

MONDAY _ JUNE 6, 2005

**North Pacific Fishery Management Council
Advisory Panel Minutes
June 1-5, 2005 Alyeska Prince Hotel, Girdwood, Alaska**

The following members were present for all or part of the meeting:

| | |
|-------------------|------------------|
| John Bruce | Bob Jacobson |
| Al Burch | Kent Leslie |
| Joe Childers | Matt Moir |
| Cora Crome | John Moller |
| Craig Cross | Jeb Morrow |
| Tom Enlow | Eric Olson |
| Dave Fraser | Jim Preston |
| John Henderschedt | Michelle Ridgway |
| Jan Jacobs | Jeff Stephan |

*Duncan Fields and Ed Poulsen were absent
The AP unanimously approved the minutes from their previous meeting.*

C-1 – CDQ

The AP recommends the Council request NMFS to proceed with the analysis as proposed for initial review in October. *Motion passed 17/0.*

C2 (a) Gulf Rationalization Community Committee

The AP recommends the Council adopt the following motion from their April 2005 meeting with the following addition noted in bold:

Community Issues

The Council recommends the Council adopt the Gulf Rationalization Community Committee recommendations as outlined in the staff report from the March 30, 2005 committee meeting. The recommended additions are indicated by the bold language and the recommended deletions are indicated by the strikeouts in Attachment 1 of the report.

In addition, the Council recommends the following substitution (*page 2 of GOA Community Committee Recommendations*):

C1.2 Option 3: The makeup of the administrative entity board of directors shall reflect population, local participants' harvest history and geography.

Additionally, the Council recommends the continued work of the Gulf Rationalization Community Committee **when additional data is available.**

Further, the AP makes the following changes/recommendations:

Request staff to provide community groundfish catch data (excluding IFQ sablefish). The AP would also notify the public that after reviewing the catch data a minimum landing threshold may be added to address community groundfish dependency. *Motion passes 13/0*

C 1.1 Administrative Entity

If Option 2 Suboption 1, or Option 3 is selected, the initial allocation of CFQ would be based on:

- Suboption 1. 0% - ~~100%~~ **50%** of the CFQ for a specific management area (WG, CG, WY) would be allocated to the management entity representing communities located in that area on an equal basis.
- Suboption 2. ~~0%~~**50%** - 100% of the CFQ for a specific management area (WG, CG, WY) would be allocated to the management entity representing communities located in that area on an pro rata basis based on population.

Motion passes 16/0

A vote on the total package for community issues passed 9/8.

Minority report:

We believe that a CFQ program for GOA groundfish fisheries is inappropriate and should be deleted from the GOA motion. The CFQ program has moved away from allowing sustained participation of groundfish dependent community residences via fishery participation to a revenue generation model. The ssimilar to the BSAI CDQ program is inappropriate. The GOA groundfish fisheries are fully subscribed and any reallocation from historical participants will impact other GOA coastal communities and residents. Leaving the CFQ program in the GOA motion builds expectations and sends the wrong message to the public. The Council should focus their energies on other, more appropriate community provisions such as the Community Purchase Program. Signed: Al Burch, John Bruce, Tom Enlow, Jeff Stephan, Jeb Morrow, Cora Crome, Craig Cross, Kent Leslie.

C-2 (b) Tanner crab bycatch

The AP recommends the following to address staff questions and clarifications per direction for GOA bycatch reduction measures:

Trigger Limits:

- 1- Average numbers are not an appropriate approach to establishing trigger limits. The analysis should instead focus upon the use of biomass-based approaches for establishing appropriate trigger levels.
- 2- Trigger limits under consideration should be separated by gear type (i.e. separate limits for pot gear versus trawl gear)
- 3- Rather than considering an improperly defined duration of a triggered closure, the AP recommends moving in the direction of dynamic revolving closures (hot spots) which reflect the distribution and mobility of the crab population.

General recommendations for the analysis:

- 1- Differential discard mortality rates by gear type should be addressed in the analysis using the most up-to-date and applicable information.
- 2- Additional information must be included with respect to the overall precision of bycatch estimates given the low levels of observer coverage in many of the fisheries under consideration.
- 3- The addition of another alternative (from staff discussion paper) for an exemption from time and area closures if an observer is on board, seems pre-mature at this time.
- 4- Emphasis should be focused on alternatives 3 and 4 rather than focusing attention on trigger limits under alternative 2.
 - a. With respect to alternative 3, additional information may be necessary (in addition to ADF&G survey information and bycatch information from the NOAA groundfish observer program) in order to appropriately identify sensitive regions for year-round or seasonal closures. Some of this additional information may include catch data from the directed Tanner crab fisheries in these areas.
 - b. Alternative 4 should include the concept of required participation in a contractual agreement for a hot spot management system

- 5- A rate-based approach format should be added as much as possible in all graphs and figures for the analysis.
- 6- Consideration should be given to the overall significance of the total amount of Tanner bycatch numbers as compared with the best available information on the population abundance in order to evaluate the actual population-level impact of the bycatch from the directed groundfish fisheries.

Motion passed 17/0.

The AP also recommends the Council continue to link GOA bycatch reduction measures with GOA groundfish rationalization initiative. *Motion passed 17/0.*

C2 (c) GOA Rationalization Alternatives and Options

2.2.2.2.1 Eligible landings as established under 2.2.2.2, that occurred during the qualifying years as established under 2.2.2 2, will be identified as follows:

1. Landings made in the 3-200 nm zone will be eligible to qualify for rationalized fishing rights for the 3-200 nm zone only
2. Landings made in the parallel fishery by LLP qualified harvesters as identified in 2.2.2.2 will be qualified for rationalized federal fishing rights from 0-200nm, these rights can only be used in the 0-3nm zone when state water is opened by the state for their usage
3. Non federally qualified harvesters with parallel fishery landings will qualify for a pro rata share of the total federal fishing rights fishable from 0-200nm. They can be used in 0-3nm when state water is opened by the state.

Motion passed 16/1

The AP recommends the Council insert in sections 2.2.2.2 and 3.3.1:

“A person who acquired an LLP license with GQP and EQP qualifications to remain in one or more GOA QS fisheries may obtain a distribution of QS for those fisheries based on the history of either (a) the vessel on which the replacement LLP is based prior to its transfer and any landings made on the vessel for which it was acquired subsequent to its transfer to that vessel, or (b) the vessel for which the LLP was acquired, NOT both. License transfers for purposes of this provision must have occurred by June 1, 2005.” *Motion passed 16/1*

C-4 BSAI Pacific Cod Allocations

The AP recommends that the Council add the following concepts as options in Component 4, that would potentially apply to one or all of Options 4.1 – 4.7 which determine the sector allocations.

Option 1 –

- Upon determination of the new overall allocations to the trawl and fixed gear sectors, maintain the *current* percentage of the ITAC allocated in the A and B seasons for trawl gear and the A season for fixed gear.
- Provide that any reduction in the overall trawl allocation resulting from the options would be applied only in the C season for trawl gear.
- Provide that any increase in the overall fixed gear allocation resulting from the options would be applied only in the B season for fixed gear.

Option 2 –

- Upon determination of the new overall allocations to the trawl and fixed gear sectors, maintain the *current* percentage of the ITAC allocated in the A season for trawl gear.
- Provide that any reduction in the overall trawl allocation resulting from the options would be applied only in the B and C season for trawl gear.

Suboption 1 – reduction applied proportionately to B and C seasons.

Suboption 2 – reduction applied equally to B and C seasons.

- Provide that any increase in the overall fixed gear allocation resulting from the options would be applied only in the A (after April 1) and B season for fixed gear.

Motion passed 18/0

The AP recommends that the Council include the following priorities and objectives for management of P. Cod sector allocations and a discussion of management tools available to achieve those objectives to Component 5 of the analysis:

Priorities –

1. Avoid exceeding the P. Cod OFL.
2. Avoid exceeding the P. Cod ABC.
3. Avoid closure of non-P. Cod fisheries as the result of “hard cap” closures.
4. Avoid erosion of one sector’s P. Cod allocation as the result of another sector exceeding its allocation.

Management Tools –

1. Co-ops – The report to the AP by Andy Smoker highlighted the value and success of co-op management to keep harvest levels at or below associated allocations.
2. Establishment of ICAs – An ICA for non-cod fisheries is a useful tool for achieving these objectives. In order to insure that one sector does not erode another sector’s intended allocations, however, ICAs should be established only at the sector level. For instance, there would be a separate ICA for each trawl sector rather than a generic “trawl ICA”.
3. MRA Limits – MRA restrictions serve to constrain harvest levels, and would be useful in addressing priorities 3 and 4.
4. PSC Status – This would further constrain P. Cod bycatch and would be useful in addressing priorities 2,3, and 4.
5. Closure of non-P.Cod Fisheries – In order to avoid exceeding the P. Cod OFL, NMFS may close any fishery that has a reasonable likelihood of P. Cod bycatch.

Motion passed 17/0

The AP recommends that in Part II, Option 3 the Council delete numbers 3.1, 3.3, and 3.4 and add an option that the Council can select percentages for each sector that fall within the range of percentages analyzed. *Motion passed 17/0.*

C-3 Central Gulf of Alaska Rockfish Demonstration Program

The AP recommends the Council adopt the following elements as part of its preferred alternative for Central Gulf of Alaska Rockfish Pilot Program:

2 Entry-Level Fishery

2.4 NMFS will determine:

- NMFS will provide for an entry level fishery.
~~Equal shares distributions to the vessel applicants in the trawl sector~~
Limited access competitive fishery in the non-trawl and non-trawl sectors
- ~~Entry permits are non-transferable and must be fished by the named vessel~~

Start dates for the entry-level fishery should be January 1 for fixed-gear and approximately July 1 for trawl gear. *Passed 18/0*

3.3.1.2 Secondary Species

For the CP sector, a shortraker allocation of 30.03% of the TAC, to be managed as a hard cap, and a rougheye allocation of 58.87% of the TAC, to be managed as a standard allocated secondary species.

For the CV sector, shortraker and rougheye should be managed with a combined MRA of 0.7 percent. If harvest of shortraker by the CV sector reaches 9.72% of the shortraker TAC, then shortraker should go on PSC status for that sector.

Passed 17/1

| 5.1 Duration of cooperative agreements is ~~2~~-1 years. *Passed 18/0*

| The Council recommends a season start date of ~~March~~-May 1 and a closing date of November 15. *Passed 18/0*

Adopt Alternative 3 under 5.3 for the CP sector and Alternative 3 under 5.4 for the CV sector. *Passed 15/3*

There was a motion to add, under 5.4, language included in the suboption in Alternative 2 that an eligible processor is a processing facility with a substantial investment of depreciated capital assets of \$1,000,000 or more if that investment was made between January 1, 2000 and December 31, 2002. *The motion failed 7/9.*

Minority Report

The minority objects to adoption of alternative 3 in its present form (AP final version), as it excludes potentially qualified participants from the program. The minority feels that limiting potentially qualified processors, for example, unnecessarily limits options for market development and price competition that could increase overall benefits of the rockfish program. Signed: Michelle Ridgway, Dave Fraser, Craig Cross, Kent Leslie, Jeff Stephan.

8 Program Review

Add a second paragraph that reads: In the event this program has a duration of longer than two years, in the process of re-authorizing the program, the Council will analyze the viability of the entry-level fishery, including a review of the allocations to sectors within the entry-level fishery, and the regulations governing the entry-level fishery and eligibility of processors for the level-entry fishery, and their effects on harvesters, processors and communities. *Passed 17/0*

9.1 General Provisions

a. For fisheries that close on TAC in the GOA, the qualified vessels in each sector (trawl CV and trawl CP) would be limited, in aggregate, in the month of July to the historic average ~~total~~-catch of those vessels **based on the retained catch as a percentage of retained catch in the fishery** in the month of July... *Passed 17/0*

b. For flatfish fisheries in the GOA that close because of halibut bycatch, the qualified vessels in each sector (trawl CV and trawl CP) would be limited, in the aggregate, in the month of July to the historic average halibut mortality taken by those vessels in the target flatfish fisheries in the month of July by deep and shallow complex **as a Gulf wide cap**. *Passed 17/0*

9.2 CP specific sideboards

Establish an "opt out" provision under Alternative 3 and include, in its entirety, the language in section 9.2, including the final paragraph under the heading "For Alternative 3". For clarity's sake, add a fourth bullet under Alternative 3 in 5.3 that reads: Participants would have a choice of participating in a co-op, participating in the limited access fishery, and opting out of the rockfish pilot program. *Passed 16/1*

The effect of the AP motion on CP sideboards can be summarized to contain the following provisions:

Opt OUT Vessels

- 1- subject to 9.1 (a) at aggregate sector level - (WYAK & WGOA rockfish)
- 2- subject to 9.1 (b) at aggregate sector level – (GOA flatfish halibut limits)
- 3- prohibited from directed fishing for CGOA rockfish
- 4- stand-downs don not apply (except in GOA fisheries for which a vessel doesn't have prior participation)
- 5- history stays with sector (pro-rata to Limited Access and Coop vessels)

Opt IN Vessels (Coop)

- 1- subject to 9.1 (a) at aggregate sector level - (WYAK & WGOA rockfish)
- 2- subject to 9.1 (b) at aggregate sector level - (GOA flatfish halibut limits)
- 3- also subject to coop's share of 9.1 (a) sideboard - (WYAK & WGOA rockfish)
- 4- also subject to coop's share of 9.1 (b) sideboard - (halibut limits)
- 5- subject to 2 week stand-down in BSAI groundfish
- 6- not subject to stand-downs in GOA fisheries – IF – NMFS accepts the coop sideboard monitoring program – ELSE - 2 week stand-down until 90% of coop's CGOA rockfish is harvested.

Opt IN Vessels (Limited Access)

- 1- subject to 9.1 (a) at aggregate sector level - (WYAK & WGOA rockfish)
- 2- subject to 9.1 (b) at aggregate sector level - (halibut limits)
- 3- can't fish CGOA rockfish fishery before July
- 4- IF 5% or >, THEN:
 - a) stand-down from BSAI groundfish until 90% of POP taken
 - b) stand-down from GOA non-pollock groundfish until 90% of CGOA POP is taken
- 5- IF < 5%, THEN:
 - a) 2 week stand-down from BSAI groundfish doesn't apply*
 - b) 2 week stand-down from GOA non-pollock groundfish doesn't apply

Motion passed 10/7

**there was disagreement among members of the AP as to whether 5A was or was not an intended result of the original motion.*

9.3 CV Specific Sideboard Provisions

Bullet two –

- Qualifying vessels in the trawl CV sector would be limited, in aggregate, in the month of July, to the historic average ~~total~~ catch of those vessels in the BSAI Pacific cod fishery based on the retained catch as a percentage of retained catch in the CV trawl fishery in July during the qualification years 1996 to 2002. *Passed 18/0*

Bullet three –

- AFA non-GOA exempt CVs qualified under this program are subject to the restraints of AFA sideboards and their coop agreement, and not subject to additional sideboards under this program. *Passed 17/0*

C-6 Bairdi Stock Split

The AP recommends the Council release the Bairdi Stock Split EA/RIR/IRFA for public review. *Motion passed 17/0.*

C-5 BSAI Salmon bycatch

For Alternative 3, the AP recommends the Council add an alternative or suboption under which the regulatory salmon savings area triggers and closures would be maintained but participants in a cooperative voluntary rolling hotspot closure (VRHS) system would be exempted from compliance with savings area closures.

Exemption is subject to Council approval and review of the effectiveness of a VRHS closure system.

Passed 17/0

With the understanding that the following suboption would only be added to amendment package if it does not delay the cycle, the AP recommends the addition of a suboption under the alternative established above:

Suboption: Extend the exemption to the chum salmon savings area closure to vessels in the trawl cod and /or flatfish targets.

Additional analysis would include the contribution of the vessels to the chum salmon bycatch totals in the CVOA. *Motion passed 17/0/1.*

The following motion failed 3/13

The AP recommends adding a new option on page 48: Penalties for savings closure violations as described will be designated for ADF&G. Any penalty money collected under the agreement will be contributed to ADF&G and specified for use in Bering Sea salmon stock research.

Minority Report:

The minority supports adding an option for directing Savings Closure Area fines to ADF&G specified for BSAI salmon stock research. Signed: Michelle Ridgway, Jeff Stephan, Jim Preston.

D-1 Other Species

The AP recommends the Council adopt Alternative 2, Suboption B as its preferred alternative to change the TAC calculation for the other species complex in the GOA groundfish FMP.

Motion passed 14/1

C-7 BSAI Amendment 80

- The AP recommends the Council release the document for public review with the requested changes. *Motion passed 10/5.*

- **Component 7**

The BSAI non-pollock groundfish CP buyback legislation establishes the vessels eligible to participate as a catcher processor in the BSAI non-pollock groundfish fisheries. The members of the non-AFA trawl catcher processor subsector are defined as the owner of each trawl cp:

- a. that is not an AFA trawl catcher processor
- b. to whom a valid LLP license that is endorsed for BSAI trawl cp fishing activity has been issued; and
- c. that the Secretary determines has harvested with trawl gear and processed not less than a total of 150 mt of non-pollock groundfish during the period January 1, 1997 through December 31, 2002.

This definition establishes the vessels which can participate in the Amendment 80 program.

Component 8

Establishes the licenses that will receive a sector endorsement which will be attached to each qualified LLP. An LLP with a sector endorsement entitles the holder of that LLP to join a cooperative. Component 8 also establishes the number of vessels or licenses required before the cooperative is allowed to operate. No later than December 1 of each year, an application must be filed with NOAA fisheries by the cooperative with a membership list for the year. An LLP with a sector eligibility endorsement is required to participate in a cooperative under this program.

In order to receive a sector endorsement:

- Option 8a.1 Qualified license holders must have caught 150 mt of groundfish with trawl gear on a vessel qualified as a non-AFA trawl CP, and processed that fish between 1997 – 2002
- Option 8a.2 Qualified license holders must have caught 150 mt of groundfish with trawl gear on a vessel qualified as a non-AFA trawl CP, and processed that fish between 1997 – 2003
- Option 8a.3 Qualified license holders must have caught 150 mt of groundfish with trawl gear on a vessel qualified as a non-AFA trawl CP, and processed that fish between 1997 – 2004

In order to operate as a cooperative, members must be:

- Option 8b.1 At least 30%
- Option 8b.2 At least 67%
- Option 8b.3 At least 100%
- Option 8b.4 All less one distinct and separate harvesters using the 10% threshold rule
- Option 8b.5 At least 67% of eligible LLP licenses with a sector endorsement

Motion passed 14/2

- **Component 12**

Sideboard caps for the non-AFA trawl CP sector shall be established for halibut PSC usage in the GOA. Discussion of options shall include but not limited to:

- Actual PSC usage over qualifying period
- As a percentage of groundfish target catch for the qualifying period

Suboption (applies to either option): 5% reduction in halibut PSC usage sideboard cap for program vessels (as calculated above) *Motion passed 9/6*

- Option 12.2 Sideboards for the Non-AFA Trawl CP sector ~~can~~ **would** be established by **regulation by** establishing percentages and/or amounts for the species/fisheries not included in this program. These measures maintain relative amounts of non-allocated species until such time that fisheries for these species are further rationalized in a manner that would supersede a need for these sideboard provisions. *Motion passed 15/0*
- For all of component 12 – In the Bering Sea, limit the sideboard species list to focus on p.cod for all options and suboptions. *Motion passed 15/0*
- The AP recommends the Council request staff to expand the analysis under section 3.2.13.8, qualifying catch history, to address the following:
 - Legal landing means, for the purpose of initial allocation of QS, fish harvested during the qualifying years specified and landed in compliance with state and federal permitting, landing, and reporting regulations in effect at the time of the landing. Legal landings exclude any deadloss, test fishing, fishing conducted under an experimental, exploratory, or scientific activity permit or the fishery conducted under the Western Alaska CDQ program. *Motion passed 14/1*
- AFA sideboards do not apply to the YFS threshold fishery.
AFA sideboards for all other Amendment 80 species, including YFS below threshold, shall be:
 1. Eliminated
 2. Revised based on the ratio of AFA CP and CV histories to non-“non AFA CPs” history and applied to the portion of the TAC not allocated to the “non –AFA CP” sector (i.e. vessels neither eligible for AM 80 allocations nor AFA eligible.)*Motion passed 15/0*
- The AP request staff revisit table 3.29 and the associated economic discussion involving this section to better reflect the true monetary values of the directed fisheries of each sector by using only the vessels that were in the directed fisheries for each species. *Motion passed 15/0.*
- For Option 6.1, Suboption 6.1.2, include options in which percentage allocations are calculated on the basis of catch by directed fishery and catch of target species in directed fishery. *Motion passed 14/0.*
- Component 3
Add a suboption to the “latent license” provision to specify a minimum retained catch amount of 150mt from 1995-2004 that would be required to retain a BSAI trawl LLP endorsement. *Motion passed 9/6.*

C-8 Observer program

The AP endorses the recommendations of the OAC and the SSC with the following additions:

The AP disagrees with the recommendation to place all <125’ CPs in tier 2. We recommend that <125’ CPs be returned to tier 3 for purposes of the analysis.

The AP recommends the analysis examine whether or not coverage requirements in the CDQ fisheries should be revised to mirror those in similar non-CDQ fisheries.

The AP would also like to emphasize that without resolution of observer pay issues and estimates of costs, it is very difficult to evaluate the alternatives.

The AP recommends further analysis of the insurance issue.

The AP recommends that 4.4.1 and 4.4.2 (tables) include values expressed as a percentage of gross revenues for all sectors.

Motion passed 15/0