

Clipper® Executive Board

February 24, 2025

Agenda Item 3b

Next Generation Clipper® Transition Plan and Overview

Subject:

Update on plan to transition current Clipper cardholders to the Next Generation account-based system, including a request for Board comments and guidance.

Background:

Account-Based Functionality at Start of Customer Transition

At the December 16, 2024 and January 27, 2025 Clipper Executive Board meetings, Clipper staff presented a summary of account-based features that will be available at the Start of Customer Transition. Once Customer Transition begins, contactless bank cards that are branded Visa, Mastercard, American Express, and Discover, will be able to be used as transit fare payment on the Next Generation Clipper system. Additionally, cards with the aforementioned brands that are in Apple and Google wallets will also be able to be used as transit fare payment. New tapping procedures will apply for customers riding at several different agencies, and new account-based features, such as the new regional inter-operator transfer discounts, fare capping and accumulators, new passes and products, and real time loads will be available for all account-based customers.

Transition Overview

One of the original goals of the next-generation Clipper system was to provide as seamless a transition as possible for current Clipper users. The Transition Plan is intended to show how that goal will be achieved, and to prepare the region to transition both **technically** and **operationally** for full-scale Account-based operations.

Once Customer Transition starts, Clipper staff will begin the process of migrating accounts from the C1 card-based back office to the new C2 Account-based back office and “flipping” cards (i.e. the process by which a customer’s current card-based media is converted to an account-based fare media, and corresponding card-based value, products, ride history, etc., are converted to

account-based value, products, history, etc.). There are two ways in which a customer's C1 media will be "flipped" to C2.

1. Customer-Initiated Transition

The first way is through entirely customer-initiated means. At the Start of Customer Transition, all cards associated with a customer's C1 account will be flipped if a customer:

- Logs into the new C2 Account-based website;
- Logs into the new C2 Account-based mobile app; or
- Calls the new C2 customer service center.

Once a customer initiates these actions after the Start of Customer Transition, their Clipper card serial number (CSN) (as well as all other CSNs associated with their account) will be placed on a list. A customer would then need to tap on a C2 device in order to convert their card from the current card-based media to account-based media recognized by the Next Generation system.

2. Card-based to Account-based Back-end System Transition

The second way for customers to be transitioned is through the back-end system, whereby if a customer's profile, ride history, fare category, membership in institution, products, and other such characteristics matches a certain profile, then they are scheduled to be flipped. Initially, the Transition Plan calls for a small number of cards to be listed the first week, with the plan to quickly ramp up to 150,000 additional cards added to the list each day. There are currently approximately 5M active cards in circulation, 1.5M unique cards used in a month, and 4M accounts. Most frequent Clipper card users will likely be flipped to C2 within the first 2-3 weeks. While we are expecting to complete all C1 card flipping in 1.5 to 2 months, however, we have allocated 3 months for this effort in our schedule.

Clipper Card "Flip" Transition Prioritization

Clipper and transit operator staff have discussed the priority in which to transition current Clipper cardholders and potential impacts to customer experience, customer outreach, institutional partners, and transit benefit providers, as well as seeking agency requests and feedback.

As discussed at December's and January's Clipper Executive Board meeting, Clipper staff indicated that current discount categories populations (Youth, Senior, RTC/Clipper Access,

START means-based) and cards associated with institutional programs, transit benefit providers, and Caltrain monthly passholders would be a priority, based on considerations such as regional customer equity, operational and service impacts, and the desire to minimize potential disruptions to customers.

For non-discounted adult populations, Clipper staff has considered which further breakdowns are needed to determine sub-populations for potential transition. Based on feedback from January's Clipper Executive Board meeting, Clipper staff determined that it was feasible to focus on "frequent" riders to prioritize for transition, regardless of a user's registration status. After reviewing the prioritization with transit agency staff, Clipper staff is planning to proceed with the updated order as shown in Attachment A to this memorandum.

Issues:

None

Recommendations:

Information

Attachments:

- Attachment A: C2 Transition Overview



Jason Weinstein