Metropolitan Transportation Commission

March 25, 2026 **Agenda Item 11a - 26-0252**

Next-Generation Clipper Update

Subject:

Update on the Next-Generation Clipper system, highlighting the program's background and development history, as well as implementation progress of the new account-based platform and transitioning current Clipper users.

Background:

The Bay Area's move to the Next-Generation Clipper (C2) system marks the latest step in a 25-year regional effort to modernize and unify fare payment across 22 transit operators, one of the most complex multi-operator environments in the country. From the region's first TransLink pilot in 1999 through the launch of the Clipper card in 2010, the goal is consistent: provide a seamless, reliable, customer-centered fare payment experience for millions of riders. The transition to C2 is the most significant update to this system since Clipper's original debut.

Implementation Progress

The C2 system launched on December 10, 2025, offering both account-based Clipper cards and credit and debit card payments for all Bay Area Operators while supporting operations of the legacy card-based system until all cards are transitioned to the new system. Significant operational challenges continue to affect C2 customers and transit operators, and MTC has been working daily with the System Integrator Contractor, Cubic, and transit operator staff to deploy fixes and address system stability concerns. At the same time, adoption continues to grow with approximately 1.2 million Clipper cards (~8%) have migrated to the new system, and in February riders completed approximately 4.0 million account-based trips (~31%) using either account-based cards (~22%) or contactless credit or debit cards (~9%). Clipper usage remains strong with higher Clipper utilization rates as compared to this same time last year.

Since launch, Cubic has deployed fixes to address ongoing issues that continue to affect customers and transit operators. Priority concerns include customer account access, migration

errors requiring manual correction, financial settlement discrepancies, system stability, and reliability issues with some fare inspection devices, vending machines, and customer service tools. Daily coordination with Cubic continues, supported by weekly executive-level reviews and structured tracking of these priority issues.

In particular, customer account access, migration errors and issues with the customer service tools have led to larger than expected call volume, long waiting times and unanswered calls, which is frustrating for customers. WSP, which operates the Next Generation Clipper customer service center, has taken actions to improve the customer experience:

- In February:
    - Increased the hours of operation, which are now 7:00 a.m. to 6:00 p.m. (Two additional hours a day, Monday through Friday; Saturday hours will remain 9:00 a.m. to 1:00 p.m.)
    - Hired additional full-time and part-time customer service agents
    - Expanded email capabilities and enhanced case management
- Ongoing activities:
    - Working on system updates to implement call back options
    - Training customer service agents to reduce handle times

MTC staff, working with transit operator partners, will continue to actively monitor system performance and hold Cubic accountable for issue resolution through weekly executive status reporting and daily commitment tracking. The recommended path forward is to ensure accountability to fix the critical issues while maintaining service continuity and focus on the customer experience for Bay Area transit riders. Staff's current focus is on delivering a functional C2 system in the shortest time possible, while tracking lost revenue and other direct costs that may be recoverable under our contract. Staff will continue to prioritize system fixes to improve the customer experience, monitor Cubic's delivery against commitments, and prepare updated customer migration plans. A major software update is scheduled for deployment before the March 25 Commission meeting, and staff will provide an update on its effectiveness during

the meeting. Cubic executives are anticipated to be in attendance at the March 25, 2026 Commission meeting.

Attachments:

- Attachment A: Next-Generation Clipper Background
- Attachment B: Presentation

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