AFC 2.0
Update to the Fiscal & Management Control Board

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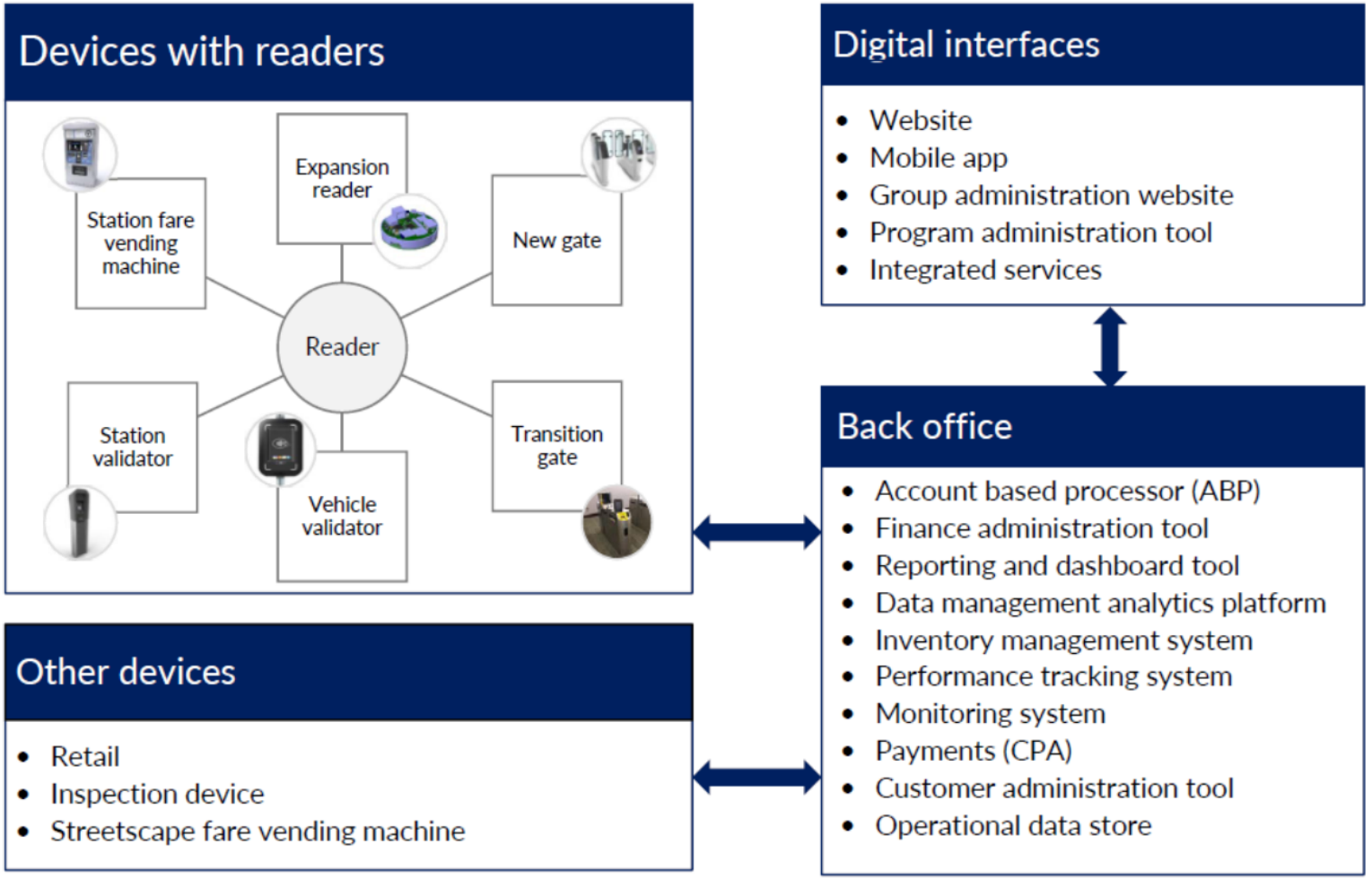
Today's AFC 2.0 Update

- Challenges
  - Complex Technology, Pilot Changes, System Connectivity, and Fare Engine
- Highlights
  - Payment Technology, On-Board Equipment Placement, Tours, Website, and Streetscape Fare Vending Machine
- Transition Planning
  - Recruitment for transition team
- Policy Updates

Key Challenges

- Complex Systemwide Technology
  - Project is more than just new fare gates – many parallel work streams across technical disciplines



Key Challenges

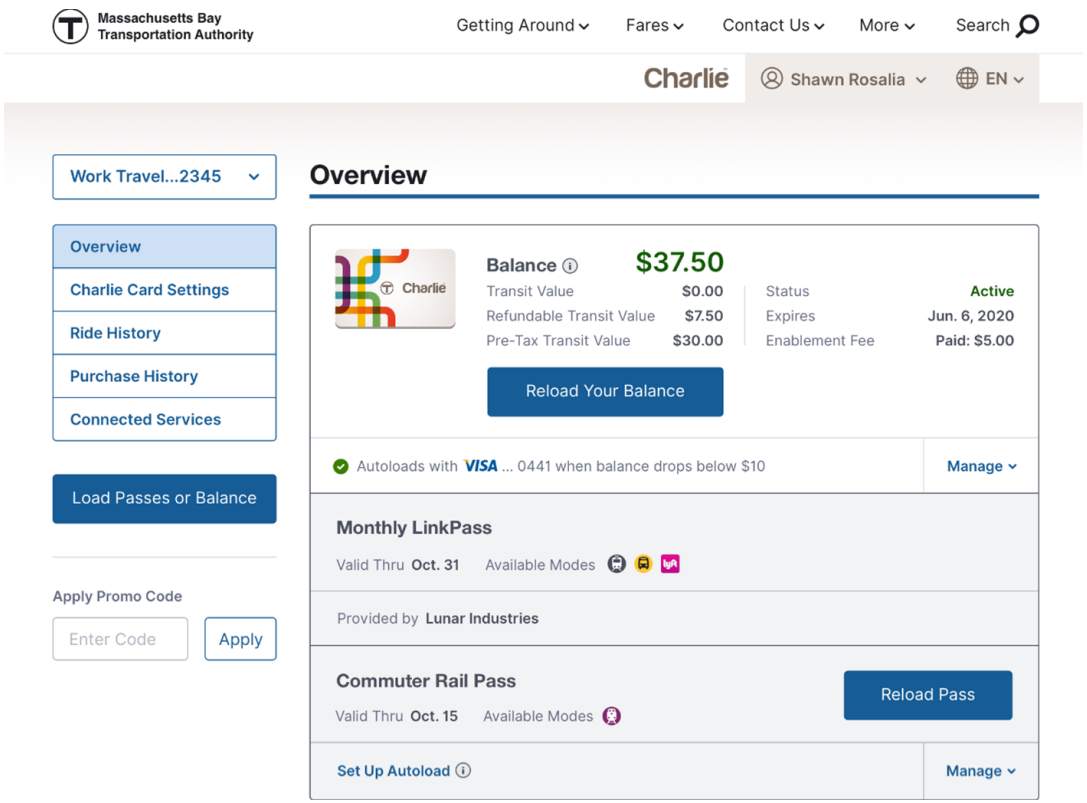
- Pilot Changes
  - Investigating change in Pilot make-up to help reduce schedule risk on the project
  - More piloting on bus routes as opposed to light rail
- System Connectivity
  - Mobile network communication challenge
  - Cubic developing workarounds
- Fare Engine
  - MBTA has a complex fare structure with multiple modes and transfer scenarios that need to align with near real-time account balance information
  - Some are proving complex for Cubic to model within current system capabilities
  - Meeting weekly with Cubic on the scenarios

Highlights

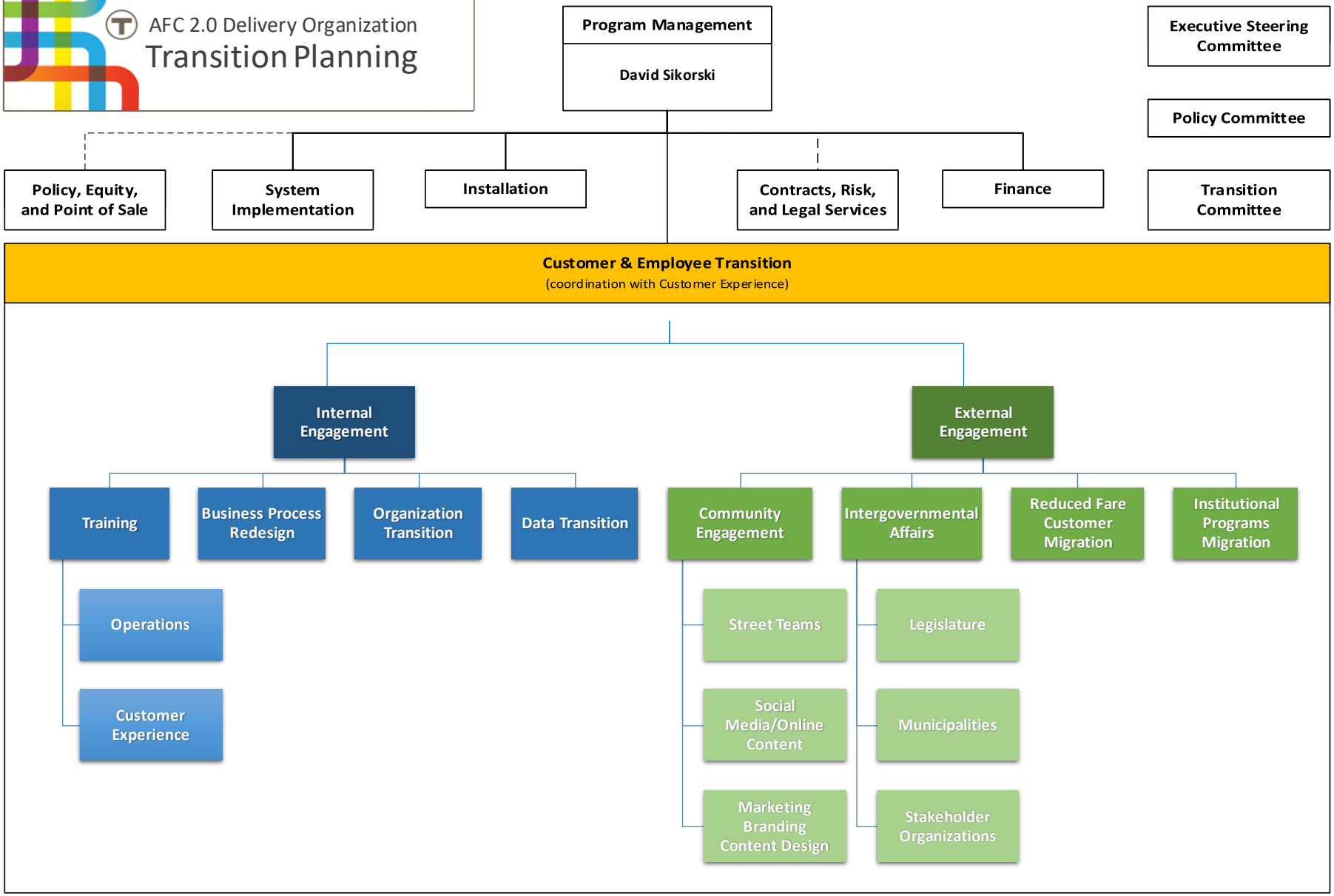
- Team: Payment Technology and Fare Revenue Assurance
  - Consultant on-board
  - Conducting reviews of the designs for mobile app, payment processing, risk management, and readers
- Fit Checks (of on-board equipment placement)
  - Successful ‘fit checks’
  - Two bus types and two Green Line vehicle types were used
  - Next round of checks this week
- Stakeholder Tours
  - Meetings held at the Model Office in April
  - Model Office and system progress design well received

Highlights

- New prototype for Streetscape Fare Vending Machine has arrived in the Model Office for continued testing
- Website Development progressing well

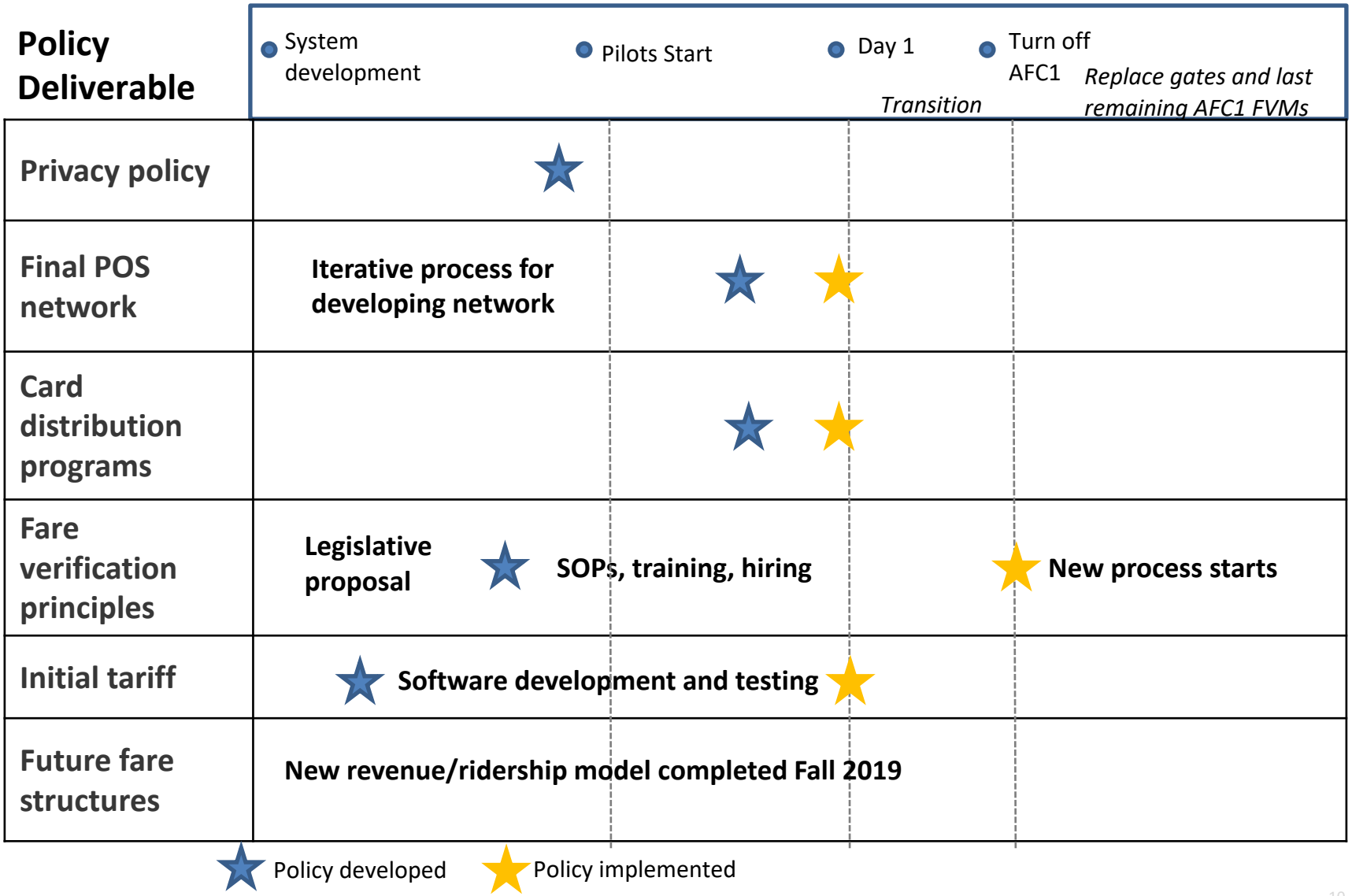


AFC 2.0 Delivery Organization
Transition Planning



POLICY UPDATE

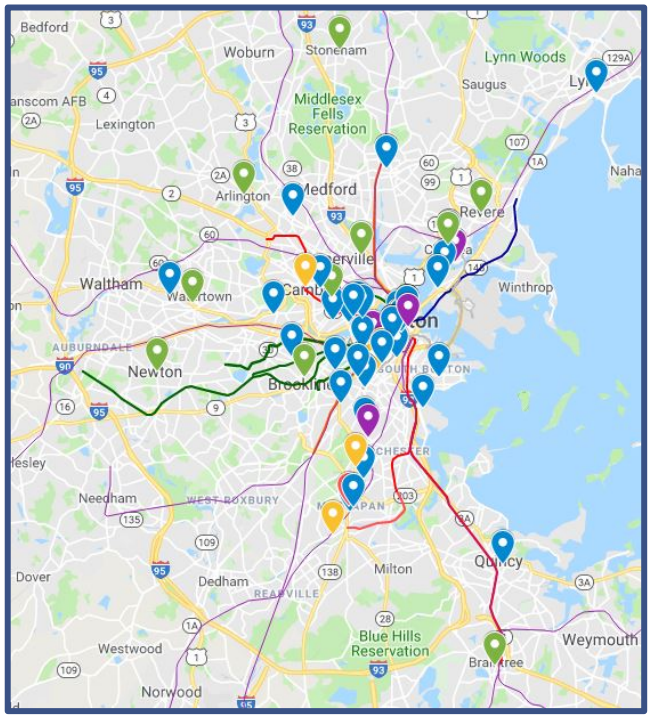
AFC 2.0 Policy Timeline



Outreach Update

AFC 2.0 OUTREACH TEAM CONTINUES TO GATHER INPUT ON POINT OF SALE NETWORK AND OTHER AFC 2.0 POLICY DECISIONS

- New website where customers can get more information and learn how to Get Involved (www.mbta.com/afc2)
- Recent Events
  - MBTA community meetings (x7)
  - Municipal partner workshops on POS locations (x10)
  - Community meetings and focus groups (x15)
- Upcoming Events
  - Street teams at bus stops to gather qualitative data regarding onboard cash use
  - Remaining municipal partner workshops on POS
  - Policy Development Working Group Meeting
  - Launch of fare verification outreach
  - Ongoing community meetings



Outreach Events as of 5/13/2019

Implementing Foundational Policies

AFC2 TEAM WORKING TO IMPLEMENT FOUNDATIONAL POLICIES THAT WERE APPROVED BY THE BOARD IN 2016 AND BUILT INTO PROCUREMENT AND DESIGN OF AFC 2.0

Key AFC 2.0 Project Objectives

- **Faster Service**
- **Improved Customer Experience**
- **Fare Collection**

Foundational AFC 2.0 Policies to support objectives

- No Cash On Board & "One More Trip" (Negative Balances)
- All Door Boarding (Bus and Light Rail)
- Integrate Commuter Rail Payment and Validation
- Proof of Payment & No Passback
- Charge for Fare Cards and Expand Card Availability

Principles of MBTA Fare Structure

THESE ARE THE EXISTING PRINCIPLES OF MBTA FARE POLICY THE TEAM IS ASSUMING WILL STILL HOLD UNDER AFC 2.0 INITIALLY

- **Pass Validity:** The services covered by any specific pass include all services covered by lower-price passes
- **Pass Mode Coverage:** Passes provide free travel on certain modes and no discount or credit on all other modes (e.g. Local Bus Pass provides no discount on subway)
- **Pass Zone "Extension":** When riding on zoned services (Commuter Rail) with a pass, only pay the fare for additional zones not covered by the pass
- **Transfer Pricing:** Where transfers are recognized/allowed, the total fare for the journey is the fare for the most expensive ride in the journey
- **Transfer Eligibility:** Applicable transfers are provided, except when a sequence of rides is expected to constitute multiple *journeys*

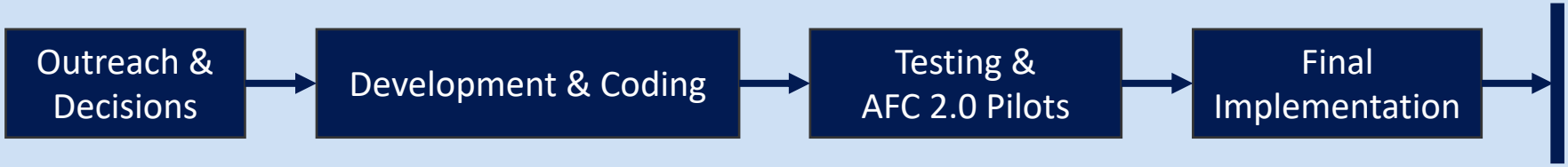
These rules don't consistently apply currently; one goal of AFC 2.0 is to create consistent fare rules across all MBTA modes.

Fare Policy Changes: Two Critical Paths

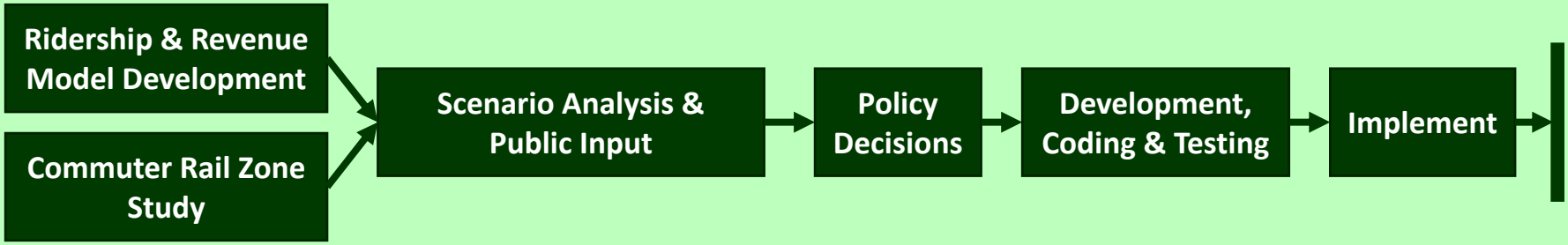
BEYOND FOUNDATIONAL POLICIES ESSENTIAL TO AFC 2.0, THERE ARE TWO PATHS FOR OTHER POTENTIAL FARE POLICY CHANGES DEPENDING ON THE NEED FOR FURTHER STUDY AND ANALYSIS

- Certain decisions should be informed by the Commuter Rail Zone Study and ridership/revenue modeling, both in development, some policies require tap-out fare gates
- Fares **cannot** increase for three years, so any fare changes implemented before July 1, 2022 will likely be revenue-negative (not considering ridership increases)

A) Changes ready for discussion, outreach, and decisions



B) Changes requiring further study and analysis



Types of Changes on Each Path

BEYOND FOUNDATIONAL POLICIES ESSENTIAL TO AFC 2.0, THERE ARE TWO PATHS FOR OTHER POTENTIAL FARE POLICY CHANGES DEPENDING ON THE NEED FOR FURTHER STUDY AND ANALYSIS

- **Are there additional fare policy changes that should be considered?**

A) Ready for Discussion, Outreach, and Decisions

- Free or step-up transfers for commuter rail and ferry, transfer windows
- Limited outside the gate transfers
- Rolling period passes
- Combine Inner and Outer Express Bus
- Travel in either direction on Commuter Rail Zone Pass

B) Require Further Study and Analysis

- New passes / products
- New fare structures – Time/Day, Direction, Distance, Capping
- Changes to commuter rail zones
- Changes to pass validity or extension fares for bus/rapid transit passes

Next Steps

AFC 2.0 TEAM CONTINUING WORK ON BOTH PATHWAYS IN PARALLEL

Path A: Ready for Discussion

- Finish revenue impact estimates
- Public workshop on possible changes (June)
- Present proposal to FMCB (July)
- Title VI equity analysis
- FMCB approval (August)

Path B: More Analysis

- Finish revenue/ridership model and CR Zone study (End of 2019)
- FMCB update (October 2019)
- Develop set of future scenarios (Winter 2019-2020)
- Public outreach workshops (Spring 2020)
- FMCB prioritization (May 2020)