

# **Class 2 Commercial Licence Plates**

### Understanding the different uses and permits for this type of registration

#### Introduction

Commercial vehicle operators in Alberta can register their vehicles under different licence plate classes depending on the intended use of the vehicle. Many individuals opt for a Class 2 plate since they stay within a small service area and wish to save registration costs. However, it is also common for individuals to break the conditions of their Class 2 plate and venture out over longer distances due to work opportunities; when caught, these drivers and companies are met with high fines from Alberta's Sheriff Highway Patrol.



This bulletin will review the licence plate classes and describe the purpose of the Class 2 plate. It will then present the permit options available for Class 2 carriers to be able to travel outside their restricted area without penalty and then draw attention to the exempted uses and freight for Class 2 vehicles.

#### **Quick Summary – Licence Plate Classes**

Alberta provides three main categories of licence plate classes for commercial vehicles: Class 1, Class 2, and Class 3 plates. Class 1 plates, generally the most common for an over-the-road trucking company, allow federal or provincial carriers to carry other people's freight for compensation. Class 1 plates also allow for passenger transportation services. An example of a carrier using Class 1 plates would be a trucking company that hauls freight for other organizations; another example would be a charter motorcoach company.

Class 3 plates are for commercial vehicles that only transport goods that are owned by the owner of the vehicle. They are also the plates used by government organizations and school boards. An example of a company that would use Class 3 plates would be a welding service provider that uses a heavy truck to transport welding equipment that belongs to the company for the purpose of welding at remote work sites.

All the different possible uses for Class 1 and 3 plates can be found in Division 4 of the <u>Operator and Vehicle</u> <u>Control Regulation</u> [1]. In addition, the Government of Alberta has published a comprehensive guide titled <u>Commercial Vehicle Safety Compliance in Alberta</u> for Alberta-based companies; a summary of the plate classes can be found in Module 3 of this document [2].

The next section will specifically address Class 2 plates.

#### The Class 2 Plate

A Class 2 plate allows provincial carriers to perform special operations at reduced registry costs; a full list of Class 2 plate uses can be found in Section 77 of the Operator Licencing and Vehicle Control Regulation [1]. For example, many farm vehicles obtain Class 2 plates to take advantage of lower registry fees and lower fuel tax rates.



Class 2 plates can also be obtained for a carrier that hauls other people's freight on a for-hire basis but within a restricted area, typically a 10 km radius of their place of business or municipality. Unlike Class 1 commercial plates, Class 2 restricted plates like this do not increase in price with vehicle weight and, at heavy licenced gross vehicle weights, are significantly cheaper to purchase than a Class 1 plate that would allow the vehicle to leave its restricted area [3].

An unfortunately common issue in Alberta is carriers not fully understanding or complying with the rules of their Class 2 restricted plates. Sometimes, a company using a Class 2 plate has a business opportunity beyond their restricted area. If they leave their area to do this work, they risk getting ticketed for not complying with the conditions of their Class 2 plate.

Companies can and should switch to Class 1 plates when they expect to operate frequently outside of their restricted area. But, there is an option for companies to keep their cheaper Class 2 plates while still being able to work outside the restricted area: permits.

#### Radius Permits - A Solution to a Common Problem

Companies using Class 2 restricted plates can purchase permits from Alberta's <u>Central Permit Office</u> that allow them to legally leave their restricted area for commercial purposes without getting Class 1 plates. Companies can call the Central Permit Office at 1-800-662-7138 for assistance; however, the company will have to purchase the permit themselves through Alberta's <u>TRAVIS website</u> or seek the services of a permitting service provider. [4]

There are two types of permits for this situation. First, there is a single trip licence permit that covers a single, one-way load and empty return trip; the cost is based on the weight of the cargo. Second, there is a multiple load licence permit that can be purchased for a period of 30-90 days that essentially allows the vehicle to operate as if it had a Class 1 plate; the cost for this permit is based on the vehicle's gross vehicle weight. [4]

These permits apply to individual vehicles, not to an entire fleet, as they are specific to a licence plate. The permit must also be carried in paper or digitally form in the vehicle to show to law enforcement officers. It is possible to obtain additional permits on top of one of these licencing permits, meaning a company could get the licence permit and then still apply for an additional permit, like an over-dimensional permit. [4]

## **Exempted Activities and Freight**

Despite the above conditions of a Class 2 plate, Class 2-plated vehicles may operate beyond their restricted areas for a variety of reasons. Section 77(2) of the Operator Licencing and Vehicle Control Regulation contains a long list of uses of these vehicles that are legal outside of the 10 km radius and the other area restrictions in Section 77(1) of this same regulation [1]. Some examples of exempted activities include the personal use of the vehicle, the transportation of supplies and animals for veterinarians, and funeral services. Some examples of exempted freight include bulk drinking water, septic tank refuse, and commercial or residential refuse. Consult Section 77(2) of the above regulation for the full list of exempted uses and freight.



### **Wrap Up**

Only the company that owns and operates the commercial vehicle in question can decide what registration option is best for their situation. While Class 2 restricted plates can save money during registration, these savings will be quickly erased by tickets – or even frequent permitting – if the company regularly operates outside of their restricted area.

When seeking a licencing permit for a Class 2-plated vehicle, be sure to understand the permit conditions and have the permit available in the vehicle with a driver who has been trained on what the permit means. While registration compliance requirements are complicated, it is well worth the time of every carrier to properly understand the rules that apply to their fleets to ensure they follow Alberta's laws while getting the most sensible option for their operations.

### **Need Help? Contact AMTA**

AMTA can provide carriers with guidance on the information presented in this bulletin. If you have any questions, please contact AMTA and our experienced staff will be happy to help. For your safety and compliance questions, please email Workplace Support Services (WSS) directly at <a href="https://www.wss@amta.ca">wss@amta.ca</a>.

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#### References

- 1 Government of Alberta. "Classification of Commercial Vehicles." Division 4, Sections 76 to 78. Operator Licensing and Vehicle Control Regulation, AR 320/2002. Accessed November 17th, 2022, from <a href="https://kings-printer.alberta.ca/documents/Regs/2002">https://kings-printer.alberta.ca/documents/Regs/2002</a> 320.pdf
- 2 Government of Alberta. Commercial Vehicle Safety Compliance and Alberta. Updated July, 2022. Accessed November 17th, 2022, from <a href="https://www.alberta.ca/education-manual-for-commercial-carriers.aspx">https://www.alberta.ca/education-manual-for-commercial-carriers.aspx</a>
- 3 Based on conversations with multiple private Alberta registry offices on November 17th, 2022.
- 4 Based on conversations with the Alberta Central Permit Office on November 17th, 2022.