Toronto LRT lines under contract to Metrolinx, while Metrolinx' private sector partner will construct and maintain the assets.

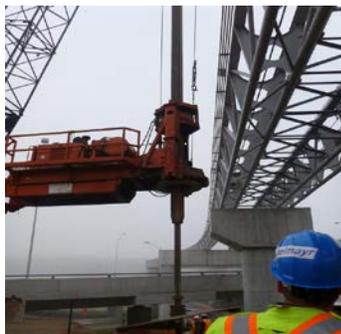
Several procurement and construction milestones were also achieved in 2012-13. These include: the first components of the Tunnel Boring Machines for the Eglinton Crosstown project arrived in February 2013 with full assembly completed in April 2013; re-initiation of the Scarborough/Sheppard Maintenance and Storage Facility Alternative Financing and Procurement (AFP) Request for Proposal in November 2012; release of the Request for Qualification (RFQ) for Eglinton Crosstown LRT and Scarborough LRT design, build, finance, maintain (DBFM) contract in January 2013; and the Reference Concept Design work for the Eglinton Crosstown LRT and Scarborough LRT projects were also well underway in preparation for the AFP procurement documents that are to be issued in 2013-14.

For the York Viva bus rapid transit projects being constructed in York Region, Metrolinx, York Region, and York Region Rapid Transit Corporation continue to advance procurement and construction work along the rapidway sections. Achievements include: advancing rapidway construction along Highway 7 from Yonge Street at Richmond Hill Centre to Warden Avenue;

readying the first section of the rapidway from Bayview to Highway 404 for hand over in summer 2013; completion of design work and commencement of construction along Davis Drive; and the closing of the RFQ for the construction of rapidways along Yonge Street from Highway 7 at Richmond Hill Centre to Major Mackenzie Drive in March 2013.

Union Pearson Express

The Union Pearson Express continues to deliver on numerous projects and initiatives related to the successful launch of the UP Express. Significant achievements in 2012-13 for the project formerly known as Air Rail Link include: the release of the official name as the Union Pearson Express (UP Express); completion of design and commencement of construction on 3 of the 4 stations; and start of construction on the three-kilometre connecting line (or “spur”) from Pearson International Airport’s Terminal 1 and GO’s Kitchener line.



Response to Auditor General Report

The Office of the Ontario Auditor General undertook a value for money audit of Metrolinx in their 2012 Annual Report. Value for money audits examine how well government ministries, organizations in the broader public sector, agencies of the Crown and Crown-controlled corporations manage their programs and activities.

The audit report directed recommendations for Metrolinx to address, which focused on the Air Rail Link, the PRESTO fare card and two significant components of the Union Station revitalization project (restoring the train shed and replacing switches in the Union Station Rail Corridor). The report recommendations emphasised the need to ensure strong project evaluation, project management for each project, as well as sufficient stakeholder consultation and clear targets and reporting on meeting the objectives of The Big Move.

Metrolinx has already taken action to address many of the Auditor General’s recommendations and moving forward into 2013-14 Metrolinx will continue our efforts to improve on our processes. The organization is committed to improving transparency and accountability by: making our evidence-based project evaluation process more robust and better integrated; developing a suite of key performance indicators; and more regular reporting on project selection, costing, funding, and status.

5.2 Business Environment Scan

There are a number of environmental factors and emerging trends that influence Metrolinx's five year strategic priorities and objectives, which in turn influence the annual business plan and deliverables for 2013-14.

There is growing public awareness of transit policy, operations and funding issues. The government has been making record investments in transit. Metrolinx has been building awareness through public consultations, effective branding and targeted advertising campaigns. Metrolinx is in the spotlight, impacting expectations for customer service, an increasing need for accountability, driving expectations for delivering on network integration and expansion initiatives and influencing the discussion on dedicated revenue.

There are a number of emerging trends that impact the demand for transit services and influence pricing, service delivery and operations.

Current demographic and economic conditions are expected to increase ridership growth. The GTHA continues to experience steady population growth, along with modest economic and employment growth. There are also more visitors coming into our region. These conditions generally increase the pool of potential transit riders. For riders, rising fuel costs and declining disposable incomes shift household incentives to favour taking transit over driving, also increasing ridership.

The current fiscal environment brings challenges - the provincial and federal governments are tackling deficit budgets resulting in an era of constrained government resources and competing public needs. Metrolinx's operating budget is also impacted by volatility in fuel prices and susceptible to changes in provincial funding priorities.

Metrolinx is maintaining momentum by continuing to make progress in expanding and integrating the GTHA transit network, introducing customer service improvements, increasing the flow of information to customers on real time transit services, improving public reporting on the selection and status of projects and tabling the Investment Strategy to support long-term sustainable transit funding.

Emerging GTHA Trends:

The GTHA continues to grow – Our population grew by nearly 9% over the five years leading to 2011 which has translated to our region gaining a million people over the last decade.

Our economy has made slow and steady gains since the economic decline of 2009 – Today GDP is up 5.8% from 2009 and up 2.8% from the high of 2007/2008. Typically economic growth corresponds with more trips on roads and transit and can significantly contribute to congestion.

Household income has been declining – The most recent information we have indicates that median household income has been declining by about 3.6% across the GTHA. For many families, this means less disposable income to spend on transportation needs, such as owning a car.

We have more visitors and so more people travelling to and from our airports – The number of Pearson International Airport passengers increased by 10% from 2008 to 2011 and Billy Bishop Toronto City Airport has increased 50% each year for multiple years. Airport travel and the overall volume of visitors to the GTHA adds demands on the transportation network.

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Highlights from the 2013 budget announcement:

Commitments outlined in the 2013 Ontario Budget:

- Outlining the government's principles for transit investments and generating revenue to pay for them.
- Transportation needs vary across the province, and new investments should reflect the needs of different communities and regions.
- New revenue generated from transportation-related activities should be dedicated to transportation projects in a clear and transparent manner so that the investment is directly tied to measurable results.
- Any new revenue tool should not unfairly impact one type of commute or community over another.
- New revenue tools should enable choice among the different transportation options available, while encouraging the use of public transit.
- New transportation investments must be tied to smart city- and region-building and efficient land use planning, and endeavour to accommodate each region's changing population in the most efficient way possible.
- Announcing a commitment to bring forward a plan to convert select GHTA High Occupancy vehicle (HOV) lanes to high-occupancy toll (HOV/HOT) lanes.
- Committing to increase GO Transit investments over the next 10 years to address underserved areas, meet projected demands for peak-hour service and help lay the foundation for the future two-way all-day service:
 - Increasing capacity to move 50,000 more riders/day – a rise of almost 20 percent;
 - Adding 16,000 new parking spaces – an increase of 25 percent and;
 - Investing in new stations, fleet, maintenance facilities and corridor improvements.

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The urban landscape continues to evolve – Land use patterns (the places where people live and work) have a tremendous impact on the transportation choices we make. There has been uneven population growth across the GTHA with the City of Toronto growing slower than the surrounding regions. For office jobs, between 1999 and 2010, the vast majority of growth has taken place in auto-oriented, low-density areas that are difficult to serve by transit.

Our demographic composition is shifting – more and more of our population each year is over the age of 65 and we are becoming more diverse as a region. For transit, this means that walkable, transit-oriented and barrier-free mobility is essential, and information about mobility options will need to be available in multiple languages.

We own more vehicles per household – The most recent data shows that we owned 1.7 vehicles in 2006, up from 1.4 vehicles in 2001 with household size remaining stable.

The cost of getting around the region is going up – Transit fares in GTHA vary, but they currently average \$104 for an adult monthly pass and \$3.00 for a single fare ride. The cost of car ownership also varies but can cost between \$700-\$1,000 per month, depending on vehicle type and distance travelled.

Fuel prices have been volatile since 2008 and are expected to grow over the long term – Since 2006, the price of fuel in the GTHA has fluctuated between \$0.74 to \$1.32 per litre. They have generally increased in the years since a dramatic drop which occurred in November of 2008. Rising fuel prices increase the cost of both driving an automobile and operating bus services.

We continue to experience the effects of climate change – In the past couple of years, we have continued to see increased extreme weather events associated with climate change. We must continue to prepare for increasingly severe and frequent weather events through mitigating policies, programs and infrastructure.

5.3 Investment Strategy

On May 27th, 2013 Metrolinx delivered a credible Investment Strategy to the Ontario Minister of Transportation and Heads of Council of the municipalities in the region was one of Metrolinx's key priorities and deliverables for 2013-14. The Investment Strategy policy and revenue tools are critical to continuing the transformation of the region's transit infrastructure to create an efficient, integrated transit and transportation network that would reduce congestion and benefit everyone.

The Investment Strategy is made up of four key components with 24 accompanying recommendations:

1. Integrating Transportation, Growth, and Land Use Planning.
2. Maximizing the Value of Public Infrastructure Investment.
3. Optimizing System and Network Efficiency.
4. Dedicating New Revenue Sources for Transit and Transportation.

Building trust and accountability is inherent in all four parts of this comprehensive strategy.

Public consultations and a Residents' Reference Panel held as part of the development of the Investment Strategy tell us that people recognize the problem and are impatient for a solution. People feel a strong need for reliable and frequent service. People want accountability and transparency in the development and execution of the investment strategy and Metrolinx to report on measurable targets and kept them informed about the status of projects schedules and budgets. People recognized the need to pay for an integrated, comprehensive network – but want to ensure that revenue raised will be dedicated to that goal.

The recommendations support implementing the "Next Wave" of projects and are guided by principles of dedication of funding, fairness and equity in the raising of revenues and investment in projects, and accountability and transparency in the investment and delivery of results for the benefit of the region.

The Investment Strategy recommends advancing the design and planning and implementation readiness of Next Wave projects. It identifies developing guidance for formalizing the evidence-based economic approaches for evaluating transit and expanding its application across more infrastructure projects. It recommends collaboration with the Province and municipalities using a formal working group to advise and share practices and advance knowledge. This includes working with transit authorities to improve and develop a common approach to benchmarking and information sharing. The Investment Strategy also recommends the creation of a GTHA Regional Service Integration Plan with measurable deliverables, for completion in 2014. All transit agencies should be encouraged to initiate the creation of passenger charters or similar documents, and to begin developing, where not already done, progress and performance metrics. Metrolinx would need to develop standards for reporting that local transit agencies must meet.

The Investment Strategy recommends a new dedicated Transportation Trust Fund, funded by new revenue sources that will allocate funding to Next Wave large capital projects, local transit and transportation projects, highways and roads, and other transportation initiatives including walking and cycling, urban freight, and other initiatives. It is recommended that existing funding provided by all orders of government is maintained to support existing programs, services and projects so that new funding will be in addition to existing funding.

The Investment Strategy proposes to dedicate \$2 billion per year. New funding is recommended to be derived from an increase in the Harmonized Sales Tax, an increase to the gasoline and fuel tax, a business parking levy, and development charges reform. Supplemental tools to advance policy goals include High Occupancy Toll lanes, Pay for parking at transit stations, and land value capture. All tools would require actions to be implemented. A Land Value Capture Strategy would need to be developed which could include contributions from existing and under-construction transit assets and private sector contributions.

Public support for dedicated tools is matched by the public expectation for increased transparency and accountability for evidence-based prioritization and scoping of projects, and public reporting on the collection, management and spending of these funds. There are also high expectations to provide residents with value for money by delivering projects on scope, on time and on budget.

As part of Metrolinx's commitment to increase transparency and accountability, the organization will build on our successful track-record of project evaluation, by developing and deploying a framework for evidence based project evaluation to ensure consistency in project evaluation, prioritization and reporting. Always striving for continuous improvement and implementing best-practices in investment evaluation leads to efficiencies and higher returns on investment, which in turn will build trust and support for advancing the Next Wave projects.

The Investment Strategy recommendations, if adopted by government, will drive transformation and implementing them will require significant action on many fronts. Successful implementation will require earning public confidence and trust in the credibility of Metrolinx, as well as collaboration across our organization and with provincial partners, municipalities, third party stakeholders and partners. In order to measure performance, the actions required to implement the recommendations will be tracked, and reported on.

5.4 GO Transit Ridership Growth and Customer Service Improvements

GO Transit is continuing to see strong ridership growth on both bus and rail. In 2012-13, GO Transit carried over 65 million passengers, up approximately five per cent from 2011-12, and is expecting to attract over 76 million riders by 2015-16. To accommodate this growth, GO Transit is planning multiple service expansions and improvements to both bus and rail corridors, including continued progress towards two-way, all day rail service on all train lines.

In 2013-14, GO will introduce 30 minute off-peak service on the Lakeshore East and Lakeshore West rail corridors, an exciting and significant step towards transforming the rail network from

a commuter-based service to a regional, rapid transit system. This is the biggest expansion since GO was created. GO will also be providing seasonal weekend service, in both directions, on the Barrie line with all trains running between Allandale Waterfront Station in Barrie and Union Station in Toronto. GO Bus services in Durham Region will be rationalized to provide faster and more express travel options for customers traveling between Durham Region and Toronto.

In 2014-15 and 2015-16 GO expects to be able to provide additional peak service and start to introduce two-way off-peak service on several corridors. Major GO Bus service improvements planned by 2015-16 include: the opening of the full Mississauga BRT transitway, allowing for faster and more reliable GO Bus service through Mississauga; improved GO Bus service along the planned Highway 404 extension to Keswick, serving new Park and Ride lots in York Region; and improved GO Bus service in Durham Region along the planned Highway 407 East extension to Oshawa, serving four new Park and Ride lots.

GO Transit isn't just focused on expanding services; there is also an increased focus on the customer experience. GO's first three-year Customer Service Strategy is now complete. Of the 126 initiatives in the corresponding action plan, 94 percent have been completed or are underway. As a result of these enhancements customer perception of GO is improving, demonstrated by a 20 percent increase in overall customer satisfaction from 59 percent in 2009 to 79 percent in early 2013.

While much progress has been made in areas that were prioritized in the previous Customer Service Strategy, GO Transit now faces new challenges that have the potential to destabilize the achievements made to date. These two new challenges are a) increasing ridership that is surpassing the organization's capacity to serve and b) passengers' expectations.

As a result, a new set of key priorities is needed to build on GO's previous achievements, as well as guide and define success for the next three years. In 2013 GO completed a Customer Service Strategy refresh that contains six new key strategic priorities that will make a substantial, positive impact on customer service from now to 2016. The six key customer service priorities for the next three years are:

1. Managing Increasing Ridership
2. Brand Strategy and Design
3. Improving Communication
4. Fostering Employee Engagement
5. Leveraging Technology
6. Enhancing Retail

As a result, GO plans to grow customer satisfaction to a target of 87 percent by 2016. The increase in customer satisfaction will increase the number of loyal riders which will lead to increased ridership and a resulting increase in revenue. It also allows GO to build loyalty in good times, buy goodwill in bad times and increases the perceived value of GO services.

5.5 Preparing for Pan Am

The 2015 Pan/Parapan Am Games will present significant transportation opportunities and challenges across the GTHA: 1.2 million ticketed spectators are expected for the Games, requiring access to over 500 competitions at 34 venues, 14 road races and several other Games events. Metrolinx is actively planning for the Games with MTO, Toronto 2015 (the Games Organizing Committee), TTC and area municipalities. Metrolinx is part of the Pan/Parapan Am Games Transportation Team (“PATT”), currently developing the Games Transportation Master Plan, and including planning for transit services to Games venues, transit accessibility, ticketing, signing and wayfinding, travel demand management, and security. Planning through 2013 will focus on confirming the Games transportation plan, and in 2014 developing an operational plan and beginning venue-level testing in preparation for final planning and delivery in 2015.

GO Transit will be a key Games-time transit provider for spectators and visitors, while maintaining its service for local customers (athletes and officials will be transported privately by TO2015). Service planning is underway for the GO Rail and Bus networks to enable transportation to Games’ competition venues throughout and beyond the GTHA.

5.6 Status of UP Express

Metrolinx is committed to ensuring that the Union Pearson Express is operational in time for the 2015 Pan Am/Parapan Games. In order to meet this deadline, significant infrastructure development is taking place along the Georgetown Rail Corridor, at Union Station and at Toronto Pearson International Airport. Good progress has been achieved to date in relation to the construction work on the Georgetown corridor and construction has started at Union, Bloor, Weston Stations and Pearson Airport stations. This progress must be maintained throughout 2013/2014 to ensure that the operational date for the service is achieved.

In delivering the service and required infrastructure on time and on budget, the organization continues to focus on the design and implementation of projects that deliver on an elevated guest experience. Projects actively underway include the fare collection system, signage and wayfinding, a robust technology program, innovative strategic partnerships, and communications and operations plans. Further, executing on the marketing tactical plan, along with engaging internal and external stakeholders is required to build effective momentum and raise awareness as UP Express moves closer to launch. Detailed plans have been developed to mitigate these challenges and ensure the UP Express delivers on its goals in 2013-14.

5.7 Status of Rapid Transportation Projects

Eglinton Crosstown Light Rail Transit (LRT) and Scarborough LRT:

Currently, several streams of work are underway to advance the Eglinton Crosstown LRT and Scarborough LRT projects to meet the in-service date of 2020. The projects will be delivered using, Infrastructure Ontario’s AFP delivery model through a Design Build Finance Maintain (DBFM). The RFQ for the DBFM delivery of the Eglinton Crosstown LRT and Scarborough LRT

projects are in market. The RFQ is anticipated to close in May 2013, followed by evaluations to shortlist proponents, with up to 3 proponents.

As part of the Request for Proposal (RFP), reference concept design work is completed as supplementary information to the project specific output specification (PSOS) that forms part of the RFP. This work is well underway for the Eglinton Crosstown LRT and Scarborough LRT for stations, track design, systems and operating concept.

To advance the stages of construction prior to the selection of a preferred AFP proponent, early works construction is underway for the Eglinton Crosstown LRT project. This set of early works includes utility relocation, property acquisition and tunnelling work. The first of 4 Tunnel Boring Machines (TBMs) has arrived at the West Launch shaft located on Eglinton near Black Creek Drive, Black Creek Drive and tunneling is scheduled to begin in late May 2013. The contract for the east section of Eglinton Crosstown tunnel is also anticipated for release in Fall 2013.

Other LRT projects:

The Scarborough/Sheppard Maintenance and Storage Facility (MSF) is a shared MSF for the vehicles required for the Scarborough LRT and Sheppard East LRT projects. The RFP for the MSF will close in May 2013. The evaluation of the three submissions will be undertaken with financial close targeting Fall 2013.

On the Finch West LRT project, the preliminary design and engineering has been progressing as necessary to meet the AFP delivery schedule for the project. Advance work is in progress between Metrolinx and TTC's contractor at the Finch West Subway station on the Toronto-York Spadina Subway Extension, to facilitate the LRT-to-subway connection.

On the Sheppard East LRT, the preliminary design and engineering is also progressing as necessary to meet the AFP delivery schedule for the project. The Agincourt grade separation construction that commenced in late 2009 as part of the early works for the line was completed in early 2013 with final landscaping work to be finished in spring 2013.

The Metrolinx light rail vehicles for Toronto LRT lines are currently in the final design review phase, which is anticipated to be complete in spring 2013. The pilot vehicles are also in production with subassembly work beginning in 2013.

York Viva BRT:

Work is well underway for the vivaNext Rapidway projects on the following:

On Highway 7 east from Yonge Street at Richmond Hill centre to Warden Avenue, road widening and utility works are underway on the section from Highway 404 to Warden Avenue/Enterprise drive. The section from Bayview to Highway 404 is advancing with asphalt paving, construction of five median rapidway stations and construction of the Bayview transfer towers. The section of rapidway from Bayview to Highway 404 is expected to be complete in summer 2013.

On Highway 7 west near the Vaughan Metropolitan Centre (VMC), the contract for the design and construction has been executed with early activities and design work underway.

On Highway 7 west from Helen Street to Edgeley and from Bowes Rd. to Yonge St., early activities for the design, build and finance (DBF) delivery of the rapidways between York Region Rapid Transit Corporation (YRRTC), Infrastructure Ontario and Metrolinx are underway. Also Included in this DBF package is the short section of rapidway near Unionville Station on Highway 7 east. On Davis Drive, utility works are underway with traffic staging to accommodate the road works.

On Yonge Street from Highway 7 to Major Mackenzie, the procurement process for the design-build of the rapidways is underway. Currently the RFQ proposals are being evaluated. The release of the RFP is anticipated for summer 2013.

6.0 Financial Analysis

6.1 Operating Budget

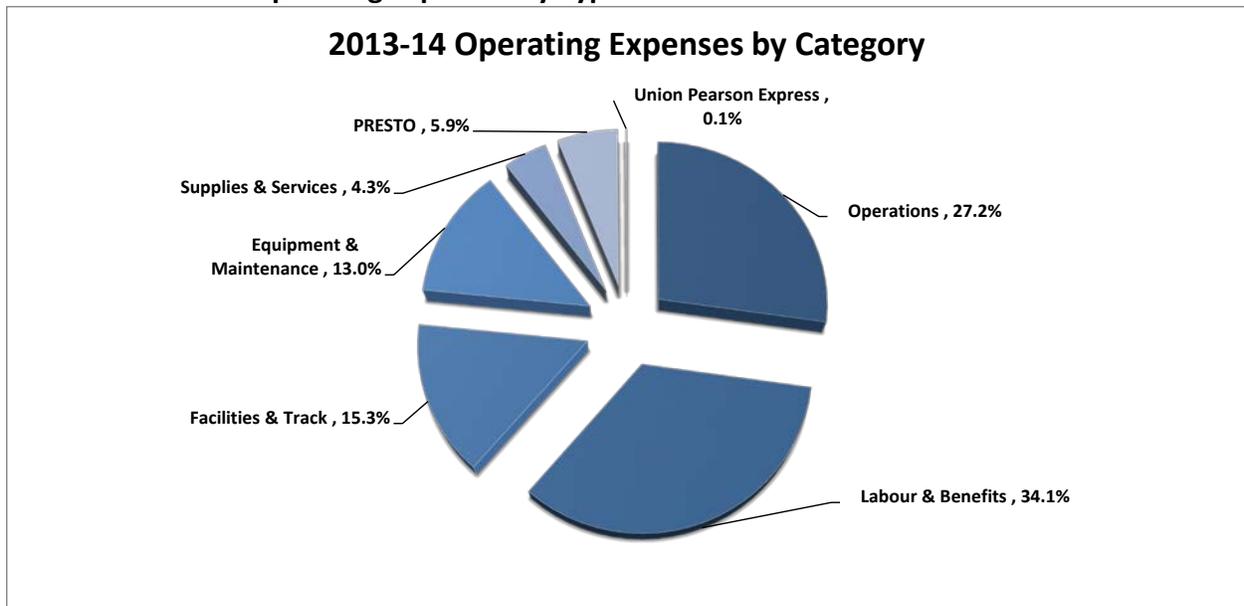
The development of this year's operating budget was guided by the key objectives of the corporation as outlined in this Business Plan, and several key assumptions (please see Appendix D). The operating budget for fiscal 2013-14 is \$590M in expenses offset by \$445M in revenue and \$1M from sale of assets. This has resulted in a provincial subsidy requirement of \$144M, which is \$13M more than what was allotted in fiscal 2012-13.

Exhibit 3: Metrolinx’s 2013-14 Operating Budget by Expense Type

(Dollars in Millions)	Budget 2013-14	Budget 2012-13	Actual 2012-13
Revenue			
Commuter Revenue	410	366.1	357.4
Sundry Revenue	29.1	21.6	26.5
PRESTO Revenue	6	2.5	9.3
Total Revenue	445.1	390.2	393.2
Expense by Type			
Operations	160.7	139.1	139.8
Labour & Benefits	201.2	186.4	183.3
Facilities & Track	90	76.9	77.1
Equipment & Maintenance	76.7	60.8	60.6
Supplies & Services	25.5	26	24.1
PRESTO	35.1	31.5	29.4
Union Pearson Express	0.8	1	0.5
Total Expenses	590.0	521.7	514.8
Excess of Expense over Revenue	144.9	131.5	121.6
Less - Proceeds from Sale of Assets	1	1	1.1
Net Operating Requirement from Province	143.9	130.5	120.5

Note: numbers may not add up due to rounding

Exhibit 4: 2013-14 Operating Expenses by Type



This budget projects total revenue to be \$445M, representing an increase of 14.1 percent in total budgeted revenue from fiscal 2012-13. Current projections for fare revenue in fiscal 2013-14 (\$410M) are based on a year-over-year increase in GO Transit ridership and a fare increase effective as of

February 2013. The 12.0 percent growth in budgeted fare revenue is consistent with the forecasting practice of the corporation in the past. Projected sundry revenue (i.e. non-fare based) is expected to total \$29M this fiscal year. Non-fare revenue projections from other sources include billboard advertising, and track usage fees from corridor acquisitions. Finally, PRESTO revenue is projected at \$6M, which is based on a continued increase in card uptake for 2013-14.

Total expenses for this fiscal year are projected to be approximately \$590M. Some of the key cost drivers impacting the expenses of the corporation are diesel fuel, hydro, labour, rent and property taxes as well as increased service levels in both bus and rail. The largest cost item is Labour & Benefits, which accounts for 34.1 percent of the operating budget, down slightly from 35.7 percent in 2012-13. Overall, the \$15M increase in budgeted Labour & Benefits expense from the previous fiscal year is required to support GO Transit's ridership growth and initiatives such as GO Transit's new 30-minute off-peak service on the Lakeshore line, PRESTO, and UP Express.

GO Transit direct operating costs account for 78 percent of total expenses. In 2013-14, over \$22M will be invested in new or improved bus and rail service. Thirty minute off-peak service on the Lakeshore corridor will be introduced as well as additional twelve car trains and additional seasonal service to Niagara Falls and Barrie.

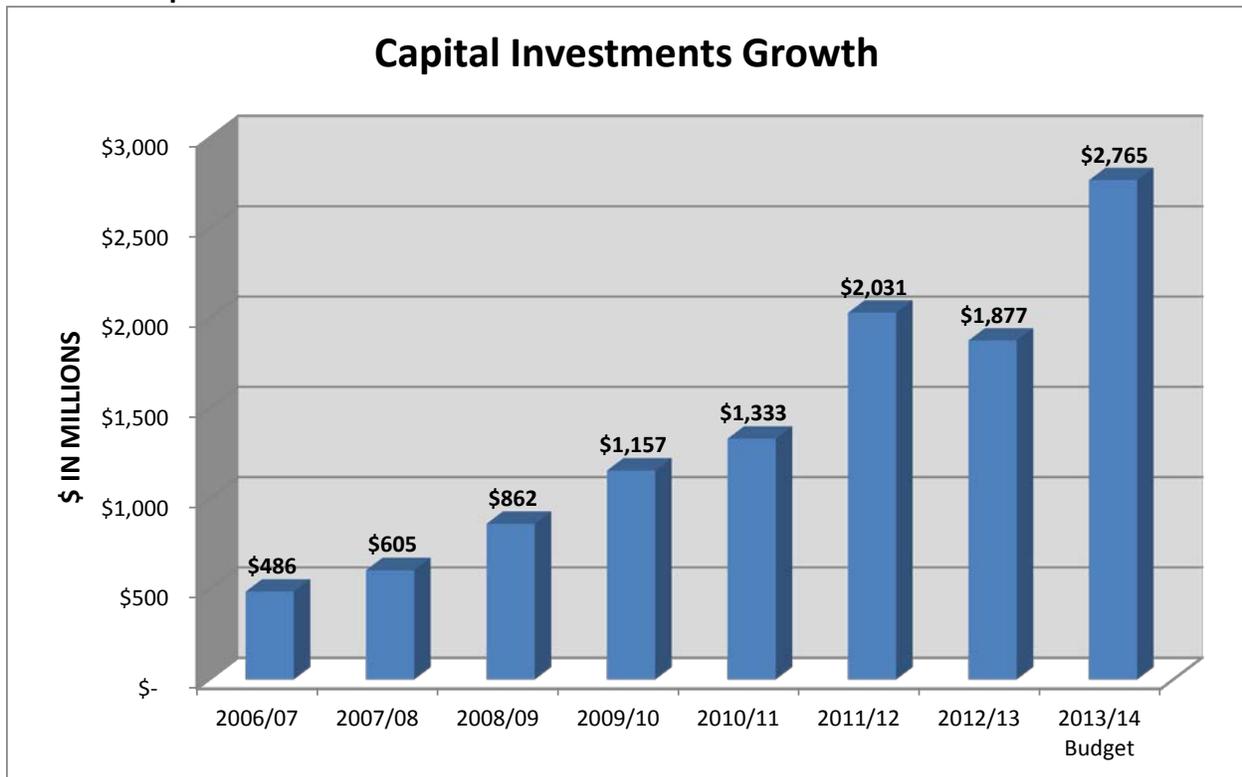
Operating costs for PRESTO has increased in 2013-14 due to the planned expansion of the PRESTO program to Ottawa's OC Transpo System. Provincial funding for PRESTO operating costs is included in the \$144M provincial subsidy discussed above.

The UP Express operating cost remains the same at almost \$1M to support pre-implementation planning.

6.2 Capital Investments

Metrolinx's capital budget for 2013-14 is more than \$2.76B to support additional capital projects. This includes a significant increase in investment for the Rapid Transit Expansion projects in the City of Toronto and York Region.

Exhibit 5: Capital Investments Growth



Please see Exhibit 6 for a breakdown of capital expenses by category. The Rapid Transit Expansion projects represent the largest portion of the 2013-14 capital program with almost \$900M in spending expected. Commencement of tunnelling on the west end of the Eglinton Crosstown LRT will begin in spring 2013. In addition, a section of the York Viva BRT rapidway along Highway 7 east from Bayview to Highway 404 is expected to open in summer 2013.

Over \$500M will be invested along the Georgetown South corridor and on the UP Express projects. Construction will begin on the stations at Bloor and Weston along with the UP Express stations at Union Station and Pearson Airport.

Close to \$650M will be invested in GO Transit Asset Expansion and Optimization projects.

- Continue work on extending the Richmond Hill corridor to Bloomington Side Road.
- Open the new train storage facility in York Region on the Richmond Hill line to accommodate more train starts and improved reliability.
- Open parking structures in 2013 at Clarkson, Ajax and Erindale GO Stations to accommodate ever-growing customer needs.
- Continue work on the Mississauga Transitway. The segment between Hurontario and Cawthra is expected to open in the fall of 2013.
- The rail and bus fleets continue to grow with additional double-deck buses, rail cars and locomotives being delivered.
- Construction is underway for new bus garages in Hamilton and East Gwillimbury to allow more bus services.
- Continue design and construction of the East Rail Maintenance Facility.

To ensure existing assets remain in a state of good repair, almost \$400M will be spent on Infrastructure Rehabilitations:

- Continue design work on a new GO Transit Control Centre in Oakville.
- Major station improvements are underway at Burlington, Exhibition, Richmond Hill and Whitby GO stations.
- Work will continue on replacing the Train Shed roof at Union Station.

Exhibit 6: Capital Investments – 2013-14 Budget

	2013/14 BUDGET (\$Millions)
REGIONAL RAPID TRANSIT EXPANSION	\$905
Regional Integration	\$4
Toronto LRT	\$618
Viva BRT	\$283
GO EXPANSION	\$441
Bus Corridor Infrastructure & Mississauga Transitway	\$32
Fleet	\$47
Fleet Maintenance Facilities Expansion	\$36
Passenger Facilities & Mobility Hubs	\$22
Property	\$177
Rail Corridor Infrastructure	\$8
Two-way All-day Service	\$65
West Toronto Grade Separation	\$53
GO STATE OF GOOD REPAIR	\$395
Bus Fleet	\$22
Fleet Maintenance Facilities	\$27
Passenger Facilities & Parking	\$81
Rail Corridors	\$36
Rail Fleet	\$41
Technology & Fare Collection	\$59
Union Station	\$129
GEORGETOWN SOUTH	\$371
Georgetown South Corridor	\$371
GO FOUNDATION	\$201
East Rail Maintenance Facility	\$125
Union Station New Concourse	\$76
GO OPTIMIZATION	\$200
12-car Trains	\$20
Bi-level Rail Cars	\$42
Grade Separations	\$9
Innovation	\$2
Parking Expansion	\$79
Rail Corridor Improvements	\$18
Richmond Hill Extension	\$30
UP EXPRESS	\$131
UP Express	\$131
PRESTO	\$121
System-wide Fare Collection	\$121
Total	\$2,765

6.3 Capital Assets

Metrolinx’s capital assets continue to grow as capital investments increase. Please see Exhibit 7 for the net book values of Metrolinx’s capital assets.

Exhibit 7: Capital Assets

CAPITAL ASSETS	(Dollars in Billions)
Net Book Value - March 31, 2013	\$ 8.14
Add: Capital Budget 2013/14	\$ 2.77
Less: Estimated Amortization 2013/14	\$ (0.31)
Estimated Net Book Value - March 31, 2014	\$ 10.60

7.0 Objectives and Deliverables

The Metrolinx Five-Year Strategy sets out the strategic priorities and objectives that guide the organization. The objectives contained in this business plan flow directly from the Five-Year Strategy. The table below illustrates the 2013-14 deliverables and financial resources to support the overarching objectives of the Metrolinx Five-Year Strategy.

Five-Year Strategy Objectives	2013-14 Deliverables and Financial Resources
I. Provide regional leadership to enhance mobility options, guided by <i>The Big Move</i> , stimulating and supporting the activities of partners across the region.	
1. Maintain the relevance of <i>The Big Move</i> , through updates and related planning, to guide investment and decision-making.	<ul style="list-style-type: none"> • Issue <i>The Big Move</i> Progress Report and the Monitoring Handbook. • Develop a work plan for the legislated review of <i>The Big Move</i>. • Complete a first draft of the Relief Line Study. • Substantially complete the Pearson Airport Area Transportation Study.
2. Advance integrated transit fares and services across the GTHA, optimizing convenient seamless connections to improve customer experience.	<ul style="list-style-type: none"> • Complete a GTHA regional Service Integration Plan with measureable deliverables. • Initiate a GTHA Regional Fare Integration Plan identifying short and long term strategies, with measureable deliverables.
3. Champion <i>The Big Move</i> strategies, collaborating with stakeholders, and implementing selected regional initiatives to advance transportation objectives.	<ul style="list-style-type: none"> • Complete the Urban Freight Data Framework. • Continue to work with key stakeholders in the development of policy and planning efforts including leading the inter-jurisdictional roundtables of the Metrolinx Planning Leaders Forum and the Metrolinx Transit Leaders Forum. • Undertake public consultation and stakeholder engagement during Environmental Assessments (EAs) for Stouffville double tracking. • Begin implementing updated Smart Commute strategic directions and new Key Performance Indicators (KPI). • Continue to grow the quality of the Transit Procurement Initiative value through completion of 8 and 12-metre bus procurements. • In consultation with an advisory committee of municipal partners, advance preparation of standard regional data for a Regional Transit Traveller Information System. • Develop an action plan to enhance cross-boundary travel using specialized transit.
4. Fully implement PRESTO in the GTHA and Ottawa.	<ul style="list-style-type: none"> • Investigate and develop open payment functionality and multi-vendor support to be included into the PRESTO Next Generation (PNG) platform. • Work with OC Transpo to execute on the staged rollout plan, as presented to the Ottawa Transit Commission, for PRESTO card distribution to the general public beginning in April 2013.

Five-Year Strategy Objectives	2013-14 Deliverables and Financial Resources
	<ul style="list-style-type: none"> • Complete transition of the GTHA transit agencies to the PNG platform by summer 2013. • Begin design and complete development of enhancements necessary for TTC PRESTO implementation on TTC's new streetcars by Spring 2014. • Complete business requirements, and begin design and development of the UP Express PRESTO implementation.
<p>II. Pursue stable funding to support the integrated mobility improvements outlined in <i>The Big Move</i>.</p>	
<p>5. Support the implementation of the Investment Strategy investment tools once approved by the Province of Ontario.</p>	<ul style="list-style-type: none"> • Submit the Investment Strategy to the government and heads of council on or before June 1, 2013. • Collaborate with Translink and AMT to pursue federal funding for transit.
<p>6. Strive for industry leadership in cost management and revenue generation from fares and other sources.</p>	<ul style="list-style-type: none"> • Complete tenant fit-out and restacking of 20 Bay Street in accordance with new Corporate Office Standards. • Identify and implement non-fare revenue opportunities in areas such as advertising, strategic partnerships and vending.
<p>III. Implement Priority Regional Transit Infrastructure Projects in <i>The Big Move</i> as world-class city-building projects.</p>	
<p>7. Deliver GO Transit infrastructure required to continue progress toward a comprehensive all-day regional transit service.</p>	<ul style="list-style-type: none"> • Revitalize and provide increased capacity at Union Station by completing the new train shed atrium to enhance the platform environment by 2014. • Open parking structures at Clarkson, Ajax and Erindale GO Stations. • Complete required realty transactions to support GO Transit network growth. • Deliver infrastructure to support the expanded GO Bus Service linking suburban activities including: bus priority facilities on the Don Valley Parkway, additional GO Park & Ride lots, increasing access to GO Bus services; and East Gwillimbury Bus Facility and bring it into service by 2014. • Complete EAs for Stouffville expansion and James Street North Addendum and start the EA processes necessary for forthcoming proposed infrastructure improvements.
<p>8. Complete UP Express construction on time and on budget.</p>	<ul style="list-style-type: none"> • Complete 95 percent of all property acquisitions required for the Georgetown South Corridor. • Begin construction of vehicle maintenance facility and be completed by early 2014. • Complete construction of Kitchener railway corridors and spur construction by end of 2014. • Receive new diesel multiple unit vehicles in early 2014 and begin testing and commissioning. • Complete construction on modifications to Weston and Bloor GO Stations to accommodate UP Express guests. • Tender the construction of the UP Express station at Union. Complete construction by Spring 2015.
<p>9. Advance construction of priority Rapid Transit projects consistent with <i>The Big Move</i>.</p>	<ul style="list-style-type: none"> • Close of the AFP RFQ for the Eglinton Crosstown LRT and Scarborough LRT by May 2013 and Release of the AFP RFP by fall 2013. • Commencement of tunnelling on the west end of the Eglinton Crosstown LRT in Spring 2013. • Procurement to take place for the Yonge Street Section of the vivaNext Rapidway from Highway 7 to Major Mackenzie in 2013. The RFQ closed in March 2013; the RFP is targeting issuance in Summer 2013. • Release of the east tunnel contract for the Eglinton Crosstown LRT in fall 2013. • Close the AFP RFP for the Scarborough/Sheppard MSF by May 2013 and reach financial close by late 2013. • Agincourt Grade Separation landscaping complete by Spring 2013 • First section of vivaNext rapidway along Highway 7 East from Bayview to Highway 404 expected to open in summer 2013. • Finalize Operating Agreement between Metrolinx and Region of York for the

Five-Year Strategy Objectives	2013-14 Deliverables and Financial Resources
	<p>Viva Rapidways by summer 2013</p> <ul style="list-style-type: none"> • Required land acquisition and Right-of-Way agreements for the construction of the Toronto LRT projects, Mississauga BRT and YRT vivaNext Rapidways. • Complete, in partnership with the Region of York, York Viva rapidways on Highway 7 between Yonge St and Warden Ave, to be in service by 2014.
<p>10. Champion coordination of land use and transportation to increase mobility choices and leverage public transportation investments.</p>	<ul style="list-style-type: none"> • Port Credit: Prepare business case analysis and implementation for GO transit parking areas by late 2013. • Oakville: Update business case analysis and implementation for GO transit parking areas. • Establish a framework to explore intensification and development opportunities with interested adjacent property owners at Metrolinx-owned properties along the Eglinton Scarborough Crosstown LRT. • Continue to promote the planning and implementation of mobility hubs and station areas through: <ul style="list-style-type: none"> ○ Promoting municipal application of the Mobility Hub Guidelines in their planning activities and investments. ○ Completing plans to guide development of designated mobility hubs.
<p>IV. Operate Metrolinx services, setting the regional standard in customer service excellence.</p>	
<p>11. Expand GO Transit service to accommodate growing ridership, retaining its customer focus and transforming it into a comprehensive all-day regional transit service.</p>	<ul style="list-style-type: none"> • Introduce off-peak service every 30 minutes on the Lakeshore corridors. • Add incremental peak hour rail services in Stouffville and Lakeshore East corridors. • Add incremental peak hour rail capacity with 12 car train expansions across the GO rail network. • Rationalize GO Bus services in Durham Region to shift local Hwy. 2 service to Durham Region Transit and enhance regional bus connections to Toronto. • Complete required CN land acquisition for the Whitby East Rail Maintenance Facility South Blair Grade Separation Project. • Develop a Service Status Communication Strategy for GO Transit. This channel strategy includes the development of a framework for GO Train and Bus services that includes a map of the communication channels, information types and service levels. It also includes an E-Signage Strategy. Develop and deploy next stop automated audio/visual announcements on-board all buses. • Interactive Voice Response & Call Flow Design - Segment Switchboard Calls & Call Flow Redesign; On Hold Messaging / Music on Hold, Call Quality. Develop implementation strategy to convert remaining non-accessible bus routes and stops. • Complete the development of a refreshed online public timetable. • Complete GO Rail Passenger Study (2013) - Biannual Rail Study that looks at route start and end points. • Complete GO Customer Satisfaction Study for winter 2013. • GO Mobile Phase 2 - Implement Phase 2 of GO Mobile with improvements based on customer feedback. • Assess feedback of the Barrie Quiet Zone Pilot and determine next steps. • Implement Mobile Websites for the GO transit public website. • Development of GO Customer Experience Strategy, including touch-point mapping and retail strategy. • Develop a Contact Centre Strategy & Roadmap. • Create and implement a business model which will enable greater access of Metrolinx APIs by the development community for app creation to complement current communications vehicles.
<p>12. Launch UP Express to link Union Station and Toronto Pearson airport, delivering a differentiated customer experience.</p>	<ul style="list-style-type: none"> • Develop a Service Status Communication Strategy for UP Express. This channel strategy includes the development of a communication channel map including information types and service levels. • Develop a robust technology program, including a simple and intuitive website and mobile app, and fare collection system. • Develop an operations plan, including workforce and frontline change management plans that leverages Metrolinx capabilities and third party

Five-Year Strategy Objectives	2013-14 Deliverables and Financial Resources
	<p>agreements to deliver a highly reliable service with attention to excellent customer service.</p> <ul style="list-style-type: none"> • Seek strategic partnerships that strongly align with the UP Express brand and help deliver value as part of a differentiated guest experience. • Continue to raise awareness and ridership of the UP Express.
<p>13. Complete Rapid Transit operating agreements that emphasize excellence in customer service delivery.</p>	<ul style="list-style-type: none"> • Finalize Operating Agreement between Metrolinx and Region of York for the Viva Rapidways by summer 2013. • Continue discussions with TTC to further define operating agreement.
<p>14. Enrich the PRESTO customer fare payment experience with enhanced customer convenience and increased payment flexibility.</p>	<ul style="list-style-type: none"> • Investigate collaborative opportunities with Transit Agencies and other 3rd parties and develop action plans to promote card adoption, including retail channels and pre-loaded card options. • Pilot a mobile application to permit convenient reloading of PRESTO cards. • Implement use of credit/debit cards on new TTC streetcars. • Develop a business model for Para-transit services, in partnership with transit agencies, and begin to implement system changes to integrate PRESTO with Para-transit services. • Continue to develop and implement open payment and technology based customer solutions. • Continue improvement to website to enhance customer service. • Heighten emphasis on customer engagement and satisfaction.
<p>15. Support the Pan/ParaPan Am games organizers in providing optimal mobility to games attendees and GTHA residents throughout the games period.</p>	<ul style="list-style-type: none"> • Lead the coordination of corporate activities around the preparations for the 2015 PanAm/ParaPan Games.
<p>V. Ensure that Metrolinx remains a trusted organization with the capacity and flexibility to deliver <i>The Big Move</i>.</p>	
<p>16. Develop Metrolinx as an organization of engaged employees, with the capacity, expertise and design to meet evolving business standards and anticipate future needs.</p>	<ul style="list-style-type: none"> • Complete the fit-up of the office and the relocation of approximately 300 employees from 20 Bay Street to Union Station by fall 2013. • Pursue being an employer of choice that creates an inclusive, respectful and diverse workforce: <ul style="list-style-type: none"> ○ Develop and implement action plans to respond to the Employee Opinion survey. ○ Develop talent by continuing the Metrolinx Leads Leadership Development Program. ○ Complete a Compensation and Benefits review in 2013 in alignment with provincial legislation and start a Job Description Improvement Project that will be completed by the end of 2014. ○ Fully implement a formal Employee Recognition program, encouraging and rewarding the application of our values and competencies in the workplace. ○ Working with the Senior Management Team (SMT) to continue to produce culture change and enhance Senior Leadership practices to align with the Metrolinx strategy, leadership development goals and the Employee Opinion Survey results and action plans. ○ Transition the annual Employee Opinion Survey to an annual program, where Business Units use the results and Action Plans to guide s strategic planning and evaluate results. • Leverage information and technology to support corporate activities and programs: <ul style="list-style-type: none"> ○ Establish the CIO's office. ○ Update the corporate Information and Information Technology Strategy by 2013; plan and execute its implementation. ○ Develop a strategy for the Open Data Initiative, to address how the organization can share Metrolinx data, including implementing a pilot to help inform the final strategy. ○ Develop a robust HR Management System.

Five-Year Strategy Objectives	2013-14 Deliverables and Financial Resources
	<ul style="list-style-type: none"> • Develop Executive Sponsorship and policies for broad sustainability and green initiatives. • Complete an energy management plan and cost the implementation. • Design and Create an Innovation Accelerator Program and its component programs. • Create replicable processes for Metrolinx Innovation Think Tanks (MITTs) and hold two events. • Develop a corporate strategic communications plan. • Advance the Design Excellence Program through: <ul style="list-style-type: none"> ○ Expanded and improved design review process. ○ Integration of design excellence into corporate procurement and project evaluation, in particular with IO projects. ○ Establishment of design excellence Vendor of Record program. • Offer internal Design Excellence training.
<p>17. Demonstrate that Metrolinx provides excellent value for money through performance monitoring and periodic efficiency reviews.</p>	<ul style="list-style-type: none"> • Develop and implement organization-wide key performance indicators (KPIs) with associated dashboards to assist with monitoring performance on an ongoing basis by the end of the fiscal year.
<p>18. Establish trust as the regional transportation authority, modeling transparency and accountability.</p>	<ul style="list-style-type: none"> • Make significant progress in further developing and consolidating evaluation processes with business planning, to make investment evaluation more robust and integrated with planning and decision making. • Develop and seek approval of a work plan, consult with MTO/Stakeholders and make significant progress towards developing a draft investment evaluation guidance document, building on existing frameworks. • Deliver regular UP Express forecasting updates as specified by the Auditor General. • Early progress with respect to the Investment Strategy, if implemented: <ul style="list-style-type: none"> ○ Establish robust and transparent public reporting on the delivery of projects, program budgets and schedules, the rationale for any changes, and the specific results of the individual projects and program as a whole. ○ Work with transit authorities in the region to build a common approach to reporting on performance. ○ Engage communities on progress reporting when delivering projects. ○ Continue to engage and inform communities through our community relations team for the Georgetown South and Toronto Transit Projects. ○ Work closely with key stakeholders to communicate about our progress on current and future progress.

8.0 Performance Measures and Targets

Metrolinx is taking steps to continually improve accountability and transparency to the public on how transit investments are being spent and the status of projects. The organization is committed to developing a suite of Key Performance Indicators (KPIs) to take to the Board of Directors later this fall to be embedded in planning, decision making and reporting.

8.1 Financial Performance

Metrolinx aims to deliver its mandate within three percent of its operating budget. Metrolinx closely monitors its financial performance through the use of financial ratios: cost recovery, overhead ratio and cost per ride.

- **Cost Recovery Ratio:** This is the ratio of fare revenue to operating costs. For fiscal 2012-2013, the cost recovery ratio (excluding PRESTO and UP Express) is 78.2 percent. For fiscal 2013-2014, Metrolinx is budgeting a 79.2 percent operating cost recovery ratio (excluding PRESTO and UP Express). Metrolinx's cost recovery ratio continues to compare favourably with those of other public transit authorities in North America (e.g. Chicago METRA's cost recovery ratio is 41.9 percent).
- **Overhead Ratio:** The overhead ratio is the percentage of operating expenses that support services of non-bus and non-rail business units. For fiscal 2011-12, support services account for 7.8 percent of the overall operating expense. For fiscal 2012-13, Metrolinx is budgeting 8.4 percent of the operating budget for corporate services to support organizational initiatives, such as the Investment Strategy, and procurement of the capital plan.
- **Cost per Ride:** The cost per ride is the average operating cost required to provide service on a per-ride basis. For fiscal 2012-13, the cost per ride (excluding PRESTO and UP Express) was \$7.40. For fiscal 2013-14, Metrolinx's budget reflects a cost per ride of approximately \$8.05. The key drivers leading to an increase in cost per ride are the introduction of new service as well as maintaining reliability and customer service initiatives. In comparison, the average GO Transit one-way fare is estimated to be \$6.00 for fiscal 2013-14.
- **GO Transit Competitiveness:** Travelling with GO Transit remains an economically preferred choice for commuters in the GTHA. Travelling with GO Transit costs approximately 48 percent of the total cost of fuel and parking if you are driving. Further, the average cost for driving \$0.37/km, whereas the cost for transit is \$0.18/km (reflects fuel and parking only, in downtown Toronto). These statistics are based on the average trip length from the Fall 2011 rail cordon count program. This does not consider the additional vehicle maintenance and vehicle ownership costs that would result from the increase in vehicle mileage. GO Transit continues to offer a comfortable experience and cost competitive mode of travel for passengers.

8.2 Project Performance

A large part of the Metrolinx's 2013-2014 Business Plan consists of project delivery. Adherence to the project schedule of each of these projects is critical to the timely project completion, coordinating activities during construction with related initiatives and service adjustments, and minimizing the impact on our customers. Alignment to the project budget is also critical for Metrolinx to work within ongoing funding constraints.

The determination of stakeholder requirements, validation of assumptions and business case as well as assessment of potential risks are essential prior to the approval and throughout the project lifecycle. Key performance indicators during the implementation phase of each of these projects are adherence to the project deliverables, clearly establishing scope, cost, schedule, and quality. This will help to identify early identification of any slippage in the project plans, and to bring forward, wherever possible, alternatives to that plan.

8.3 Service Performance

GO Transit tracks several customer facing key performance indicators that are aligned to the Passenger Charter. At the end of the 2012-13 fiscal year, GO Transit successfully achieved six of the Passenger Charter targets. Work is underway to increase satisfaction in seat availability and communications.

Exhibit 8: Passenger Charter Report Card

Measure	Annual Target		2012-13 Fiscal Year	2011-12 Fiscal Year	2010-11 Fiscal Year
On Time					
We will run more than 92% of rush hour trains within five minutes of the scheduled time.	92%	✓	94%	95.1%	94%
We will have less than 1% of our scheduled trips cancelled or delayed over 20 minutes.	1.0%	✓	1.0%	0.7%	0.8%
Safety					
We will increase year over year, the percentage of customers who are satisfied with GO Transit's safety as measured by our customer survey.	80%	✓	83%	72.6%	79.2%
Keeping you in the know					
We will increase year over year, the percentage of customers who are satisfied with GO Transit's communication as measured by our customer satisfaction survey.	77%		71%	74%	76%
Comfortable experience					
We will strive to have seats available for every passenger on 80% of weekday rush hour train trips.	80%		65%	65.5%	71.2%
We will increase year over year, the percentage of customers who are satisfied with the cleanliness of GO Transit managed stations as measured by our customer satisfaction survey.	82%	✓	85%	81.1%	81.9%
Helpfulness					
We will reduce the average time to address customer concerns to within 2 business days.	2 Business Days	✓	1.8 Business Days	2.9 Business Days	2.9 Business Days
We will answer 80% of telephone calls within 20 seconds or less.	80%	✓	87%	83.2%	84%

PRESTO will also begin to monitor key performance aspects of its service:

- **System growth and volume of activity:** This will continue be tracked monthly, including the number of cards activated, the number and value of transactions (i.e. PRESTO ridership), and number of e-Purse loads. In 2013-14, PRESTO aims to have an estimated 800,000 to 1,000,000 PRESTO cards in use. Improved forecasting of system use and growth will be undertaken.
- **Customer Service and Incident Response:** The call rate per unique card used, call answer time, rate of calls abandoned and analyses of the topics of calls and more regular customer satisfaction surveys. PRESTO aims to have an 80 percent first call resolution rate, answer 95 percent of the calls within 120 seconds, and decrease the number of abandoned calls to less than five percent.
- **System availability and incident response:** Availability by system components, number of incidents, number of open/pending incidents, incidents by system area and transit agency, rate of incidents per installed device, incidents resolved within service target times and actions required to address any deviations). In 2013-14, PRESTO aims to achieve 99.8 percent in availability of fare transaction processors at stations, achieve 99.9 percent network availability, and 99.9 percent website availability.

9.0 Risk Assessment and Management

Metrolinx has committed to the management of risk in day-to-day business operations and decision-making. The corporation has also committed to focus on prioritization, integration and communication of significant risks to senior management and the Board. In support of this, the Enterprise Risk Management (ERM) Office has put an ERM framework and program firmly in place to provide guidance in managing risk across the corporation.

Senior Management has identified the following high profile areas that are critical to Metrolinx in achieving its objectives and values (see Exhibit 9). On a quarterly basis, Metrolinx reports to the Board individual risks associated with these areas, including mitigation actions.

Exhibit 9: Key Risks

Risk	Description
Regional Leadership and Relevance of <i>The Big Move</i>	The credibility of the regional transportation plan is maintained by delivering the proposed projects as per the plan and only if the evidence that support the plan continues to receive support from stakeholders.
Sustained Funding	Metrolinx requires continued and adequate funding to support its operations and future capital programs.
Stakeholder Management and Governance	Corporate governance oversight with clearly defined stakeholder roles and accountabilities are required to meet Metrolinx’s objectives.
Management of Stakeholder Requirements	Clear understanding and communication of all program objectives is needed to meet stakeholder requirements on project budget and schedule.
PRESTO Implementation	Fare card system rollouts for integration with different transit providers need to be managed well for success in achieving committed schedule.
UP Express Infrastructure Readiness	Managing numerous interdependent projects across the organization and on the Georgetown South rail corridor are critical success factors for UP Express.
Rapid Transit Implementation	Effectively managing project stakeholders to successfully implement the program, including the use of AFP process.
IT Project Prioritization	Execution strategies are required for IT governance process which has been established for effective prioritization of IT systems projects.
Customer Satisfaction	Reliable rail services and timely and quality communication are critical for maintaining Metrolinx’s strong commitment to passenger charter.
Corporate Privacy	Privacy exposure needs to be mitigated and privacy compliance judiciously addressed within business activities and projects.
Project Management	Project volume and complexity as well as stakeholder requirements necessitate effective project management to deliver projects on time, budget, scope and quality.
Corporate Safety and Security	The safety and security of passengers and the public is critical as expressed in Metrolinx’s commitment to passenger charter.

In 2012-13, the ERM Office developed an ERM roadmap to increase risk management capability at all organizational levels. At the business unit level, risk management and reporting processes were established to regularly identify and assess risks. Risk-based status reports for specific key projects were also included in quarterly reporting to the Board.

An online ERM training program was launched for all employees in addition to the in-class training. The effectiveness of communications on risks was significantly increased across the business units and up to the Board level.

In 2013-14, Metrolinx will focus on updating the ERM Policy as well as developing ERM Guidelines, a Project Risk Management Policy and an ERM website. A Risk Appetite Framework is being developed to determine how much risk is acceptable for achieving corporate objectives.

10.0 Joint Initiatives with Third Parties

Metrolinx relies on several partner, suppliers, and third parties, many of which are critical to daily service delivery.

10.1 Metrolinx

Infrastructure Ontario (IO)

IO is involved with the delivery of several key Metrolinx projects as the procurement agent. It provides expertise and leadership in the Alternative Financing and Procurement (AFP) process for project delivery. IO is responsible for the procurement of the UP Express spur line into the airport by 2015, under the direction of GO Transit. IO will also be partners in other large scale deliverables of GO Transit, such as the East Rail Maintenance Facility, the light rail transit projects in Toronto, and a section of the York VIVA BRT project. IO is playing an increasing role in delivering transit projects.

Municipal Partners

Many of the objectives of *The Big Move* involve the activities of municipalities in the region, who are providers of roads, public transportation, active transportation facilities, and land-use planning. Some require municipal participation in implementation, while others affect municipalities as they design and deliver services. Success with achieving Metrolinx' objectives in transforming mobility in the region, and more particularly providing seamless integrated services throughout the region will depend on establishing creative and mutually beneficial partnerships with municipalities to achieve shared goals such as fare and service integration, integrated traveler information, and increased consistency in services and facilities.

Fare Integration and Service Coordination

GO Transit currently partners with 10 municipal operators to provide a Fare Integration Program that allows customers to travel to and from GO Train and Bus services at a reduced fare. This program is intended to promote the use of local transit to access GO Transit services, reduce parking requirements at GO Train stations, and reduce barriers to regional travel across the GTHA. In the fall of 2011, the Fare Integration Program was expanded beyond GO Train stations to enable customers using a PRESTO card to transfer between GO Bus and PRESTO-enabled municipal transit services across the network.

In Spring 2013, Metrolinx is commencing work towards a Fare Integration and Service Coordination Strategy for the GTHA. The objective is to identify short and longer term solutions for improving fare integration, enhancing the transit customer experience, promoting ridership growth, improving mobility across the region, and moving people more seamlessly and efficiently by public transit.

Rapid Transit

Regional rapid transit systems – currently the VivaNext rapidways in York Region and the Metrolinx LRT projects in Toronto – are being delivered in close partnerships with the local municipalities. A Master Agreement defines the relationship, roles and responsibilities of Metrolinx and the Municipality for the delivery of rapid transit. Metrolinx is the owner of the rapid transit project assets it funds and works with the municipalities to deliver the project. Municipalities are involved on project delivery in varying capacities as outlined in the Master Agreements. Roles can range from being responsible for the day-to-day project management of design, construction and/or operation of the service, to an advisory role, where expertise and experience is drawn upon for design and procurement input.

Leadership Programs

Many of *The Big Move* objectives involve aspects of transportation that are typically the mandate of municipalities in the region, or that require collaborative effort by Metrolinx and other stakeholders in the region. Metrolinx is providing leadership in these areas through several significant programs, including Transit Procurement Initiative (TPI) and Smart Commute.

Transit Procurement Initiative (TPI)

TPI became a Metrolinx program in 2008 when it was transferred from the Ontario Ministry of Transportation. TPI works strategically with Ontario transit systems to achieve best value for money by facilitating joint procurements for buses and the goods and services that support transit bus operations. From the original six participating municipalities in 2006, the program has expanded to include twenty-seven transit agencies and operators.

Synergies are created by combining the experience and knowledge of bus fleet managers with vehicle specification, procurement and operational experts. This creates a performance-based design that maximizes operational efficiency, increases purchasing power and lowers costs. Since then over 600 buses have been ordered across five vehicle types and it is estimated that over \$10 million have been saved due to lower prices while \$3.5 million have been saved by municipalities in cost avoidance and ancillary benefits.

In 2011, TPI launched a new bus parts vendor managed inventory program to help transit agencies optimize delivery, reduce costs and increase parts availability. Current partners are realizing bottom line savings of up to 10 per cent.

Smart Commute

Smart Commute became a Metrolinx program in 2008 and partners closely with Boards of Trades, Chambers of Commerce and GTHA municipalities in its delivery. The program provides local employers and commuters with a wide variety of services to make commuting easier, such as carpooling, cycling and telework options. Smart Commute is making

great strides in supporting Metrolinx's objectives of easing gridlock, improving air quality and reducing greenhouse gas emissions. To date, the program has 305 participating employers with 669,000 commuters.

10.2 GO Transit

Bombardier

Bombardier has been an integral part of GO Transit operation since 1997 when it won a competitive process and assumed the maintenance of the GO Transit rail fleet. In 2008 this relationship was expanded: Bombardier was the successful bidder to provide train crews and operate the GO Train service (except for the Milton line). In these roles, Bombardier is on the front lines in ensuring reliable, comfortable equipment, and in representing Metrolinx to the customers who use the GO service each day.

Railways (CN, CP, TTR and GEXR)

Four railways, Canadian National (CN), Canadian Pacific (CP), Toronto Terminal Railways (TTR) and Goderich-Exeter Railway (GEXR) are responsible for significant portions of the rail corridors over which the GO Train service operates. The train control systems of the entire network are operated by these railways. In this role, the railways play a crucial part in managing the GO train traffic in relation to other trains, ensuring rapid recovery from incidents that occur on the rail corridors and facilitating operations over their rail corridors.

Ultramar

Ultramar Ltd is a leading fuel distributor in Eastern Canada and since 2007, has provided diesel fuel to GO Transit bus maintenance facilities and rail storage facilities. It is a vendor that was selected through a competitive process. Ultramar is Metrolinx's third largest expense after labour and Bombardier, delivering a total of 50.0 million litres of fuel to GO facilities in 2012-13 (a \$47.8M value). For 2013-14, it is estimated that GO will require 63.7 million litres (a \$62.9M value) to meet growth in bus and rail services.

Pacific Northern Rail (PNR) Railworks

PNR Railworks has been providing services to GO Transit since 1987 and currently maintains all GO owned track (300 miles, equating to over 72 percent of the network that GO operates over) and signal infrastructure, excluding the Union Station Railway Corridor, which is maintained by TTR.

10.3 UP Express

Greater Toronto Airport Authority (GTAA)

The GTAA is the authority that operates Toronto Pearson Airport, Canada's largest and busiest airport, and is an integral partner in the delivery of the UP Express service. Metrolinx and the GTAA are working together and have established a joint Project Management Office to ensure integration of construction and operations, to provide guests with a seamless experience for the UP Express launch in spring 2015.

10.4 PRESTO

Transit Systems

PRESTO currently partners with GO Transit and nine municipal transit systems to deliver an integrated regional fare collection system. While PRESTO depends on the partnering transit agencies for front line operation of the system, the transit systems rely on PRESTO for convenient and efficient fare collection, an essential element of their customer service.

Accenture

Since 2006, Accenture has been the contractor working with PRESTO in the creation and implementation of the PRESTO systems. Accenture's global expertise in consulting services, designing and building system technology is helping Metrolinx to deliver a regionally integrated, state of the art fare payment system. Metrolinx continues to work with Accenture to install devices and other equipment throughout GO Transit and municipal systems, including the Ottawa region and the Greater Toronto and Hamilton area. As the system has matured, Metrolinx has been engaged in an extensive internal review of contractor performance, including rigorous monitoring of key service measures, as well as appropriate remedies and penalties for situations where these measures are not met. PRESTO is continuing to monitor performance and acting to resolve issues, as required.

An agreement was signed in November 2012 between Metrolinx and Accenture that clarifies ownership of intellectual property. Metrolinx owns intellectual property for use within Canada, while Accenture owns the international rights to the intellectual property. As part of the agreement, Metrolinx receives a multi-million dollar payment from the vendor and retained the ability to receive royalties for the international use of the intellectual property, subject to Accenture's success in marketing the system.

11.0 Human Resources Summary

The objective of the Human Resources (HR) division is to work as a strategic partner in optimizing organizational effectiveness, to achieve and support the organization's mission, strategic direction, values and goals.

The organization has experienced significant growth and change, particularly in the past two years. As of March 31st, 2013 Metrolinx employs a total of 2,712 people. For 2013/2014, Metrolinx will hire over 300 additional employees primarily related to delivering expanded rail and bus services, delivering the UP Express rail service from Union to Pearson, implementing Rapid Transit, and expanding PRESTO.

Metrolinx has worked hard to align its many diverse people and functions under a common purpose and set of values. Results of the 2012 Employee Opinion Survey indicate a high level of alignment with the values and strategic directions, and consistent high levels of Customer Satisfaction scores are a reflection of employees' dedication to the promises identified in the Passenger Charter. Key workforce statistics of turnover and absenteeism have remained stable, which are also strong indicators of a satisfied workforce. And, as a measurable outcome of its progress and cultural achievements, Metrolinx is proud to have won an award as one of Canada's Ten Most Admired Corporate Cultures. This award, presented by Waterstone Human

Capital, annually recognizes best-in-class Canadian organizations for having a culture that has helped them enhance performance and sustain a competitive advantage.

Metrolinx continues to attract and retain employees because they see the transformational work and the community building we are engaged in, and they want to be part of it.

In order to effectively plan for the right staff in the right place at the right time, to deliver on its strategic plan, HR, in partnership with other divisions, developed the organizations' first Five-Year Workforce Plan. All business units completed a thorough assessment of staffing requirements to successfully deliver on Key Business Priorities as aligned with the Five-Year Strategic Plan. The rolling Five Year Workforce Plan will be revisited and updated annually during the Business and Budget planning cycle to ensure that it is current.

The HR Strategic Plan 2010-2014 establishes a detailed framework for the annual business plan. After completing three years of the plan, major foundational initiatives and process efficiencies have now been established, which will enable the organization to be well-positioned to meet its future goals.

A key piece of the foundation has been to bring a greater customer service focus into its corporate culture. Led by the four organizational values of commitment, service, working together and innovation, the Customer Service roadmap has guided training. The organization is currently in the third phase of the five-phase Customer Service Training roadmap in partnership with GO Transit Customer Service.

In additional key areas of impact, HR has a key focus on health, safety and wellness, ensuring effective organizational design, managing change, and many other initiatives which are complementary to the core deliverables.

In the next phase of the HR Strategic Plan, the HR team will focus on refining the foundational processes, and through listening to internal customers, ensure that there is a focus in the right areas, strategies and continuous improvements, which will help frame the next five year plan.

12.0 Information and Information Technology (I&IT) Summary

I&IT is responsible for Metrolinx's enterprise technology and supports its three main operating divisions with customer information systems, business unit specific operational systems, fare systems, and business productivity tools and administrative systems.

Initiatives for 2013-14 include continuing the transition to an Enterprise I&IT function. One of the keys to implementing the transition will be the creation of a new CIO's office. The CIO's office will be mandated to complete a five year I&IT strategy to identify the technology requirements to help the organization deliver on priorities. The transition to an enterprise approach will also involve developing governance processes, project intake processes, developing a program management office and developing standards for service delivery within the organization, technology standards, IT procurement standards and data standards.

I&IT will lead several key projects including Union Station (West Wing IT services, Train Shed IT services GO West Concourse IT services), Station Upgrades (CCTV upgrade, PA system upgrade, Enhancements to the Capital Project Management Systems, customer information system improvements (e.g. electronic customer information, new digital station signage, mobile applications and web developments and migrations), and operational and administrative system upgrades (e.g. Payroll system migration, corporate scheduling and timekeeping system, property and lease administrative system, e-ticketing, Metrolinx employee directory).

I&IT will also continue to support several Metrolinx projects (e.g. Regional Transit Traveller Information System, Customer Internet Connectivity for GO Train and Bus), and strategies (e.g., Corporate Graphic Information System Strategy, Corporate Document Management Strategy, Financial Systems Strategy, Human Resource Management System Strategy, Executive Computing Strategy, and the Train Dispatch Migration to Metrolinx Plan).

13.0 Communications Plan

The role of Metrolinx's Strategic Communications group is to collaborate and advise across the organization that all communications initiatives are consistent and aligned with the 2013-14 Business Plan objectives, while working to deliver a cohesive brand across the GTHA.

During the 2013-14 fiscal year, Metrolinx will focus communications on continuing to effectively communicate the projects and successes of *The Big Move*. With the Investment Strategy received by the Province of Ontario, focus on communicating Metrolinx's role as the agency that funds and delivers transit projects is a key priority.

Communications will continue to support the launch of the PRESTO card in the City of Ottawa, develop foundational communication processes for the deployment of the Presto card on the TTC system, and continue to promote and sell the benefits of PRESTO in the GTHA as Metrolinx's seamless and integrated transit card.

The aim will be to highlight the importance of the upcoming launch of the Union Pearson Express service through key construction and business milestones, while creating strong brand awareness to the public and media.

A key objective will be to support GO Transit's continued emphasis on customer service and enhanced service delivery through the development of communication plans and campaigns to ensure an easy and delightful customer experience each and every time.

With the progress of the VivaNext Rapidway BRT and the Eglinton Crosstown, educating and promoting the regional and community benefits of these projects will be the cornerstone of communications.

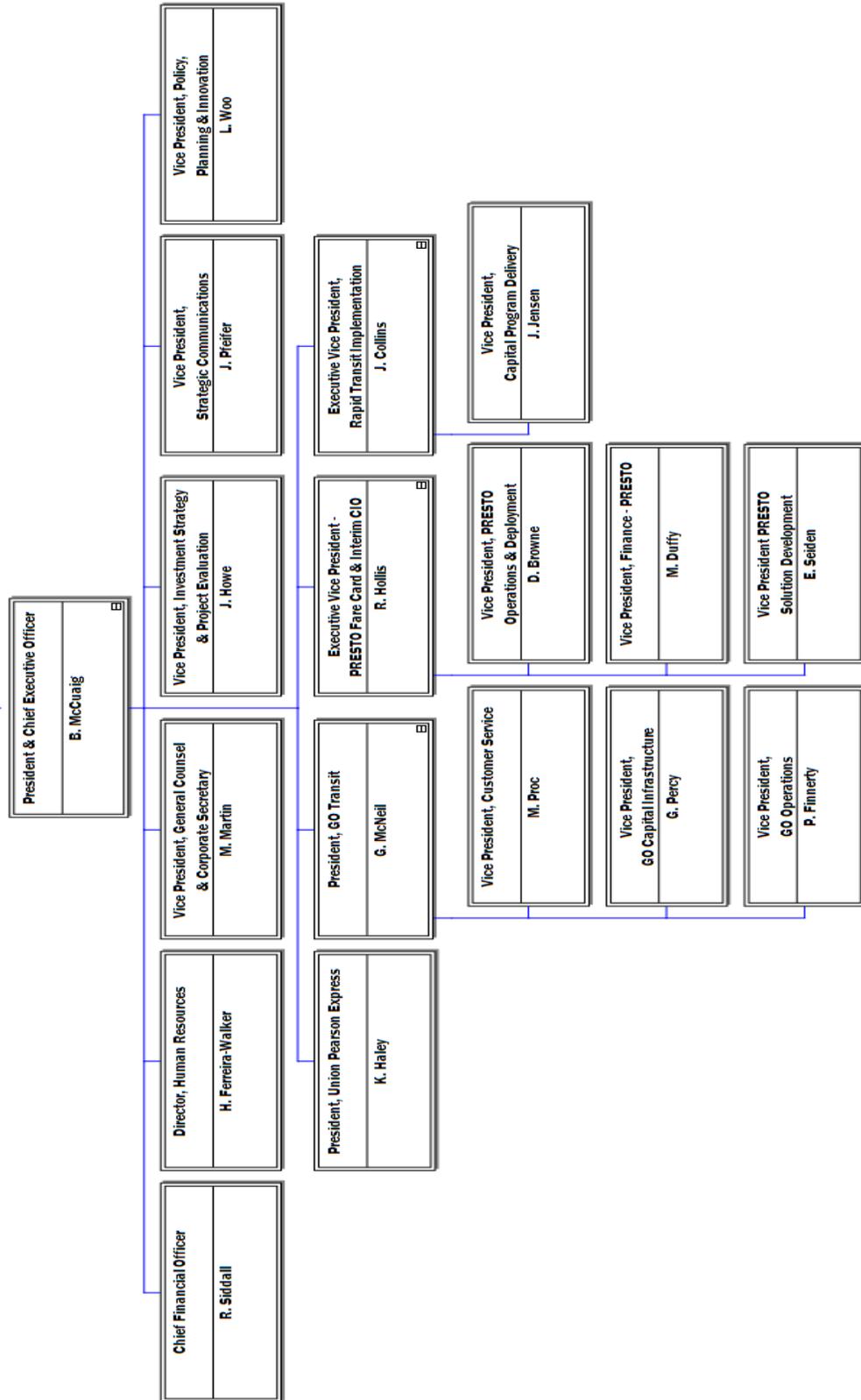
Metrolinx's community relations teams are on the ground where we have major projects to facilitate project delivery, build trust for Metrolinx and its brand, and engage neighbourhoods in the city-building component of our work. This year marks the half-way point of the Georgetown South Project, and our team will continue to inform and engage communities in

strategies ranging from educational and art projects to legacy infrastructure projects such as noise walls and underpass murals. The GTS Employment Initiative piloted over this past year and done in partnership with the City of Toronto, will continue to direct local residents towards training and opportunities in the construction and design industry.

With the Toronto Transit Projects, communications will raise the profile and enhance the image and reputation of Metrolinx, informing and educating key stakeholders including the public, as Metrolinx begins construction of the Eglinton Crosstown LRT. We will build a stronger and more effective organization that supports our mission and values, and we will increase accountability and fiscal transparency to the Province and the public for the \$8.4B provincial investment in the projects.

The Metrolinx Stakeholder Relations team will continue to develop and broaden the strong network of support that we have grown over the past year for the Investment Strategy. Our stakeholders have, and continue to be, great champions for investment in the region's transportation infrastructure. We continue also to work to improve our service and support of elected officials and other stakeholders across the region with an interest in our projects and services.

Appendix A: Organizational Chart



Appendix B: GO Transit Customer Service Improvements

Project Name	Project Description/ Scope	Start Date	Finish Date
UP Express Customer Service Readiness Plan	Design of the UP Express website and mobile website.	15-Feb-13	1-Oct-14
GO Trip Planner	GO Trip Planner and Interactive Map business requirements to inform detailed requirements	1-Apr-13	1-Nov-15
Service status Communication Strategy for GO and UP Express	<p>* UP Express Service Status Framework; map communication channels, information type on those channels, and SLAs for various operating scenarios</p> <p>* GO Train & Bus Service Status Framework; map communication channels, information type on those channels, and SLAs for various operating scenarios;</p> <p>* GO Bus E-signage Strategy</p>	25-Dec-12	19-Apr-13
IVR/ PBX & Call Flow Design	Includes: Segment Switchboard Calls & Call Flow Redesign; On Hold Messaging / Music on Hold, Call Quality. Supports GO and UP Express	1-Jan-12	31-Dec-13
GO Bus Accessibility Implementation Plan	Develop implementation strategy to convert remaining non-accessible bus routes and stops.	25-Sep-12	30-Jun-13
Customer Case Management	Requirements for the interim case management solution (enterprise); CIT replacement.	1-Sep-12	1-Apr-14
Customer Communication Management System	Customer Communications Management System - PC Whiteboard replacement.	19-Feb-13	1-Mar-15
Customer Service Training Roadmap	This is the implementation of the Customer Service Training Roadmap that was developed by 5th P & addresses the four different phases of "Servicing with Excellence" (Passenger Charter, Creating Positive Outcomes, We anticipate & we excel")	1-Dec-12	1-Jan-15

Project Name	Project Description/ Scope	Start Date	Finish Date
GO Reformatted Public Timetables and Schedule Process Improvements	Requirements and development of new online public timetables and station displays and process improvements.	1-Apr-12	1-May-13
Computer Aided Dispatch/Automatic Vehicle Location Program	Computer Aided Dispatch/Automatic Vehicle Location Program. This program will provide Bus Schedule Adherence, Audio/Visual Next Stop Announcements & Rail Audio Next Stop Announcements and GTCC Operations Improvement.	19-Feb-13	1-May-15
PRESTO Customer Satisfaction Survey	Annual comprehensive PRESTO research in September 2012 to GO users; Local transit users; Service Providers. Also engaging PRESTO employees.	22-Feb-13	31-Dec-16
GO Rail Passenger Study (2013)	Biannual Rail Study that looks at route start and end points.	1-Aug-13	1-Feb-14
GO Customer Satisfaction Survey	GO Customer Satisfaction Study Winter 2013.	22-Feb-13	30-Apr-13
PRESTO Customer E-panel	E-panel for PRESTO Customers to conduct research surveys and recruit for focus groups.	22-Feb-13	1-Sep-15
GO Mobile Phase 2	Requirements development and implementation of Phase 2 of GO Mobile.	22-Feb-13	1-Dec-13
Customer Care Social Media Strategy	Development of policy and implementation of customer service & service status information on social media.	1-Jan-13	1-Sep-14
GO Transit Quiet Zone Pilot	The Quiet Zone pilot started in February 2013 along the Barrie corridor and has been extended to continue gathering feedback on the program.	1-Feb-13	TBD
Go Mobile Website Implementation	Requirements development and implementation of Mobile Websites for GO transit public website.	1-Dec-12	30-Jul-13
GO Customer Experience / Retail Strategy / Brand Application	Development of GO Customer Experience Strategy, including touchpoint mapping and gap analysis, and retail strategy.	1-Oct-12	1-Dec-13
Contact Centre Strategy & Roadmap		1-Apr-13	1-Sep-13

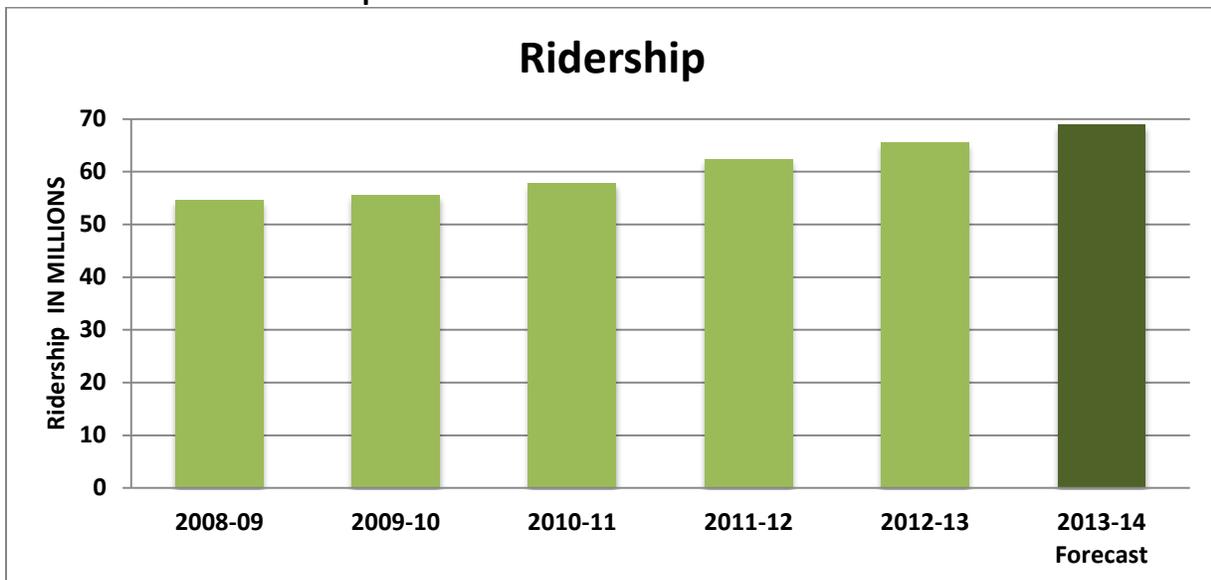
Appendix C: Key Assumptions

Several key assumptions are used for planning purposes, such as ridership trends, fare increases, and price escalations.

Ridership Increase

GO Transit's ridership is closely aligned with GDP and employment, particularly in central Toronto. After a lower than usual annual increase of approximately one percent in the 2009-10 fiscal year – mainly due to lower economic growth during 2009 – ridership returned in 2010-11 to a healthy growth of 4.1 percent with 57.9M trips carried. Our last fiscal year followed suit, demonstrating a stronger reliance of commuters on transit, with an annual system-wide ridership increase of approximately five percent. As of March 2013, total ridership was approximately 255,000 passengers on a typical weekday (180,000 on trains and 75,000 by bus). This evidence indicates strong ridership growth for 2013-14, estimated at six percent growth or over 68.8M trips across the system, as demonstrated in Exhibit 10.

Exhibit 10: Annual Ridership



Fare Increase

In response to the increasing financial and economic pressures, the Metrolinx Board of Directors approved a fare increase to take effect February 1, 2013. The fare increase will help us continue to provide a high level of customer service across our system while we make improvements such as more parking and more train and bus trips to meet increasing demand, ensure our facilities and equipment are well-maintained, and manage increasing costs.

As GO fares vary by distance travelled, the cost per single adult ride when using a paper ticket increased incrementally as shown below to ensure the increase is equitable for customers across our system:

- 35 cent increase on current fares between \$4.50 and \$5.80;

- 45 cent increase on current fares between \$5.81 and \$7.35; and
- 55 cent increase on current fares greater than \$7.35.

Having fare increase increments promotes fairness for riders travelling shorter and longer distances and continues to offer discounts for PRESTO cardholders.

Success of Implementing PRESTO

There has been an increase of almost four times the number of PRESTO cards in active circulation through 2012-13 and it is projected that strong growth will continue in both the GTHA and Ottawa. This will represent an increase of 300,000-500,000 cards. Based on these assumptions, total PRESTO card uptake is projected to reach in excess of 800,000 cards across Ontario by the end of 2013-14.