

**IR/IU Technical Committee Report**  
**November 18-19, 2003**

The NPFMC's IR/IU Technical Committee met at the Alaska Fishery Science Center in Seattle, November 18-19, 2003, to review a number of issues requested by the Council at the October 2003 meeting. The Committee was chaired by Dr. Dave Hanson. Committee members present were Bill Orr, Susan Robinson, Teressa Kandianis, Eric Olsen, Dave Wood, John Henderschedt, Gerry Merrigan, Greg Baker, and Michelle Ridgeway. Jon McCracken and Darrell Brannan (NPFMC), Marcus Hartley of Northern Economics, Jeff Hartman of NOAA Fisheries, and Kenneth Hansen from the Enforcement Division served as primary staff support. Lauren Smoker (NOAA GC), Sue Salveson and Jay Ginter (SF), Earl Krygier and Rachel Baker (ADF&G) were also in attendance. Others in attendance included Paul MacGregor, Lisa Butzner, Jan Jacobs, Keith Bruton, Ed Luttrell, Rob Wurm, Dave Fraser

The Committee was tasked with reviewing and, if need be, refining several components and options considered by the Council at the October 2003 meeting and any other issues they deem necessary. The following summarizes the committee's discussions and recommendations. Note, a revised list of components and options is provided in Appendix A. The list has been reorganized based on Committee recommendations, so any reference to components and options in the minutes are based on the revised list in the appendix.

**I. Pacific Cod Allocations**

At the October 2003 meeting, the Council added several new suboptions to the Pacific cod allocation component and requested the Committee review and refine them if necessary. At the Committee meeting, staff presented several issues associated with these new suboptions that needed clarification so that the analysis could begin after the December Council meeting. These issues are presented below:

- Allocation to <60' fixed gear catcher vessels under suboption 8.1.1
- Rollover suboptions 8.1.2.b, 8.1.2.c, and 8.2.2.
- Under suboption 8.3.3 and 8.3.5, the exclusion of 2000 does not match Council action in October 2003. At that meeting, the Council changed the year excluded from 2000 to 2001 because of the biological opinion of the Steller Sea lion and its impact on the fleet.

In addition, the Council also requested that the IR/IU Committee examine the need to include tables and data in the initial analysis that shows the Pacific cod fishery split between the Bering Sea and Aleutian Islands. The purpose of the request was so the Council could consider the impacts of implementing separate Pacific cod allocations for the Bering Sea and Aleutian Islands if TACs are set for both areas in the future.

**i. <60' Fixed Gear Catcher Vessels and Jig Sector Pacific Cod Allocation**

The Committee first addressed Suboption 8.1.1. The Committee agreed that the BSAI Pacific cod allocations of 2, 3, or 4 percent for the <60' fixed gear catcher vessels was from the overall TAC (after CDQ apportionments).

## **ii. Rollover Allocations for Pacific Cod**

The Committee then discussed the rollover options under Option 8.1 and 8.2. It was pointed out by staff that the difference between Amendment 77 and current regulations was the method for reallocating the jig quota that is projected to remain unused. Under current regulations (prior to implementation of Amendment 77) 95 percent of the unused quota would be reallocated to the hook-and-line catcher processor sector and the remaining 5 percent would be reallocated to the pot sector. However, Amendment 77 would change the rollover method by reallocating projected unused jig quota to the <60' hook-and-line or pot catcher vessels before being reallocated to the hook-and-line catcher processors if its projected to be unused. Staff also pointed out that Amendment 77 will be implemented by January 1, 2004. Given that scenario, the current regulations at the time the Council would be making a final decision on Amendment 80 (currently scheduled for June 2004) and the current regulations with Amendment 77 are redundant. The Committee agreed after some discussion that only one option is needed because of this redundancy. Therefore the Committee recommended that the only option be the current regulations at the time of final Council decision, thus eliminating any confusion surrounding the rollover options.

In addition, the Committee also agreed that BSAI Pacific cod rollovers in Option 8.1 and 8.2 should follow the hierarchical nature of the sector—from the most precise definition of a sector to the next more inclusive definition before unused Pacific cod is reallocated to a different gear type. For example, if it was determined that AFA Trawl CVs would not be able to catch their apportionment of Pacific cod, then NMFS would roll it over to non-AFA Trawl CVs. If the Non-AFA trawl CVs are determined to be unable to utilize the rollover, NMFS would roll it over to the two trawl CP sectors—proportional to apportionments if both sector can use it, or disproportionately if one sector appears less likely to use its full share. If both trawl CP sectors are unable to fully utilize the rollover, some or all of the rollover would move to the fixed gear sectors as rollovers are currently defined in regulations.

The Committee also discussed at length the rollover provisions in Option 8.3. Under this option, Pacific cod would be allocated to sectors based on current regulations, but the trawl CV and CP allocation would be reduced and the apportionment to the fixed gear sector would be increased by the average percent of the TAC that was rolled over from the trawl sector to the fixed gear sector. The focus of the Committee's discussion centered around how the trawl apportionment method differed from the apportionment method in Option 8.1. The Committee also spent some time discussing what allocation method was appropriate for the remaining trawl CV and CP apportionments. In the end, the Committee determined that Option 8.3 was an option that relies on actual catch history through back calculation from apportionments and rollovers, and therefore Option 8.3 was nearly identical to the outcome under Option 8.1. As a result, the Committee recommended deleting Option 8.3.

## **iii. Bering Sea and Aleutian Islands Pacific Cod Split**

The Committee then had lengthy discussion on separating out Pacific cod catch between Bering Sea and Aleutian Islands. At the October 2003 meeting, the Council requested that the IR/IU Technical Committee review the need to include tables and data reflecting the impacts of Pacific cod split between the Bering Sea and Aleutian Islands in the initial analysis for Amendment 80. The request stems from a motion passed by the Council in April 2003 to include a discussion of recent fishing patterns for Pacific cod in the Bering Sea and Aleutian Islands in the 2004 SAFE document. The discussion would also focus on impacts the split would have on the TAC setting process and future Pacific cod allocations. However, the Council at that meeting also made it clear that the intent of this request was not a recommendation to split Pacific cod TAC between Bering Sea and Aleutian Islands.

The Committee, in discussing separating out BSAI Pacific cod between Bering Sea and Aleutian Islands, immediately realized the complexity of the task involved. Some of the issues discussed included squid-box problems, extremely contentious allocation processes, and potentially huge operational problems for firms having to deal with allocations in two different areas. One example discussed by the Committee is the potential for the non-AFA trawl CP sector to not receive enough Bering Sea Pacific cod allocation to harvest their flatfish allocation, which would result in stranding flatfish allocation in the Bering Sea. In another example, depending on what allocation method used, sectors could be allocated Pacific cod in an area they have not traditionally fished in the past, and with no way to trade or lease quota under an open access fishery, there is a potential for cod TAC to be stranded. The Committee also discussed the impacts that TAC fluctuations in the BS and AI could have on firms. For example, if a firm was allocated their entire quota in the AI and the AI TAC was greatly reduced while the BS TAC was stable, they would be worse off with separate BS and AI allocations than they would have been if their allocation was based on a combined BSAI TAC. As a result of these complexities, the Committee recommends that TAC and PSC allocations of Pacific cod between the Bering Sea and Aleutian Islands subareas not be part of the Amendment 80 process. However, the Committee recommends including a discussion of the issues associated with splitting out Pacific cod TAC between the Bering Sea and Aleutian Islands, including tables presented in the discussion paper to the Committee in the analysis for Amendment 80. Further, the Committee recommends that the analysis include a discussion on the following three methods of allocating Pacific cod between the Bering Sea and Aleutian Islands and include examples with each of the methods:

1. No allocation (status quo)
2. Equal allocations between areas
3. Allocations based on historical catch in area

The discussion would serve to identify the complexities of splitting out Pacific cod between areas in addition to highlighting the difficulty faced using any approach in allocating Pacific cod by area.

Finally, if a split of Pacific cod between areas is recommended in a future action separate from Amendment 80, the Committee recommends that the analysis include options on how to deal with the allocation issues. Furthermore, if other species splits are undertaken in the future, then the Committee strongly recommends that inter-cooperative agreements be used to deal with the allocative issues among sectors.

## **II. CDQ and PSQ Allocations**

During the October meeting, the Council adjusted the CDQ allocation component by adding language that allocates PSC proportional to CDQ allocation. In other words, if the CDQ groups were allocated 10 percent of all groundfish they would be allocated 10 percent of each PSC species limit. In addition, the Council requested the IR/IU Technical Committee to review PSC allocations to the CDQ program to determine if there is a need to adjust the PSC allocation if the Council elects to raise the CDQ.

The Committee was presented information from NMFS-AKR annual catch statistics showing CDQ groundfish catch and PSC catch from 1999 to 2003. Generally, the data show that the use of PSC by the CDQ program is considerable lower than general groundfish fisheries in the BSAI. However, it was noted by one Committee member, that the CDQ program needed nearly all of its Chinook and non-Chinook PSC allocation in recent years to complete its target fisheries. The Committee spent some time discussing a number of different mechanisms for allocating PSC to the CDQ program that would be similar to the PSC allocations to the sectors. However, it was determined by the Committee that the CDQ program is operationally different

from the sectors noted in Amendment 80a, and fashioning a PSC option for the CDQ program would be too complex. In the end, the Committee recommended that the options for PSC allocation to the CDQ program not only include an alternative for proportional allocations of PSC, but also alternatives that are less than proportional—specifically PSC allocations at 7.5%, 8.5%, 10%. The recommendation to add options that are less than proportional stems from the historical usage of PSC by the CDQ program. In addition, the Committee recommended not allocating herring PSC to the CDQ program (status quo). The reason for status quo recommendation is to avoid creating a regulatory conflict for vessel operators, since state and federal bycatch retention standards are different for herring.

### III. PSC Allocations

At the October 2003 meeting, the Council clarified PSC allocation language by focusing Option 11.2 to apportion PSC allowances to sectors in proportion to the total groundfish harvested in a target fishery. In addition, the Council added Suboption 11.2.2, which would apportion separate PSC allowances for the Bering Sea and Aleutian Islands. Finally, the Council requested the IR/IU Committee to review and further develop Component 11.

The Committee first discussed the need to include a rate-based method for allocating PSC in the options for consideration. Under the rate-based method, a PSC allocation to a fisheries group (yellowfin sole, Pacific cod, rocksole/other flatfish, etc.) would be based on the average rate of PSC attributed to that fisheries group. Then at the sector level, a PSC allocation would then be based on the percent of that fisheries group allocated to that sector. For example, if the average halibut mortality attributed to the yellowfin sole fisheries group for the years 1999-2002 was 1000 mt, and the non-AFA CP sector was allocated 90 percent of the yellowfin sole TAC based on 1999-2002 catch history, then the non-AFA CP sector would be allocated 900 mt of halibut PSC.

The rate-based discussion then led to the Committee developing and refining a two-stage process for determining PSC allocations. The first stage would be to determine the amount of a PSC species that would be allocated to fisheries groups in the future. The second stage would be to determine the sector apportionment within each of the fishery groups. The Committee developed a table (shown below) to help illustrate the two-stage process:

<b>Determination of PSC allocations to fisheries groups</b>	<b>Determination of sector apportionment within each fisheries group</b>
1: Apportionment based on the current TAC process	A. Apportionment based on the current TAC allocation process
2: Apportionment based on the historical PSC apportioned to the fisheries group	B. Apportionment based on PSC use by sector
3. Apportionment based on a 5-year rolling average of historical PSC to the fisheries group	C. Apportionment based on harvest of total groundfish by fisheries group
4: Apportionment based on the use of PSC	D. Apportionment based on the harvest of target species in that fisheries group

PSC allocation options for analysis would be developed by combining one of the four methods for determining PSC allocations to fisheries groups (first column) with one of the four methods for determining sector apportionments (second column). The Committee indicated that these options can be mixed and matched across PSC species. The Committee also recommended retaining options for reducing the PSC allocation by 60 percent, 75 percent, 90 percent, 95 percent, and no reduction for PSC allocation to sectors. The Committee also recommended deleting separate PSC allocations for the Bering Sea and Aleutian Islands. Below are the recommended options based on those presented in the table above:

- Option 1      Apportion PSC for each fisheries group through annual TAC setting process.
  - a.      Apportion PSC allowance to sectors in proportion to TAC allocated.
  - b.      Apportion PSC allowance to sectors in proportion to the PSC usage.
    - i.      Reduce apportionments to 60% of calculated level
    - ii.     Reduce apportionments to 75% of calculated level
    - iii.    Reduce apportionments to 90% of calculated level
    - iv.     Reduce apportionments to 95% of calculated level
    - v.      Do not reduce apportionments from calculated level
  - c.      Apportion PSC allowance in proportion to the total groundfish harvested by fisheries group.
  - d.      Apportion PSC allowance in proportion to the target species harvested in that fisheries group.
  
- Option 2      Apportion PSC for each fisheries group in proportion to the historical fisheries group apportionment.
  - a.      Apportion PSC allowance to sectors in proportion to the TAC allocated.
  - b.      Apportion PSC allowance to sectors in proportion to the PSC usage.
    - i.      Reduce apportionments to 60% of calculated level
    - ii.     Reduce apportionments to 75% of calculated level
    - iii.    Reduce apportionments to 90% of calculated level
    - iv.     Reduce apportionments to 95% of calculated level
    - v.      Do not reduce apportionments from calculated level
  - c.      Apportion PSC allowance to sectors in proportion to the total groundfish harvested by fisheries group.
  - d.      Apportion PSC allowance to sectors in proportion to the species harvested in that target fisheries group.
  
- Option 3      Apportion PSC for each fisheries group in proportion to a 5-year rolling average for fisheries group allocations.
  - a.      Apportion PSC allowance to sectors in proportion to the TAC allocated.
  - b.      Apportion PSC allowances to sectors in proportion to the PSC usage.
    - i.      Reduce apportionments to 60% of calculated level
    - ii.     Reduce apportionments to 75% of calculated level
    - iii.    Reduce apportionments to 90% of calculated level
    - iv.     Reduce apportionments to 95% of calculated level
    - v.      Do not reduce apportionments from calculated level
  - c.      Apportion PSC allowances to sectors in proportion to the total groundfish harvested by fisheries group.
  - d.      Apportion PSC allowances to sectors in proportion to the target species harvested in that fisheries group.

- Option 4 Apportion PSC for each fisheries group in proportion to the actual amounts of PSC attributed to target fisheries groups over a defined set of years.
- a. Apportion PSC allowance to sectors in proportion to the TAC allocated.
  - b. Apportion PSC allowance to sectors in proportion to the PSC usage.
    - i. Reduce apportionments to 60% of calculated level
    - ii. Reduce apportionments to 75% of calculated level
    - iii. Reduce apportionments to 90% of calculated level
    - iv. Reduce apportionments to 95% of calculated level
    - v. Do not reduce apportionments from calculated level
  - c. Apportion PSC allowance to sectors in proportion to the total groundfish harvested by fisheries group.
  - d. Apportion PSC allowance to sectors in proportion to the target species harvested in that fisheries group.

The Committee also indicated that they would like to see tables showing actual historic use of PSCs for each of the fishery groups. Finally, the Committee asked that the analysis include text indicating that bycatch rates are not always caused by dirty fishing practices, but rather that all of the conventions built into the fishery management system and markets drive these bycatch rates, and that PSC rates should not be assigned value judgements (e.g. high, low, clean, dirty).

#### **IV. Underutilized and Unallocated Species**

A concern raised at the August IRIU Committee and at the October Council meetings is the need for a better understanding of what species are considered “underutilized” and how they would be managed. The Committee reviewed a discussion paper outlining the difficulty in defining underutilized and unallocated species prepared by staff. The Committee stated that groundfish allocations based on the TAC as denominator do not work, should not be used, and should be stricken from the list of options. Instead, the Committee believes that an alternative allocation method should be developed if underutilized species develop in the future. The Committee believes that due to fluctuations in stocks, it is likely that in the future there will be species that appear to be underutilized. The method suggested by the Committee would define a TAC threshold for each species, or on larger aggregations of species or complexes, specifically for rock sole, flathead sole, yellowfin sole combined. If the TAC is set above the threshold then the species or species group would be considered underutilized, and the amount above the threshold would be made available to other sectors. Consideration would also need to be given to amounts of PSC available, as well as the stocks of other incidental catch species.

#### **V. Harvest of Pollock by the non-AFA Trawl CPs**

In October, the Council requested another option be added that addresses issues raised by the IR/IU Technical Committee at its August 2003 meeting regarding the harvest of pollock by the non-AFA trawl CPs. However, the Committee, noted that this issue was completed at the August meeting and is not in need of any further refinements. At that August meeting, the Committee recommended that if changes are made to the ICA, over the current 3.5 percent for example, NOAA Fisheries should document that such change was consistent with the intent of the Council’s MRA actions in June 2003, and whether such changes were attributable to increased harvesting of pollock by a given sector, or other factors.

## **VI. Enforcement Levels in Voluntary Cooperatives**

Currently there has been no formal discussion at the IR/IU Technical Committee level concerning the formation of voluntary cooperatives for sectors other than the trawl H&G CP sector noted in Amendment 80b. However, if the Council approves sector allocations, there is the possibility that sectors may form voluntary cooperatives. Due to questions recently raised by NOAA Fisheries concerning the level of monitoring and enforcement that would be needed for voluntary cooperatives, the issue was added to the Committee's agenda for discussion.

The Committee received a report from NOAA Fisheries concerning the justification for increased monitoring for those voluntary cooperatives formed as a result of Amendment 80a. NOAA Fisheries suggested that they are looking for some direction from the Committee and the Council to begin studying this issue in earnest. It was pointed out by staff, that the analysis will include a discussion of the implications of sector allocations including voluntary cooperatives and the potential changes in fishing behavior. Also included in the analysis will be a section devoted to monitoring and enforcement issues. NOAA Fisheries was requested to provide analysis, based on concerns that have been identified within the agency, for these sections.

The Committee then spent some time discussing issues surrounding the linkage between Amendment 80a and 80b and Amendment 79. The Committee indicated that Amendment 80b is needed to address higher retention standards required under Amendment 79, and Amendment 80a was needed to allocate groundfish to the non-AFA trawl catcher processors. In addition, the Committee briefly discussed the potential that Amendment 80a might pass before 80b because a number of complicated issues associated with Amendment 80b. Therefore, the Committee strongly recommends that Amendment 80a and 80b be implemented together and before Amendment 79 or at the same time.

## **VII. Catch History Years (Amendment 80b)**

Next, the Committee addressed the years of catch history that are to be used in the calculation of allocation between the cooperative and open access pool. The Committee recommended adding the following options:

- 1995-2003, but each vessel drops its lowest annual catch for any two years
- 1995-2003, but each vessel drops its lowest annual catch for any three years
- 1998-2003, but each vessel drops its lowest annual catch for any two years
- 1995-2002, but each vessel drops its lowest annual catch for any two years
- 1995-2002, but each vessel drops its lowest annual catch for any three years

## **VIII. Sector Catch History Years**

The Committee added the following options for consideration in Component 5:

- 1999-2003
- 1999-2003, excluding 2001 because of the biological opinion (added by staff for consistency with other options in Component 5)

## **IX. Sector Definitions**

The Committee then spent some time discussing the purpose of Issue 1 of Amendment 80a. More specifically, the discussion centered on trying to determine if Issue 1 was only supposed to determine the method for assigning catch to sectors, or if it was supposed to include language for sector eligibility in

addition to assigning catch. After some discussion, the Committee agreed that Issue 1 should only focus on assigning catch to sectors as in Components 6 and 7, and sector eligibility for future participation be determined on a sector by sector basis like the non-AFA trawl catcher processors in a separate section. The Committee also recommended that former Components 2 and 3 be moved to the end of Amendment 80a, so they become Components 12 and 13. The new Components 12 and 13 will be used as the starting point for defining future eligibility to participate in the sector.

In addition, the Committee recommended clarifying the assignment of catch history belonging to the three non-AFA surimi fillet trawl catcher processors that left the U.S. fisheries in 1997 and the nine vessels bought out as a result of the AFA (AFA 9). In each case, the Committee made no recommendation on how to assign the vessels groundfish catch history, or if it should be deleted. Nearly all of the tables generated for Amendment 80a have separated their catch history from other sectors so the Council could see the impacts of various decisions. In the case of the three non-AFA surimi fillet trawl catcher processors, catch history would either have to be assigned to a sector defined in Amendment 80a, or be eliminated from the catch history pool. Alternatively, the Council could select catch history years after 1997 for the purpose of groundfish and PSC allocations, thus eliminating the need to assign or delete the catch history. In the case of the AFA 9, the confusion stems, in part, from the AFA. Paraphrasing Section 209 of the AFA, it states that all catch history associated with the AFA 9 that could qualify for any present or future limited access system permit in any fishery with the EEZ are hereby extinguished. However, paraphrasing Section 211(b)(2)(A) and (B), catch history of the AFA 9 is included in determining the catcher/processor sideboards and PSC limits for any BSAI groundfish fishery (other than the pollock fishery). Possible solutions for the AFA 9 are similar to those noted above for the non-AFA surimi fillet vessels. Catch history for the AFA 9 could either be assigned to a sector defined in Amendment 80a or deleted from the catch history pool. Alternatively, the Council could select catch history years after the implementation of the AFA (2000-2003) for the purpose of groundfish and PSC allocations, thus eliminating the need for assigning or deleting catch history for the AFA 9.

In trying to address the AFA 9 and three surimi/fillet trawl catcher processors issues, the Committee recommended that written descriptions defining the sectors outlined in Issue 1 be developed.

## **X. Revised Components and Options**

Finally, the Committee recommended that staff provide a reorganized list of components and options that would match more closely the Council's decision process (see Appendix A for a copy of the revised components and options).



## Appendix A: Components and Options for Amendment 80a and 80b

*The following is a revised list of components and options based on recommendations from the November 18-19 IR/IU Technical Committee meeting. The **bolded and underlined** text represents an option that the IR/IU Committee recommends should be added to the list of components and options the Council developed during their October 2003 meeting. The **highlighted** text represents an option the Committee recommends deleting from the Council’s list of components and options. In addition, many of the components have moved based on recommendations by the Committee and to aid in the decision process.*

### Components and Options for Amendment 80.a—BSAI Sector Allocations

#### **Issue 1: Sector Allocations of Groundfish in the BSAI**

The following is a list of the sectors for purposes of groundfish and PSC apportionment (see Appendix D for a description of each sector):

Non-AFA Trawl CPs	AFA Trawl CPs	Non-AFA Trawl CVs	AFA Trawl CVs	Longline CPs
Pot CPs	Pot CVs	Longline CVs	Jig CVs	<60' H&L/Pot CV

*Note: The Committee recommend moving former Components 2 and 3 (now labeled Component 12 and 13) to the end of Amendment 80a under a new Issue 3 that would focus on sector eligibility. In addition, staff moved former Component 1 to Component 7 to reflect a more appropriate place given the decision process.*

Component 1 Identifies which species will be included in the sector allocations

Option 1.1 Include all groundfish species except pollock.

Suboption 1.1.1 Exclude certain species to prevent allocations that are so small that they preclude sectors from harvesting their allocation of species typically taken in directed fisheries. Allocations of species that are excluded would be allocated as they are under status quo, and managed as in the following component.

Option 1.2 Include only the following target species—Pacific cod, yellowfin sole, rock sole, flathead sole, Atka mackerel, Greenland turbot, AI Pacific ocean perch. Species could be added or deleted through an amendment process. Allocations of species that are excluded would be allocated as they are under status quo, and managed as in the following component.

Suboption 1.2.1 Sectors that do not participate in target fisheries for a species in this option would not be allocated sector specific apportionments for that species. These species would be managed as in the following component.

Component 2 Management of non-target species.

Option 2.1 Use the current management system.

Option 2.2 Use ICAs for all non-target species—ICAs would be managed as soft caps.

Option 2.3 Use ICAs for all non-target species—ICAs would be managed as hard caps.

Component 3 **CDQ and proportional PSC (Note that the PSC levels are defined in Component 10)** allocations shall be removed from the TACs prior to allocation to sectors at percentage amounts equal to one of the following.

Option 3.1 7.5% of the TAC of each species in the program

- Option 3.2 10% of the TAC of each species in the program
- Option 3.3 15% of the TAC of each species in the program
- Option 3.4 20% of the TAC of each species in the program

Component 4 Sector Allocation Calculation (*after deductions for CDQs*):

- Option 4.1 Each of the species selected in Component 1 will be allocated to the sectors. Each sector shall be allocated the percentage of the TAC that is equal to the sector's average of the annual harvest percentages,<sup>1</sup> during the years specified in the following component. The sectors harvest is defined as that catch, taken by vessels when operating in the mode that defines the sector<sup>2</sup>. These percentages will be calculated based on the method selected in Component 6.

Component 5 Sector Catch History Years

- Option 5.1 1995–1997
- Option 5.2 1995–2002
- Option 5.3 1995–2003
- Option 5.4 1995–2002, excluding 2001 because of the biological opinion
- Option 5.5 1995–2003, excluding 2001 because of the biological opinion
- Option 5.6 1998–2002
- Option 5.7 1998–2003
- Option 5.8 1998–2002, excluding 2001 because of the biological opinion
- Option 5.9 1998–2003, excluding 2001 because of the biological opinion
- Option 5.10 1999–2003
- Option 5.11 1999–2003, excluding 2001 because of the biological opinion (added by staff for consistency with other options in Component 7)
- Option 5.12 2000–2002
- Option 5.13 2000–2003

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<sup>1</sup> The equation shown describes the allocation for a given sector, species, and year:  
where:

- $x$  is the sector,
- $y$  is the species,
- $z$  is the year for which the allocation is to be determined,
- $n$  is the year used in the allocation determination (starting with year  $N_1$  and ending with year  $N_2$ ),
- $C_{n,x,y}$  is the catch of species  $y$  by vessels in sector  $x$  in year  $n$ ,
- $TAC_{y,z}$  is Total Allowable Catch for species  $y$  in year  $z$ , and
- $A(x,y,z)$  is the allocation for a given sector ( $x$ ), species ( $y$ ), and year ( $z$ ).

$$A(x, y, z) = TAC_{y,z} \cdot \frac{\sum_{n=N_1}^{N_2} C_{n,x,y}}{\sum_{y=1}^Y \sum_{n=N_1}^{N_2} C_{n,x,y}}$$

<sup>2</sup> The catch of vessels that meet the sector's definition and were operating in that mode, during the qualifying years, is assigned to the sector. This means that only the portion of a vessel's catch when it was operating in that sector, would count towards the sector's allocation. It also means that a vessel's catch history would be assigned to a sector even if they do not qualify to participate in the sector based on the criteria selected in Issue 3.

Component 6 For purposes of apportionments, annual catch percentages will be defined using one of the following:

- Option 6.1 Total catch of the sector over total catch by all sectors
- Option 6.2 Retained catch of the sector over retained catch by all sectors
- Option 6.3 Retained catch of the sector over the TAC**
- Option 6.4 Total catch of the sector over the TAC**

*Note: The Committee strongly recommends eliminating Options 6.3 and 6.4 and adding an alternative method to allocate species that are considered underutilized. The method suggested by the Committee would define a TAC threshold for each species or species complex. If the TAC is set above the threshold, in a given year, then the amount of the TAC for each species or species aggregation that is above the threshold would be made available to vessels operating in other sectors.*

**Component 7 Determines whether a vessel, because of its use of multiple gears over time, may be part of more than one sector.**

- Option 7.1 A vessel may qualify for more than one sector.**
  - Suboption 7.1.1 Vessels will lose that catch history in sectors for which they do not qualify, but the sector will retain that catch history.**
  - Suboption 7.1.2 Vessels will retain that catch history in sectors for which they do not qualify, and may assign that catch to any sector for which they do qualify.**
- Option 7.2 A vessel will only be eligible to participate in one sector. Catches of vessels that are not eligible for the sector will not be included in the sector's apportionment. Each vessel's sector will be determined by:**
  - Suboption 7.2.1 The sector in which it has the highest level of participation during the years used for the sector definitions.**
  - Suboption 7.2.2 The sector in which it most recently participated during the years used for the sector definitions.**

**Note: After revising the list of components and options, staff recommends deleting Component 7 because it no longer appears applicable with Committee recommendations for sector allocations (Component 4) and sector eligibility (Issue 3). The Committee recommended separating sector allocation options from sector eligibility options, and as a result, much of the intent of this component would either duplicate or contradict the options in Components 4, 12 and 13. In addition, the sector allocation method recommended by the Committee is based on the mode the vessels was fishing in at the time the qualifying catch history was landed, so Suboption 7.1.2 and all of Option 7.2 component would be in conflict with Component 4.**

**If there are elements of Component 7 that the Council wishes to retain, then it is recommended that those options be added to the appropriate component.**

Component 8 Options for determining Pacific cod allocations

- Option 8.1 Pacific cod shall be allocated in the same method used to allocate the other targeted species. This option would supercede all existing apportionments of Pacific cod in the BSAI, including splits among the fixed gear sectors.  
**Rollovers between sectors shall follow the hierarchical nature of the sector—from the most precise definition of a sector to the next more inclusive definition before unused Pacific cod is reallocated to a different gear type. In addition, rollovers between sectors shall be administered using regulations at the time of final Council action.**

Suboption 8.1.1 The <60' catcher vessels fixed gear (pot and hook and line) sector and jig sector combined allocation **from TAC (after CDQ apportionment)** is to be:

- a. 2%
- b. 3%
- c. 4%

**Suboption 8.1.2 Rollovers between sectors shall be done as follows:**

- a. As in current regulation
- b. As in current regulation and in Amendment 77
- c. Other

Option 8.2 Pacific cod shall be allocated based on apportions in regulation as modified by Amendment 77 with an additional split of the Trawl CP apportionment as follows:

- Non-AFA Trawl CPs will be allocated 18.3 percent of the Pacific cod TAC available after deduction for the CDQ program.
- AFA Trawl CPs will be allocated 5.2 percent of the Pacific cod TAC available after deduction for the CDQ program.

Rollover provisions shall **follow the hierarchical nature of the sector—from the most precise definition of a sector to the next more inclusive definition before unused Pacific cod is reallocated to a different gear type. In addition, rollovers between sectors shall be administered using Amendment 77 regulations implemented on January 1, 2004.**

**Suboption 8.2.1 Current regulations**  
**Suboption 8.2.2 Current regulations and Amendment 77**

**Option 8.3 Pacific cod shall be allocated based on splits currently in regulation, but reducing trawl CV and trawl CP apportionments and increasing the apportionment to the fixed gear sector by the average of the percentages of the TAC (after CDQ apportionments) that were rolled over from trawl to fixed gear during the years in the suboptions below. The increased allocation to the fixed gear sector would be divided among fixed gear sectors according to trawl rollover provisions in existing regulations.<sup>3</sup> Allocation of the remaining trawl CV and CP apportionments would be based on either Option 9.1 or 9.2.**

**Suboption 8.3.1 1995–1997**  
**Suboption 8.3.2 1995-2002**  
**Suboption 8.3.3 1995-2002, excluding 2000 because of the injunction**  
**Suboption 8.3.4 1998-2002**  
**Suboption 8.3.5 1998–2002, excluding 2000 because of the injunction.**  
**Suboption 8.3.6 2000–2002**

**Rollover provisions shall be based on current regulations.**

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<sup>3</sup>The current regulation (approved under Amendment 64) apportions 95 percent of trawl rollover to Longline CPs and 5 percent to Pot vessels. Amendment 77 which is slated to supercede Amendment 64, proposes to continue the same split of trawl rollovers.

Component 9 If, in the future, there is a specific allocation to a state water fishery in the BSAI, the allocation would be deduction from the TAC before the allocations to specific sectors are calculated.

**Issue 2: Sector Allocations of Prohibited Species Catch Limits in the BSAI**

*The Committee recommended a two-stage process for allocating PSC limits to sectors. The first stage would be to determine the PSC allocation to fisheries groups (Options 11.1, 11.2, 11.3, and 11.4). The second stage would be to determine the sector apportionment within each fisheries group, which are the suboptions below. The Committee indicated that these options can be mixed and matched across PSC species.*

**Component 10** **PSC is allocated to the CDQ program as PSQ reserves equal to one of the following:**

- **Option 10.1** **7.5% of each PSC limit with the exception of herring**
- **Option 10.2** **8.5% of each PSC limit with the exception of herring**
- **Option 10.3** **10% of each PSC limit with the exception of herring**
- **Option 10.4** **Proportional to the CDQ allocation under Component 10 for each PSC limit with the exception of herring.**

**Component 11** **Sector allocations of PSC limits (Council must choose one suboption from both Option 11.1 and 11.2 in order to apportion PSC to sectors).**

**Option 11.1** **Apportion PSC to each fishery group that it has historically been accounted against (e.g, yellowfin sole, rockfish, rocksole/flathead sole/other, etc.)**

**Suboption 11.1.1** **Through annual TAC setting process (the current method)**

**Suboption 11.1.2** **In proportion to the historic fishery group's apportionment (the Committee recommended using the most recent five years)**

**Suboption 11.1.3** **In proportion to a 5-year rolling average of that fishery group's PSC allocations (the Committee recommended using the most recent five years)**

**Suboption 11.1.4** **In proportion to the actual amounts of PSC mortality attributed to the fishery group over a defined set of years (must define years)**

**Option 11.2** **Apportion PSC allotments made to fishery groups in Option 11.1 to sectors**

**Suboption 11.2.1** **In proportion to TAC allocated to the sector**

**Suboption 11.2.2** **In proportion to the PSC usage by the sector**

- i.** **Reduce apportionments to 60% of calculated level**
- ii.** **Reduce apportionments to 75% of calculated level**
- iii.** **Reduce apportionments to 90% of calculated level**

- iv. Reduce apportionments to 95% of calculated level
  - v. Do not reduce apportionments from calculated level
- Suboption 11.2.3 In proportion to the total groundfish harvested by the sector for each PSC fishery group
- Suboption 11.2.4 In proportion to the target species harvested by the sector in that PSC fishery group

Sector allocations of PSC Limits in the BSAI will be accomplished by choosing preferred options and suboptions from the following list of components.

**Component 11** Prohibited species bycatch allowances shall be initially assigned to fishery groups (e.g. the rock sole/flathead sole/other flatfish group) based on the relative bycatch apportionments for the years used to determine the groundfish sector apportionments, expressed as a percentage of the total PSC allowance. *(In other words a weighted average of the of the PSC apportionment to each fishery group would be estimated and express as a percentage of the PSC)*

**Option 11.1** Each sector shall be initially assigned an amount of each PSC allowance by fishery group based on each sector's historic rates during the period used to determine groundfish apportionments, relative to the total use of the PSC allowance during that same period. For example, if the Non-AFA Trawl CPs used 40 percent of the halibut PSC used by the trawl fleet in the Pacific cod fishery during the period used to determine groundfish apportionments, the Non-AFA Trawl CPs would be initially assigned 40 percent of the halibut PSC initially assigned to Pacific cod trawl fisheries. The overall PSC allocations could be reduced or kept at current levels by applying one of the following percentages to the overall PSC limit.

Suboption 11.1.1	60%
Suboption 11.1.2	75%
Suboption 11.1.3	90%
Suboption 11.1.4	95%
Suboption 11.1.5	100%

**Option 11.2** Apportion PSC allowances to sectors in proportion to the total groundfish harvested in a target fishery.

- Suboption 11.2.1 Calculate PSC allocations for combined BSAI
- Suboption 11.2.2 Calculate separate PSC allocations for Bering Sea and Aleutian Islands.

*For example, if the Non-AFA Trawl CPs are allocated 33.9 percent of the trawl apportionment of Pacific cod, the Non-AFA Trawl CPs would be allocated 33.9 percent of the halibut PSC allowance made for trawl Pacific cod.*

**Issue 3 Eligibility to Participate in a Sector**

*Note: The Committee recommended moving Component 2 and 3 (now Component 12 and 13) from Issue 1 to Issue 3 at the end of Amendment 80a. The focus of Issue 3 will be a starting point for defining eligibility to participate in the sector.*

Component 12 Vessels will be determined to be eligible for a given sector if they meet minimum landings requirements (see the next component) in the years selected from the following:

- Option 12.1 1995-1997
- Option 12.2 1995-2002
- Option 12.3 1997-2002
- Option 12.4 1998-2002
- Option 12.5 1999-2002
- Option 12.6 2000-2002

Component 13 Vessels will be determined to be eligible for a given sector if, during the previously specified sets of years, the vessel meets the minimum landings criteria selected from the following:

- Option 13.1 **At least one landing**
- Option 13.1 0 MT**
- Option 13.2 50 MT
- Option 13.3 100 MT
- Option 13.4 250 MT
- Option 13.5 500 MT
- Option 13.6 1,000 MT

## **Components and Options for Amendment 80.b—Establishment of a Non-AFA Trawl CP Cooperative Program**

The following “single-option” components are common for any cooperative program that might be developed.

- The Program would limit its scope to selected groundfish and prohibited species catches with trawl gear by vessels in the Non-AFA Trawl CP Sector in the BSAI. Groundfish species not included in the program as well as other non-specified fish species or marine resources would not be explicitly managed within the Program, although other regulations regarding these other marine resources would not be superceded.
- The Program will not supercede pollock and Pacific cod IRIU programs, nor will it supercede the Groundfish License Limitation Program. All vessels participating in the program will need to have trawl endorsements with general licenses for BSAI. Length limits within the license will also be enforced such that any new vessel entering the fishery may not exceed the Maximum Length Overall (MLOA) specified on the license.
- Any non-trawl or non-BSAI catches of vessel that are considered part of the non-AFA Trawl CP Sector will not be included in the Program, but would not necessarily be excluded from other rationalization programs.
- New PSC limits for the following species will be created and allocated to the non-AFA trawl catcher processor sector.
  - BSAI non-AFA trawl catcher processor multi-species halibut cap consisting of an apportionment of species identified in Component 1.
  - BSAI non-AFA trawl catcher processor multi-species red king crab cap consisting of an apportionment of the current Pacific cod trawl cap and caps for the flatfish fisheries.
  - BSAI non-AFA trawl catcher processor multi-species snow crab (*C. opilio*) cap consisting of an apportionment of the current Pacific cod trawl cap and caps for the flatfish fisheries (includes apportionments of the trawl sablefish/turbot/arrowtooth limits).
  - BSAI non-AFA trawl catcher processor multi-species Tanner crab (*C. bairdi*) Zone 1 cap consisting of an apportionment of the current Pacific cod trawl cap and caps for the flatfish fisheries.
  - BSAI non-AFA trawl catcher processor multi-species Tanner crab (*C. bairdi*) Zone 2 cap consisting of an apportionment of the current Pacific cod trawl cap and caps for the flatfish fisheries.
- Disposition of groundfish species not allocated to the Non-AFA Trawl CP sector would not change from the status quo.
- Bycatch limits for non-specified species or marine resources specifically for this program would not be established. However, should unreasonable bycatch or other interactions occur, specific regulations to minimize impacts will be considered.
- A Groundfish LLP is required for a Sector Eligibility Endorsement for the Non-AFA Trawl CP Cooperative program.
- Annual allocations to the cooperative that result from catch histories of participating vessel will be transferable among cooperative members. Such transfers would not need to be approved by NOAA Fisheries. Any member vessel of the cooperative will be eligible to use the catch history of any other member vessel regardless of vessel length.
- Permanent transfers of Sector Eligibility Endorsements would be allowed if transferred with the associated Groundfish LLP. Sector Eligibility Endorsement and associated catch histories would not be separable or divisible. All transfers must reported to NOAA Fisheries in order to track who owns the Sector Eligibility Endorsements. The purchaser must be eligible to own a fishing vessel under MarAd regulations or any person who is currently eligible to own a vessel.



- The Groundfish Retention Standards (GRS) (Amendment 79) would be enforced on the cooperative as an aggregate and on the open access vessels as individuals. If the cooperative cannot meet the standard in the aggregate over a period of two years then the standard would be imposed on individual vessels within the cooperative.
- Vessels participating in the open access portion of the program will be subject to all the same regulations they would be without the Program including all restrictions of the LLP and the GRS if they are approved.
- A cooperative created under this program must have adequate internal rules. Evidence of binding private contracts and remedies for violations of contractual agreements are required to be provided to NOAA Fisheries. The cooperative must demonstrate an adequate mechanism for monitoring and reporting prohibited species and groundfish catch. Vessels participating in the cooperative must agree to abide by all cooperative rules and requirements.
- Specific requirements for reporting, monitoring and enforcement requirements, and observer protocols will be developed for vessels participating in the cooperative portion of the Program in rulemaking process and will not be the purview of the cooperative. The NPFMC and the Non-AFA Trawl CP Sector need to specify their goals and objectives for in-season monitoring and for program evaluation. Recordkeeping and reporting portions of the program can then be developed to ensure that goals and objectives of the program are met in a cost effective manner.
- Review of the non-Trawl CP program will be accomplished by requiring a detailed annual report from any cooperative formed. Fishery managers will review the annual report and determine if the program is functioning as desired. It is recommended that in-depth assessments of program could be undertaken under the auspices of the Council/NOAA Fisheries be undertaken periodically (every three years, for example). Such in-depth studies will report the accomplishments of the program and indicate whether any changes are necessary.
- Socioeconomic data collection programs have been included in AFA, and crab rationalization programs, and are proposed in the GOA Rationalization program. Therefore the analytical team assumes that a socioeconomic data collection initiative would be developed and implemented under the Non-AFA Trawl CP Cooperative Program. The collection would include cost, revenue, ownership and employment data on a periodic basis to provide the information necessary to study the impacts of the program. Details of the collection will be developed in the analysis of the alternatives.

Component 1 Identifies which species will be allocated among the non-AFA trawl catcher processor sector.

Option 1.1 Include all groundfish species for which trawling is allowed, except pollock already allocated to AFA fishery cooperatives.

Suboption 1.1.1 Exclude certain species to prevent allocations that are so small that they preclude persons from harvesting their allocation of species that are typically taken in directed fisheries. Allocations of groundfish species that are excluded would be regulated as they are under the status quo.

Option 1.2 Include only the following target species—Pacific cod, yellowfin sole, rock sole, flathead sole, Atka mackerel, Greenland turbot, AI Pacific Ocean perch. Species could be added or deleted through an amendment process. Allocations of groundfish species that are excluded would be regulated as they are under the status quo.

Component 2 Establishes procedures for reducing prohibited species catch limits for the non-AFA Trawl CPs Sector.

Option 2.1 No change in overall amount of the current PSC limits.

Option 2.2 Reductions in the PSC limit for halibut is accomplished by taxing in-season non-permanent transfers of PSC within the cooperative. The halibut PSC limit is restored to its original level the following year.

- Suboption 2.2.1 Transfers of PSC after August 1 are not taxed .
- Suboption 2.2.2 Only un-bundled transfers of PSC are taxed.
- Option 2.3 Reduce halibut PSC limits by 5% when PSC limits are linked to estimated biomass levels.
- Component 3 Identifies the vessels that are in the non-AFA trawl CP sector which would receive Sector Eligibility Endorsements. (It may be that some vessels identified as part of the sector in Amendment 80.a, may not be issued Sector Eligibility Endorsements.) Owners of each qualified vessel would be issued a Sector Eligibility Endorsement that will be attached to that vessel's LLP identifying it as a member of the non-AFA Trawl CP Sector.
  - Option 3.1 Non-AFA fishing vessels registered under MarAd regulations and any other vessels eligible to participate in fish harvesting in the Alaska EEZ are eligible for a sector endorsement to be attached to their groundfish license.
    - Suboption 3.1.1 In addition, vessels must have caught 500 mt. of groundfish with trawl gear and processed that fish between 1998-2002
    - Suboption 3.1.2 In addition, vessels must have caught 1,000 mt. of groundfish with trawl gear and processed that fish between 1998-2002
    - Suboption 3.1.3 In addition, vessels must have caught 500 mt. of groundfish with trawl gear and processed that fish between 1997-2002
    - Suboption 3.1.4 In addition, vessels must have caught 1,000 mt. of groundfish with trawl gear and processed that fish between 1997-2002

*The original list included 100 mt and 150 mt, but subsequent analysis indicates that these lower levels have no impact on the number of qualified vessels.*
- Component 4 Establishes the percentage of eligible vessels that must join a cooperative 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. In order to operate as a cooperative, members, as a percent of eligible non-AFA Trawl CPs, must be:
  - Option 4.1 At least 51 percent
  - Option 4.2 At least 67 percent
  - Option 4.3 At least 75 percent
  - Option 4.4 At least 80 percent
  - Option 4.5 At least 90 percent
- Component 5 Determines the method of allocation of PSC limits and groundfish between the cooperative and open access pools.
  - Option 5.1 Catch history is based on total catch
  - Option 5.2 Catch history is based on total retained catch
- Component 6 Determines which years of catch history are used in the calculation. The allocation of groundfish between the cooperative and open access pool is proportional to the catch history of groundfish in the vessels included in each pool. Applicable PSC limits are allocated between the cooperative and open access pool in same proportions as those species that have associated PSC limits. The catch history as determined by the option selected under this component will be indicated on the Sector Eligibility Endorsement which indicates the vessel's membership in the Non-AFA Trawl CP Sector. The aggregate histories will then applied to whichever either the cooperative or the open access pool.
  - Option 6.1 1995-2002
  - Option 6.2 1995-2003
  - Option 6.3 1995-2002, but each vessel drops its lowest annual catch during this period

- Option 6.4**     **1995-2002, but each vessel drops its lowest annual catch for any two years**
- Option 6.5**     **1995-2002, but each vessel drops its lowest annual catch for any three years**
- Option 6.6     1995-2003, but each vessel drops its lowest annual catch during this period
- Option 6.7**     **1995-2003, but each vessel drops its lowest annual catch for any two years**
- Option 6.8**     **1995-2003, but each vessel drops its lowest annual catch for any three years**
- Option 6.9     1998-2002
- Option 6.10     1998-2003
- Option 6.11     1998-2002, but each vessel drops its lowest annual catch during this period
- Option 6.12     1998-2003, but each vessel drops its lowest annual catch during this period
- Option 6.13**     **1998-2003, but each vessel drops its lowest annual catch for any two years**
- Option 6.14     1999-2002
- Option 6.15     1999-2003
- Option 6.16     1999-2002, but each vessel drops its lowest annual catch during this period
- Option 6.17     1999-2003, but each vessel drops its lowest annual catch during this period
- Option 6.18     2000-2002.
- Option 6.19     2000-2003.
- Option 6.20     2000-2002, but each vessel drops its lowest annual catch during this period
- Option 6.21     2000-2003, but each vessel drops its lowest annual catch during this period
- Component 7     Determines if excessive share limits are established in the non-AFA trawl catcher processor sector.
- Option 7.1     There is no limit on the consolidation in the non-AFA trawl catcher processor sector.
- Option 7.2     Consolidation in the non-AFA trawl CP sector is limited such that no single company can harvest more than a fixed percentage of the overall sector apportionment. Companies that exceed the cap in the initial allocation would be grandfathered.
- Component 8     Establishes measures to mitigate negative impacts of the cooperative on fisheries not included in the cooperative program (e.g. fisheries in the GOA).
- Option 8.1     Sideboards for cooperative members would be established by regulation using the same years used to calculate the apportionment of PSC and groundfish between the cooperative and open access pool until such time as these other fisheries are rationalized, when the allocations determined in these newly rationalized fisheries.
- Option 8.2     The cooperative is required to prohibit members in the aggregate from exceeding their maximum percent of harvests in other target fisheries. Sideboards would not be established by regulation. This restriction would be discussed in the annual report of the cooperative submitted to the Council and NOAA Fisheries.