Report for Information

Chief Executive Officer's Report – March 2018 Update

Date: March 20, 2018
To: TTC Board
From: Chief Executive Officer

Summary

The Chief Executive Officer's Report is submitted each month to the TTC Board, for information. Copies of the report are also forwarded to each City of Toronto Councillor, the City Deputy Manager, and the City Chief Financial Officer, for information. The report is also available on the TTC's website.

Financial Summary

Each monthly Chief Executive Officer's Report includes a variety of financial details on TTC budgets and projects. These details are provided for information only, there are no financial impacts associated with the Board's receipt of this report.

Equity/Accessibility Matters

The TTC strives to deliver a reliable, safe, clean, and welcoming transit experience for all of its customers, and is committed to making its transit system barrier free and accessible to all. This is at the forefront of TTC's new Corporate Plan 2018-2022. The TTC strongly believes all customers should enjoy the freedom, independence, and flexibility to travel anywhere on its transit system. The TTC measures, for greater accountability, its progress towards achieving its desired outcomes for a more inclusive and accessible transit system that meets the needs of all its customers. This progress includes the TTC's Easier Access Program, which is on track to making all subway stations accessible by 2025. It also includes the launch of the Family of Services pilot and improved customer service through better on-time service delivery with improved shared rides, and same day bookings to accommodate Family of Service Trips. These initiatives outlined in this report and in TTC's Multi-Year Accessibility Plan will help TTC achieve its vision of a seamless, barrier free transit system that makes Toronto proud.

Decision History

The Chief Executive Officer's Report, which was created in 2012 to better reflect the Chief Executive Officer's goal to completely modernize the TTC from top to bottom, was transformed to be more closely aligned with the TTC's seven strategic objectives – safety, customer, people, assets, growth, financial sustainability, and reputation. In 2018, with the launch of the new Corporate Plan, this report will undergo progressive changes to align and reflect our reporting metrics to the TTC's continued transformation.

Issue Background

For each strategic objective, updates of current and emerging issues and multi-year performance are now provided, along with a refreshed performance dashboard that reports on the customer experience. This information is intended to keep the reader completely up-to-date on the various initiatives underway at the TTC that, taken together, will help the TTC achieve its vision of a transit system that makes Toronto proud.

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Signature

Richard J. Leary
Chief Executive Officer (Acting)

Attachments

Attachment 1 - Chief Executive Officer's Report – March 2018 Update

Chief Executive Officer's Report

Toronto Transit Commission
March 2018 Update

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Our Vision: A transit system that makes Toronto proud.

1. TTC Performance Scorecard & Critical Projects Dashboard

TTC Performance Scorecard

Key Performance Indicator	Description	Latest Measure	Current	Target	Current Status	Ongoing Trend	Page
Safety and Security							
Lost Time Injuries	Injuries per 100 Employees	Jan 2018	4.71	3.76*	✗	−	20
Customer Injury Incidents	Injury Incidents per 1M Boardings	Jan 2018	1.05	1.15*	✓	✓	21
Offences against Customers	Offences per 1M Boardings	Jan 2018	0.68	1.00	✓	−	22
Offences against Staff	Offences per 100 Employees	Jan 2018	4.18	3.75*	✗	✓	23
Customer: Ridership	TTC Ridership	Jan 2018	47.6M	49.2M	✗	−	26
	TTC Ridership	2018 y-t-d to Jan	47.6M	49.2M	✗	NA	26
	PRESTO Ridership	Jan 2018	10.7M	9.5M	✓	✓	27
	PRESTO Ridership	2018 y-t-d to Jan	10.7M	9.5M	✓	NA	27
	Wheel-Trans Ridership	Jan 2018	367K	426K	✗	✓	28
	Wheel-Trans Ridership	2018 y-t-d to Jan	367K	426K	✗	NA	28
Customer: Satisfaction	Customer Satisfaction Score	Q4 2017	79%	77%	✓	✓	29
Customer: Environment							
Station Cleanliness	Audit Score	Q4 2017	75.4%	75%	✓	✓	35

Ongoing Trend Indicators:

✓ Favourable − Mixed ✗ Unfavourable

*Represents current 12-month average of actual results

Key Performance Indicator	Description	Latest Measure	Current	Target	Current Status	Ongoing Trend	Page
Streetcar Cleanliness	Audit Score	Q4 2017	86.1%	90%	✗	✗	36
Bus Cleanliness	Audit Score	Q4 2017	88.7%	90%	✗	✓	37
Subway Cleanliness	Audit Score	Q4 2017	92.4%	90%	✓	✓	38
Customer: Service Performance							
Subway							
1 Yonge-University	Delay Incidents	Jan 2018	843	448	✗	✓	39
	Delay Minutes	Jan 2018	2,621	913	✗	✓	40
	Capacity Delivered in Peak	Jan 2018	83.6%	96%	✗	✓	41
2 Bloor-Danforth	Delay Incidents	Jan 2018	809	399	✗	✓	42
	Delay Minutes	Jan 2018	1,902	835	✗	-	43
	Capacity Delivered in Peak	Jan 2018	91.3%	96%	✗	✓	44
3 Scarborough	Delay Incidents	Jan 2018	70	39	✗	-	45
	Delay Minutes	Jan 2018	581	232	✗	-	46
	Capacity Delivered in Peak	Jan 2018	92.6%	98%	✗	✓	47

Ongoing Trend Indicators:
✓ Favourable - Mixed ✗ Unfavourable

*Represents current 12-month average of actual results

Key Performance Indicator	Description	Latest Measure	Current	Target	Current Status	Ongoing Trend	Page
4 Sheppard	Delay Incidents	Jan 2018	46	32	✗	✓	48
	Delay Minutes	Jan 2018	124	78	✗	✓	49
	Capacity Delivered in Peak	Jan 2018	100%	98%	✓	✓	50
Streetcar	On-Time Departure	Jan 2018	53.7%	90%	✗	✓	51
	Short Turns	Jan 2018	1,172	1,074	✗	✓	52
Bus	On-Time Departure	Jan 2018	79.2%	90%	✗	✓	53
	Short Turns	Jan 2018	1,825	1,590	✗	✓	54
Wheel-Trans	% Within 10 Minutes of Schedule	Jan 2018	85.3%	90%	✗	-	55
Customer: Amount of Service							
Streetcar	Weekly Service Hours	Jan 2018	18.7K	18.7K	✓	✗	56
Bus	Weekly Service Hours	Jan 2018	143.1K	144.4K	✗	-	57
Subway	Weekly Service Hours	Jan 2018	10.9K	10.8K	✓	✓	58
Operator Efficiency	Crewing Efficiency	Jan 2018	86.99%	87.15%	✗	✗	59

Ongoing Trend Indicators:
✓ Favourable - Mixed ✗ Unfavourable

*Represents current 12-month average of actual results

Key Performance Indicator	Description	Latest Measure	Current	Target	Current Status	Ongoing Trend	Page
People							
Employee Absence	Absenteeism Rate	Jan 2018	7.40%	7.42%*	✓	✗	61
Assets: Vehicle Reliability							
Subway							
T1	Mean Distance Between Failures	Jan 2018	265,831 km	300,000 km	✗	−	64
TR	Mean Distance Between Failures	Jan 2018	683,549 km	600,000 km	✓	✓	65
Streetcar							
CLRV	Mean Distance Between Failures	Jan 2018	1,909 km	6,000 km	✗	✗	66
ALRV	Mean Distance Between Failures	Jan 2018	890 km	6,000 km	✗	✗	67
New Streetcar	Mean Distance Between Failures	Jan 2018	14,748 km	35,000 km	✗	✓	68
Bus	Mean Distance Between Failures	Jan 2018	17,329 km	12,000 km	✓	✓	69
Wheel-Trans	Mean Distance Between Failures	Jan 2018	14,355 km	12,000 km	✓	✓	70

Ongoing Trend Indicators:
✓ Favourable − Mixed ✗ Unfavourable

*Represents current 12-month average of actual results

Key Performance Indicator	Description	Latest Measure	Current	Target	Current Status	Ongoing Trend	Page
Assets: Equipment Availability							
Elevators	Percent Available	Jan 2018	96.1%	98%	✗	–	71
Escalators	Percent Available	Jan 2018	97.2%	97%	✓	✓	72
Financials							
TTC Revenue	Actual vs. Budget	2017 y-t-d to Dec	$1,234M	$1,238M	✗	Section 3.5	
TTC Operating Expenditure	Actual vs. Budget	2017 y-t-d to Dec	$1,709M	$1,798M	✓	Section 3.5	
Wheel-Trans Revenue	Actual vs. Budget	2017 y-t-d to Dec	$7.6M	$8.5M	✗	Section 3.5	
W-T Operating Expenditure	Actual vs. Budget	2017 y-t-d to Dec	$133M	$151M	✓	Section 3.5	
Capital Expenditure – Base	Actual vs. Budget	2017 y-t-d to Dec	$1,005M	$1,272M	✗	Section 3.5	
Capital Expenditure – TYSSE	Actual vs. Budget	2017 y-t-d to Dec	$375M	$545M	✗	Section 3.5	
Capital Expenditure – SSE	Actual vs. Budget	2017 y-t-d to Dec	$58M	$125M	✗	Section 3.5	

Ongoing Trend Indicators:
✓ Favourable – Mixed ✗ Unfavourable

*Represents current 12-month average of actual results

Critical Projects Dashboard

The dashboard below provides a snapshot in time (updated quarterly) of the health status for major projects that comprise the TTC project portfolio. The projects have been included in the dashboard due to their magnitude, complexity and/or strategic significance. Collectively, the dashboard comprises over 50% of the base capital program and 100% of the fully funded expansion projects.

Section 4 of this CEO Report provides one-page project performance updates for each project listed in the dashboard. Exception reporting for projects with a yellow 'Y' or red 'R' status is provided in the CEO Commentary (see Section 2 of this CEO Report).

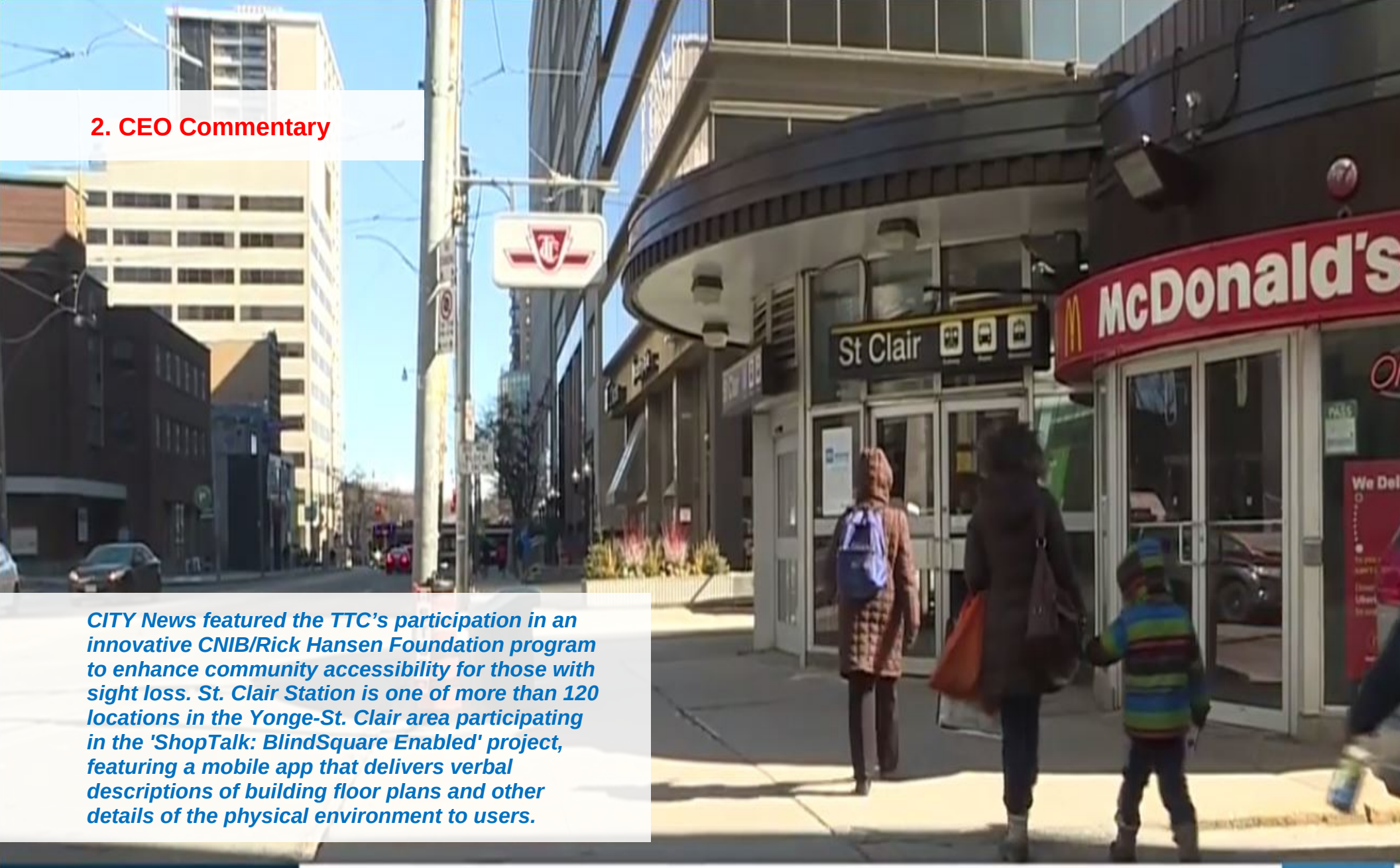
Project	Strategic Objective	Cost (millions)					Schedule			Outlook to Completion			
		Budget	Actual		Projected		Start Date	End Date		Schedule	Cost	Scope	Risk
			LTD	%	Cost	%		Approved	Revised				
Bus Fleet & Facilities													
Vehicles: Purchase of Buses *	Assets	$1,271	$436	34%	$1,266	100%	Ongoing	Q4 2019	Q1 2018	G	G	G	G
Facilities: McNicoll Bus Garage	Growth	$181	$24	13%	$181	100%	Q4 2012	Q2 2020	Q2 2020	G	G	G	G
Management Systems: VISION (CAD/AVL)	Customer	$115	$22	19%	$115	100%	Q1 2014	Q4 2020	Q1 2020	Y	G	G	G
Streetcar Fleet & Facilities													
Vehicles: Purchase of New Streetcars	Assets	$1,187	$630	53%	$1,187	100%	Q2 2009	Q4 2019	Q4 2019	R	G	G	R
Facilities: Leslie Barns	Growth	$523	$502	96%	$523	100%	2008	Q4 2017	Q4 2017	G	G	G	G
Track: Surface Track *	Assets	$598	$282	47%	$598	100%	Ongoing	Q4 2017	Q2 2018	Y	G	G	Y
Subway Fleet & Infrastructure													
Vehicles: Purchase of Subway Cars	Assets	$1,167	$1,132	97%	$1,161	100%	Q2 2011	Q4 2016	Q2 2017	G	G	G	G
Stations: Easier Access III	Assets	$774	$301	39%	$776	100%	2006	Q4 2025	Q4 2025	Y	G	G	Y
Facilities: TR / T1 Rail Yard Accommodation **	Assets	$973	$215	22%	$966	99%	2010	Post 2026	Post 2026	G	G	G	G
Track & Tunnels: Subway Track *	Assets	$557	$172	31%	$542	97%	Ongoing	Q2 2018	Q2 2018	G	G	G	G
Signals: Automatic Train Control (ATC Line 1-YUS)	Assets	$563	$381	68%	$563	100%	Q2 2009	Q4 2019	Q4 2019	G	G	G	G
Expansion													
Toronto-York Spadina Subway Extension (TYSSE)	Growth	$3,184	$2,791	88%	$3,184	100%	Q2 2008	Q4 2017	Q4 2017	G	G	G	G
Scarborough Subway Extension**	Growth	$3,305	$75	2%	$3,305	100%	Q4 2013	Q4 2023	Q2 2026	R	Y	R	R
Management Systems													
PRESTO	Customer	$48	$42	87%	$61	127%	Q4 2012	Q4 2017	Q4 2019	Y	Y	Y	Y
SAP	Financial	$63	$45	71%	$63	100%	Q1 2014	Q3 2019	Q3 2019	R	Y	Y	Y

Legend – Outlook to Completion

On Track to Meet Project Objective
At Risk of Not Meeting Project Objective
Will Not Meet Project Objective

*These projects are ongoing in nature. Performance data reflects the 10-year funding envelope.
**The scope is not sufficiently defined to establish a complete budget or schedule. The cost and schedule above reflect known/approved scope, which will be reset when the scope is better known.
Financial data in the dashboard are as at year-end 2017.

2. CEO Commentary



CITY News featured the TTC's participation in an innovative CNIB/Rick Hansen Foundation program to enhance community accessibility for those with sight loss. St. Clair Station is one of more than 120 locations in the Yonge-St. Clair area participating in the 'ShopTalk: BlindSquare Enabled' project, featuring a mobile app that delivers verbal descriptions of building floor plans and other details of the physical environment to users.

CEO Commentary and Current Issues

General Overview

Of importance in the overviews for each critical path outlined below, is news that further installation and commissioning of fare gates at the remaining stations has been paused.

In consultation with Chair Josh Colle, I have met with fare gate supplier, Scheidt and Bachmann, to express the TTC's concerns around gate reliability. A plan is being developed now to correct these issues before we continue with installation.

On the evening of March 1, the TTC celebrated employee excellence at its third annual Rewards and Recognition Gala. Chair Colle joined us as we recognized the best of the best of TTC employees from customer service to safety, to leadership, to innovation and teamwork. The TTC is a large employer with a diverse workforce. We ask our employees to deliver a safe and reliable transit service 24 hours a day, seven days a week. I'm a believer in the need to recognize and reward those for going above and beyond in the name of public service.

On a far less positive note, the internal investigation of a Transit Fare Inspector is ongoing following an incident on February 18, 2018 on the 512 St Clair streetcar at Bathurst Street. As I assured the Ombudsman in a letter dated February 23, 2018 and publicly posted on the TTC website, staff has committed to a thorough investigation of this incident. I have also contacted the Toronto Police Service to request they investigate the matter to determine if criminal charges are warranted. Once complete, we will report to this Board on the investigation's outcomes. The employee has been suspended with pay, per our collective agreement, until the conclusion of the investigation.

Finally, on February 24, 2018 we had a one-day, reduced from two-day, closure of Line 1 from Sheppard to St Clair stations for a combination of work on the Eglinton Crosstown by Metrolinx, and work in the northern section of the Yonge line to do asbestos removal and prep work for ATC installation.

Because of the length of the closure, almost 9 km, staff were concerned that a traditional shuttle bus service on Yonge Street, would become impossible to manage, due to on-street parking and construction at Yonge and Eglinton. There were real concerns that we would see bunching and unmanageable gaps in service on Yonge Street. Better, it was believed, to offer an east-west express bus shuttle to the University side of Line 1 for a quicker, more efficient trip south and north.

This concept had been implemented in 2016 12 times from St George Station to Sheppard West and was successful. In 2018 February 3-4 weekend St Clair West to Union closure, no shuttle buses were provided from St George to Union and was deemed a success with only two customer service complaints regarding the alternative service provide.

While we still believe that is the better option for travel to and from the downtown or to connect with Line 2, our customers were not as convinced and asked that we reinstate a more traditional shuttle on Yonge Street. A bus shuttle to bridge service during a closure has always been the case for shorter closures, such as Lawrence to St Clair. The 97 Yonge was also in place on February 24, 2018. Nevertheless, we have heard our customers and will be revisiting the alternative bus plan for future closures on Yonge Street of this length.

Critical Path 1: Financial Sustainability

On February 12, City Council approved the 2018 Operating Budget and the 2018 – 2027 Capital Plan, which included $1.971 billion in operating expenditures for TTC and Wheel-Trans services and $6.5 billion in capital funding over the 10 year planning period. This budget represented the first steps towards transforming for financial sustainability, ensuring investments are made in critical areas such as making transit more affordable for our customers, reducing crowding, investing in new vehicles, new technology and state-of-good-repair. These investments were made possible through a $32 million increased subsidy from the City and $51 million in base budget reduction following an alignment of the 2018 budget with actual spending in 2017 in areas such as benefits ($10.2 million), vehicle maintenance ($7 million) and non-labour expenses ($5.4 million).

The TTC's 2019 Budget process began in earnest on February 16, when the CEO and CFO presented initial directions to staff, which focused on the continued path to financial sustainability. Emphasis was placed on the required alignment of funding with cash flow priorities, opportunities for transformation or optimization, as well as the combined efforts needed to provide more reliable, longer-term financial forecasts over a 5 year horizon.

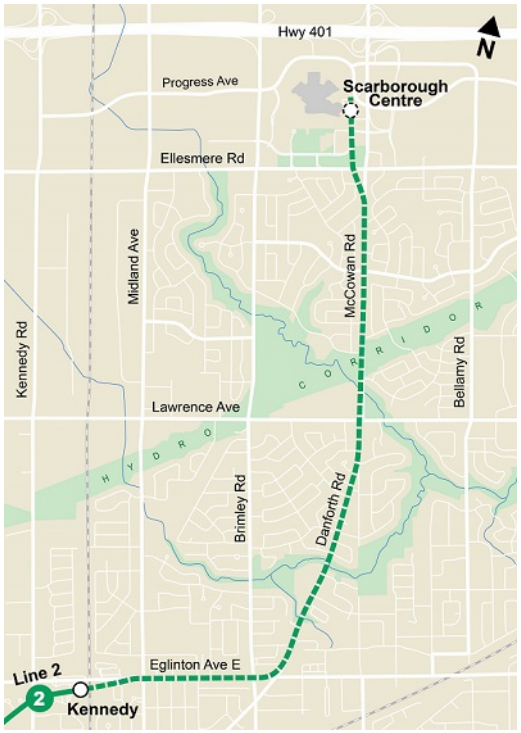
More details on the 2017 spending performance can be found under Section 3.5 Financials.

Critical Path 2: People

On March 1, we held our third annual Rewards and Recognition Gala for TTC employees. It was an honour to be able to recognize and thank those employees who exemplify The TTC Way.

This year, we had our first Lifetime Achievement Award recipient – Chief People Officer Gemma Piemontese. The CEO Special Award was announced via video by former CEO Andy Byford, who nominated our acting head of customer communications, Deb Brown, for her efforts in helping pull together the submission for the 2017 APTA Transit System of the Year award. And, finally, Employee of the Year was awarded, posthumously, to Station Collector Robert McGrath who took the time to assist a young person who was badly beaten up and came to Robert for help. Sadly, Robert passed away last fall after a short illness.

Congratulations to all nominees and award recipients for their excellence in customer service, leadership, innovation, safety and teamwork.



Critical Path 3: Growth and Assets

Ridership, as we know, has flat-lined since 2014. The Corporate Plan and Ridership Growth Strategy are designed to address that. In January, ridership was 47.6M, which is below the target of 49.2M. We will monitor this closely and report here on trends and initiatives to stem this trend.

In the coming months, we will begin to report out on the delivery of the Corporate Plan and Ridership Growth Strategy, all designed to continuously improve the TTC. These initiatives, some of which are well under way, will require resources in later years. A number of those initiatives will be identified in reports to the May, June, and July board meetings and be included as part of the 2019 Budget process. The update in May will identify improved service.

Critical Path 4: Make Taking Public Transit Seamless

Over the last several months, significant reliability issues have occurred with the new fare gates. The TTC has recently completed the installation and commissioning of new gates at Union Station and will complete that project. However, in consultation with Chair Colle, installation at the remaining 10 stations has been paused until the TTC is satisfied that the contractor, Scheidt and Bachmann, has addressed the reliability issues.

Earlier this month, TTC staff met with our contractors and agreed to implement remedial measures. We know this will push our timelines for completion of the project out, but is more important to me that we fix what we know is broken and improve the performance of the existing gates before we proceed with final installation at very busy stations such as Finch and Sheppard-Yonge.

Critical Path 5: Partnerships

As part of the TTC's Stations Transformation Program, and in line with the TTC's commitment to providing inclusive and accessible services, the TTC has partnered with the CNIB/Rick Hansen Foundation to enhance community accessibility for those with sight loss.

The 'ShopTalk: BlindSquare Enabled' pilot project features a mobile app using indoor navigation technology, developed by BlindSquare, to deliver verbal descriptions of building floor plans and other details of the physical environment to users, starting at St Clair Station and the surrounding area at Yonge and St. Clair.

Small beacons using bluetooth technology provide audible messages through a customer's smartphone. Messages include directions to subway platforms, escalators, and elevators, as well as safety warning about platform gaps.

Ultimately, the beacons will be installed at multiple transition points (approximately 25 per station). As small, battery or solar powered units, the beacons can be installed quickly and inexpensively and placed high on walls or ceilings. The beacon technology implementation is an important component of the TTC multi-year Accessibility Plan, helps support the Family of Services initiative, and the TTC's Diversity and Inclusion Policy.

Cornerstone: Safety

You'll see later in the report that our customer injury rate is 9% lower than the 12-month average rate. This is excellent news. This reduction can, in part, be attributed to the introduction of the Station Management Model with an increased focus on ensuring a safe, clean and secure system of customers, and also the ongoing actions taken as part of the Safe Service Action Plan, initiated in 2015.

Initiatives underway since the events of January 30 will also ensure a safer and more secure TTC for our customers as we work to ensure crowding is managed well before it becomes critical. Transit Enforcement continues to strategically deploy Special Constables and Transit Fare Inspectors to assist in the safe and orderly movement of our customers. With the addition of a Special Constable presence at Transit Control, Transit Enforcement is now able to monitor customer flow in a more proactive, oversight manner thereby providing a swifter response when required.

Delivery of Major Projects

Referring to the Critical Projects Dashboard on page 8, the following section provides details of the status of major projects and includes exception reporting for projects with yellow 'Y' and red 'R' status indicators.

VISION

No change in overall status

Schedule	Cost	Scope	Overall Risk
Y	G	G	G

Currently performing Integration Testing of the system on vehicles. Mini Fleet Testing started this month and upon successful completion, the rollout will begin at Mount Dennis and Arrow Road Divisions in Q2 2018. Operator training is 70% complete at both Mount Dennis and Arrow Road Divisions. Operator training at Roncesvalles Division is scheduled to start in April 2018. Supervisor training for Mount Dennis, Arrow Road, and Roncesvalles Divisions also started in March.

New Streetcars

No change in overall status

Schedule	Cost	Scope	Overall
R	G	G	R

As of March 8, 2018 there are 65 new streetcars commissioned for service. Bombardier continues to deliver in accordance with their latest delivery schedule. Key risks include recent staffing changes of senior Bombardier personnel and ongoing challenges with suppliers for both production and maintenance of the fleet.

Year\Month		1	2	3	4	5	6	7	8	9	10	11	12	Total
2014		0	0	0	0	0	0	0	2	0	0	1	0	**3**
2015		0	1	1	0	1	1	0	1	2	0	1	3	**11**
2016		1	1	0	1	2	1	1	1	1	1	2	4	**16**
2017		0	2	1	1	2	3	1	2	1	5	2	7	**27**
2018	**Delivered**	11			16			17			21			**65**
	In-Service	12			16			15			21			**64**

Surface Track

No change in overall status

Schedule	Cost	Scope	Overall Risk
Y	G	G	Y

The performance scorecard above has not changed since last month but continues to be in my commentary due to the highlighted risk.

The track construction schedule is continuously being reviewed with stakeholders such as the City and the Engineering, Construction and Expansion Department. Opportunities to couple work to minimize community disruptions will result in potential schedule changes. As a result, the project status is yellow. An example of this is the original construction schedule for the planned rehabilitation work at Roncesvalles and Russell Carhouses. These schedules were revised to include work at Roncesvalles in 2018 and work at Russell in 2020. This revision was made to take advantage of the late delivery of the new LFLRV fleet and to stage the work at Roncesvalles yard closer to the Roncesvalles/King/Queen intersection work that will be managed by the City in 2019"

While the schedules have changed, the revisions help with operational needs and minimize impact to the surrounding community.

Easier Access Phase III (Accessibility)

No change in overall status

Schedule	Cost	Scope	Overall Risk
Y	G	G	Y

I am pleased to report good progress across all current projects.

Of the 75 subway stations, 44 are accessible including the 6 new stations and Spadina (which is accessible on Line 2 only). Five stations are currently in construction and Contract D5-16 Chester Station Easier Access III was issued for bids and closed on February 21, 2018. Authorization for the award of the contract will be sought at the April Board Meeting.

Scarborough Subway Extension

No change in overall status

Schedule	Cost	Scope	Overall Risk
R	Y	R	R

Work continues to progress design towards Stage Gate 3, expected in fall of 2018. At this time, the project will provide initial cost inputs from the TTC team (includes detailed costs for the Scarborough Centre station, tunnel, Kennedy station, systems, property and utilities). Further work is underway by the new Chief Project Manager with key stakeholders within TTC and the City to define the activities, approval process and timelines to arrive at the final Class 3 Cost Estimate, Level 3 Project Schedule, and associated Risk Analysis.

As requested by City Council, a report will be presented at the first opportunity to the Executive Committee, TTC Board and City Council, which is expected to be Q1 of 2019.

PRESTO

No change in overall status

Schedule	Cost	Scope	Overall
Y	Y	Y	Y

Late last year, Metrolinx advised the implementation of single use tickets (LUMs) in Q2 2018 and the two hour transfer in Q3 2018 as well a number of other key deliverables to support adoption. These deliverables are under review. The 2018 schedule and adoption plan is being finalized with PRESTO. We expect to report to the Board on the final, signed off schedule with Metrolinx at the April Board meeting.

Following consultation with TTC Board Chair, it's been communicated to fare gate supplier Scheidt & Bachmann, we have paused the install and commissioning of the faregates. The exception being Union Station given the volume of customers and impact of removing a fareline. Scheidt & Bachmann have a technician at Union Station for all service hours until we are assured the operation is stable and reliability is at a high level. A plan to correct the issues we are experiencing with the operation of the faregates is in development.

SAP

Change in schedule status and overall status

Schedule	Cost	Scope	Overall
R	Y	Y	Y

Current State:

The SAP program is one of the key initiatives in TTC's new 5 year Corporate Plan. The TTC is committed to dedicate the necessary resources to complete the SAP implementation and realize maximum benefits.

The new TTC SAP Program Manager is currently focusing on the following key Wave 1 Go-Live areas:

- Realigning roles and deliverables for both TTC staff and contract resources focusing on critical path activities;
- Leading the TTC business teams to review and confirm critical processes in the areas of issue management and change request management;
- Identifying defects and developing solutions as part of the Cycle 1 testing phase; and
- Developing an integrated business process driven schedule with critical milestones and dependencies for a Q3/Q4 2018 Go-Live date.

Richard J. Leary
Chief Executive Officer (Acting)
Toronto Transit Commission

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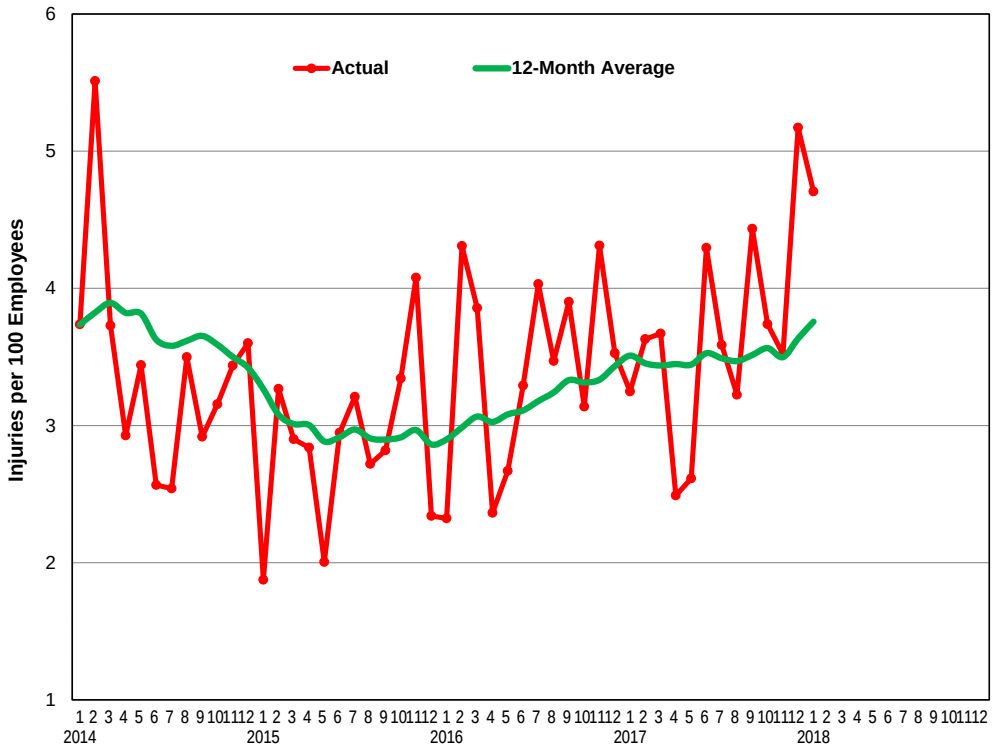
3.1 Safety & Security

Safety and Security

Lost-Time Injuries



Results

The lost-time injury rate (LTIR) for January 2018 was 4.71 injuries per 100 employees.

Analysis

The 12-month average LTIR to the end of January 2018 was 3.76 injuries per 100 employees. The LTIR for the current period was 25% higher than the 12-month average LTIR. This increase was mainly attributed to the increase in Slip/Trip injuries due to the adverse weather conditions and Overexertion injuries.

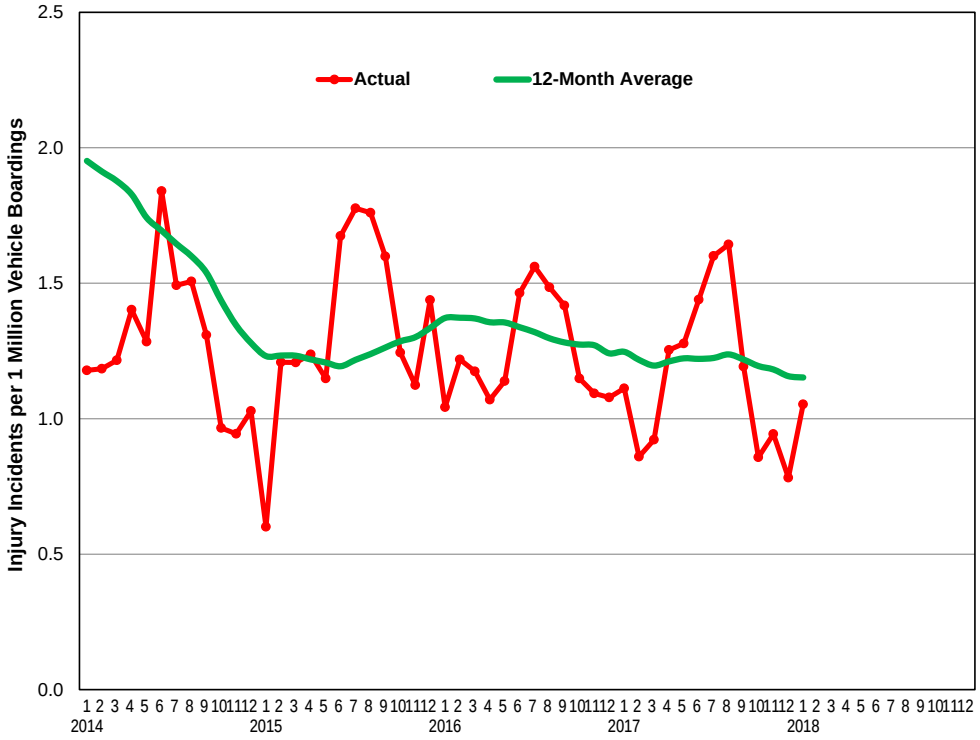
The 12-month average line shows the movement of the LTIR from 2014 to 2018. An upward movement can be observed since December 2015.

Action Plan

Further analysis by injury type reveals that musculoskeletal/ergonomic type (MSD) injuries (e.g. overexertion, reach/bend/twist, repetition) represent the highest injury event and account for 25% of all lost-time injuries.

To address this, a new Ergonomic (Musculoskeletal Disorder Prevention) Program focused on preventing such injuries and resolving ergonomic concerns will be rolled out in 2018.

Customer Injury Incidents



Results

The customer injury incident rate for January 2018 was 1.05 injury incidents per 1 million vehicle boardings.

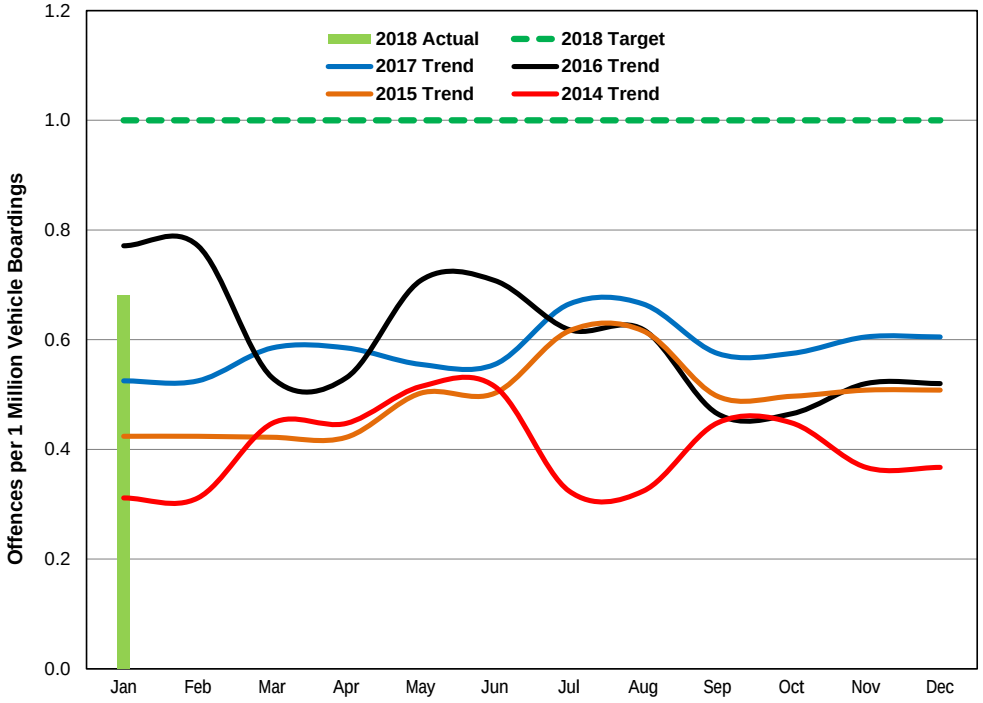
Analysis

The 12-month average customer injury incident rate to the end of January 2018 was 1.15 injury incidents per 1 million vehicle boardings. The customer injury incident rate for the current period was 9% lower than the 12-month average rate.

Action Plan

The 12-month average line shows the movement of the customer injury incident rate from 2014 to 2018. The observed reduction in the moving average customer injury incident rate can partly be attributed to the introduction of the Station Management Model with an increased focus on ensuring a safe, clean, and secure system for customers and also the ongoing actions taken as part of the Safe Service Action Plan, initiated in 2015, to reinforce good safety behaviours and improve safety performance. Incidents by mode are currently being assessed to more effectively focus resources into continually reducing future incidents.

Offences Against Customers



Results

Total offences against customers decreased in January to 0.68 offences per 1 million vehicle boardings, which was 26% higher than the corresponding rate of 0.54 for January 2017.

Analysis

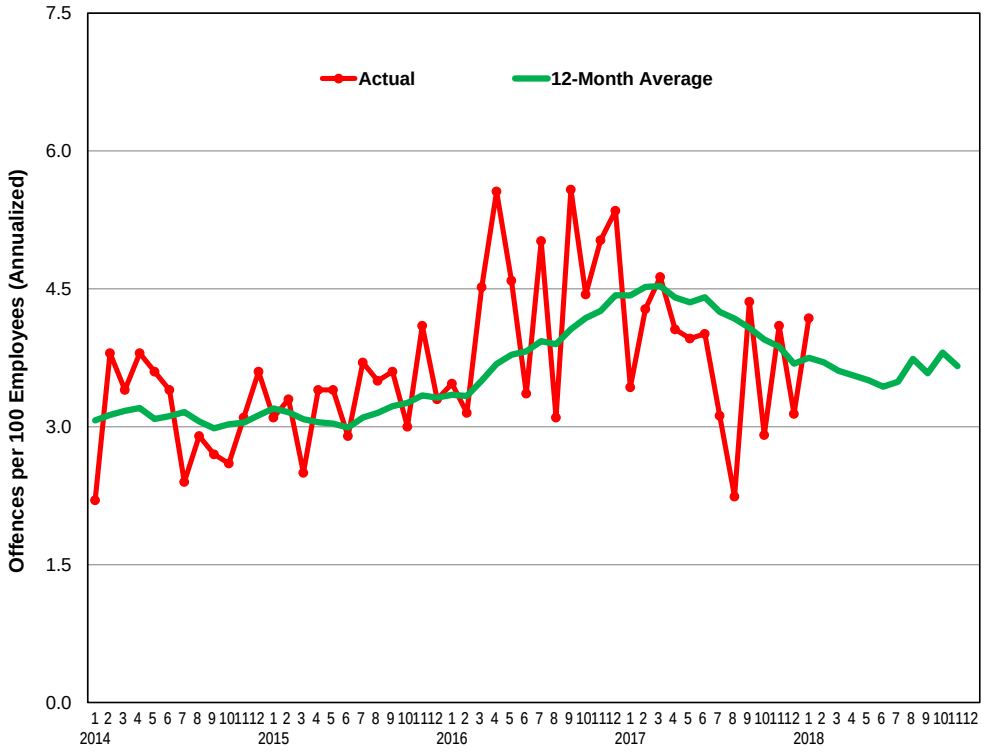
The moving annual rate of offences against customers to January 2018 was 0.60, which was 1.7% higher than the corresponding moving annual rate of 0.59 to January 2017.

Increases have been observed in the rate of reported Sexual Assaults. The moving annual rate to January 2018 was 0.10, an increase from 0.07 in the previous year. The SafeTTC app was released in the fall of 2017 and approximately one-third of sexual assaults reported to the Transit Enforcement Department since its launch have been received via the app.

Action Plan

The largest share of all offences in the period occurred within the subway system and, as part of the Stations Management Model, Special Constables will maintain a proactive presence in designated stations during peak periods. Special Constables will also be deployed to address ongoing and emerging concerns across all modes.

Offences Against Staff



Results

Total offences against staff increased in January to 4.18 offences per 100 employees, which was 22% higher than the corresponding rate of 3.43 for January 2017

Analysis

Year-over-year decreases in crimes against employees were observed in the previous six consecutive periods and overall trend remains favourable.

The moving annual rate of offences against staff to January 2018 was 3.75, which was 15% lower than the corresponding moving annual rate of 4.43 to January 2017.

Action Plan

The Transit Enforcement Department continues to focus their resources on the modes and routes where these offences are occurring as part of the B.U.S.S.T.O.P. Program. Special Constables also continue to provide support to operating personnel through safety talks held at all divisions throughout the year.

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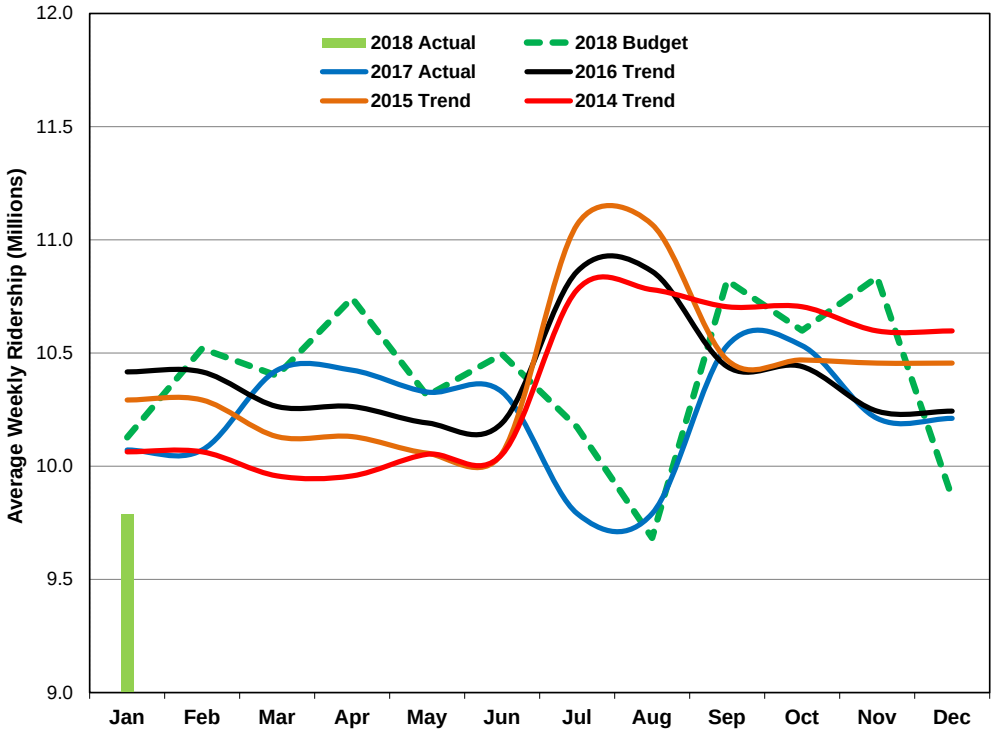
3.2 Customer

Customer: Ridership

TTC Ridership



Results

Ridership in January 2018 was 47.6M, which was 1.6M (3.3%) below the budget of 49.2M.

In terms of year-over-year growth, January ridership was 1.5M (3.1%) below the 2017 comparable ridership of 49.1M.

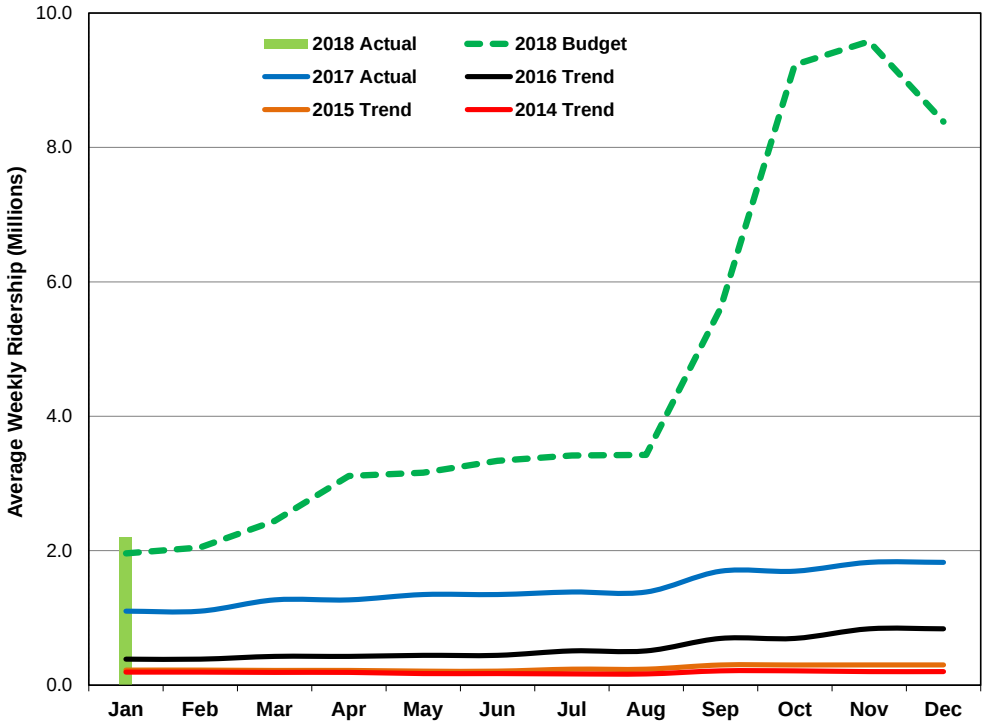
Analysis

Ridership has flatlined since 2014 and this is due to a variety of factors, including slowing employment growth, City growth and congestion, changes in customer mobility, and growth in digital ride-hailing services.

Action Plan

To re-establish sustained ridership growth, a new Ridership Growth Strategy is being developed for implementation beginning in 2018.

PRESTO Ridership



Results

Ridership using the PRESTO Farecard (e-purse; period pass) in January 2018 was 10.7M, which was 1.2M (12.6%) above the budget of 9.5M.

In terms of year-over-year growth, January ridership was 6.6M (161%) above the 2017 ridership of 4.1M.

Analysis

The PRESTO component of total TTC ridership continues to grow rapidly. The PRESTO adoption rate increased from 18.2% to 22.4% in January 2018, the largest-ever monthly increase.

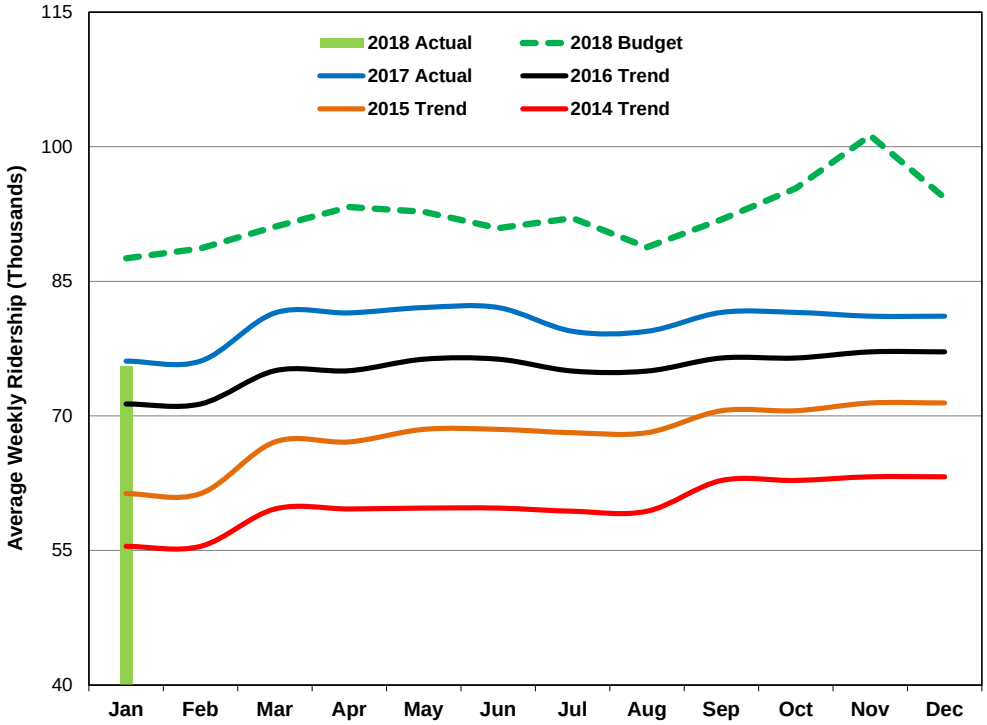
Action Plan

The PRESTO adoption rate is expected to accelerate throughout 2018 in conjunction with the phasing-out of legacy fare media and the commensurate uptake of PRESTO-based fare media.

The rate of acceleration is illustrated in the "2018 Budget" line in the accompanying KPI chart. The sharp increase in September 2018 reflects when it is currently anticipated that sales of legacy monthly passes, tokens, and tickets will be discontinued.

Note:
PRESTO ridership is included in TTC ridership totals.

Wheel-Trans Ridership



Results

Ridership in January 2018 was 367K, which was 59K (14%) below the budget of 426K.

Analysis

Overall, Wheel-Trans ridership continues to grow, increasing 34% since 2014; however, for 2017 over 2016, the growth was only 7% which is 5 to 6% less growth annually compared to previous years and is more in alignment with pre-2013 growth.

Action Plan

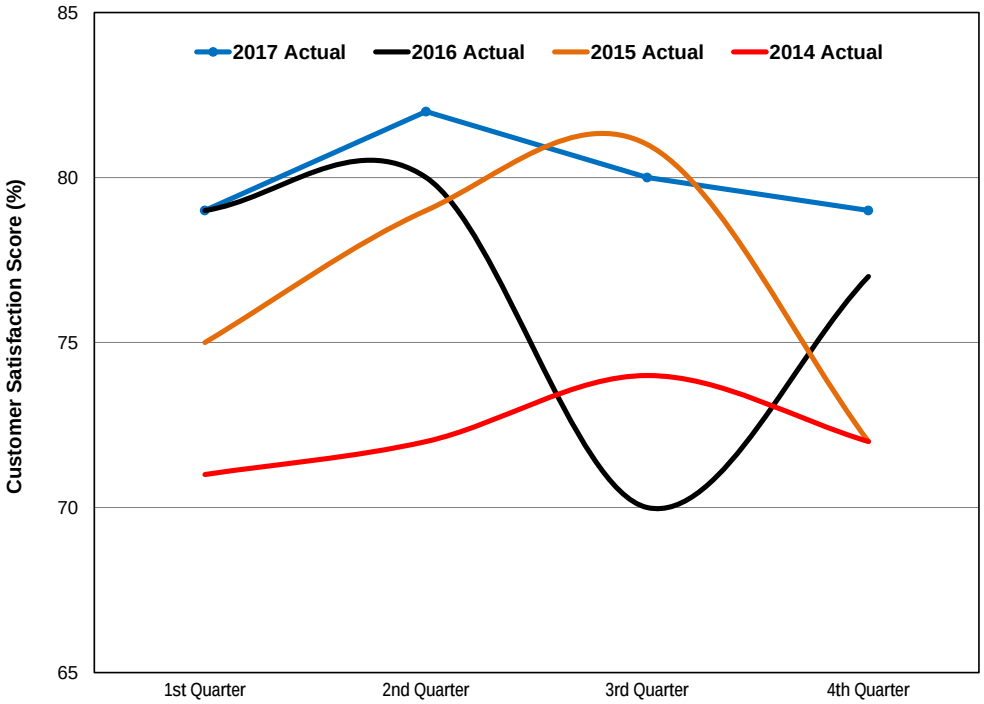
The TTC attributes this slowing in Wheel-Trans ridership to the publicity of the Family of Service approach to service delivery whereby we have continued to emphasize the accessibility of the conventional system. With the launch of the Family of Service Pilot in May 2017, Wheel-Trans customers have been encouraged to travel on the conventional system where possible, should the trip match their ability and the accessibility of the system along their required route.

It has been widely communicated that Wheel-Trans customers are encouraged to integrate their travel on all modes as it suits their abilities. The introduction of a more flexible cancellation policy enabled customers to wait until nearer the time of departure to determine if they felt able to travel on the conventional system, thereby giving customers much more flexibility, spontaneity and freedom of travel.

Note:
Wheel-Trans ridership is not included in TTC ridership totals.

Customer: Satisfaction

Customer Satisfaction Score



Results

Nearly eight in ten customers have high perceptions of overall customer satisfaction in Q4 2017 (79%), closing out the year with the highest ever annual average score of 80%. This yearly score is significantly higher (statistically) than all previous yearly scores (2012: 73%; 2013: 75%; 2014: 72%; 2015: 77%; 2016: 77%).

Analysis

Perceptions of overall customer satisfaction are driven by numerous service reliability attributes that are measured across the different modes. The top four key drivers across all three modes are: trip duration, comfort of ride, wait time and level of crowding in vehicle. These four metrics have remained steady for subway. However, perceptions of bus riders have improved year-over-year on satisfaction with trip duration (Q4 2016: 78%; Q4 2017: 83%) and wait time (Q4 2016:

57%; Q4 2017: 65%). For streetcar riders, a dip was experienced between this wave and last for overall customer satisfaction (Q3 2017: 82%; Q4 2017: 71%) and satisfaction with trip duration (Q3 2017: 84%; Q4 2017: 76%).

More customers across subway/bus/streetcar and among both frequent/occasional users in Q4 2017 (37%) believe that the TTC has improved over a two-year period than did last year (Q4 2016: 28%).

Pride in the TTC and what it means for Toronto remained consistent, (Q 12017: 71%; Q2 2017: 73%, Q3 2017: 71%; Q4 2017: 75%).

Perceptions of value for money remained consistent, with just over two-thirds indicating they received average/excellent/good value for money on their last trip (Q1 2017: 90%; Q2 2017: 93%; Q3 2017: 93%; Q4 2017: 93%).

Customer: Charter

The Customer Charter is designed to track promises and improvements that benefit customers, while holding TTC's management to account if they're not met. The progress against these commitments is reported to the TTC Board quarterly and posted on ttc.ca.

2017 Customer Charter

The 2017 Customer Charter included 38 time-bound commitments. In 2017, 22 of 38 Charter commitments were met, with highlights including:

a) We opened the Line 1 Toronto-York Spadina Subway Extension with six new fully accessible modern stations including two new TTC bus Terminals, three new TTC commuter parking lots with 2800 spaces, and direct transit connections with GO Rail, GO Bus, York Region Transit buses including Viva. The stations feature modern architecture with sustainable design features including LED lighting, bird-friendly glass, green and cool roofs, and landscaping designed to manage water run-off. Other station amenities include Wi-Fi, covered bicycle storage, new PRESTO fare gates, and new self-service PRESTO machines in service. The bus network along the corridors has been redesigned to serve the new stations.

b) We rolled out our new Wheel-Trans eligibility processes and expanded eligibility criteria; we also introduced a Wheel-Trans Family of Services pilot that allows for spontaneity and freedom of travel which includes improved same-day booking availability for short trips to access TTC accessible vehicles and stations. New Wheel-Trans No-Show and Late

Cancellation Policies were also introduced that are more flexible, including allowing for same-day cancellations.

c) We installed 200 passenger information displays in shelters to provide real time information on vehicle arrivals and we kept customers informed by adopting consistent, customer friendly language for communicating service status information.

d) All entrances at 43 subway stations now have new PRESTO-enabled fare gates.

e) We worked with Bike Share Toronto to incorporate docking stations at a minimum of five TTC stations. This offers our customers a great solution for the first and last mile of their journey.

f) We introduced a new 'Customer Service Agent' role to provide a better and more engaging service level at eight subway stations to replace the Collector.

g) We now have Wi-Fi available at 100% of stations.

h) We reduced delays by 10% on all subway lines (incidents and minutes).

i) We completed 30% of Line 3 train interior refurbishments.

j) We added service during off-peak periods to 15 busy routes, to reduce crowding and improve travel time.

k) We revised the schedules on 10 bus routes to improve service reliability.

l) We reduced streetcar short turns to less than in 2016.

m) We ensured the 514 Cherry route is serviced by new, fully accessible streetcars.

The commitments that were not met include:

a) Launching an Anti-harassment campaign to raise awareness of and combat harassment on the TTC in Q2; the campaign was launched in Q3.

b) Launching a Safety and Security app as another tool for customer report related incidents in Q2; the app was launched in Q3.

c) Expanding the bike repair stop network by an additional 10 stations in Q2; due to delays in securing funding, we expect to achieve this in summer of 2018.

d) Installing time-saving signal priority technology at 15 intersections to speed up bus travel time in Q2; we continue to have a number of technical issues with firmware etc., 6 have been installed in Q2.

e) Starting construction on four priority bus lanes, to reduce delays and improve travel time in Q3; construction on Eastbound Steeles at Don Mills and Lake Shore at Browns lane is anticipated to start in Q3 2018; construction on Lawrence (westbound) at Dufferin is anticipated to start in Q3 2018; construction on Keele (northbound) at Finch is being postponed for a 5-year period.

f) Installing new high-capacity bike parking racks at 25 subway stations in Q3; we expect to achieve this in summer of 2018.

g) Piloting solar-powered passenger information displays to provide real time information on vehicle arrivals at stops without utility power in Q3; we achieved this commitment in Q4.

h) Putting into service 20 new redesigned and accessible buses as part of an effort to diversify and modernize the TTC Wheel-Trans fleet in Q4; 11 vehicles were delivered as the end of 2017, to date we have received 16 vehicles with the remaining 4 scheduled to be received by the 2nd week of February 2018.

i) Working with the Bombardier to have a minimum of 40 additional new low-floor, accessible streetcars on property in Q4; an additional 29 new streetcars were on property at the end of Q4 2017, shortage of cars is being supplemented by running buses on streetcar routes and operating older streetcars longer than planned.

j) Reducing delays by 10% on all subway lines (incidents and minutes) in Q4; the number of incidents in Q4 were reduced by only 3.5% and the number of delay minutes were reduced by only 1.8%. Extreme cold weather in Q4 2017 resulted in increases in incidents and delay minutes mainly due to door issues on Lines 1, 2 & 3; signal and track circuit issues on Lines 1 & 2; and, switch issues on Line 3. The weather also negatively impacted the trains on Line 3 with a significant increase in door issues. Passenger related security issues in Q4 2017 also resulted in increases in the number of incidents and delay minutes with a 43.2% increase in the number of passenger assault incidents; a 22.7% increase in delay minutes due to disorderly customers; and, a 38.3% increase in delay minutes due to other passenger security issues versus Q4 2016. The introduction of Automatic Train Control on Line 1 also resulted in additional delays and incident minutes that would not have been present in Q4 2016.

k) Launching an improved and redesigned customer-friendly website in Q4; we expect to deliver an improved and redesigned customer-friendly website in Q2 of 2018. The delay in delivery is due to the length of time it took to complete the purchasing process.

l) Converting an additional 3000 bus poles to the new design to bring total to 6000 in Q4; we completed 2767 new routes in 2017. There were several route changes throughout the year and large amount of temporary stops were under construction which added challenges to meet the pre-set amount.

m) Consulting with customers and other stakeholders to revise service in three neighbourhoods (Kingston/Lawrence/Morningside; Junction; and Rexdale/Airport) in Q4; we completed initial consultation for Kingston/Lawrence/Morningside and Junction. However, we were not able to fit in consultation for the Rexdale/Airport area. We have started the background review. We anticipate consultation will happen later in 2018.

n) Widening and lengthening 300 curbside bus stops to make them accessible to customers with disabilities and, compatible with our higher-capacity, articulated buses in Q4; we modified about 73 stops in 2017. We decided to defer construction on the remaining 235 stops to the start of the 2018 construction season to avoid work during the winter, which would have posed construction challenges and customer safety issues related to the need for temporary stops.

o) Starting phasing out legacy fare media with the PRESTO rollout nearing completion in Q4;

p) Having 300+ new buses in service to replace aging buses in Q4; a total of 341 new buses were received in 2017, with 270 in service by end of 2017.

For further details on the TTC customer charter, visit ttc.ca.

Customer: Fares

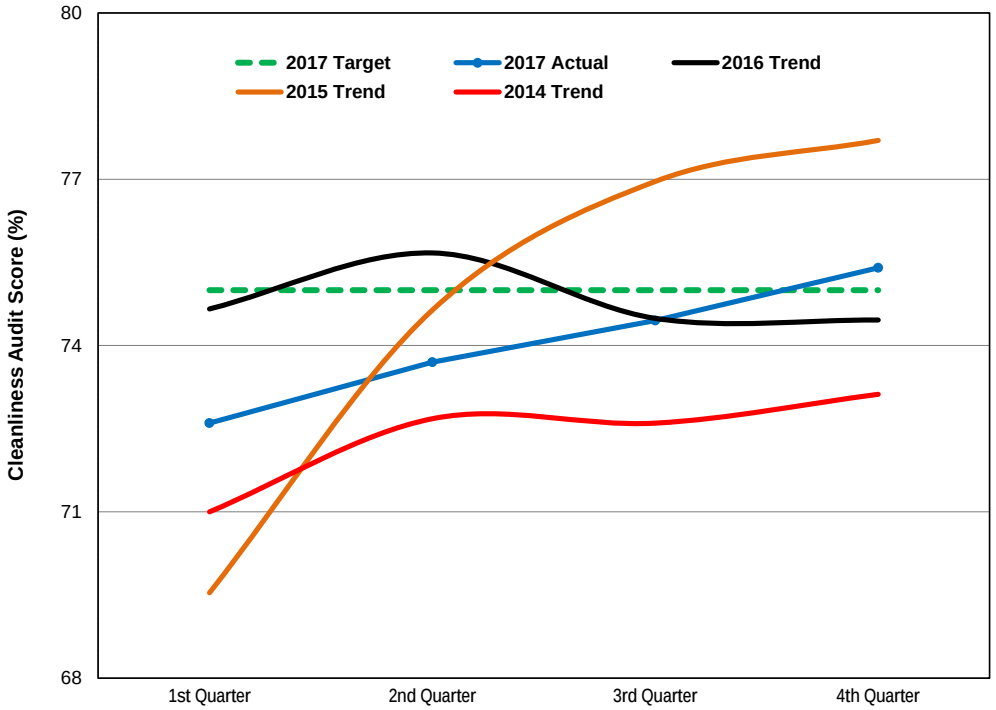
PRESTO

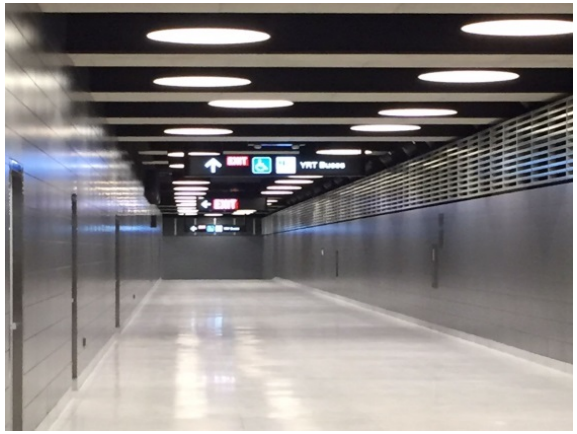
The PRESTO rollout continues across the TTC.

- The fare gates with PRESTO are now available at 65 stations and 115 entrances.
- As stated earlier, following consultation with TTC Board Chair, it's been communicated to fare gate supplier Scheidt & Bachmann, we have paused the install and commissioning of the faregates. The exception being Union Station given the volume of customers and impact of removing a fareline. Scheidt & Bachmann have a technician at Union Station for all service hours until we are assured the operation is stable and reliability is at a high level. A plan to correct the issues we are experiencing with the operation of the faregates is in development.
- Construction has not yet started at the Commerce Court entrance at King Station and the St George Street entrance at St George Station. These entrances were delayed due to some additional work that needed to be done before the fare gate construction could begin.
- The fare gates for Yorkdale Station are delayed due to other station changes planned as part of the easier access project.
- Software upgrades are being reviewed with Scheidt & Bachmann as part of the recovery plan.
- The TTC is working closely with PRESTO to develop a joint plan to increase card adoption and promote the fare options available on PRESTO.
- Currently, customers can pay their TTC fare using their balance on their card or via an adult or senior TTC Monthly Pass on PRESTO.
- Later this spring, the new 12-Month Pass on PRESTO will be introduced. This pass is the equivalent to the Metropass Discount Plan pass. It will cost the same and provide the same unlimited travel as MDP.
- The TTC is working with the City of Toronto to introduce the Fair Pass program, to make public transit more affordable for low income residents. Phase One of the Fair Pass program will be rolled out throughout this year, starting at the beginning of April.

Customer: Environment

Station Cleanliness





Results

The average station score met target, coming in at 75.44%, up from 74.45% in Q3 (up 0.99%); and up from 72.58% in Q1 (up 2.86%).

Analysis

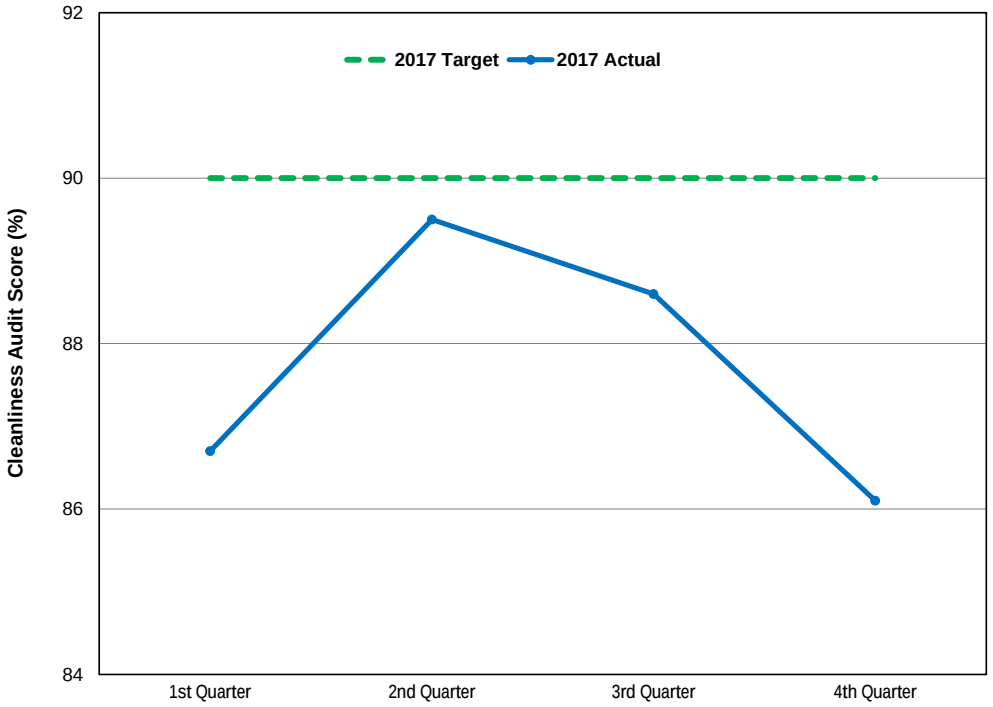
Forty-one of 69 stations (59%) met or exceeded the target of 75%, the highest number of stations for any one quarter since audits began back in 2008, the previous high was 40 in Q3 & Q4 of 2015 following significant overtime and resources utilized to get stations ready for and maintained during the Pan Am Games.

Another 20 stations (29%) scored above 70%, for a total of 61 of 69 stations (88%) scoring 70% or better. The only time this number of stations scored 70% or better was back in 2015 in Q3 (40 at target or above, and another 23 above 70%) and Q4 (40 at target or above, and 21 above 70%).

The total number of stations that met or exceeded target in each quarter has risen from 28 (41% of stations) in Q1 to 41 (59%) in Q4.

Customer: Environment

Vehicle Cleanliness – Streetcar



Results

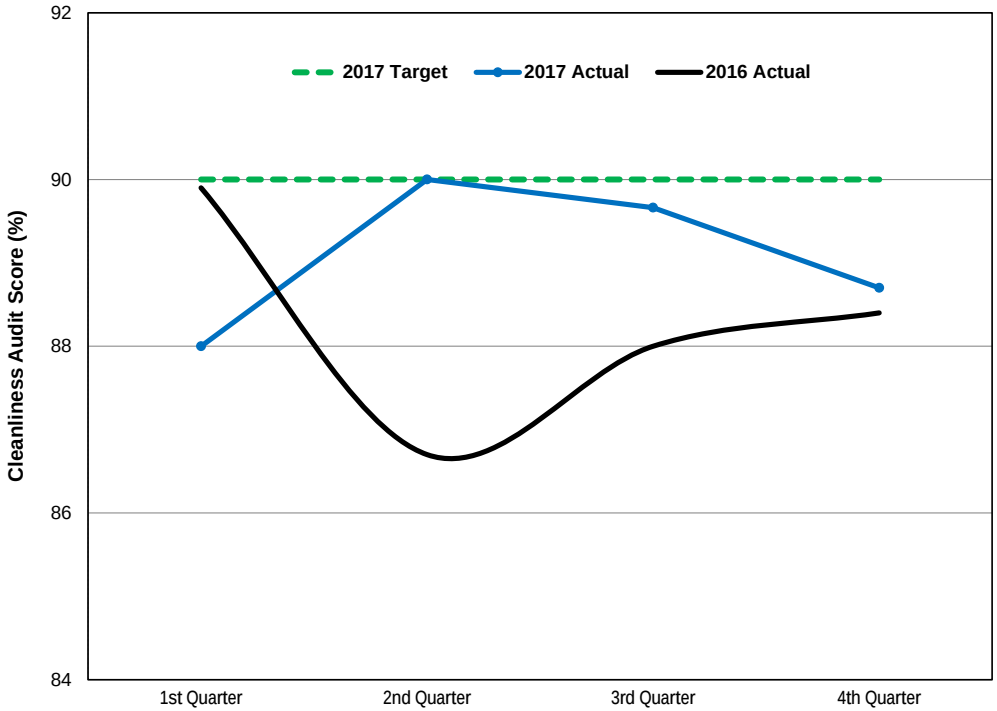
The streetcar cleanliness audit score decreased in Q4 2017 to 86.1% and performance remained below target.

Analysis

The performance scores takes into account pre-service, in service and post service audit results. As a result, the score is impacted by changes in in-service operating conditions.

In Q4 of 2017, extreme cold temperatures and significant precipitation (snow) impacted exterior washes and cleanliness of interiors. Vehicles are not exterior washed in temperatures below minus 10 degrees C. Snow and freezing temperatures also resulted in accumulation of salt deposits on floors, stepwells and seats. All of these factors contributed to the decline in Q4's score.

Vehicle Cleanliness – Bus



Results

The bus cleanliness audit score in Q4-2017 was 88.7%, which is marginally below the target of 90%.

Analysis

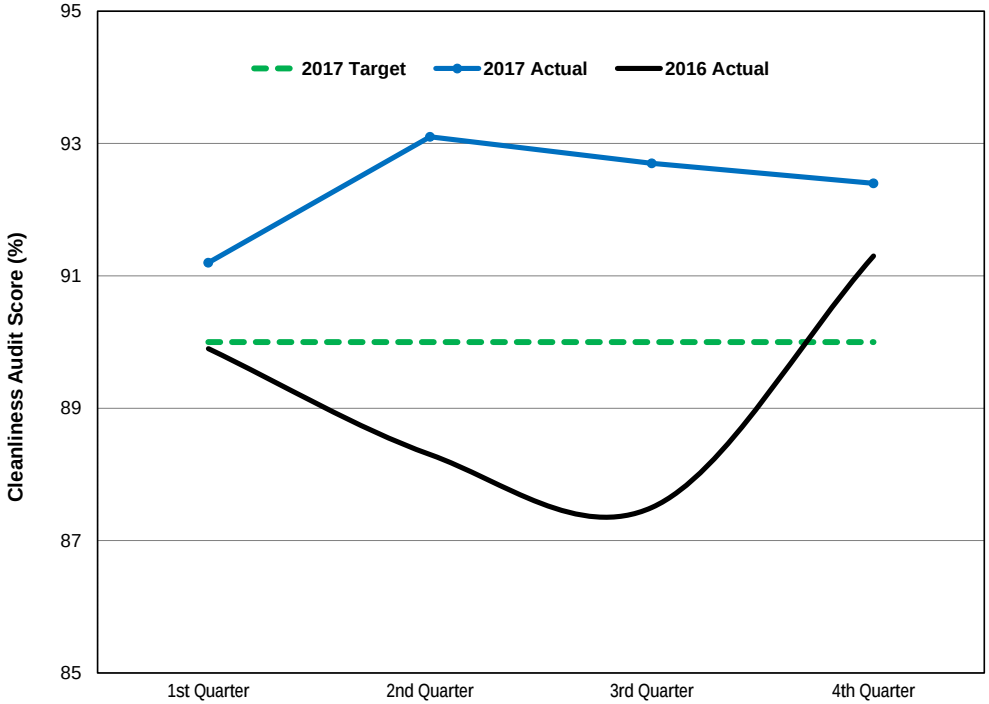
The performance scores takes into account pre-service, in service and post service audit results. As a result, the score is impacted by changes in in-service operating conditions.

Q4 results were slightly higher than Q1 of 2017 which experience similar extreme cold temperatures and precipitation (snow) which impacts exterior washes and cleanliness of interiors. Vehicles are not exterior washed in temperatures below minus 10 degrees C. Facilities with outdoor storage were mostly affected (Eglinton & Birchmount Garage). Interior cleanliness is also affected due to accumulation of salt deposits on floors and stepwells.

Action Plan

All locations are experiencing issues with cleaning the exterior back surfaces and Bus Maintenance Engineering staff is working towards solutions.

Vehicle Cleanliness – Subway



Results

The average rating of 92.4% in Q4-2017 is 0.3% point less than Q3-2017 and 0.7% point less than the highest established result of 93.1% in Q2-2017. The Department has recorded a score of greater than 90% in 5 quarters and as a result, have elevated our target to 90%.

Analysis

The areas identified for improvement in Q3-2016 were the walls and ceilings; both were successfully addressed in consecutive quarters (Q4-2016 to Q4-2017). Previous quarterly results identified the floors as an area where further improvements can be achieved. In Q3-2017, all but one line audit sample identified floors as an area for continued improvements. In Q4-2017, floors and the exterior cleanliness of our vehicles recorded the lowest scores due to the colder winter inclement weather conditions.

Action Plan

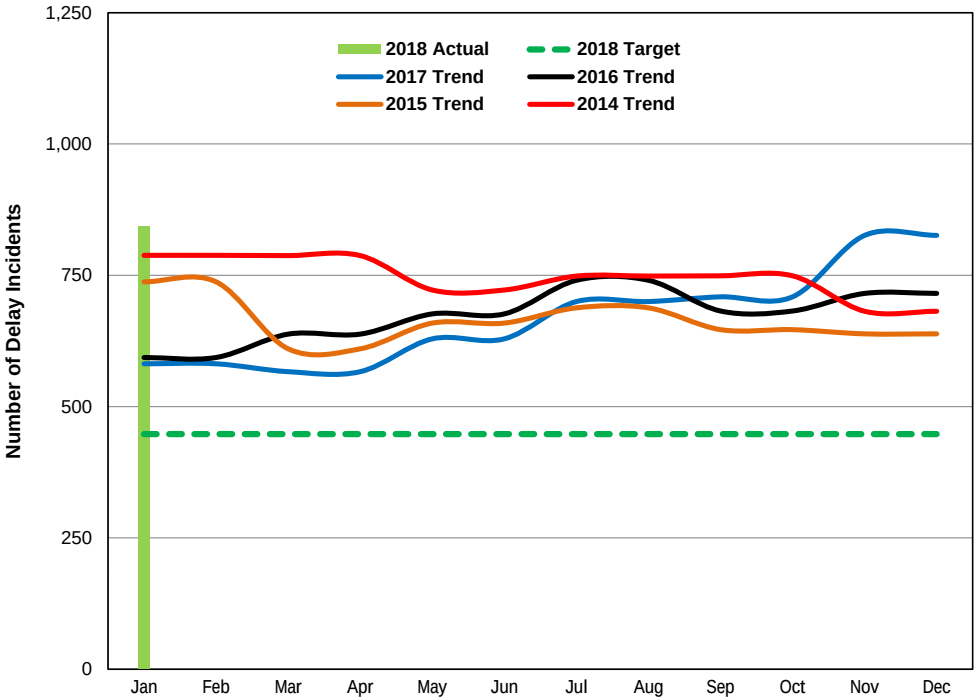
On Line 1-YUS, exterior washes were affected due to facility constraints at Wilson, and construction at Davisville. Currently, the floors are addressed every 14 days during the Floor Wash cycle. Exterior vehicle cleanliness is an area where further improvements can be made on all lines when weather conditions are more favourable.

Note:
The target for this measure has been changed to 90%, a target more reflective of the ongoing level of performance and consistent with the targets for Bus and Streetcar.

Customer: Service Performance

Subway

Line 1: Delay Incidents



Results

There were 843 delay incidents in January 2018. This number is very similar to the December 2017 result, which was higher than the 2017 average of 669.

Analysis

The reduction of delay incidents was tracking well overall in 2017; however there has been an increase in the last quarter.

Staff-related delays contributed to 13% of incidents. Some of these instances were a result of a configuration issue at Vaughn Metropolitan Centre station (VMC), causing operators to be delayed arriving to their train.
The addition of trains from 54 pre-TYSSE to 63 has also increased signal contact violations, as Operators on Line 1 are more frequently in traffic.
It also should not be overlooked that the weather in January was severe and most certainly contributed to the increased number of overshoots.

Non-controllable customer-related issues continue to account for a quarter of all incidents.

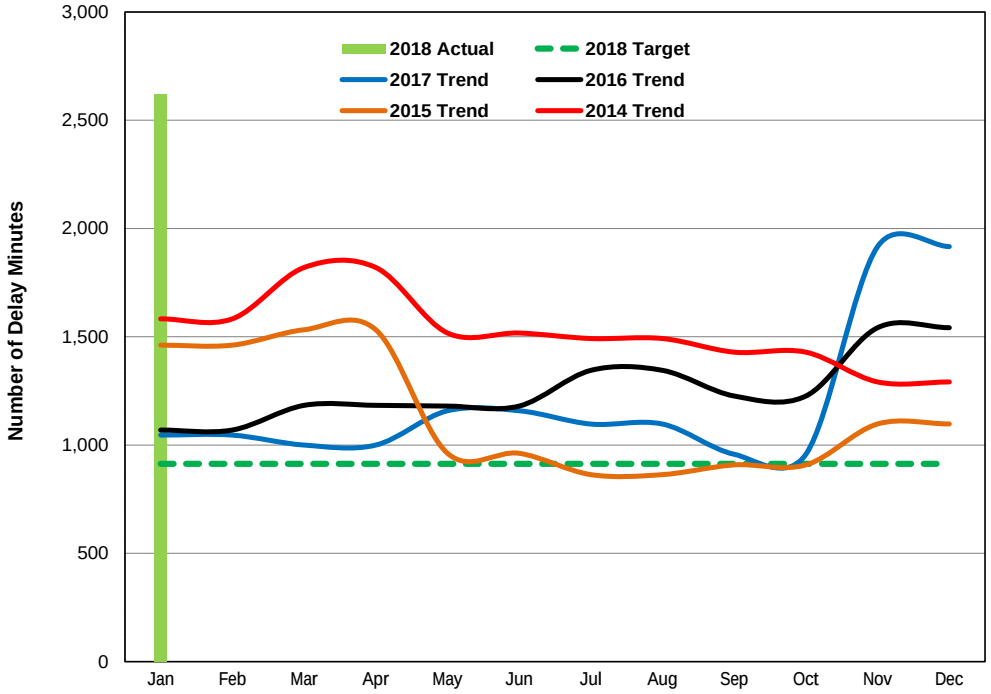
Action Plan

The station configuration issue at VMC station is scheduled to be repaired in February and this should eliminate these incidents.

Operator training is being reviewed to make modifications to the program that focuses on driving habits required for a line that will be heavily populated by trains during the peak periods.

Note:
The 2018 target is based on a 40% or more reduction in delay incidents from the 2014 monthly average baseline.

Line 1: Delay Minutes



Action Plan

These delay minutes were very impacting to our customers and is not reflective of how the TTC has been running its business for the last five years.

It is a relief that these individual, isolated days are not likely to occur again. A new procedure for ATC server resets is in place and will ensure it does not fail again in this manner.

Significant repairs have been made to the vault and additional power control options were explored to reduce the number of minutes a disruption like this could cause again.

The Mayor's 10 point plan for overcrowding reduction as a result of the events on January 30th will provide additional staff and equipment and alter procedures that will help diminish the rolling effect of this number of incidents, which in turn will reduce delay minutes.

Results

The number of delay minutes increased in January to 2,621. This was an increase of 9% compared to December 2017. The average delay minutes per month in 2017 was 1,196, only 131 minutes away from the corporate target of 1,065 in 2017.

Analysis

There were 843 incidents that occurred in January; the majority of these incidents were minor in terms of the delay minutes.
There were, however, a few incidents that contributed significantly.
On January 10th, an issue with the Automatic Train Control (ATC) server caused service in the TYSSE area to be suspended. It required 94 minutes to resolve this problem.

On January 13th, broken rail between King and Union station halted service for 248 minutes during repairs.

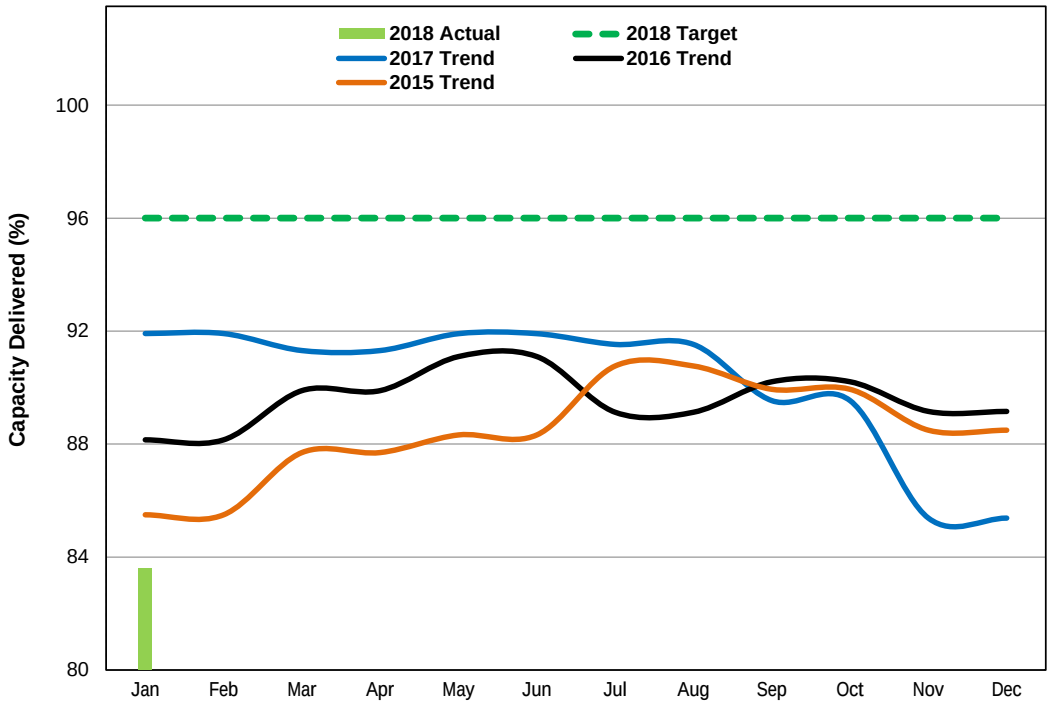
On January 16th, a vault fire close to Queens Park station stopped service for 222 minutes while the fire was attended to and repairs effected to eight subway-critical cables.

There were 24 incidents, primarily experienced through morning rush hour that resulted in 170 minutes of delays on January 30th. There was a variety of incident types, including train equipment issues, subway infrastructure failures and passenger emergency alarms.

These four days alone accounted for almost 30% of the overall monthly delay minutes.

Note:
The 2018 target is based on a 40% or more reduction in delay minutes from the 2014 monthly average baseline.

Line 1: Capacity Delivered in Peak



Results

The peak capacity delivered to Line 1 was far less then scheduled; however, there was improvement over December's result and a positive trend is anticipated in the coming reports.

Analysis

The service schedule was changed and the number of trains on the line was increased when Line 1 began operating to Vaughan. Since then, due to a number of factors, achieving our target has been a challenge, especially given the increase in delay minutes already noted.

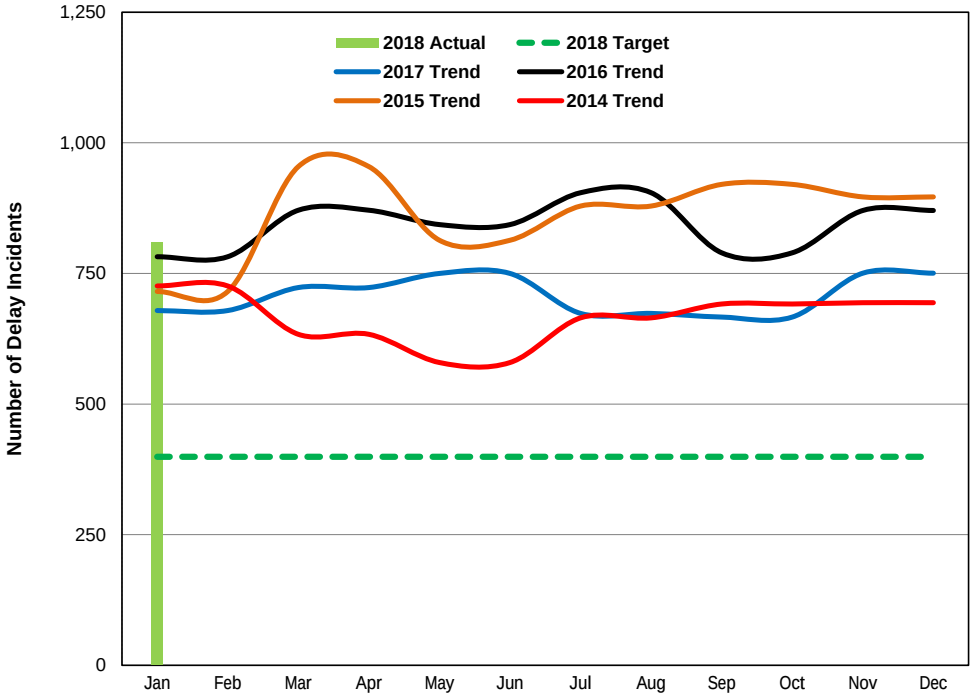
Action Plan

A number of key initiatives are being implemented to ensure this measure improves. One of the initial points is reviewing the overnight work program. Process improvements are being made to ensure work zones clear on time and work cars are out of the way of service buildup.

Switches and signals are being inspected further when incidents of inclement weather are forecasted. Schedules are being modified so that the operation can stay on time and have a positive impact on the number of peak trains delivered.

Note:
Capacity delivered is the actual train count divided by the scheduled train count for each hour at sampled locations. Data are based on weekday service from Monday to Friday.

Line 2: Delay Incidents



Results

The number of delay incidents increased in January to 809 (5.5% increase from December 2017). This is above the 2017 average of 707.

Analysis

The most significant increase to incidents in January 2018 is related to staffing delays, which increased by 40%. There were 87 total incidents, with the majority related to the high absence rate and operators not being available to trains. The attendance rate for this line has been negatively impacted by the high number of suicides, with up to 20 Operators off work.

Train equipment issues were up 24.5 % to 66 total for the month, accounting for 8% of the monthly total. Weather can be correlated to the door and unspecified operational incidents that were encountered.

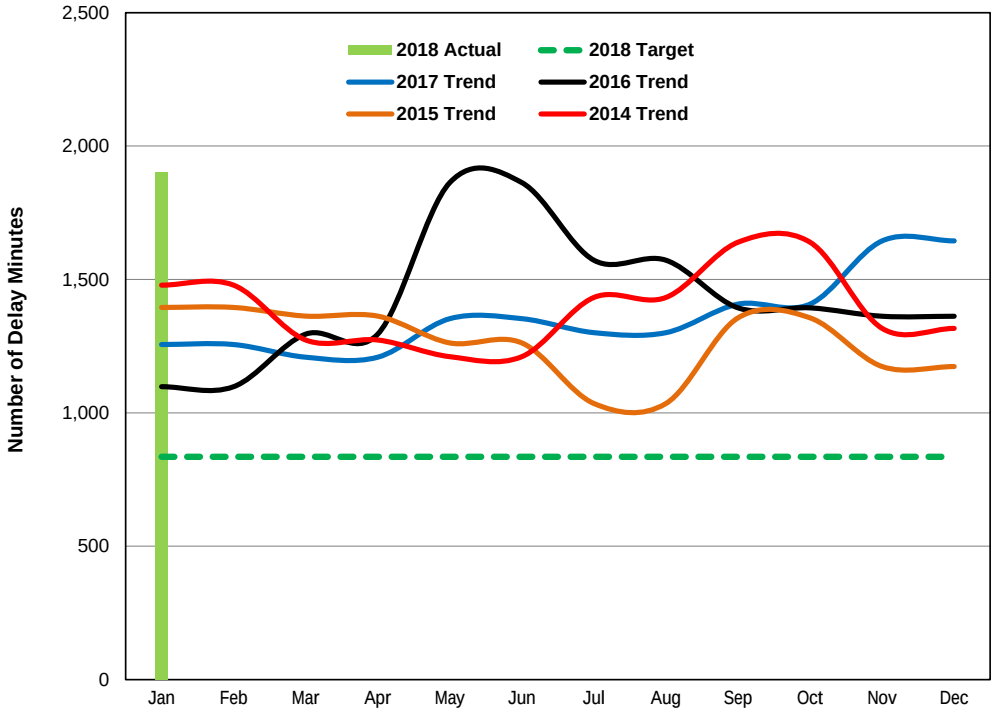
Much like Line 1, passenger-related incidents remained at the same level as the previous month and were responsible for 31% of the total incidents.

Action Plan

Subway divisions continue to work with occupational health staff and the WSIB to ensure that Operators receive the support they need, including the TTC Peer Support team.

Note:
The 2018 target is based on a 40% or more reduction in delay incidents from the 2014 monthly average baseline.

Line 2: Delay Minutes



Results

The number of delay minutes remained very similar in January 2018 to December 2017. There was only a 1% variance noted, as the value is recorded at 1,902 minutes.

Analysis

Passenger-related events decreased by 30% in January; however, they still accounted for 43% of the overall minutes, at 834 minutes. There were eight trespassers at track level that made up 116 minutes of this total.

There was one event on January 8th that accounted for 7% of the total month's tally. The Greenwood Yard power outage that occurred as a result of an outside agency's issue caused 131 minutes at the start of service.

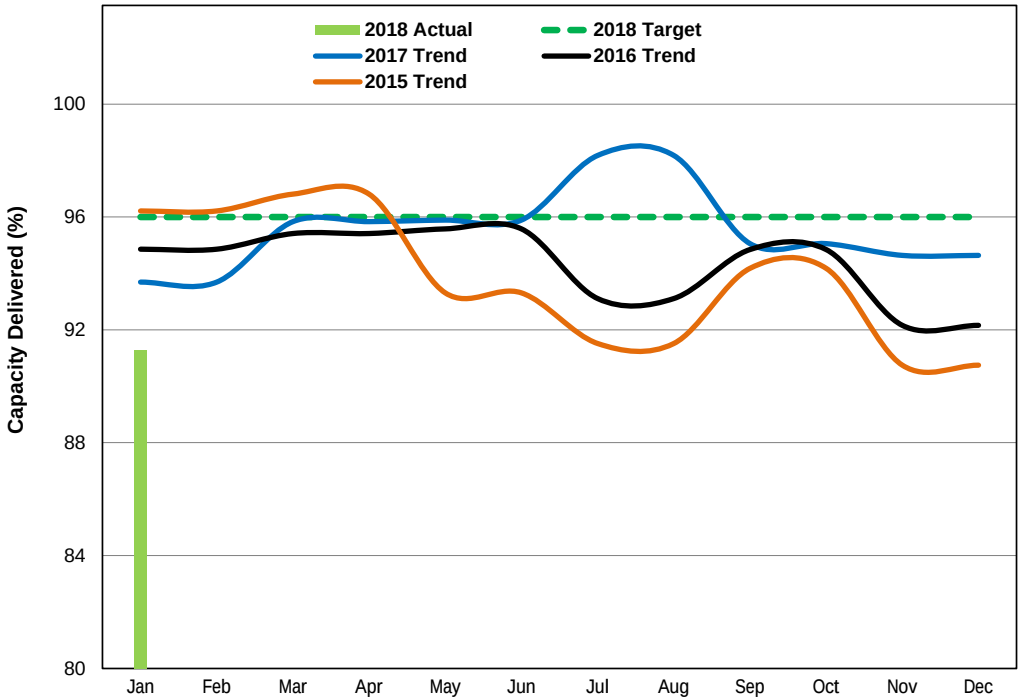
Subway Infrastructure produced good results, overall. There was an increase in the delay minutes by 67%; however, this only accounted for 7% of the overall totals and 103 of those minutes can be attributed to three switch issues. All three switch issues occurred as a result of snow and ice.

Action Plan

Line 2 delay minutes in January were above the 5-year corporate plan target and above the 2017 average of 1,362. However, without the uncontrollable minutes and the power outage that impacted Greenwood, subway delay minutes would have achieved the 2017 target of 974 minutes. This is an important perspective for the coming year, as it indicates that the programs that Rail Cars as well as Subway Infrastructure have implemented are providing value and achieving results.

Note:
The 2018 target is based on a 40% or more reduction in delay minutes from the 2014 monthly average baseline.

Line 2: Capacity Delivered in Peak



Results

Line 2 peak capacity delivered decreased to 91.3%. This is almost the identical achievement of January 2017. After this drop was experienced in 2017, numbers rebounded and Line 2 almost met or even exceeded the target of 96% each month.

Analysis

Despite the capacity delivered, the Bloor-Danforth line achieved good performance during a number of peak periods.

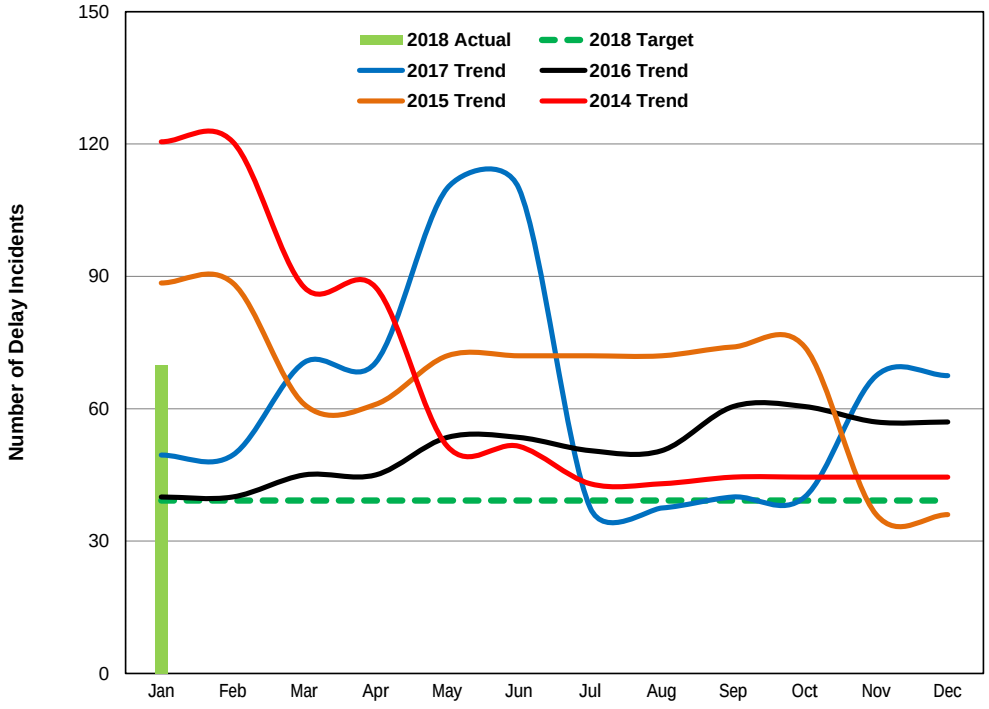
There were only a handful of instances that occurred that dramatically brought the average down; for example, the power supply failure that prevented trains from leaving Greenwood Yard on January 8th resulted in 77.5% (or 11.2 Trains per Hour) of capacity delivered in the AM Peak.

Action Plan

Line 2 has a schedule that is working well and train equipment that has been performing well, despite the winter weather that can typically strain the fleet. There are issues that remain that can be addressed, such as decreasing the number of Speed Control incidents caused by operators, as well as signal contacts. Divisional Management will be working on additional methods to improve performance specific to Operators.

Note:
Capacity delivered is the actual train count divided by the scheduled train count for each hour at sampled locations. Data are based on weekday service from Monday to Friday.

Line 3: Delay Incidents



Results

The number incidents decreased from 85 in December 2017 to 70 in January.

Analysis

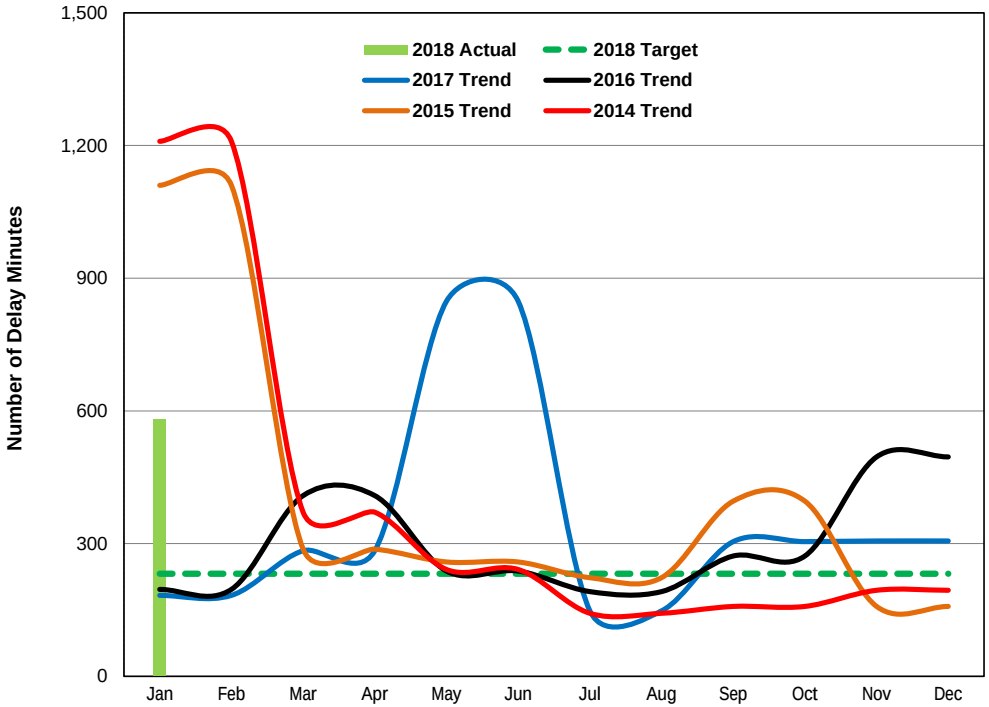
On Line 3, equipment-related incidents accounted for 54% of all incidents. This amounts to an average of one incident per day. Winter is known to be a challenge for the train equipment. This winter's temperature and precipitation have been additionally challenging.

Action Plans

The cars on Line 3 are aging and are sensitive to extreme temperatures. Staff continue to be innovative and use different techniques to keep these vehicles in service.

Note:
The 2018 target is based on a 40% or more reduction in delay incidents from the 2014 monthly average baseline.

Line 3: Delay Minutes



Results

The number of delay minutes increased in January to 581 as compared to 495 in December 2017.

Analysis

60% of all the delay minutes are focused on train and track equipment. There were 297 minutes of train delay minutes in January. 50% of these incidents were related to door problems, a very common occurrence in the winter months as the snow and ice build-up often leads to issues.

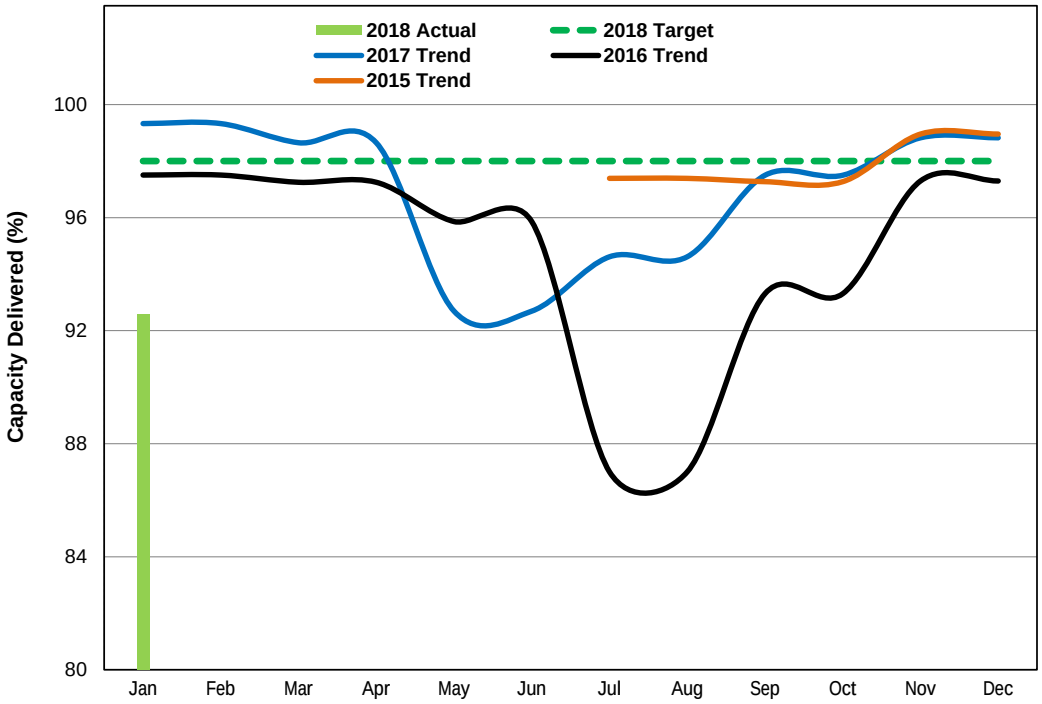
There were fewer issues at track level; however the impact was greater. One burnt power rail joint on January 16th caused 148 minutes of delay, or 25% of the overall total.

Action Plan

Regular track inspections and fleet checks continue and the operations staff work closely together to ensure that all equipment is maintained.

Note:
The 2018 target is based on a 40% or more reduction in delay minutes from the 2014 monthly average baseline.

Line 3: Capacity Delivered in Peak



Results

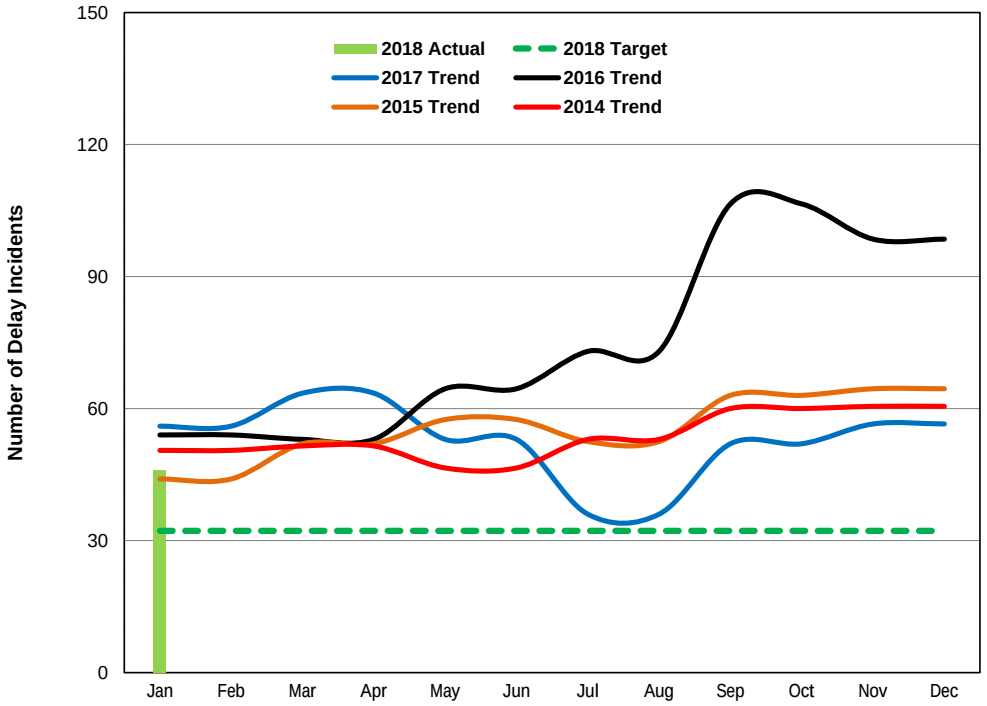
The daily peak capacity delivered in the morning and afternoon peak service periods in January dropped to 92.6%.

Analysis

On January 4th, a train became disabled during the AM peak and it resulted in a 76 minute delay. Only four trains operated for the remainder of service. This significant drop impacted the monthly reported average.

Note:
Capacity delivered is the actual train count divided by the scheduled train count for each hour at sampled locations. Data are based on weekday service from Monday to Friday.

Line 4: Delay Incidents



Results

The number of delay incidents decreased from 66 in December to 46 in January 2018, a 30% reduction. This is not far away from the 2018 goal of 32 incidents.

Analysis

Incidents were down across the majority of areas; there were zero incidents related to rolling stock.

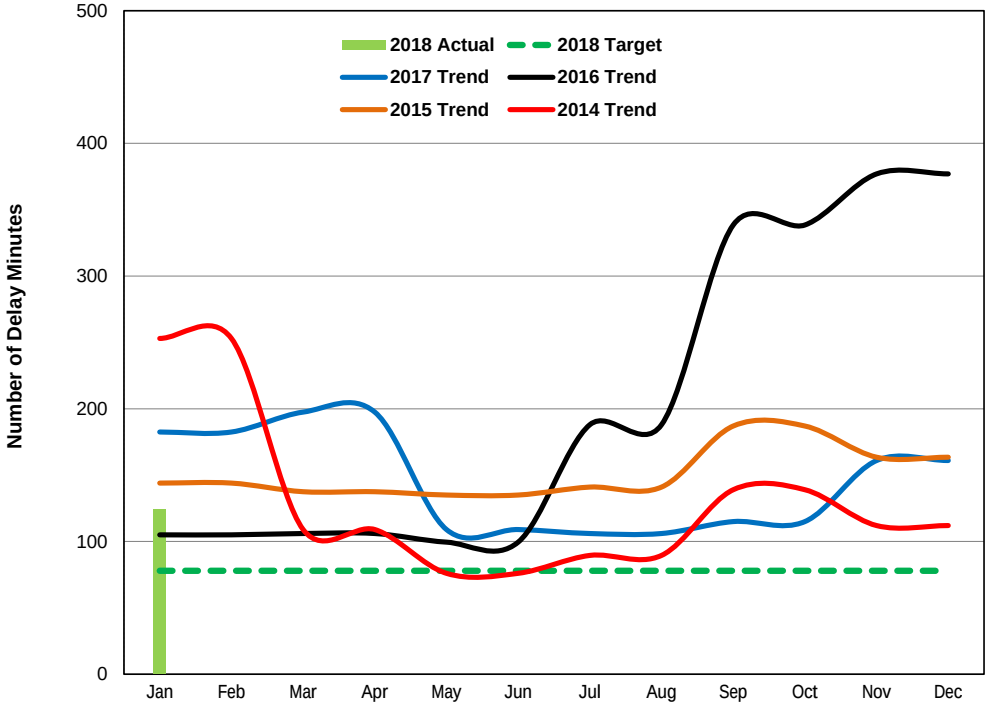
On January 20th, one train experienced camera issues and this resulted in six incidents before it was removed from service for repair. With so few incidents on the line, this amounts to 13% of the issues.

Action Plan

The issue that caused this problem was resolved on the day of reporting and has not recurred since.

Note:
The 2018 target is based on a 40% or more reduction in delay incidents from the 2014 monthly average baseline.

Line 4: Delay Minutes



Results

The number of delay minutes returned to more expected levels in January, dropping to 124 incidents from 221 in the month prior. This was lower than the 2017 average of 145 minutes and getting closer to the 2018 goal of 78.

Analysis

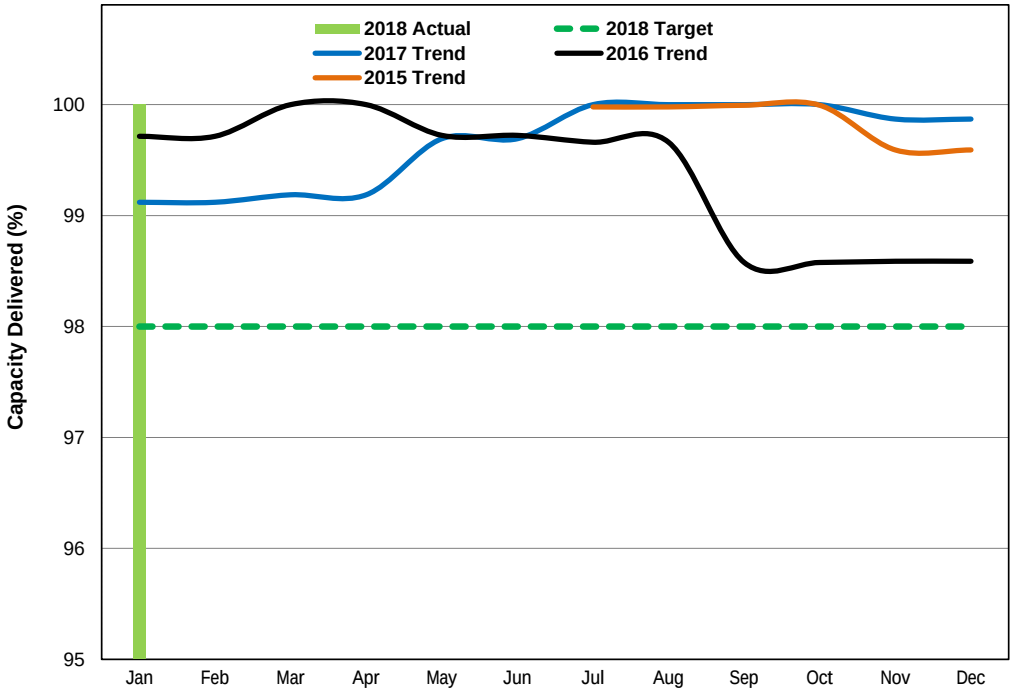
Compared to 2014, on Line 4, the total delay minutes have improved by 67.2% with improvements seen across the board. There were zero minutes associated to both rail cars and subway infrastructure during this time.

Action Plan

Camera issues associated to one individual run on one day account for 34% of this month's delay minutes. Maintenance staff have determined the cause of this individual issue and rectified it.

Note:
The 2018 target is based on a 40% or more reduction in delay minutes from the 2014 monthly average baseline.

Line 4: Capacity Delivered in Peak



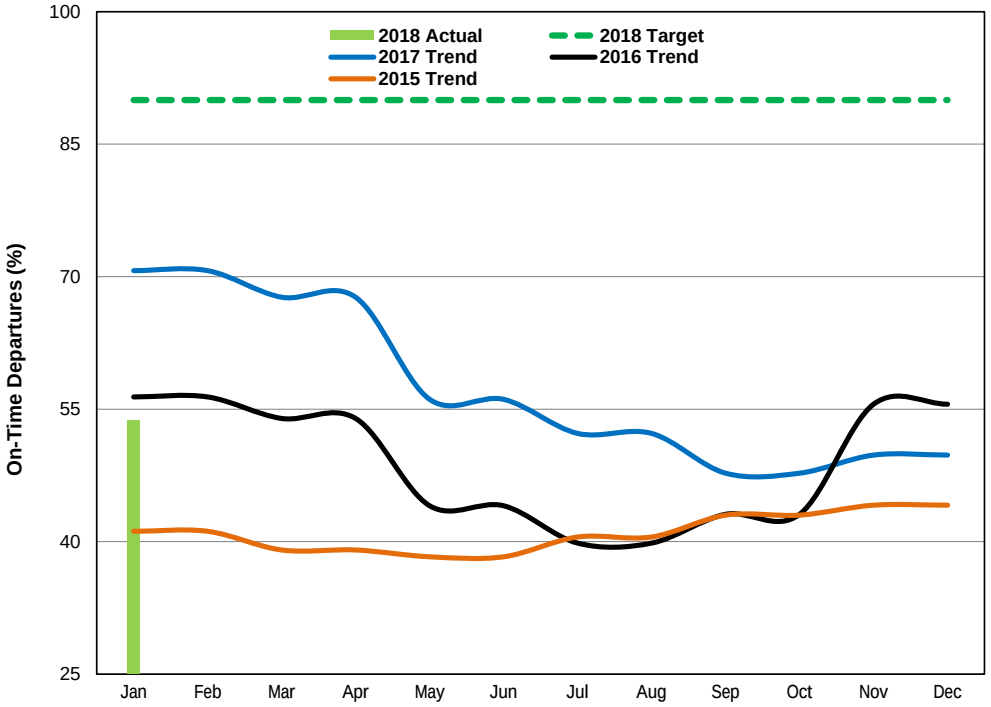
Results

The daily average number of trains per hour (TPH) in the morning and afternoon peak service periods was 100% of what was scheduled.

Note:
Capacity delivered is actual train count divided by the scheduled train count for each hour at sampled locations. Data are based on weekday service from Monday to Friday.

Streetcar

On-Time Performance



Results

The multi-year view clearly shows improved progress in on-time performance since 2015, despite being below overall target. Performance in January increased to 53.7% from 52.9% in December 2017.

Analysis

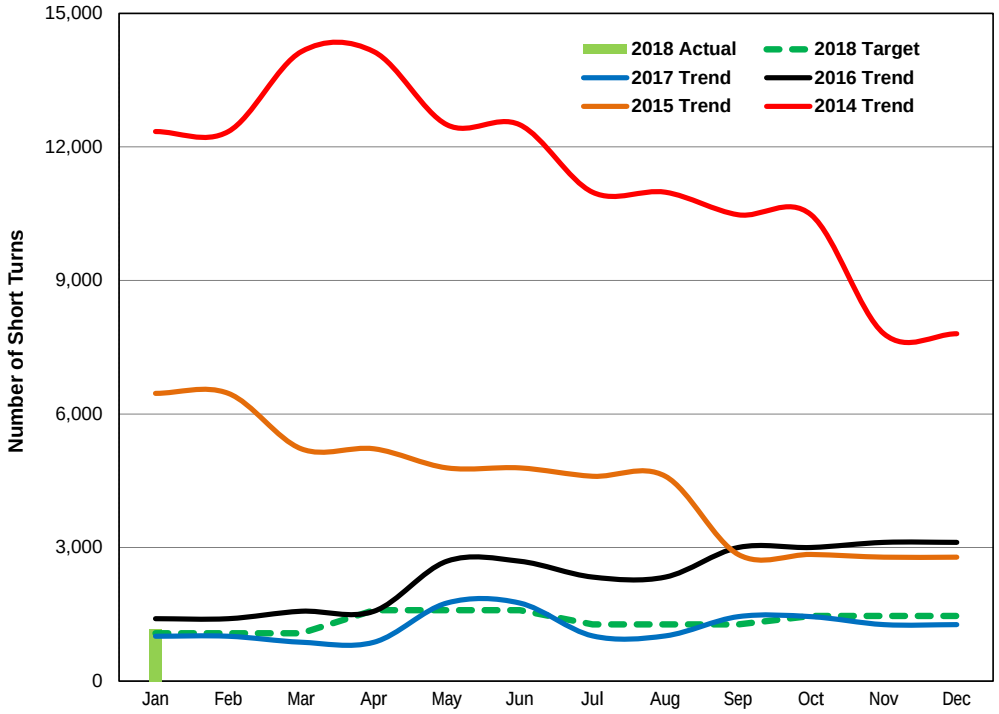
Existing On-Time Departures (OTD) continue to reflect the scheduling/measuring challenges noted in previous reports. The current period has remained below 2016/17 OTD achievements due to the aging legacy fleet, which is now more susceptible to colder climates, further reductions in the spare ratio. We are still experiencing slight slower average speed of the new streetcar fleet, partially due to the operators still becoming accustomed to the new vehicles on the increasingly expanding route deployment. 10 new vehicles have brought an increase in capacity on the 504/514 and 512 Services.

Action Plan

LFLRV routes have maintained performance and proven more resilient to the colder climate. In addition, the planned 2018 route improvements are underway to ensure an upward trend in the OTD measure.

Note:
This KPI measures adherence to scheduled (59 seconds early to 5 minutes late) departure times from end terminals.

Streetcar - Short Turns



Results

This multi-year view clearly illustrates the year-over-year reductions in short turns, with the existing period reaching figures comparable to an all-time low below the target in 2017. The number of short turns decreased in January to 1,172, and was above target.

Analysis

A continued focus on route management efforts from 2014 have showed that the lessons learned are still applicable. These best practices have established a new baseline that Streetcar Transportation will now use as the target to maintain short turn levels at.

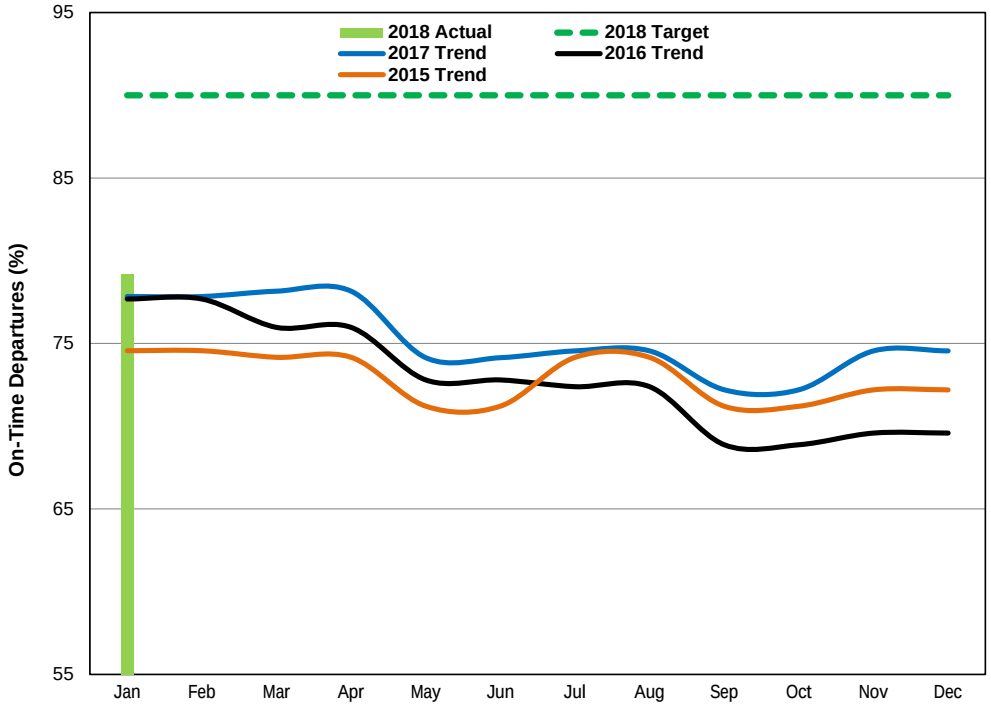
Action Plan

This trend will continue to be at target with the ongoing King Street Pilot, further delivery of new streetcars from Bombardier in 2018 and further adjustments to schedules to promote full trips and on time scheduled departures.

Note:
Data are based on all seven days of service from Sunday to Saturday.

Bus

On-Time Performance



Results

Despite results below the target of 90%, there has been year-over-year improvement in on-time performance for bus since 2015. Performance in January increased to 79.2% but continued to not achieve target; albeit improved over 2017.

Analysis

Extreme weather has been a contributing factor for the marginal improvement to on-time performance.

The following schedule changes were implemented in the January Board Period:

Metrolinx Construction:
14 Glencairn and 33 Forest Hill

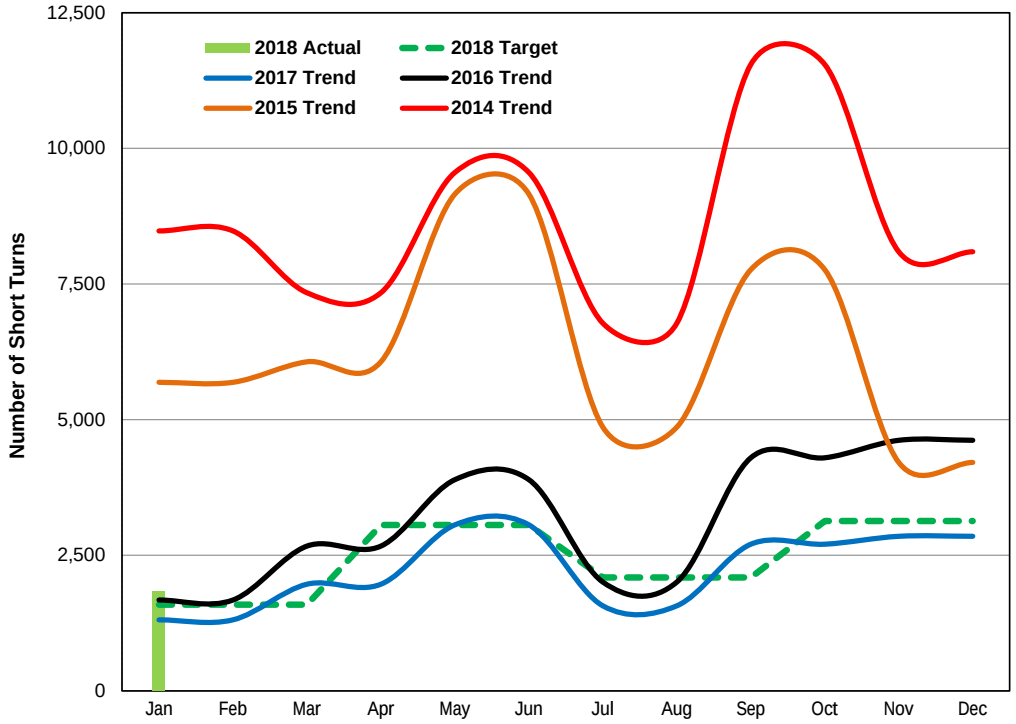
Service reliability Improvements:
80 Queensway

Action Plan

Operators' performance continued to be closely monitored to maximize the effectiveness of schedule improvements. Since March 2017, 797 operators have been interviewed for schedule adherence irregularities and occurrences of early departures were decreasing as a result of this initiative.

Note:
This KPI measures adherence to scheduled (59 seconds early to 5 minutes late) departure times from end terminals.

Bus - Short Turns



Results

This multi-year view illustrates continuous reductions in the number of short turns from 2014 to today, resulting in greatly improved customer experience.

Analysis

The number of short turns in January increased as compared to the same period last year, due to the impact of extreme weather events. Performance is above target but has started to stabilize.

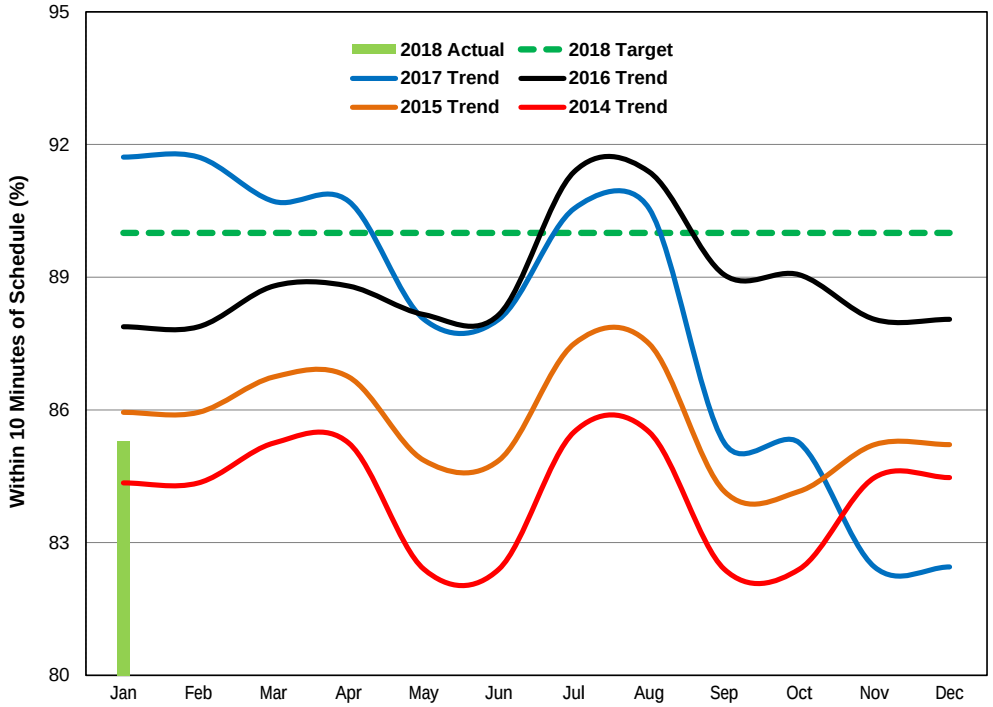
Action Plan

Schedule improvements and increased utilization of Run-as-Directed (RAD) bus deployments have reduced the need for service adjustments.

Note:
Data are based on all seven days of service from Sunday to Saturday.

Wheel-Trans

Punctuality



Results

Performance in January increased from the previous month to 85.3%. Severe weather conditions have been a factor to the lower on-time performance in January.

Analysis

Wheel-Trans on-time performance measure of 10 minutes is an aggressive target compared to peers who have on-time performance measures of between 15 and 30 minutes.

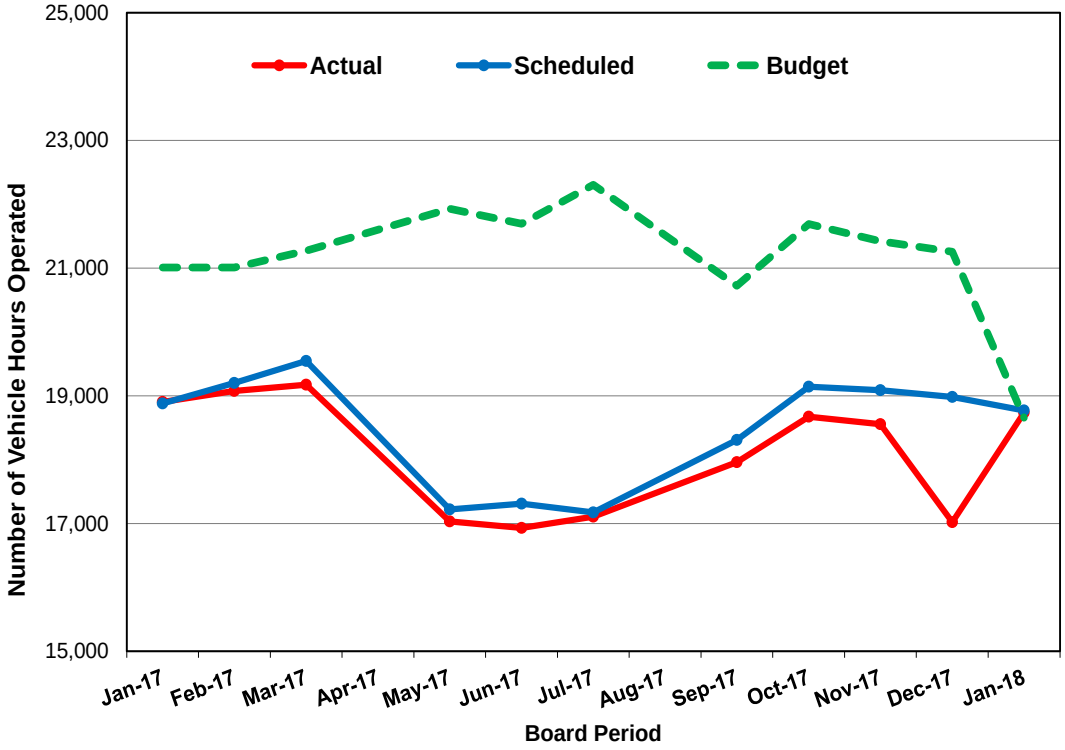
Cancellations were higher as customers are now allowed to cancel on the same day without penalty. This was also higher than expected due to snow and cold weather. The on-time performance was negatively affected by the late cancellations. All Family of Services same day service requests were accommodated as well as trips from a waiting list. This has provided more flexibility for customers and allows them to experience more spontaneous trips which will be encouraged moving forward.

Action Plan

Wheel-Trans, through the 10-year Transformation Program, is implementing 13 separate initiatives that will assist in scheduling and operating efficiencies for the coming years. Short term service delivery changes that were recently implemented will improve shared rides, move shorter trips to buses and allow for same day bookings to accommodate Family of Services trips. These changes will be possible through an increase in workforce and in vehicles and will assist in reducing the average cost per trip and will bring the on-time performance closer to target.

Customer: Amount of Service

Streetcar - Weekly Service Hours

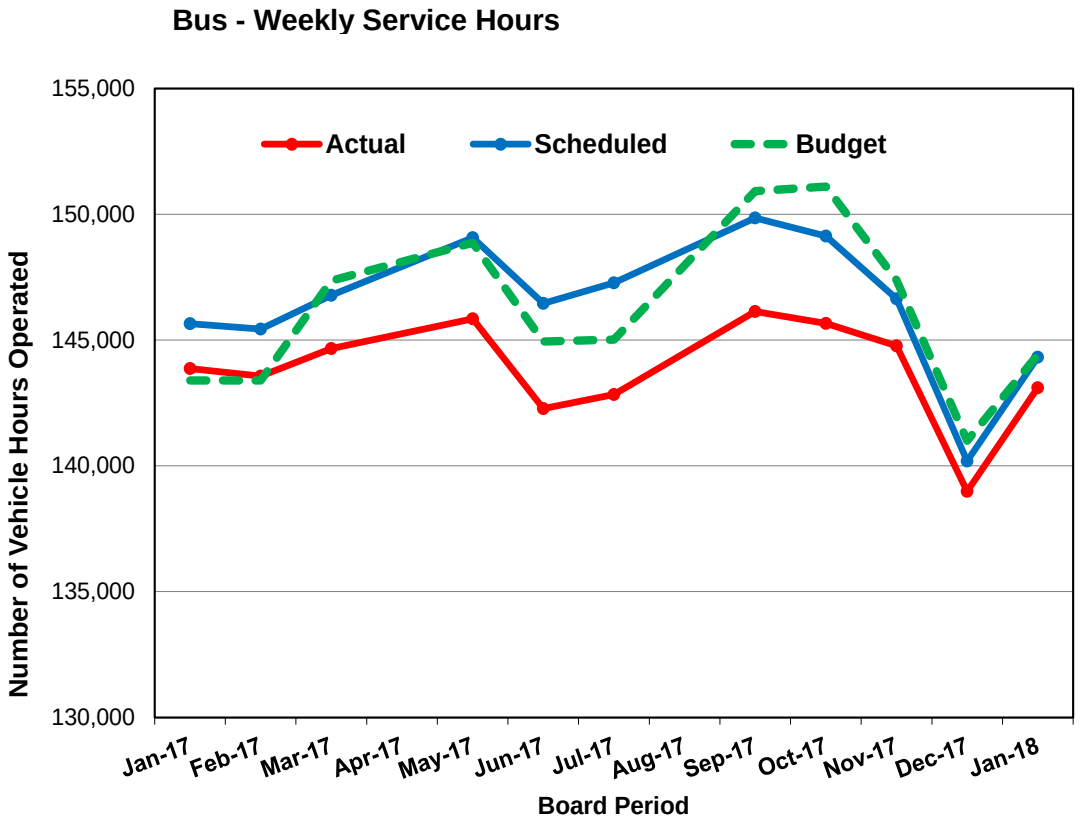


Results

In the January 2018 Board Period, 18,658 streetcar weekly hours were budgeted for service, while 18,769 streetcar weekly hours were scheduled to operate, which represents a 0.59% variance.

Of the 18,769 streetcar weekly hours scheduled to operate, 18,736 streetcar weekly hours were actually delivered, which represents a variance of -0.18%.

Date	Budgeted Streetcars for AM Peak Service	Scheduled Streetcars for AM Peak Service
June 2016	170	167
October 2016	202	179
January 2017	189	169
April 2017	190	170
July 2017	200	156
November 2017	200	166

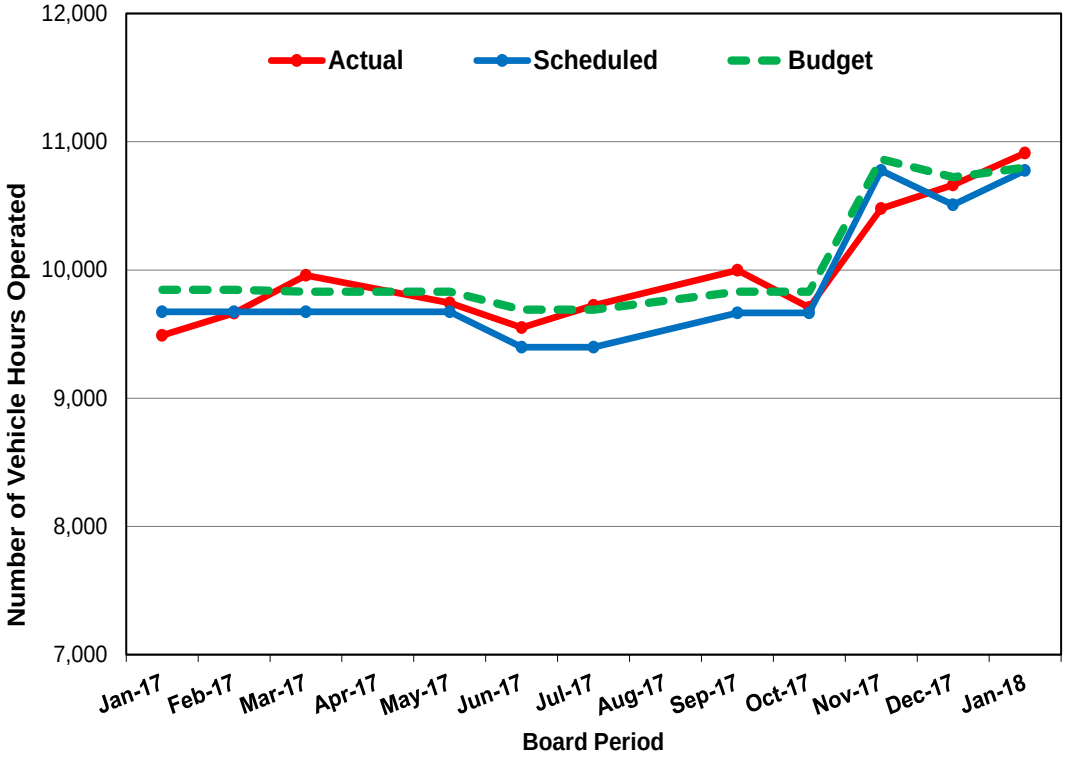


Results

In the January 2018 Board Period, 144,413 bus weekly hours were budgeted for service, while 144,313 bus weekly hours were scheduled to operate, which represents a -0.07% variance.

Of the 144,313 bus weekly hours scheduled to operate, 143,098 weekly hours were actually delivered, which represents a variance of -0.84%.

Subway - Weekly Service Hours

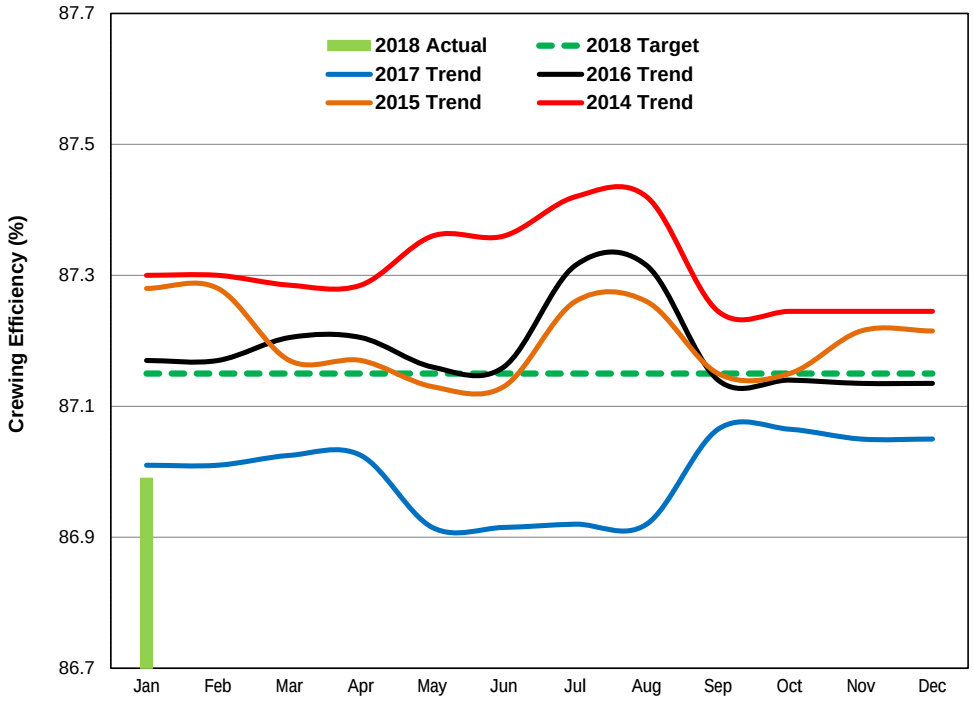


Results

In the January 2018 Board Period, 10,800 subway weekly hours were budgeted for service, while 10,777 subway weekly hours were scheduled to operate, which represents a -0.21% variance.

Of the 10,777 subway weekly hours scheduled to operate, 10,911 weekly hours were actually delivered, which represents a variance of 1.24%.

Operator Crewing Efficiency



Results

Operator crewing efficiency decreased in January to 86.99%; performance remained below target.

Analysis

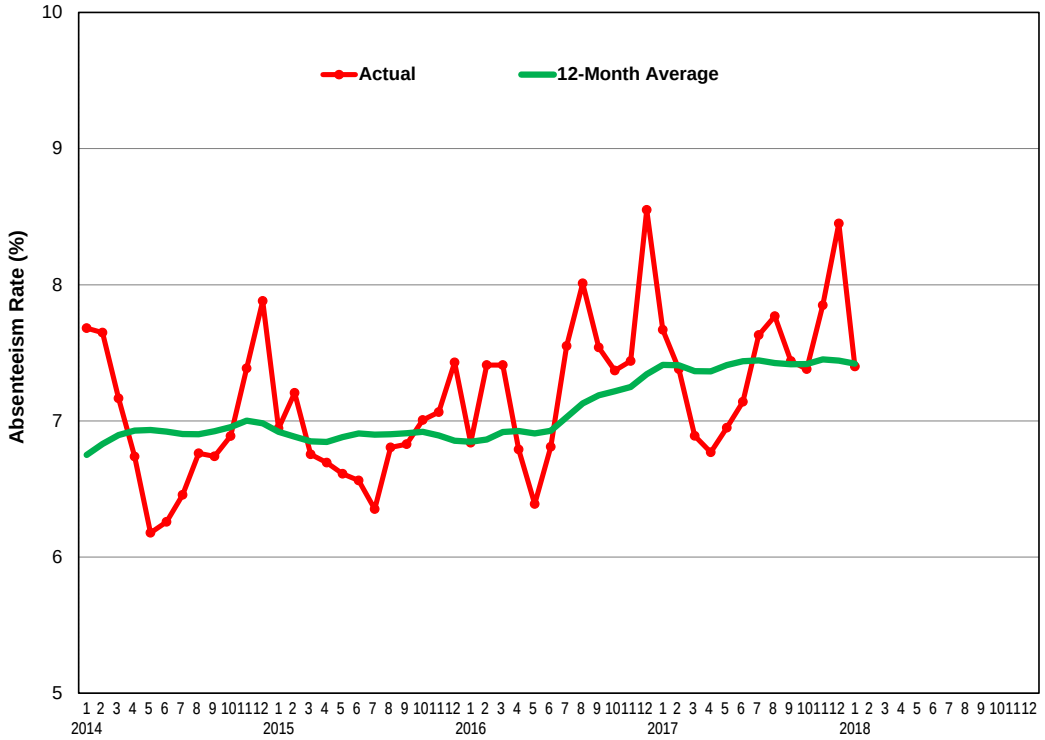
Crewing efficiency has been below target due to the large numbers of buses replacing streetcars, resulting in longer driving distances to streetcar routes from bus divisions.

Note:
Crewing efficiency is defined as the ratio of scheduled hours to pay hours.

The Third TTC Annual Rewards & Recognition Gala, held on March 1, 2018, celebrated exceptional employee contributions in the area of Customer Service, Leadership, Safety, Teamwork, Innovation/Creativity, including this year's Employee of the Year – the late Robert McGrath. Pictured here: Chief of Staff Joan Taylor, Chief Service Officer Collie Greenwood and CEO (Acting) Rick Leary with Teamwork winners Lou Raggiunti and Aristidis Vagdatis.

People

Employee Absence



Results

The absenteeism rate in January 2018 decreased to 7.40%.

Action Plan

Staff continues to manage absence with a focus on reducing the number of complex absence cases and the duration of these absences. In 2018, renewed focus will be placed on determining the root cause of absence and the increasing absence rate for the TTC. Opportunities to enhance opportunity to continue efforts in management of absences will be sought through ongoing collective bargaining, and staff is monitoring the anticipated impacts of Bill 148 on the organization's attendance levels.

At the Group Level, in the Service Delivery Group, an attendance management project team was established in 2017 to focus on employees with concerning absence levels.
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Fitness for Duty Update

Random Testing Program Summary (May 8, 2017 to February 23, 2018)

Total employees who were non-compliant or refused testing: 36

Random Testing Summary – Unionized Employees

Test Category	2018	2017	Total*	%
Compliant	271	1,381	1,652	98.0%
Non-Compliant (drug, alcohol, refusal)	4	29	33	2.0%
Totals	**275**	**1,410**	**1,685**	**100%**

*Currently 16 drug test results have yet to be reported as they are still undergoing laboratory analysis or have been cancelled.

Random Testing Summary – Staff (non-unionized) Employees

Test Category	2018	2017	Total*	%
Compliant	43	270	313	99.1%
Non-Compliant (drug, alcohol, refusal)	0	3	3	0.9%
Totals	**43**	**273**	**316**	**100%**

*****Currently 1 drug test result has yet to be reported as it is still undergoing laboratory analysis or has been cancelled.

Breakdown of Non-Compliant Tests

Test Category	2018	2017	Total	%
Drug	4	24	28	77.8%
Alcohol	0	5	5	13.9%
Refusal	0	3	3	8.3%
Totals	**4**	**32**	**36**	**100%**

Breakdown of Non-Compliant Drug and Alcohol Tests*

Substance Type	2018	2017	Total	%
Oxycodone	0	1	1	3.1%
Opiates	0	2	2	6.3%
Marijuana	1	15	16	50.0%
Cocaine	1	6	7	21.9%
Amphetamines	0	1	1	3.1%
Alcohol	0	5	5	15.6%
Totals*	**2**	**30**	**32**	**100%**

*****One drug test result was positive for two different drugs
Table reflects data up to January 12, 2018.
Data updated quarterly; next update will be as of April 20, 2018

Breakdown of Other Policy Violations

Policy Category	Total
Alcohol Non-Compliant for 0.02 – 0.039	2
Three Safety Sensitive Flags	3
Totals	**5**

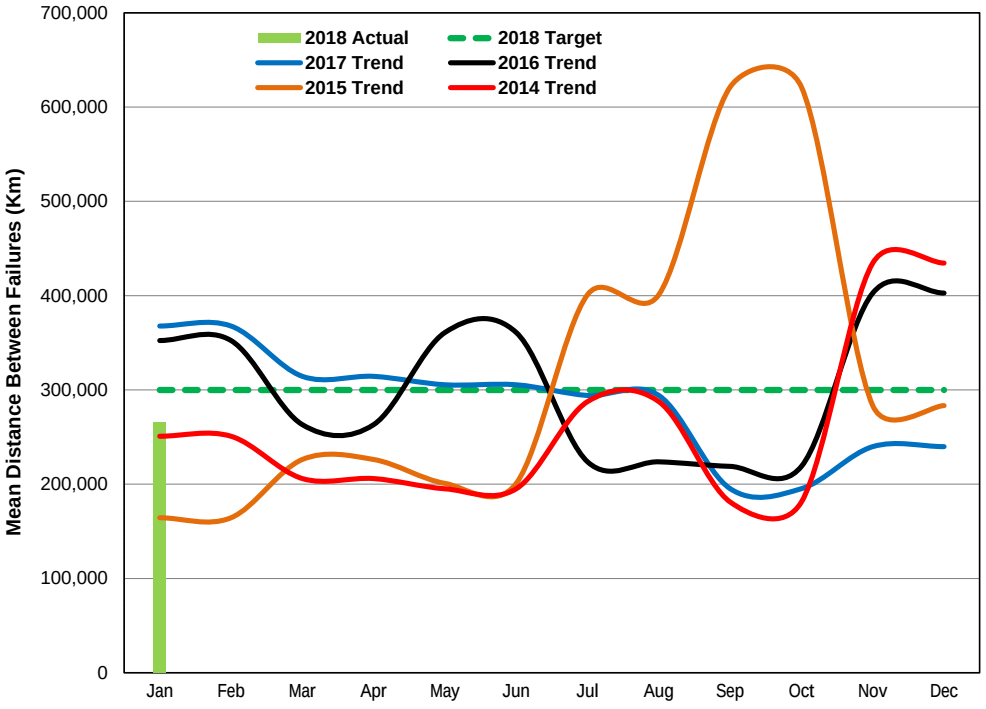
3.4 Assets

The TTC is building new Access Hubs across the city. These hubs include heated, accessible shelters that allow Wheel-Trans customers to transfer between Wheel-Trans vehicles and conventional transit.

Assets: Vehicle Reliability

Subway

T1 Train: Mean Distance Between Failures (MDBF)



Results

The MDBF in January was 265,831 kilometres and performance was just below the target.

Analysis

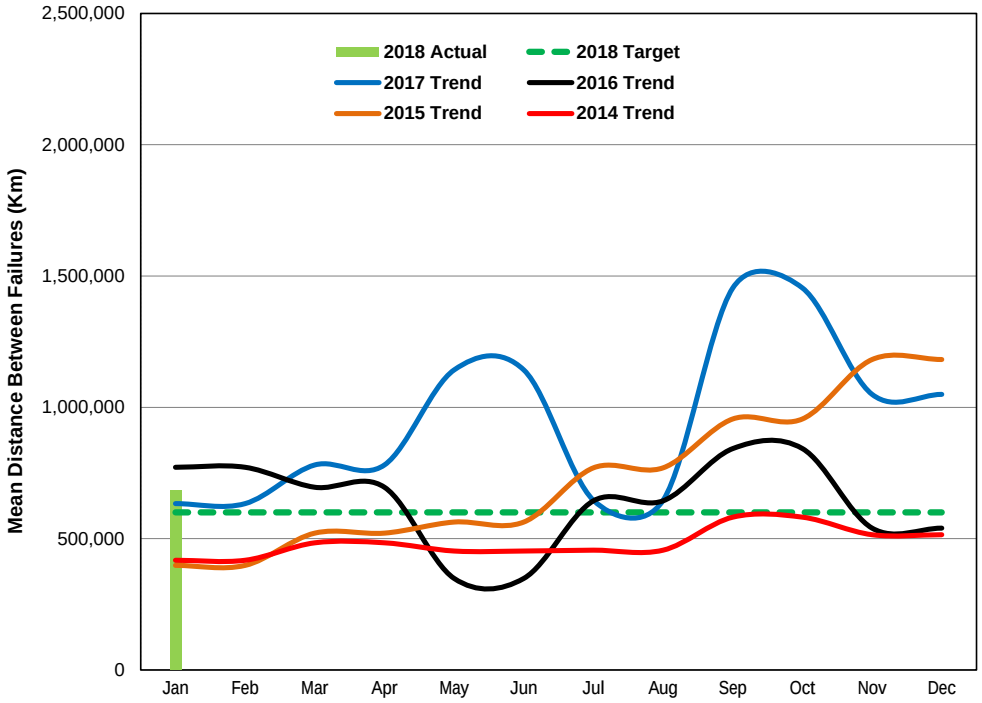
In January, there were 13 delay incidents. The top offending system was the Passenger Door System with ten delay incidents greater than or equal to five minutes. This was followed by the HVAC, Propulsion Invertor and the Speed Control Systems, each with one delay incident.

Action Plan

A program is scheduled in 2018 to install remanufactured door lock assemblies which include upgraded door close switches which would restore reliability to the Passenger Door System. The majority of the Passenger Door-related delay incidents are attributed to the failure of the door lock assembly. The T1 Door pocket guides overhaul program was completed in 2017, which has resulted in a reduction in Passenger Door-related incidents due to this failure mode.

In addition, Master Controller Brake upgrades were completed in Q1 2017. Benefits from both the Door Pocket guides and Master Controller overhauls have been observed and performance will be monitored in the following periods. Staff has developed a solution to increase the reliability of the Friction Brake Electronic Control Units and it is being implemented.

TR Train: Mean Distance Between Failures (MDBF)



Results

The MDBF in January increased to 683,549 kilometres and performance was above target.

Analysis

In January, there were seven delay incidents. The top offending system was the Passenger Door System, with four delay incidents greater than or equal to five minutes. This was followed by the Brakes System, with two delay incidents and the Train Line with one delay incident.

Action Plan

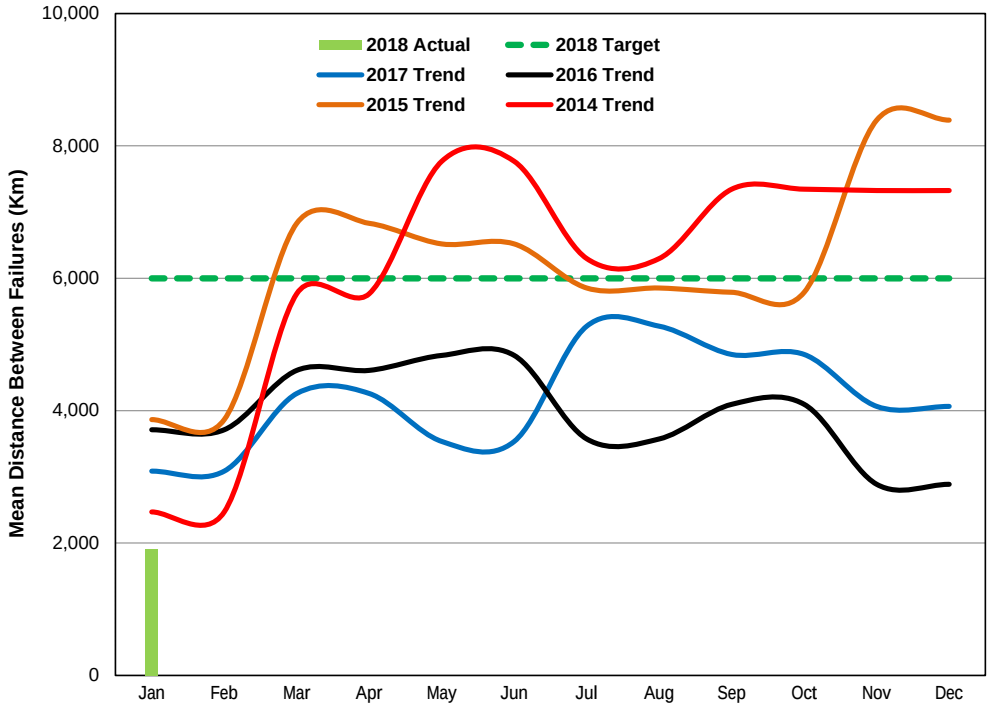
The Passenger Door System has received numerous modifications to the control units; fleet retrofits of the new modifications are in progress. The performance of the Passenger Door Systems is being closely monitored by Carhouse and RAMS technical staff to ensure that the incident recovery times are returned to average levels (below the 5 minute threshold).

In addition the Brake System continues to receive numerous modifications/improvements to the electronic controls; fleet retrofits of the new modifications and validation testing of the proposed upgrades is in progress, with anticipated improvements in future periods.

Automatic Train Control system was introduced in December and all incidents are thoroughly investigated. Further system-wide expansion of the ATC system is in process.

Streetcar

CLRV Streetcar: Mean Distance Between Failures (MDBF)



Results

January 2018's MDBF decreased to 1,909 kilometres, which continues to be below the target of 6,000 kilometres. The reliability of the CLRV fleet continues to be poor due to the age (+ 40 years) and condition of the fleet. Inclement weather in January further impacted the reliability of this fleet.

Analysis

The MDBF from January 2018 decreased marginally from the previous period's (December 2017) reliability figure of 2,177 kilometres. This can be attributed to the continuing poor weather conditions. Comparing December 2017 to January 2018, the total precipitation increased from 40.4 mm to 61.8 mm, while the average minimum temperature dropped from -22.6^{o}C to -23.5^{o}C. As a result, the CLRV fleet experienced excessive pneumatic- and sander-related problems as both systems saw moisture and freezing.

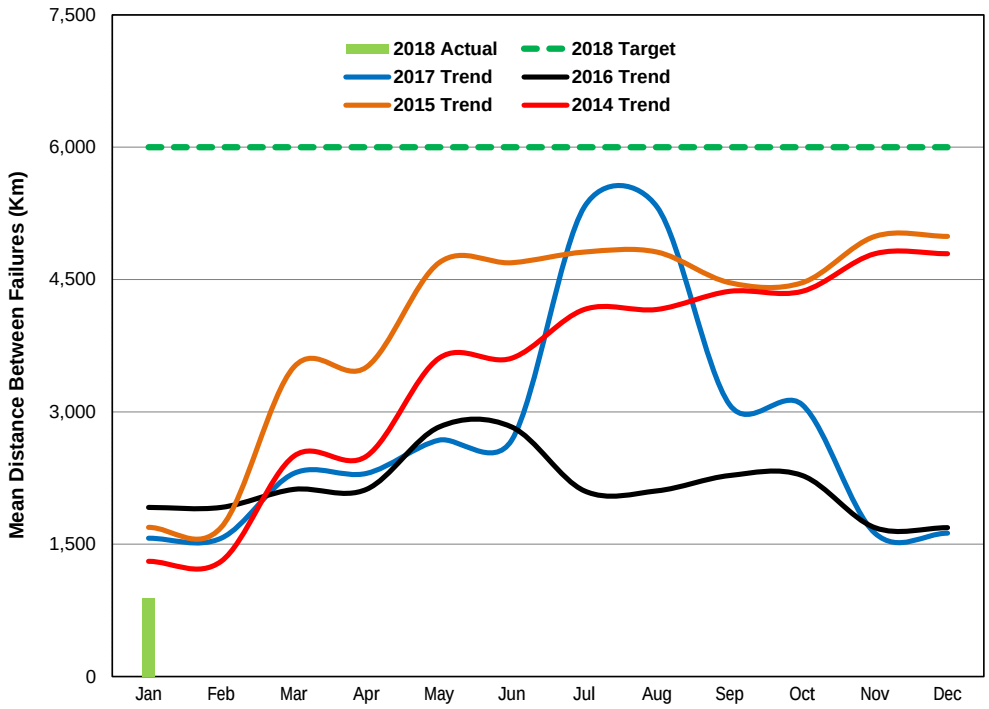
In comparison to January 2017's MDBF of 3,115 kilometres, January 2018's result was also slightly lower. Age, condition of vehicles and more severe weather conditions in 2018 contributed to the decline.

The decline in reliability in December 2017 and January 2018 is a seasonal trend. With warming temperatures in February and March, staff expects the reliability of the CLRV fleet to once again stabilize.

Action Plan

With the delay of the LFLRV order, staff implemented State of Good Repair (SOGR) programs for this fleet in 2017. This has resulted in stabilizing and some minor improvements in the reliability of this fleet, which can be seen in the 2016 vs 2017 MDBF. SOGR programs will continue in 2018 with the aim to make minor improvements to reliability. Buses were used to backfill Streetcar routes.

ALRV Streetcar: Mean Distance Between Failures (MDBF)



Results

January 2018's MDBF decreased to 890 kilometres, which continues to be below the target of 6,000 kilometres. Reliability of the ALRV fleet continues to be poor due to the age (+ 35 years) and the condition of the fleet. Inclement weather in January further impacted the reliability of this fleet.

Analysis

The MDBF from January 2018 decreased marginally from the previous period's (December 2017) reliability figure of 1,177 kilometres. This can be attributed to the continuing poor weather conditions. In these poor conditions, the ALRV experienced significant electrical, pneumatic and sander problems

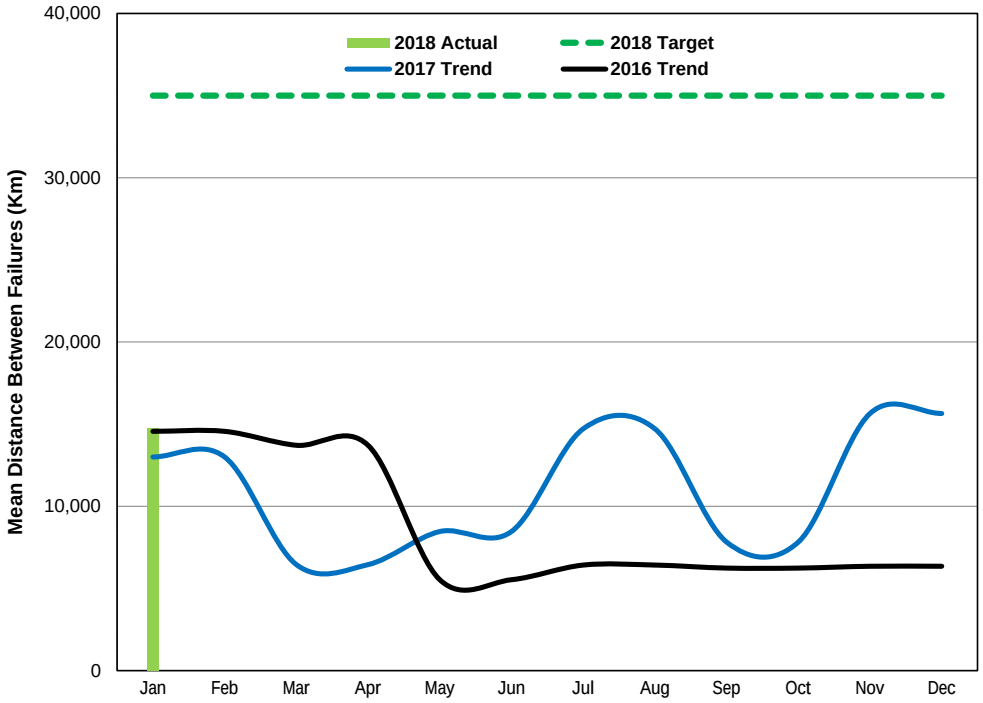
In comparison to January 2017's MDBF of 1,528 kilometres, January 2018's result was also slightly lower. Age, condition of vehicles and more severe weather conditions in 2018 contributed to the decline.

Action Plan

Minor rebuilds have allowed the ALRVs to continue past their original life cycle. Due to inherent design problems and reliability issues of this vehicle type, the current plan is to accelerate decommissioning of this fleet. The use of these vehicles in limited service will also reduce unreliable service.

With the decommissioning of the more problematic vehicles, reduction in service and improving weather condition, staff expect the reliability trend to stabilize.

New Streetcar: Mean Distance Between Failures (MDBF)



Results

The MDBF for the LFLRV fleet decreased in January 2018 to 14,748 kilometres. The 12-month moving average (12 MMAVG) rate for the MDBF increased from the rate of January 2017 to 11,449 kilometers, below the 35,000 kilometer target.

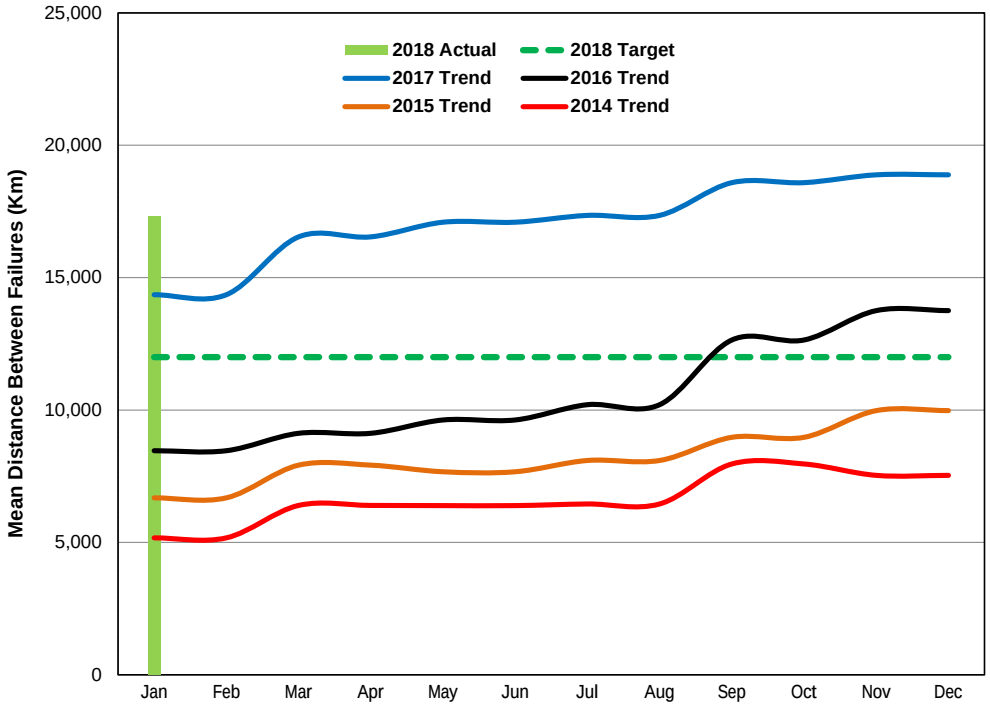
Analysis

The new LFLRV fleet continues to experience 'growing pains' in terms of design and manufacturing quality that are impacting reliability. Challenges with the passenger information system in January 2018 resulted in a decrease in MKBD when compared to December 2017.

Action Plan

TTC staff is continuing to work with Bombardier and suppliers to resolve design and quality issues. As vehicle delivery continues and technical production issues are resolved, it is expected that this fleet will continue to improve in reliability. Although new vehicles may be below MDBF targeted, they are 6 to 7 times more reliable than our aging fleet. The TTC and our customers welcome the new vehicles as they arrive.

Bus: Mean Distance Between Failures (MDBF)



The following table summarizes total new TTC bus deliveries from 2015 to 2018:

Year	Type of Bus	Total	Garage
2015	Nova	79	Queensway 34 Arrow Road 45
2016	Nova	134	Queensway 2 Arrow Road 132
2017	Nova	342	Eglinton 309 Birchmount 33
2018	Nova	325	Birchmount 95 Arrow Road 230 (CAD AVL)

Results

The MDBF in January 2018 was 17,329 kilometres, which was above the 2018 target of 12,000 kilometres and the result in January 2017 of 14,474 kilometres.

Analysis

Failures due to: 1) Engine emission systems on clean diesel buses – root cause is under investigation, and 2) drive systems on hybrid buses increase during operation in inclement weather. Propulsion system performance is reliable; however, failures occur when the engine revs up quickly during wheel slip conditions.

Action Plan

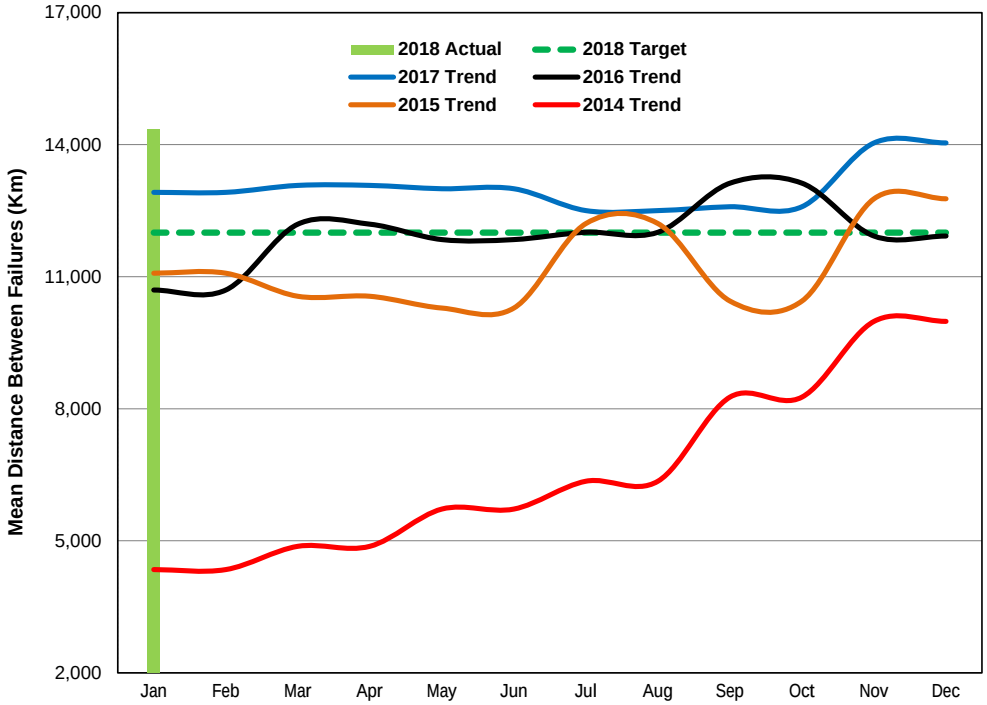
This multi-year view shows positive, progressive growth and improvements in mean distance between failures, which can be attributed to programs implemented within Bus Maintenance since 2014 (AGM batteries, cooling systems and State Of Good Repair programs).

Higher targets have been applied in 2018 due to the continued improvements and new bus procurements. 2018 performance target is expected to be met by March 2018 and will continue to improve customer experience.

The heating system maintenance programs is initiated at Queensway Garage and will progress to Mount Dennis Garage followed by Malvern Garage to boost reliability numbers in our oldest fleet of diesel and hybrid buses.

Eglinton Garage is now equipped as a new Nova bus fleet. Nova bus procurements will be delivered to both Birchmount and Arrow Road Garages in 2018.

Wheel-Trans: Mean Distance Between Failures (MDBF)



The following table summarizes the total existing Wheel-Trans bus fleet in 2017 and new bus deliveries in 2018 and 2019:

Year	Type of Bus	Total
2017	Friendly ProMaster	199 13
2018	Friendly ProMaster	161 80
2019	Friendly ProMaster	161 80

Results

The MDBF in January 2018 was 14,355 kilometres , which was above the 2018 target of 12,000 kilometres and the result in January 2017 of 12,964 kilometres.

Analysis

Positive progressive growth can be seen from 2014 to 2018, resulting in a higher level of customer service for Wheel-Trans passengers.

Action Plans

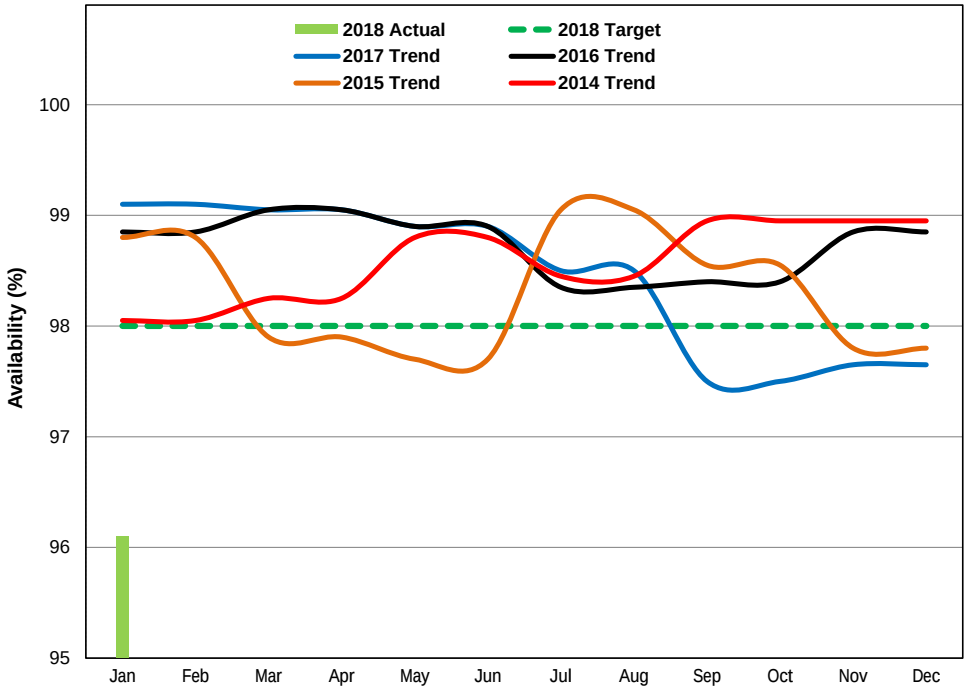
Multiple projects are underway to improve reliability, such as replacing and modifying emergency release handles, modifying positive battery cable and replacing batteries to dual purpose AGM. The driver's seat is being rebuilt and replaced in the Friendly 2 bus fleet and 66 of the 86 buses have been completed. DPFs continue to be replaced on both Friendly series of buses. The front drive train continues to be problematic on the Friendly buses and engineering solutions have all been implemented with limited success. Corrosion issues at the rear wheel wells are being addressed with a repair program.

The new RAM ProMaster buses have 16 buses in service as of the end of January 2018. Another four buses are expected in February 2018. The remaining 60 buses will start to be delivered in April. The MDBF for this series of buses is very high with no chargeable RCCO's in January 2018.

As the ProMaster buses come on-line, the MDBF for the Wheel-Trans fleet is expected to rise.

Assets: Equipment Availability

Elevators



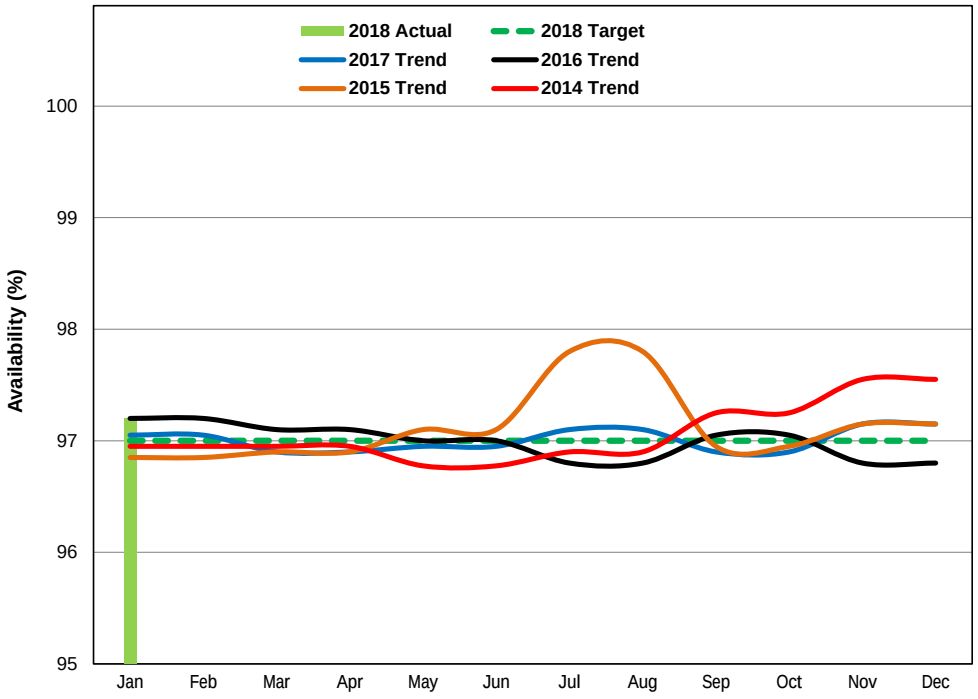
Results

Performance in January decreased to 96.1% and did not achieve target.

Analysis

Performance in January was attributable to the elevator overhaul at Kennedy Station, an outage in Kipling Station due to a water-main break and a water pipe burst at St. Clair West Station, affecting elevator service.

Escalators



Results

The availability was on target for January.

Action Plans

Maintenance activities were completed as planned and scheduled.

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Financials

This section provides detailed information about the TTC and Wheel-Trans Operating Budgets. In addition, progress on the Commission's Capital Program and specific information about selected capital projects is also provided.

TTC and Wheel-Trans Operating Budgets

2017 Preliminary Year-End Subsidy Surplus

The subsidy amounts shown in the following table are preliminary and subject to audit. The final 2017 audited financial statements are scheduled to be presented to the TTC Audit and Risk Management Committee on May 29, 2018.

(millions)	Projection	Budget	Variance
TTC Subsidy Surplus	$71.7	$0	$71.7
Wheel-Trans Subsidy Surplus	$17.0	$0	$17.0
Total Subsidy Surplus/(Shortfall)	$88.7	$0	$88.7

Key Drivers of 2017 subsidy surplus
The 2017 subsidy surplus arose as a result of the following key drivers:

- Strong bus and subway car vehicle reliability which resulted in reduced material expenses;
- Reduced health benefit claims expenses subsequent to the ongoing benefit fraud investigation;
- Lower than budgeted demand for Wheel-Trans service;
- Workforce being under budgeted strength, both as a result of selected deferred initiatives and challenges recruiting skilled trade personnel;
- Lower than budgeted adoption of PRESTO resulting in one-time PRESTO fee savings;
- Savings on energy costs, in part due to generally favourable weather conditions during 2017, particularly in the summer; and
- Lower operating budget depreciation expense, as a result of lower than expected spending on various equipment and IT items.

2018 Approved Budget Reductions resulting from analysis of 2017 surplus
The 2018 Operating Budget approved by Council on February 12, 2018 included $51 million in base budget reductions arising from a review of 2017 underspending with specific focus in areas where underspending was expected to be sustainable and trend into future years. Examples of 2018 reductions totaling $51 million include:

- Benefit Reductions: $10.2 million
- Vehicle Maintenance Savings: $7 million

- Diesel Consumption Rate: $3.8 million
- Departmental non-labour expenses: $5.4 million
- Temporary gapping adjustment at Leslie Barns to reflect the impact of the LRV delay $1.4 million
- WT functional assessments and appeals $1.2 million and;
- Lower natural gas prices $1 million

Moreover, as the planned stabilization reserve draw will not be required in 2017, $14 million in revenue has been applied to the 2018 Operating Budget.

2017 One-Time Expenditure Savings
In addition to 2017 under spending reductions noted above, a considerable portion of the savings achieved related to one-time items, which resulted in a 2017 surplus that is not expected to repeat into the future. These include:

1. **Wheel-Trans demand growth**: Considerable demand growth for Wheel-Trans service has ranged from 8-13% annually between 2014 and 2016.

   It was expected that the implementation of the AODA Act on January 1, 2017 would result in further demand growth over and above this trend. While Wheel-Trans Ridership growth continued in 2017, in-line with recent historical trends – the incremental growth did not occur, resulting in one-time savings of $9.4 million.

   The 2018 Wheel-Trans Budget was not reduced based on these one-time savings as this funding was applied to support 2018 ridership growth that is anticipated to be consistent with past growth trends. As a result, a subsidy increase was not required for expected 2018 ridership growth.

2. **PRESTO adoption rate:** The adoption of the PRESTO card was slower than originally anticipated, resulting in the one-time savings of $7 million in PRESTO fees.

   While these reflect one-time savings, given that PRESTO adoption rates will continue to grow in 2018, these 2017 savings did partially mitigate against required subsidy increases in 2018 to fund fees associated with increased PRESTO adoption.

3. **Weather:** Generally more favourable weather conditions during 2017, including a relatively mild summer and limited unfavourable weather in January and February 2017 resulted in energy, and other savings of approximately $3 million.

4. **Deferral or elimination of selected requirements:** Some budgeted initiatives were deferred, or not required on a one time basis. This included:

   a. Deferral of selected Toronto Rocket preventative maintenance, saving $2.5 million. This was made possible as a result of the exceptional reliability of the fleet to date.

b. Later than expected commencement of certain leases and one-time adjustments to additional rent amounts on certain properties saving $2.3 million in 2017.

c. Reduced streetcar service primarily due to late Bombardier LRV deliveries and unavailability of sufficient legacy fleet resulting in $1.5 million in traction power savings.

In addition, other savings on labour and benefits are not expected to be repeated based on 2018 hiring plans, recruitment strategies and the impact of the Fair Workplaces Better Jobs Act.

Further details on the year-to-date and year-end projection are provided in the material below.

TTC Operating Budget

2017 Preliminary Year-End Results

(millions)	Projection	Budget	Variance
2017 TTC Operating Budget			
Customer Journeys (Ridership)	533.2	543.8	(10.6)
Revenue	$1,233.9	$1,237.6	($3.7)
Expenses	$1,709.0	$1,798.4	($89.4)
Subsidy Required	$475.1	$560.8	($85.7)
Subsidy Available*	$546.8	$546.8	$0
Draw from TTC Stabilization Reserve	$0	$14.0	($14.0)
Surplus/(Shortfall)	$71.7	$0	$71.7

Based on preliminary results, a $71.7 million (or 13.1%) year-end subsidy surplus is expected. The key budget variances that account for this projection are as follows:

Stabilization Reserve Draw: $14.0 million decrease
The planned $14 million draw from the TTC Stabilization Reserve will not be required this year.

Passenger Revenues: $5.4 million decrease

Year-end ridership was 1.9% below budget; however, passenger revenues are only 0.5% below budget. The more favourable revenue projection is mainly due to the current trend of customers switching from pass-based fare media to single-ride fare media, particularly PRESTO e-purse, which has resulted in a 1.5% increase in the average fare.

Labour expenses: $16.6 million decrease

Reasons for the labour under-expenditure include: delays in filling some positions especially skilled trades and IT contractor conversions, lower average rates, the need to have some operating personnel work on capital projects and the deferral or elimination of selected initiatives.

Departmental non-labour $18.0 million decrease

Most of the departmental non-labour expense savings are due to lower than expected vehicle maintenance expenses, as a result of improved bus vehicle reliability and delays in receiving parts for certain subway car preventative maintenance programs. The additional time required to fill certain skilled trade positions has also contributed to the non-labour under-expenditures.

Employee Benefits: $21.6 million decrease

Reductions in healthcare expenses and the impact of lower labour expenses primarily account for this under-expenditure.

Hydro and Utilities: $11.4 million decrease

Hydro & utility expenses were below budget due to favourable price variances and lower than expected consumption.

Diesel: $6.8 million decrease

Diesel cost savings are a result of a lower than expected average price per litre and more favourable fuel consumption rates in part due to more favourable weather conditions.

PRESTO fees: $6.7 million decrease

PRESTO fees were below budget primarily due to the projected take up rate for pass users being lower than initially anticipated in 2017.

Depreciation: $4.2 million decrease

Depreciation expenses for 2017 will be lower than budget due to fewer capital asset acquisitions in 2017.

Leasing Expenses: $3.5 million decrease

The cancellation of plans for one lease and one-time adjustments to other leases has resulted in this favourable variance.

All other variances net to a $2.3 million favourable variance comprised of $1.7M in additional non-passenger revenue and a net of $0.6 million in other under-expenditures.

TORONTO TRANSIT COMMISSION
2017 OPERATING BUDGET - INCOME STATEMENT

($000s)	Period 12: 5 Weeks November 26 to December 31, 2017				Full Year 2017			
	Actual	Budget	Over/(Under) Budget	Over/(Under) Budget %	Actual	Budget	Over/(Under) Budget	Over/(Under) Budget %
REVENUES:								
Passenger Revenues	107,034	108,762	(1,728)	-1.6%	1,162,916	1,168,360	(5,444)	-0.5%
Outside City & Charters	1,092	1,232	(140)	-11.4%	16,445	15,600	845	5.4%
Advertising	2,358	2,358	-	0.0%	28,292	28,292	-	0.0%
Rent Revenue	976	928	48	5.2%	11,263	11,147	116	1.0%
Commuter Parking	803	860	(57)	-6.6%	11,003	12,290	(1,287)	-10.5%
Other Income	400	167	233	139.5%	3,908	1,933	1,975	102.2%
TOTAL REVENUES	112,663	114,307	(1,644)	-1.4%	1,233,827	1,237,622	(3,795)	-0.3%
EXPENSES (LABOUR & NON-LABOUR)								
CEO's Office	1,459	1,870	(411)	-22.0%	19,024	18,559	465	2.5%
Engineering, Construction & Expansion Group	685	423	262	61.9%	3,600	4,351	(751)	-17.3%
Corporate Services Group	6,717	5,921	796	13.4%	56,476	58,962	(2,486)	-4.2%
Strategy and Customer Experience Group	2,856	1,989	867	43.6%	19,592	20,808	(1,216)	-5.8%
People Group	4,525	3,475	1,050	30.2%	35,590	36,156	(566)	-1.6%
Operations Group	35,554	32,181	3,373	10.5%	301,297	318,047	(16,750)	-5.3%
Service Delivery Group	82,011	76,994	5,017	6.5%	751,873	765,560	(13,687)	-1.8%
Employee Benefits	28,110	35,248	(7,138)	-20.3%	280,535	302,100	(21,565)	-7.1%
Vehicle Fuel	7,582	7,720	(138)	-1.8%	76,084	82,890	(6,806)	-8.2%
Traction Power	2,642	5,496	(2,854)	-51.9%	50,492	58,885	(8,393)	-14.3%
Utilities (Hydro, Natural Gas, Water)	2,152	3,128	(976)	-31.2%	25,884	28,834	(2,950)	-10.2%
Taxes and Licences	184	310	(126)	-40.6%	3,098	3,311	(213)	-6.4%
Depreciation	(1,564)	2,629	(4,193)	-159.5%	24,804	28,998	(4,194)	-14.5%
Accident Claims & Insurance	17,776	4,461	13,315	298.5%	38,023	37,914	109	0.3%
Non-Departmental Costs	(90)	9,706	(9,796)	-100.9%	22,633	33,107	(10,474)	-31.6%
TOTAL EXPENSES	190,599	191,551	(952)	-0.5%	1,709,005	1,798,482	(89,477)	-5.0%
OPERATING SUBSIDY REQUIRED in 2017					475,178	560,860	(85,682)	-15.3%
CITY OPERATING SUBSIDY AVAILABLE					546,846	546,846	-	0.0%
DRAW FROM STABILIZATION RESERVE						14,014	(14,014)	-100.0%
SHORTFALL / (SURPLUS)					(71,668)	0	(71,668)	

Wheel-Trans Operating Budget

2017 Preliminary Year-End Results

(millions)	Projection	Budget	Variance
2017 Wheel-Trans Operating Budget			
Customer Journeys (Ridership)	4.190	4.723	(0.5)
Revenue	$7.6	$8.5	($0.9)
Expenses	$133.3	$151.2	($17.9)
Subsidy Required	$125.7	$142.7	($17.0)
Subsidy Available	$142.7	$142.7	$0
Surplus/(Shortfall)	$17.0	$0	$17.0

The preliminary year-end surplus of $17.0 million (or 11.9%) is largely driven by the following key budget variances:

Contracted Taxi Services: $12.5 million decrease

The decrease in costs is attributable to lower ridership of 487K (or 13.1%) equivalent to $9.4 million and a lower cost per passenger trip of $0.96 (or 5%) equivalent to $3.1 million.

Customer Service: $3.1 million decrease

Expenses were under budget primarily due to lower volume and lower costs for Functional Assessments and Appeals and scheduling adjustments to AODA training.

Employee Benefits: $1.3 million decrease

Reductions in healthcare expenses and the impact of lower labour expenses primarily account for this under-expenditure.

Labour expenses: $1 million decrease

Labour expenses are under budget due to delays in filling some positions especially skilled trades and lower average rates.

Passenger Revenues: $0.9 million decrease

The decrease in revenues is mainly due to 537K (or 11.4%) less customer journeys than budgeted, which is slightly offset by a higher average fare.

WHEEL-TRANS

OPERATING BUDGET - INCOME STATEMENT

PERIOD 12	Period 12: Four Weeks November 26 to December 31, 2017			Full Year 2017		
($000s)	Actual	Budget	Over/(Under) Budget	Actual	Budget	Over/(Under) Budget
REVENUES:						
Passenger Fares	724	853	(129)	7,647	8,492	(845)
EXPENSES:						
CONTRACTED TAXI SERVICE	5,524	7,709	(2,185)	59,362	71,866	(12,504)
WHEEL-TRANS BUS SERVICE	5,099	5,013	87	48,695	48,918	(223)
OTHER WHEEL-TRANS EXPENSES	3,145	3,486	(341)	25,240	30,386	(5,146)
TOTAL EXPENSES	13,769	16,208	(2,439)	133,297	151,169	(17,872)
OPERATING SUBSIDY REQUIRED IN 2017				125,651	142,678	(17,027)
OPERATING SUBSIDY AVAILABLE IN 2017				142,678	142,678	-
SHORTFALL/(SURPLUS)				(17,027)	-	(17,027)

PASSENGER TRIPS (000s)	390	492	(102)	4,185	4,723	-537
UNACCOMMODATED RATE (%)	0.5	0.5	(0.1)	0.3	0.5	(0.2)
SUBSIDY PER TRIP ($)	32.70	31.21	1.49	30.17	30.62	(0.45)

TTC Capital Budget

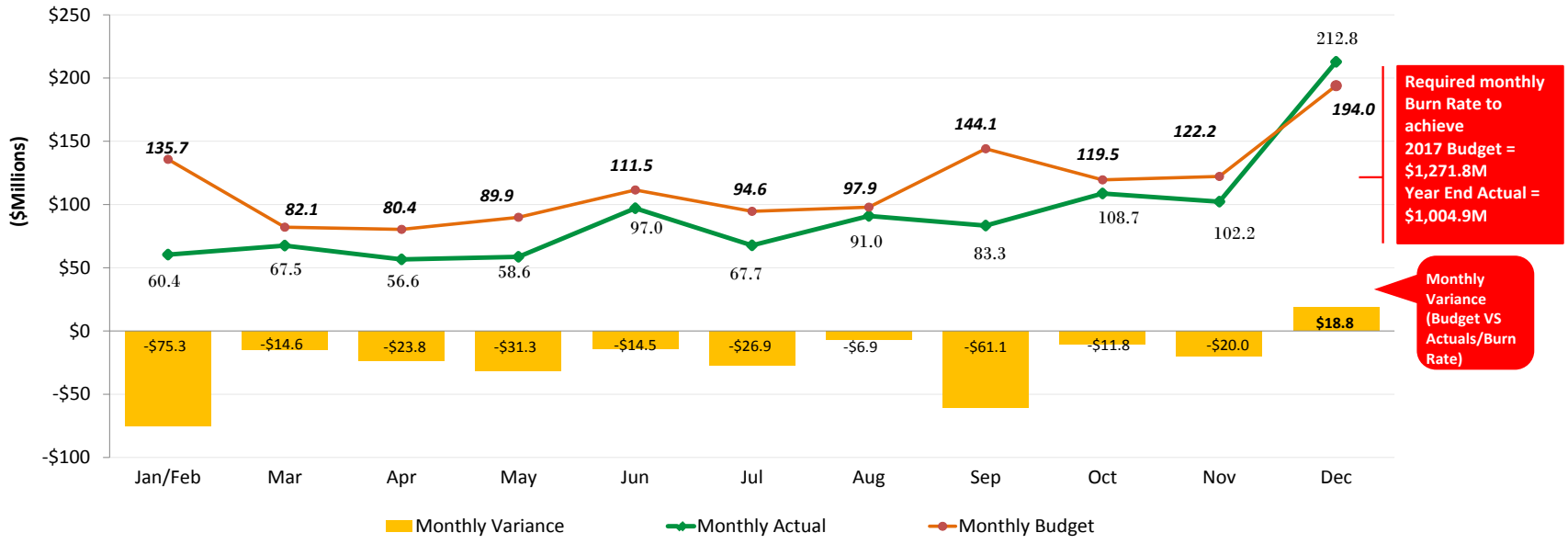
2017 Year-End Results

Capital expenditures to the end of Period 12 (December 31, 2017) reflect lower project activity and include continued progress on vehicle and construction contracts already in place. Significant variances are due to under-spending on delayed contract work and vehicle deliveries.

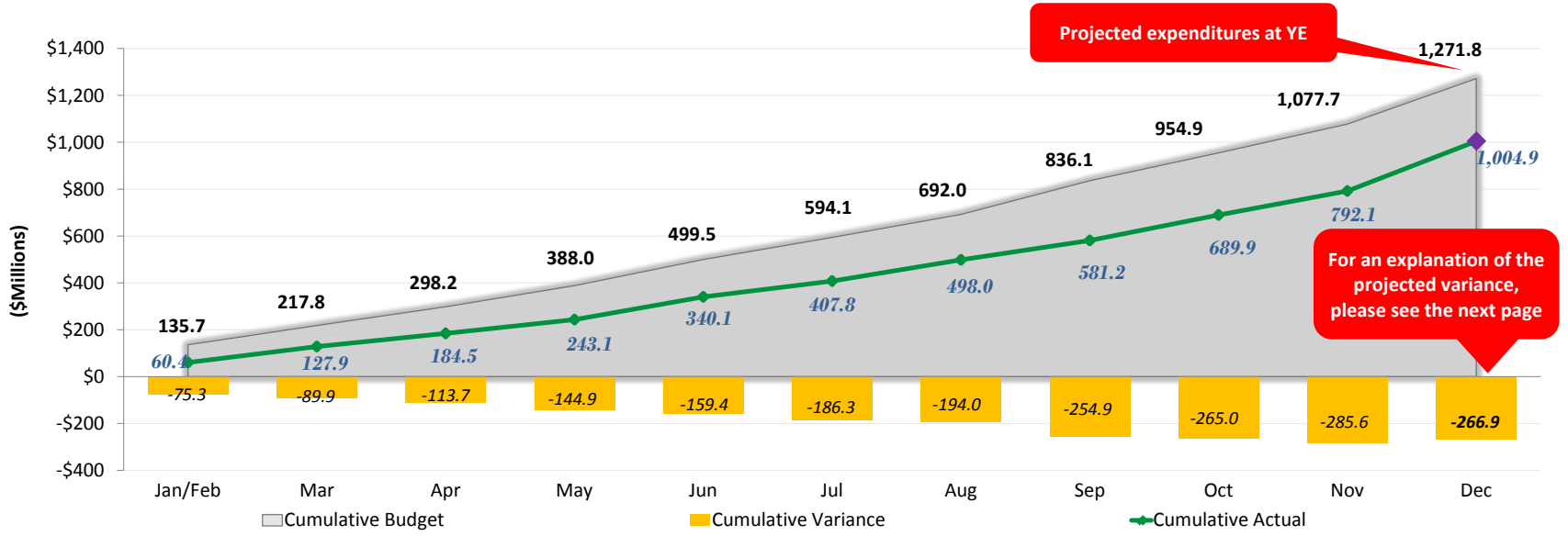
(millions)	Actuals	Budget *	Variance
2017 TTC Capital Budget			
Base Program	$1,004.9	$1,271.8	($266.9)
Toronto-York Spadina Subway Extension (TYSSE)	$375.4	$545.1	($169.7)
Scarborough Subway Extension (SSE)	$57.9	$125.2	($67.3)

* Budget excludes additional carry forward spending on Base Program ($223.5M), TYSSE ($63.5M), and SSE ($26.9M) as approved by Council on April 26, 2017.
Budget includes in-year budget adjustments of $0.706M and $7.307M approved by Council on June 14, 2017 and January 31, 2018 respectively.

2017 Base Program: Month-to-Month Budget Tracking



2017 Base Program: Cumulative Budget Tracking



Base Program Expenditures: $266.9 million under

Significant projected year-end base program variances are outlined below:

Subway Track: $4.5 million under

Variance is mainly due to deferral of some of the track work and Davisville Area Rehabilitation Project (DARP) under the Track Rehabilitation program into future years, combined with scope changes under the Rail Vehicle Based Inspection System program which resulted in the deferral of the system testing and warranty into future years and reduction of work due to contract and labour force constraints under the Rail Grinding program.

Surface Track: $8.8 million under

Variance is due to the forced deferral of Wellington St-Church to Yonge to 2019, and the carry- over of work into 2018 for the Humber Loop, The Queensway, and Lake Shore projects.

Communications: $18.6 million under

The variance is due to: Station Public Address project deferred as potential integration with Station Transformation initiatives; CCTV Project Video Management System (VMS) deferred to 2018 due to resource constraints and changes in work sequence related to VMS implementation; Subway RTU project, Track Level Occupancy Lights and Fiber Optic Upgrade for North Yonge and Danforth rings deferred due to resource constraints; Industrial Security Improvements of TTC Properties as the start of construction was delayed to incorporate scope change at Allen Road Fencing related to underground utilities and road lane closure permit requirements; Richmond substation cable survey and installation of two locations delayed due resource constraints; TDM equipment and radios purchase deferred due to procurement delays.

Signal System: $7.5 million under

The variance is primarily caused by a signal capital installation workforce deficit, design and installation resources allocated to Eglinton Ancillary Room relocation and Wilson Yard Resignalling schedule slippage due to new interface configuration with Alstom CBTC.

Equipment: $8.5 million under

The variance is mainly due to: Bus Hoists - Advanced funds for Hoist Replacement work at Mount Dennis and Arrow Bus Garage due to completion in actual year vs future year; Hoist replacement work at Lakeshore deferred to 2018; Bus Washracks - replacement at Wilson Garage was deferred to reflect a revised contract packaging strategy for Wilson Garage; and Escalator Replacement Program - Award of contracts deferred to future years pending review of higher than anticipated bids on similar contract.

On-Grade Paving Rehabilitation Program: $3.4 million over

Variance is due to City budget reduction reinstated and increases in estimated expenditures for Long Branch Loop, Kipling Station, Islington Fieldway Lot and Lawrence Station Bus Loop.

Bridges and Tunnels: $6.0 million over

Variance is due to: Queensway Bridge delay - closure costs and minor slippage from 2016 and Bridges/Structures Maintenance Program - timing adjustment of transfer for cost sharing for Union Platform work from prior years.

Fire Ventilation Upgrade: $2.4 million over

Variance is due to timing adjustment of transfer for cost sharing for Union Platform work from prior years.

Easier Access Phase III: $3.2 million under

Variance is due to enabling works delayed at King Station and schedule change at Wilson and Yorkdale.

Leslie Barns: $3.4 million under

Variance is due to lack of progress in completion of work and correction of outstanding deficiencies.

TR/T1 Rail Yard Accommodation: $3.0 million under

Variance is due to lower than expected award of Contract C1-42 and deferral of signaling to 2018.

Facility Renewal and other Building & Structure Projects: $41.0 million under

Variance is primarily due to cancellation of Revenue Operations Facility and Old Eglinton Garage. Additional variances for other projects include: Bus Garage /Shops Facility Renewal Program – Work advanced to 2016 for several contracts as well as deferment of planned works to address stakeholder requirements and develop contracting strategy; Subway Facility Renewal Program – Construction progress is slower than forecasted at Davisville Yard and Kipling Station; Duncan Shop Ventilation Upgrade – due to forecast adjustment as per contract award value; Wilson ITS/Back-up Centres – program delay reflects change in scope resulting from consolidation of Transit Control functions into one location; Union Station New Platform – project closeout in 2017; Sheppard Subway – delay of business loss claim resolution and Stations Transformation - delay in PRESTO crash gate work followed by a delay in hiring of collectors, lack of workforce, delays in PAI design and existing commitment and focus on TYSSE.

Purchase of Buses: $46.1 million under

The variance is due to the late deliveries of buses, approximately 33% received in the last 2 months of 2017, resulting in some milestone payments moved into 2018.

Purchase of Wheel Trans Buses: $4.8 million under

As a diesel version cannot be provided in 2017, it was decided that only 20 buses would be purchased and the remaining 20 buses added to the 2018 order (60 buses). All 2017 buses (20) have been delivered. 2018 order of 60 will start mid-April.

Purchase of Subway cars: $2.1 million under

Variance is primarily payment for some project milestones and escalation shifted with the revised cash flow and delivery schedules for spares and special tools and transfer of contingency allowance for project changes projected for 2018.

Bus Overhaul: $7.8 million over

The variance is due to the deferral of 1274 A/B Hybrid system overhaul from 2016 into 2017 continuing into 2018 to accommodate fleet size increase; the expanded scope on the 1336 series buses as a result of unexpected corrosion of the Power Distribution Centre (PDC), and also due to an unexpected spike in usage of hybrid components.

Subway car Overhaul: $12.6 million under

The variance is due to the supply chains issues and prolonged workforces recruitments, the TR Subway Cars - 7 Year Overhaul and T1 Subway Cars - 15 Year Overhaul are accordingly impacted with delays.

Purchase of Streetcars: $62.4 million under

Variance is primarily from slippage of vehicle delivery and the Contract Change Allowance not being exercised in 2017. The plan was for 40 cars to be approved for service (FAC) for 2017; however, there were only 27 cars approved.

Revenue and Fare Handling Equipment: $15.4 million over

The variance is due to Turnstile Replacement Faregates project for additional gate order, foreign exchange adjustment and maintenance calendarization.

Information Technology Program: $20.0 million under

Variance is largely due to VISION Project delayed payments to Clever Devices as requested functionality has not been completed ($9.6M); also underspent on Non-revenue vehicle GPS tracking system (scope transferring to VISION of $1.9M); underspend in Networking Infrastructure Program is mainly due to Voice over IP (VOIP) contract negotiations (new contract

commenced as of October 1, 2017 and underspent $1.5M); $1.3M underspent on End User Devices as inventory moved off project to balance sheet in preparation for R12 upgrade; $1.7M underspent on SMS Work Order System due to delays in starting project; offset by overspending on SAP Project of $2.3M due to higher than projected project complexity and resource availability which resulted in higher expenses to the project and scheduling delays.

Service Planning: $44.7 million under

The variance is mainly due to three projects: Platform Modification to Accommodate Artic buses, Bus Stop Improvements for Accessibility and Opportunities to Improve Transit – Transit Priority Measures. For each of these projects the majority of work has slipped from 2017 to 2018 and 2019 due to delays in hiring Strategy and Service Planning staff; receiving City approvals, and issuing tender packages for the current construction season.

Toronto York Spadina Subway Extension (TYSSE) : $169.7 million under

Variance is due to deferral of holdback releases, contingencies, claims resolutions, property and vehicle expenditures.

Scarborough Subway Extension: $67.3 million under

SRT Life Extension (-$24.6): Variance is due to SRT Communications Retrofit - work deferred due to resource constraints; SRT Car Overhaul Program - deferred due to delay of subway opening; SRT Workcar- deferred as Hybrid Locomotive is a complex new technology and interconnected with ATP (Automatic Train Protection), which is in alignment with ATC.

Scarborough Subway Extension: (-$42.7M): Variance is due to delay in the EA process and the rebaselining of the project scope.

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4. Critical Projects

Purchase of Buses

March 2018 CEO Report

Performance Scorecard

	Schedule	Cost	Scope	Overall Risk
Current Status	Y	G	G	G
Outlook to Completion	G	G	G	G

Budget Update (as of December 31, 2017)

(millions of dollars)

	Year to Date	2017	Lifetime to Date	Estimated Final Cost
Budget:	$230.1	$230.1	$487.0	$1,271.0
Actual:	$184.0		$436.0	
Projected:		$184.0		$1,266.5
Actual Variance:	-$46.1		-$51.0	
Projected Variance:		-$46.1		-$4.5

2017 Variance: $46.1 million under.
2017 Year End Variance (-$46.1M) is a result of buses received later than expected and some milestone payments delayed until 2018. A total of $20M of invoices are expected by the end of February, 2018.
EFC Variance: 4.5 million under.
-Cost estimate changes including remaining deliverables(spares).

Accomplishments

2017 Bus Order (342 buses), as at December 31, 2017
- 341 buses delivered (99%)
- 270 buses commissioned (79%)

NOVA was awarded the supply and delivery of 325 buses at the Sept 5 Board Meeting for delivery up to Q1 2019.

At the November Board meeting, approval was given to staff to: - negotiate with two vendors for the procurement of 230 new generation hybrid electric buses; and
- negotiate a contract change with NOVA Bus to maximize the number of 2nd generation hybrid buses as part of the 2018 bus order.

Key Issues and Risks

A total of 112 buses were received in the last 8 weeks of 2017, resulting in some milestone payments not paid in 2017.

Management Action Plan

None.

Schedule Status

No.	Phase / Milestone / Target	Original Date	Revised Date	Pre 2017	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	WO 6572 - Replacement (153) 60ft LF Articulated Buses	Q4 2014	Q4 2014	✓																		
2	WO 6274 - Replacement (55) 40ft LF Buses	Q2 2015	Q2 2015	✓					Today													
3	WO 6750 - Purchase (50) 40ft LF Buses	Q4 2015	Q4 2015	✓																		
4	WO 6761 - Replacement (108) 40ft LF Buses	Q1 2016	Q1 2016	✓																		
5	WO 6796 - Replacement (97) 40ft LF Buses	Q4 2017	Q4 2017					✓														
6	WO 7012 - Replacement (281) 40ft LF Buses	Q1 2019	Q1 2018																			
7	WO 7014 - Purchase (4) 40ft LF Buses	Q2 2017	Q2 2017			✓																

Legend

✓ Completed as planned
✓ Completed Late
✓ Completed w/Impact on Critical Path
On Schedule
Tracking behind Schedule
Poses Risk to Critical Path

Unless stated otherwise, data is current as of: Dec. 31,2017

Reporting frequency: Quarterly

McNicoll New Bus Garage

March 2018 CEO Report

Performance Scorecard

	Schedule	Cost	Scope	Overall Risk
Current Status	Y	G	G	G
Outlook to Completion	G	G	G	G

Budget Update (as of December 31, 2017)

(millions of dollars)

	Year to Date	2017	Lifetime to Date	Estimated Final Cost
Budget:	$14.8	$14.8	$23.9	$181.0
Actual:	$14.9		$24.3	
Projected:		$14.9		$181.0
Actual Variance:	$0.1		$0.4	
Projected Variance:		$0.1		$0.0

2017 Variance: $0.1 million
Increased expenditures in 2017, no impact on overall program.

EFC Variance: $0 million

Accomplishments

TRCA permit issued in December.
Conditional permit (foundations only) received for signature in December.
TTC stakeholder review of design completed.

Key Issues and Risks

Notice of Approval Conditions (NOAC) not yet received.
Permit for site services and remainder of building is outstanding; further coordination required with City re: storm connection.
Foundation construction has begun but is later than anticipated and is occurring during winter months (slower progress).

Management Action Plan

NOAC expected to be issued in March.
Permits for site services and remainder of the facility expected soon after issuance of NOAC. DB coordinating directly with the City on storm connection - Project Team available to assist upon request by DB.
Project Team requested a recovery schedule from the DB.
Localized heating required to protect concrete in cold weather.

Schedule Status

No.	Phase / Milestone / Target	Original Date	Revised Date	Pre 2017	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	RFPQ Completed	Q3 2015	Q3 2015	✓				Today														
2	RFP Issued	Q1 2016	Q1 2016	✓																		
3	Contract Award	Q4 2016	Q4 2016	✓																		
4	Commence Construction	Q3 2017	Q3 2017				✓															
5	Construction substantially complete (SP)	Q2 2020	Q2 2020																			

Legend

- ✓ Completed as planned
- ✓ Completed Late
- ✓ Completed w/Impact on Critical Path
- On Schedule
- Tracking behind Schedule
- Poses Risk to Critical Path

Unless stated otherwise, data is current as of: December 31,2017

Reporting frequency: Quarterly

Performance Scorecard

	Schedule	Cost	Scope	Overall Risk
Current Status	Y	G	G	G
Outlook to Completion	Y	G	G	G

Accomplishments

1 Preliminary Testing for Integration Testing Completed
2. Installation of Yard Management External Anchors and Gateways in Progress at Mount Dennis.
3. Yard Management Installation Started at Leslie Barns.

Key Issues and Risks

1 Clever Devices resourcing continues to be a concern for the delivery of the required functionality in time for the revised times for minifleet provided by Clever Devices.
2 CDMA Sunset in April 2018 may require acceleration of installation of VISION system
3 Integration of VISION equipment on board LFLRV to meet TTC and Bombardier Standards
4 Clever Devices Data Preparation Issues may impact schedule

Management Action Plan

1 Concerns escalated to Senior Management at Clever Devices once more, progress monitoring efforts increased to cover development and data preparation by Clever Devices.
2. Bell has agreed to extend the CDMA Service to April 2019.
3 Working with Bombardier who are currently reviewing Clever Devices Designs and providing input on any required design modifications. 4. Review sessions conducted to monitor Clever Devices progress on data preparation.

Budget Update (as of December 31, 2017)

(millions of dollars)

	Year to Date	2017	Lifetime to Date	Estimated Final Cost
Budget:	$21.2	$21.2	$33.0	$115.4
Actual:	$11.6		$22.0	
Projected:		$11.6		$115.4
Actual Variance:	-$9.6		-$11.0	
Projected Variance:		-$9.6		$0.0

2017 Variance: $ 9.6 million under.
Delay on project due to delay from Clever Devices which created cascading delays to project schedule.

EFC Variance: $0 Million
No variance at this time.

Schedule Status

No.	Phase / Milestone / Target	Original Date	Revised Date	Pre 2017	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
1	Start	Q1 2014	Q1 2014	✓																			
2	RFI Issued	Q1 2015	Q1 2015	✓																			
3	RFP Issued	Q2 2015	Q2 2015	✓																			
4	Technical Evaluation Completed	Q4 2015	Q4 2015	✓					Today														
5	Contract Award	Q1 2016	Q1 2016	✓																			
6	Design Initiated	Q1 2016	Q1 2016	✓																			
7	Preliminary design received	Q2 2016	Q2 2016	✓																			
8	Final Design received from vendor	Q4 2016	Q4 2016	✓																			
9	Factory Acceptance Testing Complete	Q2 2017	Q2 2017			✓																	
10	Mini Fleet Testing	Q3 2017	Q1 2018																				
11	Integration Testing Complete	Q3 2017	Q1 2018																				
12	Proof of Concept Complete	Q2 2018	Q2 2018																				
13	Roll out to Mount Dennis Complete	Q4 2017	Q2 2018																				
14	Start of Vehicle Installations	Q4 2017	Q2 2018																				
15	Bus Installs Complete	Q4 2018	Q4 2018																				
16	Streetcar Installs Complete	Q1 2020	Q1 2020																				
17	Project Complete	Q1 2020	Q1 2020																				

Legend

✓ Completed as planned — On Schedule
✓ Completed Late — Tracking behind Schedule
✓ Completed w/Impact on Critical Path — Poses Risk to Critical Path

Unless stated otherwise, data is current as of: Dec. 31,2017

Reporting frequency: Quarterly

Purchase of New Streetcars

March 2018 CEO Report

Performance Scorecard

	Schedule	Cost	Scope	Overall Risk
Current Status	R	G	G	R
Outlook to Completion	R	G	G	R

Budget Update (as of December 31, 2017)

(millions of dollars)

	Year to Date	2017	Lifetime to Date	Estimated Final Cost
Budget:	$140.2	$140.2	$716.1	$1,186.5
Actual:	$77.8		$630.3	
Projected:		$77.8		$1,186.5
Actual Variance:	-$62.4		-$85.8	
Projected Variance:		-$62.4		$0.0

2017 Variance: $ 62.4 million under.
Variance is primarily from slippage of vehicle delivery and the Contract Change Allowance not being exercised in 2017. The plan was 40 cars for 2017, however, based on the current production circumstances, there are only 27 cars delivered in 2017.

EFC Variance: $0 million
No variance at this time.

Accomplishments

- Final acceptance of car 4455-4462 (8 cars) completed
- 62 cars are available for revenue service
- Preliminary acceptance of car 4463, 4464 and 4465 completed

Key Issues and Risks

1. Poor manufacturing capability and workmanship in Bombardier's plants, and supply chain issues, continue to impact vehicle quality and the delivery.
2. Bombardier Detailed Project Schedule (DPS) only available for 2018 Q1. A full DPS for all sites and for the full duration of the project is still outstanding.
3. Delivery delays and design immaturity creates the need for additional TTC resources (Sites inspectors, Commissioning team, Engineers)
4. Supply chain issues continue to impact reliability and availability for service.
5. PRESTO on board SRVM machines being transitioned to Precise Park-Link machines

Management Action Plan

1. Continue the review and monitoring of manufacturing. In the process of hiring additional inspectors in Thunder Bay (via consultant company)
2. Continue request of DPS during monthly contractual meetings
3. Headcount for Project Coordinator and Senior Systems Engineer QA manager remains a gap. Project Manager hired via consultant company.
4. Continue FRB meetings and escalation of issue at contractual meetings
5. Streetcar Engineering team designed necessary additions to support Fare Collection department and Metrolinx (Presto). LRV project manufactured 10 car set to cover until Metrolinx takes over.

Schedule Status

No.	Phase / Milestone / Target	Original Date	Revised Date	Pre 2017	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	Interim Solution Available	Q3 2014	Q3 2014	✓																		
2	PRESTO Interim solution available for Streetcar Launch	Q3 2014	Q3 2014	✓																		
3	First New Streetcar Launched on Spadina	Q3 2014	Q3 2014	✓																		
4	Leslie Carhouse Storage Required	Q4 2015	Q4 2015	✓					Today													
5	Substantial Completion 75% of Cars deployed (Car #163- based on January 23, 2017 delivery schedule)	Q1 2019	Q1 2019																			
6	204 Cars deployed (based on January 23, 2017 delivery schedule)	Q4 2019	Q4 2019																			

Legend

- ✓ Completed as planned
- ✓ Completed Late
- ✓ Completed w/Impact on Critical Path
- On Schedule
- Tracking behind Schedule
- Poses Risk to Critical Path

Unless stated otherwise, data is current as of: Dec. 31,2017

Reporting frequency: Quarterly

Leslie Barns

March 2018 CEO Report

Performance Scorecard

	Schedule	Cost	Scope	Overall Risk
Current Status	G	G	G	G
Outlook to Completion	G	G	G	G

Budget Update (as of December 31, 2017)

(Millions of dollars)

	Year to Date	2017	Lifetime to Date	Estimated Final Cost
Budget:	$20.5	$20.5	$517.6	$523.5
Actual:	$17.1		$501.8	
Projected:		$17.1		$523.5
Actual Variance:	-$3.4		-$15.8	
Projected Variance:		-$3.4		$0.0

2017 Variance: $ 3.4 million under.
Lack of progress in completion of work and correction of outstanding deficiencies.

EFC Variance: $0

Accomplishments

- Continued work on deficiency list

Key Issues and Risks

1.Claims submitted by the Contractor

Management Action Plan

1.Claim resolution process in place.

Schedule Status

No.	Phase / Milestone / Target	Original Date	Revised Date	Pre 2017	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	Leslie Street open to general traffic	Q3 2015	Q3 2015	✓																		
2	Leslie Barns partial handover to Operations	Q4 2015	Q4 2015	✓																		
3	Leslie barns full handover to Operations	Q1 2016	Q1 2016		✓																	
4	Leslie Street landscaping complete	Q4 2017	Q4 2017					✓														

Today

✓ Completed as planned
✓ Completed Late
✓ Completed w/Impact on Critical Path
On Schedule
Tracking behind Schedule
Poses Risk to Critical Path

Unless stated otherwise, data is current as of: December 31,2017

Reporting frequency: Quarterly

Performance Scorecard

	Schedule	Cost	Scope	Overall Risk
Current Status	Y	G	R	Y
Outlook to Completion	Y	G	G	Y

Budget Update (as of December 31, 2017)

(millions of dollars)

	Year to Date	2017	Lifetime to Date	Estimated Final Cost
Budget:	$55.7	$55.7	$288.3	$597.7
Actual:	$46.9		$282.3	
Projected:		$46.9		$597.7
Actual Variance:	-$8.8		-$6.0	
Projected Variance:		-$8.8		$0.0

2017 Variance: $8.8 million under.
Under spend is due to the forced deferral of Wellington St-Church to Yonge to 2019, and the carry over of work into 2018 for the Humber Loop, The Queensway, and Lake Shore projects.

EFC Variance: $0 million

Accomplishments

The following projects were completed ahead of schedule:
- Wellington St West - Yonge to York
- Dundas & Victoria & Dundas Square
- Queen & McCaul

Projects completed on schedule or as per revised completion date:
- Dundas & Parliament
- CNE Loop
- Russell Yard South End Modification Improvements
- Queen and Coxwell

Key Issues and Risks

1. Anticipated completion for the Humber Loop project has been moved to Q2 2018 due to the following unmitigated risks:
-early onset of extreme winter weather
-late delivery of prefab substation
-continuing delays in obtaining third party approvals
2.The Wellington St E track rehab was tied to a C of To, road allowance alteration initiative. Possible date is now in 2019; however, there is no confirmation as yet.

Management Action Plan

1. Humber Loop:
- leveraged Executive support to expedite third party approvals
- work has been phased to allow return of the Queen St portion of the 501 route to Humber Loop by Q1 of 2018
2. Wellington St:
- project has been split into two work packages, from Yonge to York which was completed by Q3 2017, and Church to Yonge was differed to earliest 2019 date to be confirmed.

Schedule Status

No.	Phase / Milestone / Target	Original Date	Revised Date	Pre 2017	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	Bay Street	Q2 2016	Q2 2016	✓																		
2	King/Adelaide & Charlotte	Q2 2016	Q2 2016	✓																		
3	Roncesvalles Southwest Corner - Construction	Q3 2016	Q3 2016	✓					Today													
4	Russell Yard - South End Modification Improvements	Q2 2017	Q2 2017			✓																
5	Dundas and Parliament	Q2 2017	Q2 2017			✓																
6	Dundas and Victoria and Dundas Square	Q4 2017	Q4 2017					✓														
7	Queen and Coxwell	Q4 2017	Q4 2017					✓														
8	Queen and McCaul	Q4 2017	Q4 2017					✓														
9	Lake Shore Blvd-Humber Loop to Dwight Ave	Q4 2017	A2 2018																			
10	Wellington St-Yonge to York	Q4 2017	Q4 2017				✓															
11	The Queensway-Parkside Bridge to Humber Loop	Q4 2017	Q2 2018																			
12	Humber Loop	Q4 2017	Q2 2018																			
13	Car Stops & Curves-Ongoing State of Good Repair(SOGR)Program	Q4 2017	Q4 2017					✓														
14	Wellington Church St. to Yonge St.	Q4 2017	Q2 2018																			

Legend

✓ Completed as planned — ✓ Completed Late — ✓ Completed w/Impact on Critical Path

On Schedule — Tracking behind Schedule — Poses Risk to Critical Path

Unless stated otherwise, data is current as of: Dec. 31,2017

Reporting frequency: Quarterly

Purchase of Subway Cars

March 2018 CEO Report

Performance Scorecard

	Schedule	Cost	Scope	Overall Risk
Current Status	G	G	G	G
Outlook to Completion	G	G	G	G

Budget Update (as of December 31, 2017)

(millions of dollars)

	Year to Date	2017	Lifetime to Date	Estimated Final Cost
Budget:	$15.5	$15.5	$1,162.9	$1,166.9
Actual:	$13.4		$1,132.1	
Projected:		$13.4		$1,161.4
Actual Variance:	-$2.1		-$30.8	
Projected Variance:		-$2.1		-$5.5

2017 Variance: $2.1 million under
2017 Variance: -$2.1 million under variance is primarily related to payment for spares payment project contingency and potential project changes as anticipated in 2018.
EFC Variance: $5.5 million
EFC reduction transfer of contingency allowance to 4.16 Subway Car Overhaul, Work Order 6408 for TR AODA Phase 2.

Accomplishments

-Final Acceptance and availability of 82 Train Sets for operational service
-Completed Final Acceptance of last Train #82 for vehicle order
-End of General two year Warranty of Train #70
-Completed Initial Deliveries 4-Car Consist Special Tools and Test Equipment (STTE) (Initial Deliveries defined as 20% of value)
Completed Initial Deliveries 4-Car Consist Special Tools and Test Equipment (STTE) (Initial Deliveries defined as 20% of value)
Completed Initial Deliveries 4-Car Consist and Option 1C Spares (Initial Deliveries defined as 20% of value)
Completed Substantial Deliveries Option 1C Special Tools and Test Equipment (STTE) (Substantial Deliveries defined as 80% of value)

Key Issues and Risks

1.Production issues caused TS #81 Preliminary Acceptance (PAC) delivery to Feb. 2017 and Final Acceptance (FAC) to March 2017 and TS #82 PAC to March 2017 and FAC was completed April 2017.
2.Design change requirements to improve on vehicle functionality, reliability and maintainability continue.

Management Action Plan

1. Continue to monitor production quality.
2.The Board approved on July 11,2016 the Commercial offer for Train Door Monitoring System-Phase 2 and Yard Maintenance Support System (YMSS) Phase 1 for full system integration and testing.
3.Contract Amendment was issued for accelerated delivery of one 4-Car Trainset #80.
4.Final Acceptance Certification of Trainset #82 4-Car train was completed April 28, 2017.
5.Continue with train modifications and project changes.

Schedule Status

No.	Phase / Milestone / Target	Original Date	Revised Date	Pre 2017	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019	2020	2021	2022	2023	2024	2025	2026	2027
1	Train #1 to #39 ready for service	Q3 2013	Q3 2013	✓																	
2	Train #40 to #60 (Option 1B) ready for service	Q1 2015	Q1 2015	✓																	
3	Train #61 to #70 (Option 1A) ready for service	Q4 2015	Q4 2015	✓					Today												
4	Train #72 to #75(advancement of 4-Car consist) ready for service on Line 4	Q2 2016	Q2 2016	✓																	
5	Train #71, TS#76 to #79,TS#81 (Option 1C) ready for service	Q1 2017	Q1 2017		✓																
6	Train # 80(advancement of one 4-Car consist) ready for service on Line 4	Q4 2016	Q4 2016	✓																	
7	Train #82(remaining 4- Car consist) ready for service on Line 4	Q4 2016	Q2 2017			✓															

Legend

✓ Completed as planned — On Schedule
✓ Completed Late — Tracking behind Schedule
✓ Completed w/Impact on Critical Path — Poses Risk to Critical Path

Unless stated otherwise, data is current as of: December 31,2017

Reporting frequency: Quarterly

Performance Scorecard

	Schedule	Cost	Scope	Overall Risk
Current Status	G	G	G	G
Outlook to Completion	Y	G	G	Y

Budget Update (as of December 31, 2017)

(millions of dollars)

	Year to Date	2017	Lifetime to Date	Estimated Final Cost
Budget:	$42.8	$42.8	$304.2	$774.3
Actual:	$39.6		$301.1	
Projected:		$39.6		$775.9
Actual Variance:	-$3.2		-$3.1	
Projected Variance:		-$3.2		$1.6

Accomplishments

Coxwell elevators put into service.

Key Issues and Risks

1. Increased complexities/staging, property requirements at future locations.
2. Higher than expected estimated costs due to increased complexities/staging, property requirements, scope changes, power upgrades, utilities, escalation.

Management Action Plan

1. Designs are being advanced to accommodate the additional time that may be required to address the increased complexities and property requirements at future locations.
2. Additional funds approved in the 2017-2026 budget.

2017 Variance: $ 3.2 million under.
Enabling works delayed at King Station, Schedule change at Wilson and Yorkdale.

EFC Variance: $1.6 million over
To be covered by Budget transfer from Backflow Preventers.

Schedule Status

No.	Phase / Milestone / Target	Original Date	Revised Date	Pre 2017	2017				2018				2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
					Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4										
1	Woodbine Station(DC9-4)	Q3 2017	Q3 2017				✓															
2	St. Clair West Station(A45-9)	Q4 2017	Q3 2017				✓															
3	Coxwell Station(D45-8)	Q4 2017	Q4 2017					✓														
4	Dupont Station(A45-13)	Q4 2018	Q4 2018																			
5	St. Patrick Station(U45-4)	Q4 2018	Q4 2018																			
6	Royal York Station(W45-6)	Q4 2019	Q4 2019																			
7	Wellesley Station(S45-8)	Q4 2019	Q4 2019																			
8	Yorkdale Station(A45-17)	Q4 2019	Q4 2020																			
9	Wilson Station(A45-10)	Q4 2019	Q4 2020																			
10	Runnymede Station(W45-4)	Q4 2019	Q4 2020																			
11	Bay Station(D45-4)	Q4 2020	Q4 2020																			
12	King Station(S45-7)	Q4 2019	Q4 2021																			
13	Sherbourne Station(D45-5)	Q4 2020	Q4 2021																			
14	Keele Station(B45-3)	Q4 2021	Q4 2021																			
15	Lansdowne Station(B45-6)	Q4 2021	Q4 2021																			
16	Chester Station(D5-16)	Q4 2020	Q4 2021																			
17	Spadina Station(A45-18)	Q4 2021	Q4 2022																			
18	College Station(S60-21 & S2-17)	Q4 2020	Q4 2022																			
19	Donlands Station(D45-2 & D6-3)	Q4 2021	Q4 2022																			
20	Lawrence Station(Y45-3)	Q4 2021	Q4 2023																			
21	Castle Frank Station(D45-14)	Q4 2023	Q4 2023																			
22	Christie Station(B45-11)	Q4 2023	Q4 2023																			
23	High Park Station(W45-7)	Q4 2023	Q4 2023																			
24	Summerhill Station(S45-11)	Q4 2023	Q4 2023																			
25	Greenwood Station(D45-6)	Q4 2022	Q4 2023																			
26	Rosedale Station(S45-12)	Q4 2024	Q4 2024																			
27	Old Mill Station(W45-8)	Q4 2024	Q4 2024																			
28	Museum Station(U3-5)	Q4 2024	Q4 2024																			
29	Glencairn Station(A45-19)	Q4 2025	Q4 2025																			
30	Warden Station	Q4 2025	Q4 2025																			
31	Islington Station	Q4 2025	Q4 2025																			

Legend

- ✓ Completed as planned
- ✓ Completed Late
- ✓ Completed w/Impact on Critical Path
- On Schedule
- Tracking behind Schedule
- Poses Risk to Critical Path

Unless stated otherwise, data is current as of: December 31,2017

Reporting frequency: Quarterly

TR/ T1 Rail Yard Accommodation

March 2018 CEO Report

Performance Scorecard

	Schedule	Cost	Scope	Overall Risk
Current Status	G	G	G	G
Outlook to Completion	G	G	G	G

Budget Update (as of December 31, 2017)

(millions of dollars)

	Year to Date	2017	Lifetime to Date	Estimated Final Cost
Budget:	$49.7	$49.7	$209.3	$973.1
Actual:	$46.7		$214.7	
Projected:		$46.7		$966.3
Actual Variance:	-$3.0		$5.4	
Projected Variance:		-$3.0		-$6.8

2017 Variance: $3.0 million under
Later than expected award of Contract C1-42 and deferral of signalling to 2018.

EFC Variance: $6.8 million under
Transfer funds to Retrofit of Carhouse and Shop Traction Power Pendent System - Davisville/Greenwood project #6149.

Accomplishments

Completed Train Entry Platforms Studies for Wilson, Davisville, Keele and Greenwood Yards on September 18,2017.
Achieved substantial performance of Contract AW1-4 Wilson Yard Tie in Car House North Ladder Tracks (Tracks 2 to 15) on October 8, 2017.
Awarded Contract C1-42 Wilson CH Tracks 15 and 16 Expansion and Alterations on October 24, 2017.

Achieved substantial performance of Contract A80-24 Wilson Yard CCTV for Yard Control on November 10,2017.

Key Issues and Risks

None

Management Action Plan

N/A

Schedule Status

No.	Phase / Milestone / Target	Original Date	Revised Date	Pre 2017	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	Greenwood Yard-Track Conversion and South Fence Replacement(GR1-46),(GR65-10 & GR1-41 Combined)	Q1 2016	Q1 2016	✓																		
2	Wilson Yard Site Services Stage I(A18-15)	Q2 2016	Q2 2016	✓																		
3	Wilson Yard Site Services Stage II(A18-20)	Q2 2016	Q2 2016	✓						Today												
4	Wilson Carhouse North Expansion(C1-38)	Q3 2016	Q3 2016	✓																		
5	Wilson Yard Tie in Tracks 33-43(AW1-5)	Q4 2016	Q4 2016	✓																		
6	Wilson Carhouse-Access Stairwell at Tracks 9/10(C1-46)	Q2 2017	Q2 2017			✓																
7	Wilson Yard-Consolidated Rail Amalgamation Study(G85-329)	Q2 2017	Q2 2017			✓																
8	Keele Yard Retrofit (B4-36)	Q3 2017	Q3 2017				✓															
9	Wilson Yard Tie in Carhouse North Ladder Tracks(Tracks 2-15) /AW1-4	Q4 2017	Q4 2017					✓														
10	Kipling Station Track Expansion(F65-10)	Q4 2017	Q1 2018																			
11	Wilson Yard T&S Building Renovation(AW1-3)	Q1 2018	Q1 2018																			
12	Wilson Yard CCTV for Yard Control(A80-24)	Q2 2018	Q2 2018																			
13	Wilson and Davisville Yards-Friction Bumping Posts(G60-266)	Q3 2018	Q3 2018																			
14	Davisville Carhouse Expansion East Side(S5-59)	Q4 2018	Q4 2018																			
15	Wilson Yard Fencing and Miscellaneous Site Services(AW60-1)	Q1 2019	Q1 2019																			
16	Greenwood T&S Building Renovation & Carhouse Pendent Retrofit (GR1-51),(GR1-40 & GR60-25 combined)	Q1 2019	Q1 2019																			
17	Wilson Carhouse Tracks 15 and 16 Expansion and Alterations(C1-42)	Q1 2021	Q4 2020																			
18	Davisville T&S Building Renovation(S5-60)	Q3 2020	Q3 2021																			
19	Wilson Yard Signalling and System works	Q4 2021	Q4 2021																			
20	Greenwood Carhouse Tandem Wheel Lathe with Wireless Shunter(GR1-53)	Q2 2021	Q2 2022																			
21	Future Works	Post 2026	Post 2026																			

Legend

- ✓ Completed as planned
- ✓ Completed Late
- ✓ Completed w/Impact on Critical Path
- On Schedule
- Tracking behind Schedule
- Poses Risk to Critical Path

Unless stated otherwise, data is current as of: December 31,2017

Reporting frequency: Quarterly

Subway Track

March 2018 CEO Report

Performance Scorecard

	Schedule	Cost	Scope	Overall Risk
Current Status	G	G	Y	G
Outlook to Completion	G	G	G	G

Budget Update (as of December 31, 2017)

(millions of dollars)

	Year to Date	2017	Lifetime to Date	Estimated Final Cost
Budget:	$29.0	$29.0	$184.2	$556.5
Actual:	$24.5		$171.9	
Projected:		$24.5		$541.6
Actual Variance:	-$4.5		-$12.3	
Projected Variance:		-$4.5		-$14.9

2017 Variance: $4.5M under

6622 - Deferred DARP work for ($1,400K) to 2018, work defers to 2018($2,070K); 6012 - $36K slippage from 2016, $177K Communication work will be deferred to 2018; 6628 - advancement from future year for $1.444K, cost overage due to schedule change $359K; 6032 - ($2,758K) Slippage of system 2 & 3 to 2019 and warranty to 2020, schedule change on system 1 completion date from 2017 to Q2 2018; 7715-(-$254K)Defer work to 2018.

EFC Variance: - $14.9M under

6260 -revised cost estimate from 2016 ($1,235K);6622-revised cost estimate for DARP($13.7M)

Accomplishments

YUS Line 1 - Eglinton Double X-Over BWs (S-31NB, S-32SB, S-33NB, S-34SB): FTO (90%); YUS Line1 and BD Line 2 - Reinsulation of Track,YUS Line 1 - Yorkdale SB, C-140, Low Rail and RR Replacement; 6032 - System 1 ENSCO and TTC Equipment: Installation is on-going at CAD Rail (Montreal). Staff working on the pre-work for installation, testing and commissioning.

Key Issues and Risks

6622&6628: Material Supply, Reduction in available labour resources due to decrease in the exception of Employment Standard Act(ESA) restrictions, 6032 - PRIS beam redesign, car modifications, equipment installation to be monitored as these would likely have schedule and cost impacts.

Management Action Plan

Constant follow up for material, None- compliance to New Standard required but try to maximize the resources by filling up vacancies ASAP. 6032 Monitor progress, report to senior manager/sponsor if issues not resolved.

Schedule Status

No.	Phase / Milestone	Original Date	Revised Date	Pre 2017	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	Subway / SRT Track Replacement Program(Ongoing)	Q4 2017	Q2 2018		✓	✓	✓	✓														
2	Subway/ SRT Turnout Rehabilitation Program(Ongoing)	Q4 2017	Q2 2018		✓	✓	✓	✓														
3	MOWIS Upgrade	Q4 2017	Q2 2018		✓	✓	✓	✓														
4	Rail Vehicle Based Inspection System(Finite)	Q4 2016	Q2 2018		✓	✓	✓	✓														
5	YUS Resignalling	Q4 2017	Q2 2018		✓	✓	✓	✓														
6	Subway Rail Grinding	Q4 2017	Q2 2018		✓	✓	✓	✓														

Today

Legend

- ✓ Completed as planned
- ✓ Completed Late
- ✓ Completed w/Impact on Critical Path
- On Schedule
- Tracking behind Schedule
- Poses Risk to Critical Path

Unless stated otherwise, data is current as of: Dec. 31,2017

Reporting frequency: Quarterly

Automatic Train Control "Line 1-YUS"

March 2018 CEO Report

Performance Scorecard

	Schedule	Cost	Scope	Overall Risk
Current Status	G	G	G	G
Outlook to Completion	G	G	G	G

Budget Update (as of December 31, 2017)

(millions of dollars)

	Year to Date	2017	Lifetime to Date	Estimated Final Cost
Budget:	$60.1	$60.1	$383.0	$562.8
Actual:	$57.9		$380.7	
Projected:		$57.9		$562.8
Actual Variance:	-$2.2		-$2.3	
Projected Variance:		-$2.2		$0.0

2017 Variance: $2.2 million under.
Year-end variance of $2.2M primarily attributed to Alstom contract payments pushing into 2018.

EFC Variance: $ 0 million

Accomplishments

* Successful delivery of ATC Phase 1&2 into service
* Commenced running full service on TYSSE
* Successful completion of 12 closures in 2017
* Training - 703 trained to meet P1 training requirements (operators, SYOs, supervisors etc.)
* Safety certification complete

* Phase 1 commissioned from 22-Oct to 04-Nov, 2017
* First work car statically and dynamically tested
* All TR trains commissioned for passenger service
* Significant construction progress in Wilson Yard

Key Issues and Risks

1. Having all work cars equipped to support YUS Line needs when ATC is commissioned.
2. Maintaining delivery of TRs for service as WY is upgraded.
3. Design availability on Phase 2 B&C and Phase 3.
4. Asbestos abatement not completed on time in Phase 5.

Management Action Plan

1. Clear strategy, dedicated expert team, and "Plan B".
2. Simplify design, integrated work stream. Alternative migration strategy.
3. Ensuring schedule focuses on TYSSE opening.
4. Working closely with TYSSE on common schedule activities.

Schedule Status

No.	Phase / Milestone	Original Date	Revised Date	Pre 2017	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	ETF Proof of Concept (Track#42 Wilson Yard)	Q4 2015	Q4 2015	✓					Today													
2	ATC Phase #1 Commissioning (CX) (Yorkdale- Dupont)	Q3 2017	Q3 2017				✓															
3	ATC Phase #2 CX (Vaughan Metro Centre- Sheppard West)	Q4 2017	Q4 2017					✓														
4	ATC Phase #2A CX (Wilson Yard - Sheppard West)	Q3 2018	Q3 2018								▨											
5	ATC Phase #2B CX (Vaughan Yard- Remainder)	Q3 2018	Q3 2018								▨											
6	ATC Phase #2C CX (Shep W. incl. W. yard S. Hostler- Yorkdale)	Q3 2018	Q3 2018								▨											
7	ATC Phase #3 CX (Dupont- Bloor)	Q1 2019	Q1 2019										▨									
8	ATC Phase #4 CX (Bloor- Eglinton)	Q3 2019	Q3 2019										▨									
9	ATC Phase #5 CX (Lawrence- Finch)	Q4 2019	Q4 2019										▨									

Legend

✓ Completed as planned
✓ Completed Late
✓ Completed w/Impact on Critical Path
▨ On Schedule
▨ Tracking behind Schedule
▨ Poses Risk to Critical Path

Unless stated otherwise, data is current as of: Dec. 31,2017

Reporting frequency: Quarterly

Performance Scorecard

	Schedule	Cost	Scope	Overall Risk
Current Status	G	G	G	G
Outlook to Completion	G	G	G	G

Budget Update (as of December 31, 2017)

(millions of dollars)

	Year to Date	2017	Lifetime to Date	Estimated Final Cost
Budget:	$545.1	$545.1	$3,023.9	$3,184.2
Actual:	$375.4		$2,790.7	
Projected:		$375.4		$3,184.2
Actual Variance:	-$169.7		-$233.2	
Projected Variance:		-$169.7		$0.0

2017 Variance: 169.7 million under.
Deferral of holdback releases, contingencies and claims resolutions, property and vehicle expenditures.

EFC Variance: $0 million

Accomplishments

Revenue Service started on December 17th. 2017.
Safety Certificates received on December 1st.
Canadian Prime Minister Trudeau, Ontario Premier Kathleen Wynne and other officials attended the official opening of the new Line 1 TYSSE extension on December 15th.

Handover of Finch West Station to TTC for beneficial use occurred on December 4th. All 6 stations have now been handed over.
Full occupancy permits received for all 6 stations on December 14th.
41 escalators and 16 elevators required for Revenue Service have received TSSA licenses.

Key Issues and Risks

1. Schedule Performance - Achieved Revenue Service on time, focus now in closeout.
2. Finalize escalator re-assembly and alignment fixes; Establish program after Revenue Service.
3. 300 Series Commissioning - Program complete focus now on closeout of paperwork.
4. Completion of station documentation required for Safety Certification. - Achieved Safety Certificates in place.
5. Obtain full occupancy permits - Achieved occupancy permits in place.

Management Action Plan

1. Continue to drive commercial documents, punch list and deferred work to closure.

2. Meet with elevating devices to determine maintenance program.

3. and 4. are complete.

5. Finalize occupancy permits from partial to full for DPS and VMC.

Schedule Status

No.	Phase / Milestone	Original Date	Revised Date	Pre 2017	2017				2018				2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
					Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4										
1	Downsview Park(Sheppard West Station (SP))	Q2 2016	Q1 2017		✓																	
2	Finch West Station (SP)	Q4 2016	Q4 2017					✓														
3	York University (SP)	Q2 2017	Q1 2017		✓																	
4	Pioneer Village(Steeles West Station (SP))	Q3 2017	Q2 2017			✓																
5	Highway 407 (SP)	Q4 2016	Q3 2017				✓															
6	Vaughan Metropolitan Centre Station (SP)	Q2 2016	Q1 2017		✓																	
Running Structures																						
7	North and South Tunnel	2015	2015	✓																		
8	Track work	Q1 2016	Q1 2016	✓																		
9	Special Track work	Q1 2016	Q1 2016	✓																		
10	Tunnel Drop Shaft Closures(SP)	Q2 2016	Q3 2017				✓															
11	Tunnel Outfitting and Finishing(SP)	Q1 2016	Q4 2017					✓														
12	Traction Power (SP)	Q1 2017	Q1 2017		✓																	
13	Train Control (signals,incl. testing)	Q3 2017	Q4 2017					✓														
14	Communications and Integrated Controls	Q3 2017	Q4 2017					✓														
15	Commissioning	Q4 2017	Q4 2017					✓														

Legend

✓ Completed as planned — On Schedule
✓ Completed Late — Tracking behind Schedule
✓ Completed w/Impact on Critical Path — Poses Risk to Critical Path

Unless stated otherwise, data is current as of: December 31,2017

Reporting frequency: Quarterly

Scarborough Subway Extension

March 2018 CEO Report

Performance Scorecard

	Schedule	Cost	Scope	Overall Risk
Current Status	R	Y	R	R
Outlook to Completion	R	Y	R	R

Budget Update (as of December 31, 2017)

(millions of dollars)

	Year to Date	2017	Lifetime to Date	Estimated Final Cost
Budget:	$87.4	$87.4	$126.7	$3,305.0
Actual:	$44.7		$75.2	
Projected:		$44.7		$3,305.0
Actual Variance:	-$42.7		-$51.5	
Projected Variance:		-$42.7		$0.0

2017 Variance: $ 42.7 million under

Variance is due to delay in the EA process and the rebaselining of the project scope.

EFC Variance: $0 million under

Accomplishments

Advancing design development for Station, Tunnel and Systems towards Stage Gate 3.
- New Chief Project Manager joined the project on 11 December 2017 and is undertaking a review of current schedule and risk status.

Programme below reflects project approval received at Council Meeting in March 2017.

Key Issues and Risks

1. EFC was approved in 2013 based on 0% design. With the alignment/bus terminal now confirmed by City Council, the project budget and schedule will be confirmed at Stage Gate 3, factoring in delivery strategy and risk. The performance scorecard will continue to report relative to the project's original scope, budget and schedule, as approved by Council in 2013, until the project is rebaselined at the Stage Gate 3.

Management Action Plan

1. Continue to develop Station, Tunnel and Systems design to Stage Gate 3.

Schedule Status

No.	Phase / Milestone	Original Date	Revised Date	Pre 2017	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	Pre In Market/RCD Commence	Q1 2017	Q1 2017		✓																	
2	10% Reference Concept Design Station/Tunnel Complete	Q2 2017	Q2 2017			✓			Today													
3	EA/TPAP Commence	Q2 2017	Q2 2017			✓																
4	EA/TPAP Complete	Q4 2017	Q4 2017					✓														
5	RFQ issued	Q1 2018	Q1 2018						▨													
6	30% RCD Station/Tunnel/Systems Complete	Q2 2018	Q2 2018							▨												
7	RFP Issued	Q3 2018	Q3 2018								▨											
8	Financial Close	Q1 2020	Q1 2020											▨								
9	Revenue Service	Q4 2023	Q2 2026																	▨		
10																						
11																						
12																						
13																						
14																						

Legend

✓ Completed as planned
✓ Completed Late
✓ Completed w/Impact on Critical Path
▨ On Schedule
▨ Tracking behind Schedule
▨ Poses Risk to Critical Path

Unless stated otherwise, data is current as of: December 31,2017

Reporting frequency: Quarterly

PRESTO

March 2018 CEO Report

Performance Scorecard

	Schedule	Cost	Scope	Overall Risk
Current Status	Y	Y	Y	Y
Outlook to Completion	Y	Y	Y	Y

Budget Update (as of December 31, 2017)

(millions of dollars)

	Year to Date	2017	Lifetime to Date	Estimated Final Cost
Budget:	$7.6	$7.6	$48.0	$48.0
Actual:	$23.3		$41.8	
Projected:		$23.3		$60.9
Actual Variance:	$15.7		-$6.2	
Projected Variance:		$15.7		$12.9

2017 Variance: $15.7 million over.
Calendarization due to extended roll out time.

EFC Variance: $12.9 million over.
Extended timeline for rollout. Increased quality assurance resources/costing. million increase attributed extended timeline for software delivery and rollout.

Accomplishments

69 Subway Stations PRESTO enabled. Faregates installed at 45 existing subway stations (at least one entrance per station). Faregates Installed at 6 TYSSE stations pending revenue service.

Faregate installation work at balance of stations has commenced. Full Service Vending Machine (FMVD) and Add Value Machine - second lot (AVM) design completed, development underway.

Key Issues and Risks

1. Civil Works contract to complete faregate installation
2. Labour Strategy for PRESTO Installation work activity
3. PRESTO channel distribution/support strategy
4. Strategy for Limited-Use-Media
5.Development of Full Service Vending Machines
6.Performance of Devices

Management Action Plan

1. Leverage existing construction processes; Reviewing procurement options
2. Identify negotiations options. Operational changes in subway
3. Developed conceptual scope in 2016. Incremental roll-out in 2017.
4.Develop short list of options. TTC policy review regarding cash paying customers. PRESTO technical/financial review.
5. Maintain some level of station sales until production machine available. Leverage existing vendor device.
6. Software releases to address device issues.

Schedule Status

No.	Phase / Milestone	Original Date	Revised Date	Pre 2017	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	Start PRESTO Rollout on Spadina	Q4 2014	Q4 2014	✓																		
2	Interim Solution Available	Q3 2014	Q3 2014	✓																		
3	Interim Solution for Streetcar Launch	Q4 2014	Q4 2014	✓				Today														
4	PRESTO Subway Stations for 2015 Pan AM Games- Wave 1	Q2 2015	Q2 2015	✓																		
5	PRESTO Implementation on Legacy Streetcar	Q4 2015	Q4 2015	✓																		
6	PRESTO Implementation on buses	Q4 2016	Q4 2016	✓																		
7	PRESTO Implementation on Wheel Trans(TTC Buses/Contracted Vans)	Q4 2017	Q2 2018							▨												
8	PRESTO Implementation on New Streetcars	Q4 2019	Q4 2019										▨									
9	PRESTO Payment functionality at all Subway Stations(at least one entrance)	Q4 2016	Q4 2016	✓																		
10	PRESTO Full Deployment(PRESTO payment functionality at all entry/payment points)	Q4 2016	Q2 2018							▨												

Legend

- ✓ Completed as planned
- ✓ Completed Late
- ✓ Completed w/Impact on Critical Path
- ▨ On Schedule
- ▨ Tracking behind Schedule
- ▨ Poses Risk to Critical Path

Unless stated otherwise, data is current as of: Sep. 30,2017

Reporting frequency: Quarterly

Performance Scorecard

	Schedule	Cost	Scope	Overall Risk
Current Status	R	Y	Y	Y
Outlook to Completion	R	Y	Y	Y

Budget Update (as of December 31, 2017)

(millions of dollars)

	Year to Date	2017	Lifetime to Date	Estimated Final Cost
Budget:	$18.9	$18.9	$41.8	$63.2
Actual:	$21.3		$45.0	
Projected:		$21.3		$63.2
Actual Variance:	$2.4		$3.2	
Projected Variance:		$2.4		$0.0

Accomplishments

Program: Executed mock cutover to start SIT4 testing.
-Successful posting of Payroll results into Finance.
-Pension Go Live Nov 27th.

Key Issues and Risks

Risk #1: BPO and SMEs unavailability due to year end activities will have an impact on SIT4, UAT and training user acceptance.
'Risk #2: SIT4 testing strategy not finalized and approved by business
'Risk#3: Large number of data related activities still to be addressed before SIT4 start
'Issue #1: Challenges of posting Payroll Data to GL impacts completion of SIT3B for Finance
'Issue #2: Resource availability due to year end legacy changes and changes in the Union will result in SAP solution change and resource constraints
'Issue #3: OCM lead has resigned impacting HR/Payroll.

Management Action Plan

- Run daily status meetings with team leads to focus on critical tasks and issue resolution.
- Review, re-plan, and re-estimate current and future waves .
- Prioritize activities based on data, payroll and year end activities.

2017 Variance: $ 2.4 million over
Overspending due to higher than projected project complexity; resource availability which resulted in higher expenses to the project and scheduling delays

EFC Variance: $ 0 million
Currently under review.

Schedule Status

No.	Phase / Milestone	Original Date	Revised Date	Pre 2017	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
1	Award Program Management Contract	Q2 2015	Q2 2015	✓																		
2	Wave 1/Release1 team in place	Q3 2015	Q3 2015	✓					Today													
3	Program Management team in place	Q4 2015	Q4 2015	✓																		
4	Award System Integrator (SI) Contract	Q1 2016	Q1 2017		✓																	
5	Wave 1 - Pension (Stage 1)	Q4 2015	Q4 2017					✓														
6	Wave 1 - Service Centre (Stage 2)	Q4 2017	Q1 2018																			
7	Wave 1 - HR / Payroll / Finance (Stage 3)	Q4 2017	Q2 2018																			
8	Wave 2-Workforce Management	Q4 2017	Q4 2017																			
9	Wave 3-Budgeting,AP/AR, Procurement	Q4 2017	Q4 2017																			
10	Wave 4-Integration-Facilities Management	Q3 2018	Q4 2017																			
11	Wave 5-Integration-Bus Maintenance	Q1 2019	Q3 2018																			
12	Wave 6-Integration-Rail Maintenance	Q3 2019	Q1 2019																			

Legend

- ✓ Completed as planned
- ✓ Completed Late
- ✓ Completed w/Impact on Critical Path
- On Schedule
- Tracking behind Schedule
- Poses Risk to Critical Path

Unless stated otherwise, data is current as of: Dec. 31,2017

Reporting frequency: Quarterly

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COME FROM AWAY

For further information on TTC performance, projects, and service, please see www.ttc.ca

Richard J. Leary
Chief Executive Officer (Acting)
Toronto Transit Commission