# **North Pacific Fishery Management Council**

Eric A. Olson, Chairman Chris Oliver, Executive Director



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Certified by Date	Certified by	Date
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# ADVISORY PANEL MINUTES North Pacific Fishery Management Council October 1-5, 2009

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

Joe Childers Jeff Farvour Matt Moir Becca Robbins Gisclair Mark Cooper Rex Murphy Craig Cross Jan Jacobs Theresa Peterson John Crowley Bob Jacobson Ed Poulsen Julianne Curry Simon Kinneen Beth Stewart Jerry Downing Michael Martin Lori Swanson

Tom Enlow Chuck McCallum

Members absent: Tim Evers

The AP unanimously approved the minutes from the previous meeting.

# C-1 GOA Pacific cod Sector Split

#### **Gray shading notes changes from original motion**

The AP approved the following Purpose and Need Statement as modified per NMFS letter:

# **GOA Pacific Cod Sector Split Purpose and Need Statement**

The limited access derby-style management of the Western GOA and Central GOA Pacific cod fisheries has led to competition among the various gear types (trawl, hook-and-line, pot and jig) and operation types (catcher processor and catcher vessel) for shares of the total allowable catch (TAC). Competition for the GOA Pacific cod resource has increased for a variety of reasons, including increased market value of cod products, rationalization of other fisheries in the BSAI and GOA, increased participation by fishermen displaced from other fisheries, reduced Federal TACs due to the State waters cod fishery, and Steller sea lion mitigation measures including the A/B seasonal split of the GOA Pacific cod TACs. The competition among sectors in the fishery may contribute to higher rates of bycatch, discards, and out-of-season incidental catch of Pacific cod.

Participants in the fisheries who have made long-term investments and are dependent on the fisheries face uncertainty as a result of the competition for catch shares among sectors. Allocation of the catch among sectors may reduce this uncertainty and contribute to stability across the sectors. Dividing the TACs among sectors may also facilitate development of management measures and fishing practices to address conservation (e.g. Steller sea lion mitigation measures, bycatch reduction, and prohibited species catch (PSC) mortality) and

social objectives, including considerations for small boat sectors and coastal communities. To reduce uncertainty and contribute to stability across the sectors, and to promote sustainable fishing practices and facilitate development of management measures, the Western GOA and Central GOA Pacific cod TACs should be divided among the sectors. Allocations to each sector would be based primarily on qualifying catch history, but may be adjusted to address conservation, catch monitoring, and social objectives including considerations for small boat sectors and coastal communities. Given that Because harvest sector allocations would supersede the inshore/offshore processing sector allocations for Pacific cod by creating harvest limits, the Council may need to consider regulatory changes for offshore and inshore floating processors in order to sustain the participation of fishing communities.

The timing of the Pacific cod A and B seasons may have limited the participation of jig vessels in the parallel and Federal fisheries of the GOA. Additionally, the State waters jig allocation has gone uncaught in some years, potentially due to the lack of availability of Pacific cod inside three miles. A non-historical Federal catch award, together with the provision of access in Federal waters for the State Pacific cod jig allocations, offers entry-level opportunities for the jig sector.

Currently, there are no limits on entry into the parallel waters groundfish fisheries, and no limits on the proportion of the GOA Pacific cod TAC that may be harvested in parallel waters. There is concern that participation in the GOA Pacific cod parallel waters fishery by vessels that do not hold LLP licenses may increase. The Council, in consideration of options and recommendations for the parallel fishery, will need to balance the objectives of providing stability to the long term participants in the sectors, while providing opportunities for new entrants who do not hold Federal permits or licenses to participate in the parallel fishery.

The motion passed 19/0.

#### **Component 1: Management areas**

The Western and Central GOA Pacific cod TACs will be allocated among the various gear and operation types, as defined in Component 2 (the management areas could be treated differently within component 2).

Component 1 passed 19/0.

# **Component 2: Sector definitions**

The Western and Central GOA Pacific cod TACs will be allocated among the following sectors. The Council has the option to either give a single allocation to each sector, or to divide any allocation by vessel length based on the option(s) listed below.

#### **Central GOA:**

- Trawl catcher processors
- Trawl catcher vessels
- Hook-and-line catcher processors
   Option: Hook-and-line catcher processors <125 ft</li>
   Hook-and-line catcher processors ≥125 ft
- Hook-and-line catcher vessels

Option: Hook and line catcher vessels <60 ft

Hook-and-line catcher vessels >60 ft

Option: Hook-and-line catcher vessels <50 ft Hook-and-line catcher vessels >50 ft

- Pot catcher processors
- Pot catcher vessels

Option: Pot catcher vessels <60 ft

Pot catcher vessels >60 ft

# Suboption: Combined CP and CV Pot Sector

• Jig vessels

Component 2 (CGOA only) as amended passed 19/0.

# **Western GOA:**

- Trawl catcher processors
- Trawl catcher vessels
- Hook-and-line catcher processors

Option: Hook-and-line catcher processors <125 ft

Hook-and-line catcher processors ≥125 ft

• Hook-and-line catcher vessels

Option: Hook-and-line catcher vessels <60 ft

Hook-and-line catcher vessels ≥60 ft

# Option (CG only): Hook-and-line catcher vessels <50 ft Hook-and-line catcher vessels ≥ 50 ft

- Pot catcher processors
- Pot catcher vessels

Option: Pot catcher vessels <60 ft

Pot catcher vessels >60 ft

Jig vessels

Option: For Western GOA only create a combined sector allocation for trawl and pot catcher vessels.

Suboption: Applies only to vessels <60 ft.

Component 2 (Western GOA only) as amended passed 18/0/1.

# **Western and Central GOA:**

Option: Restrict vessels from participating in the GOA Pacific cod fishery using more than one operation type in a given year.

<u>Suboption 1</u>: Restrict CP licenses to the operation type on their license (licenses with a catcher processor designation could only fish off the catcher processor sector allocation).

Suboption—2: Add a CP/CV Pacific cod endorsement to both trawl and non-trawl CP licenses that have history operated as catcher vessels in: (a) any groundfish fishery, or (b) the directed Pacific cod fishery during the qualifying period. These CP/CV licenses will elect to participate as either a CP or CV in the GOA Pacific cod fishery either:

(i) annually

(ii) as a permanent, one-time election

Component 2 (Western and Central GOA) as amended passed 19/0/1.

# **Component 3: Definition of qualifying catch**

Qualifying catch includes all retained legal catch of Pacific cod from the Federal and parallel waters fisheries in the Western and Central GOA.

- Catch will be calculated using Fish Tickets for catcher vessels and Catch Accounting/Blend data for catcher processors.
- Under all options, incidental catch allocated to trawl catcher vessels for the Central GOA Rockfish program (currently, 2.09% of the Central GOA Pacific cod TAC) will be deducted from the Central GOA trawl catcher vessel B season allocation.

• Each All sector's allocations will be managed to support incidental and directed catch needs for that sector.

Component 3 as amended passed 19/0/1.

# Component 4: Sector Allocations Years included for purposes of determining catch history

# Part A: Years included for purposes of determining catch history Central GOA:

Option 1: Qualifying years 1995 2005: average of best 5 years

Option 2: Qualifying years 1995 2005: average of best 7 years

Option 3-1: Qualifying years 2000 – 2006: average of best 3 years

Option 4-2: Qualifying years 2000 – 2006: average of best 5 years

Option 5 3: Qualifying years 2002 – 2007: average of best 3 years

Option 6 4: Qualifying years 2002 – 2007: average of best 5 years

Option 7 5: Qualifying years 2002 – 2008: average of best 3 years

Option § 6: Qualifying years 2002 – 2008: average of best 5 years

Option 7: Average of above options 1-6.

Option 8: Average of above options 2, 4 and 6.

NOTE: The Council has the option to choose separate qualifying years for each sector and scale them to equal 100%.

Component 4, Part A for Central GOA as amended passed 19/0/1.

#### **Western GOA:**

Option 1: Qualifying years 1995 – 2005: average of best 7 years

Option 2: Qualifying years 2000 – 2006: average of best 5 years

Option 3: Qualifying years 2002 – 2007: average of best 5 years

Option 4: Qualifying years 2002 – 2008: average of best 5 years

Option 5: Average of all options above

Component 4, Part A for Western GOA as amended passed 14/6.

NOTE: The Council has the option to choose separate qualifying years for each sector.

# **Western & Central GOA Sideboards:**

- For AFA sideboard vessels: Combine the inshore and offshore AFA CV sideboard amounts into a single sideboard for each management area.
- For non-AFA crab sideboard vessels: Recalculate the sideboards and establish separate CP and CV sideboard amounts by gear type for each management area.

Component 4, Part A for Western & Central GOA sideboards passed 20/0.

# Part B: Seasonal apportionment of sector allocations (different options may be selected for the management areas):

# **Central Gulf of Alaska**

Option 1: Apportion each sector's annual allocation 60% to the A season and 40% to the B season.

Option 2: Apportion each sector's annual allocation based on that sector's seasonal catch history during the qualifying years, while maintaining the overall 60%/40% apportionment of the TAC.

#### Western Gulf of Alaska

Option 1: Apportion each sector's annual allocation 60% to the A season and 40% to the B season.

Option 2: Apportion each sector's annual allocation based on that sector's seasonal catch history during the qualifying years, while maintaining the overall 60%/40% apportionment of the TAC. Option 3: For the WGOA, only the A season TAC will be apportioned among sectors; the B season TAC will not be apportioned among sectors.

- These seasonal apportionment options do not apply to the jig sector.

Component 4, Part B Seasonal apportionments passed 19/0/1.

# Component 5: Allocation of Pacific cod to jig sector Central GOA:

Set aside 1% 3%, or 5% of the Central GOA Federal pacific cod TACs for the initial allocation to the jig vessel sector, with a stair step provision to increase the jig sector allocation by 1% if 90% of the Federal jig allocation in an area is harvested in any given year. The jig gear allocation will be capped at 5% of the respective Western and Central GOA Federal Pacific cod TACs.

Subsequent to the jig allocation increasing, if the harvest threshold criterion described above is not met during three consecutive years, the jig allocation will be stepped down by 1% in the following year, but shall not drop below the level initially allocated.

The jig allocation would be set aside from the A season TAC, the B season TAC, or divided between the A & B season TACs.

The Council requests that staff continue to work with the State of Alaska and NMFS to explore considerations required to implement possible options for the jig fishery management structure (both State parallel/Federal and State) that create a workable fishery and minimize the amount of stranded quota, focusing on Option 1. Possible solutions that could be explored are:

Option 1: State parallel/Federal managed Pacific cod jig fishery. Federal allocation managed 0-200 miles through a parallel fishery structure. Any State waters jig GHL could (under subsequent action by the Alaska Board of Fisheries) be added to this State parallel/Federal managed jig sector allocation so that the jig sector is fishing off a single account. If the Board of Fisheries chooses not to take the jig GHL, it would roll into the Federal jig allocation.

If a combined parallel/Federal fishery is created the fishery would be managed as follows. There would be no seasonal split of the combined parallel/Federal TAC. The fishery would open on Jan 1<sup>st</sup> and close when the TAC is reached.

Option 2: If a distinct Parallel/Federal and State waters fisheries continues to exist, the two fisheries will be managed as follows:

The Federal TAC would be divided into an A/B season of 60%/40%. The A season would open on Jan 1<sup>st</sup> and close when the TAC is reached or on March 15<sup>th</sup>. The State jig fishery could open either when the Federal season closes due to TAC or on March 15<sup>th</sup>. The Federal B season would open on Sept 1<sup>st</sup>.

Option 3: State managed Pacific cod jig fishery. Federal management authority delegated to the State of Alaska to manage the Pacific cod jig fisheries in the Western and Central GOA from 0-200 miles.

Component 5 as amended for Central GOA passed 16/4.

A motion was made under Component 5 that would set aside 1% or 2% for initial allocation with a cap of 5% or 7%. Additionally, under Option 1 add the following sentence: "Defer implementation until the Alaska Board of Fisheries has taken action." This motion failed 4/16.

Minority Report: Public testimony illustrated the ability to catch 1% of the TAC of Central Gulf of Alaska in 1 week in May of 2009. With the opportunity found in Option 1 there is potential not yet explored in the current regulatory structure. Jig fishing represents one of the few entry-level opportunities remaining in Federal waters and warrants room for substantial growth. Jig fishermen would not reach a cap of 7% without proving the ability to catch 90% of the quota year after year. Signed by: Theresa Peterson, Chuck McCallum, Rebecca Robbins Gisclair, and Jeff Farvour.

# **Western GOA:**

Set aside 1% or 1.5% 3%, or 5% of the Western GOA Federal pacific cod TACs for the initial allocation to the jig vessel sector, with a stair step provision to increase the jig sector allocation by 1% if 90% of the Federal jig allocation in an area is harvested in any given year. The jig gear allocation will be capped at 5% of the Western GOA Federal Pacific cod TAC.

Component 5 (set asides) as amended for Western GOA passed 17/3.

Subsequent to the jig allocation increasing, if the harvest threshold criterion described above is not met during three consecutive years, the jig allocation will be stepped down by 1% in the following year, but shall not drop below the level initially allocated.

The jig allocation would be set aside from the A season TAC, the B season TAC, or divided between the A & B season TACs. This motion passed 19/0/1.

The Council requests that staff continue to work with the State of Alaska and NMFS to explore considerations required to implement possible options for the jig fishery management structure (both State parallel/Federal and State) that create a workable fishery and minimize the amount of stranded quota, focusing on Option 1. Possible solutions that could be explored are:

Option 1: State parallel/Federal managed Pacific cod jig fishery. Federal allocation managed 0-200 miles through a parallel fishery structure. Any State waters jig GHL could (under subsequent action by the Alaska Board of Fisheries) be added to this State parallel/Federal managed jig sector allocation so that the jig sector is fishing off a single account. If the Board of Fisheries chooses not to take the jig GHL, it would roll into the Federal jig allocation.

If a combined parallel/Federal fishery is created the fishery would be managed as follows. There would be no seasonal split of the combined parallel/Federal TAC. The fishery would open on Jan 1<sup>st</sup> and close when the TAC is reached.

Option 2: If a distinct Parallel/Federal and State waters fisheries continues to exist, the two fisheries will be managed as follows:

The Federal TAC would be divided into an A/B season of 60%/40%. The A season would open on Jan 1<sup>st</sup> and close when the TAC is reached or on March 15<sup>th</sup>. The State jig fishery could open either when the Federal season closes due to TAC or on March 15<sup>th</sup>. The Federal B season would open on Sept 1<sup>st</sup>.

Option 3: State managed Pacific cod jig fishery. Federal management authority delegated to the State of Alaska to manage the Pacific cod jig fisheries in the Western and Central GOA from 0-200 miles.

Component 5 as amended for Western GOA passed 19/0/1.

# Component 6: Management of unharvested sector allocations - Gulfwide

Any portion of a CV, CP, or jig allocation determined by NMFS to remain unharvested during the remainder of the fishery year will become available as soon as practicable to:

Option 1: CV sector to CV sectors first, and CP sector to CP sectors first, and then to all other sectors taking into account the capability of a sector, as determined by the Regional Administrator to harvest the reallocated amount of Pacific cod.

Other respective CV or CP sectors first, and then to all sectors as necessary to harvest available TAC.

Option 2: All sectors

Component 6 as amended passed 20/0.

# Component 7: Apportionment of hook-and-line halibut PSC (other than DSR) between catcher processors and catcher vessels – Gulfwide

Option1: No change in current apportionments of GOA halibut PSC.

Option 2: Apportion the GOA hook-and-line halibut PSC to the CP and CV sectors in proportion to the total Western GOA Central GOA Pacific cod allocation to each sector. No later

than November 1, any remaining halibut PSC not projected by NMFS to be used by one of the hook-and-line sectors during the remainder of the year would be made available to the other sector.

# **Component 8: Community protection provisions**

This component would protect community participation in the processing of Pacific cod and protect community delivery patterns established by the inshore/offshore regulations. For the purposes of Options 1, 2 and 3 under Component 8, motherships include catcher processors receiving deliveries over the side and any floating processor that does not meet the regulatory definition of a stationary floating processor in 679.2. Stationary floating processors may only process groundfish at a single geographic location during a given year.

For each management area, the mothership processing cap will be:

# **Central Gulf of Alaska**

Option 1: No motherships

Option 2: A percentage of the Pacific cod TAC based on the same qualification criteria as selected for the harvesting sector allocations, but calculated from mothership processing activity. Option 3: A percentage of the Pacific cod TAC to be selected by the Council (5-10%).

• Under Option 2 and Option 3, mothership processing will end for the year when the processing cap is reached. All cod catch counts towards the cap.

Suboptions that apply to options 1, 2, and 3:

Suboption 1: Choose different options for each management area.

Suboption 2: Apply any of the options only to directed landings of Pacific cod.

<u>Suboption 3</u>: Exempt motherships operating within the municipal boundaries of a community.

Option: Limit weekly processing by exempted motherships to (a) 125 mt per week, (b) 200 mt per week or (c) 300 mt per week.

- (i) Applies to all cod landings
- (ii) Applies to directed cod landings

A vote to choose Option 1 as the preferred option for the Central GOA failed 9/10.

# Western Gulf of Alaska

Option 1: No motherships

Option 2: A percentage of the Pacific cod TAC based on the same qualification criteria as selected for the harvesting sector allocations, but calculated from mothership processing activity.

Option 3: A percentage of the Pacific cod TAC to be selected by the Council (5-10%).

• Under Option 2 and Option 3, mothership processing will end for the year when the processing cap is reached. All cod catch counts towards the cap.

Suboptions that apply to options 1, 2, and 3:

Suboption 1: Choose different options for each management area.

Suboption 2: Apply any of the options only to directed landings of Pacific cod.

<u>Suboption 3</u>: Exempt motherships operating within the municipal boundaries of a community.

Option: Limit weekly processing by exempted motherships to (a) 125 mt per week, (b) 200 mt per week or (c) 300 mt per week.

- (i) Applies to all cod landings
- (ii) Applies to directed cod landings

Component 8 for the Western GOA passed 19/0.

# **Component 9**

To address conservation, catch monitoring, and social objectives, potential allocations to any sector based on catch history may be adjusted. The Council may adjust sector allocations to incorporate considerations that are associated with conservation, catch monitoring, equity of access, bycatch reduction and social objectives.

Component 9 as amended passed 20/0.

# **Component 10: Parallel Waters Issues – Gulfwide**

Option 1: Develop recommendations for the Alaska Board of Fisheries on the parallel fishery that could complement Council action, such as:

- Gear limits
- Vessel size limits
- Exclusive registration

Option 2: Limit access to the parallel fishery for Federal fishery participants.

- Require any pot or longline vessel with an LLP or an FFP to have the appropriate Pacific cod endorsement and area endorsement on the LLP; and the GOA area designation and the appropriate gear and operation type designation on the FFP in order to participate in the Western GOA or Central GOA Pacific cod parallel waters fishery.
- Require any trawl vessel with an LLP or an FFP to have the appropriate gear and area endorsement on the LLP; and the GOA area designation and the appropriate gear and operation type designations on the FFP in order to participate in the Western GOA or Central GOA Pacific cod parallel waters fishery.
   Suboption 1: In addition, require the above Federally-permitted or licensed vessels that fish in the parallel waters to adhere to Federal seasonal closures of the Western/Central GOA sector allocations corresponding to the sector in which the vessel operates.
  - <u>Suboption 2</u>: Vessels with a GOA area designation and the gear and operation type designations specified in Option 2 cannot remove these designations from the FFP and can only surrender or reactivate the FFP:
    - a. Once per calendar year
    - b. Once every eighteen months
    - c. Once every three years.

Component 10 as amended passed 20/0.

The AP requests that staff bring back information on how many trawl CP licenses have trawl CP landings during recent years, for purposes of considering a recency review of these endorsements. The motion passed 20/0.

The AP recommends the Problem Statement and all components and options, as amended, be sent out for public review. *The final motion passed 20/0*.

# C-2 GOA Rockfish Program

# Section 7.2.4

The AP recommends that MRAs in the CP sector will be enforced on a trip-by-trip basis. *The motion passed 19/0*.

#### Section 8

The AP recommends that halibut PSC in the CP sector be divided between the coop(s) and limited access according to the history of the participating vessels). *The motion passed 19/0*.

The AP recommends changing the sentence under number 8 on page 25 to read: "All CV CQ must be landed in the Port of Kodiak *if processing facilities are available.*" *The motion passed 19/0.* 

### Section 18.2

The AP requests staff to analyze the effect of removing the stand-down for CP vessels in the limited access fishery which have  $\geq 5\%$  of the allocated CP history in the POP fishery (page 33). The motion passed 19/0.

The AP requests staff to include the ex-vessel price for longline caught sablefish in Table 2-25 (page 58). *The motion passed 19/0*.

The AP recommends adding the text from page 28 of the action memo, "Any allocation of halibut PSC that has not been utilized by November 15 or after the declaration to terminate fishing will be added to the last seasonal apportionment for trawl gear during the current fishing year." The motion passed 19/0.

A motion to reduce halibut PSC savings in the RFPP by (a) 10%, (b) 20%, (c) 30%, or (d) 40% prior to rolling over failed 3/16.

<u>Minority Report</u>: Minority members recognize the gains realized in reducing halibut bycatch and commend the fleet's efforts. However, the minority believes consideration should be given to leave a portion of the halibut savings in the water, resulting in genuine halibut savings. In addition, concerns were raised about the impacts on Tanner crab stocks around Kodiak Island with increased bottom trawl fishing effort in the fall. Signed by: Theresa Peterson, Rebecca Robbins Gisclair, and Chuck McCallum

The AP requested information describing the history of how sablefish was allocated, with regard to Amendment 14 (80/20 split).

The AP recommends the Council move the package forward as amended for initial review. *The motion passed 14/5.* 

<u>Minority Report</u>: The minority pointed out that based on the NOAA GC opinion that Council staff had stated that it was appropriate to either delete processor linkages from the alternatives and/or to change the problem statement to try to justify the alternatives on the basis that they are necessary for legitimate management or conservation objectives but that the AP motion does neither. The AP minority believed that the NOAA GC language was quite clear in regard to processor linkages and did not want to move alternatives forward that were not legal. Further, the minority believes that processor linkages or site specific landings down to the plant level are not necessary to protect community interests (e.g. processor employment) because regional port landing requirements are adequate to serve that purpose. Signed by: Chuck McCallum, Theresa Peterson, Rebecca Robbins Gisclair, Rex Murphy, and Beth Stewart

# C-3 Groundfish Observer Program

The AP recommends accepting the problem statement with the following sentence added to the end: "The restructuring of the observer program will, to the extent practical, allow fishermen to maintain current fishing patterns and business practices."

The problem statement as modified passed 19/0.

The AP recommends that the Groundfish Observer Program package be moved forward for additional development, incorporating the Observer Advisory Committee's recommendations as outlined in their report. The AP also recommends the Council and NMFS conduct an outreach to the fleet during development of this analysis. Further, the AP recommends the Council consider development of alternative deployment methods for observers.

The AP amended the above motion in order to provide further clarification to the OAC, by adding an option under Alternative 2 that includes the <60 ft BSAI groundfish sector in the ex-vessel value fee program. *The amendment passed 18/1/1*.

The final motion as amended passed 19/0.

# C-4(a) BSAI Crab Regional Delivery Relief

The AP recommends the Council defer action on this plan until the December meeting. *The motion passed 18/0*.

# C-4(b) BSAI Crab ROFR Provisions

The AP recommends the Council move forward with the first two actions in the ROFR document and separate third action for a separate discussion paper to be brought back by council staff in the future. *The motion passed 19/0.* 

# C-4(c) Western AI Golden King Crab Issues

The AP recommends the Council request NMFS to consider emergency relief in Western AI Golden King Crab if a processor in Adak does not operate so that crab is not left in the water again. *The motion passed 18/0*.

The AP recommends the Council adopt the following Purpose and Need Statement as proposed by industry representatives at this meeting:

# **Purpose and Need Statement**

The purpose of this proposal is to develop a regulation to allow waiver of the requirement that west-designated Western Aleutian Islands golden king crab (WAG) individual fishing quota (IFQ) be delivered west of 174 degrees W. longitude, in the event that no shoreside processing facility is open to take delivery and process WAG IFQ. In that circumstance, the regional landing requirements needs to be relaxed to allow the IFQ to be delivered outside the west region, to promote full utilization of TAC.

The AP also requests the Council analyze the proposed alternatives provided by the industry and listed below. The AP would like the analysis brought back for initial review in December, if possible. The analysis should include discussion regarding any administrative issues that may arise.

#### **Alternative 1: Status Quo**

#### **Alternative 2: Contractually Defined Exemption**

To receive an exemption from the regional landing requirement in the WAG fishery, specified QS holders, PQS holders, shoreside processors, and municipalities, shall have entered into a contract prior to the date on which the exemption is sought. The contract parties will annually file an affidavit with NMFS affirming that a master contract has been signed. In the affidavit, the parties shall affirm that the contract includes conditions under which an exemption may be granted, any mitigation requirements and the terms of any compensation.

#### **Definitions:**

**QS Holders**: Any person or company that holds in excess of 10% of the west-designated WAG QS. **PQS Holders**: Any person or company that holds in excess of 10% of the west-designated WAG PQS. **Shoreside Processors:** A shoreside processing facility that is located in one of the defined municipalities and that processed in excess of 20% of the west-designated WAG IFQ in the preceding fishing year. In the event an exemption is granted in any particular crab fishing year, the eligibility designation for the shoreside processor shall continue in force until at least one crab fishing season has been completed with no exemption from the regional landing requirement having been granted. **Municipalities**: The municipalities of Adak and Atka.

# **Types of Exemptions:**

# **Option 1) Short Term Exemption**

A short term exemption to the regional landing requirement may be granted in the event there is no shoreside processing facility available to process west-designated WAG in the region during the crab harvesting season. In granting such exemption, each of the parties as defined above, or their authorized representative, must signify their approval of the exemption in writing, which shall not be unreasonably withheld.

**Suboption a)** A short term exemption is available if a shoreside processing plant will not open before December 1 of the WAG season.

**Suboption b)** If a shoreside processing plant opens after December 1, and west-designated IFQ is still available, the exemption from the regional landing requirement shall expire.

**Suboption b-i)** Holders of WAG IFQ shall deliver their undesignated IFQ prior to delivering their west-designated IFQ.

**Suboption b-ii)** No required IFQ delivery sequence.

# **Option 2) Long Term Exemption**

A long term exemption to the regional landing requirement may be granted in the event there is no shoreside processing facility available to process west-designated WAG in the region for a period of one or more years. In granting such exemption, each of the parties as defined above, or their authorized representative, must signify their approval of the exemption in writing, which shall not unreasonably be withheld. A long term exemption may not be longer than two years, although it may be renewed by affirmative action, in writing, of the parties as defined above.

#### **Compensation:**

**Option 1)** No compensation.

**Option 2)** In the event an exemption of any type is granted for any reason, the QS holder and PQS holder shall pay an eligible municipality(ies) a specified percentage of the total ex-vessel value of the west-designated WAG IFQ landed outside the region. The QS holder and PQS holder shall each be liable for paying 50% of the compensation. Compensation funds will be distributed to the municipality(ies) based on each municipality's pro rata share of the west-designated WAG IFQ that was processed in the municipality the preceding crab fishing year.

#### **Arbitration:**

A contract party's refusal to approve granting an exemption from the regional landing requirement is subject to binding arbitration. If the arbitrator finds that the contract party unreasonably withheld its approval of an exemption, the arbitrator may order that requirement for the party's approval be waived and the exemption be granted, provided that all other requirements for an exemption are satisfied.

The motion passed 19/0.

# C-4(d) 5-Year Review of Crab Rationalization Program

The AP received a report from staff on the 5-year program.

# C-4(e) BSAI Crab Bycatch, PSC Limits, SAFE & OFLs

The AP recommends the following additions to be analyzed in the Crab PSC discussion paper:

- Describe how crab PSCs are allocated between sectors during the annual specifications process, and how inseason reallocations are accomplished when a sector attains a limit.
- Describe in more detail the specific crab PSC zones and determine if the zones cover the entire range of the king, tanner and snow crab stocks.
- Describe if the current crab closure areas are appropriate to stock boundaries
- Discuss the impacts of retaining current PSC caps and thresholds compared with removing the lower COBLZ threshold and upper limits for all caps.
- Expand the time series of PSCs to a minimum of 15 years for each of the groundfish fisheries.
- Discuss if current PSC caps create conservation concerns for each crab stock.
- Discuss how non-limiting PSC caps, with no inseason adjustment authority can contribute to overfishing of a crab stock.
- Show the separation and distribution of bycatch of Eastern and Western Tanner crab stocks.
- Discuss size and sex composition of bycatch of various crab stocks.
- Consider appropriate maximum upper limits on bycatch by stock and sector.
- Include a discussion of observed and unobserved mortality of crab from all sectors, including a discussion of the origin of handling mortality rates employed in groundfish and scallop fisheries.
- Historical perspective of the development of crab PSC caps and related reductions in crab bycatch.
- Include a discussion of the effect of Amendment 80 crab PSC allocations on availability of crab PSC to trawl sectors.

The motion passed 20/0.

The AP recommends the Council approve the 2009 Crab SAFE report. The motion passed 20/0.

# C-4(f) St. Matthew & Pribilof Blue King crab & Snow Crab Rebuilding

The AP supports the Bering Sea Fisheries Research Foundation/NOAA's snow crab net efficiency work, the SSC comments regarding this work, and the Crab Plan Team in analyzing the data to be presented at the Crab Plan Team meeting in May 2010. *The motion passed 20/0*.

# C-5(a) Trawl Sweep requirements for flatfish trawl fishery

The AP recommends that the Council adopt Alternative 3 with the St. Matthew Island Habitat Conservation Area (SMICHA) option for final action and set the SMICHA eastern boundary in accordance with the recommendations of the Crab Plan Team. *The motion passed 18/2*.

The AP recommends the Council adopt the housekeeping amendments recommended by staff under items (a) through (d). *The motion passed 20/0*.

# C-5(b) Management of BSAI Skates Complex

The AP recommends that the Council adopt Alternative 3. The motion passed 18/0.

The AP recommends the Council adjust an MRA for 'other species' against arrowtooth flounder in Table 11, part 679, to 20% if that is possible in this action. If it is not possible in this action, the AP requests the Council initiate a separate action. *The motion passed 18/0*.

# C-5(c) Groundfish Specifications

#### Bering Sea/Aleutian Islands

The AP recommends that the Council adopt preliminary BSAI groundfish specifications for 2010 and 2011, as shown in the attached <u>Table A</u>, and described below:

OFLs and ABCs as recommended by the Plan Team and SSC and found in the action memo at C-5(c)(4), with the following changes:

- 2010 OFLs and ABCs for Other Species should not be broken out by species.
- 2011 Other Species OFL and ABC should reflect the reduction caused by placing skates in a separate category (pending Secretarial approval).
- 2011 Skate OFL is 38,200 and ABC is 32,000

Rollover the 2010 TACs from Table 1 [agenda item C-5(c)(5)] for 2010 and 2011, with the following changes:

- 2010 and 2011 BS Pollock TAC is 815,000
- 2011 Other Species TAC is 31,680
- 2011 Skates TAC is 30,000

Motion passed 19/0.

The AP recommends the Council adopt preliminary BSAI PSC bycatch allowances and seasonal apportionments of halibut, crab and herring for 2010 and 2011 for the Amendment 80 and BSAI limited access sectors as noted in the action memo C-5(c)(5) as Tables 8A, 8B, and 8C with the following changes:

- Relabel each table from '2009 and 2010' to '2010 and 2011'
- Reduce PSC allocations of halibut and crab for the Amendment 80 sector as required by regulation
- In Table 8c, note that halibut PSC for the rockfish fishery will be released on April 15<sup>th</sup>.
- For Table 8E, allocate halibut and crab PSC by fishery and season using the same relative amounts as in 2009.

Motion passed 19/0.

The AP recommends that the Council adopt the halibut discard mortality rates for the 2010 CDQ and non-CDQ fisheries noted in Table 9 of the action memo under Agenda C-5(c)(5). *Motion passed 19/0*.

# **Gulf of Alaska**

The AP recommends the Council adopt proposed GOA groundfish specifications for 2010 and 2011 OFLs, ABCs, and TACs by rolling over the 2010 OFLs, ABCs, and TACs as the 2010-2011 proposed specifications (see attached <u>Table B</u>). *Motion passed 19/0* 

The AP recommends the Council adopt the proposed GOA halibut PSC apportionments, annually, seasonally and by species complex, for 2010-2011 as noted in the action memo on Tables 11 and 12, and the 2010 halibut discard mortality rates as shown in Table 14. *The motion passed 19/0*.

# C-6 Permit Fees

The AP recommends that the Council adopt Alternative 1, status quo. The motion passed 14/0.

# D-1(a) Chinook Salmon Bycatch Data Collection

The AP recommends the Council adopt the following Problem Statement:

#### **Problem Statement**

In April 2009 the Council approved Amendment 91 to the BSAI groundfish fishery FMP to reduce Chinook salmon bycatch in the Bering Sea pollock fleet. Under Amendment 91, the pollock fishery has the option of participating in a NMFS-approved Incentive Plan Agreement (IPA) to access a higher hard cap than is available in the absence of an IPA. The IPAs provide a new and innovative method of bycatch management. A data collection program is needed in conjunction with Amendment 91 to understand the effects and impact of the IPAs. The data collection program will focus on: (1) evaluating the effectiveness of the IPA incentives in times of high and low levels of salmon bycatch abundance, the hard cap, and the performance standard in terms of reducing salmon bycatch, and (2) evaluating how the Council's action affects where, when, and how pollock fishing and salmon bycatch occur. The data collection program will also provide data for the agency to study and verify conclusions drawn by industry in the IPA annual reports. To ensure that a full assessment of the program is possible, the data collection program should be implemented at the time Amendment 91 is implemented or as soon as practicable.

To ensure that a full assessment of the program is possible from the start of the program, the data collection program should be separated into two phases, with a suite of data collection measures implemented at the time Amendment 91 goes into effect and sent to the Comprehensive Economic Data Collection Committee after IPAs have been fully developed and submitted to NMFS.

*The motion passed 20/0.* 

The AP recommends that the Council move the analysis of the following alternatives forward for initial review:

#### Alternative 1

Status quo (existing data sources)

#### Alternative 2A

In addition to the status quo data sources:

- 1. Transaction data for salmon quantity and price of transfers (survey will be used to determine whether these are arm's length transactions).
- 2. Information regarding change in fishing grounds:
  - a. For both the original and new fishing grounds, the date, time, bycatch rate, location, and CPUE of tow.
  - b. Pollock quota remaining for harvest and salmon allowance remaining at time of event.
  - c. Time, distance, and use of fuel in searching for cleaner fishing grounds.

#### Alternative 2B

In addition to the status quo data sources:

- 1. Transaction data for salmon and pollock—quantity and price of transfers (survey will be used to determine whether these are arm's length transactions).
- 2. Information regarding change in fishing grounds:
  - a. For both the original and new fishing grounds, the date, time, bycatch rate, location, and CPUE of tow.
  - b. Pollock quota remaining for harvest and salmon allowance remaining at time of event.
  - c. Time, distance, and use of fuel in searching for cleaner fishing grounds.

#### Alternative 3

In addition to the status quo data sources:

- 1. Transaction data for salmon and pollock—quantity and price of transfers (survey will be used to determine whether these are arm's length transactions).
- 2. Surveys to estimate costs of moving vessels to avoid salmon bycatch (vessel fuel use, transit time, and lost fishing time).
- 3. Post-season surveys of skippers to determine rationale for decision making during the pollock season (fishing location choices and salmon bycatch reduction measures).
- 4. Survey of roe quantity, quality, and revenues at the minimum level collected by the company (e.g., lot, trip).

#### Alternative 4

In addition to the status quo data sources:

- 1. Transaction data for salmon and pollock—quantity and price of transfers (survey will be used to determine whether these are arm's length transactions).
- 2. Surveys to estimate costs of moving vessels to avoid salmon bycatch (vessel fuel use, transit time, and lost fishing time).
- 3. Post-season surveys of skippers to determine rationale for decision making during the pollock season (fishing location choices and salmon bycatch reduction measures).
- 4. Survey of roe quantity, quality, and revenues at the minimum level collected by the company (e.g., lot, trip).
- 5. Survey of daily vessel operating costs (labor, observer, etc.).

The motion passed 19/1.

# D-2(a) ACL Requirements

The AP requests the Council staff report back at the April 2010 meeting with another review of the crab ACLs. *The motion passed 17/0*.

The AP recommends that the Council move forward on the groundfish ACL amendment with an additional referral to the Non-Target Species Committee. *The motion passed 15/0*.

The AP recommends that the Non-Target Species Committee reconsider Option 4 in order to ensure the orderly development of potential new fisheries on nonspecified species. The committee should consider:

- 1. Establishing an ecosystem complex that includes nonspecified species,
- 2. Prohibiting directed fishing on ecosystem components, and
- 3. Providing for EFPs that include observers and detailed reporting requirements.

The motion passed 14/0.

# D-3(a) 3-year Charter Halibut Logbook Review

The AP received a report from Scott Meyer, ADF&G, on a 3-year review of charter logbook data.

# **D-4** Staff Tasking

# (b) Rural Community Outreach Committee

The AP requests that the Council consider the recommendations of the Rural Community Outreach Committee. *The motion passed 18/0*.

# (c) NMFS Request for Additional Alternative in Am 93

The AP received a presentation from Glenn Merrill, NMFS, on a letter from NMFS to the Council recommending the inclusion of an additional alternative in the analysis for Amendment 93.