

Clipper[®] Executive Board

November 21, 2022

Agenda Item 4a

Clipper[®] Schedule, Implementation, and Deployment Update

Subject:

Update on key developments related to the Next Generation Clipper System (C2).

Background:

Next Generation Project Schedule

As part of the Clipper Executive Director's report at the October Clipper Executive Board meeting, Jason Weinstein said that we would come back to this Board with an updated schedule. We have been working with the System Integrator (SI) contractor on a revised schedule that addresses the challenges that have come with implementing a system the size and complexity of Clipper, particularly in the aftermath of the COVID pandemic. We are working with all our C2 contractors to address staffing challenges impacting system testing and equipment installation, as well as chip supply shortages impacting equipment delivery. Figure 1 is the schedule we last shared with the Board in August 2022, showing completion of Account-based System implementation in late 2023. Figure 2 is a revised schedule incorporating the challenges noted above that shows our projected path to completion of implementation. The remaining work is shown in two workstreams:

- Equipment Installation, which incorporates both installation tasks from the previous schedule: new devices and Account-based System components, which in Figure 1 was depicted as the two "Install" dark-blue lines.
- Account-based System implementation, which consists of system testing (shown in light-blue, as this is non-customer facing), a pre-Transition pilot test that will include public participants, and concluding with transition of all customers to the new Account-based system, which in Figure 1 was embedded within the dark blue line "Account Based System Install". Figure 2 now breaks this down into Account-based System Testing, Transition Pilot Test, and Customer Transition.

Figure 1



Figure 2



Based on our assessment of the remaining work, we are projecting that installation work will be complete in early 2024 and that Customer Transition will start in the summer of 2024. This date is when we expect to have the new Clipper back-office system fully operational, all new equipment installed across 22 transit agencies in the Bay Area, and all ancillary equipment such as handheld fare inspection devices and retail sales devices. Customers will start to transition automatically, without any need for customer action, to the new system, simply while continuing to use their existing Clipper cards. There will also be a new mobile app, new website, and all new Customer Service Center that will support great new features like on-line applications for youth and senior cards and live chat capability between customers and customer service representatives. Advancing implementation of the Fare Integration Task Force (FITF) work is a motivating driver of the C2 schedule. Cubic is evaluating if some of the FITF goals could be implemented in the current Clipper system, given proper review and agreement of fare policy logic between operators. Preliminary analysis shows that implementing some early items could be achieved by the Fall 2023 timeframe, with likely extension to the C2 schedule.

Between now and Customer Transition we will continue to focus on:

- System testing, which is underway and being virtually witnessed by MTC and the Operators;

- Equipment installations, which are on-going at multiple agencies (see Attachment B for photos);
 - Replacement of the current platform devices are approximately 85% complete and we expect to be fully replaced by the end of 2022;
 - Replacement of vehicle devices are approximately 12% complete and will continue installation into the start of 2024;
- Transition Pilot test, which will start in Fall 2023;
- Customer Transition, which will start in Summer 2024, at which point:
 - All bus, rail, ferry, and sales equipment are installed and tested;
 - Back-end accounts are created and financial functions are working;
 - The new Customer Service Center is operational;
 - Existing Clipper cards can be used while new C2 Clipper cards are also being distributed;
 - Discount programs such as Clipper START and RTC are converted;
 - Open payments is functional across all Operators; and,
 - All training is completed.

We are working to be agile and to deliver as quickly as we can. Our number one goal has always been and continues to be making the customer transition as seamless as possible to riders.

Next Generation Implementation Updates

Open payments as scoped in the System Integrator contract (and implemented through Change Order 6, authorized by CEB in November 2020) included only “pay-as-you-go” functionality, in which a customer pays full fare for each leg of a trip with no transfer privileges. However, as part of our schedule revision negotiations with the SI contractor, MTC has secured a commitment from the SI contractor to launch open payments with transfers and fare accumulators supported. This means that at Customer Transition the same fares, transfer policies, and fare accumulators (e.g., daily, weekly, or monthly fare caps) will apply to riders using either a Clipper card or a contactless credit or debit card. A Clipper card would still be needed for pre-paid passes (e.g., 31-day or monthly passes), although, per the recommendation of Clipper staff,

many operators offering these passes in C1 are considering implementing equivalent fare accumulators in C2 that will work for open payment users.

MTC has also been working with Transit Operators and the SI contractor on the Account-based System fare rules to be implemented in C2. As originally planned, new C2 fare rules were to be made available only after Customer Transition was fully complete. Now, the SI contractor has committed to supporting new fare rules at the start of Customer Transition, with availability to the public to be determined by the order in which customer groups are transitioned from C1 to C2. MTC is currently working with Transit Operators and the SI contractor to ensure that the transition plan aligns with operator and regional priorities for new fare rules to be made available early during customer transition.

Included as Attachment A to this memorandum is the Next Generation Clipper Program Executive Summary Status Report, which includes the updated schedule along with the summary of recently completed activities related to delivering C2; upcoming activities and deliverables for MTC, the C2 contractors, and the transit operators; and noteworthy items that the project team is managing.

Issues:

None identified.

Recommendations:

Information

Attachments:

- Attachment A: Next Generation Clipper Program Executive Summary Status Report
- Attachment B: Clipper Next Generation Equipment Pilot Installation Pictures



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