

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DIVISION OF PUBLIC UTILITIES AND CARRIERS
89 JEFFERSON BOULEVARD
WARWICK, RHODE ISLAND 02888**

Docket No.: 03 MC 01

In Re: Cost of Living Increase for Towing Rates for Non-Consensual Tows in accordance with Order 15681.

ORDER

Report & Order No. 15681, dated August 27, 1998, included a provision for an automatic annual increase in non-consensual tow and storage rates. That provision states that "Beginning January 1, 2000 the rates referenced in paragraph four will be adjusted annually by order of the Division for eighty percent (80%) of the change in the Consumer Price Index for the immediately preceding twelve (12) month period." This Report & Order will expire, of its own terms, on August 24, 2003.¹

The Consumer Price Index (CPI) for All Urban Consumers rose 2.2% for the 12 month period ending November, 2002.² Eighty percent of the 2.2% CPI increase amounts to 1.76%.³ As a result, in conformity with Report and Order 15681, the allowable increase for towing related charges is 1.76%.

Pursuant to Order 16819, dated December 20, 2001, the towing and storage rates in effect for 2002 were \$64.50 for a non-consensual tow and \$24.00 per day for the ensuing storage. The effective 2002 non-consensual tow rate (\$64.50) multiplied by the 1.76% increase permitted pursuant to the August 1998 agreement allows for the increase of the

¹ "It is the intent of this agreement to resolve all issues regarding rates between the Division and the towers for a period of five years for from the effective date hereof." From Agreement dated August 24, 1998, attached to Report & Order 15681, dated August 27, 1998.

² U.S. Department of Labor, Bureau of Labor Statistics - <http://www.bls.gov/news.release/cpi.nr0.htm>

³ 2.2 % multiplied by 80% equals 1.76%.

non-consensual tow rate by \$1.135, to \$65.64. The effective 2002 storage rate (\$24.00) multiplied by the 1.76% increase permitted pursuant to the 1998 agreement allows for the increase of the storage rate by \$0.42, to \$24.42.

The Administrator has determined that it would be in the best interests of the public to keep storage rates unchanged and instead apply the \$0.42 allowable increase in storage rates to increase to the allowable rate of a non-consensual tow. This adjustment will prevent the excessive accumulation of storage fees.

Accordingly, it is

(17305) ORDERED:

That the approved towing rates for non-consensual tows effective January 1, 2003 are as follows:

Tow:	\$66.00
Storage:	\$24.00

DATED AND EFFECTIVE AT WARWICK, RHODE ISLAND, THIS 18th DAY OF DECEMBER, 2002.

Patricia F. (McVicker) Adams, Esq.
Hearing Officer

APPROVED:

Thomas F. Ahern
Administrator