Louisiana Public Service Commission



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December 20, 2024

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In re: 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.

To: All Non-Consensual Towing & Recovery Companies

The Louisiana Public Service Commission ("LPSC") has issued a new *Schedule of Prescribed Rates and Requirements for Non-Consensual Towing and Recovery Services.* The new schedule is being issued pursuant to the Final General Order issued in R-35595. The Commission considered the matter at the November 20, 2024, Business and Executive Session, and voted to accept Staff's Recommendation.

This schedule of rates is effective for all tows performed on or after December 20, 2024. Please review the schedule and take note of the changes including:

- 1) This order makes the third interim rate increase from September 2024 permanent;
- 2) removes the rotator certification requirement;
- 3) adds & amends certain definitions;
- 4) adds new rates for transit time;
- 5) changes some general provisions & invoice requirements;
- 6) requires tow companies to accept credit cards and
- 7) implements an annual PPI adjustment.

Please review these changes carefully, and make sure your staff is aware of these changes. A copy of the new schedule is attached and can also be found on the LPSC's website at https://lpsc.louisiana.gov/Carrier_Regs.

You may contact me by email at <u>tammy.burl@la.gov</u> with any questions.

Sincerely,

Tammy Burl

Transportation Administrator

Jammy Bul

Amended Attachment A to the General Order

SCHEDULE OF PRESCRIBED RATES AND REQUIREMENTS FOR NON-CONSENSUAL TOWING, RECOVERY AND RELATED SERVICES

I. **DEFINITIONS**

A. Air Bag Unit - special equipment used to recover a vehicle by at least partially lifting the vehicle.

B. Cargo

- 1. <u>Cargo</u> the goods or merchandise conveyed in a vehicle or attached trailer.
- 2. <u>Hazardous Material Cargo</u> cargo that includes hazardous material defined as a substance or material that the U.S. Secretary of Transportation has determined is capable of posing an unreasonable risk to health, safety, and property when transported in commerce, and has been designated as hazardous under section 5103 of Federal hazardous materials transportation law (49 U.S.C. 5103). The term includes hazardous substances, hazardous wastes, marine pollutants, elevated temperature materials, materials designated as hazardous in the Hazardous Materials Table in 49 CFR 172.101, and materials that meet the defining criteria for hazard classes and divisions in part 49 CFR 173.

C. Complicated Recovery

- 1. Rollover recovery when a vehicle is overturned or positioned in such an irregular way that requires repositioning and an additional operator to complete the recovery.
- 2. Removal of cargo that has become unsecured from the vehicle.
- 3. When unloading and reloading cargo in box trailers, box trucks, flatbed trailers and tank trucks is necessary to complete the recovery.
- 4. Water recovery when an additional operator is required to complete the recovery of a vehicle in water greater than 12 inches of depth.
- D. <u>Current Market Value</u> is the current price in which equipment is being rented and labor is being charged in the market. Current Market Value shall be determined by averaging two or more rental or labor quotes within the same geographical region.
- E. <u>Debris</u> materials and objects from a vehicle including, but not limited to, broken glass, bumpers, fluids, and hubcaps present at the scene of the accident.
- F. <u>Documentation</u> Except where specific documentation is required in these rules, Documentation shall mean any of the following: photos, videos, rental invoices, subcontractor invoices, written quotes, tow truck operator logs, dispatch logs from law enforcement agencies or notes and narratives regarding a recovery.
- G. <u>Gate fee</u>- For the purposes of this general order, gate fee shall have the same meaning as the definition provided in La. R.S. 32:1734.
- H. <u>Laborer</u> a Tow Company employee, other than the driver, who the Tow Company utilizes in a Complicated Recovery to perform the following services: unloading or loading cargo, cleaning up debris, applying oil absorbing material, directing traffic, or other services necessary to complete a Complicated Recovery.

- I. <u>Normal business hours</u>- For the purposes of this general order, normal business hours shall have the same meaning as the definition provided in La. R.S. 32:1734.
- J. Recovery The use of air bag unit(s), winching, hoisting, up-righting, removing, or otherwise relocating a vehicle when the vehicle is found in such a location, state or position in which it could not remove itself from the location, state or position under the use of its own power, even if it were in complete operating condition. Rates for recovery shall only include the time conducting the actual recovery of the vehicle(s) and its cargo and not include any Stand-by, Tow time or Transit time.
- K. <u>Rotator</u> a specialized tow truck with a rotator system that enables the Tow Company to both lift and lower vehicles and move them horizontally.
- L. <u>Simple Water Recovery</u> the recovery of a vehicle when it is partially submerged in water and where the amount of water impedes recovery, but does not exceed 12 inches in depth.

M. Specialized Labor, Equipment or Services -

- 1. Specialized labor is defined as any person possessing professional credentials that recognize knowledge or expertise in a field unrelated to towing. Examples of which are a professional diver, a law enforcement officer, a heavy crane operator, and certified personnel, etc.
- 2. Specialized Equipment Specialized equipment is defined as any equipment necessary to complete a Complicated Recovery that does not have an itemized rate listed in the General Order.
- 3. Specialized Services- A specialized service is defined as services provided by a company whose service offerings are necessary to complete a Complicated Recovery and are not services for which there are itemized rates listed in the General Order. Examples of which are heavy crane services, vacuum truck service, trash dumpster service, land fill fees, etc.
- N. <u>Stand-by</u> time during which a towing or recovery unit is at the recovery site, but is not actively engaged in the towing or recovery of a vehicle. Stand-by time shall be billed at the Transit Time rate associated with the appropriate towing category of the vehicle being towed.

O. Storage-

- 1. <u>Covered Storage</u>- continuous covering which adequately protects a vehicle and its contents, where said vehicle and/or its contents have some intrinsic value. Covered storage includes, but is not limited to, the use of a tarpaulin or similar covering, such as "crash wrap," which protects the vehicle and its interior from rain, dew, moisture and other elements.
- 2. Oversized Vehicle Storage- the storage of a vehicle which has greater than 4 wheels on the ground or a vehicle, or any permanent portion thereof that is greater than 20 feet in length.
- 3. Outside Storage- a vehicle being placed outside and exposed to the elements.
- P. <u>Supervisor</u> an employee of the tow company, other than the driver or a laborer, who the Tow Company utilizes in a Complicated Recovery when two or more towing units or laborers are required. In a Complicated Recovery, Supervisor charges shall not exceed a ratio of 1:3 laborers; in other words, a tow company can only charge for one supervisor per three laborers.

- Q. <u>Tow</u> a standard tow that does <u>not</u> require special techniques or special equipment as defined in Recovery but does require normal use of a tow sling, wheel lift, or winch cable to winch a vehicle onto a tilt bed tow truck. Tow rates shall apply whether the vehicle is either mobile or immobile and is in contact of the roadway surface.
 - 1. Non-consensual towing the movement or transportation of a vehicle by a tow truck without the prior consent or authorization of the owner or operator of the vehicle. This includes private property tows conducted in accordance with the provisions of R.S. 32:1736 and tows by law enforcement or other public agencies. Whenever an owner or operator of a vehicle requests a law enforcement officer or other public agency to initiate a tow, such tow shall be considered non-consensual and subject to Louisiana Public Service Commission tow rates.
 - 2. <u>Private Property Tow</u> a tow from a location as provided for in accordance with La R.S. 32:1736.
- R. Towing categories by gross vehicle weight rating:
 - 1. <u>Light Duty</u> the towing, transport, and recovery of a vehicle with a gross vehicle weight rating of 10,000 pounds or less.
 - 2. <u>Medium Duty</u> the towing, transport, and recovery of a vehicle with a gross vehicle weight rating of 10,001 pounds to 26,000 pounds.
 - 3. <u>Heavy Duty</u> the towing, transport and recovery of a vehicle with a gross vehicle weight rating of 26,001 pounds and greater.
- S. <u>Transit Time</u> shall mean from time of dispatch of the tow truck to the recovery site and return time from the recovery site to the towing facility. Transit time shall only be charged for each additional tow truck when needed solely for the recovery process and when the additional truck or tow truck does not perform any towing.
- T. <u>Vehicle</u> every self-propelled vehicle and trailer and every vehicle which is propelled by electric power obtained from overhead wires but not operated upon rails.

II. RATES

A. TOWING, RECOVERY, TRANSIT TIME

Towing rates start at time of dispatch, and end when the vehicle reaches the tow companies storage facility, or is released to the vehicle owner without being stored.

Light Duty					
Towing	Standard Recovery	Simple Water	Transit Time		
	-	Recovery			
		•			
\$142.00 per hour *	\$194.50 per hour ^	\$223.00 per hour ^	\$ 142.00 per hour ^		
* 1 ½ hour minimum. Afte	* 1 ½ hour minimum. After minimum, compute in ½ hour increments.				
^ Computed in ½ hour increments.					
	Mediu	m Duty			
Towing	Standard Recovery	Simple Water	Transit Time		
_		Recovery			
\$312.00 per hour*	\$401.50 per hour ^	\$429.00 per hour ^	\$312.00 per hour ^		
*1 hour minimum. After minimum, compute in ½ hour increments					
^ Computed in ½ hour increments.					
Heavy Duty					
Towing	Standard	Simple Water	Transit Time		
	Recovery	Recovery			
\$401.50 per hour*	\$490.00 per hour ^	\$518.50 per hour ^	\$401.50 per hour ^		
*1 hour minimum. After minimum, compute in ½ hour increments					
^ Computed in ½ hour increments.					

Private Property Tow		
Light Duty - \$142.00 flat rate; or \$173.50 flat rate when repositioning equipment, a fold down light bar, or		
an additional operator is required. The Tow Company must document why repositioning equipment, a fold		
down light bar or an additional operator is required.		
Medium Duty - \$312.00 flat rate		
Heavy Duty - \$401,50 flat rate		

B. ADDITIONAL CHARGES FOR COMPLICATED RECOVERY

These charges are only allowed if the recovery meets the definition of Complicated Recovery in Section I. paragraph C.

Extra Tow Truck or Truck and Trailer	\$179.00 per hour*
for Removal of Cargo, Oversized Debris,	
or to transport specialized equipment to	
and from the scene. The Tow Company	
must provide photographs and	
documentation explaining why oversized	
debris will not fit on the initial truck.	

Transit Time	Light Duty	Medium Duty	Heavy Duty		
	\$142.00 per hour^	\$312.00 per hour^	\$401.50 per hour^		
Laborer	\$53.00 per hour*				
Supervisor	\$89.00 per hour*				
* 1 hour minimum. After the minimum, computed in ½ hour increments.					
^ Computed in ½ hour increments.	^ Computed in ½ hour increments.				
Complete Air Bag Unit	\$2,852.00 flat rate				
	(includes all equipm	nent and personnel asse	ociated with the air		
	bag recovery)				
Rotator	\$278.50 per hour in addition to the Standard Recovery rate in				
	Section II A.**				
		llowed if photo or vid			
		ce that clearly shows t	he rotator was		
	needed.				
**2 hour minimum - After the minimum, compute in ½ hour increments					
Recovery of Hazardous Material Cargo	•				
	Company may charg	ge 50% above the rates	for towing,		
	recovery, laborer, an	d supervisor			
For all complicated recoveries, oil	\$8.00 per gallon				
absorbing material in excess of the					
minimum 5 gallons required by LAC					
Title 55.					

Specialized Labor, Equipment or Services

When it is necessary for a Tow Company to utilize Specialized Labor, Equipment or Services to complete a Complicated Recovery, the Tow Company may charge for the Specialized Labor, Equipment or Services as outlined in paragraphs 1 - 3 below.

- 1. If the Tow Company rents or subcontracts Specialized Labor, Equipment, or Services the Tow Company may charge the amount of the actual rental invoice or subcontractor invoice plus 10%. The Tow Company shall attach the rental invoice or subcontractor invoice to the Tow Company invoice.
- 2. If the Tow Company provides the Specialized Labor, Equipment, or Services the Tow Company may charge the amount of the current market value of the labor or equipment plus 10%. The Tow Company shall attach documentation evidencing the current market value to the Tow Company invoice.
- 3. A Tow Company may not charge for use of equipment, tools, oil-absorbing materials, brooms, shovels, flashlights, electric lanterns, fire extinguishers, emergency warning devices, steering wheel clamps, tow slings, or tow plates, cables, blocks, chains, hooks, or any other truck components or tools required to be on the tow truck by LAC Title 55, Chapter 19.

C. STORAGE

Rates are per calendar day. A power unit and trailer are considered two separate vehicles for storage purposes.

Outside Storage	Covered Storage	Oversize Storage
\$31.50 per day	\$38.00 per day	\$57.00 per day

D. FUEL SURCHARGE

A Tow Company shall apply the fuel surcharge on the sum of the towing, recovery, transit time, and extra		
truck and trailer charges only.		
Fuel Price (per gallon)	Fuel Surcharge	
\$0.00 to \$1.24	No surcharge	
\$1.25 to \$1.99	3% surcharge	
\$2.00 to \$2.99	9% surcharge	
\$3.00 to \$3.99	12% surcharge	
\$4.00 to \$4.99	14% surcharge	
\$5.00 and greater	16% surcharge	

There shall be no change in the top portion of the brackets. If fuel ever returns to the \$1.24 level and below, a surcharge shall not be charged. The surcharge will be based on the average price of U.S. On-Highway Diesel Fuel as determined based upon the price reported by the **Energy Information Administration** ('eia") for the Petroleum Administration for Gulf Coast (PADD3).

E. GENERAL PROVISIONS

- 1. A Tow Company shall only charge the rates stated in this order.
- 2. All rates for towing and recovery in Section II. A and B include the truck and driver.
- 3. A Tow Company shall only charge for equipment and personnel that are present at the scene of the recovery or tow.
- 4. The Commission's jurisdiction is from the time that the towing or recovery unit is dispatched to provide the non-consensual tow service until the time the vehicle is released to the owner (or authorized representative) of the vehicle. The tow company shall not charge any rate other than those specified in this order, for removal of debris from the scene, for draining fluids (with the exception of draining damaged fuel tanks to prevent fuel from leaking during towing and billed pursuant to Section II. B. Specialized Labor, Equipment or Services), removing batteries, or other similar activities aimed at preventing the vehicle from leaking.

F. GATE FEES; OTHER FEES

- 1. A towing or storage company that assesses gate fees shall not assess such fee in an amount in excess of \$60.00.
- 2. No towing or storage company shall charge a fee for the retrieval of contents from a stored or towed vehicle during normal business hours. However, a towing or storage company may charge a fee, not to exceed \$60.00, for the retrieval of contents from a stored or towed vehicle at a time other than during normal business hours.

G. ADMINISTRATIVE AND MAILING FEES

- 1. Licensed storage companies may charge the vehicle owner/lien holder those administrative costs incurred by filing an Official Report of Stored Vehicle ("ORSV") along with any postal charges related to the mailing of the ORSV notices and certificate of mailing letters sent to the vehicle owner and any lien holder.
- 2. The maximum administrative fee that may be charged by a storage company for filing of the ORSV notice shall be \$33.50 for in-state notifications and \$39.50 for out-of-state notifications. The maximum administrative fee that may be charged for mailing certificate of mailing letters to the vehicle owner and lien holder shall be no more than the rate for US Postal Service plus \$5.00 per required letter.
- 3. All costs must be documented with receipts, which shall be made available to the Commission, vehicle owner, and lien holder upon demand.

III. INVOICES

- A. The Tow Company shall provide an itemized invoice to the vehicle owner (or authorized representative) at the time the vehicle is released to the owner, or upon request. The invoice does not have to be paid in order for the vehicle owner (or authorized representative) to get a copy of the itemized invoice.
- B. The invoice shall include the time of dispatch and the time the Tow Company unhooks from the towed vehicle.
- C. The invoice shall be itemized on a line item basis to clearly reflect how all recovery, standby, towing, storage, fuel surcharge charges and any additional charges were calculated.
- D. All invoices shall include the following language: "Complaints in regards to the rates may be addressed to the Louisiana Public Service Commission-, P.O. Box 91154, Baton Rouge, Louisiana 70821 by visiting the Commission's website at www.lpsc.louisiana.gov or by contacting a district Commissioner."
- E. In the event a complaint is made in writing to the LPSC or made to a Commissioner's District Office, storage fees shall not accrue beyond the date of said complaint and shall not be charged to the vehicle owner <u>if</u> the charges are ultimately found to be excessive by the Commission or <u>if</u> the Towing Company pleads guilty to charging excessive rates.
- F. Invoices shall contain only those rates and services contained in this Order's Schedule of Prescribed Rates and Requirements. Invoices are prohibited from containing any additional charges for services that may be required at the recovery scene, but not under the Commission's jurisdiction, including remediation services.

IV. NOTICE TO VEHICLE OWNER/OPERATOR

All Towing Companies shall provide the following written notice to the vehicle owner or driver at the scene or at first contact: <u>IMPORTANT NOTICE</u>: This towing & recovery by [insert Tow Company name here] has been designated as a non-consensual tow. [insert Tow Company name here] is required to charge rates set by Louisiana Public Service Commission orders. These rates may be found on the internet by accessing www.lpsc.louisiana.gov or by contacting the Louisiana Public Service Commission, Transportation Division at 1-888-342-5717. If you have a complaint against this Tow Company regarding the amount charged for this non-consensual tow, complaints should be made in writing and addressed to LPSC Transportation Division, P.O. Box 91154, Baton Rouge, Louisiana 70821 or by contacting an LPSC District Commissioner.

V. FORMS OF PAYMENT

- A. For cash payments, the Tow Company must either provide change at the time of payment or must state on the invoice the total amount of the invoice, the amount of cash received and the amount of change due to the consumer. The change due to the consumer shall be paid within 10 days of the payment of the invoice, by mailing a check to the consumer. It shall be the responsibility of the Tow Company to retain evidence of payment of the change in the form of a cancelled check or certified mail receipt (green card). The Tow Company must also post a clearly visible sign in its place of business advising consumers that if change is due, it will be mailed to the consumer within 10 days.
- B. Tow Companies shall accept credit card payments. The credit card processing fees associated with each transaction may be included on the towing invoice to be paid by the customer. If the credit card processing fee for any transaction is included on the towing invoice, these fees shall be listed as a separate line item on the towing invoice.

VI. COMPLAINTS AND FINES

- A. It shall not be necessary for a complainant to pay a towing invoice to obtain standing to a towing complaint to the Commission or District Commissioner.
- B. In addition to any fines authorized by La. R.S. Title 45 or Commission Orders, the Commission may order a refund of up to 200% of any overcharges.

VII. ANNUAL PRODUCER PRICE INDEX ADJUSTMENT

Commission Staff will calculate the annual change in Producer Price Index ("PPI"), as determined by the U.S. Bureau of Labor Statistics, that will be allowed to be applied to the LPSC's rates for nonconsensual towing services. The LPSC's rates will be increased or decreased by an amount equal to the annual percentage rate change (rounded to the nearest \$0.50). The rate change will be posted annually on the LPSC's website on April 1st, or the next business day following. Any rate increase or decrease pursuant to this section shall be effective upon posting by the Commission Staff.