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Aiona opposes cap-and-trade system to reduce CO2 emissions

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HONOLULU — Lt. Gov. James "Duke" Aiona, the front-runner for the Republican gubernatorial nomination next year, opposes a so-called "cap-and-trade" energy conservation system that aims to reduce carbon dioxide emissions in the U.S.

Speaking during a recent radio interview, Aiona said the system "would be devastating for not only the state of Hawaii but the entire nation." Hawaii already has implemented programs that will result in lower greenhouse gas emissions, he said.

In concept, a cap-and-trade system empowers the government to set limits on heat-trapping pollution discharged by factories, refineries and power plants. The limits periodically would be adjusted downward.

Companies would buy and sell pollution permits or allowances to each other, depending on whether they exceeded the cap or made greater cuts in emissions than were required.

Aiona's opposition to such systems, on which he elaborated during an interview Wednesday, contrasts with the position of several Republican and Democratic governors on the mainland.

For example, three Republican governors, including California's Arnold Schwarzenegger, are members of the Western Climate Initiative, a group of seven states and four Canadian provinces that support a regional cap-and-trade program.

Three other GOP governors participate in the 10-state Regional Greenhouse Gas Initiative, which already has implemented a cap-and-trade system in the northeastern U.S.

The U.S. House passed climate change legislation two weeks ago that contains a national cap-and-trade program. Both Hawaii representatives, Democrats Neil Abercrombie and Mazie Hirono, supported it.

Abercrombie, who is seeking his party's nomination for governor, said that while he doesn't like the current direction of the bill's cap-and-trade provisions, something like that is necessary.

"I don't have a lot of confidence in that as it's presently construed," he said. "But that is not an argument against trying to come to grips with it, and putting the issue on the table."

During his radio interview Monday, Aiona said he opposes the climate change legislation.

He suggested that significant reductions in CO2 emissions will be obtained as a result of a new law backed by he and Gov. Linda Lingle that requires Hawaii utilities to cut emissions and energy usage by 2030. By then, 40 percent of the electricity that utilities sell must come from renewable sources, and utilities must have reduced energy demand by 30 percent.

"If you had adopted a policy such as we have here in Hawaii — Hawaii Clean Energy Initiative policy — we would accomplish everything that the cap and trade ultimately wants to accomplish, which is to have a clean environment," Aiona said Wednesday.

A national cap and trade program will be a "hidden energy tax," Aiona claimed, because it will cause energy prices to spike.

Despite his aversion to cap and trade, the state is well on its way to developing a strategy to cut greenhouse gas emissions that could include that type of program.

Two years ago, Lingle signed legislation establishing a process for the state to reduce greenhouse gases by 2020 to levels at or below those of 1990. That would amount to a cut of about 20 percent, supporters said.

A task force created by the bill plans by the end of this year to recommend methods of achieving lower emissions levels, and it could settle on a state cap-and-trade system, a carbon tax or some other approach, said Jeff Mikulina, a task force member and executive director of the Blue Planet Foundation.

Relying more on renewable sources for electricity generation, coupled with lower energy demand, will significantly reduce greenhouse gases produced in the state, Mikulina said.

But a cap and trade or similar program would function as a "back-up" to achieving lower emissions, he added.

Another task force member, University of Hawaii law professor Maxine Burkett, said reducing greenhouse gases by making more use of renewable sources and by cutting energy usage would not impact emissions from transportation and other sources.

"Sure, on the face of it, having a renewable energy mandate is going to absolutely reduce your emissions more likely than not," said Burkett, director of the law school's Center for Island Climate Adaptation and Policy.


But "we still are burning fossil fuels in transportation. We do drive a fair amount....We need to be sort of mindful of that."

Hawaii also could benefit financially from a cap-and-trade system if states are allowed to auction pollution permits, Mikulina said.

The House version of the energy bill would until 2017 bar states or groups of states from enacting cap-and-trade programs that are stronger than the national system, said a spokesman for Rep. Ed Markey, D-Mass., a lead author of the measure.

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