Clipper® Executive Board

November 17, 2025 **Agenda Item 3b**

Next Generation Clipper® Transition Plan and Overview

Subject:

Update on plan to transition current Clipper cardholders to the next generation account-based system.

Background:

Transition Overview

One of the original goals of the next generation Clipper system was to provide as seamless a transition as possible for current Clipper users. The Transition Plan is intended to show how that goal will be achieved, and to prepare both MTC and transit operators to transition both **technically** and **operationally** for full-scale Account-based operations.

Once Customer Transition starts, we will begin upgrading cards from the current card-based back office and migrating them to accounts in the new Account-based back office and subsequently "flipping" cards (i.e. the process by which a customer's current card-based ("C1") media is upgraded to an Account-based ("C2") fare media). Once a card has been migrated, two years' worth of transaction data will be transferred from the card-based back office to the Account-based back office. There are two ways in which a customer's card-based media will be "flipped" to Account-based.

1. **Bulk Transition**

The primary way for customers to be transitioned is through the "bulk transition" process, whereby if a customer's profile, ride history, fare category, membership in institution, products, and other such characteristics fit a certain profile (described below), then their card numbers will be migrated and their media are scheduled to be upgraded, or "flipped". Initially, the Transition Plan calls for a relatively smaller number of cards to be bulk transitioned the first week, with the plan to responsibly ramp up to approximately 1 million cards added to the list each week. Clipper staff also understand that this would be occurring during the winter holiday season, and are working with transit agency partners, and our contractors to minimize customer disruption. There are currently approximately 13M-14M active cards in circulation, 1.5M unique cards used

in a month, and 4M accounts. Most frequent Clipper card users will likely be flipped to C2 within the first 6-8 weeks. We are expecting to complete all card transitions within 3 months, but this timeline may be modified to ensure a seamless and positive experience for Clipper users.

Clipper Card Transition Priority

As presented to the Clipper Executive Board at its February 2025 meeting, current discount category populations (Youth, Senior, RTC/Clipper Access, START means-based) and cards associated with institutional programs, transit benefit providers, and Caltrain monthly passholders would be a priority, based on considerations such as regional customer equity, operational and service impacts, and the desire to minimize potential disruptions to customers. For non-discounted adult populations, multi-agency "frequent" riders will be prioritized for transition, regardless of a user's registration status. The order of bulk transition is shown in Attachment A to this memorandum, but the overall intent is that this transition process should be seamless for the average Clipper cardholder.

2. On-Demand Transition

The other way for customers to be transition is through entirely customer-initiated "on-demand" means. At the Start of Customer Transition, all cards associated with a customer's card-based account will be flipped if:

- A registered customer logs into their account on the new Account-based Clipper website;
- A registered customer logs into the new Account-based Clipper mobile app; or
- A customer calls and provides their Clipper card number to the new Account-based customer service center.

Once a customer initiates these actions after the Start of Customer Transition (December 10, 2025), their Clipper card serial number (CSN) (as well as all other CSNs associated with their account) will be migrated to the Account-based back office and then subsequently placed on an upgrade list. Once on the upgrade list, customers with plastic cards will need to tap a validator to upgrade to the account-based system. Customers with mobile cards will upgrade automatically within about 24 hours, and will then be recognized by the next generation Clipper system.

Account-Based Functionality at Start of Customer Transition

Once Customer Transition begins, contactless bank cards that are branded Visa, Mastercard, American Express, and Discover, will be able to be used as transit fare payment on the next generation Clipper system. Additionally, cards with the aforementioned brands that are in Apple and Google wallets will also be able to be used as transit fare payment. New tapping procedures will apply for customers riding at several different agencies, and new account-based features, such as the new regional inter-operator transfer discounts, fare capping and accumulators, new passes and products, and real time loads will be available for all account-based customers.

Issues:

None

Recommendations:

Information

Attachments:

- Attachment A: Next Generation Clipper Transition Timeline

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