



SCAQMD WAIRE Rule 2305 Compliance Case Study

United Wheels, Inc. (Huffy Bikes)

Overview

[United Wheels, Inc.](#), the globally recognized manufacturer of Huffy Bikes, has operated distribution facilities in California for over 70 years. Importing and shipping millions of units annually requires the 125-year-old bicycle brand to position its warehouses near the ports of Los Angeles and Long Beach, where the majority of its overseas-manufactured goods are landed.

The Challenge

The recent implementation of California's stringent air quality regulations posed a significant challenge. United Wheels anticipated that its Southern California distribution facility would be impacted by the South Coast Air Quality Management District's Indirect Source Rule (WAIRE Rule 2305). This regulation introduced a compliance obligation estimated to exceed \$100,000 annually.

To address this, Tim LaVallee, Huffy's VP of Procurement, reached out to CO2 Sherpa Consulting to evaluate the San Pedro, CA warehouse's compliance requirements and propose a cost-effective solution.

The Solution

CO2 Sherpa Consulting took a comprehensive approach to address the issue:

1. 1. Analysis:

- Evaluated United Wheels' container volume.
- Assessed truck types and the frequency of warehouse visits.
- Calculated WAIRE Point Compliance Obligations (WPCO) accurately.

2. 2. Recommendations:

- Proposed shifting some inbound volume to carriers offering alternative power options.
- Introduced reputable trucking companies using Compressed Natural Gas (CNG), Battery Electric, and Hydrogen-powered trucks.
- Estimated the mitigating impact of these changes on the WAIRE burden.

The Results

By adopting the CO2 Sherpa solution and selecting a suitable carrier, United Wheels achieved the following:

- Regulatory Compliance: Met the 2022 WAIRE compliance obligations.
- Cost Savings: Avoided \$300,000 in WAIRE costs over two years.
- Sustainability: Exceeded South Coast Air Quality Management District requirements.
- Future Readiness: Banked WPCO points for potential Southern California expansion.

United Wheels now operates a new warehouse in Chino, California, free of compliance penalty risks, enabling the company to focus on its core business activities with confidence.

Client Testimonial

"Without CO2 Sherpa Consulting's recommendations, United Wheels would have faced very costly WAIRE penalties, threatening to impact California operations and profitability. I am extremely grateful for Greg's analysis and the solutions he recommended, which enabled us to navigate this challenge and resume focus on our core business activities."

— **Tim LaVallee, VP Procurement, United Wheels, Inc.**

Learn More

To explore similar solutions for your business, visit: www.co2sherpa.com