

Dear IPART,

I am writing in response to the invitation for submissions into the draft report for Opal fares issued in December 2015. I have some points I would like to address in relation to some of the findings in the report and some suggestions for said findings I will address. In brief the draft decisions to be addressed in detail from section 1.8 include:

7. Customers should no longer receive free travel after making 8 journeys between Monday to Sunday

8. A weekly travel credit scheme should be implemented under which, at the end of the Opal week, a customer's Opal account is credited with the greater of:

– the customer's total expenditure on Adult Opal fares in the week minus the cost of the 10 most expensive journeys taken during the week, or

– the customer's total expenditure on Adult Opal fares in a week minus the weekly cap amount.

Frequency discount and weekly price cap

At the present moment the system in place for frequent users of public transport is to acquire 8 paid journeys from Monday to Sunday of a week in order to have free travel from the 9th journey onwards. While on the surface a sound strategy for rewarding normal users of public transport to and from work four days a week and then having the rest of the week free, there are some noted problems with the system:

- Journeys are not multi-modal; you are billed separately for each mode of transport and that is only counted to one journey. This makes it inherently more expensive for multi mode users being charged essentially double that of single mode users.
- Taking short trips during the day to accumulate journeys for said frequency benefit which can overall drastically reduce the weekly travel bill.

With IPART's draft decision numbers 7 and 8 I believe that while aiming to curb the second point above while correctly acting on the first point, people who are travelling on single mode of transport are being severely disadvantaged. **On average for a person travelling to work on trains or buses Monday to Friday it would cost them 25% more a week to on a 10 journeys week frequency scheme than an 8 journeys week frequency scheme.** This is bearing in mind that Opal was supposed to have made travel more affordable than paper tickets when it was released, and paying for 10 journeys per week on Opal generally made it more expensive than the correlating monthly, quarterly or yearly train ticket before their discontinuation. With the discontinuation of Mybus 10 trip tickets which offered discounts roughly in line with Opal's 8 journey discount it makes now less sense to increase the journey limit to 10 most expensive fares in a week **and would be commonly be perceived as to the public as an unfair price hike due to cessation of alternatives.**

Looking at the other related decision to implement a weekly travel credit scheme in place of the current system, whilst again sound in theory I find there are several issues that may arise:

- All travel is paid "upfront" and then credited back at the end of the week. **Does this mean a Sunday? Friday?** Most financial institutions do not handle crediting transactions on weekends.
- It is until the end of the week that the cycle will end and the 10 most expensive journeys are calculated and credit issued. Until then if a person has not reached the \$65 a week cap, they will still be paying out of their own pocket which alludes to the previous point.
- Users will be forced to maintain a balance of \$65 at the start of each week. Without automatic top-ups which some people do not use, as either they do not trust auto debiting or they do not have the means to do so.
- Should the system for whatever reason not process the credit at the end of the week, people will have to load more of their own money on the Opal, **essentially negating the benefit of the credit scheme until the system is fixed in an unknown time frame.**

It is with this in mind that I offer some recommendations based on the above stated:

- Change fares to distance calculated between origin and end as opposed to mode of transport. This IPART has already recommended.
- The travel week is still Monday to Sunday
- **Modify free travel after 8 journeys scheme currently in place.**
 - Calculate 2 most expensive journeys per day up to a nominal cap and forward them to the journey cap for the week. All other journeys on that day are refunded and counted towards the cap
 - Commuter will need to travel at least twice for 4 days to receive travel benefit. **This is made on the basis that commuters need to make two core journeys a weekday to travel to work and return home while other journeys are considered “optional”.**
 - There will be a bit more processing on the backend with regards to refunds, however this will encourage and ensure system flaws are acted on swiftly and decisively to prevent further delays in refunds. **Commuters will be more certain of their remaining balance every day and week.**

I hope IPART will consider the change to the recommendations I have made as I believe they are a considered compromise between the need to close the current loophole for frequent travellers while not heavily punishing the majority not exploiting the current system.