

# North Pacific Fishery Management Council

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Certified: Don Bendre  
Date: 3/18/13

## SCIENTIFIC AND STATISTICAL COMMITTEE to the NORTH PACIFIC FISHERY MANAGEMENT COUNCIL February 4<sup>th</sup> – February 6<sup>th</sup>, 2013

The SSC met from February 4<sup>th</sup> through February 6<sup>th</sup> at the Benson Hotel, Portland OR.

### Members present were:

Pat Livingston, Chair  
*NOAA Fisheries—AFSC*

Robert Clark, Vice Chair  
*Alaska Department of Fish and Game*

Jennifer Burns  
*University of Alaska Anchorage*

Alison Dauble  
*Oregon Dept. of Fish and Wildlife*

Sherri Dressel  
*Alaska Department of Fish and Game*

Anne Hollowed  
*NOAA Fisheries—AFSC*

George Hunt  
*University of Washington*

Gordon Kruse  
*University of Alaska Fairbanks*

Seth Macinko  
*University of Rhode Island*

Steve Martell  
*International Pacific Halibut Commission*

Franz Mueter  
*University of Alaska Fairbanks*

Jim Murphy  
*University of Alaska Anchorage*

Lew Queirolo  
*NOAA Fisheries—Alaska Region*

Terry Quinn  
*University of Alaska Fairbanks*

Farron Wallace  
*NOAA Fisheries—AFSC*

### Members absent were:

Kate Reedy-Maschner  
*Idaho State University Pocatello*

Vacant  
*Wash. Dept. of Fish and Wildlife*

Vacant  
*US Fish and Wildlife Service*

### SSC Nominations

The SSC reappointed Pat Livingston as chair and Robert Clark as vice chair. The SSC would also like to thank departing committee members Kathy Kuletz and Henry Cheng for their service and expertise on the SSC.

The SSC wishes to express our sincere appreciation to Dr. Mark Fina for his years of excellent and highly professional contributions to the fishery management process as a member of the Council staff. Mark's dedication to the furtherance of the Nation's, the Council's, and, especially, the SSC's efforts to meet the challenges of managing the living marine resources of the BSAI and GOA, has been invaluable. We wish him great success and happiness in his future endeavors.

### Review of SSC procedures

The SSC reviewed its report preparation policy and guidelines regarding review of SAFE documents. These SSC guidelines were last reviewed in June of 2007 and were in need of revision to reflect current practices of the committee. Minor changes were made to reflect new ACL requirements for crab and scallop as well as clarification of the timing and type of reviews conducted by the SSC. The revised report policy and SAFE review guidelines are in Appendices A and B, respectively.

## **B-2 NOAA Report on Deep Sea Coral Strategic Plan**

The SSC received a presentation from Chris Rooper (NMFS-AFSC) on the first year of a three-year field research program in the Alaska region to increase understanding of the location, distribution, ecosystem role, and status of deep-sea coral and sponge habitats. These research studies were initiated by the Alaska Coral and Sponge Initiative (AKCSI; 2012-2014), sponsored by the NOAA Deep Sea Coral Research and Technology Program (DSCRTP). This research will provide valuable data that will aid the Council process to better understand the location, distribution, ecosystem role, and status of deep-sea coral and sponge habitats. The objectives are consistent with the Council's Five-Year Research Priorities (Council Priorities).

**Among the 10 research projects planned in this initiative, the SSC believes that the highest priority should be given to understanding the relationship between fish productivity and coral-sponge habitat.** Although this will be very challenging, there are measures researchers could potentially evaluate including fecundity, recruitment, growth, and biochemical markers of diet. The SSC also encourages researchers to coordinate with projects outside of this research effort in both the BSAI and the GOA (ADF&G Aleutian Islands Golden King Crab pot survey and fishery observations, Bering Sea canyon researchers and ongoing GOA habitat mapping efforts). Researchers should also conduct power analyses to determine adequate sample sizes.

**C-1 (b) Discussion paper: Bristol Bay red king crab essential fish habitat and bycatch interactions**  
Diana Evans (NPFMC) presented an overview of a discussion paper on Bristol Bay red king crab habitat issues. A discussion paper was originally presented to the SSC in April 2011 and a revised version was presented in February 2012. The discussion paper addresses two issues. First, it presents a short progress report on ongoing and planned research to determine the importance of an area southwest of Amak Island to the reproductive success of the Bristol Bay red king crab stock. Second, the paper reflects on the Council's request to re-evaluate the efficacy of existing groundfish fishery closures in Bristol Bay.

With regard to the first issue, research is being conducted to identify the distribution of ovigerous females through the use of pop-up satellite tags and to locate the distribution of juveniles by analyzing tows from industry-agency cooperative nearshore surveys. Additional research has been proposed to assess the connectivity of larval release and settlement sites through individual-based models of larval drift.

With regard to the second issue, staff proceeded with an evaluation of the efficacy of existing trawl closures to protect crab, but this task has proven to be much larger than originally anticipated. Staff have collected fish ticket data and crab PSC data from the groundfish fishery since 1991. Even though data from cold years prior to the 1976/1977 regime shift are important to evaluate the role of changing temperature on crab distributions, limited fisheries data are available. In addition, only a few years of pre-closure (1995) data are available to compare crab PSC mortality before and after the closure. NMFS trawl survey data are available since the late 1960s, and changes in summertime distribution can be analyzed with respect to temperature and the distribution of the cold pool, but shifts in distributions between summer and winter confound the analysis. Given the complexity of the needed analyses, staff requested Council feedback on the priority of this analysis of the efficacy of existing trawl closures.

**The SSC recommends that research into the importance of the Amak Island area to the stock is a higher priority than the analysis of the efficacy of existing trawl closures. This is recommended because there is concern that current trawl fisheries in the vicinity of Amak Island could be adversely affecting crab habitat and possibly stock productivity, whereas the existing trawl closure areas have not elicited a conservation concern. For the Amak Island analysis, the SSC recommends that a top priority should be to conduct a statistical analysis of performance measures that index potential impacts on red king crab distribution, habitat, growth or recruitment relative to fishing and environmental covariates, in particular temperature. In addition to analyses of PSC in existing**

flatfish trawl fisheries, the SSC notes that the area north of Amak Island was historically open to cod trawling; analysis of historical PSC from that fishery may be enlightening. Maps showing both directed fishing effort and crab PSC, provided in earlier discussion papers, should be updated and brought forward in future versions of the discussion paper to assist the Council in deciding whether this research warrants some potential management action.

The SSC also recommends consideration be given to future research to identify nursery areas by sampling newly settled glaucothoe and age-1 crab and their habitats. The SSC supports the analysis of juveniles of size 19-28 mm carapace length (CL) from cooperative surveys, but notes that these crab are mostly age-2 king crab. Nursery areas may be more clearly defined by the location of settling glaucothoe (~1.7 mm CL) and age-1 (~9 mm CL) that depend critically upon structurally complex habitats. As king crab approach age-3, they begin to move out of these areas as they outgrow the hiding spaces afforded by these habitats. Thus, sampling of age-2 crab may not provide a good index of nursery habitats for the early benthic stages. In any case, only two stations yielded high catches of these juveniles in the two years of sampling, thus making it difficult to draw definitive conclusions.

The SSC supports an analysis of the existing trawl closures in place to protect Bristol Bay red king crab and their habitats. In general, analysis of the efficacy of Council actions to achieve their intended purposes is sound practice. However, it is always difficult to analyze the effects of a trawl closure, because, once enacted, trawl-based data are no longer collected within the closed area. To partially address this problem in year-round closure areas, PSC data from fixed gear and pelagic trawls could be analyzed for crab PSC rates inside and outside the closed areas. Also, a portion of area 516 closes seasonally and a portion of the Red King Crab Savings Area is opened in years when there is a directed crab fishery, so catches from those areas could also be examined. The SSC appreciates the difficulty of accessing usable data in cold years prior to 1977, but perhaps observations from more recent warm (through 2005) and cold years (since 2007) could provide some useful contrasts. Finally, an analysis should include a more detailed history of red king crab closures that help to identify the fraction of historical fisheries that occurred in these areas, as well as their crab PSC.

The SSC noted a few minor errors in the discussion paper. In the second paragraph of the introduction, it is indicated that eggs are released, but females carry their fertilized eggs until they hatch as larvae. Also, in the juvenile assessment section, the discussion paper proposes that the distribution of juveniles can be used as an index of larval hatching locations. However, the locations of juveniles are likely to be more indicative of nursery locations subsequent to pelagic larval drift. Rather, the distributions of ovigerous females are more likely to reflect hatching locations.

#### **C-2 (b) Initial review BSAI Flatfish Specifications Flexibility**

Diana Evans (NPFMC) presented a report on the Initial Draft RIR and RFAA. Jason Anderson (Alaska Seafood Coop.), Lori Swanson (Groundfish Forum), Jon Warrenchuk (Oceana), John Gauvin (Gauvin and Assoc.), and Simeon Swetzof, Jr. (self) gave public testimony.

This is the Initial Review draft of the RIR and RFAA for an action proposed to facilitate improved efficiency and more complete utilization of three flatfish TACs and ABC surpluses in the BSAI trawl fisheries, conducted by Amendment 80 and CDQ sectors. Yellowfin sole, rock sole, and flathead sole have historically been harvested at levels below, and sometimes far below, available TACs. The factors influencing this outcome include market demand, seasonality considerations, incidental and bycatch composition, Pacific halibut PSC and red king crab PSC constraints, and uncertainty as to availability of sufficient species-specific TAC when needed to support profitable operations. The proposed action would seek to provide greater flexibility to fleets targeting these species, by permitting "substitution" of quota amounts of one species, say flathead sole, for an equivalent quota amount of one of the other of these flatfish species, say yellowfin sole. In this way, the Amendment 80 fleet cooperatives and the CDQ

sector may be better able to deal with the difficulties of these fisheries across the fishing year, and thus more closely achieve respective TAC amounts.

The action appears to be designed to resolve an "accounting" problem, in the sense that quota "accounts" of yellowfin, flathead, and rock sole are occasionally found to be out of balance with sector need. The issue of "balancing accounts" is driven by a desire to utilize more completely the available flatfish resource, while remaining strictly bounded by the 2 million metric ton OY cap and the respective flatfish ABCs. The current draft presents the Council's problem statement and suite of alternatives concisely, and provides empirical data and narrative information with which to compare the action alternative and options with the baseline. As an initial draft, some aspects of the analysis may require supplemental extension and elaboration, but this need is likely best evaluated after receipt of public comment.

The draft does contain one serious error in the RFA section that must be rectified before release for public review. The analyst correctly observed that the action alternative and options under consideration result in only "positive" economic impacts. The analyst also correctly characterizes the RFA criteria with which an agency may seek certification of a proposed action under SBA guidelines. The decision to certify is predicated upon one test, namely, "Does the proposed action have the potential to result in a significant adverse economic impact on a substantial number of small entities?" (emphasis added). The answer to this query appears to be 'no', thus justifying certification. However, the analysis does not base the decision to certify on this finding, but instead asserts that "*The fisheries directly regulated through this proposed action are all contractually and operationally affiliated with each other through membership either in the Amendment 80 cooperatives or CDQ groups. Consequently, all impacted entities are considered "large entities" for the purpose of the RFA.*" This is erroneous. The RFA explicitly identified CDQ groups as "small not-for-profit" organizations for analytical purposes.

Had the analysis used the first explanation for the decision to certify, it appears likely a "factual basis" could have been prepared, based upon the absence of any adverse economic impacts. By grounding the certification on there being "no small entities" in the directly regulated universe of entities, the authors have introduced a factual error that should be corrected. **Once corrected, the SSC recommends that the draft document be released for initial public review and comment.**

In the next iteration, the SSC recommends inclusion of: (a) more detailed characterization of PSC performance; (b) consideration of implications of PSC avoidance incentives; and (c) description of PSC patterns on the basis of cold versus warm years, PSC avoidance performance by fishery area. For stock-status tracking, pre- and post-season TACs for each of the three flatfish species should be documented. Inclusion of a more expansive treatment of use of unspecified reserves, and additional discussion of changing fishing patterns should be considered.

The authors should also carefully review use of terminology (e.g., gross revenue, PSC, bycatch) to assure accurate and precise presentation.

#### **C-2 (c) Initial review GOA Pacific cod sideboards for Freezer Longliners**

The SSC received a presentation of the initial review draft from Jon McCracken (NPFMC). Public comment was provided by Joe Childers (non-sideboarded, non-member vessels), Chad See (Freezer Longline Coalition), and Kenny Down (Blue North Fisheries).

The document contains useful historical data that provide context for the proposed alternative, but the document would benefit from a more substantive analysis of these data. The SSC recognizes that recent changes in the relevant fisheries, the lack of economic data, and confidentiality restrictions present challenges for such an analysis. Even though there are still areas in which the analysis can be improved, **the SSC recommends that the initial review draft be released to the public after the comments below are addressed, to the extent practical.**

The SSC received public testimony that between 2005 and 2011, FLL-sideboarded vessels voluntarily elected to refrain from extending their operations in the GOA even though their sideboards were not fully utilized. Whether these vessels will continue to operate in the same manner in the future is unclear. The document would benefit from a discussion of the factors that could influence their decisions about operating in the GOA. It is reasonable to expect that FLL vessels might increase their GOA activity if it is in their economic interests to do so, as was demonstrated by the change in their GOA activity beginning in 2001. For example, the Council recently adopted an action that adjusts the MLOA in the Bering Sea to accommodate larger vessels. The improved operational efficiency of the newer vessels could fundamentally alter the opportunity costs of voluntarily standing down. If the improved operational efficiency results in the BS allocation being fully harvested at an earlier date, or the BS fishery closed sooner as a result of PSC limits, then shifting to the GOA may become more economically attractive. Even without newer or more efficient vessels, changes in stock abundance or prohibited species encounter rates may also result in an earlier closure of the BS fishery, leading to a stronger incentive to increase GOA activity.

Table 2-2 shows an increasing trend in GOA catch by the FLL vessels between 2005 and 2011. Whether this is the result of increased effort or increases in TAC is unclear and should be explored. A table showing the percent of GOA catch by the FLL vessels, relative to the GOA TAC, may be one way to shed light on this issue.

Discussion of the “dependency” of FLL vessels on the GOA Pacific cod fishery should be removed, and the analysis should simply focus on the percent of revenue generated from the GOA. Whether the 3% average gross revenue derived from GOA establishes dependency is subjective. For example, if the average were 2% instead of 3%, would these vessels no longer be dependent?

The average gross revenue figures in Table 2-2 only reflect the share of revenue from Pacific cod in the GOA versus the BSAI. To the extent practicable, the document should provide information about the share of revenue from all fisheries (not just BSAI Pacific cod), as compared to revenues from GOA Pacific cod. This will give us a sense for how dependent these vessels are on the GOA Pacific cod fishery.

The SSC received public testimony that at least one vessel derives as much as 25% of its profits from the GOA. The SSC encourages the analyst to review whether this figure is consistent with the estimated 3% average gross revenue (Table 2-2) derived from the GOA by the five vessels combined. Even though this is a comparison of average revenue across three to five vessels with the profits of a single vessel, these figures still appear to be inconsistent. Moreover, this issue highlights the ongoing concern of the SSC about the use of gross revenue, rather than profits, as a measure of the economic impacts.

On page vii, the document states that Table 2-1 shows that four of the six sideboarded vessels have been active in the BSAI snow crab fishery since 2001. As currently worded, this statement incorrectly implies that this activity has been ongoing since 2001, when in fact only one or two vessels have been active since 2005.

At the bottom of page vii, the statement that the relative percentage of GOA Pacific cod catch has “... varied little from year to year” should be revised. In absolute terms, the range of values in Table 2-2 is about one to five percentage points, but this also reflects a five-fold increase. In addition, both the catch and first wholesale gross value have increased by a factor of ten between 2005 and 2011.

On page viii, the document mentions that these vessels could lease some or all of their BSAI Pacific cod and expand activity in the GOA, but have not done so because of the relative abundance of fish in the BSAI compared to the GOA. While this may be a factor, a primary economic driving force behind this decision is a comparison of the profitability of two alternatives: (1) potential price received from leasing BSAI Pacific cod, combined with the potential profits generated from fishing in the GOA, versus (2)

continued fishing in the BSAI. This economic trade-off may be influenced by the relative abundance of fish in the BSAI and GOA, as well as other factors, such as operational costs.

In section 2.3, Potential Effects on Net Benefits to the Nation, the document acknowledges that there may be some efficiency advantages if these vessels are more efficient at harvesting than other vessels in the co-op, and also acknowledges that the proposed alternative could exacerbate the "race for fish." What should be added is that any increase in the race for fish imposes economic costs that erode efficiency gains (e.g., changes in fuel consumption or vessel modifications designed specifically as a result of the race for fish). This direct link between the race for fish and efficiency costs should be mentioned.

#### **C-2 (d) Initial review AFA Vessel Replacement GOA Sideboards**

The SSC received a presentation of the initial review draft from Jon McCracken (NPFMC). No public comment was provided.

In October of 2012, the SSC received a presentation of a draft analysis of a proposed action to modify the vessel replacement provisions under the AFA. The SSC noted at that time that the document presented a clear identification of the suite of alternatives under consideration by the Council to address the structural change made in the original AFA, by implementation of the Coast Guard Act (CGA). We further observed that the document laid out the elemental components that differ among the 'no action' alternative and the alternative strategies for treating the ambiguities that emerged from the CGA's imprecise or incomplete provisions in AFA modification rules. It was also noted in our review that the draft provided a good overview, statistically documenting the historical participation, catch, gross revenues, product outputs and forms, etc., from the BS and GOA fisheries, prosecuted by AFA vessels. All of these elements and attributes were good preparation for an analysis of expected economic, socioeconomic, and distributional outcomes of each action alternative, as compared to the baseline.

However, it was the SSC's judgment that this last critical step had not been undertaken in the document we received for review in October 2012. The SSC articulated the types of questions that should be considered in the analysis, such as "What purpose did the original AFA have in prohibiting vessel replacement, except in extreme cases of loss?" "What costs have emerged from these constraints?" "Have there been benefits to the fisheries, communities, participants from this limitation?" "What purpose did the CGA have in modifying these restrictive rules?" These suggestions were meant to emphasize the necessity of a thoughtful and thorough inventory of the economic benefits and costs, and any distributive implications that may reasonably be expected to emerge from the actions being considered.

The revisions in the current document reflect a serious effort by the analysts to address our concerns. The document builds upon the foundations present in the original draft, and makes an effort to take that next critical step to apply reasoned assumptions, empirical data, economic theory, and practical knowledge and experience to describe what these proposed changes to AFA vessel replacement rules may yield, if adopted. While still in need of further analytical refinement, and careful application of terminology (e.g., make clear that value estimates are 'gross', not 'net'), the document is a substantial improvement over the first version. **After the following comments have been addressed to the extent practical, the draft should be released for public review, comment, and further development.**

In the current document it is assumed that a vessel with no historical dependence on the GOA is unlikely to enter the fishery (e.g., page xiv "AFA vessels with little or no GOA groundfish history would likely discount the potential benefits of future GOA groundfish activity relative to the potential benefits gained from a more efficient operation in the BSAI from using a larger vessel"). While this may be true in some circumstances, it is also possible that the improved operating efficiency resulting from vessel replacement may alter the economics, such that operating in both the BS and GOA becomes viable. The extent to which this would occur is difficult to discern, but should be acknowledged as a possible outcome. More

generally, the document should acknowledge that there are economic linkages between the BSAI and GOA that could affect vessel replacement decisions, and the absence of historical dependence could be a function of factors that may change in the future, such as the characteristics of the present vessel (which could be replaced), or the relative abundance of fish in the BSAI and GOA.

Alternative 2, option 2.1 gives vessel owners the opportunity to increase vessel size, provided that they acquire a GOA license with an appropriate MLOA at the time the owner applies to NMFS for authorization to replace or rebuild. Once the vessel owner applies, this option to increase vessel size has been exercised, and no longer exists. Thus, unlike the other alternatives and options, the "option value" built into this alternative could influence the timing decision about when to replace a vessel.

In multiple places, the document uses the term "likelihood" to reflect the analyst's expectations, the term is not meant in a statistical sense. The revised document should either revise these statements to avoid potential confusion or simply provide a footnote at the start of the document making clear what the use of the term "likelihood" implies.

### **C-3 (a) Discussion paper GOA Trawl Economic Data Collection**

The SSC received a presentation of the discussion document from Darrell Brannan (consultant to the NPFMC). Public comment was provided by Julie Bonney (Alaska Groundfish Data Bank).

**The SSC is strongly supportive of the Council's efforts to develop an economic data collection program for the Central GOA, and supports consideration of its extension to the Western GOA, as well.** Although the immediate policy issue at hand focuses on the Central GOA, it is conceivable that the Western GOA fishery may also be rationalized at some point in the foreseeable future, and these data would provide a solid baseline for evaluating alternatives and impacts. Moreover, even if the Western GOA is not rationalized, it is certainly possible that it may be affected by changes in the Central GOA. The SSC encourages the Council to move quickly with implementation of their EDR program, so that there are sufficient data to establish a pre-rationalization baseline that would be useful for subsequently evaluating impacts. However, expediting this action should not come at the expense of the long-run benefits of a comprehensive data collection program.

The basic framework described in the discussion document is a reasonable starting point for developing alternatives. As the analysis progresses, it would be fruitful to review previous EDR programs for lessons learned that could be incorporated in the GOA program. The CIE review of the crab EDR, for example, provides useful insights in this regard. The SSC supports developing a data collection program that is as broad as possible, without imposing excessive reporting requirements on industry. For each data element, careful attention should be paid to the level of aggregation that will yield reliable data that are reported consistently, across entities. Input should be solicited from industry, AFSC, Region, and Council staff. Whether this is best accomplished through direct communication with relevant parties or a working group should be considered.

If a rationalization program is implemented, the data collection program should include details about quota transactions, including both prices and quantities. Such data are useful for estimating economic benefits and costs, redistribution patterns, and price trend analyses that can also provide insights into the state of the fishery.

When developing the problem statement for the proposed action, **the SSC recommends that the Council be clear about the goals and objectives of the data collection program, and encourages the Council to consider the value of these data, not only for evaluating the impacts of rationalization, but also for analyzing possible future Council actions that may impact this fishery.**

While this proposed program focuses on economic data, the SSC notes that rationalization programs present the Council with a broad range of social issues that must be considered in addition to strict economic concerns. However, the proposed economic data collection program is not the appropriate mechanism to collect such social information.

**C-4 (a) Final action BSAI Crab ROFR**

Mark Fina (NPFMC) presented an overview of the revised draft analysis of proposed amendments to the Right of First Refusal (ROFR) provision in the BSAI crab rationalization program. Public testimony was received from Frank Kelty (City of Unalaska).

The SSC has previously commented on earlier versions of the analysis. The new draft contains an addition to the problem statement and a new proposed action. The SSC commends the analyst for addressing SSC concerns with earlier drafts, particularly the language used to portray tradeoffs between benefits to communities and benefits to firms holding processing shares. **The current draft provides the Council with a thorough consideration of the proposed actions and the tradeoffs involved.** The selection of any combination of actions is a policy call resting with the Council.



## **Appendix A. - Policy Regarding Preparation of the SSC Report - February 2013**

Report preparation is one of the most important duties of SSC members. The SSC report should reflect the discussions of the SSC, as a body, during the SSC meeting. The report serves multiple purposes: (1) a record of what transpired at the meeting, (2) scientific advice to the Council and to the public, and (3) the "institutional memory" of the development of SSC guidance regarding various issues. As such, it is important that the SSC report be clearly written, accurate, and transparent. The following guidelines are meant to assist in achieving these goals.

1. Before the meeting, the SSC Chair will assign individuals to lead various agenda items.
2. Each individual should carefully read the documents pertaining to their assigned agenda item(s), look for the key issues involved, and research previous SSC comments on the item.
3. Individuals assigned to agenda items should be prepared to take the lead at the meeting in asking questions and formulating SSC advice on those agenda items. Generally, there is a presentation by staff, followed by SSC questions, public testimony, and finally SSC discussion and formulation of advice.
4. At the conclusion of SSC discussion of each agenda item, the Chair will summarize the main points that constitute SSC advice. The lead SSC members should write these points down.
5. SSC members assigned to each particular agenda item should decide how to divide the task of writing the report. One person should assume the lead, assemble written submissions from co-leads, and give the draft section to the SSC vice-chair.
6. The start of each agenda item in the SSC report should contain the agenda number, agenda title, and a list of staff members and the public who spoke before the SSC. After that, authors should provide a summary of any previous consideration(s) of this item, and address the key issues discussed by the SSC. For documents considered to be influential scientific information (ISI), according to the OMB Peer Review Bulletin, the SSC shall also characterize the nature of the public testimony in its report. The written recommendations and discussion should demonstrate the SSC's response to the public testimony. Typically, annual groundfish SAFE reports are the main ISI documents reviewed by the SSC.
7. The SSC report should provide an accurate description of the scientific discussion. Therefore, sufficient detail should be provided to reflect the range of opinions that were expressed.
8. Bold font should be used to highlight key statements that should be emphasized by the Chair when presenting the oral report to the Council. The report should be written with this aspect in mind. For example, detailed criticisms of methodology or results meant for the analysts should appear in separate paragraphs, so that the Chair can easily navigate through the reading of the report to the Council.
9. During the meeting, the SSC vice-chair will compile the draft report sections and print a hard copy for review by SSC members. All SSC members present are encouraged to read the draft sections of all agenda items and provide comments, questions, and clarifications. Comments should be constructive and clear. Ambiguous advice such as "Put something in about ...", "This is not clear to me", "This needs work..." should be avoided.
10. The written summary should not include changes of a substantive nature that were not discussed at the meeting.
11. In reviewing the report, SSC members may find statements that they think should be reconsidered for further SSC discussion. Such statements should be brought to the attention of the SSC Chair and, if warranted, can be discussed if the SSC is still in public session or, if no longer in public session, reconsideration will be scheduled for discussion at a subsequent SSC meeting.

12. The SSC Chair has responsibility for final editing of the SSC report and typically enlists available SSC members to help. The Chair may change or delete parts of the report for clarity, scientific logic, and accuracy of the SSC discussions.
13. The SSC Chair will send the draft report out to all members after the meeting, and members are encouraged to recommend final changes.

**Appendix B. - Guidelines for SSC Review of Stock Assessment and Fishery Evaluation (SAFE) documents - February 2013**

Federal fisheries managers strive to use the best available scientific and commercial data and analyses when making regulatory decisions. Scientific peer review is a necessary process for ensuring the quality and integrity of scientific assessments that are used to determine acceptable biological catches (ABCs) (also called annual catch limits (ACLs)) and overfishing limits (OFLs). By conducting a stock assessment review, the NPFMC SSC helps NMFS and NPFMC fulfill their stewardship mission to manage and conserve our living marine resources in a scientifically sound manner.

The purpose of the review is to assess the scientific validity of the stock assessment, including the assumptions, methods, results and conclusions. Specific aspects of the review will vary, but may include: quality of the data collected or used for the assessment, appropriateness of the analyses, validity of the results and conclusions, and appropriateness of the scope of the assessment (e.g., whether all relevant data and information were considered).

The SSC reviews the stock assessment document, receives a verbal report from the stock assessment authors (if appropriate) and from the NPFMC plan team that reviewed the stock assessment, and takes public testimony (see "Policy Regarding Preparation of the SSC Report" for further details). The SSC shall then make the final determination regarding the Tier level of the assessment and set the ABC (ACL) and OFL for groundfish, crab, and scallops for each assessed stock or complex. Standard formulae exist for maximum permissible ABC and for OFL for each Tier level. Alternative procedures (e.g., stairstep, percentage reduction, or adjustments based on ecosystem considerations, or additional sources of uncertainty) may be used to arrive at final ABC recommendations at the SSC's discretion. Such procedures have been used in the past as precautionary measures. In its report, SSC recommendations regarding future research priorities and direction will also be made.

Typically two or more SSC members will be assigned as the lead reviewers for each stock or stock complex. These lead reviewers will be members that are not directly responsible for the production of the stock assessment or directly supervising the stock assessment author(s). The lead reviewers will lead the discussion on that particular assessment and will draft the portion of the SSC report dealing with that species. Recommendations may be directed to the stock assessment author, plan team, or Council and the report shall clearly explain to whom the SSC's recommendations are directed.

The October SSC meeting is generally when detailed examination of any new stock assessment models for groundfish (benchmark assessments) occur. For crab stocks, this occurs in June. More scrutiny should be given at this stage to methods of model construction, fitting, and new data sources used. Additional workshops or reviews may be recommended to resolve any outstanding technical questions in a proposed new assessment prior to implementation. CIE (Center for Independent Experts) reviews are also conducted on a rotating, or as needed basis, on stock assessments at the request of NMFS. The SSC will typically receive a presentation on the findings of the CIE panel. The groundfish stock assessments are reviewed for setting ABCs and OFLs at the December SSC meeting. For crab stocks, this occurs in June for stocks without surveys and in October for the rest. The SSC reviews the scallop SAFE in April.

The December meeting begins with a review of the Ecosystem Considerations Appendix of the SAFE to place the groundfish stock assessments within an ecosystem context. Also, the Economic SAFE is reviewed. Similar documents for crab and scallop will be reviewed when available.

In general, with respect to peer review panels, the NPFMC SSC has adopted the May 12, 2003 Policy of the National Academies with respect to Committee composition and balance and conflicts of interest for committees used in the development of reports:

([http://www.nationalacademies.org/coi/bi-coi\\_form-0.pdf](http://www.nationalacademies.org/coi/bi-coi_form-0.pdf)).

## Ecosystem Committee Minutes

February 5, 2013 8:30am – 1pm  
Parliament Room 3-4, Benson Hotel, Portland, OR

**Committee:** Stephanie Madsen, Jim Ayers, Dave Benton, David Fluharty, Steve Ignell, Jon Kurland, Diana Evans (staff)

**Others attending included:** Melanie Brown, Merrick Burden, Karla Busch, Nancy Dietz, Jackie Dragon, Matt Eagleton, Bob Foy, John Gauvin, John Hendershedt, John Hocevar, Tony Keene, Linda Kozak, Steve MacLean, Sarah Melton, Corey Niles, Chris Oliver, John Olson, Donna Parker, Chris Rooper, Julie Spiegel, Fan Tsao, Bill Tweit, Jon Warrenchuk, Ed Weiss, Stephani Zador

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### **C-1(b) Bristol Bay Red King Crab Discussion Paper**

The Committee received a presentation on the current draft of the discussion paper from Diana Evans and Dr Robert Foy. The paper provides an update on research that has been initiated to evaluate the importance of the area southwest of Amak Island as habitat for red king crab. The proposed research will yield results in 2014 to 2015, which will be reported to the Council when available. The Committee noted that one project, to develop models that predict post-larval settlement sites, is as yet, unfunded (it has been submitted to NPRB) and encourages Council support for this proposal. The other issue addressed in the discussion paper reports on the Council's request for staff to evaluate the efficacy of existing red king crab protection measures, given the changing distribution of the population. The Committee recognizes that the scope of this evaluation is larger than originally anticipated, and needs to involve input from additional AFSC and NOAA scientists with different types of expertise.

The Committee remains convinced that closure efficacy evaluation continues to be important, and **the Committee recommends that the Council task the evaluation of protection measures for red king crab as a comprehensive package.** The Committee supports the habitat research and model development that is being undertaken to address the Amak issue, and **recommends that the Council maintain the linkage between this work and the evaluation of the efficacy of existing closures,** as well as the reconsideration of red king crab PSC limits if that moves forward (currently tasked as a separate action). The Committee understands that this may mean some delay of the closure and PSC limit evaluations, given that the research is not expected to produce results until 2014 or 2015. To date, however, no conservation issues have been identified with respect to these evaluations that require immediate urgency. This longer timeframe may accommodate the ability of Council and agency staff to address the larger analytical scope involved in evaluating the closures, as described in the paper. Certainly, if the Crab Plan Team identifies a pressing conservation issue for red king crab, the timing of this analysis could be reconsidered by the Council.

One reason that the Committee supports further work on evaluating all aspects of red king crab protection measures is the opportunity this provides as a case study for developing adaptive management tools in the North Pacific. Given the changing distribution of crab in warm versus cold years, the habitat research and the re-evaluation of closures offer progressive opportunities to consider how environmental triggers can be incorporated directly into management. The Committee suggests that analytical work should proceed on multiple fronts, for example, investigating both climatic or other predictions that might form the basis of a trigger for additional regulatory action, as well as economic aspects of the best mechanism to change the behavior of the fleet, for the protection of red king crab.

### **EFH Consultation on Norton Sound Gold Mining**

The Committee received a briefing on NMFS' EFH consultations with the Corps of Engineers Regulatory Division (COE) on Norton Sound mining activity, from Matt Eagleton and Dr Robert Foy. There are two issues that NMFS is concerned about. First, an exploratory permit has been issued for a large scale

commercial dredging operation in deeper (60 ft) water in Norton Sound, close to the 3nm State water boundary, and NMFS considers it likely that a follow-up permit will be at some point be requested to begin commercial dredging in this area. Second, the popularity of smaller scale, 'recreational' dredging has increased substantially, with many new permits being requested and issued by the COE. In the past, the COE has followed NMFS' and ADFG's advice, and included an EFH stipulation on these permits, which prevented dredging in waters deeper than 20 feet. A couple of years ago NMFS modified its advice and began recommending that the COE prohibit dredging in waters deeper than 30 feet. This stipulation was based on research indicating that while there is some evidence of structure forming organisms in shallower waters, natural disturbance in shallow habitats due to storms and ice scour is common and the scale of dredging operations was not considered to be sufficient to affect red king crab at the population level, although individual habitat areas could be damaged. In deeper waters (e.g., over 50 feet), the increase in presence and diversity of such benthic organisms presents more serious risks for damaging biogenic habitat for crab. The COE has, however, rejected NMFS' advice and determined that the EFH stipulation was based on assessing the impact of large scale dredging operations, and is not applicable to smaller, 'recreational' dredging gear. The COE has also not responded to NMFS' concerns for the agency to consider the cumulative impacts of the increase in the scale of mining activity resulting from the number of recreational permits that are being issued.

The Committee recommends that the Council take two actions to address these concerns. **First, the Council could task the Crab Plan Team with reviewing this issue at their next meeting**, and providing further input on the implications of mining activity for Norton Sound red king crab. **Secondly, the Committee recommends that the Council exercise its authority, under Section 305 of the MSA, to comment directly to the COE on its concerns with respect to the permitting of commercial mining operations in waters deeper than 30 feet in Norton Sound, as well as the cumulative impacts of the increasing scale of recreational mining activity in the area.** The letter could recommend to the COE that both of these issues be fully scoped out by the agency, as and when it considers permitting the commercial dredging operation further offshore, and that this scoping process should factor in to the decision of whether the appropriate analysis to support such a permit is an EA or an EIS. The Council could include a recommendation that the COE engage actively with communities around Norton Sound in their scoping, and also involve the Council. The Committee additionally recognizes the role of ADFG in these considerations, as partners in managing the crab fisheries. The Committee understands that ADFG biologists participated in a recent meeting organized by NMFS on this subject, supporting NMFS' concerns about disturbance in habitats deeper than 30 feet.

### **NOAA's Deep Sea Coral Strategic Plan**

Fan Tsao provided a briefing on the NOAA Deep Sea Coral Strategic Plan, and the Deep Sea Coral Research and Technology Program based at headquarters. The plan highlights the MSA authorities that are available to Councils interested in protecting deep sea corals, and also models recommendations about managing bottom-tending gear impacts on the Council's 2005 closure areas established in the Aleutian Islands. The Committee was interested in the Program's project to develop a database of all known coral location records, and discussed the process for how external data, such as the recent Greenpeace data on the Bering Sea canyons, would be incorporated into the database alongside NOAA data. The Program also funds rotating fieldwork in the regions, currently including Alaska (see below).

### **Alaska Coral and Sponge Initiative – Report on first year of fieldwork**

The Committee received a report from Dr Chris Rooper, of the NMFS Alaska Fisheries Science Center, on the Alaska Coral and Sponge Initiative (AKCSI) that was begun in FY2012. Fieldwork was conducted last year as part of NOAA's three-year field research program in the Alaska region for deep sea coral and sponges. Dr Rooper provided an update on the fieldwork that has occurred with respect to the ten projects that are included in the initiative, which include: developing a coral habitat map for the GOA and AI, and a

geologically interpreted substrate map for Alaska; investigations of *Primnoa* corals in the Gulf of Alaska; estimation of the effects of commercial fixed gear fishing on coral and sponge using underwater cameras; and measurements of oxygen and pH and increased collections of coral and sponge specimens from the summer bottom trawl surveys. The AKCSI is intended to result in management products that can be of utility to the Council, for example in the annual Ecosystem Assessment, the AI Fishery Ecosystem Plan, or the 2015 5-year EFH review.

In discussion with the Committee, Dr Rooper also provided some information on NMFS' parallel project to develop a discussion paper on Bering Sea canyons, responsive to the Council's request. While some AKCSI and other NMFS fieldwork has occurred in parts of the canyons, the AKCSI effort itself is not specifically focused on the canyons. The Committee asked whether the MSA authority is specific to deep sea corals (not sponges), although the Alaska research project focuses on both. Dr Rooper and Ms Tsao noted that this is correct, but due to the co-occurrence of sponges with corals, and the fact that they frequently serve a similar habitat function for fish species, it is expedient to include both groups in research efforts. The Committee thanked Dr Rooper for his continued updates, and looks forward to the results of the research.

### **Status of Petition to List 43 Coral Species under the ESA**

Jon Kurland provided an update on the status of NMFS' response to the petition to list coral species under the ESA, and whether there is enough information to initiate a status review. The response has been prepared by the Alaska Region, and is currently in review at headquarters. Mr Kurland noted that he expects the response to be released fairly soon.

### **Aleutian Islands Risk Assessment**

Lt Tony Kenne provided a brief overview of the Aleutian Islands risk assessment report as well as the current phase of the process, to identify practical measures to mitigate identified risks. The report focuses on traffic on the great circle route, which primarily transits through Unimak Pass. The Committee discussed how preparedness and response capability is being considered in the current phase, to address the vulnerability of AI fisheries and communities, and noted that there are fishery representatives on the risk assessment advisory panel. The Committee also noted that increases in shipping activity, a trend noted in the report, has been identified as a concern in the Council's AI FEP, and noted that it is important to continue tracking these issues.

### **Report on Ecosystem SAFE**

The Committee received a presentation from Dr Stephani Zador on AFSC ecosystem efforts, now captured within the NOAA Integrated Ecosystem Assessment approach. Dr Zador reported on the Ecosystem SAFE, and specifically the development of the Aleutian Islands ecosystem assessment as part of the annual SAFE. The Committee was particularly interested in how the AI ecosystem assessment builds on work in the Council's AI FEP with respect to refining indicators and issues of concern, and discussed the considerable difference in the availability of information for the AI compared to the Bering Sea. The Committee appreciated the presentation, and intends to request more regular updates from Dr Zador in the future.

### **Ecosystem-based Management Planning**

The Committee continued its discussions from previous meetings about how best to engage in a broader discussion about other ecosystem-based management approaches that may be applicable in the North Pacific. It was noted that the planned Committee workshop, to review best practices nationally or internationally, had been delayed. In part, this was because of two ongoing proceedings from which the Committee hopes to benefit, namely the national ecosystem discussions planned as part of the Managing Our Nation's Fisheries 3 conference in May 2013, and a report being developed by the NOAA Ecosystem Science and Management

Working Group on ecosystem-based fishery management best practices within NMFS. The Committee was scheduled to receive a briefing on the latter issue at this meeting, but due to technical difficulties with teleconferencing, Dr Fluharty was unable to provide this briefing to the Committee.

The Committee reflected on the Council's history of leadership with respect to ecosystem-based management, noting that many of the items discussed on their agenda at this meeting (e.g., coral protection, AI FEP) are representative of pioneering action taken by the Council, which has since been modeled in other parts of the nation. The Committee's discussion focused on the need to identify other available opportunities for the Council to continue that leadership in the future. The Committee sees the need to consider both advances in the concept of ecosystem-based management, and challenges to its implementation. Integrating ecosystem-based management with science needs, in a way that is relevant to overall management, is an ongoing issue of importance. There are also national-level discussions on EBM, to which the Council may want to react.

Some specific, strategic opportunities for the Council may be available through further refinement of the AI FEP, or continued work with respect to the Arctic FMP, and changing conditions in the Arctic. With respect to the Council's immediate workload, the Committee may also be of use as the Council considers action on Bering Sea canyons, or the implications of fishing interactions with deep sea corals (especially if the agency determines that a status review is merited) and perhaps other emerging ESA conflicts. As discussed above, the issue of red king crab protection, and consideration of adaptive management tools, is also a potential case study for linking developing environmental science with management action.

The Committee suggests that these types of discussions could feed into a long-term, strategic planning exercise for the Council. The Council might engage in this type of strategic planning through revisions to the PSEIS, depending on the outcome of the planned Supplemental Information Report, or through another mechanism. **Either way, the Committee suggests that the Council task the Committee with developing a draft workplan of next steps for moving forward with these ecosystem issues, for consideration at the Council's October Council meeting.**

## **A Brief Overview of the Alaska Weathervane Scallop Fishery and the Vessel Permit Limited Entry Program**



CFEC Report 07-2N  
February 2007  
Prepared by Nancy Free-Sloan

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State of Alaska  
Commercial Fisheries Entry Commission  
8800 Glacier Highway, Suite 109  
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# **A Brief Overview of the Alaska Weathervane Scallop Fishery and the Vessel Permit Limited Entry Program**

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Passage of the vessel permit system bill (CSHB206 (RLS) am S) during the 2002 legislative session authorized creation of a vessel-based limited entry program in the statewide weathervane scallop and Bering Sea hair crab fisheries. Under AS 16.43.450-520, the current vessel permit system will expire on December 30, 2008 unless statutory authority is extended. Introduced in the 25<sup>th</sup> Alaska Legislature in January, 2007, House Bill 16 would extend the existing vessel permit system until December 30, 2013.

This briefing report has been prepared for the Alaska Legislature to review the statewide weathervane scallop vessel entry permit program. The report provides a brief history of the fishery. The history includes development of North Pacific Fishery Management Council's Fishery Management Plan for the Scallop Fishery off Alaska, the federal vessel moratorium in the exclusive economic zone, the state vessel moratorium in Alaska waters, the federal permanent license limitation program in the exclusive economic zone and the state vessel permit limited entry program. The report also provides an analysis of vessel participation and harvest figures in both fisheries before restricted access and in the years following restricted access.

Cover Photo: A typical Alaska scallop dredge. Courtesy of Alaska Department of Fish and Game

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## Alaska Weathervane Scallop Fishery

Alaskan weathervane scallop *Patinopecten caurinus* fishing grounds off Alaska lie in state waters and in waters of the federal Exclusive Economic Zone (EEZ).<sup>1</sup> Weathervane scallops are the largest scallops in the world and currently the only scallop species targeted for commercial harvest in Alaska. Most of the commercial Alaska weathervane scallop resource is sold to domestic markets.

Commercial fishing for weathervane scallops occurs in the Gulf of Alaska, Bering Sea and Aleutian Islands. Scallops are usually found on the continental shelf in elongated sand, silt or clay “beds” at depths of 120 to 750 feet that are oriented in the direction of the prevailing currents. Commercial scallop beds are located in the vicinity of Yakutat, Kayak Island at the southeast end of Prince William Sound, Kamishak Bay in lower Cook Inlet, the east side of Kodiak Island, Shelikof Strait, the south side of the Alaska Peninsula, Umnak Island in the eastern Aleutian Islands and north of Unimak Island in the Bering Sea. The regulatory fishing season runs from July 1 to February 15 in all registration areas except in Cook Inlet, where the season is August 15 to October 31 in the Kamishak district.<sup>2</sup> In all other districts of Cook Inlet, fishing occurs on an exploratory basis only. The season for exploratory fishing within Cook Inlet runs from January 1 through December 31.

### Background

The commercial scallop fishery in Alaska began in 1967 with two vessels harvesting weathervane scallops from fishing grounds off the east side of Kodiak Island. The fishery expanded to the Yakutat area in 1968 with a total of 19 vessels participating. Further expansion to the Alaska Peninsula occurred in 1975, to Cook Inlet in 1983, to the Bering Sea in 1987, and to Prince William Sound in 1992. The rapid expansion of this fishery was due in large part to declining catches of scallops on the east coast of the United States and Canada.

The scallop fishery changed during the early 1990s as vessels converted from icing to freezing of shucked product. The fishery changed from a short trip fishery to a long trip fishery with fewer deliveries. By 1996, all vessels in this fishery had been converted to catcher-processors capable of producing frozen products at sea.<sup>3</sup>

The Alaska Department of Fish and Game (ADF&G) was responsible for management of the fishery, defining specific areas, gear and reporting requirements. Due to the absence of a federal fishery management plan (FMP), ADF&G extended their jurisdiction into the EEZ as allowed by the Magnuson Fishery Conservation and Management Act.<sup>4</sup>

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<sup>1</sup> Waters under state jurisdiction include internal waters and 0 to 3 miles from the baseline of the territorial sea. The EEZ is contiguous to the territorial sea and extends seaward from 3 to 200 miles from the baseline.

<sup>2</sup> ADF&G Special Publication No. 05-09. *Commercial Fisheries of Alaska, Scallop Fishery, June 2005.*

<sup>3</sup> Barnhart, J.P. (2000). *Annual Management Report for the Weathervane Scallop Fisheries of the Westward Region, 1999/00.* Pages 262-300. ADF&G, Div. of Commercial Fisheries, Regional Information Report No. 4K00-55, Kodiak.

<sup>4</sup> Major amendments, including the Sustainable Fisheries Act, were enacted on October 11, 1996. The Act was retitled the Magnuson-Stevens Fishery Conservation and Management Act. The Act was recently revised and reauthorized.

From 1967 through mid-May 1993, passive management measures were employed by ADF&G. Crab species and habitat were protected by establishing fishing seasons and closing area waters when necessary to protect stocks. When catches of scallops declined in one area, vessels would move on to other exploitable beds. An influx of larger, more efficient vessels in the early 1990s led to increased harvests and changed the low-intensity nature of the fishery. As a result of increased effort and fleet efficiency, harvest levels nearly tripled from those of years prior to 1990. Amid concerns about crab bycatch and overharvest of the scallop resource, on May 21, 1993, the Commissioner of ADF&G declared the scallop fishery a “high impact emerging fishery”. This State of Alaska designation applies to a fishery when at least one of four conditions are met: (1) harvesting effort recently increased beyond a low sporadic level; (2) the resource is harvested by more than one user group; (3) harvests approach levels that may not be sustainable; or (4) the Alaska Board of Fisheries (BOF) has not developed comprehensive regulations to address conservation and allocation issues. In 1993, ADF&G determined the scallop fishery fit the classification. Under 5 AAC 39.210, ADF&G was required to close the fishery and implement an interim management plan with associated regulations prior to reopening.

On June 17, 1993, the commissioner adopted the regulations and opened the fishery. The state fishery interim management plan required 100% observer coverage, a limit of 12 crew members per vessel, a ban on the use of automatic shucking machines, crab bycatch limits, dredge gear specifications and limits on the number of dredges to be deployed per vessel (a maximum of one or two depending on the area). Critical to sustained management of the fishery was the establishment of scallop guideline harvest ranges (GHRs). In March, 1994, the Alaska Scallop Fishery Management Plan (5 AAC 38.076) was adopted by the Alaska Board of Fisheries (BOF).<sup>5</sup>

Until early 1995, all vessels participating in the Alaska weathervane scallop fishery were licensed under the laws of the State of Alaska. The state had jurisdiction over scallop fishing in both state and federal waters for vessels licensed under Alaska laws. In January 1995, the captain of an unlicensed scallop fishing vessel elected to return his scallop interim use permit card to the State of Alaska Commercial Fisheries Entry Commission (CFEC or commission) in Juneau. With an unlicensed vessel and no interim use permit, the skipper proceeded to harvest scallops in the EEZ, ignoring not only harvest limits, but observer coverage and other management regulations as well. The unregulated action by this vessel and skipper resulted in closure of federal waters in the EEZ to scallop fishing by National Marine Fisheries Service (NMFS) emergency order (EO) from February 23, 1995, until May 30, 1995.<sup>6</sup> The initial EO was extended an additional ninety days to August 28, 1995. Prior to the August expiration of the EO, North Pacific Fishery Management Council (NPFMC) submitted a proposed fishery management plan (FMP) under the Magnuson-Stevens Act that would close the EEZ to scallop fishing for a maximum of one year (August 28, 1995-August 28, 1996). The proposed FMP was approved by NMFS on July 26, 1995.

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<sup>5</sup> NPFMC (North Pacific Fishery Management Council) *Stock Assessment and Fishery Evaluation Report for the Weathervane Scallop Fishery Off Alaska*, March 2006.

<sup>6</sup> Although the EEZ was closed to scallop fishing by emergency order during this time, the state waters portion of the fishery remained open. Harvest and earnings from 1995 fish tickets show landings in the EEZ and state waters in January and February, 1995, and landings in state waters only during July and August, 1995.

With the exception of license limitation in the EEZ, the scallop FMP delegated management authority to the State of Alaska. In March 1997, NMFS approved Amendment 2 to the FMP establishing a three-year vessel moratorium in federal waters. Eighteen vessel owners qualified to fish during the federal moratorium. Fourteen owners received endorsements for the statewide area (all waters except those waters defined in the Cook Inlet area), three owners received endorsements for Cook Inlet 'only' and one owner received endorsements for both the statewide and Cook Inlet areas.

### Federal Moratorium and License Limitation Program

By February 1999, the NPFMC recommended replacing the temporary federal moratorium program in the EEZ with a permanent license limitation program (LLP).

This action became Amendment 4 to the scallop FMP. The federal moratorium expired June 30, 2000. The moratorium was replaced by the LLP that became effective on January 16, 2001. Between June 30, 2000, and January 16, 2001, the fishery was temporarily in open access status, although no additional vessels entered the fishery. Initial issuance of scallop LLP (SLLP) licenses by National Marine Fisheries Service occurred in April, 2001. Eight vessels received permanent scallop LLP licenses and two vessels initially received interim licenses pending adjudications. Interim SLLP 002 belonging to Forum Star Inc. was later adjudicated to be eligible for a permanent license. Interim SLLP 001 was eventually denied. A total of nine permanent licenses have been issued in the federal scallop LLP program. Table 1 shows vessel entities associated with the scallop License Limitation Program licenses that were initially issued.

*Table 1. Federal Scallop License Limitation Permits Issued by National Marine Fisheries Service - Restricted Access Management as of April, 2001 (Initial Issuance).*

License	License Holder	MLOA	Transferable	Gear Restrictions
001	Asp, Svend and Maxine	98'	No - Interim	Single 6ft scallop dredge <sup>7</sup>
002	Forum Star, Inc.	98'	No - Interim	None
003	Hogan, Thomas C.	75'	Yes	None
004	Hulse, Max et al.	79'	Yes	Single 6ft scallop dredge
005	Ocean Fisheries LLC	100'	Yes	None
006	Oceanic Research Services, Inc.	70'	Yes	None
007	Pursuit, Inc.	101'	Yes	None
008	Provider, Inc.	124'	Yes	None
009	Carolina Boy, Inc.	95'	Yes	None
010	Carolina Girl II, Inc.	96'	Yes	None

<sup>7</sup> There are two permits in this list with a six-foot dredge restriction. These vessels originally qualified with landings in the Cook Inlet registration area only. To prevent further increases in fishing capacity, these vessels were restricted to a dredge capacity no greater than what was used during the qualifying years. They could fish outside Cook Inlet, but only with a six-foot dredge. All LLPs were restricted by vessel length constraints no greater than what was used during the qualifying years.

## Transfers of Federal Scallop LLP Licenses

Three transfers of federal scallop LLP licenses have occurred since initial issuance.

- Oceanic Research Services, Inc. (F/V Northern Explorer , ADFG#64572) sold SLLP 006 to Thomas J. Gilmartin (F/V Arctic Storm, ADFG#66700) April 18, 2001.
- Carolina Girl II, Inc. (F/V Carolina Girl, ADFG#64111) transferred SLLP 010 to Alaska Scallop, LLC in an apparent effort to consolidate. On December 23, 2002 Carolina Girl II, Inc. relinquished all eligibility rights to a weathervane scallop state moratorium vessel permit and limited entry vessel permit. SLLP 010 is not being fished.
- Carolina Boy, Inc. (F/V Carolina Boy, ADFG#64110) transferred SLLP 009 to Ocean Fisheries, LLC on August 21, 2003 in an apparent effort to consolidate. SLLP 009 is not being fished.

Table 2 lists federal scallop LLP licenses as of November, 2005.

*Table 2. Federal Scallop License Limitation Permits Issued by National Marine Fisheries Service - Restricted Access Management as of November, 2005.*

License	License Holder	MLOA	Transferable	Gear Restrictions
002	Forum Star, LLC	97	Yes	None
003	Hogan, Thomas C.	75'	Yes	2 Scallop Dredges with a combined width of no more than 20 feet (6.1m)
004	Hulse, Max et al.	79'	Yes	2 Scallop Dredges with a combined width of no more than 20 feet (6.1m)
005	Ocean Fisheries, LLC	100'	Yes	None
006	Gilmartin, Thomas	70'	Yes	None
007	Pursuit, Inc.	101'	Yes	None
008	Provider, Inc.	124'	Yes	None
009	Ocean Fisheries, LLC	95'	Yes	None
010	Alaska Scallop, LLC	96'	Yes	None

## State Moratorium and Vessel Limited Entry Permit Program

In 1997, a four-year vessel moratorium (AS 16.43.906) was enacted in state waters by the Alaska Legislature. The state moratorium, originally set to expire June 30, 2001, was extended an additional three years by the Alaska Legislature until June 30, 2004.

Both federal and state moratoria established two fishery areas: the Cook Inlet area and a "statewide" area encompassing waters in the Gulf of Alaska and the Bering Sea, except those defined in the Cook Inlet area. Nineteen vessels were originally covered under either the state or federal moratorium. Eighteen vessels were associated with permits at initial issuance under the federal moratorium.

Table 3 lists vessels that qualified for state moratorium permits. Ten vessels qualified under the state moratorium for the statewide area, with three vessels also qualifying for a Cook Inlet permit.

*Table 3. Vessels qualified for state moratorium by fishery area*

Vessel Name	Statewide	Cook Inlet
Alaska Beauty	Yes	Yes
Arctic Queen	Yes	
Carolina Boy	Yes	
Carolina Girl II	Yes	
La Brisa	Yes	Yes
Northern Explorer	Yes	Yes
Provider	Yes	
Pursuit	Yes	
Rush	Yes	
Trade Wind	Yes	

Nine vessels were associated with permits for both the federal and state moratoria. In 1997, two unique vessels obtained vessel permits under the state's moratorium for the Cook Inlet registration area as defined in AS 16.43.906 (o) (1). The Cook Inlet registration area included both state waters and EEZ waters. In 1998, only one vessel obtained a Cook Inlet moratorium vessel permit. From the 1999 license year through expiration of the state moratorium in 2004, no permits were issued for the Cook Inlet area.

According to commission license data, from 1997-2000, eight unique vessels obtained vessel permits under the State's moratorium for the statewide registration area as defined in AS 16.43.906 (o) (3). Based on CFEC license data, the eight vessels ranged in size from 63 feet to 124 feet in overall length. The statewide registration area included state waters and EEZ waters. Under the State moratorium, vessels eligible for permits in the Cook Inlet registration area were also eligible for permits in the statewide registration area, although no vessels obtained permits for both areas in the same year.

## State Limited Entry Vessel Permit Program

Passage of the vessel permit system bill (CSHB206 (RLS) am S) during the 2002 legislative session resulted in significant changes to the state's limited entry statutes. The changes authorized creation of a vessel-based limited entry program in the state's weathervane scallop and hair crab fisheries (AS 16.43.450-520). However, a sunset provision was included in the legislation. The vessel entry permits issued for the statewide weathervane scallop and hair crab fisheries will expire on December 30, 2008, unless statutory authority is extended.

On May 6, 2004, the Commission adopted regulations 20 AAC 05.1425 – 20 AAC 05.1444 establishing a vessel permit system for the statewide weathervane scallop fishery.

Based on those regulations, the nine vessels listed in Table 4 below were eligible for a state limited entry vessel permit. All nine vessels are associated with initial or current holders of federal scallop LLP licenses. However, one of the nine vessels had already relinquished its eligibility rights by request. Owners of the eight remaining vessels applied for and received weathervane scallop limited entry vessel permits.

Table 4. Vessels Eligible to Apply for a Limited Entry Vessel Permit

Vessel Name	ADFG#	Federal Scallop LLP License	State Waters Vessel Limited Entry Permit
F/V Carolina Boy	64110	Initial Issue of SLLP license 009 (sold 8/21/2003)	Initial Issue of State Vessel LEP W 2ABV 85013W (12/3/2004)
F/V Forum Star	59687	Initial Issue of SLLP license 002 (still holds)	Initial Issue of State Vessel LEP W 2ABV 85014O (12/6/2004)
F/V Kilkenny	54966	Initial Issue of SLLP license 003 (still holds)	Initial Issue of State Vessel LEP W 2BBV 85015J (12/6/2004)
F/V La Brisa	23574	Initial Issue of SLLP license 004 (still holds)	Initial Issue of State Vessel LEP W 2BBV 85012H (9/23/2004) (Permanent vessel substitution from 60773 (La Brisa)9/23/2004)
F/V Carolina Girl II	64111	Initial Issue of SLLP license 010 (sold 12/23/2002)	(relinquished moratorium/limited entry eligibility rights, 1/2003)
F/V Arctic Storm	66700	Purchased SLLP license 006 (4/18/01) (still holds)	Initial Issue of State Vessel LEP W 2BBV 85018L (1/6/2005)
F/V Ocean Hunter	40924	Initial Issue of SLLP license 005 (still holds plus SLLP 009)	Initial Issue of State Vessel LEP W 2ABV 85007S (6/17/2004)
F/V Provider	58200	Initial Issue of SLLP license 008 (still holds plus SLLP 010)	Initial Issue of State Vessel LEP W 2ABV 85008L (6/28/2004)
F/V Pursuit	40312	Initial Issue of SLLP license 007 (still holds)	Initial Issue of State Vessel LEP W 2ABV 85016Z (12/6/2004)

CFEC regulations established two length categories for vessel entry permit issuance based on the maximum length overall (LOA) of the vessel initially used to qualify for the fishery.

W2ABV vessel entry permits were issued to owners of vessels greater than 80 feet. W2BBV vessel entry permits were issued to owners of vessels 80 feet or less. The F/V Arctic Storm, F/V Kilkenny and F/V La Brisa were issued W2BBV permits based on a vessel length of 80 feet or less. The owners of all three W2BBV vessel entry permits list Alaska mailing addresses. The F/V Carolina Boy, F/V Forum Star, F/V Ocean Hunter, F/V Provider and F/V Pursuit were issued W2ABV permits based on a vessel length greater than 80 feet. The current owners of all W2ABV vessel entry permits list non-Alaska mailing addresses. However, one W2ABV limited entry vessel permit is in the process of being transferred as of this writing to an entity with an Alaskan mailing address. One W2BBV vessel permit, vessel and federal scallop LLP has been advertised for sale. At initial issuance on September 23, 2004, the owners of La Brisa, Inc.

requested and were granted a permanent vessel substitution from the F/V La Brisa to the F/V Billy D. On May 6, 2005, the owners of La Brisa, Inc. requested and were granted a vessel name change from the F/V Billy D to the F/V Wayward Wind.

### **Fishery Description**

Alaska weathervane scallops are harvested using 'New Bedford' style scallop dredges (Figure 1). State regulations limit all vessels fishing inside the Cook Inlet Registration Area to the use of a single dredge not more than 6 feet wide. Unless restricted by federal LLP permit endorsements, vessels fishing outside of Cook Inlet and elsewhere in state and federal waters are allowed two dredges, each not more than 15 feet wide. Vessel lengths in this fishery range from 58 feet to 124 feet LOA. An average 15-foot dredge weighs about 2,600 pounds, while a 6-foot dredge weighs about 900 pounds.<sup>8</sup> In addition to any restrictions due to state regulations and/or federal endorsements, vessel length, horsepower and available deck space may also be factored into determining an optimum dredge size for a particular vessel to use.

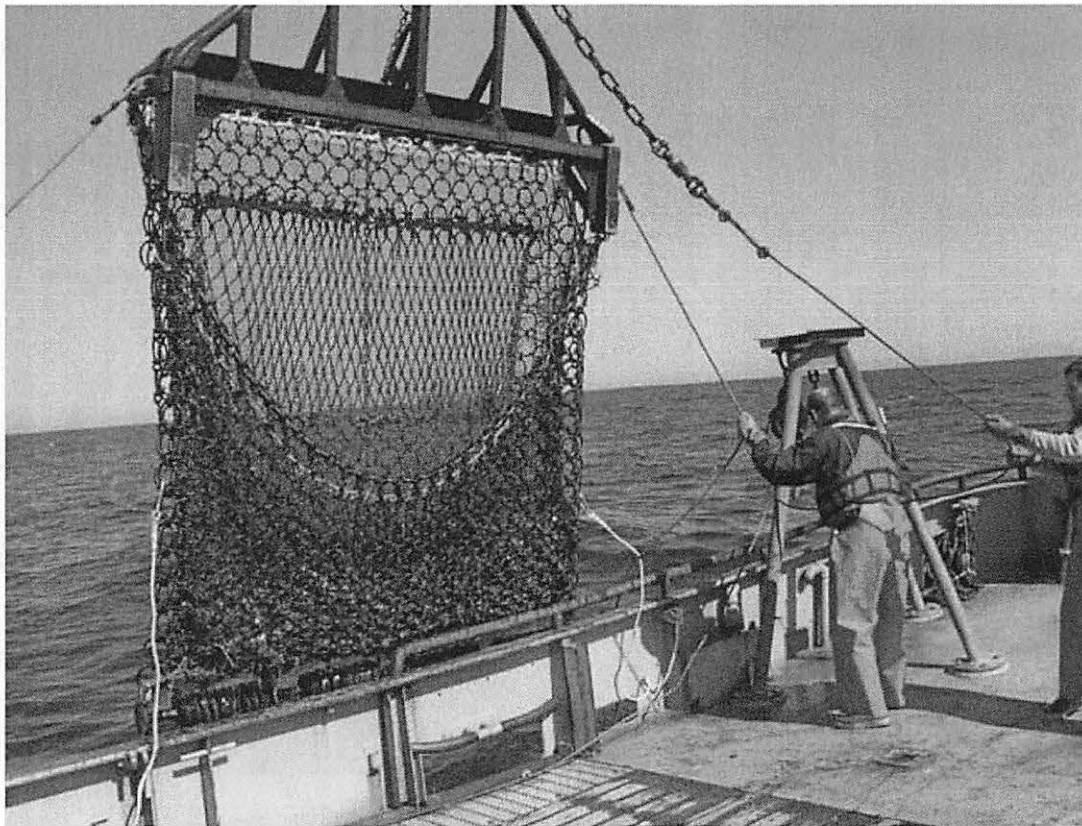


Figure 1. New Bedford Style Scallop Dredge (Courtesy of Alaska Department of Fish & Game)

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<sup>8</sup> NPFMC, *Stock Assessment and Fishery Evaluation Report*, 2006.



The Alaska weathervane scallop fishery is executed using the following steps:<sup>9</sup>

- dredge is prepared and deployed (set)
- dredge is towed slowly (avg. 5 mph) on the ocean bottom for 50 to 60 minutes
- dredge is retrieved
- dredge contents are emptied on the deck
- scallops are sorted into baskets and bycatch is discarded overboard (Figure 2)
- baskets of scallops are moved from the deck to the shucking area on board the vessel
- dredge gear is prepared for the next set and deployed
- scallops are hand-shucked, washed, graded as to size, packaged and frozen (Figure 3)



Figure 2. Scallops Being Sorted Into Baskets

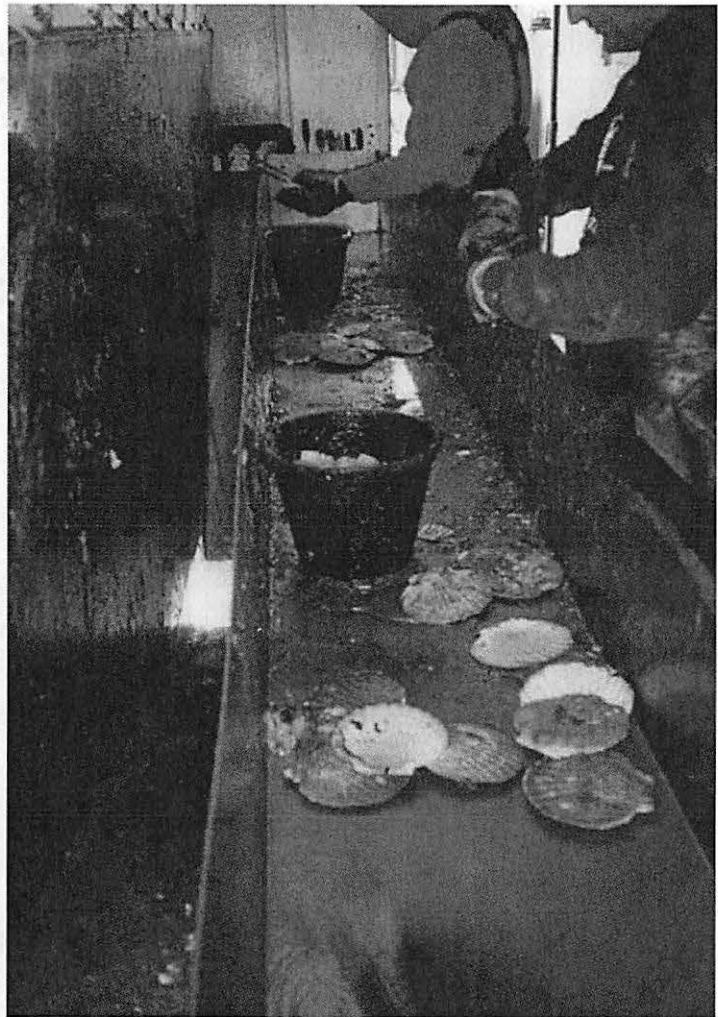


Figure 3. Scallops Being Hand Shucked

(photos courtesy of Saltwater Inc., Anchorage, Alaska)

<sup>9</sup> NPFMC, *Stock Assessment and Fishery Evaluation Report*, 2006.

## **Onboard Observer Program**

Under the Alaska Scallop Fishery Management Plan (5 AAC 38.076 (g)), all vessels participating in this fishery are required to carry an onboard observer. Onboard observers are tasked with collecting biological and fishery-based data, monitoring bycatch and providing regulatory enforcement. This oversight is especially important in fisheries like the scallop fishery, where vessels operate as catcher-processors. Specific information collected includes data on crab and halibut bycatch (both prohibited species), discarded scallop catch, retained scallop catch, catch composition, weight of scallop meat recovered, location and general area of catch, dredge depth and amount of catch per tow (catch per unit effort or CPUE).

Observers report information to local ADF&G offices during the season. Amount of scallops harvested, number of tows, area fished and crab bycatch are examples of data reported to ADF&G up to three times weekly. These data are used to help manage the inseason fishery. Based on observer reporting, areas may be closed by emergency order (EO) at any time during the season when established crab bycatch limits have been met or exceeded. Observer data are also used to help set guideline harvest ranges (GHRs) for future seasons. ADF&G does not conduct scallop stock assessments in most areas of the state, so observer collected data are essential to fishery resource management.<sup>10</sup>

Onboard observer coverage is funded at vessel owners' expense through direct payments to independent contracting agents. These independent agents provide the onboard observers who are trained at the University of Alaska's North Pacific Fisheries Observer Training Center in Anchorage, Alaska. Onboard observer coverage is paid for by industry. Observer training is funded by a federal grant. Federal assistance is provided to the State of Alaska by a NOAA grant award to cover additional costs incurred to meet federal oversight.<sup>11</sup>

## **Crab Bycatch**

Under the federal scallop FMP, most management measures have been delegated to the State of Alaska for implementation. Setting of prohibited species and crab bycatch limits are included in the management measures delegated to the State.

Specific concerns about overfishing and bycatch have directed State management of the scallop fishery to be intentionally conservative. In response to concerns about damage done to habitat by dredging, ADF&G has intentionally closed known scallop beds in critical crab or juvenile fish habitats to protect the nurseries. Some of these areas have remained closed for upwards of thirty years.

Bycatch of crab in the scallop fishery is controlled through the implementation of crab bycatch limits. First instituted by the state in July 1993, crab bycatch limits are based on individual crab stock abundance information. Bycatch limits can be set to a specific number of crabs or as a percentage of the estimated available stock abundance, depending on district and/or registration area.

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<sup>10</sup> NPFMC, *Stock Assessment and Fishery Evaluation Report*, 2006.

<sup>11</sup> *Ibid.*

A number of vessel owners formed a private cooperative in May, 2000.<sup>12</sup> The cooperative hired an independent consulting firm to review data provided by participating co-op vessel skippers on bycatch, amounts of scallop harvest and locations. The consulting firm, Sea State Inc. of Vashon, WA, reports back to the cooperative on areas of high bycatch concentrations.<sup>13</sup> The co-op can then direct its vessels away from those areas.

Crab bycatch limit-based closures have decreased over the years since 1993. Factors that may have contributed to this positive development include a reduction in the number of fishing vessels, input from the observer program and consulting firms and decreased crab abundance in general. During the 1993 season, four statewide areas were closed due to crab bycatch. Since the 2000 season, only one area has been closed due to crab bycatch.<sup>14</sup>

### **Historic Scallop Harvests**

Table 5 lists Alaska weathervane scallop harvests from 1980 through the 2005 and preliminary 2006 harvest figures. Year 1980 through 1996 show harvest figures prior to federal and state waters moratoria. The state waters moratorium was in effect from July 1, 1997 through June 30, 2004. The three year federal waters moratorium was adopted in March, 1997 and expired June 30, 2000. The moratorium was replaced by the LLP that became effective on January 16, 2001. Between June 30, 2000 and January 16, 2001 the fishery in the EEZ was temporarily in open access status, although no additional vessels entered the fishery. Initial issuance of federal scallop LLP licenses by NMFS occurred in April, 2001. The state waters moratorium was replaced by the limited entry vessel permit program beginning in September, 2004.

Participation, harvest and earnings in this fishery trended upwards from 1980 until 1983 when a sharp downturn occurred. From 1984 through the mid 1990s, an upward trend in participation, harvest and earnings occurred. Participation in the fishery since 1997 has been limited by moratorium programs in both state and federal waters, followed by limitation. In the years since 1997, harvest figures have ranged between 420,000 and 840,000 pounds of shucked meat.

Earnings figures in this time period have ranged between 1.8 and 4.4 million dollars annually. It has been suggested that market prices in the Alaska scallop fishery are influenced by U.S. east coast and Canadian scallop stock conditions and related market prices.<sup>15</sup> Regardless, revenues in this fishery as well as harvest and participation have varied widely over the years.

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<sup>12</sup> North Pacific Scallop Cooperative, formed in May 2000 just prior to initial issuance of federal scallop license limitation permits by six of the licensed vessel owners.

<sup>13</sup> Personal communication with Jeffrey P. Barnhart, statewide scallop observer program coordinator and biologist for the Alaska Department of Fish and Game, Division of Commercial Fisheries, Kodiak, Alaska.

<sup>14</sup> NPFMC, *Stock Assessment and Fishery Evaluation Report*, 2006.

<sup>15</sup> *Ibid.*

Earnings	%	#IUPS	Vessels	Pounds	%	Earnings	%	#IUPS	Vessels	Pounds	Earnings	IUPS	Price/ lb
\$433,618	21.4	7	6	432,741	79.3	\$1,590,864	76.0	10	6	545,934	\$2,024,482	11	\$3.71
\$1,481,395	42.1	14	16	486,610	57.8	\$2,039,585	57.9	19	17	841,380	\$3,520,980	22	\$4.18
\$890,371	28.0	13	11	623,590	68.4	\$2,293,017	72.0	17	12	912,296	\$3,183,388	18	\$3.49
***	***	5	3	***	***	***	***	3	6	194,116	\$900,837	7	\$4.64
\$641,803	38.1	6	8	235,134	61.8	\$1,042,179	61.9	9	8	380,223	\$1,683,983	9	\$4.43
\$1,576,598	66.9	9	4	216,989	33.0	\$778,995	33.1	6	8	656,589	\$2,355,592	10	\$3.59
\$1,045,749	43.7	9	7	407,337	58.1	\$1,345,163	56.3	11	8	701,119	\$2,390,912	14	\$3.41
\$1,240,684	59.0	4	4	248,343	42.6	\$862,635	41.0	6	4	583,043	\$2,103,319	6	\$3.61
***	***	2	4	***	***	***	***	5	4	341,070	\$1,201,201	5	\$3.52
\$313,783	15.6	7	7	454,706	85.0	\$1,696,768	84.4	10	7	534,763	\$2,010,551	10	\$3.76
\$2,020,051	39.8	12	9	892,483	59.9	\$3,053,521	60.2	13	9	1,488,737	\$5,073,572	15	\$3.41
\$979,297	22.9	6	5	862,196	75.9	\$3,299,903	77.1	6	6	1,136,649	\$4,279,200	7	\$3.76
\$886,890	13.0	8	7	1,525,953	87.0	\$5,909,809	87.0	11	8	1,753,873	\$6,796,699	12	\$3.88
\$455,502	6.5	10	15	1,411,313	93.4	\$6,525,913	93.5	22	15	1,511,539	\$6,981,415	22	\$4.62
\$1,156,258	16.4	14	16	1,051,990	83.7	\$5,883,004	83.6	20	17	1,256,736	\$7,039,263	22	\$5.60
\$617,290	33.4	9	9	236,202	67.3	\$1,230,376	66.6	9	10	351,023	\$1,847,667	10	\$5.26
\$1,250,207	26.8	5	9	529,538	72.7	\$3,420,308	73.2	9	9	728,424	\$4,670,516	10	\$6.41
\$1,348,634	31.1	7	9	549,249	68.5	\$2,981,118	68.9	11	9	802,383	\$4,329,752	11	\$5.40
\$937,959	23.7	6	8	622,834	74.7	\$3,013,051	76.3	10	8	833,381	\$3,951,010	10	\$4.74
\$502,454	16.8	6	10	692,226	82.6	\$2,479,880	83.2	11	10	837,814	\$2,982,334	11	\$3.56
***	***	3	8	***	***	***	***	10	8	714,285	\$2,814,997	10	\$3.94
***	***	2	6	***	***	***	***	6	6	552,240	\$2,153,876	6	\$3.90
***	***	1	6	***	***	***	***	6	6	492,287	\$3,144,237	6	\$6.39
***	***	1	4	***	***	***	***	4	4	526,262	\$1,849,214	4	\$3.51
***	***	2	5	***	***	***	***	5	5	424,543	\$2,004,504	5	\$4.72
***	***	5	5	***	***	***	***	7	5	525,086	\$4,212,304	7	\$8.02
***	***	5	3	***	***	***	***	5	3	***	***	5	\$7.78

Until August, 1996, the EEZ was closed to fishing. 1995 federal waters harvest and earnings occurred in January and February prior to closure.

figures are preliminary and incomplete.

for confidentiality under AS 16.05.815

## **Expiration of the State Vessel Limited Entry Permit Program**

20 AAC 05.1425 – 20 AAC 05.1444 (adopted May 6, 2004) established a vessel permit system for the statewide weathervane scallop fishery. However, a sunset provision was added to the legislation. Under 20 AAC 05.1443, vessel entry permits issued for this fishery will expire on December 30, 2008, unless statutory authority is extended. Could the state of Alaska be faced with potential management and conservation issues if the state waters fishery was again opened to unrestricted fishing capacity?

Implementation of the federal scallop license limitation program and state waters vessel limited entry permit systems created a reduction in the number of participants in this fishery. Combined with the onboard observer program, gear and crew restrictions, vessel length restrictions and establishment of conservative guideline harvest ranges, scallop stocks in general appear to be healthy and not overfished.<sup>16</sup> Formation of the voluntary scallop cooperative and removal of some co-op boats from active participation has further reduced effort.

The state waters vessel limited entry permit system has established two vessel length categories. Permits are issued to owners of vessels 80 feet and less and to owners of vessels greater than 80 feet. If vessel size were not restricted, it is likely that permit owners with smaller boats would upgrade to larger boats and larger dredges and fish in areas previously restricted by their size. Greater or unrestricted fishing capacity could lead to shorter seasons, exceeding guideline harvest ranges and potentially causing early area closures due to reaching or exceeding crab bycatch limits. Because of the onboard observer program in this fishery, however, the risk of exceeding guideline harvest ranges and bycatch limits is low.

Many scallop beds straddle the three-mile state waters boundary, with a larger portion of the bed located in federal waters and a smaller portion in state waters. The federal license limitation program has no sunset clause associated with it and will therefore remain in place. If access was not limited on the state waters side and a number of vessels with unrestricted capacity began harvesting in state waters only, localized depletion of beds on the state waters side could occur. The fishery is managed as a single fishery with respect to establishment of guideline harvest ranges. Guideline harvest ranges are established by management areas irrespective of whether they lie within state and/or federal waters. In the example just mentioned where localized depletion might occur in state waters, the entire bed and surrounding area could potentially be closed indefinitely to protect the resource. This scenario would impact not only the state waters portion of the fishery, but also the federal fishery. Since implementation of the federal LLP program in 2001 and the state waters vessel limited entry permit system in 2004, a closure of this nature has not occurred.<sup>17</sup>

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<sup>16</sup> Kevin Duffy, Commissioner ADF&G, Response to CFEC information request on scallop fishery, Feb. 23, 2004.

<sup>17</sup> Personal communication with Jeffrey P. Barnhart

this point. Regarding inclusion of the charter halibut fishery in such a program, it was decided that the Council first needs to determine what results they are hoping to achieve and then decide whether the charter halibut fishery would fit with a program for the commercial fisheries.

#### **D. FISHERY MANAGEMENT PLANS**

##### **D-1 Scallop Management**

#### **ACTION REQUIRED**

**Receive Plan Team Report, Review and Approve SAFE report**

#### **BACKGROUND**

##### **Scallop SAFE Report**

The Scallop Plan Team met in Anchorage on February 22-23, 2007 to review the status of the weathervane scallop stocks in Alaska and to prepare the Stock Assessment and Fishery Evaluation (SAFE) report. This SAFE report was mailed to you on March 9th. The minutes from the Scallop Plan Team meeting are attached as Item D-1(a). The minutes from the SSC meeting pertaining to the previous Scallop SAFE report (from April 2006) are attached as Item D-1(b). The SAFE report provides an overview of scallop management, scallop harvests and the status of the regional weathervane scallop stocks. Scallop stocks are neither overfished nor approaching an overfished condition.

##### **Report of the Scientific and Statistical Committee**

The SSC was advised that the State is anticipating moving to a visually-based survey methodology and is exploring alternative population assessment models as the supporting information is developed. The SSC is encouraged by the potential for new survey methodologies and modeling approaches to improve and synthesize the understanding of scallop stock dynamics and looks forward to the development of this model and recommended research effort in the areas of stock unit identification and recruitment processes, further development of population survey techniques, and discard mortality, as these subjects will be critical in the development of a stock assessment model. The SSC also provided a few specific suggestions to improve the SAFE document. Please see the SSC Minutes, Appendix VII to these minutes, for specific comments and suggestion.

#### **COUNCIL DISCUSSION/ACTION**

The Council received staff reports from Diana Stram, NPFMC staff, and Jeff Barnhart, ADF&G and Scallop Plan Team member.

Mr. Barnhart advised the Council that the State limited entry program for scallops is scheduled to sunset at the end of 2008 and must be renewed by the State Legislature. The Council expressed concern with the possibility of reverting to an open access fishery in State waters and potential adverse effects relative to State/Federal management.

**Bill Tweit moved to approve the Scallop SAFE report and forward the comments of the SSC to the Plan Team for future reports.** The motion was seconded by Dave Benson and carried without objection. Mr. Tweit noted that the scallop fishery has been managed well by the State.

Regarding a recommendation to send a letter to the State Legislature supporting extension of the limited entry program for scallops, **the Council agreed that the Chair would work with the Executive Director and Denby Lloyd to draft a letter and see that it is sent to the appropriate parties.**

Regarding the recommendation of the Advisory Panel to send a letter to the University of Alaska and ADF&G encouraging them to continue to support research and analysis of scallop stocks, and other scallop issues, **Bill Tweit moved to approve that recommendation, noting that inclusion of the SSC comments may also be useful.** The motion was seconded and carried without objection.

## **D-2 Groundfish Management**

### **a) 'Other Species' Management**

#### **ACTION REQUIRED**

**Receive discussion paper and take action as necessary.**

#### **BACKGROUND**

In April 2005, the Council initiated an analysis to eliminate the "other species" category in the BSAI and GOA Groundfish Fishery Management Plans (FMPs) and set annual specifications for sharks, skates, squids, sculpins, and octopuses, with an option to add grenadiers. For the other species category, the FMPs require an overfishing level (OFL), allowable biological catch (ABC), and total allowable catch (TAC) in the BSAI, but only a TAC in the GOA. The OFL and ABC for the BSAI other species category is set equal to the sum of the estimates for the species groups. The GOA TAC for other species is established as a percentage of the combined GOA groundfish TACs. The issue is that management of the assemblage may not offer sufficient protection from overfishing of the component groups.

A NMFS discussion paper offers a preview of five possible alternatives to manage the other species (Item D-2(a)). In addition, the paper discusses an option to add grenadiers to the management program. Mr. Andy Smoker (NMFS staff) will be available to present the findings of his paper.

The other species analysis is scheduled tentatively for initial review in October 2007, with final action in December 2007. Implementation would occur no earlier than under implementation of the 2009 groundfish specifications. The proposed amendments are viewed as interim, while a long-term solution to management of all non-target groundfish species is developed by the Council through its scientific and industry advisory committees. After the other species analysis is complete, staff will reinstate discussions of non-target species management, incorporating additional guidance on addressing overfishing from NMFS headquarters, when available.

#### **Report of the Scientific and Statistical Committee**

The SSC requests that a clear distinction be made between alternatives and options. If more than one alternative can be approved, then the word "option" is usually better. The SSC notes that a major element for consideration is the uncertainty in catch and bycatch estimates. The SSC requests that a careful explanation of catch accounting be included in the EA.

#### **Report of the Advisory Panel**

The AP recommended the issue of management of other species be given to the Council's non-target species committee for further recommendations for Council consideration.

# North Pacific Fishery Management Council

Stephanie Madsen, Chair  
Chris Oliver, Executive Director



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April 3, 2007

House Fisheries Special Committee  
Rep. Paul Seaton, Chairman  
State Capitol, Room 102  
Juneau, AK 99801-1182

Dear Representative Seaton;

The North Pacific Fishery Management Council (Council) supports the State of Alaska extending the current limited entry program for the Weathervane scallop fishery in state waters. The Council delegated authority to the State of Alaska to manage all aspects of the scallop fishery in federal waters off Alaska, except limited access, which remained a federal responsibility. The Fishery Management Plan for the Scallop Fishery off Alaska (FMP) established a license limitation program (LLP) in federal waters, effective January 16, 2001. The Alaska Legislature, as you know, also established a four-year vessel moratorium in 1997 that was later extended an additional three years until June 10, 2004. The moratorium was replaced with a vessel-based limited entry program that is scheduled to expire in 2008. Conservation concerns with crab bycatch and the overharvest of scallops in the early 1990s prompted the Council and the Alaska Board of Fisheries (BOF) to work cooperatively to reduce scallop fishing effort in the overcapitalized Weathervane scallop fishery.

In several areas of the state, Kodiak and Yakutat for example, scallop beds are bisected by the 3-mile boundary line separating state from federal waters. In these areas, the majority (80% or more) of the scallop harvest is taken from the federal waters portion of the scallop beds. Guideline harvest ranges established by the Alaska Department of Fish and Game (ADF&G) are applied to the entire registration area, and are not apportioned to either state waters or federal waters. If the state waters portion of the fishery reverted to open access, additional vessels with unrestricted fishing capacity could target scallops in state waters. Disproportionate harvest of the scallop beds could lead to stock conservation concerns; including that portion of the stock in federal waters. Two additional concerns result from a bifurcated management regime. First, regulatory enforcement along the 3-mile line would be problematic. Second, Tanner and red king crab bycatch would likely increase as a result of increased fishing effort within a restricted portion of the scallop bed.

Weathervane scallop stocks in Alaska are small. Concerns with overcapitalization, and the resulting stock conservation and crab bycatch concerns have largely been addressed through complementary federal and state limited entry/access programs. The Council encourages the Alaska Legislature to extend the Weathervane Scallop limited entry program in state waters to coordinate with the federal program implemented by this Council.

If you need any additional information relative to this issue, please feel free to contact the Council's Executive Director, Chris Oliver.

Thank you for considering these comments.

Sincerely,

A handwritten signature in black ink that reads "Stephanie D. Madsen". The signature is written in a cursive, flowing style.

Stephanie D. Madsen, Chair  
North Pacific Fishery Management Council