

LOUISIANA PUBLIC SERVICE COMMISSION

GENERAL ORDER 12-20-2024 (R-35595) – CORRECTED¹

LOUISIANA PUBLIC SERVICE COMMISSION, EX PARTE.

Docket No. R-35595, In re: Review of the Schedule of Prescribed Rates and Requirements for Towing and Recovery services in General Order dated August 05, 2016.

(Decided at the November 20, 2024 Business and Executive Session.)

This General Order amends and supersedes General Order dated September 6, 2024 (R-35595).

ORDER

I. Background

The Louisiana Public Service Commission (“LPSC” or “Commission”) Staff opened this rulemaking pursuant to an unopposed directive at the Commission’s June 24, 2020 Business and Executive Session “to review and consider recommendations to the Commission regarding potential modifications and possible tariff increases regarding non-consensual towing and recovery services” as set forth in the Commission’s General Order dated August 05, 2016 (“8-5-2016 G.O.”).

The Commission’s General Order dated October 18, 2021 (“10-18-2021 G.O.”) was issued in this matter. This Interim General Order was issued in response to Act No. 206 of the 2021 Regular Session of the Louisiana Legislature, which granted the Commission the authority to fix the amount for certain fees which had previously been authorized by either statute or the administrative code. By way of the 10-18-2021 G.O., the Commission amended Attachment A to the 8-5-2016 G.O. to adopt the previously allowed charges, and thereby providing continuity to regulated towing companies until such fees can be fully examined by the Commission.

Subsequently, the 10-18-2021 G.O was amended by the Commission at its January 25, 2022 Business and Executive Session, wherein the Commission implemented a 15% increase on non-consensual towing and recovery rates based on changes in the Producer Price Index (“PPI”). This increase was memorialized in the General Order dated February 17, 2022 (“2-17-2022 G.O.”).

After this PPI-based interim increase, Commission Staff continued its analysis of non-consensual towing and recovery rates. On August 9, 2024, Commission Staff filed its Report and Recommendation, which included a recommended 15% increase to the existing non-consensual

¹ This Corrected General Order is being issued to correct a typographical error in the Order’s attachment.

towing and recovery rates, as well as other changes to the definitions and terms of the 2-17-2022 G.O.

Contemporaneous with the filing of Staff's Report and Recommendation, the Towing and Recovery Professionals Association ("TRPL") requested a second interim rate increase to the non-consensual towing and recovery rates. The TRPL's request for a second interim rate increase was considered at the Commission's August 14, 2024 Business and Executive Session. The Commission voted to implement Staff's recommended 15% increase, but also clarified that the additional revisions recommended in Staff's Report and Recommendation would be considered at a future date. This increase was memorialized in the General Order dated September 6, 2024 ("9-6-2024 G.O.").

After this matter was considered at the Commission August 14, 2024 Business and Executive Session, the Commission received several petitions for late intervention and comments in the docket from towing and recovery companies. The Commission Staff granted these petitions and considered the comments submitted. Subsequently, the Commission Staff issued its Final Report and Recommendation on October 7, 2024. A corrected version of the Staff Report and Recommendation, which removed typographical errors from Attachment A to the Report, was issued on October 8, 2024. The Final Report and Recommendation recommended several changes to the terms and definitions of the Commission's non-consensual towing and recovery regulations.

Staff's Final Report and Recommendation was placed on the agenda of the October 16, 2024 Business and Executive Session; however, the Commission deferred a vote on the matter to the November 20, 2024 Business and Executive Session.

II. Jurisdiction

Article IV, Section 21 (B) of the Louisiana Constitution of 1974 grants the LPSC constitutional jurisdiction over common carriers, and specifically provides as follows:

"The commission shall regulate all common carriers and public utilities and have such other regulatory authority as provided by law. It shall adopt and enforce reasonable rules, regulations, and procedures necessary for the discharge of its duties, and shall have other powers and perform other duties as provided by law."

In addition, the Louisiana Legislature declared that the "use and operation of wreckers and towing services should be the subject of regulation by the Louisiana Public Service Commission," and that the Commission has "the power and authority necessary to supervise, govern, regulate, and control the business of the operation and use of wreckers and towing services...[and] to fix

reasonable and just rates, fares, tolls, charges for storage services[.]” The Commission’s power, authority, and duties in this regard includes “all matters connected with the service to be given or rendered[.]”

III. Commission Action:

Staff’s Final Report and Recommendation was considered at the Commission’s November 20, 2024 Business and Executive Session. Commissioner Skrmetta made a motion to accept Staff’s Final Report and Recommendation, with modifications, which failed for a lack of a second. After discussion, on motion of Vice Chairman Lewis, seconded by Commissioner Greene, and unanimously adopted, the Commission voted to adopt the Final Report and Recommendation filed into the record on October 7, 2024.

Vice Chairman Lewis also directed Staff to continue to work with the regulated towing industry in reviewing the current rate structure and regulations, with the goal of identifying potential modifications to ensure the industry’s rates are not only reasonable, but commensurate with the industry’s services. There was no opposition to the directive.

IT IS THEREFORE ORDERED THAT:

1. Staff’s Final Report and Recommendation filed into the record on October 7, 2024 is adopted; and,
2. This General Order is effective immediately.

BY ORDER OF THE COMMISSION
BATON ROUGE, LOUISIANA
December 20, 2024
Corrected Order Mailed December 26, 2024



A handwritten signature in blue ink, appearing to read "Brandon M. Frey".

BRANDON M. FREY
SECRETARY

/S/ MIKE FRANCIS

DISTRICT IV
CHAIRMAN MIKE FRANCIS

/S/ DAVANTE LEWIS

DISTRICT III
VICE CHAIRMAN DAVANTE LEWIS

/S/ FOSTER L. CAMPBELL

DISTRICT V
COMMISSIONER FOSTER L. CAMPBELL

/S/ ERIC F. SKRMETTA

DISTRICT I
COMMISSIONER ERIC F. SKRMETTA

/S/ CRAIG GREENE

DISTRICT II
COMMISSIONER CRAIG GREENE