

**STRATEGIC INITIATIVE AND UPDATE****Regional Smart Fare Update****Report Purpose**

To provide Priorities Committee with an update on the regional smart fare project including implementation dates, changes needed to the Rates, Fees and Charges Bylaw and changed needed to the Transit Bylaw.

**Our Prioritized Strategic Goals**

Goal 5 - Foster collaboration through regional, community and governmental partnerships

Goal 6 - Provide facilities and services that are available and accessible to residents

**Report**

The Regional Smart Fare System incorporates fare payment technologies that are becoming more common throughout the world. The system will be “account-based,” which allows for easier integration with educational programs (U-Pass) and allows customers to load value to their account for immediate use on the system. Customers will be able to manage their accounts using web-based applications, through a customer call centre, at Smart Fare Vending Machines, and hundreds of regional retailers where they can choose fare products that best suit their needs or for which they are eligible. Management of fare programs, such as U-Pass, will also be streamlined. As part of the final phase in Q3 2022, the system will also include “open payment” functionality, which will allow transit trips to be paid for with credit or debit cards and compatible mobile devices.

In terms of regional integration, transit customers will be able to use a single “smart card” or compatible mobile device when boarding any transit vehicle operated by the participating transit agencies. The regional smart fare partners have worked on regional integration options and have agreed to the following:

- Customers perceive and experience transit in the region as a seamless network.
- Transfer rules are consistent across the region and are able to accommodate other agencies in the future.
- Each municipality receives revenue from passengers that use their transit system.
- Each municipality will have the autonomy to establish fares for travel on their system, which allows the municipalities to set fares and subsidies that meet the needs of the individual communities.

Being an open-payment, account-based electronic fare payment system, the Regional Smart Fare System will allow municipalities to consider fare payment options that were previously not available or practical to implement. As a result, the Smart Fare project will include:

- “Pay-As-You-Go” (PAYG)
- With this approach, customers will pay one trip at a time.
- If applied in conjunction with fare capping, the customer would pay for each trip when it is made up to the fare cap for the daily, weekly or monthly period.
- For example, customers who are using a monthly fare product would not have to load the full value of that fare product at the beginning of the period but could load value in their account as needed.
- This could benefit people with lower incomes who might not be able to afford the price of a monthly pass up-front.

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- Fare capping
- Maximum payment limits will be placed on monthly and annual periods, with the option to include daily and weekly caps if desired.
- This benefits frequent transit users.
- Different fare caps can be set for seniors, youths, and low-income individuals in support of the County's social sustainability goals.
- Trips made after a cap is reached would be free.

Implementation of the project will start with a friends and family pilot on May 31<sup>st</sup>, 2021 followed by a larger pilot of public transit customers in late June. The project will be implemented in four phases:

- Phase 1: fall 2021 with U-Pass, transit employee passes and the PAYG flat fares for the standard profile (adult)
- Phase 2: Q1 2022 for concession fares (senior, youth, low income) and local EICS school passes
- Phase 3: Q2 2022 for Mobility Bus
- Phase 4: for open payment

To align with our regional partners, several new products have been created. These new products are:

- Standard Monthly Commuter Cap - due to fare-capping, customers will only pay up to a monthly maximum
- Standard Monthly Local Cap - due to fare-capping, customers will only pay up to a monthly maximum
- 1.5-Hour Commuter Pass
- 24-Hour Commuter Pass
- 1.5-Hour Local Pass
- 1.5-Hour Regional Pass
- 24-Hour Regional Pass
- Arc card Fee
- Local to Commuter Transfer Cash Fee
- Local to Commuter Transfer PAYG Fee

In order to enable these new fare products, the Fees, Rates and Charges Bylaw will need to be updated. Transit, along with Corporate Planning, will be presenting the required changes to Council on June 15<sup>th</sup> for their approval.

The Transit Bylaw will also require updates that include identifying buses as "Proof of Payment" areas and definitions for the new electronic payment method. Transit will be bringing these changes forward to Council on July 6<sup>th</sup> for their approval.

**Council and Committee History**

March 23, 2021	Council received an update in the Regional Smart Fare Project.
December 8, 2020	Council received an update in the Regional Smart Fare Project.
September 29, 2020	Council received an update on the regional Smart Fare Project.
March 10, 2020	Council received an update on the Regional Smart Fare Project.

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**Council and Committee History**

October 29, 2019	Council received an update on the Regional Smart Fare Project.
February 26, 2019	Council received an update on the Regional Smart Fare Project.
October 16, 2018	Council received an update on the Regional Smart Fare Project.
July 17, 2018	Council received an update on the Regional Smart Fare Project.
June 12, 2018	Priorities Committee received an update on the Regional Smart Fare Project and the market research completed on the fare options being considered.
February 13, 2018	Priorities Committee received an update on the Regional Smart Fare Project and fare options being considered.
November 21, 2017	Priorities Committee received an update on the Regional Smart Fare Project.
June 6, 2017	Council approved a Capital Budget amendment to increase the Smart Fare budget.
December 8, 2015	Council approved the Smart Fare and Smart Bus project budget as part of the 2016 Capital Funding Plan.
September 23, 2014	Council formally endorsed the Regional transit grant submission for Smart Fare and Smart Bus technologies.
April 9, 2013	Council formally endorsed a joint application between the City of Edmonton, the City of St. Albert and Strathcona County to the provincial GreenTRIP program to help fund a Smart Fare system.

**Other Impacts****Policy:** N/A**Legislative/Legal:** N/A**Interdepartmental:** A Regional Smart Fare System may impact Information Technology Services and Financial Services.**Master Plan/Framework:** N/A**Communication Plan**

To prepare staff for smart fare, Train-the-Trainer sessions have been conducted, operator training is underway and internal transition plans are being developed. A regional education and marketing campaign is being developed that will include social media, information pamphlets and instructional videos. It is also planned to have additional staff at Transit Terminals to help assist passengers with the transition during the launch.

**Enclosures**

- 1 Regional Smart Fare Overview presentation
- 2 Fees, Rates and Charges Bylaw
- 3 Transit Bylaw