Item 11a
Attachment B

Next-Generation Clipper Update

MTC Commission
Agenda Item 11a
March 25, 2026

METROPOLITAN
TRANSPORTATION
COMMISSION

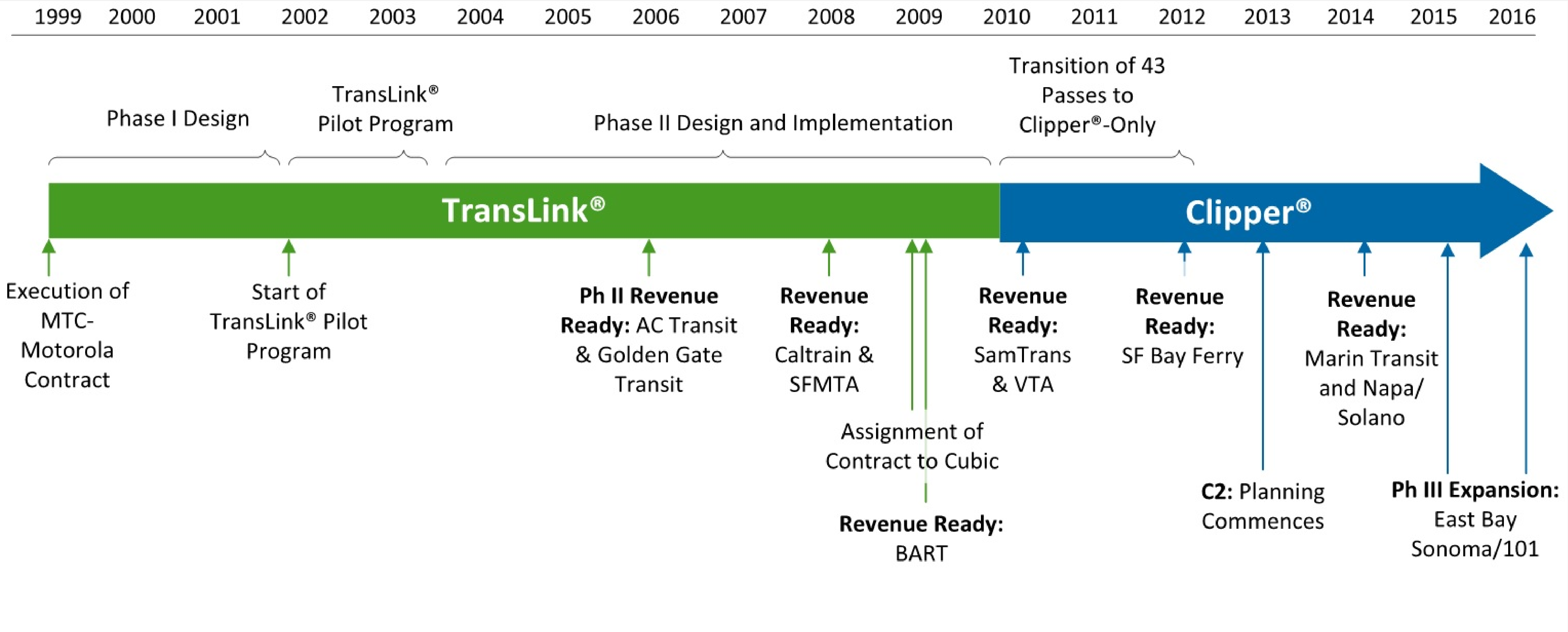
Clipper Vision

22 Transit Operators – Creates a unified transit experience across the Bay Area

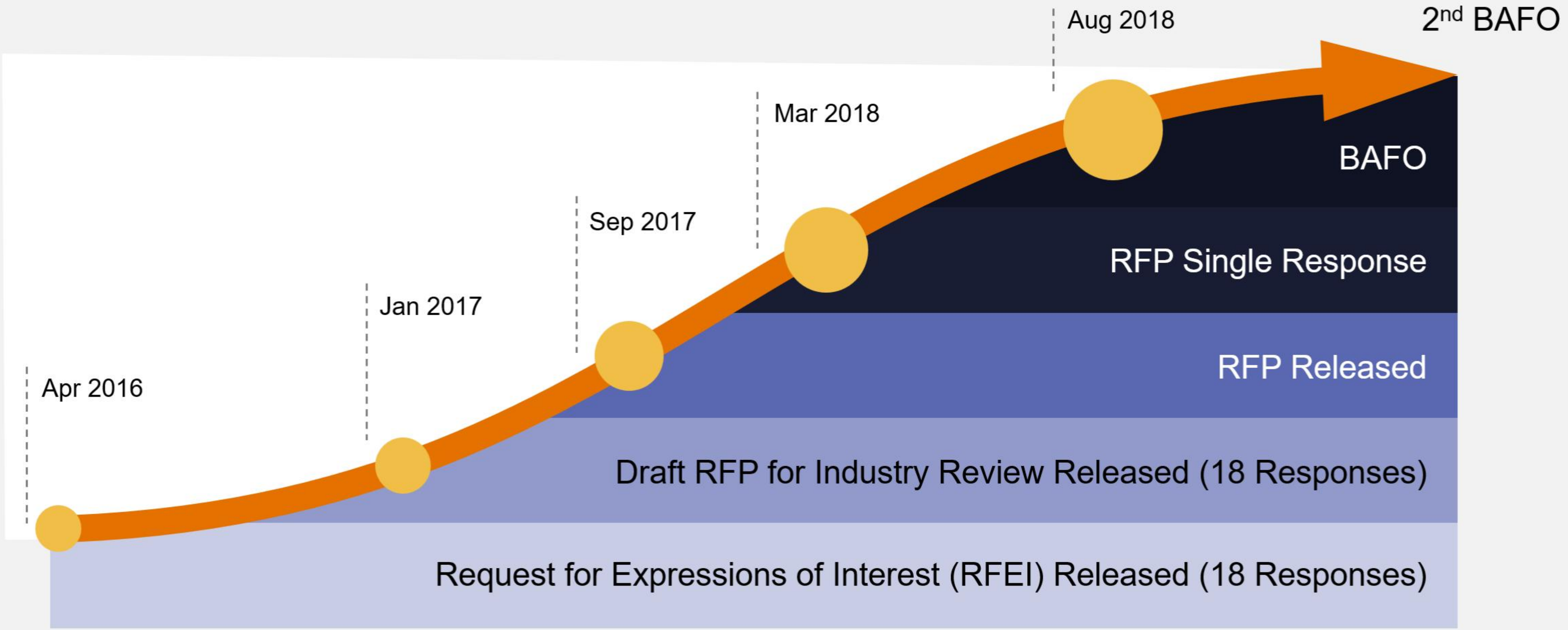
Clipper Executive Board – Provides foundational regional governance and fosters collaboration

Simplifies Complexity – In one of the nation’s most complex transit regions

Program Timeline – 1999 - 2016



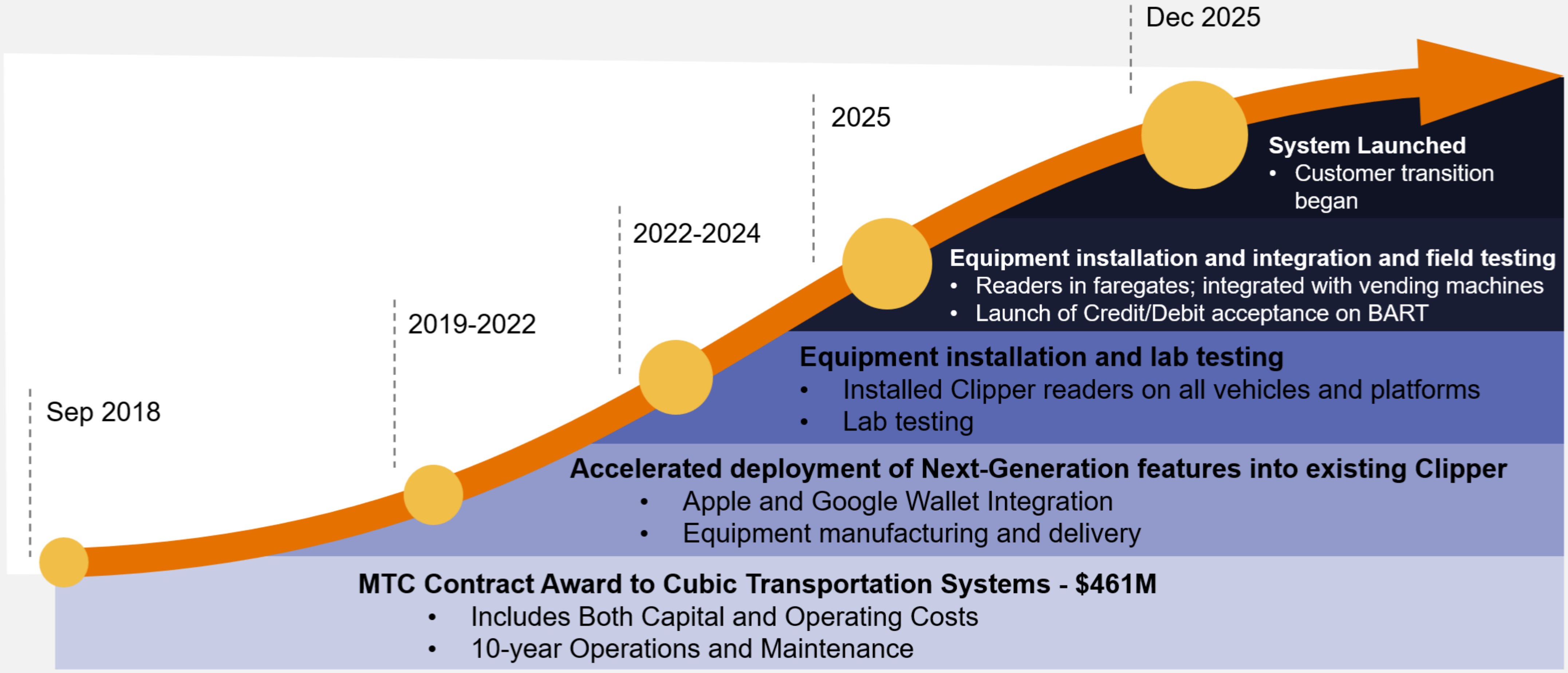
Procurement Timeline – 2016 - 2018



Next Generation Clipper

- All New Equipment
- Real-Time Value Availability
- Mobile Clipper Cards in Phone Wallets -
- Contactless Credit/Debit Card acceptance -
- Regional Transfer Discounts
- Supports Transit Agency Promotions
- Supports Existing Equity Programs

Implementation Timeline – 2018 - 2025

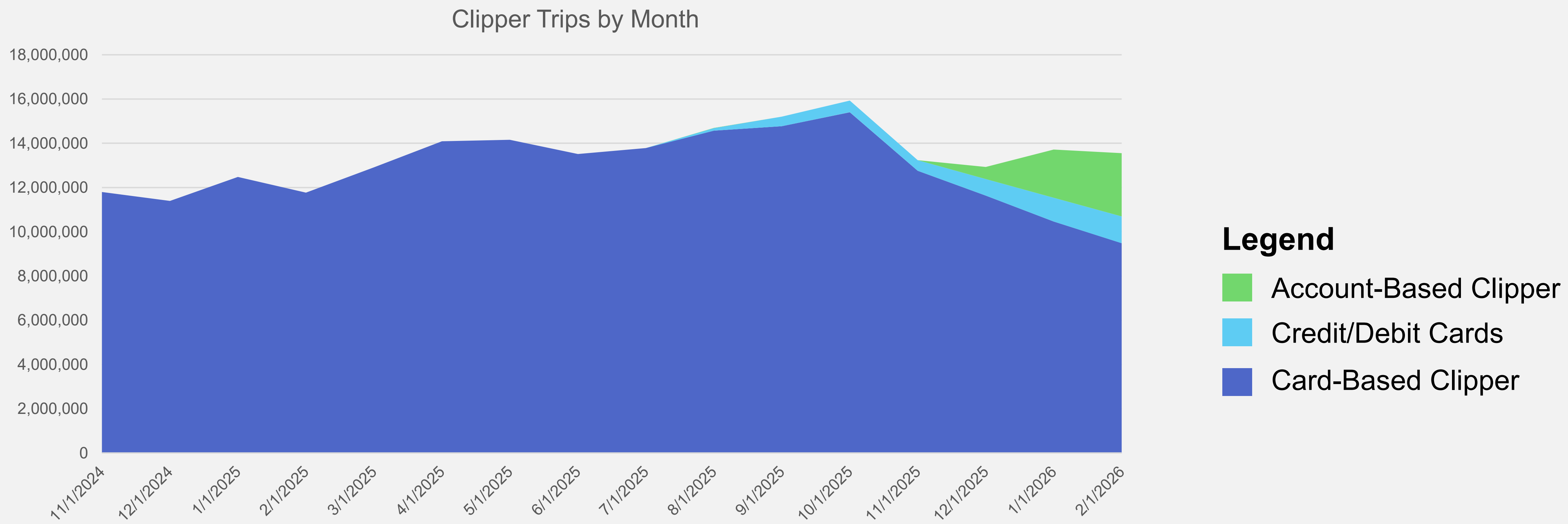


Launch Status

- C2 launched Dec 10, 2025; system is live but operating in stabilization mode
- ~1.2 million cards migrated via on-demand process
- On-going operational challenges resulting in the following actions;
  - Daily coordination between MTC, Cubic, and Transit Operators
  - Resolving issues for customer's affected by the launch
  - Large scale (bulk) migration on hold until critical customer issues are resolved

All Clipper Trips by Month

- Overall, Clipper usage remains strong with higher usage levels compared with this same time last year
- Riders completed approximately 4.0 million account-based trips in February(~31%)
    - account-based Clipper cards (~22%) and contactless credit or debit cards (~9%).



System Issues Affecting Customers

- **Account migration problems** have affected some customers, including missing passes, dropped autoloads, mobile card conversion issues, and difficulty accessing accounts and travel history. Using workarounds to assist and make customers whole.
- **System stability remains a priority concern.** Multiple service interruptions have occurred since launch, and infrastructure capacity improvements continue to be deployed.
- **Ticket Vending Machines (TVMs)** remain unreliable or slow, limiting customers' ability to obtain or load value; **fixes are in progress.**
  - Muni: Updates are in progress for improved diagnostics and missing functionality (token acceptance, ticket reloading)
  - BART: Updates planned to improve transaction speed; timeline pending.

System Issues Affecting Customers

- **Customer Service Terminals (CSTs)** Fixes completed allowing for card replacement and youth card issuance. Additional functionality improvements are in progress.
- **Fare Inspection Devices (FIMPS)** at times have limited functionality, causing friction for customers who have paid correctly.
  - Updates are in progress for credit/debit card inspection and to address reliability issues.
  - Fixes are in development for slow performance, login failures, and card read accuracy.
- **Financial settlement processes** require additional improvements for operators and MTC.
  - Lag time has improved and additional work is in progress to achieve next-day settlement and resolve settlement variances.

Contact Volumes and Customer Wait Times

- Average answer time is modestly improving, but we have work to do to meet expectations

- Between 1500 and 2500 calls offered to customer service agents weekdays and ~500 call on Saturday (the blue bars above).
- Customer service performance has modestly improved with extended hours and additional staffing (orange line above)

Customer Service Progress

- In February:
  - Increased hours of operation to 7:00 a.m. to 6:00 p.m.

    (2+ additional hours Monday through Friday; Saturday hours will remain 9:00 a.m. to 1:00 p.m.)
  - Hired additional full time and part time agents
  - Expanded email capabilities and enhanced case management
- Ongoing Activities:
  - Working on system updates to implement call back options
  - Training customer service agents to reduce handle times

Advancing Forward, But Not Finished

- **System Stability –** System stability remains a priority concern. Infrastructure improvements continue to be deployed.
- **Financial Processing –** Settlement reporting and timing improved. Further improvements are needed to achieve next-day settlement; variance reconciliation ongoing.
- **Customer Service –** Extended call center hours in February. System improvements are in progress to reduce call center volumes.
- **Equipment Improvements –** Updates for fare inspection devices, customer service terminals, and ticket vending machines in progress. Some fixes are workarounds that require permanent solutions.
- **Software Updates –** Fixes for critical issues considered blockers to migration ramp-up.

Vendor Executive Remarks

Cubic Transportation Systems
Peter Montgomery-Torrellas
President

Next Steps

- Deploy latest software updates to address issues
- Continue resolving issues affecting customers and operator staff
- Evaluate and monitor customer service center improvements
- Only after customer issues are resolved and system stability is demonstrated, move forward with large scale (bulk) migration of Clipper customers
- Assess impacts on FY 26/27 budget

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