

**To:** Metrolinx Board of Directors  
**From:** Robert Hollis  
Executive Vice President  
PRESTO  
**Date:** December 7, 2017  
**Re:** PRESTO QUARTERLY REPORT

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## **Executive Summary**

That this report be received for information.

## **PRESTO Accomplishments:**

### **Enhancing the PRESTO Payment System**

- Metrolinx successfully completed its final PRESTO system upgrade for 2017. The upgrade delivered the functionality for PRESTO's Vouchers program, which will allow PRESTO, transit agencies and third-party organizations (e.g. universities) to set-up and manage bulk orders and loading of PRESTO cards with discounts, school passes, and other great products.
- Progress is underway to outfit the last 26 subway stations with TTC's new modern fare gates. These 26 TTC subway stations were originally supplied with PRESTO readers that were appended to old turnstiles as part of the first phase of PRESTO rollout. Civil works to prepare stations for the fare gates have begun at 20 subway stations, and six of these stations have been outfitted with the new TTC PRESTO-enabled fare gates, which support TTC modernization by offering standard or accessible aisle setup, and greater control of customer flow since gates can be entry/exit, entry only, and exit only.
- Metrolinx and OC Transpo in Ottawa successfully completed the development and implementation of a visionary new type of business model as part of the new 10-year operating agreement. The new model is a first of its kind for PRESTO as it moves the ownership, operation, maintenance, and accountability of PRESTO device load and fare payments, including the device subsystem, from PRESTO to the transit agency (OC Transpo). Teams from both organizations have been collaborating over the fall to put this model in place, starting with the new OC Transpo-owned devices on the Trillium Line, to be followed by the new Confederation line.
- PRESTO launched a three-month web chat pilot in October, which allows customers to receive PRESTO support and answer questions through a chat program on the customer website. The service is currently available Monday to Friday from 6 a.m. to 10 p.m., and customers can find it through the Contact Us section of [prestocard.ca](http://prestocard.ca). All feedback received during the pilot will be used to improve the experience and expand the program further.

- Customer field trials on the new and improved Self-Serve Reload Machines (SSRMs) were completed successfully over the fall. The devices were opened up for public use and we invited customers to provide us with comments on their experiences with them. We received great customer feedback that helped ensure these second-generation devices were ready for full rollout. Deployment will begin at the new Toronto York Spadina Subway Extension stations later this month. Following this initial rollout, Metrolinx will install new SSRMs at TTC subway stations that don't currently have them, and will then replace the legacy SSRMs that were originally installed across the TTC and GO Transit.

The new machines will result in a better customer experience by shortening transaction times with improved performance and responsiveness; improving reliability and reducing outages thanks to new hardware and software technology; and providing key accessibility improvements such as automatic audio start up after customers insert headphones, better audio prompts, and improved tactile labels and Braille.

- At the beginning of December, Metrolinx and the TTC launched a three-month field trial of a PRESTO 12-Month Pass program. The trial was initiated with a small number of the TTC's Metropass Discount Plan (MDP) applicants to ensure the functionality of this program works similarly to the TTC MDP program currently in place. Participating customers conveniently have their PRESTO cards automatically renewed with a discounted monthly pass at the beginning of each month - no wait, no hassle!

The TTC is also working to introduce the Autorenew program for customers who buy monthly passes on a month-by-month basis, allowing them to have their monthly TTC passes renewed on their PRESTO cards at the beginning of each month automatically. The Autorenew program is currently in place for many PRESTO-enabled transit agencies that offer monthly passes.

## **Increasing PRESTO Adoption**

- Metrolinx's first phase rollout of PRESTO's retail partnership with Shoppers Drug Mart has exceeded all expectations. The initial rollout at 93 Shopper's Drug Mart locations in Toronto was completed ahead of schedule in October. Plans are now being formalized with transit agencies in the '905' area and Ottawa to expand this retail partnership to store locations in their regions.
- Metrolinx is making it easier for PRESTO customers to buy and load their cards with the introduction of new PRESTO Fare Vending Machines this month. The machines allow customers to purchase and activate a new card, load a card with value or a monthly pass, or check card balances. These devices accept cash and credit/debit cards and will be installed first at the new Toronto-York Spadina Subway Extension subway stations opening this month, and will continue rolling out to additional TTC subway stations over the coming months.
- Another way Metrolinx has improved PRESTO card purchasing and loading options is through the retrofit of 94 Ticket Vending Machines (TVMs) across the GO Transit and UP Express networks with PRESTO capabilities. Of that number, 83 machines are now able to load and check balances on PRESTO cards, and 11 can dispense PRESTO cards in addition to having loading and balance-checking functionality. In total, 183 TVMs will be retrofitted.

## Evolving the PRESTO Business Model

- Metrolinx has reached new 10-year PRESTO Client Agreements for the continued operation of the PRESTO system with Ottawa, municipal transit agencies in the Greater Toronto and Hamilton Area (GTHA), GO Transit, and UP Express. Following municipal council approvals, the agreements will come into effect, and our effort is now shifting to deliver upon the commitments from the agreements with a renewed focus on enhancing our customers' and clients' experiences with PRESTO. At the heart of the new agreement is a plan to update the fare collection equipment to keep PRESTO at the global technological forefront. Updated devices will allow connection to cellular networks, which will position transit agencies to accept credit card and mobile payments.

## Extending the PRESTO Footprint

- To ensure PRESTO continues to be available to customers across the entire network, all new TTC subway stations that are opening as part of the Toronto York Spadina Subway Extension will be equipped with the new PRESTO-enabled TTC fare gates, Fare Vending Machines and Self-Serve Reload Machines. During the launch, Metrolinx will also have its ambassadors to help customers with PRESTO, and for a period of time, special teams will also be on hand to sell, load, and set concessions on PRESTO cards.
- PRESTO is now available on more paratransit vehicles in the region. Over the fall, Burlington Transit and Durham Region Transit worked with Metrolinx to secure PRESTO Mobile Fare Payment devices, which allow the operator of the paratransit vehicles to interact directly with passengers to pay their fare as they board.

## Current Status

- PRESTO Adoption:
  - There are over 3.2 million activated PRESTO cards, an increase of 860,000 since this time last year
  - Of this number, over 2.1 million cards have been registered, providing customers with balance protection if card is lost/stolen, Autoload/Autorenew, and Transit History Reports
- PRESTO Usage:
  - The PRESTO adoption rate among the '905' and Ottawa transit agencies is 52.9%
  - The PRESTO adoption rate on the TTC is 15.6%, and marketing efforts are underway to increase this to 25% by the end of fiscal year (April 2018)
    - TTC has more than 8.8 million PRESTO boardings a month; next highest transit agency is GO Transit with approximately 5.5 million PRESTO boardings a month
  - There were more than 3 million cross-agency transfers recorded across the entire network in the last quarter
  - PRESTO card taps (total includes monthly pass taps, e-purse taps, and transfer taps):
    - August 2017: 24.5 million
    - September 2017: 27.6 million
    - October 2017: 28.8 million

- PRESTO Card Availability (Retail Update):
  - Over 38,000 cards have been sold to date from the 93 participating Shoppers Drug Mart locations, resulting in \$2.9 million from card sales and loads
  - Over 150,000 preloaded PRESTO adult and seniors cards have been sold from the 60 Gateway Newstand locations within the TTC subway stations
- PRESTO Device Reliability on TTC
  - Individual devices: 99.5% (goal 99.5%)
  - Overall service (meaning at least one device is available at that location): 97.0% (goal 99.9%)

## **Coming Up in the Next Quarter...**

- Customers will soon begin receiving a discount when they use PRESTO to make journeys combining the TTC with GO Transit or UP Express. With an anticipated launch in January, the initiative will mean PRESTO customers will now pay \$1.50 for the TTC leg of their journey when transferring to or from GO Transit/UP Express within the eligible transfer time window. The initiative will make it easier and more affordable to take transit, and it is similar to the highly successful PRESTO fare discount programs Metrolinx funds for other connecting transit agencies throughout the region.
- Internal testing will begin in preparation for a planned system update that will include enhancements to the PRESTO customer website, additional functionalities to be introduced in the future (e.g. single-ride TTC tickets in PRESTO's Fare Vending Machines), and device improvements across the network. Updates are scheduled to take place in spring 2018.
- Metrolinx will continue working with the GTHA and Ottawa transit agencies to expand the PRESTO retail partnership program to Shoppers Drug Mart locations in their respective regions. Pending local council approvals, a plan will be developed to begin the next phase of the rollout in early 2018.
- Installation of PRESTO's Fare Vending Machines and second-generation Self-Serve Reload Machines will continue in TTC subway stations throughout 2018. Metrolinx will also continue to work with the TTC to develop a plan for the introduction of additional TTC features on PRESTO in the new year.

Respectfully submitted,  
Robert Hollis  
Executive Vice President, PRESTO