



U.S. DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
Pacific Islands Regional Office
1601 Kapiolani Blvd., Suite 1110
Honolulu, Hawaii 96814-4700
(808) 944-2200 • Fax (808) 973-2941

SPECIAL CORAL REEF ECOSYSTEM FISHING PERMIT

Official Number: **WP-CRSP-01**

Expiration Date: **July 8, 2012**

Mr. Neil A. Sims
Kona Blue Water Farms, Inc.
P.O. Box 4239
Kailua-Kona, HI 96745-4239

Dear Mr. Sims:

This permit authorizes Kona Blue Water Farms (KBWF) to demonstrate the *Veleva Concept* as detailed in the terms and conditions enclosed with this permit¹. This permit authorizes KBWF to stock, culture and harvest *Seriola rivoliana*, using CuPod gear, in the designated action area within the U.S. Exclusive Economic Zone west of the Island of Hawaii and pursuant to federal regulations found in 50 CFR §665.224. This permit, or a legible copy, must be present on board any vessel tending the fish, and on board any vessel transshipping fish to and from the action area. This permit shall expire on July 8, 2012. KBWF shall, at all times, comply with the enclosed term and conditions, including completing and submitting the enclosed reporting forms, as well as any additional terms and conditions that NMFS, in its sole discretion, may determine are necessary to accomplish the conservation and management purposes of this permit, and to ensure the safety of personnel, property, and the environment.

In addition to the attached Terms and Conditions, nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties established pursuant to any applicable federal, state, or local statute or regulations. Nothing in this permit shall be construed to preclude the institution of any legal action or relieve the permittee from any responsibilities, liabilities, or penalties to which the permittee is or may be subject under applicable federal, state, or local law or regulation. Nothing in this permit shall be construed to convey any property rights in either real or personal property, or any exclusive privileges, nor does it authorize any injury to private property or any invasion of personal rights, nor any infringement of or violation of federal, state, or local laws or regulations.

Sincerely,

Michael D. Tosatto
Regional Administrator

Encl: Permit Terms and Conditions
Reporting Forms

¹ Federal regulations (50 CFR 665.220) require that managed coral reef species in Hawaii be taken with allowable gear. 50 CFR 665.221 provides the listing of managed coral reef species in Hawaii. Allowable gear is described in 50 CFR 665.227 and pursuant to 665.227(d): "Any person who intends to fish with new gear not included in this section must describe the new gear and its method of deployment in the special permit application. A decision on the permissibility of this gear type will be made by the Regional Administrator after consultation with the [Western Pacific Fishery Management] Council and the director of the affected state fishery management agency. 50 CFR 665.224 details the special permit process.



Terms and Conditions
Kona Blue Water Farms Special Permit: WPCRSP01

Special Permit Conditions

Pursuant to federal regulations found in 50 CFR §665.224, the Regional Administrator may attach conditions to the special permit as may be necessary to ensure compliance with the purposes of the special permit consistent with the management objectives of the Hawaii Fishery Ecosystem Plan. Failure of the holder of a special permit to comply with the terms and conditions of a special permit is grounds for revocation, suspension or modification of a special permit. Any action taken by the Regional Administrator to revoke, suspend, or modify a special permit will be governed by 15 CFR §904 subpart D and 50 CFR §665.224.

The permit holder shall conduct operations in accordance to the terms and conditions of the special permit, detailed below. NMFS reserves the right to impose additional conditions under this permit as determined reasonable or necessary to ensure safety of personnel and the environment.

The following terms and conditions would be applied to this Special Coral Reef Ecosystem Fishing Permit:

1. The special permit holder shall comply with all applicable federal, state and county laws, rules and regulations;
2. The special permit holder shall comply with all applicable federal fishing regulations found in 50 CFR part 665 subpart A and subpart C, including but not limited to reporting and landing notification requirements;
3. The special permit authorizes the use of the 132 m³ (4,662 ft³) CuPod as analyzed in the EA;
4. The Almaco jack (*Seriola rivoliana*) is the only species approved for stocking of and harvest from the CuPod. No other species is approved;
5. The CuPod shall hold no more than 2,000 individual fish at any given time;
6. Prior to stocking with fish, the CuPod must be equipped with a radio transmitter/radar reflector buoy(s), and/or an approved gear tracking system (e.g., satellite tracking, GPS);
7. The activities authorized under the special permit are confined to within federal waters bounded by the following coordinates:

Point	N. lat.	W. long.
A	20° 00'	158 ° 00'
B	20° 00'	156 ° 00'
C	19° 00'	156 ° 00'
D	19° 00'	158 ° 00'

8. With the exception of vessel and gear provisioning and powered transit to and from federal waters, the activities authorized under the special permit may not be conducted within marine waters of the State of Hawaii (0-3 nautical miles), or within the boundaries of the Hawaiian Islands Humpback Whale National Marine Sanctuary, as defined in 15 CFR §922.181;

Terms and Conditions
Kona Blue Water Farms Special Permit: WPCRSP01

9. The use of prophylactic antibiotics, medications, chemicals, or other treatments shall not be allowed unless authorized by a competent federal or state agency, or duly licensed veterinary personnel;
10. The special permit holder shall monitor the condition of the CuPod on a continual basis, including fish within the CuPod. When weather and ocean conditions do not permit physical monitoring, visual or remote monitoring shall be conducted;
11. Dead fish shall not be disposed of in the surrounding waters, but shall be removed from the site and disposed at a County approved site;
12. The special permit holder will comply with the Velella Project Emergency Reporting Plan and the Marine Protected Species Monitoring and Reporting Plan for the duration of the of the permit;
13. NMFS PIR reserves the right to inspect and/or provide an observer to the demonstration project to monitor the operation as necessary;
14. The special permit is non-transferable;
15. In issuing the permit, NMFS PIR and the Regional Administrator have relied on the information and data which the applicant has provided in connection with the permit application. If, subsequent to the issuance of the permit such information and data have proved to be false, incomplete or inaccurate, this permit may be revoked, suspended or modified; and
16. Failure to comply with the terms and conditions of the special permit is grounds for revocation, suspension or modification of the special permit.

Notification

The special permit holder must contact the appropriate NMFS official in Hawaii at least 24 hours before landing any CRE MUS harvested under a special permit, and report the port and the approximate date and time at which the catch will be landed.

The permit applicant, KBWF, would be responsible for complying with all applicable maritime and other civil laws in the conduct of its test operations under the permit. As with all permits NOAA issues, compliance would be subject to enforcement by NOAA law enforcement officers. The Coast Guard is also authorized to enforce MSA regulations.

NMFS Transshipment Log for Coral Reef Ecosystem Management Unit Species

Vessel: _____ Permit No.: _____ Date: ___/___/___

(Vessel receiving fish)

Broker or Shipping Agent: _____

Vessel: _____ (Vessel offloading fish)	Radio Call Sign: _____
	Permit Number: _____
Total number of days fished: _____	Type of Gear Used: _____
Average units of gear set per day: _____	Area of Catch: _____

Species	Number Received	Total Weight Received (Lbs.)

Print Name: _____ Signature: _____ Date: ___/___/___

(Vessel captain / operator)

All required information must be recorded on the form within 24 hours after the day of transshipment.
Submit report to NMFS at the address below within 72 hours (3 days) following the transshipment of coral reef MUS:
National Marine Fisheries Service, Pacific Islands Region, Regional Administrator
1601 Kapiolani Boulevard, Suite 1100, Honolulu, HI 96814; (FAX): (808) 973-2941

Special Permit/Low-use Marine Protected Areas Coral Reef Taxa Daily Catch Report

Name of Licensee: _____ Coral Reef Ecosystem Permit No. _____
Vessel Name: _____ Radio Call Sign: _____ Vessel Number: _____
Area Fished: _____ (follow regional fishing area designations)
Type of Gear Used (one report form for each haul with each gear type per day): _____
Date Gear Set: ___/___/___ Time at Start: _____ Units of Gear Set: _____
Date Gear Hauled: ___/___/___ Time at End: _____ Units of Gear Lost: _____
Wind Speed: _____ Wind Direction: _____ Sea Surface Temperature: _____ Average Depth: _____
Target Species (list all): _____
Observer on board? _____
If gear was lost, give explanation as to reason why (no penalty for lost gear). _____

Describe any observed damage to the coral reef and how it occurred. _____

Species	No. Caught	Lbs. Caught	No. Kept	Lbs. Kept	If discarded, why	How processed?

Protected Species Observation			
Enter Seal & Turtle numbers: identify other in appropriate box	Monk Seal	Turtle	Other
Observed in area			
Observed in vicinity of gear			
Interfering with fishing operations			
Preying on catch			
Entangled released alive			
Entangled released dead			

Print Name: _____ Signature: _____ Date: ___/___/___

Submit this form, as required by NMFS PIRO, to the address below:
National Marine Fisheries Service, Pacific Islands Region, Regional Administrator
1601 Kapiolani Boulevard, Suite 1100, Honolulu, HI 96814; (FAX): (808) 973-2941

Paperwork Reduction Act Information

Public reporting burden for this collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Regional Administrator, NMFS Pacific Islands Region, 1601 Kapiolani Blvd., Suite 1110, Honolulu, Hawaii 96814-4700.

This information is being collected to provide the information needed by NMFS to regulate and monitor the coral reef fisheries and resources managed under the Fishery Management Plan for Coral Reef Ecosystems of the Western Pacific Region (FMP) and to evaluate the effectiveness of management by assessing the status of stocks and the status of the fisheries. The information provides a basis for determining whether changes in management are needed to sustain the productivity of the stocks or to respond to interactions between fishing vessels and protected species and to address economic problems in the fishery. The information is also used to provide a basis for evaluating the magnitude and distribution of impacts resulting from changes to the regulations. Responses to the collection are required to obtain the benefit of the FMP (50 CFR Part 665, Subpart G). Data provided concerning the vessel and/or business of the respondents are handled as confidential under the Magnuson-Stevens Fishery Conservation and Management Act (Sec.402(b)). Notwithstanding any other provisions of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number.



MARINE MAMMAL AUTHORIZATION PROGRAM

MORTALITY/INJURY REPORTING FORM

National Marine Fisheries Service, 1315 East-West Highway, Silver Spring, MD 20910

PLEASE PRINT NEATLY AND IN CAPITAL LETTERS

1- LAST NAME OF VESSEL OWNER/OPERATOR

2- FIRST NAME OF VESSEL OWNER/OPERATOR

3-MI

4-MAILING ADDRESS

5- CITY

6- STATE

7- ZIP

8- VESSEL NAME

9- COAST GUARD DOC. NO. OR VESSEL STATE REG. NO.

10- STATE COMMERCIAL VESSEL NO.

11- FISHERY I.D. NO.

12- FISHERY GEAR TYPE AND TARGET SPECIES

13- DATE OF MORTALITY/INJURY (MM DD YYYY)

14- APPROXIMATE TIME OF MORTALITY/INJURY

15- LOCATION OF MORTALITY/INJURY

LATITUDE ° '

LONGITUDE ° '

16- TYPE OF INTERACTION (PLACE AN "X")

INCIDENTAL

INTENTIONAL

17- ENTER SPECIES CODE, TYPE OF MORTALITY/INJURY (SEE LIST OF CODES ON PREVIOUS PAGE), AND THE NUMBER OF EACH SPECIES INVOLVED. MAKE ONE ENTRY FOR EACH SPECIES INVOLVED IN THIS INCIDENT. YOU MAY MAKE UP TO THREE MORTALITY/INJURY CODES PER SPECIES.

SPECIES	MORTALITY/INJURY CODE	NUMBER
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

18- DESCRIPTION OF UNKNOWN SPECIES OR CIRCUMSTANCES OF MORTALITY/INJURY INCIDENT



MARINE MAMMAL AUTHORIZATION PROGRAM

MORTALITY/INJURY REPORTING FORM

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INSTRUCTIONS FOR COMPLETING THE MORTALITY/INJURY REPORTING FORM

This reporting form is required **ONLY WHEN** there is an incidental mortality or injury to a marine mammal during commercial fishing activities. You are required to report the incidental mortality or injury within 48 hours after the end of the fishing trip (even if an observer is on board), or, for non-vessel fisheries, within 48 hours of an occurrence of an incidental mortality or injury. A separate report form is required for each fishery, for each date, and for each location.

PLEASE PRINT NEATLY AND IN CAPITAL LETTERS.

The reporting form should be detached from this instruction sheet, folded, and sealed prior to mailing. No postage is necessary for mailing. Forms may also be faxed to NMFS at (301) 713-4060. Questions regarding completion of this form, and requests for additional forms, may be directed to the NMFS Office of Protected Resources, 1315 East-West Hwy., Silver Spring, MD 20910-3226, (301) 713-2322.

MORTALITY/INJURY REPORT FIELD DEFINITIONS

- 1 - **LAST NAME:** Enter the last name of the vessel owner/operator or permit holder.
- 2 - **FIRST NAME:** Enter the first name of the vessel owner/operator or permit holder.
- 3 - **MI:** Enter the middle initial of the owner/operator of the vessel or permit holder.
- 4 - **ADDRESS:** Enter the street address or P.O. Box number of the vessel owner/operator or permit holder.
- 5 - **CITY:** Enter the city name of the vessel owner/operator or permit holder.
- 6 - **STATE:** Enter the 2-digit state code of the vessel owner/operator or permit holder.
- 7 - **ZIP:** Enter the zip code of the vessel owner/operator or permit holder.
- 8 - **VESSEL NAME:** Enter the name of the vessel as it is identified for commercial fishing operations. For non-vessel fisheries, leave this blank.
- 9 - **COAST GUARD DOCUMENT NO.:** Enter the vessel's Coast Guard Documentation number; **OR** Enter the **VESSEL'S STATE REGISTRATION NO.:** One of these numbers must be provided. For non-vessel fisheries, enter the state fishery permit number.
- 10 - **STATE COMMERCIAL VESSEL LICENSE NO.:** Enter the vessel's state commercial vessel license number, if applicable.
- 11 - **FISHERY IDENTIFICATION NO.:** (Category I or Category II fisheries) Enter the NMFS' fishery I.D. number (indicated on the vessel's MMAP authorization certificate) for the fishery in which this incident occurred. If the fishery ID number is unknown, or the vessel is not registered under the MMAP, fill in gear type and target species under item 12.
- 12 - **GEAR TYPE AND TARGET SPECIES:** (Category III fisheries) Enter the type of fishing gear used and the target species being fished when this incident occurred.
- 13 - **DATE OF MORTALITY/INJURY:** Enter the date the mortality/injury occurred. For example: November 1, 2009 is entered as 11/01/2009.
- 14 - **TIME OF MORTALITY/INJURY:** Enter the approximate time of day the mortality/injury occurred. Indicate AM if the mortality/injury occurred between midnight & noon, or PM if the mortality/injury occurred between noon and midnight.
- 15 - **LOCATION OF MORTALITY/INJURY LATITUDE & LONGITUDE:** Use standard entries in degrees and minutes.
- 16 - **TYPE OF INTERACTION:** Enter whether this incident was incidental or intentional.
- 17 - **SPECIES INCIDENTALLY KILLED OR INJURED:** Enter the species code and the mortality/injury code of the animal(s) involved. (Refer to the species and mortality/injury code lists included on page 2 of these instructions.) Enter the number of animals involved in each mortality/injury. You may enter up to three (3) injury codes per species. Make as many entries as apply to the date, time, and location entered in items 13-15.
- 18 - **DESCRIPTION OF UNKNOWN SPECIES:** If you have entered a species code for an unidentified species, please provide a detailed description of the animal involved, including color patterns, length, and body shape (drawings are helpful). State whether the animal involved was a cetacean (whale, dolphin, or porpoise), pinniped (seal or sea lion), walrus, manatee or sea otter. You may also use this space for other comments regarding this incident.



MARINE MAMMAL AUTHORIZATION PROGRAM

MORTALITY/INJURY REPORTING FORM

National Marine Fisheries Service, 1315 East-West Highway, Silver Spring, MD 20910

SPECIES AND STOCK CODES FOR MARINE MAMMALS

Pinnipeds (seals and sea lions)

- 100- Steller (northern) sea lion
- 101- California sea lion
- 105- Northern (Pribilof) fur seal
- 115- Harbor seal
- 116- Spotted seal
- 117- Ringed seal
- 121- Ribbon seal
- 124- Gray seal
- 127- Hawaiian monk seal
- 129- Northern elephant seal
- 130- Bearded seal
- 131- Harp seal
- 132- Hooded seal
- 203- Unidentified sea lion
- 204- Unidentified seal
- 205- Unidentified pinniped

Small Cetaceans (dolphins and porpoises)

- 047- Atlantic white-sided dolphin
- 049- Pacific white-sided dolphin
- 053- Common dolphin
- 054- Bottlenose dolphin
- 055- Grampus (Risso's) dolphin
- 058- Spotted dolphin
- 060- Spinner dolphin
- 061- Striped dolphin
- 063- Northern right whale dolphin
- 068- Harbor porpoise
- 072- Dall's porpoise
- 235- Unidentified small cetacean (porpoise or dolphin)

Large Cetaceans (toothed whales and baleen whales)

- 002- North Atlantic right whale
- 005- Gray whale
- 007- Fin whale
- 010- Minke whale
- 011- Humpback whale
- 012- Sperm whale
- 016- Beluga whale
- 038- False killer whale
- 039- Killer whale
- 221- Pilot whale
- 230- Beaked whale
- 231- Bryde's whale
- 232- Dwarf sperm whale
- 210- Unidentified baleen whale
- 220- Unidentified toothed whale

Other Marine Mammals

- 114- Walrus
- 135- Sea otter
- 139- Manatee

MORTALITY/INJURY CODES FOR MARINE MAMMALS

- 01 - Visible blood flow
- 02- Loss of/damage to appendage/jaw
- 03- Inability to use appendage(s)
- 04- Asymmetry in shape of body or body position
- 05- Any noticeable swelling or hemorrhage (bruising)
- 06- Laceration (deep cut)
- 07- Rupture or puncture of eyeball
- 08- Listlessness or inability to defend
- 09- Inability to swim or dive
- 10- Equilibrium imbalance
- 11- Ingestion of gear
- 12- Released trailing gear/gear perforating body
- 13- Other wound or injury
- 14- Killed

COLLECTION MANDATE

This collection of information is mandated by the Marine Mammal Protection Act of 1972, as amended (16 U.S.C. 1361 *et. seq.*), and by implementing regulations contained at 50 CFR 229.4. The information supplied on this form will be used by the National Marine Fisheries Service to estimate levels of incidental mortalities and injuries in U.S. commercial fisheries. Certain information supplied on this form may be considered proprietary and therefore subject to data confidentiality restrictions of 50 CFR Part 229.11.

Public reporting burden for this collection of information is estimated to average 0.15 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Director, Office of Protected Resources, National Marine Fisheries Service, 1315 East-West Hwy., Silver Spring, MD 20910-3226.

The National Marine Fisheries Service may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a current and valid OMB control number. The OMB control number for this form is 0648-0292, which expires on 11/30/2012.