

Bills Committee on Rail Merger Bill

Collection of Fares

Background

In response to the request of the Bills Committee on Rail Merger Bill, this paper provides an account of the incident of over-deduction of fares occurred at an exit gate of the MTR Kowloon Tong Station in the afternoon of 10 January 2007 and the measures taken to prevent reoccurrence.

The Incident

2. At around 3:00 pm on the afternoon of 10 January 2007, a replacement electronic card was put into use for entry/exit gate no. 33 of Kowloon Tong Station. The main function of that electronic card was for calculation and deduction of appropriate train fares at exit.

3. At around 6:00 pm of 10 January 2007, two passengers separately approached the customer service centre at the MTR Kowloon Tong Station alleging that their Octopus cards had been deducted with wrong fares.

4. The gate was then switched off at 6:15 pm. It was suspected that the problem was related to the electronic card which was removed for further investigation.

5. It was revealed that during the period between 3:14 pm and 6:15 pm, a total of 423 Octopus passengers used the concerned gate for exit. Amongst the 423 passengers, 230 were confirmed to have over-deduction of train fares ranging from \$0.3 to \$3.0, 97 with under-deduction ranging from \$0.5 to \$2.1 and the remaining 96 with correct fares deducted from their Octopus cards.

Report to the Government

6. The Corporation has conducted a detailed comprehensive investigation after the incident to ensure that the full extent of the situation was uncovered as far as possible and practicable, and the logistics for compensation could be put in place so as to minimise the inconvenience caused to the affected passengers and members of the public. When the Corporation had mastered the actual situation and relevant information, the Corporation notified the Government on 23 January 2007 and then made public announcements later on the same day about the incident, the number of passengers affected and details of refund arrangements for those Octopus passengers

who had had over-deduction. In response to Government's request for a report on the incident and that steps should be taken to enhance the existing preventive measures, the Corporation has provided relevant information to Government and implemented further improvements to its preventive measures, which are explained below.

Cause of Incident

7. Investigations revealed that the incident was caused by a failure of a component inside the electronic card. The technical fault was only confined to exit gate number 33 of Kowloon Tong Station during the said duration mentioned in paragraph 5 above.

8. Under normal circumstances, the computer system will verify whether the card is working properly and is deducting the right fares from that specific station. Should any discrepancies or irregularities be detected, the system should automatically put the ticket gate concerned out of service.

9. In this instance, checking protocols on system health did not function correctly thereby permitting the gate to remain in service. Upon receipt of reports by two passengers of discrepancies in the fares deducted, the gate was immediately shut off.

Remedial Actions

10. The Corporation extended its apologies to all passengers who had been inconvenienced by this fault of an electronic card. Arrangements were made to passengers whose Octopus cards were over-deducted by the concerned gate by offering complimentary single-journey MTR tickets.

11. In addition to the public announcements made on 23 January 2007, notices were posted at the MTR Kowloon Tong Station to inform the travelling public of the incident and the ticket redemption arrangement at the station. A list containing the serial number of the 230 Octopus cards which were over-deducted in the incident was also made available at the Customer Service Centres of all MTR Stations. Similar information was also available from the MTR Hotline.

12. Up to 28 January 2007, a total of 3,620 calls / enquiries were received from passengers about this case. A total of 19 tickets have been redeemed by the affected passengers.

Preventive Measures and Further Improvements

13. The Corporation has put in place established procedure and tests to ensure correct deduction of fares:

- (a) Daily automatic health checks - an operating regime governing the proper working of the fare collection system and facilities is in place. Every night at the close of an operating day, the ticket gates are put out of use. Before the aforesaid facilities enter into service at the start of service on the following morning, there will be an automatic health check of the fare collection system and facilities to verify that they are in the proper working order. The station computer checks the fare table used in the ticket gate for fare deduction when (i) the gate is switched on early in the morning; (ii) when it is switched on after shutting down in case of power failure or for maintenance works. The checking is logged and can be printed to show if there are any irregularities. The station computer will keep communicating with the ticket gate at regular intervals;
- (b) Maintenance procedures - if a defective electronic card of a ticket gate is replaced, the maintenance staff will validate the accuracy of the fare table and the internal communication with the station computer before reopening the ticket gate for passenger service. There are comprehensive procedures to manually verify that the fare input is correct and to perform intensive workshop tests by the maintenance staff, if necessary; and
- (c) Random checks - in addition to the normal preventive maintenance activities, the ticket gates are also subject to random checks by railway staff to ensure proper working.

14. After the incident, the Corporation had examined carefully the result of the daily automatic health checks conducted over all ticket gates at all MTR stations the next morning which confirmed that all were functioning properly. It is noted that the incident occurred between the interval of daily automatic health checks. To prevent similar occurrence in the future, the Corporation has strengthened its electronic card testing process with additional validation checks at stations for card replacement. Additional validation checks are conducted manually each time after the replacement of the electronic card by another member of the staff before the exit gate is put into service again.

15. This is the first time this type of fault has occurred in the MTR and the Corporation has taken steps to enhance its preventive measures. The Corporation extends its sincere apologies to those passengers who have been inconvenienced by the equipment malfunction and would reassure the travelling public that concerted efforts are in place to ensure the operation of a reliable fare collection system.

MTR Corporation

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