

President and Chief Executive Officer Bruce McCuaig (416) 202-5908 CEO@metrolinx.com

August 26, 2014

Joseph Pennachetti City Manager City of Toronto 100 Queen Street West East Tower, 11th Floor Toronto, ON M5H 2N2 Dear Mr. Penpachetti,

RE: UP Express

Amidst the speculation and debate about UP Express, I want to provide you and members of Council with a picture of the UP Express mandate, how UP fits within the Metrolinx Regional Transportation Plan, where we are with respect to fare pricing and explain our contractual obligations with the GTAA. I hope this will help inform the potential Council debate regarding proposed motions - MM55.23 – fares to ride the Union Pearson Express (UP Express) and MM55.30 – making the Union Pearson Express fare more affordable, competitive and fair for Toronto residents.

UP Express is a dedicated airport express train, and not a commuter service.

UP Express will be a North American first: a dedicated airport express train. Unlike mass transit services that happen to include an airport stop (such as those in Vancouver, Chicago and New York), dedicated airport express trains are designed to move people between the airport and city center separately from traditional transit services. This will ensure air travelers and their luggage aren't competing for space with rush hour commuters, on vehicles designed to handle high passenger loads traveling to all parts of a city or region.

UP Express is modeled after dedicated links in leading European and Asian cities like Stockholm's Arlanda Express, Tokyo's Narita Express, London's Heathrow Express and Oslo's Flytoget Express.

In its first year of operation alone, UP Express is projected to take more than a million car trips off the road. Making it easier to get from the airport to the heart of downtown will help strengthen Toronto's economy, foster tourism and create jobs.

UP Express is on time and on budget.



97 Front Street West Toronto, Ontario, Canada M5J 1E6/2

UP Express is one option to get to the airport.

No one line can adequately address access to and from the airport from all parts of the GTHA. UP Express is just one aspect of the range of transportation improvements Metrolinx is bringing to the Greater Toronto and Hamilton Area (GTHA). TTC, GO Transit, personal vehicles, taxis and limousines will continue to play an important part in providing a wide range of alternatives both for the traveling public and for those who work at or near the airport.

To address demand for low-cost mass transit in west-end Toronto and the western GTHA, Metrolinx is committed to providing all-day, two-way GO train service on the same expanded rail corridor which UP will use. The Crosstown LRT, Mississauga Transitway, York VIVA Rapidway, and a range of other needed transit improvements coming to different parts of the region are all part of the regional transportation plan. In terms of the Crosstown, we are forward thinking and planning for a Mount Dennis stop.

With respect to the airport, we are undertaking a Transportation Study of Pearson Airport to evaluate the current and future transportation needs of travelers, airport employees and employees of the surrounding area that will support the development of a transportation plan for the Airport Area, including short-term service optimization and a long-term strategy.

To be clear, we have not yet set the pricing model for this new service.

This will occur closer to the end of the year, but will include variable pricing for families, children and frequent users including airport employees and for passengers boarding at Bloor or Weston stations. In setting this fare, Metrolinx will be considering how much people who use the service should pay for its operating costs, and how much of its cost the rest of the taxpayers should pay. We are working to ensure we develop a business model that meets the needs of as many people as possible and balances revenue, capacity and operating cost recovery.

The GTAA access fee is a requirement for us to build the service.

One aspect that is built into our model is paying the Greater Toronto Airports Authority (GTAA) a fee of \$1.85 (2010) for every passenger on the service in and out of the airport. The GTAA has required this as a condition of permitting us access to the airport. Reducing or eliminating this fee is a decision of the GTAA, not of Metrolinx.

In closing, we hope this letter has helped to provide context for UP Express – a reliable, 25 minute trip between Toronto Pearson Airport and Union Station in the heart of downtown, with trains leaving every 15 minutes – as Council consider the motions.

Sincerely,

Bruce McCuaig President & Chief Executive Officer