



New York City Transit

Millar Crawford
Executive VP of Ground Transportation Systems
Thales
2 Rue Marcel Dassault
78140 Vélizy-Villacoublay, France

December 11, 2019

Re: Transponder Failures on the Flushing Line due to Adverse Weather

Dear Mr. Crawford,

This morning, customers on the 7 (Flushing) Line once again endured disrupted journeys due to the abject failure of Thales transponders and their inability to deal with slush. As you are aware, the phenomenon has been known to Thales since March 2019.

This failure is wholly inexcusable and constitutes a woeful inability on the part of Thales to address a known issue within an acceptable timeframe. While I'm aware that work has been undertaken to provide protective covers on a number of transponders, that remedy has been too slow, inadequate in its scope and unacceptably ineffective. In a frank discussion this morning, I informed your Director of New York Operations, Gregoire Sulmont, that urgent action must be taken between now and this weekend to protect the remaining uncovered transponders and to assure New Yorkers of reliable service going forward.

Furthermore, I put you on notice that the planned software upgrade that is designed to resolve this problem in the long term must not introduce collateral impacts and worsened performance.

This is, of course, not a CTBC issue per se, but rather it is a failure on the part of Thales to provide reliable track-side infrastructure. I am sure you are embarrassed by the fact that your competitor's equipment has worked flawlessly on the L line under identical weather conditions. Therefore, we know conclusively that this is not a CBTC issue, but rather a Thales issue, and I hold Thales accountable for getting this safely fixed as a matter of utmost urgency. Failure to immediately resolve this issue will result in severe commercial consequences.

This will of course dominate our upcoming discussions with your Managing Director during the meeting scheduled for this Friday.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andy Byford", written over a blue circular stamp.

Andy Byford

President
New York City Transit