

Clipper® Executive Board

July 28, 2025

Agenda Item 4a

Clipper® Schedule, Implementation, and Deployment Update

Subject:

Update on key developments related to the implementation of the Next Generation Clipper System (C2). Senior staff from Cubic Transportation Systems will be available to answer questions from the Board.

Background:

Next Generation Project Schedule and Customer Benefit Phase-In

Since the last Clipper Executive Board (CEB) meeting on June 2, 2025, progress has continued on all activities remaining in the lead-up to Customer Transition, with particular focus on the near-term critical- and near-critical-path activities identified in the last meeting as remaining risks to the schedule. The following identified risks have been closed:

- TeleCheck (bank account payment) integration and migration testing, which has been deployed and is being tested in the production environment.
- Faregate integration and installation, which was identified as no longer a risk at the June 2, 2025, meeting and is now fully complete at all BART and SF Muni stations.
- Discount application fulfillment testing, which has been completed successfully and is available in the production environment for continued pilot testing.
- Bulk migration pilot testing, which has been demonstrated successfully.

In lieu of the June 23, 2025 CEB meeting, the Chair convened a technical working session with MTC, Cubic, and select operator leadership and staff to discuss the remaining steps for obtaining schedule certainty and delivering next-generation Clipper benefits to customers. As a result of that meeting, leadership provided direction to phase in customer benefits as they are ready.

Therefore, we plan to expand the pilot of the Next-Generation Clipper system to include public launch of Open Payments on one operator. This first customer rollout planned for the week of August 18, has the following benefits both to the public and the project:

- Delivers a new payment option for transit riders.

- Ramps up system usage for additional test data prior to full launch.
- Can be enabled while work continues on remaining deployments and risk areas (e.g., TVMs, in-person customer service centers, Clipper account migration).
- Brings key components to launch readiness (e.g., Customer Service Center, fare inspection devices, settlement/reconciliation).
- Reduces demand for plastic Clipper card stock at TVMs.

After a review of potential candidates, it was decided that BART would be the most impactful operator for the initial customer rollout of Open Payments. Since then, MTC, BART, and Cubic staff have coordinated on a comprehensive schedule of activities to ensure the following components are ready for the phased Open Payments launch on the BART system:

- Clipper website updates, including a trip history lookup page for bank card users
- Clipper Customer Service Center phone support
- Customer communications, including operator toolkits
- Fare inspection device distribution and training
- Fare revenue settlement process finalization and reports training
- Back-office system bug fixes and launch preparation

The schedule shared at the June 2, 2025, CEB meeting that showed Customer Transition starting as early as August was dependent on Cubic deployments of hardware and software updates to the production environment to add new functionality, including mobile wallet migration support, updates to the Institutional and Transit Benefit portal, Customer Service Terminals, and on-demand migration support in the mobile app. Following the July schedule submittal, Cubic informed MTC of delays in completing these deployments, giving new target dates for these remaining deliverables in July and mid-August.

MTC staff are working with Cubic to determine the impacts to the timeline for the overall transition, not only for Cubic's remaining deployments and system updates but also for the activities by MTC, operators, and other C2 contractors reflected in MTC's overall program schedule. Field testing of the entire system has continued on all components available to testers in the production environment, but additional software and hardware deployments are needed as discussed above for full support of account-based Clipper fare media (e.g., loading of

value/passes via TVMs, in-person customer service centers, transit benefit providers, institutional programs; issuing new discount Clipper cards; and migrating existing Clipper customers to new account-based Clipper accounts).

Even with the progress made, the following risks remain open and continue to delay the start of customer transition for the entire system:

- BART TVM integration and installation
- VenTek TVM integration
- Mobile wallet integration
- Fixes for field testing issues
- Institutional & Transit Benefits (ITB) portal integration and validation

In addition, a new risk has been added reflecting uncertainty on timing for completion of integration and installation of new account-based terminals at in-person customer service center locations:

- Customer Service Terminal (CST) integration and installation

We continue to make progress and track schedule risks while rolling out customer benefits as quickly as possible starting with a public launch of open payments on BART. The current schedule shows the majority of risk items will be sufficiently resolved for schedule clarity by the August CEB meeting. MTC staff will continue to work with Cubic and operators on an ongoing basis to update both Cubic's schedule and MTC's overall program schedule to determine a responsible target date for the start of customer transition.

C2 Schedule Risks

MTC continues to work with Cubic, transit operators, and other partners to address the following expanded set of risks (new risk added shown in italics below):

- BART TVM integration and installation
- VenTek TVM integration
- Mobile wallet integration
- Fixes for field testing issues

- Institutional & Transit Benefits (ITB) portal integration and validation
- *Customer Service Terminal (CST) integration and installation*

C2 Implementation

Included as Attachment A to this memorandum is a summary of recently completed and ongoing activities related to delivering the next-generation system; upcoming activities and deliverables for MTC, Cubic, and the transit operators; and other noteworthy items managed by the project team.

C2 Equipment Deployment

BART has completed installation of next-generation Clipper faregate validators (TR4s) at all stations and is continuing installation at its ticket vending machines. Cubic is continuing delivery of fare inspection devices to operators and preparing for the installation of Customer Service Terminals at in-person customer service center locations.

Issues:

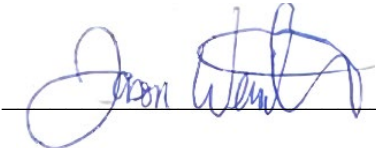
Schedule risks described above

Recommendations:

Information

Attachments:

- Attachment A: Next Generation Clipper Program Executive Summary Status Report
- Attachment B: Next Generation Clipper Program Update Presentation



Jason Weinstein