



Switching from variable to flat fares

A financial analysis for CCT

15th April 2020

spare ♥

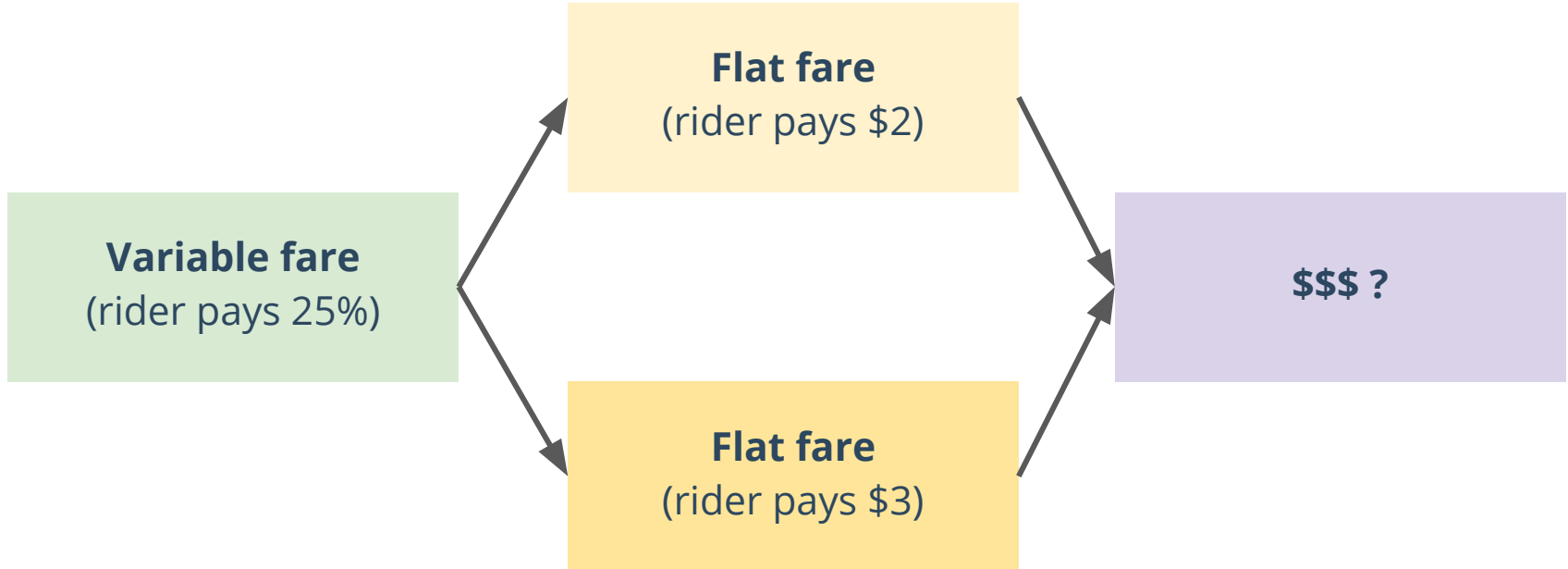


COLLIN
COUNTY
TRANSIT

Currently

6 months

Impact



2 steps for predicting impact of fare change

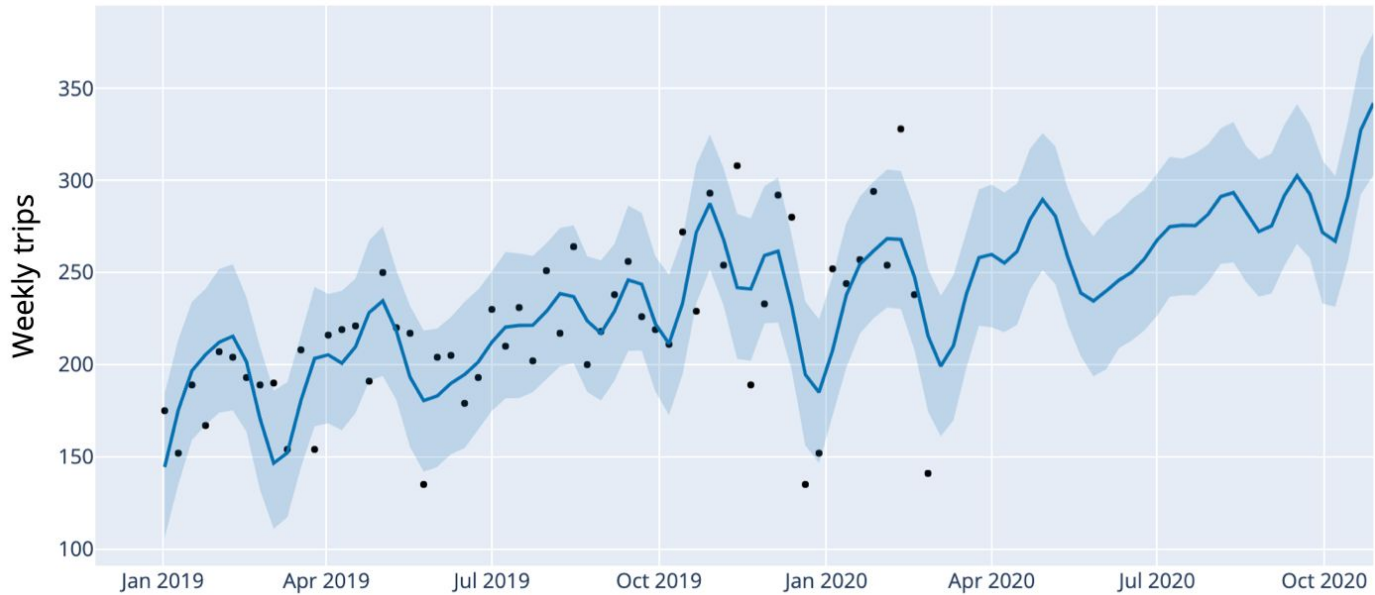
1. **Baseline change from historical data**

2. **Change due to price sensitivity (elasticity)**

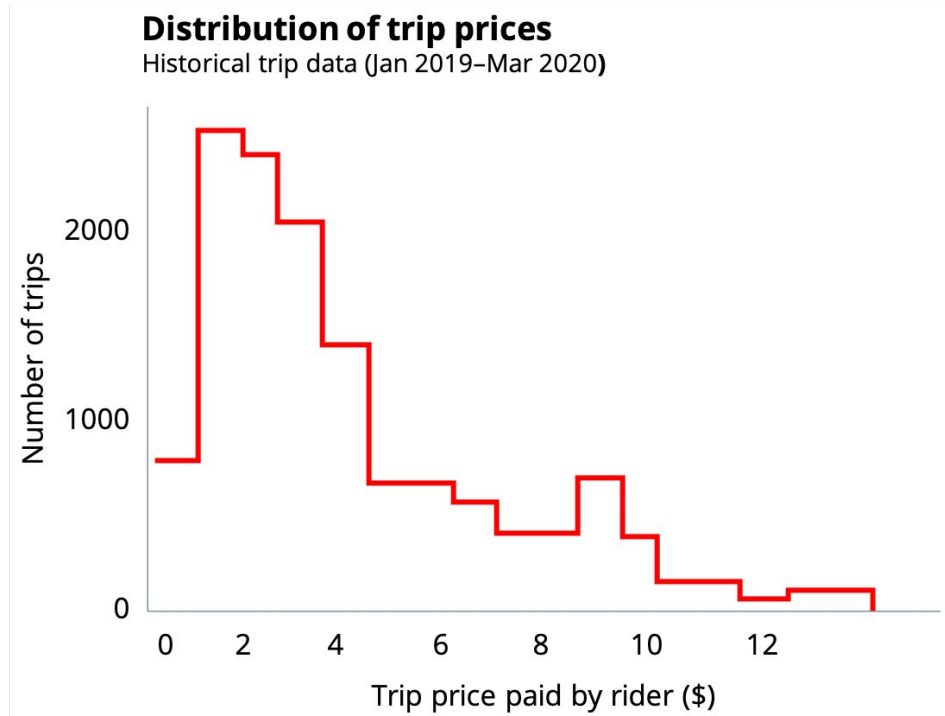
1. Baseline change from historical data

Historical and predicted weekly ridership

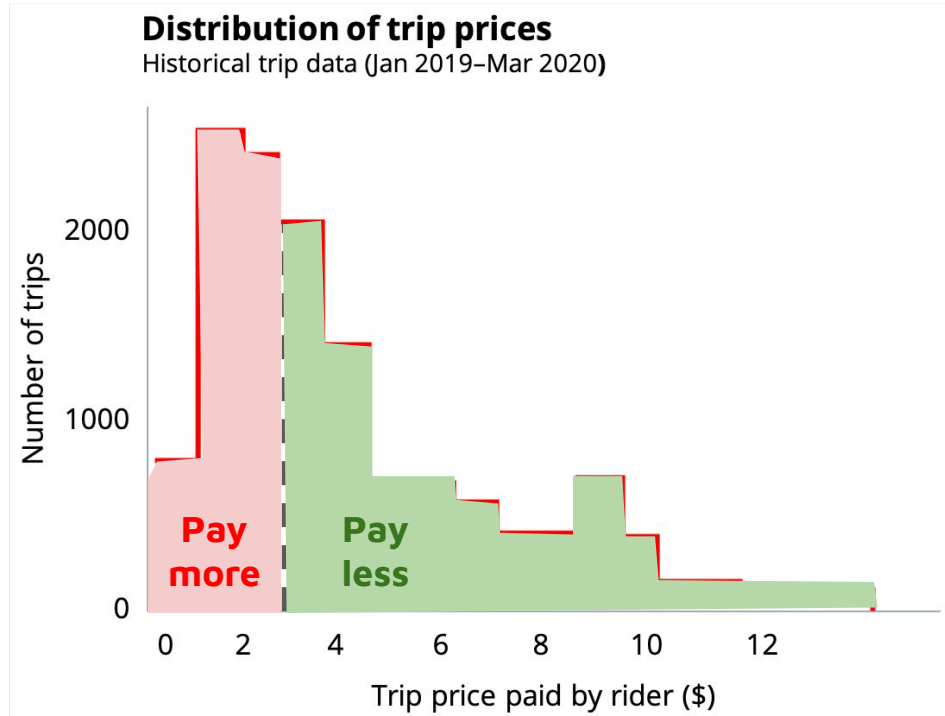
Confidence intervals at the 80% level are shown



2. Change due to price sensitivity (elasticity)



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Comparing flat fare scenarios

	Scenario 1 (\$2 flat fare)	Scenario 2 (\$3 flat fare)	% difference (Scenario 2 vs 1)
Average weekly trips	295	270	-9%
Average weekly cost to agency	\$4,510	\$3,950	-12%
Average cost per trip to agency	\$15.50	\$14.75	-5%
Total cost to agency (6 months)	\$125,100	\$107,400	-14%