

The Smart Card System

The smart card system is a technology-based fare payment system that will transform, with the exception of cash fares, LTC's fare policies, programs and processes.

The smart card fare media will see:

- ✓ all existing monthly pass fare programs being replicated on smart card. The smart card passes become transferrable, within defined parameters
- ✓ the tuition-based pass programs integrated with the smart card system. The tuition-based pass programs will continue to be non-transferrable
- ✓ all existing ticket fare programs being replicated on smart cards as stored valued cards replacing the paper tickets
- ✓ the existing 90 minute transfer automatically loaded on the smart card at time of fare payment

The system features include:

- ✓ a "closed" system utilizing LTC smart cards only. The system will not interface with debit or credit cards. This will be reassessed in the future
- ✓ the smart cards will be reloadable (revalued)
- ✓ smart card distribution and revaluing will occur at LTC locations and selected limited number of third party locations
- ✓ the internet can also be used to revalue a smart card
- ✓ debit/credit cards will be accepted at LTC locations for purchase of smart card fare media

At the point of boarding:

- ✓ all conventional buses will have fixed proximity readers - customers will tap with their smart card to record the trip, levy the appropriate fare and apply the 90 minute transfer
- ✓ hand-held readers will be utilized on all specialized vehicles to record the trip, levy the appropriate fare and apply the 90 minute transfer

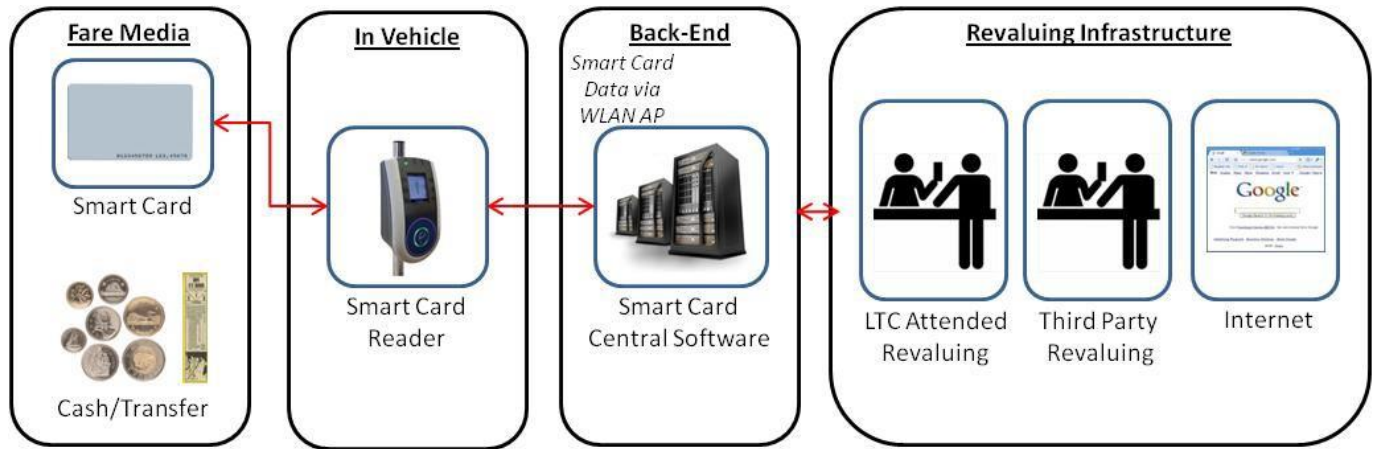
The Business Case for Smart Card

The development of the smart card system is consistent with the direction of LTC's Long Term Growth Strategy and Business Plan.

The \$3.7 million investment (fully funded by Provincial Gas Tax) has an expected payback of 8 years, noting in addition to the payback, the system:

- ✓ provides greater flexibility in terms of fare options and pricing
- ✓ lowers/contains fare administration cost – i.e. currently averaging \$0.09 per average cash, ticket and monthly pass fare
- ✓ provides more accurate and timely revenue ridership counts
- ✓ links ridership and service data (rides & revenue by time of day, day of week, route)
- ✓ supports improved boarding time, reducing dwell time at stops
- ✓ mitigates fare disputes i.e. tendering of appropriate fare and transfer use

Smart Card System Design



Legend

