Massachusetts Bay Transportation Authority

Fare Transformation Update

Fiscal and Management Control Board

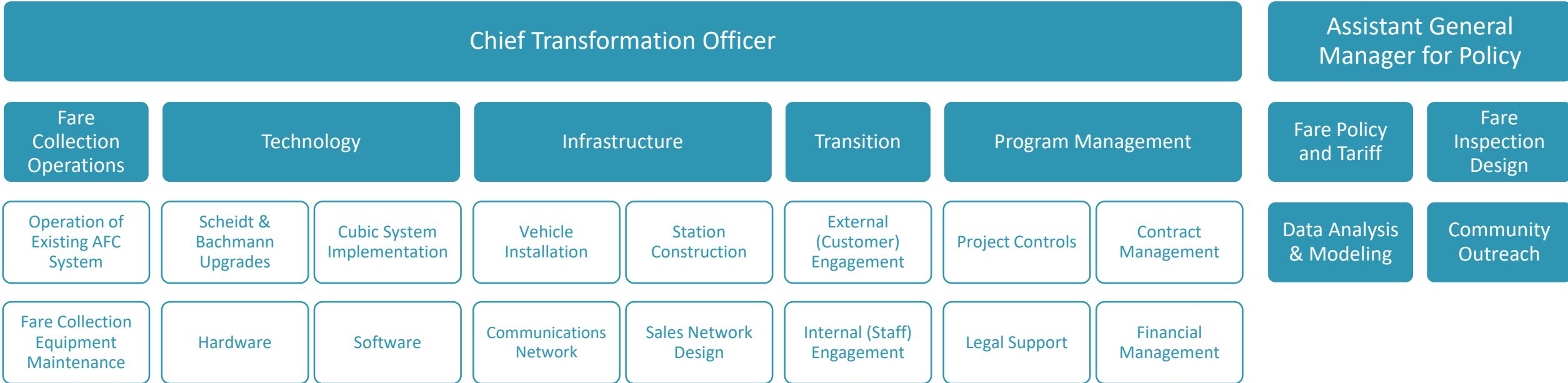Ronald N. Renaud and Laurel Paget-Seekins

February 24, 2020

Changes to the Team

- All fare-related initiatives under one 'Fare Transformation' umbrella

- Implementation team will scale up as needed to support:
  - Lab and field testing of new technology
  - Installation design and support
  - Rollout: Outreach, training, and business process changes

- Additional staff to manage S&B upgrades:
  - Program manager (FTE) for cross-vendor coordination
  - Project manager (contractor) for Scheidt & Bachmann upgrade contract

- Continue to review staffing needs impacted by the project reset:
  - Evaluate needs for supporting extended use of legacy equipment
  - Rationalize timing and necessity of all roles to fit new timeline and scope

Fare Transformation Team

Chief Transformation Officer					Assistant General Manager for Policy	

Fare Collection Operations	Technology		Infrastructure		Transition	Program Management		Fare Policy and Tariff	Fare Inspection Design
Operation of Existing AFC System	Scheidt & Bachmann Upgrades	Cubic System Implementation	Vehicle Installation	Station Construction	External (Customer) Engagement	Project Controls	Contract Management	Data Analysis & Modeling	Community Outreach
Fare Collection Equipment Maintenance	Hardware	Software	Communications Network	Sales Network Design	Internal (Staff) Engagement	Legal Support	Financial Management		

Coordinating with key departments

Operations	Customer Technology	ITD	Capital Delivery	System Wide Accessibility	Vehicle Engineering	Customer Experience	Legal	Commercial Strategies

Governance

Internal coordination and decision making

- Updates to the Fiscal Management Control Board, as needed
- Weekly briefings for the General Manager
- Monthly Executive Steering Committee meetings
- Internal policy committee to provide input on policy changes
- Transition committee to ensure rollout coordination across departments

Vendor management

- Bi-weekly progress meetings with Cubic
- Developing an effective escalation path with Cubic executive team
- Regular progress meetings with S&B
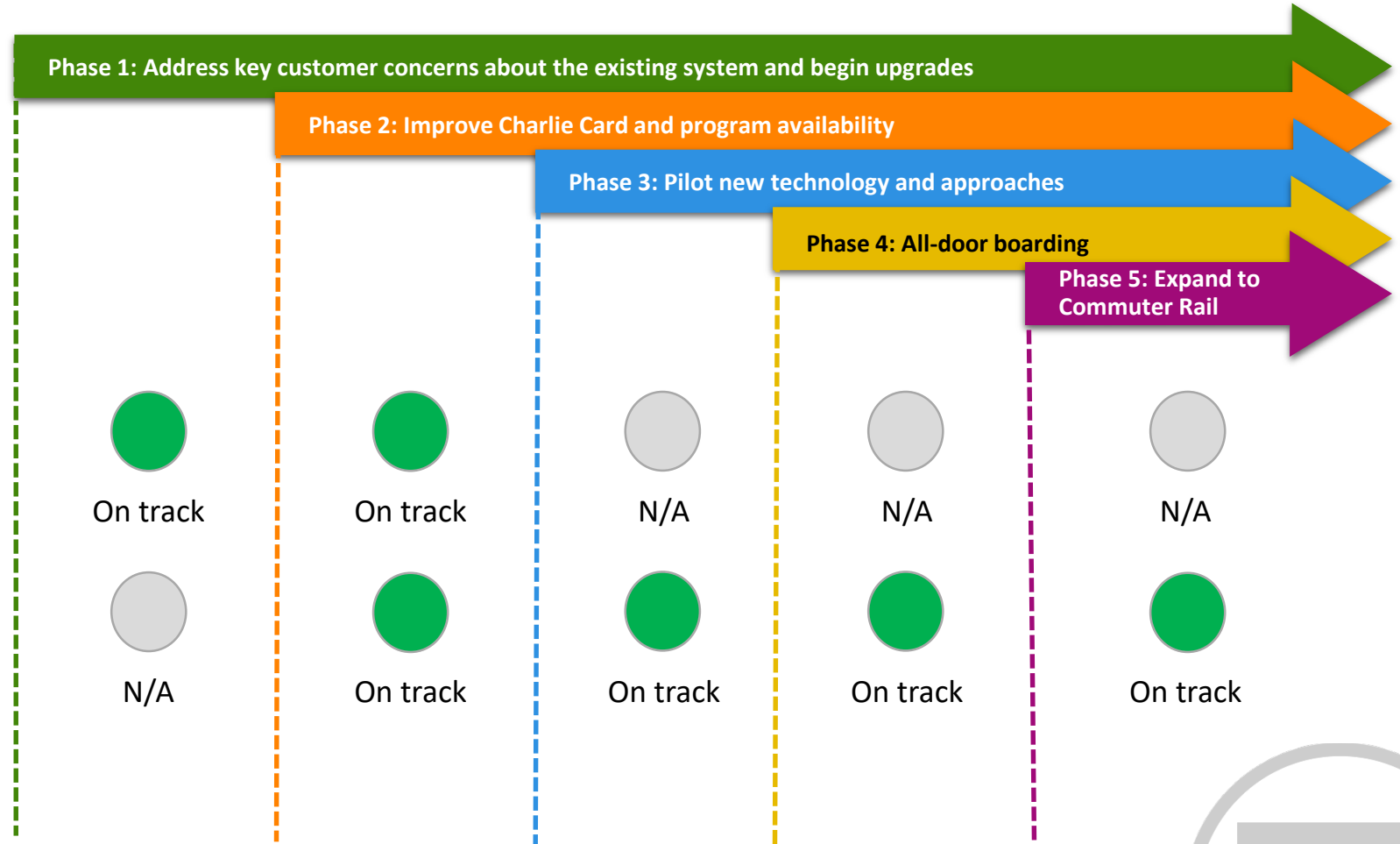- Cross-vendor coordination between S&B and Cubic

Project status

Phase 1: Address key customer concerns about the existing system and begin upgrades

Phase 2: Improve Charlie Card and program availability

Phase 3: Pilot new technology and approaches

Phase 4: All-door boarding

Phase 5: Expand to Commuter Rail

Scheidt & Bachmann
- Pricing is set
- Finalizing contract negotiations

Cubic
- Contract negotiations continue
- Actively working toward financial and commercial close
- System and construction design work continues
- Phase 3 of user testing completed in January
- Design engineering for first set of stations proceeding
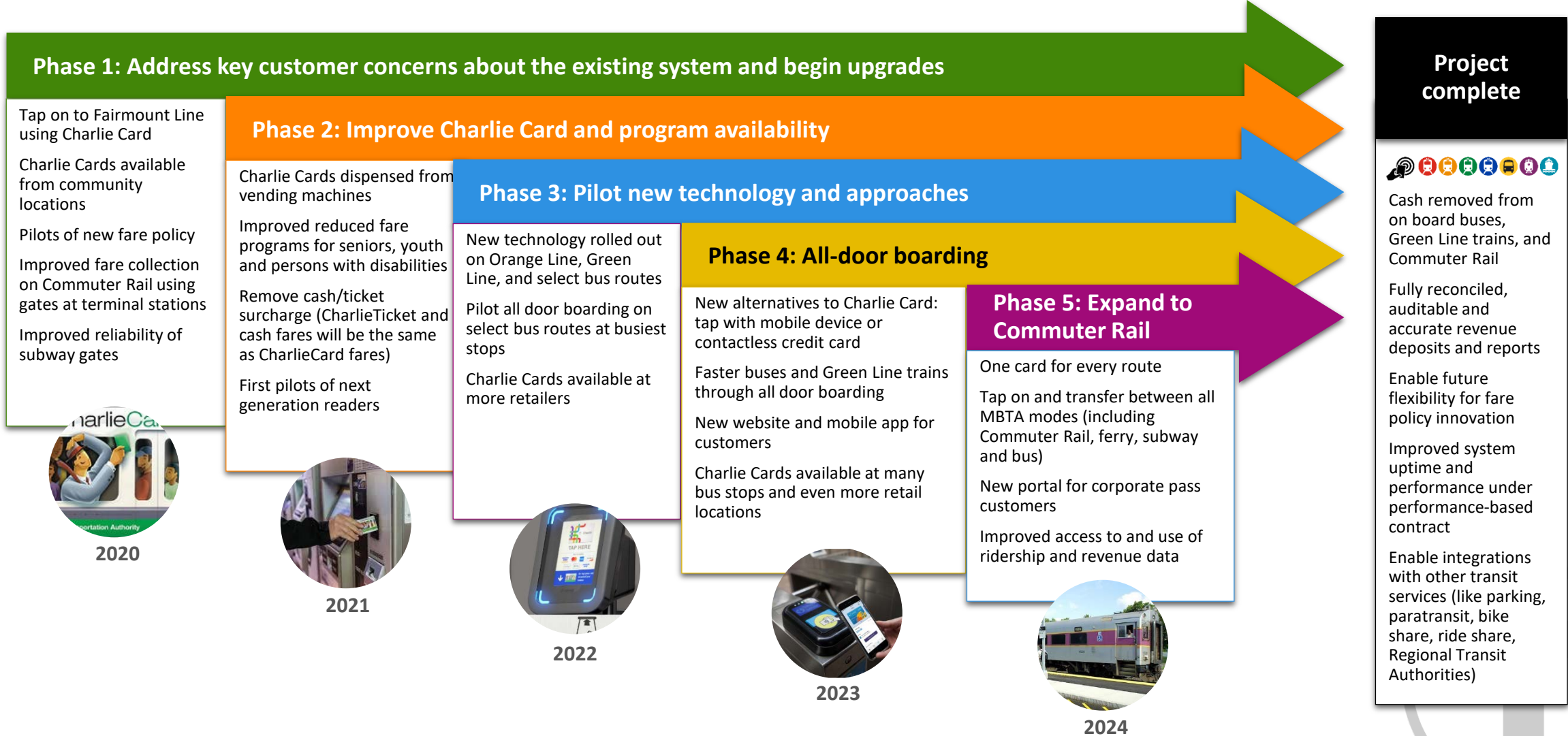- Additional station surveys completed in February

	Phase 1	Phase 2	Phase 3	Phase 4	Phase 5
Scheidt & Bachmann	On track	On track	N/A	N/A	N/A
Cubic	N/A	On track	On track	On track	On track

Policy Update

Fare Transformation Roadmap

A program of continuous improvements to the MBTA's fare system

Phase 1: Address key customer concerns about the existing system and begin upgrades

- Tap on to Fairmount Line using Charlie Card
- Charlie Cards available from community locations
- Pilots of new fare policy
- Improved fare collection on Commuter Rail using gates at terminal stations
- Improved reliability of subway gates

2020

Phase 2: Improve Charlie Card and program availability

- Charlie Cards dispensed from vending machines
- Improved reduced fare programs for seniors, youth and persons with disabilities
- Remove cash/ticket surcharge (CharlieTicket and cash fares will be the same as CharlieCard fares)
- First pilots of next generation readers

2021

Phase 3: Pilot new technology and approaches

- New technology rolled out on Orange Line, Green Line, and select bus routes
- Pilot all door boarding on select bus routes at busiest stops
- Charlie Cards available at more retailers

2022

Phase 4: All-door boarding

- New alternatives to Charlie Card: tap with mobile device or contactless credit card
- Faster buses and Green Line trains through all door boarding
- New website and mobile app for customers
- Charlie Cards available at many bus stops and even more retail locations

2023

Phase 5: Expand to Commuter Rail

- One card for every route
- Tap on and transfer between all MBTA modes (including Commuter Rail, ferry, subway and bus)
- New portal for corporate pass customers
- Improved access to and use of ridership and revenue data

2024

Project complete

- Cash removed from on board buses, Green Line trains, and Commuter Rail
- Fully reconciled, auditable and accurate revenue deposits and reports
- Enable future flexibility for fare policy innovation
- Improved system uptime and performance under performance-based contract
- Enable integrations with other transit services (like parking, paratransit, bike share, ride share, Regional Transit Authorities)

Four Main Policy Areas for Fare Transformation

- **Policy Area 1: Data Privacy**
  - Fare Transformation will enable an increased amount of passenger and travel data. Policy Area 1 aims to mitigate any potential data privacy issues that may arise due to this increased information.
  - Deliverable: Updated Customer Data Privacy Policy

- **Policy Area 2: Access to Fare Cards and Sales Locations**
  - A goal of Fare Transformation is to make paying for the system easier. Policy Area 2 will consider the policy implications of removing cash onboard and charging for fare cards
  - Deliverables: Policy for setting sales locations, Initial map of sales network, Process for updating locations, Program for free card distribution

- **Policy Area 3: Fare Verification/Proof of Payment**
  - In order to achieve the benefit of increasing the speed of vehicles through all door boarding, fare inspection and proof of payment will be needed. Policy Area 3 will determine equitable, fair, and efficient methods for deploying a proof of payment/inspection program.
  - Deliverables: Principles for Fare Verification and Proof of Payment, Annual reporting on Proof of Payment and Citations data

- **Policy Area 4: Fare Structure and Products**
  - The technology advancements in Fare Transformation will allow for a broad range of fare structure changes and new fare products. Policy Area 4 will identify potential changes in the fare structure, pricing, passes, programs, and other products.
  - Deliverables: Tariff of MBTA fares, Process for evaluating and changing fare structures

Data Privacy Update

- Governor Baker's FY20 supplemental budget filed H.4354

- Proposed language to protect personal data collected as part of fare collection from public records

- Similar to language passed for all electronic tolling customer data

Fare Verification Legislative Update

M.G.L. Chapter 159, Section 101	Legislative Proposal H.4354
Who can inspect MBTA police or employees within the instructor, chief inspector, or inspector classifications	New team of civilian fare inspectors who will be specifically trained to conduct fare verification; will not have police powers to arrest or compel ID
Civil Citation Levels First offense: $100; Second offense: $200; Third or subsequent offense: $600 Appeal within 30 days	Regulatory process to set citation levels. Allow fines that are adjustable by mode and type of violation; lower fine levels, alternative methods to resolve Provide a regulatory process for appeals, ability to length time to request
Criminal Offense Arrest possible for those who do not furnish ID	De-criminalize fare evasion
RMV Ability to turn names over to RMV for unpaid citation Youth can be prevented from obtaining their license until the fine is paid	Transferring name to RMV for those who do not pay on second unpaid citation Remove different treatment of consequences for those under 17 years old
Data No requirements	Require annual report on citations to legislature

Sales Network Design Process Update

- Based on community feedback during the reset of Fare Transformation, the MBTA took the lead for determining sales locations
- We are developing an iterative data and community process to set policy principles for prioritizing locations and creating initial map

Tasks	Timeline
Using data analysis and public input received so far, develop policy principles for determining sales locations, initial stakeholder feedback on principles	Spring 2020
Develop a map of potential sales network to illustrate principles	Summer 2020
Conduct a public input process on the sales location principles and draft map	Fall 2020
Refine locations, start permitting process for streetscape fare vending machines, recruit retailers	End of 2020
Round 1 retail network expansion	Early 2021
Iterate based on confirmed locations	2021-2022

Fare Structure and Products Updates

- Charliecards on Fairmount Line launches May 18, 2020

- Commuter Rail Zone Study due to legislature March 15, 2020

- Work continues to translate our existing fare structure into business rules for Cubic software development

- New modeling tool is in testing/calibration and will be available soon for analysis of new fare products and fare structures