

High-level approach to rates amendments

Most stakeholders agreed that light duty towing is the biggest pain point for insurers and the towing industry. Too much effort is expended by all parties in negotiating payments. Introduction of three categories of towing services with additional billable items to create transparency, clarity, and reasonable billing:

- 1. Basic Tow (BT):** Simple towing for non-collision issues, billed at a flat rate based on vehicle weight, with additional billing items.
- 2. Complex Tow (CT):** Towing for collision or police direction-related incidents, or with additional tasks to prepare the vehicle for towing. Billed at a flat rate based on vehicle weight, with additional billing items.
- 3. Recovery (R):** Specialized towing for vehicles not on a drivable surface, or requires additional vehicles, specialized equipment, and labour to prepare it for towing and restore the condition of the roadway. Billed hourly with additional billing items.

Additional Billable Items:	
Per kilometer charges (BT, CT, R)	After-hours fees for towing (BT, CT, R)
Safe loading and securement time (CT)	Border crossing costs (BT, CT, R)
Debris clearing (CT)	Tolls and permits (BT, CT, R)
Consumable materials (CT, R)	
Stand-by time (CT)	Damaged electric vehicle storage

Sample Invoices

Enhanced billing transparency benefits customers by providing clear, itemized charges, ensuring they understand exactly what they are paying for. This transparency also helps tow operators recover their costs more effectively, fostering trust and fairness in the transaction.

Current Structure

Invoiced Items			
DESCRIPTION	UNIT PRICE	TOTAL	
Basic Tow (includes 10 km of towing)	450.00	450.00	
Subtotal			450.00

Under Proposed Structure

Invoiced Items			
QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
1	Complex Tow	225.00	225.00
8	Kilometres	4.00/km	32.00
0.50	Safe loading and securement labour (30 minutes)	140.00/hr	70.00
1	Single-use tarp	cost	18.00
Subtotal			345.00

Detailed proposal for new categories of towing services

Scenarios and factors that help us define services

Basic Tow

State of vehicle and environment

- Vehicle is upright, on a surface for vehicle use, and disabled for reasons other than collision, such as:
 - Engine breakdown, empty gas tank, or flat tire
 - Parked illegally
 - Abandoned
 - Pre-arranged tow from one location to another

Tow truck driver tasks

- “Wheel up, hook up, and take it away”
- Use a dolly or other similar device
- Collect minimal debris if necessary

Billing starting point

- Flat rate determined by the Gross Vehicle Weight Rating (GVWR) of the towed vehicle
- Does not include recovery or variables related to a complex tow

Additional billables

- Per kilometre charge
- International border crossing
- Time of day and holiday premium
- Tolls and permits

Complex

States of vehicle and environment

- Vehicle is upright, on a surface for vehicle use, and disabled due to a collision with another vehicle or object.
or
- Vehicle is in the state of a Basic Tow but requires police direction, such as for impoundment.
or
- Vehicle is in the state of a Basic Tow but requires the tow driver to perform additional tasks to prepare the motor vehicle for towing or clean debris., beyond 15 minutes .

Tow truck driver tasks

- Basic loading, unloading, and securement of vehicle for transport
- Use of a dolly or other similar device
- Collect debris, use absorbents or consumables, manage scene
- Additional tasks to secure vehicle (e.g., remove drive shaft, disconnect EV battery, load securement and tarping)
- Follow police direction

Billing starting point

- Flat rate determined by the Gross Vehicle Weight Rating (GVWR) of the towed vehicle

Additional billables (on top of Basic Tow list)

- 15-minute increments for safe loading and securement past first 15 minutes
- Cleaning debris labour
- Consumable materials (e.g., absorbents, flares, one-time use tarps)
- Stand-by time

Recovery

States of vehicle and environment

- Vehicle is not located on surface for vehicle use and needs to be relocated or repositioned to be towed.
or
- Vehicle is on a surface for vehicle use and requires additional vehicles, specialized equipment, and labour to prepare it for towing and restore the condition of the roadway.

Tow truck driver tasks (including Complex Tow list)

- Recovery services, with specialized equipment, support vehicles (e.g., more than one tow truck), and/or additional personnel
- Loading, unloading, and securement of vehicle for transport

Billing starting point

- Billable by event or an hourly rate with one-hour minimum for first hour and 15-minute increments after
- Current Maximum Rate Schedule Recovery items would remain the same.

Additional billables

- Includes items on Basic Tow list and consumable materials
Includes all current Maximum Rates Schedule Recovery items for recovery tow trucks, equipment, specialized and support vehicles, and casual and specialized labour.

Detailed proposed Additional Billable Items

More frequent items

Billable Item	Proposal Details	How it’s billed	Applicability
Kilometric	<ul style="list-style-type: none"> Remove the included 10 kilometers. Modify to a per kilometre additional charge that applies for each full kilometre distance from the location of the responding vehicle at the time of dispatch, to the scene, and to the specified destination. Kilometric rate includes operational considerations, including the current cost of fuel. 	\$/per kilometre	All services
Additional safe loading and securement	<ul style="list-style-type: none"> Services over 15 minutes. Services include drive shaft removal, battery disconnect on damaged EV vehicles, load securement and tarping. 	15-minute increment based on hourly rate	Complex
Clearing debris	<ul style="list-style-type: none"> As currently defined, clearing debris and other materials on a highway. 	15-minute increment based on hourly rate	Complex
Consumable materials	<ul style="list-style-type: none"> Used for scene and securement such as flares, absorbent, single use tarps. Proposed requirement: Photos and/or documentation to demonstrate need. 	\$ by quantity used	Complex and Recovery
Stand-by time	<ul style="list-style-type: none"> As currently defined: Time spent by a tow truck driver on stand-by at any of the following locations: <ol style="list-style-type: none"> The scene of a collision or other incident, if instructed by emergency personnel. A collision reporting centre (CRC), if instructed by emergency personnel or an employee or representative of the CRC. A truck inspection station or any other location, if instructed by a police officer or an inspector. 	15-minute increment based on hourly rate	Complex
Time of day and holiday premium	<ul style="list-style-type: none"> After-hours service fee applicable on statutory holidays and outside the following timeframes: (a) 8 a.m. to 6 p.m. from Monday to Friday; or (b) 9 a.m. to 12 p.m. on Saturday. This aligns with other after-hours provisions in TSSEA and peak tow times from the Tow Zone Pilot. 	Flat fee	All services

Detailed proposed Additional Billable Items

Less frequent items

Billable Item	Proposal Details	How it's billed	Applicability
International border crossing	<ul style="list-style-type: none"> Operational costs such as insurance, International Registration Plan fees, and International Fuel Tax. Supporting documentation to be retained for TSSEA compliance audit and investigation (e.g., toll receipts, customs manifest). There are several websites that show current border wait times to support planning. 	15-minute increment based on hourly rate	All services
Tolls and permits	<ul style="list-style-type: none"> Amendment to allow for inclusion as a billable item. Supporting regulatory amendment would be specific to include permits to comply with oversize/overweight towed vehicles (e.g., provincial, municipal and hydro), and tolls, both road and marine. Supporting documentation to be retained for TSSEA compliance verification. Use Calculate Your Trip 407 ETR, Express Toll Route to support planning. 	Actual cost	All services
Damaged Electric Vehicle (EV) Storage	<ul style="list-style-type: none"> To qualify for the billing item, EV systems need to be damaged, and a Vehicle Storage Operator must employ risk mitigation strategies to prevent electrical, thermal and chemical risks. For risk mitigation guidance, refer to the Energy Security Agency (ESA) and manufacturers recommendations. A per day rate determined by the length of the vehicle. 	Per day	Vehicle Storage

Proposed Regulatory and Policy Amendments

Policy or Recommended Amendment to TSSEA Regulations

Amendments to support changes to the rate scheme

Replace the two rate categories for “towing” and “recovery” with the new framework of three billing categories with specific criteria that moves a towing service from one category to the next based on the scene.

Amendment to introduce and permit billing of the new towing services categories, and additional billing items.

Amendment to support current policy allowing for a 15% mark up for subcontracted services, equipment, vehicles or labour necessary to perform a towing service that meet the criteria of a recovery towing service.

New rate category for EV vehicle storage that has been in a collision/sustained damage.

Amendments to support compliance monitoring:

- Requirement to have/keep photos and documentation related to billable items.
- Requirement for a tow truck driver to maintain the required run sheet to be kept current to the last tow and document the authority to tow in the absence of an authorized party. (i.e. note by-law).
- Require tow drivers to submit all records to the operator and ensure all documents are included in the retention requirements

Amendments to support cancellation of certificate fee adjustment

Amendment to date 'July 1, 2025' Consumer Price Index fee adjustment, to July 1, 2026; freezing the TSSEA certificate fees for one additional year.

Proposed Regulatory and Policy Amendments

Policy or Recommended Amendment to TSSEA and Highway Traffic Act Regulations

Amendments to support oversight and customer protection

Amendments to support customer protection:

- Prescribe the timing of providing documentation to the customer.
- Add the concept that if a consent form is missing the destination to where the vehicle is being towed, then it is not considered consent.

Reduce the scope of a current exemption from the Act as for tows that are initiated outside of Ontario. This amendment would ensure the exemption does not apply to a tow operator/driver who have been issued a suspension/revocation under TSSEA.

Housekeeping amendments to:

- Clarify that a facility that stores vehicles and never charge a fee for storage is not required to hold a TSSEA certificate (Auto Auctions).
- Clarify that suspension/revocation applies for non-compliance of any condition imposed on a certificate holder, regardless of when it was added (i.e. after issuance).
- Be clear that work orders and other commitments (i.e. vehicle repairs) cannot be included in consent for towing or agreement for storage.
- Be clear that prohibition of a passenger to attempt to sell a product or service also applies to the tow truck driver.
- Clarify that the High Occupancy Vehicle (HOV) lane exemption for tow trucks responding to disabled vehicles in or near a HOV lane also applies to a High Occupancy Toll (HOT) lane and left lanes that restrict use by commercial vehicles.