Adak Community Development Corporation

PO Box 1943 Adak, Alaska 99546 (907) 592-2335

January 27, 2015

Dan Hull, Chairman NPFMC 605 W. 4th Avenue. Suite 306 Anchorage, Alaska 99501-2252

Re: E-1 Staff Tasking - Partial Offload of WAG Crab

Dear Chairman Hull,

ACDC supports the Golden King Crab Coalition proposal requesting an exemption from the offload requirements to facilitate the ability of vessels harvesting crab in the Western Aleutians (WAG) to sell amounts of crab in Adak that can be shipped out live on Alaska Airlines.

The current requirement for offloading all crab prior to resuming a fishing trip limits the ability to take advantage of the higher value live market opportunities. As such it constrains the ability of ACDC to maximize the value of the Adak Community Allocation of WAG crab. Likewise it undermines the purpose of the regional landing requirements for WAG crab.

Thank you for your consideration of our comment on this issue.

Sincerely,

dave fraser ACDC



Linda Kozak – Consultant P. O. Box 2684 – Kodiak, Alaska 99615 Office 907-486-8824 – Cell 907-539-5585

Date: January 27, 2015

To: Mr. Dan Hull, Chairman North Pacific Fishery Management Council

From: Linda Kozak

Subject: E-1 Staff Tasking

I am writing on behalf of the Golden King Crab Coalition, which represents the harvesters who fish for golden king crab in the Aleutian Islands. We are requesting the Council to address an issue with the CR crab landing requirements as stated in 680.7 (b) (3). The current regulation states that when a vessel begins to offload CR crab, they must complete the offload prior to resuming harvesting crab.

We are requesting an exemption from the offload requirements to facilitate the ability of vessels harvesting crab in the Western Aleutians (WAG) to sell amounts of crab in Adak that can be shipped out live on Alaska Airline flights which has a 10,000 - 20,000 lb. capacity per flight depending on the configuration of the aircraft.

Servicing the live crab market provides a price premium to the vessel.

Requiring the vessel to fully offload larger amounts than can be shipped out based on the airlines flight schedule or the live holding capacity of the plant, limits the ability of the harvest vessel and the processor to maximize the live market potential.

If the vessel has more crab than the processor can take a one time, the vessel is forced to either forego the live market opportunity or make a trip to Dutch to offload the balance before resuming fishing.

Imposing a full offload requirement adds expenses for the boat. It undermines the business model of the new operator of the Adak plant and reduces the value of the Adak Community Allocation to ACDC.

Golden King Crab Coalition NPFMC Comments – Agenda E-1 Page Two

Adak is ideally situated for flying out live crab because Alaska Airlines currently schedules a 737 twice a week with an empty freight back haul to Anchorage. The Essential Air Service contract with Alaska Airlines comes up again this year and the backhaul freight from shipping live crab could be critical to their decision whether to continue serving Adak. Having this service to the community of Adak is critical.

The ideal situation would be for the vessel to make frequent (bi-weekly) deliveries of amounts that the plane can carry out. Since the vessel's catch (and tank) capacity is greater than the plane's capacity, the vessel would build up an inventory of crab that would not be able to be marketed live. The optimal scenario this season would be to make a few small deliveries into Adak until they had enough crab to justify a trip to Dutch. To do this the boat uses one tank just for crab to be delivered for live shipment and uses the other tanks to build up enough volume to justify the trip to Dutch.

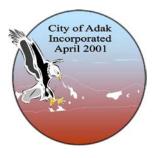
It's hard to see what rational purpose a prohibition on partial offloads serves in the WAG fishery. The vessel has a fixed amount of quota pounds to deliver for the season and as long as they deliver all of their catch by the end of the season in whatever combination of full or partial deliveries the catch accounting comes out the same. There is no requirement for frequency of deliveries or on the length of a fishing trip prior to making a delivery, so there is no added benefit of a requirement to fully offload before resuming fishing.

The response to Comment 210 in the Final rule states: "None of the regulations in this rule preclude any crab product form, including live crab, from being produced or shipped..." However, in the real world, a live crab operation in Adak in the WAG fishery depends on the flexibility to deliver small partial loads coordinated with the airline's capacity.

We are requesting that the Council initiate a regulatory amendment to modify the "Prohibition" at 680.7(b) Landing CR crab.... (3) Resume fishing for CR crab or take CR crab onboard a vessel once landing has commenced and until all CR crab are landed."

The modification would exempt WAG crab landed in the west region from the partial offload prohibition and provide the necessary flexibility to develop the live crab shipments.

Thank you for reviewing and considering this request.



CITY OF ADAK, ALASKA

VIA ELECTRONIC MAIL

January 27, 2015

Dan Hull Chairman North Pacific Fishery Management Council <u>Npfmc.comments@noaa.gov</u>

RE: E-1 Staff Tasking

Mr. Hull:

On behalf of the City of Adak, Alaska we are requesting the NPFMC to address an issue with CR crab landing requirements as addressed in 680.7(b)(3). The currently written regulation states, in part, that a complete offload must be made before resuming harvesting crab.

We have the distinctive asset of having the only airport in the Aleutians served by a national air carrier, Alaska Airlines, utilizing jet aircraft under the Essential Air Service program. For years the City, community and processing plant have sought ways to maximize the capacity of the jet aircraft, especially on the backhaul capacity from Adak to Anchorage. We seek these capacity utilizations in order to reduce or potentially eliminate the amount of subsidy required from the U.S. Department of Transportation.

Recently the City has become integrally involved with the success of the Adak processing plant, notably with the investment in acquiring the plant's equipment during an auction in 2013. We have recently completed a deal with a new, entrepreneurial processor that has the potential to add significant value to the resources coming across the docks.

The new plant operator successfully completed several test shipments of live crab and is working with Alaska Airlines to ensure essential capacity is maintained and available for this opportunity. Unfortunately, the aforementioned regulation brought to the forefront an issue that will jeopardize the success of this venture and our goal of ensuring the sustainability of the Essential Air Service for Adak. Without the service provided by Alaska Airlines, the community would be irreparably harmed and the costs to both the community and the Essential Air Service program would substantially increase, if bids from 2012 were any indication of cost and impact to Adak.

NPFMC Comments January 27, 2015 Page 2

The current plant operator does not have the capacity to accept a full offload of a crabharvesting vessel. While this will change as the operator succeeds in their efforts, this investment will be long-term, as it should be. Having seen the impact of the regulation, we find the reasoning difficult to justification for this regulation, for example, a vessel delivering a premium product to Adak, in order to maximize the value of the product would be unable to operate efficiently, as multiple trips would have to be made to Dutch Harbor. This defeats the entire purpose of maximizing the value of the product, especially for the community allocation, managed by the Adak Community Development Corporation.

We hope the NPFMC will take into consideration a regulatory amendment to modify 680.7(b) (3) regulation to allow an exemption to the "prohibition", for WAG crab landed in the west region. The City, in conjunction with the Adak Community Development Corporation, believes by making this adjustment, we will have the flexibility to develop the live crab shipment program that will provide maximum value to the fishery and the community, utilizing the assets Adak has acquired.

We thank you for your time and hope you will consider our request.

Sincerely,

forte

Layton J. Lockett City Manager



January 23, 2015

VIA FACSIMILE @ (907) 271-2817 AND REGULAR U.S. MAIL

Dan Hull, Chairman North Pacific Fishery Management Council 605 West 4th Avenue, Suite 306 Anchorage, AK 99501-2252

RE: Bering Sea Canyons

Dear Chairman Hull:

I am writing on behalf of Costco Wholesale Corp. to convey its interest in ensuring that the marine ecosystem of the Zhemchug and Pribilof canyons in the Bering Sea are effectively protected from the impacts of commercial fishing activities. As a leading provider of commercial seafood in the U.S., Costco is an important stakeholder in U.S. fisheries and we appreciate the opportunity to provide these comments.

Costco understands that the canyons contain corals and sponges which provide valuable habitat for commercially important fish and other marine species. A large-scale survey of coral habitat in the Bering Sea canyons was conducted by the National Oceanic and Atmospheric Administration (NOAA) in the summer of 2014 with camera drops that resulted in over 225,000 images of the region, and the findings of that NOAA survey are expected by June of 2015. The information provided by the study should assist the Council to target areas for protection which balances ecosystem preservation with other fishery management goals, such as Chinook salmon bycatch avoidance.

As you are aware, the Council is next scheduled to consider Bering Sea canyons' protection measures at its October 2015 meeting. Costco supports the North Pacific Council's efforts to analyze what measures are needed to adequately protect the canyons and it supports the Council making a final recommendation on appropriate management measures as expeditiously as the Council's process will allow.

As a company that is committed to building a market for sustainable seafood, Costco has a strong interest in ensuring the health of marine ecosystems and sustainably Dan Hull, Chairman North Pacific Fishery Management Council January 23, 2015 Page 2

managed fishery resources. It entrusts you to make choices which will both protect Alaska's marine environment and produce abundant harvest of seafood for this and future generations. Costco therefore urges you to move swiftly to take appropriate measures to protect the habitat of the Bering Sea canyons and ensure the long-term sustainability of the vital fisheries of the Bering Sea.

Sincerely,

COSTCO WHOLESALE

Dennis Knapp Senior Vice President – Foods & Sundries Merchandising

Jeff Lyons Senior Vice President – Fresh Foods