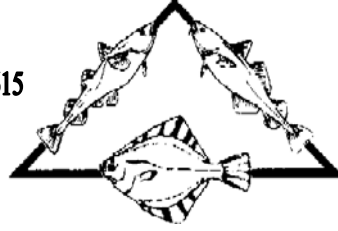


# Groundfish Data Bank

**Alaska**

PH: 907-486-3033 FAX: 907-486-3461 P.O. BOX 788 - KODIAK, AK. 99615

Julie Bonney, Executive Director jbonney@gci.net  
Katy McGauley, Fisheries Biologist agdb@gci.net



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Sent via email September 29, 2015

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Dan Hull, Chairman  
North Pacific Fishery Management Council  
605 W. 4th Avenue, Suite 306  
Anchorage, AK 99501-2252  
[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

Agenda Item C-8 GOA Trawl Bycatch Management

Mr. Chairman:

Alaska Groundfish Data Bank (AGDB) is a member organization that includes the majority of the shorebased processors located in Kodiak and trawl catcher vessels home ported in Kodiak that participate in the Gulf of Alaska trawl fisheries.

On August 28, 2015, AGDB submitted a detailed comment letter to NMFS Alaska Region under the EIS scoping notice (NOAA-NMFS-2014-0150 Notice of Intent [NOI] to prepare an Environmental Impact Statement (EIS) for any Gulf of Alaska (GOA) trawl bycatch management program). We include the letter in its entirety here. We emphasize again our support for an analysis of ALTERNATIVE 2 as outlined in the Council's October 2014 motion.

Sincerely,

A handwritten signature in black ink that reads "Julie Bonney". The signature is written in a cursive, flowing style.

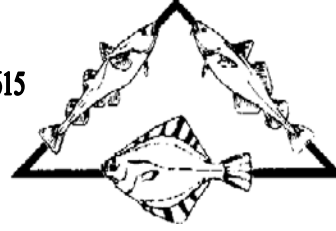
Julie Bonney  
Executive Director  
Alaska Groundfish Data Bank

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Julie Bonney, Executive Director jbonney@gci.net  
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August 28, 2015

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Glenn Merrill

Assistant Regional Administrator for Sustainable Fisheries NMFS, Alaska Region

NOAA-NMFS-2014-0150

Re: Notice of Intent (NOI) to prepare an Environmental Impact Statement (EIS) for any Gulf of Alaska (GOA) trawl bycatch management program

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Alaska Groundfish Data Bank (AGDB) is a member organization that includes the majority of the shorebased processors located in Kodiak and trawl catcher vessels home ported in Kodiak that participate in the Gulf of Alaska trawl fisheries.

We have been advocating for GOA trawl rationalization since 2001. Except for the shoreside cod fishery in the Bering Sea, most of which operate under AFA pollock cooperative rules, the Gulf of Alaska trawl fisheries are the only trawl fisheries remaining in Alaska and on the West Coast which have not been rationalized.

AGDB members support an analysis of ALTERNATIVE 2 as outlined in the Council's October 2014 motion for the EIS:

- It is a reasonable alternative, has undergone extensive scoping already and meets the Council's Purpose and Need Statement in that it would:
  - Create a new management structure which allocates allowable harvest to individual, cooperatives, or other entities, which will mitigate the impacts of a derby-style race for fish.
  - Improve stock conservation by creating vessel-level and/or cooperative-level incentives to eliminate wasteful fishing practices, provide mechanisms to control and reduce bycatch, and create accountability measures when utilizing PSC, target, and secondary species.
  - Reduce the incentive to fish during unsafe conditions and improve operational efficiencies.
  - Increase the flexibility and economic efficiency of the GOA groundfish trawl fisheries and support the continued direct and indirect participation of the coastal communities that are dependent upon those fisheries.
  - Authorize fair and equitable access privileges that take into consideration the value of assets and investments in the fishery and dependency on the fishery for harvesters, processors, and communities.
  - Improve the ability of the groundfish trawl industry to achieve Optimum Yield (OY)
- We support analyzing Alternative two with the following modifications (rationale is detailed later in the letter):
  - Analyze the allocations of secondary species to consider total catch as well as retained catch.
  - Analyze the effects of increasing the pollock trip limit from 136 mt to 159 mt.
  - Analyze the effects of changing the trawl cod directed fishery season to Jan 20 – June 10 and June 10 – Nov 1 with no change to the A and B seasonal allocations.
  - Analyze the feasibility and effects of requiring 100% retention for the inshore sector of trawl-caught pollock and cod from Jan 20 – Nov 1 and increasing the MRA's for pollock and cod in other targets for the period Nov 1 – Dec. 31 to reduce regulatory discards.
  - Analyze the effects of increasing the Chinook PSC cap from 32,500 to 40,000 fish.
  - Compare and contrast community protection mechanisms within alternative 2 versus alternative 3.
  - Analyze how best to resolve the parallel fishery with a new management structure.

**Historical Background of GOA Rationalization:** Congress has recognized the importance of rationalization for the Gulf of Alaska groundfish fisheries since 2000. As part of the Consolidated Appropriations Act of 2001 (Public Law 106-554 <http://www.gpo.gov/fdsys/pkg/PLAW-106publ554/html/PLAW-106publ554.htm> ), Congress directed the North Pacific Fishery Management Council to examine fisheries under its jurisdiction to determine whether rationalization is needed—

*“The North Pacific Fishery Management Council shall examine the fisheries under its jurisdiction, particularly the Gulf of Alaska groundfish and Bering Sea crab fisheries, to determine whether rationalization is needed. In particular, the North Pacific Council shall analyze individual fishing quotas, processor quotas, cooperatives, and quotas held by communities. The analysis should include an economic analysis of the impact of all options on communities and processors as well as the fishing fleets. The North Pacific Council shall present its analysis to the appropriations and authorizing committees of the Senate and House of Representatives in a timely manner.”*

To date, the Council has not fully satisfied this congressional mandate (the crab fisheries were rationalized in 2005; the Central Gulf trawl rockfish fishery was rationalized in 2007 as a precursor to rationalizing the GOA groundfish fisheries). Changes in administrations for the State of Alaska have led to multiple starts and stops for this initiative within the Council process. Under the Murkowski Administration, consideration of a Gulf rationalization plan moved forward smoothly starting in 2001. Council progress was halted abruptly in 2006 when the Palin Administration took over. Under the Parnell Administration, the Council started to consider and scope cooperative style management of pollock in 2010; in 2012, the Council re-energized and focused their attention on Gulf trawl rationalization as a potential solution to bycatch management with a particular emphasis on halibut and Chinook salmon Prohibited Species Catch (PSC) within the trawl fisheries (termed “Gulf Trawl Bycatch Management” or GTBM program). However, with the change to Governor elect Walker in 2014, the Administration and the newly appointed Alaska Department of Fish & Game Commissioner Sam Cotten (in December 2014) opted to delay further consideration of Gulf Trawl Bycatch Management within the Council process until at least October 2015. The Commissioner on behalf of the Administration suggested that they wanted to review the cooperative catch share program as outlined in the October 2014 Council motion to determine if and how the Council and the State of Alaska might want to move forward with Gulf Trawl bycatch management.

**Need for bycatch management “tools”:** Since 2011, the Council has adopted a number of actions to reduce prohibited species catch (PSC) in the Gulf of Alaska trawl fisheries including the implementation of Chinook salmon PSC limits in the GOA pollock and non-pollock fisheries and reducing halibut PSC caps:

1. Amendment 93 (effective August 2012) to the GOA FMP imposed a hard cap of 25,000 Chinook in the Gulf pollock fishery (6,684 Chinook limit in Area 610 Western Gulf; a separate cap of 18,316 Chinook for the Areas 620/630 in the Central Gulf);
2. Amendment 95 reduced the GOA trawl halibut PSC by 15 percent, phased in over a three year period (2014 to 2016)
3. Amendment 97 (effective Jan 2015) imposed a hard cap of 7,500 Chinook in the GOA non-pollock trawl groundfish fisheries, further broken down into three sub-limits:
  - a. Central Gulf of Alaska Rockfish program catcher vessel (CV) sector: 1,200 Chinook.
  - b. Central and Western GOA non-pollock, non-rockfish fisheries (CV sector): 2,700 Chinook
  - c. Central and Western GOA non-pollock fisheries, catch processor (CP) sector: 3,600 Chinook

The groundfish trawl fisheries in the Gulf of Alaska are still operating under the arcane “race-for-fish” or limited access fishery structure and do not have the management structure or the tools to fully adapt to these new PSC caps and reductions, especially with an expanding groundfish fleet (new entrants). This was evident by the May 3, 2015 closure of the catcher vessel non-pollock, non-rockfish program trawl fisheries when the fishery exceeded its 2,700 Chinook salmon cap.

**Scoping Process:** Because of the new GOA PSC management measures, the Council has publically recognized since at least December 2010 that there is a need to develop a new management structure whereby fishery participants are held

accountable and are able to work cooperatively to modify fishing practices to adapt to these new or reduced PSC limits. Relevant council documents from the beginning of this recent scoping process include:

1. December 2010 motion Chinook PSC GOA pollock fisheries: *“The Council also requests staff to provide the following...a discussion of potential benefits, with respect to available bycatch measures and salmon savings, of a cooperative management structure for the GOA pollock fisheries. The discussion should assume a cooperative program for the Central and Western GOA directed pollock catcher vessels. Licenses qualifying for the program would annually form cooperatives that would receive allocations based on the catch histories of members.”*
2. February 2011 discussion paper in response to Dec 2010 Council motion: Bycatch control cooperatives for Gulf of Alaska Chinook Salmon Bycatch. Discusses a *“system of cooperatives that would be intended to reduce Chinook salmon prohibited species catch (PSC). Specifically, cooperative formation, cooperative size, the need to create fishing opportunities for nonmembers of cooperatives, cooperative reporting requirements and continual entry into the cooperatives/fishery due to the amount of latent license.”*
3. April 2011 Council motion on GOA Halibut PSC stated: *“In anticipation of a future discussion, the Council requested that staff prepare a white paper that surveys allocation of prohibited species catch in all fisheries management programs that allocate individual or cooperative catch programs in US, Canada, or other countries.”*
4. September/October 2011 discussion paper in response to April 2011 Council motion – Individual Bycatch Allowances in other fisheries.

The Council focused their process in earnest in June of 2012 when they passed the following motion:

*The Council will schedule a specific agenda item, preferably for the October meeting, that begins the process of developing a program to provide tools for effective management of PSC, incentives for the minimization of bycatch, and vessel level accountability for the Central Gulf of Alaska trawl groundfish fishery. The Council should develop a purpose and need statement with goals and objectives for a new fishery management system at that time.*

To date, the council has adopted a purpose and need statement and Council staff has prepared five different GBTM discussion papers:

1. October 2012: adopted a Purpose and Need statement, identifying goals and objectives for an action that provides flexible and effectual PSC management tools
2. Feb 2013. Options for catch share program; modified Purpose and Need statement to include WGOA
3. June 2013. State Waters management issues; benefits and detriments of limited duration quota allocations, including non-monetary auctions; potential community protection measures.
4. October 2013. A review of current literature on the effects of catch share programs; summary of the eight proposals that stakeholders presented to the Council in June; discussion of the relationship between State and Federal fisheries that occur in adjacent waters; discussion of early considerations and the Council’s role in the development of a Community Fishing Association
5. April 2014. Discusses program structure defined in Council October 2013 motion; information on bycatch reduction results from other trawl catch share programs in the North Pacific and other regions.
6. October 2014. Review the expanded program structure defined at the April meeting; discuss how the fishery would operate under the proposed design; 2) discuss how well it may meet the Council’s stated objectives; and 3) identify which decision points are necessary to transform the program structure into alternatives for analysis.

A parallel complementary process was started by CGOA trawl industry stakeholders (harvesters and processors) as requested by the State of Alaska and several Council members. The industry workgroup began meeting in February 2012 to start formulating their vision of a purpose and need statement and possible frameworks to provide the necessary tools to meet the Council bycatch management objectives and also create fair and equitable access to the GOA trawl groundfish fisheries that take into account the value of assets and investments in the fishery and dependency of harvesters, processors and communities for consideration by the Council. The participating groups

included: Alaska Groundfish Data Bank (AGDB), Alaska Whitefish Trawlers Association (ATWA), Pacific Seafood Processors Association (PSPA), Groundfish Forum (GFF), United Catcher Boats (UCB) and Mid-Water Trawlers Cooperative (MTC). Extensive discussion and collaboration over multiple meetings resulted in several industry comment letters that were provided to the Council for their GOA Trawl Bycatch Management agenda item. All these documents were reviewed, revised and finally approved over numerous meetings by the diverse members of these large industry groups which in combination represent virtually all Central GOA trawl industry participants, many of which also participate in WGOA trawl fisheries:

1. October 2012 Purpose and Need statement
2. June 2013 GOA Catch Share Program Proposal
3. April 2014 Comment letter C-2
4. October 2014 Comment letter C-7

At the April 2013 meeting, the Council requested that the public bring management alternatives (program proposals) to their June 2013 meeting. The Council scoping call resulted in eight different alternatives. Council staff reviewed and examined these proposals to determine whether the stakeholders proposed structure would meet the Council's purpose and need statement for the action:

1. Americans for Equal Access: IBQ's.
2. Alaska Marine Conservation Council/GOACC: CFA's
3. Industry proposal (AGDB, AWTA, GFF, PSPA, MTC): Cooperative catch shares with target and PSC allocations
4. Groundfish Forum (GFF): Western Gulf directed rockfish species (Northern, dusky, and Pacific Ocean perch) be included in the trawl catcher/processor allocation.
5. Pacific Seafoods: include harvest shares to processors and quota to the "community sector" in any program considered
6. Peninsula Fishermen's Coalition: WGOA IFQ's for both cod and pollock by over/under 60 ft. vessel length
7. United Catcher Boats: WGOA co-op proposal for vessels greater than 60 ft.
8. Christopher Riley and Joseph Plesha (Trident Seafoods): cooperatives for pollock and cod, each linked to a processing facility; harvesters, processors and communities all allocated QS. PSC avoidance incentives.

Through Council analysis and public input, the 2014 October motion was formulated (the most recent motion as of August 2015). Though the alternative with voluntary harvester cooperatives with harvester/processor linkages with both target and PSC species allocations has not been fully analyzed up to this point, it has already been through several years of scoping within the Council process.

According to NMFS's NOI to prepare an EIS for the GOA trawl bycatch management program (NOAA-NMFS-2014-0150), the process initiates a supplemental scoping process. A principal objective of the scoping and public involvement process is to identify a range of reasonable management measures. Because of the extensive scoping that has already occurred for the October 2014 motion (alternative 2 - as outlined in the federal register notice) our members believe that this alternative should be included in the EIS for analysis – **it is a reasonable alternative and will meet the Council's purpose and need statement for the action.**

For the record, we would note that the GOA groundfish fisheries have gone through a similar scoping process before. During the first attempt at rationalization for the GOA groundfish fisheries under the Murkowski administration the following public processes occurred:

EIS scoping

- May 29, 2002: NMFS published the NOI and requested written and in person public comments. The Public Scoping Report Supplemental Environmental Impact Statement (SEIS) Gulf of Alaska Rationalization was presented to the Council in December 2002 by NMFS AK Region staff.

- Eight public meetings were held in late 2002 (Anchorage, Cordova, Homer, King Cove, Kodiak, Petersburg, Sand Point, Seattle) to solicit feedback from the public on the need for action, scope, range of alternatives, and issues that should be addressed in GOA Rationalization SEIS.

From page 4 of the 2002 scoping report: *During the public hearings, and in the draft public scoping documents, NMFS and Council staff reviewed some of the potential alternatives that have been suggested, including: rights-based management programs such as individual fishing quotas (IFQs); cooperatives similar to those established under the AFA; “two-pie” management with linked IFQ and individual processor quota shares (IPQs), and mechanisms that might regionalize the catch of groundfish species...Cooperative management was the most frequently supported of the rationalization alternatives. Most public commenters supported this alternative because it was generally perceived that this alternative would provide the greatest flexibility to address management needs and avoid potentially limiting allocations of small blocks of QS to individual vessels. In particular, this issue and support for cooperatives was presented by C/P representatives in Petersburg and Seattle. Participants in Kodiak supported this approach partially based on experiences under the American Fisheries Act (AFA).*

#### Council Processes

Numerous GOA Rationalization Committees and the NP Council spent much time and effort scoping the different GOA rationalization management program options and different alternative frameworks throughout this earlier process, which lasted roughly from 1999 until it was permanently taken off the table by former Governor Palin in December 2006. All the trawl alternatives from this rationalization effort involved Cooperatives with target species allocations: the same result as occurred during the present scoping process from 2010 to 2014. Trawl stakeholders, from 1996 to 2006 or 2010 to 2014, have supported cooperatives with both PSC and target species allocations. This again underscores that alternative 2, as outlined in the EIS notice, **is a reasonable alternative and should be analyzed in the EIS for a new management program for trawl groundfish fisheries in the Gulf of Alaska.**

#### **Support for Alternative 2 (October 2014 motion):**

The main objectives for the new management program are to provide tools for the effective management and reduction of PSC and bycatch (NS9), promote increased utilization of both target and secondary species harvested in the GOA (NS1) and recognize that GOA harvesters, processors and communities all have a stake in the groundfish trawl fisheries (NS4 & 8). To meet these objectives there are three critical elements: (1) what to allocate, (2) how to allocate and (3) fishery harvesting design. The council and the CGOA trawl stakeholder group spent a considerable amount of time and energy resolving these questions.

#### **What to allocate?**

The goal is to prevent a “race for fish” now and into the foreseeable future. Harvesters and processors need the ability to plan and execute fisheries in a cooperative manner. Groundfish trawl vessels need the ability to fish more slowly, strategically, and cooperatively, both amongst the vessels themselves and with their shore-based processors to meet the objective of reducing bycatch, both PSC and other bycatch and meet OY. Both the Council and the industry stakeholder group spent a considerable amount of time discussing this topic. After much deliberation five target species – Pollock, Pacific cod, Pacific Ocean Perch, northern rockfish and dusky rockfish – across the GOA are suggested for possible allocation. All five of these species typically close when the TAC is reached, not due to PSC caps. The conclusion through the scoping process was that if these species were not allocated then the fleet would continue to race versus fish more slowly and strategically to avoid PSC. While both the Council and the industry stakeholders did consider allocating flatfish species, because these species have never closed due to TAC but instead due to PSC restrictions, it was determined that the appropriate control for these fisheries would be PSC allocations only. The unallocated flatfish species within the proposed management plan would be a means of incentivizing expanded harvests of these underutilized flatfishes by better utilizing PSC. As noted in the industry comment letter (October 2014), revisiting whether these flatfish species should be allocated at the 5 year review of the new program would be appropriate if harvests approach available ABCs and the fishery incentives change from clean fishing to racing for the available flatfish quotas.

Just to be clear, the objective to reduce bycatch is more expansive than just PSCs. Bycatch as defined by the MSA National Standard 9 guidelines is defined as fish that are discarded. In many cases, bycatch occurs because of regulations that require fisherman to discard their incidental catches. In the trawl fisheries, regulatory discards occur for Prohibited Species Catches (PSC) such as crab, halibut and salmon that can only be retained by certain gear types which is definitely one of the focuses of this action.

To slow the rate of harvest of some other species, Maximum Retainable Allowances (MRAs) only allow retention of an amount of a species determined as a percentage of the target species catch. Vessels that exceed the MRA must also discard this excess catch. These rules are used to implement stock management policies. To reduce bycatch on non-PSC species, efforts should be made to minimize the use of management measures that result in regulatory discards. Alternative two of the present Council motion can be used to investigate tradeoffs for relieving MRA regulations for secondary species as well as changes in other fishery regulations that force discards. AGDB members support the options for secondary species allocations and management contained in alternative 2. However, we believe the means of allocating secondary species should be expanded to consider total catch as well as retained catch. Secondary species that are managed by MRAs can change management status over the calendar year from bycatch status to PSC status so retained catch may not be a good metric for the needs of the different sectors; therefore, the analysis should look at the allocation mechanism both ways.

There are several regulations that require discards of non PSC species in the present trawl fishery environment. These are detailed in the industry letter submitted to the Council October of 2014: Seasonal Pollock structure, Seasonal Pacific cod structure, prohibition of targeting Pacific cod and pollock from Nov 1 to Dec 31 and pollock trip limits. The present Council motion addresses the pollock fishery structure but does not address changes to the Pacific cod fishery structure. The proposed changes in alternative 2 for the pollock fishery structure are having two seasons (Jan 20 – June 10 and June 10 to Nov 1) and revising the seasonal allocations to 60% for the “A” season and 40% for the “B” season. AGDB members support adding an option that would modify the Pacific cod fishery seasons to Jan 20-June 10 and June 10-Nov 1 for the trawl sector – this would remove the prohibition of directed fishing from June 10 to Sept 1 and relieve the fleet from MRAs for cod in other target fisheries during that time period. Since there appears to be some resistance to changing the directed fishing closure date of Nov 1 to Dec 31 due to SSL protections, we support a different approach; consider increasing the MRA for both pollock and cod in other target fisheries for this time period. We also support adding an option that would modify the present pollock trip limit from 136 mt to 159 mt.

The inshore sector’s goal is to keep as much as we can of what we catch so relief from many of the current regulations that require discards (bycatch) is needed to allow us to meet this goal of reducing wastage. For several of the flatfish targets there can be a large amount of cod and/or pollock caught within a haul, depending on the time of year and fishing location. While allowing the industry to keep what we catch will reduce bycatch, it should be noted that neither the pollock nor the cod quotas would be exceeded since once the sector’s allocation for the species is reached the sector would be required to stop fishing. Creating this type of management regime requires that both cod and pollock be allocated to the co-ops. The analysis should examine how best to reduce discards of pollock and Pacific cod within the inshore trawl fisheries with the design of a new fishery structure.

The present motion allocates PSC to participants and also considers reductions of the present PSC caps. 0- 25% reduction for the pollock Chinook caps and 0-15% reduction of the PSC halibut caps are under consideration. We believe that the analysis should consider increasing the Chinook cap for two reasons: 1) the recent closure of the non-pollock non-rockfish program fisheries because the fishery exceeded the 2,700 cap and 2) the new Chinook stock of origin data that suggests that the 97% of the Chinook bycatch are from areas with high hatchery production of Chinook salmon and not Alaska wild stocks of concern. We believe the analysis should consider increasing the overall Chinook cap from 32,500 fish to 40,000, which is the ESA limit.

### **How to allocate?**

Allocations for a new management plan are designed to capture historical participation in the fishery and investment of the participants in those fisheries: communities, processors and harvesters. We support the proposed allocations to the cooperatives for allocated species and the method for allocation of halibut PSC and Chinook salmon PSC as outlined in alternative 2.

We also support the federally regulated processor associated-cooperative structure as proposed in alternative 2 where individual harvesting licensees choose to form an initial (2 years) association with a processor based on historical landings; those licenses that qualify for the program but wish to opt out of the co-op structure may participate in a limited access fishery. After those two years, a QS holder can change co-ops according to the terms set forth in the Processor Contract: if a harvester wants to leave that cooperative and join another cooperative or the limited access sector, they could do so if they meet the requirements of the contract.

We also believe that the processor associated-cooperatives will keep landings within historical dependent communities especially when coupled with either regionalization or a port landing requirement. These mechanisms go a long way in capturing historical participation in the trawl groundfish fisheries by communities.

### **Fishery design – Why cooperatives?**

We believe that a cooperative program is necessary and appropriate for the conservation and management of the fishery and will provide industry with the tools, accountability and management structure necessary to better manage and control bycatch, achieve OY, and provide greater economic stability and opportunity for harvesters, processors, and communities. The increased flexibility offered by the cooperative system will allow the fleets to respond more rapidly and appropriately to the prevailing fishing conditions. Co-op structures build cooperation amongst harvesters and processors since the entire industry works together towards common goals. But cooperatives must be federally regulated.

AGDB and its members strongly support the voluntary inshore cooperative structure as described in the Council's October 2014 motion:

- Voluntary Co-op structure where qualified licenses have a choice to join a co-op in association with their historical processor or stay in the status quo fishery.
- The ability of a qualified license to be in one co-op in each region (WGOA and WYAK/CGOA).
- The Annual cooperative formation process, contracting and filing requirements
- The Annual reporting requirements & oversight by Council

Our members' experiences with co-ops structures show that these systems work. Co-op contracts can be design to meet Council's objectives for bycatch management, harvests strategies to meet OY and contracting obligations to mitigate social concerns. Fishery-based bycatch measures raise the entire fleet's bycatch performance versus a competitive structure that pits participants against one another. Co-op contracts allow the industry to self-enforce the bycatch avoidance plan (set fishery performance standards) versus the much more cumbersome and inflexible regulatory approach with input controls such as trip limits, area closures, etc. Co-op management is not true ownership like an IFQ system since allocations only occur if an LLP joins a cooperative. Allocations for the co-op are managed by all co-op members versus a straight IFQ system where one individual makes single minded decisions. Cooperative management structures are much more cost effective since industry manages the fishery with oversight by NMFS versus NMFS managing the day to day harvesting of individual vessels via an IFQ program.

These three design components – what to allocate, how to allocate and the fishery harvest design are the critical elements to meet program objectives and create the needed stability for the trawl industry when considering a new fishery management structure. However, Alternative 2 takes the next step by addressing concerns expressed by the general public with regards to balancing industry efficiencies with future industry diversity and entry into the groundfish trawl industry.

### **What mechanisms for community stability?**

Elements in the present motion that provide community stability and protection include: processor associated-cooperatives coupled with regionalization or a port landing requirement, Consolidation limits for ownership, vessel use caps, active participation criteria, processor processing caps, and cooperative contract signed by the community that the processor is located in.



AGDB supports ownership caps with a grandfather provision but the range needs to be large enough to consider persons who own multiple LLPs/vessels. We would prefer no harvesting caps on individual vessels. However, this is most likely unrealistic, due to community concerns regarding the potential of excessive fleet consolidation such as occurred in the Crab Rationalization program which had no vessel use caps if that vessel joined a co-op (virtually all the vessels did join a co-op). Flexibility needs to be incorporated into the vessel use caps so the industry can expand and contract based on actual fishery quotas and the economics of the fishery. Caps need to allow for larger harvests by those vessels that can best avoid bycatch, incorporate liberal enough caps that acknowledge the different vessel size classes, harvesting capacities, and individual vessel's fishing plans across the fleet. Industry believes the range of caps within the Council motion is appropriate for now. Vessel use caps have been constraining for certain vessels in the Rockfish Program and for both Dusky and Northern Rockfish and the inshore co-ops have been unable to harvest all the quota. The appropriately equipped vessels that can catch these species have hit the vessel's harvesting cap resulting in stranded inshore quotas. In retrospect, no harvest caps should have been applied to these two harder-to-catch species underscoring that this is a critical decision point and needs to be thoroughly analyzed in the EIS so the right balance between NS1 (OY) and NS8 (community stability) can be struck.

Processor caps for each target species should be set at the appropriate level with a grandfather provision and be "facility-based" not entity-based. We support analyzing the active participation criteria contained in the motion to determine if the described elements meet the intended goal and whether the required active participation criteria can be enforced.

Proposals to include community approval of cooperative contracts could have the unintended consequence that no cooperatives form. Community politics should not be inserted into what are fundamentally business decisions about the daily operation of private companies and individual fishing operations. In devising GOA community protections, the Council should be very explicit in regards to its objectives with the measures it develops. We do not understand the objective for community sign off on cooperatives contracts and what the Council's objective is for this element.

We do believe that community concerns and stability can be addressed through the proper design of the cooperative program as described in alternative 2.

**One additional issue - State and federal fishery coordination across the three mile boundary:** Alternative 2 anticipates that a share of the pollock harvest will be taken from state waters (i.e., inside 3 nautical miles of shore) which requires coordination with the State of Alaska since the State manages all waters inside 3 nautical miles. Currently, trawl fisheries in state waters are managed by the state under a 'parallel' system, in which the state generally applies the same overall management measures imposed on the federal fishery to the adjacent state waters fishery. Both federal and state waters open at the same time and close concurrently when the total allowable catch (TAC) for the sector is taken (all vessels stop fishing at the same time). All harvest comes off of the federal TAC. This system will not work if the Council adopts some type of cooperative catch share plan (alternative 2 or 3). The EIS analysis needs to clearly demonstrate how best to meet the primary objectives of the new program - to reduce trawl bycatch by allowing vessels to fish more slowly, strategically, and cooperatively; to achieve optimum yield in the groundfish fisheries; and to promote community stability. How can state waters fishing be structured so federal participants can continue to have access to the state zone from 0 to three miles without creating a race for fish for pollock harvests inside three miles?

**Approaches we do not support:**

**Individual or Cooperative Bycatch Quotas (IBQ's):**

The Council spent a considerable amount of time scoping an IBQ system where individual or cooperative bycatch quotas were awarded without accompanying target species quota.

A discussion paper on IBQ's was presented to the council in October 2011 (Agenda item C-2(c)). The paper details PSC allocations for catch share programs that also allocate target species (Amendment 80 BSAI fisheries, Rockfish Program, West coast groundfish trawl fisheries, British Columbia Multispecies Trawl Fisheries) with only one example

of IBQ without target species allocations: incidental take of dolphins in the Eastern Pacific tuna fisheries (it should be noted here that these tuna fisheries do not have any target species harvest limits):

*“In 1992, as a part of efforts to reduce dolphin mortality in the Eastern Pacific tuna fisheries, fleetwide limits on dolphin mortality were apportioned among vessels, with each receiving an equal share of the total limit. Each vessel fished subject to its individual non-transferable dolphin mortality limit, which required the vessel to suspend fishing for the season once it reached that limit”*

The author of the 2011 IBQ discussion paper also notes (page 4): *“The paper [1993 Council], however, suggested that without IFQ for target species, the most valuable fisheries might still be prosecuted as a race for fish. This race could result in the use of most of the individual PSC allocations being used in those more valuable target fisheries, leaving a substantial share of other fisheries unharvested. In addition, any fisheries that are not constrained by the allocated PSC would be unaffected by the program. Despite these shortcomings, management of the PSC allocations would require 100 percent observer coverage, effectively imposing the cost of a fully rationalized fishery on the participants, while not providing the benefits that are derived from target species allocations.”*

From the Council October 2014 GTBM discussion paper, page 4: *The Council intends for the program to contribute to the stability of volume and timing of landings to allow better planning by processors. The allocation of PSC would create an individual incentive for each participant to obtain the greatest possible value from the use of available PSC. When allowable catch of target species is not a limiting factor on the fishery, PSC quotas may allow participants to respond to constraining PSC limits by managing their own usage. Without PSC limits, an individual vessel’s PSC affects everyone fishing under that PSC limit. However, if target species catch limits are a constraint, PSC quotas alone (without target species allocations or other program elements that could slow the fishery) are unlikely to result in a slower or more coordinated fishing behavior. When target species are limiting – i.e., when total allowable catch (TAC) is fully harvested in a typical year – a participant with PSC quota will face a choice when determining his or her investment in PSC avoidance. The participant must decide whether more rapidly harvesting the target species (using relatively more PSC quota in the process) would sufficiently increase the participant’s share of the available target catch to justify forgoing future fishing in the event that PSC limits close the fishery early. Target allocations would allow vessels to privately determine when to fish within a season or year in order to achieve the greatest return from available PSC. Secure target species allocations would allow a quota share holder to decide when and where to fish based on a variety of factors without the risk of other participants depleting the availability of the target species in the interim. Those factors include: target species catch rates, availability of marketable incidental species, PSC rates, market conditions, and weather, among others.*

**We do not support individual or cooperative bycatch quotas without accompanying target species quota share because it:**

1. Would not stop the race for fish in fully prosecuted fisheries (i.e. pollock and cod)
2. Would not foster fleet cooperation since race for target species still exists (affects fleet coordination of hot spot reporting, fleet willingness to share technology improvements such as excluders, electronics, fishing gear)
3. Creates “good” and “bad” bycatch coops with membership discrimination: fisherman adept at bycatch avoidance would likely exclude “bad” bycatch users from their coop.
4. Changes the incentives from fleet improvements for bycatch performance to individual vessel improvements
5. No ability to reduce discards of target species catches since they are not allocated

**Alternative 3 – Off the top allocations to Community Fishery Associations (CFA) or an Adaptive Management Program (AMP).**

Our largest concern about alternative 3 for either the CFA or AMP is the off the top reallocation of the trawl groundfish fishery to other entities; the extra cost that this allocation will impose on historical stakeholders. During public scoping there has been little to no support from trawl industry stakeholders for this alternative. Assuming that alternative 3 is included in the EIS, the analysis should compare and contrast community protection mechanisms within alternate 2 or alternative 3. Is there additional benefit offered via a CFA or AMP versus alternative 2 (the cooperative program)? Is it just a cost with little to no discernable benefit? A CFA would still have to allocate quota (the right to fish) and could be susceptible to local community politics. It appears to us that a CFA is just adding an unnecessary third party (allocative, administrative and managing) that will increase costs and make the program more

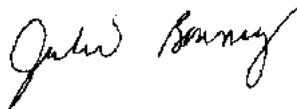
complicated. We are skeptical of proposals that simply transfer quota from one group to another unless there is a clear community interest that cannot be addressed in another way.

Adaptive Management Quota (AMQ) sounds good in that it's promoted as protection for the very broad, undefined category of "unintended consequences". If this will allay some of catch share fears expressed by other groups and individuals, then a small set aside may be appropriate as long as the objectives for the AMQ are clearly defined. If it becomes clear that this set aside is not needed to meet the stated objectives, then there needs to be a simple mechanism to reallocate this quota annually to the co-ops so it can be harvested. At some point the AMQ should sunset if it is determined that it is unnecessary. Many of the concerns raised by the general public regarding catch share programs are for high valued IFQ fisheries not low valued groundfish harvested through cooperatives. Many of the ills suggested as a result of a catch share program – destroying communities, putting participants out of business, creating excessive consolidation – are either happening now or could happen within the present fishery structure. The records of current trawl catch share programs in the North Pacific (BSAI pollock cooperatives, the Amendment 80 cooperative fishery, CGOA rockfish cooperative program – all with target species coop allocations) have shown the benefits and successes of cooperative management where harvesters and processors work together through a co-op structure to better utilize target species catch, control and minimize bycatch, reduce regulatory discards (improve retention, reduce waste), contain the costs of operations and management, and meet other conservation and community goals.

Keep in mind that whereas we strongly believe that this program, if designed correctly, will ultimately be beneficial to harvesters, processors, and communities and will be a huge improvement over the status quo, it is going to incur additional costs on the industry. These costs include 100% observer coverage, Catch Monitoring Control Plans for processors, annual NMFS Cost Recovery (up to 3% of the ex-vessel value) and Co-op Management Fees. Another added cost would be a potential State water pollock fishery. Should a portion of the pollock ABC be allocated to an open access seine, jig, and/or trawl fishery in the AK Peninsula, Kodiak, Cook Inlet and/or Southeast management areas, historical trawl participants could lose access to a portion of the pollock resource so vital to their fisheries portfolio. These extra costs will be significant and may be excessive especially if an additional off the top allocation is given to a CFA or AMQ. Given the low-value of most trawl species (on the order of 5-35 cents per pound), owners will be weighing the cost-benefits of staying in the fishery. Should the costs of staying in the fishery prove too high, we could see increased economic consolidation and stranded fish where everyone loses. Consolidation caps by regulation do not prevent economic consolidation. The program needs to be well designed to create efficiencies and increase fish value and not give the economics of the fishery away through reallocation or poor fishery design; it won't be worth it.

Given the high amount of attention this potential action has generated, we agree a more detailed and robust EIS would be more suitable than the normal EA. The members support alternative two for analysis with the suggested changes outlined in this letter. **Alternative 2 should be included in the EIS for analysis.** Thank you for the opportunity to make comments and we look forward to working with the Council and the Agency to design an effective, well-designed cooperative management program for the Gulf of Alaska trawlers, processors and communities.

Sincerely,



Julie Bonney  
Executive Director  
Alaska Groundfish Data Bank



September 29, 2015

North Pacific Fishery Management Council  
605 West 4th Avenue, Suite 306  
Anchorage, AK 99501

Re Agenda: C-8 Gulf of Alaska Trawl Bycatch Management

Dear Chairman Hull and Council members:

AMCC is a non-profit organization committed to protecting the long-term health of Alaska's oceans and sustaining the working waterfronts of our coastal communities. Our members include fishermen, subsistence harvesters, marine scientists, small business owners, and families. We have a long history of working with Gulf of Alaska ("GOA") communities.

The North Pacific Fishery Management Council ("Council") initiated the GOA trawl bycatch management program specifically to reduce bycatch in the GOA trawl fisheries. While providing the fleet with the "tools" necessary to reduce bycatch is an essential component of the program, the intent of the program is not merely to provide the fleet with the tools necessary to adapt to the current bycatch limits; rather, it is to reduce bycatch further. As such, any analysis of the bycatch management program must consider additional reductions to bycatch.

The need to reduce bycatch in the GOA remains important. GOA chinook have declined throughout their range. Halibut stocks have likewise declined, causing a sharp decline in commercial and charter catch limits. In the last ten years, the commercial halibut catch limit in the GOA (IPHC areas 2C, 3A and 3B) has declined by 73%; over the same time, the Council has imposed strict bag limits on the charter sector. The commercial Tanner crab fishery in the Kodiak Island district was closed in 2014 and 2015 due to low crab abundance and the need to rebuild the stocks. A new bycatch management program should provide mechanisms to establish crab protections in the Gulf of Alaska in addition to gear modifications. Although fishermen in these fisheries collectively recognize the need to accept cuts during periods of low abundance, the responsibility of rebuilding these important stocks must fall on all users. And, while we commend the Council for setting bycatch limits for the GOA trawl fisheries, these limits are far less than the reductions borne by participants directed fisheries. The bycatch management program must include meaningful bycatch reductions that will ensure that Chinook salmon, halibut, and tanner crab—which are essential to Alaska's economy and culture—have the chance to rebuild. As the Council moves forward with its analysis, therefore, it must consider specific bycatch reduction measures as a core component of the proposed action.

Nearly twenty years of direct experience with catch share programs in Alaska has demonstrated that catch share programs will change the composition of the fishing fleet and the relationship of historical fishing communities to that fleet, potentially causing adverse impacts to historical fishing communities and fishermen. These impacts include, among others, absentee ownership, loss of locally-based vessels, rapid vessel consolidation, consolidation of quota ownership, lower crew pay and fewer crew jobs, out-migration of fisheries based wealth and fisheries access opportunities. Given the foreseeability these impacts, any analysis of a catch share program must consider the degree to which coastal communities and individuals

will be adversely affected by these impacts. The Council must not only consider the immediate and near-term impacts of any new management program, but must also consider the foreseeable impacts on future generations of fishermen and fishing-dependent communities. Finally, the Council should consider these impacts in the context of its responsibility under National Standard 8 of the Magnuson-Stevens Fisheries Conservation and Management Act (“MSA”), which requires that management measures provide for the sustained participation of communities and that adverse impacts on communities are minimized. *See* 16 U.S.C. § 1851(a)(8).

It is important to note that bycatch management does not necessitate a “traditional” catch share program, nor does bycatch management preclude community protections. In that context, the Council should consider whether a Community Fishing Association (“CFA”), as defined in section 303A(c)(3) of the MSA can mitigate some of the negative impacts associated with traditional catch share programs. Among other things, the Council should consider the degree to which CFAs strengthen the relationship of captain, vessel, vessel owner, and crew to the community; address transitional entrance into the trawl fisheries; provide opportunity for future generations; and encourage equitable crew compensation. In its analysis of future foreseeable impacts, the Council should consider the benefits that CFAs provide by directly anchoring fishing quota to fishing communities, and it should explicitly address whether ensuring community access to the fishery into the future is a primary goal of the bycatch management program.

The Council should analyze how community protections will be provided for during allocation of quota. For example, the Council crafted the Community Quota Entity (“CQE”) program in the Halibut/Sablefish IFQ fishery to provide for community access to the resource and to reverse some of the negative community impacts experienced as part of rationalization of the fishery. However, the Council did not provide the CQEs with an initial allocation of quota, instead requiring communities to independently secure funding to purchase quota. Consequently, only two CQEs have acquired quota, and that amount is insufficient to mitigate many of the adverse community impacts associated with rationalization. While the structure of the trawl bycatch management program is significantly different than the Halibut/Sablefish IFQ program, the dynamics of leasing, consolidation, and inactive participation, and wealth migration are the same. The Council should therefore consider whether and to what extent providing an initial allocation to a CFA is critical to the success of the CFA and the broader goals of the bycatch management program.<sup>1</sup>

The Council should also analyze the need for flexibility in the bycatch management program. Although we know many of the impacts associated with catch share programs, some impacts are difficult to predict. Because CFAs provide communities with the ability to manage quota and respond without the time constraints of the Council and NMFS rulemaking process, CFAs will have the ability to adaptively respond to unexpected programmatic community impacts. This ability to adapt and address impacts as they arise is critical—experience from other catch share programs shows that once quota is allocated it is very difficult if not impossible for the Council to address these impacts (see, for example, Rights of First Refusal in the crab

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<sup>1</sup> For example, the Council Goals and Objectives related to the program include

- authorizing fair and equitable access privileges that take into consideration the value of assets and investments in the fishery and dependency on the fishery harvesters, processors, and communities;
- promoting community stability and minimizing adverse economic impacts by limiting consolidation, providing employment and entry opportunities, and increasing the economic viability of the groundfish harvesters, processors, and support industries; and,
- minimizing adverse impacts on sectors and areas not included in the program.

program). CFAs can provide an accessible and flexible way to address community concerns. Anchoring a portion of quota in the community ensures that the community—and community residents—retain access to some portion of the fishery over the long-term. The community can use this quota to maintain a local fleet, provide opportunities for transition and entry into the fishery (for example, by serving as a stepping stone for residents to transition into quota ownership), and ensure access to the resource for future generations. CFAs also provides a mechanism for maintaining equitable crew compensation and maintaining local crew hire. Because the community owns the quota in a Community Fishing Association, they have the ability to set rules on how that quota is used, much as an individual quota owner does.

In addition to a CFAs, the Council should consider other mechanisms for community protections including active participation requirements, requiring a community sign-on on co-op contracts and meaningful consolidation limits. More specifically, the Council should analyze options for requiring active participation to acquire quota, as well as the need for ongoing active participation (with the exception of communities entities such as CQEs and CFAs). In addition, the Council should consider the benefits of reserving some portion of quota share for active crew and skippers-for-hire. The Council should also analyze whether community sign-ons on co-op contracts, as well as meaningful consolidation limits, will advance the Council's of ensuring community protections.

Thank you for your consideration of our comments,



Theresa Peterson  
Alaska Marine Conservation Council  
Kodiak Outreach Coordinator

## **Groundfish Forum**

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4241 21st Avenue West, Suite 302  
Seattle, WA 98199  
206-213-5270 Fax 206-213-5272  
www.groundfishforum.org

September 29, 2015

Mr. Dan Hull, Chairman  
North Pacific Fishery Management Council  
605 W 4<sup>th</sup> Avenue, Suite 306  
Anchorage, AK 99501-2252

### **Re: Agenda Item C8, GOA Trawl Bycatch Management**

Dear Chairman Hull,

Groundfish Forum represents six companies and eighteen vessels operating in the Amendment 80 (A80) sector of the Bering Sea/Aleutian Islands (BSAI) groundfish fisheries. Many of our vessels have a long history in and dependence on Gulf of Alaska fisheries. Continued access to Gulf of Alaska fisheries is not only important economically, it is critical to management of halibut bycatch reductions in the BSAI. We are writing to voice support for Council actions to facilitate better management of PSC in the Gulf, specifically through a catch share program.

Our experience with Amendment 80 in the BSAI has proven that catch share programs provide the tools to reduce and better utilize bycatch. Eliminating the race for fish gives participants the stability necessary to make better decisions about when and where to fish. It also facilitates cooperative development of new technologies (such as excluders and gear modification) that is more difficult to achieve when vessels are racing against each other. Perhaps most importantly, it encourages and rewards communication between vessels on the grounds so that captains can respond quickly to address bycatch concerns.

We encourage the Council to keep this last point in mind when crafting a program for the Gulf of Alaska. A program element that discourages cooperation on the grounds, whether intentionally or unintentionally, will remove one of the most powerful tools for bycatch reduction. If there is a perceived benefit in withholding information from other vessels, real-time opportunities to respond quickly on the grounds will be lost.

We note that Amendment 80 works well because it allocates both target and PSC species. An allocation of one without the other can result in a continued race for fish that compromises the real benefits of catch shares.

We support the current Purpose and Need statement, and the Goals and Objectives outlined in the staff discussion paper. In particular we ask that you keep in mind goals 4 and 5:

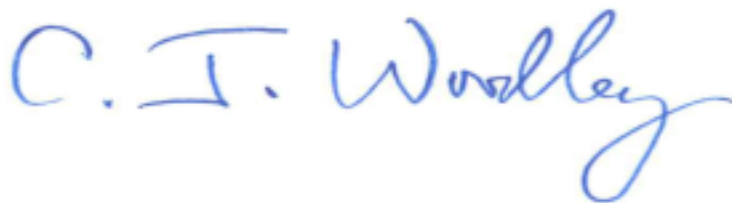
*4. Authorize fair and equitable access privileges that take into consideration the value of assets and investments in the fishery and dependency on the fishery for harvesters, processors, and communities*

*5. Balance interests of all sectors and provide equitable distribution of benefits and similar opportunities for increased value.*

Finally, whether addressing PSC bycatch reduction or allocations, we encourage the Council to structure the program to allow for continued access to current harvest history so that markets are preserved. If PSC reductions and allocations create limiting species where there were none before, fish may be stranded and markets disrupted, causing harm to the nation as a whole.

Thank you for the opportunity to comment.

Sincerely,

A handwritten signature in blue ink that reads "C. J. Woodley". The signature is written in a cursive style with a large, sweeping flourish at the end of the name.

Chris Woodley  
Executive Director



**NORTH PACIFIC FISHERY MANAGEMENT COUNCIL**  
**October 5-13, 2015 — 225<sup>th</sup> Plenary Session**  
**Anchorage Hilton Hotel**

**Public Comment by Stephen Taufen, Groundswell Fisheries Movement**  
**Email submittal — npfmc.comments@noaa.gov**

**RE: C-8 GOA TRAWL BYCATCH MGMT DISCUSSION PAPER**

Secretary Pritzker, Chairman Hull & NPFMC Members:

I'm Stephen Taufen, founder of the resource public advocacy, the Groundswell Fisheries Movement; and have been involved in Alaskan fisheries over most of the past 38 years. As you know, **we wholly oppose “Catch Shares” – subversive rationalization**, as global fisheries are privatized for the sake of a few.

**We also oppose Bycatch quota awards of ecosystem harms – IBQs, BQs... whatever.**

You can bet your breeches that these get-rich-quick outlets are illegal under the US ratified UN Civil and Political Rights Convention. Also, WTO agreements are breached when processor quotas are awarded, as done in the Crab fisheries irrationalization.

Throughout the past year, in Kodiak, public officials have been subjected to an expensive lobbying in favor of discussing only the Cooperative alternative, as if a preferred alternative. Recent public forum discussions are being deceitfully distorted by a few corrupt players to be submitted to the Council at this session.

Why settle for a fraudulent redaction? Why do they not submit for the record the complete 3-hour broadcast audio from KMXT radio, so you can hear all that was said for yourselves?

Should that occur, I would encourage you to investigate and prosecute under the False Information provisions in the MSA.

It is my understanding that the State of Alaska might go so far in this session as to include and support the mistaken notion of Individual Bycatch Quota awards. That's not compliant with National Standard 9, especially when considerations are made to swap and trade these harms to the environment as permanent grants of destruction. Mitigation and reducing mortality does not look like IBQs.

The Bycatch they are talking about is not merely “incidental” catch; it is takings from the directed fisheries for the three Bycatch species complexes belonging to other federal fisheries: crab, halibut, and king salmon.

In the redactions, the Kodiak Fishery Work Group co-chairs and paid analyst's version also left out my public radio comments about Economic Value being comprised of Ecological, Nutritional, and Social and Human Values. And that what a City should be concerned with is primarily "What Sticks?" in Kodiak's treasury and businesses.

That directly depends on: Who fishes it? How do they conduct those fisheries? What products are produced? What markets to they enter (who are the Consumers = domestic, foreign?) Means of Production & the Product Mix matter, and the structural economic rule is "Structure Implies Strategy!"

They redacted my opening comments that Cap and Trade approaches have been a failure in many ways around the globe, and that "Cap, Cut, and Balance" approaches that are now being used (e.g. Namibian fisheries, and mining in other nations) might be superior. We need to Cap the bycatch, then Cut it by using on-the-ocean tools – not political or "legislative tools" which do not change the real conduct of fisheries.

They left out my strong comments on the problem of export values, in transnational economic structures where low wholesale values lower local taxes, and abusive transfer pricing and illicit accounting tricks are employed. This all speaks to Optimum Yield in terms of what is best for the nation, economically, and for USA consumers.

You can see why I ask you to consider their trawl-centric, pro-cooperative rendition to be "false information" as redacted. It violates section 1857 prohibited acts.

I've got to get this in by 5 pm, and it is too expensive to attend the meeting. But I ask you to please not allow in the records false testimony. And to scratch the Cooperative alternatives until they no longer provide for privatization of fisheries the USA does not even own.

***"When the choice is made to privatize, it is a choice to give up on using the available tools of the working industry on ocean during fishing activities, and giving up on science-based management – substituting legislative and political tools." ~ Groundswell***

Sincerely yours,

Stephen Taufen, founder of Groundswell Fisheries Movement

P.O. Box 714; Kodiak, AK 99615-0714 Cell: (206) 734-6888



**Kodiak Island Borough**  
710 Mill Bay Road, Rm. 101  
Kodiak, AK 99615  
907.486.9310



**City of Kodiak**  
710 Mill Bay Road, Rm. 219  
Kodiak, AK 99615  
907.486.8636

September 29, 2015

Chairman Dan Hull  
North Pacific Fishery Management Council  
Anchorage, Alaska  
Submitted electronically

Re: Agenda item C8, Gulf of Alaska Trawl Bycatch Management

Dear Chairman Hull:

Representing the communities of the Kodiak region with direct involvement in the groundfish fisheries of the Gulf of Alaska, the City of Kodiak and Kodiak Island Borough have been active participants in the Gulf Trawl Bycatch Management (GTBM) development process. We have provided the North Pacific Fishery Management Council (NPFMC) with the views of our community each time the subject was on the agenda.

The Kodiak Fisheries Work Group (KFWG) has discussed the GTBM action at monthly public meetings since 2012, understanding that the outcome of this Council action will have profound effects on our community as well as on harvesters and processors. Kodiak municipal leaders consider the community to be the necessary "third leg of the stool." The welfare of all three of these sectors will continue to be our focus as the Council moves forward.

Through resolutions (attached), the City and Borough identified ten community goals, which continue to guide the community in discussing the proposed management program. First on this list is to provide effective controls of prohibited species catch and other bycatch, while providing for balanced and sustainable fisheries and healthy harvesting and processing sectors.

The community of Kodiak has recently experienced the negative effects of a fishery closure as a result of bycatch exceeding Prohibited Species Catch (PSC) hard caps placed on a traditional, non-rationalized fishery. Processors and their employees, fishermen and their crews, multiple Kodiak families, support businesses, and the community's tax revenues all suffered substantial losses as a result of the current lack of bycatch management tools.

We continue to strongly support the Council's initiative to reduce bycatch, and have encouraged Council progress in advancing a cooperative management program as a tool in this effort.

While we recognize that harvesting groundfish through cooperatives is a powerful method for controlling bycatch, the community has not yet arrived at positions about all the aspects of allocating harvest, or catch shares, to individuals and/or other entities. As well as considering the effects of a catch share program on harvesters and processors, the community is seeking to understand and analyze the overall social and economic impacts of catch shares, allocation schemes, and other important aspects of cooperative management.

The City and Borough's KFWG sponsored a community roundtable discussion in September on the key aspects of catch shares and cooperatives. The full audio recording that was broadcast live by public radio station KMXT and a written summary of that community forum are posted on the City's website. In addition, the City and Borough are currently considering proposals in response to an RFP to provide information that should help in analyzing the economic effects on the community of key aspects of fishery management programs. This study should provide a baseline profile of the community's direct involvement in the fishing and processing industries; information on the support business sectors; contributions to the industry through municipal infrastructure; and estimates of the economic effect of seafood and support industries on the community economy.

In short, the community is focused on understanding what an eventual management program should include to ensure the continued economic and social health of the community as a whole.

It is clear the Kodiak community is in the midst of considering the essential elements of a new groundfish management system. Likewise, the Council may be closer to the middle of this process than the end. The current alternatives provide a range of choices for allocation and use of harvest privileges. The community supports retaining the current Alternative 2 and 3 for further analysis. However, while the current GTBM motion and alternatives before the Council are the focus of this comment letter, we are aware that the alternatives in the current motion may be changed or added to by subsequent Council decisions. As the State of Alaska asked for a ten-month delay in GTBM discussions in order to review the issues, we recognize that the resumption of this action in October may see a change in direction.

### **Specific comments on the current alternatives:**

The following points are based on the most recent comment letter from the City and Borough to the Council, in October 2014, modified to reflect action taken at the October 2014 Council meeting. They refer to components of the current alternatives, as well as to additional aspects of a management program that could address community concerns, based on the ten goals and subsequent discussions.

**1. Consolidation:** Quota consolidation limits (quota control caps and vessel use caps) and processing caps for processors.

Consolidation of licenses on fewer trawl vessels does not affect the total amount of harvest or the associated landing taxes/processing revenues and processing employment opportunities (assuming historic community delivery patterns are maintained), but it can impact the number of available crew jobs, shares paid to crew, and the amount of demand for shore-based support services.

The community recognizes avoiding all consolidation could reduce the management efficiencies that are the heart of a cooperative structure, and supports further analysis of a range of consolidation limits for both harvesters and processors.

In addition, the community supports further analysis of grandfathering in quota control and processing levels in excess of the caps, including analysis of the concept of specifying a time period after which quota control in excess of the cap must be divested (sunset provision).

The community also recognizes the importance of further analyzing vessel use caps that are applicable within cooperatives.

**2. Regionalization:** Regionalization of quota based on historical delivery patterns.

Regionalization applies to target species only and is a measure to preserve historical delivery levels to shore-side processors in each management area. As the regional landing requirement would specify landings only as Central Gulf (CG) or Western Gulf (WG), the motion also contains an option that would require target species CG quota historically landed in the port of Kodiak to continue to be landed in the port of Kodiak.

The intent of regionalization (and port of landing requirement) is to maintain processing levels and the associated employment opportunities at or near historical levels. At this time, the community supports further analysis of both the regional and the port delivery requirements.

**3. Fishery participation criteria:** Participation criteria thresholds that define eligibility for the purchase of trawl licenses and/or history/quota.

Currently persons (the definition of which includes individuals, corporate entities and government and community entities) must be able to document a fishing vessel to hold and purchase an LLP, and to purchase and hold quota. There is support for further analysis of participation criteria for the applicable fisheries, including the ability for communities to hold quota in the program.

**4. Community participation in cooperative:** An option where the community in which the processor is located would also be required to sign the cooperative contract, potentially allowing the community to support cooperative practices that meet community goals and objectives.

There are two levels at which the community can play an active role in the contract development process – the regulatory level and the cooperative management level. At the first level, the community believes that the cooperative contracts should embody the goals of the community, which should be built into the contract requirements by regulation.

Regarding the cooperative management level, the community supports further analysis of the concept of community participation and approval at the inter-cooperative level.

In addition, the community supports cooperatives providing quarterly performance reports to the community.

**5. Ability to sever target quota from a license:** The ability to sever target species history from a license and transfer it to another license.

Chairman Dan Hull  
September 29, 2015  
Page 4 of 4

This element would allow for a smaller piece of target species history to be severed from a trawl license (as opposed to purchasing the entire license), and used on a latent trawl license, allowing for new entry at lower cost. The community supports this concept for further analysis, including the concept of providing for a maximum amount of history that could be severed from each license.

**6. CFA's:** An alternative to provide for formation and operation of Community Fishing Associations, as described in the Magnuson Stevens Act.

The community supports further analysis of the CFA alternative. We would like to see a side-by-side analysis of the proposed management program's potential attainment of the Council's goals and objectives both with a CFA, and without a CFA.

**7. Additional comments on proposed management design.**

The community recognizes the potential difficulties in opening a limited access fishery with a small amount of quota, and supports continued analysis on this aspect of the proposed program.

Sincerely,



Jerrol Friend, Mayor  
Kodiak Island Borough



Pat Branson, Mayor  
City of Kodiak

**CITY OF KODIAK  
RESOLUTION NUMBER 2012-31**

**A JOINT RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK AND  
THE KODIAK ISLAND BOROUGH ASSEMBLY SUPPORTING COMMENTS TO THE  
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL ON PENDING ACTIONS  
REGARDING COMPREHENSIVE MANAGEMENT OF PROHIBITED SPECIES  
CATCH BY THE TRAWL FISHERY IN THE CENTRAL GULF OF ALASKA**

WHEREAS, the North Pacific Fishery Management Council is considering the need for and beginning development of a comprehensive program to manage prohibited species catch by the trawl fleet of the central Gulf of Alaska; and

WHEREAS, any such comprehensive management program for fisheries in the central Gulf of Alaska will have major and direct effects on the economy and well-being of residents of the Kodiak region; and

WHEREAS, National Standards of the Magnuson-Stevens Fishery Conservation and Management Act require that federal fishery management decisions take into account the importance of fishery resources to fishing communities, in order to provide for the sustained participation of such communities and minimize adverse economic impacts on such communities; and

WHEREAS, the City of Kodiak and the Kodiak Island Borough represent the communities of the Kodiak region, rather than individual user groups or fishing interests; and

WHEREAS, the City of Kodiak and the Kodiak Island Borough have begun a program to participate directly in public processes for fishery policy decision-making as outlined in Resolution No. 2012-30 of the City of Kodiak.

NOW, THEREFORE BE IT RESOLVED by the Council of the City of Kodiak and the Assembly of the Kodiak Island Borough that these bodies support the Kodiak Fisheries Workgroup's proposed overarching purpose for consideration of fishery management issues of interest and concern to the Kodiak region as follows:

**Overarching Purpose:**

1. Maintain healthy, sustainable resources in the central (and western) Gulf of Alaska.
2. Promote a sustainable, vigorous economy in the Kodiak region with healthy and competitive harvesting and processing sectors and support industries.
3. Maintain quality of life and social well-being in Kodiak.

BE IT FURTHER RESOLVED by the Council of the City of Kodiak and the Assembly of the Kodiak Island Borough that these bodies support the Kodiak Fisheries Workgroup's proposed goals for management programs as follows:

Goals for Management Programs:

1. Provide effective controls of prohibited species catch and other bycatch to provide for balanced and sustainable fisheries and healthy harvesting and processing sectors.
2. Maintain or increase target fishery landings and revenues to Kodiak.
3. Maintain or increase employment opportunities for vessel crews, processing workers, and support industries.
4. Provide increased opportunities for value-added processing.
5. Maintain opportunities for fishermen to enter the fishery.
6. Maintain opportunities for processors to enter the fishery.
7. Minimize adverse economic impacts of consolidation of the harvesting or processing sectors.
8. Maximize active participation by owners of harvesting vessels and fishing privileges.
9. Maintain the economic strength and vitality of Kodiak's working waterfront.
10. Establish methods to measure success and impacts of all programs, including collection and analysis of baseline and after-action data.



CITY OF KODIAK

A handwritten signature in blue ink, appearing to read "Pet Pua", is written over a horizontal line.

MAYOR

ATTEST:

A handwritten signature in blue ink, appearing to read "Debra M...", is written over a horizontal line.

CITY CLERK

Adopted: September 27, 2012



Introduced by: Borough Assembly  
Requested by: Kodiak Fisheries Workgroup  
Drafted by: Borough Clerk  
Introduced on: 09/20/2012  
Adopted on: 09/20/2012

**KODIAK ISLAND BOROUGH  
RESOLUTION NO. FY2013-10**

**A JOINT RESOLUTION OF THE KODIAK ISLAND BOROUGH ASSEMBLY AND THE  
CITY OF KODIAK COUNCIL SUPPORTING COMMENTS TO THE NORTH PACIFIC  
FISHERY MANAGEMENT COUNCIL ON PENDING ACTIONS REGARDING  
COMPREHENSIVE MANAGEMENT OF PROHIBITED SPECIES CATCH (PSC) BY THE  
TRAWL FISHERY IN THE CENTRAL GULF OF ALASKA**

**WHEREAS,** the North Pacific Fishery Management Council is considering the need for and beginning development of a comprehensive program to manage prohibited species catch by the trawl fleet of the central Gulf of Alaska; and

**WHEREAS,** any such comprehensive management program for fisheries in the central Gulf of Alaska will have major and direct effects on the economy and well-being of residents of the Kodiak region; and

**WHEREAS,** National Standards of the Magnuson-Stevens Fishery Conservation and Management Act require that federal fishery management decisions take into account the importance of fishery resources to fishing communities, in order to provide for the sustained participation of such communities and minimize adverse economic impacts on such communities; and

**WHEREAS,** the Kodiak Island Borough and the City of Kodiak represent the communities of the Kodiak region, rather than individual user groups or fishing interests; and

**WHEREAS,** the Kodiak Island Borough and the City of Kodiak have begun a program to participate directly in public processes for fishery policy decision-making as outlined in Resolution No. FY2013-09 of the Kodiak Island Borough

**NOW, THEREFORE BE IT JOINTLY RESOLVED BY THE KODIAK ISLAND BOROUGH ASSEMBLY AND THE CITY OF KODIAK COUNCIL** that these bodies support the Kodiak Fisheries Workgroup's proposed overarching purpose for consideration of fishery management issues of interest and concern to the Kodiak region as follows:

**Overarching Purpose:**

1. Maintain healthy, sustainable resources in the central (and western) Gulf of Alaska.
2. Promote a sustainable, vigorous economy in the Kodiak region with healthy and competitive harvesting and processing sectors and support industries.
3. Maintain quality of life and social well-being in Kodiak.

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**NOW, THEREFORE BE IT FURTHER JOINTLY RESOLVED BY THE KODIAK ISLAND BOROUGH ASSEMBLY AND THE CITY OF KODIAK COUNCIL** that these bodies support the Kodiak Fisheries Workgroup's proposed goals for management programs as follows:

**Goals for Management Programs:**

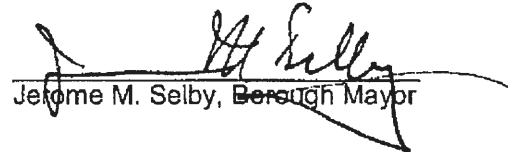
1. Provide effective controls of prohibited species catch and other bycatch to provide for balanced and sustainable fisheries and healthy harvesting and processing sectors.
2. Maintain or increase target fishery landings and revenues to Kodiak.
3. Maintain or increase employment opportunities for vessel crews, processing workers, and support industries.
4. Provide increased opportunities for value-added processing.
5. Maintain opportunities for fishermen to enter the fishery.
6. Maintain opportunities for processors to enter the fishery.
7. Minimize adverse economic impacts of consolidation of the harvesting or processing sectors.
8. Maximize active participation by owners of harvesting vessels and fishing privileges.
9. Maintain the economic strength and vitality of Kodiak's working waterfront.
10. Establish methods to measure success and impacts of all programs, including collection and analysis of baseline and after-action data.

**ADOPTED BY THE ASSEMBLY OF THE KODIAK ISLAND BOROUGH  
THIS TWENTIETH DAY OF SEPTEMBER, 2012**

ATTEST:

  
\_\_\_\_\_  
Nova M. Javier, MMC, Borough Clerk

KODIAK ISLAND BOROUGH

  
\_\_\_\_\_  
Jerome M. Selby, Borough Mayor

September 29, 2015

Dan Hull, Chairman  
North Pacific Fishery Management Council  
605 W. 4<sup>th</sup> Ave. Suite 306  
Anchorage, AK 99501  
[npfmc.comments@noaa.gov](mailto:npfmc.comments@noaa.gov)

**Sent Via Email**

RE: October 2015 Meeting Agenda Item C8 – GOA Trawl Bycatch Mgmt Discussion Paper

Dear Mr. Hull:

Icicle Seafoods, Inc. is the owner of five vessels with historical participation in the GOA groundfish trawl fisheries. As participants in these open access fisheries, we recognize the need for tools to help the industry manage bycatch. At the same time, a well-designed management structure can facilitate the improved safety of our fishermen and women, increase efficiencies at vessels and plants, and improve utilization of the resource by harvesters and processors.

For these reasons, we support the continued analysis of Alternative 2, with the following additional elements:

***1. Analyze the ramifications of eliminating Pollock trip limits under a new management program.***

Trip limits are a management tool used to slow the pace of an open access fishery. In a rationalized fishery, there should be no need for trip limits. Elimination of trip limits would improve the safety of harvesters and reduce their overall carbon footprint by reducing the number of trips needed to fully execute the fishery.

***2. Analyze the effects of changing the trawl cod directed fishery season to Jan 20 – June 10 and June 10 – Nov 1, with no change to the A and B seasonal allocations.***

Providing a longer horizon to allow for the harvest of trawl cod would allow operators to choose when to deploy for directed cod trips. This could coincide with periods of higher aggregations of cod and commensurately lower rates of bycatch. Additionally, this could reduce gear conflicts between the trawl sector and pot and HAL sectors, as the trawl sector could fish their allocations throughout the year.

***3. Analyze the effects of port of landing requirements on vessel safety and bycatch reduction goals.***

Port-of-landing requirements and regionalization of landings have been used in other rationalized fisheries with mixed results. Instituting a port-of-landing requirement for the GOA trawl fisheries runs

counter to the goals of making these fisheries safer, reducing bycatch, and optimizing yield. Fish do not abide by borders, and an abundance of groundfish may be found far from traditional landing ports. Fish may relocate from year to year or after a number of years depending on water temperatures and a host of other environmental factors. Harvesting patterns may change over time due to other regulations that might then be in effect, e.g. Stellar Sea Lion restrictions.

Requiring deliveries to be taken to certain ports may increase a vessel operator's risk, whether due to longer run times from the fishing grounds to port, or to inclement weather between the fishing grounds and the required port of delivery. Safety concerns related to regional delivery landing requirements have been well documented in the BSAI Crab Rationalization Program, resulting in amendments to the program to allow exemptions from regional delivery requirements. Longer run times to required ports also results in unnecessary fuel consumption.

Currently underutilized fishing areas may have lower bycatch rates but cannot be effectively harvested under a race for fish program. The analysis should focus on how to best reduce bycatch, and harvesters should be given greater, not less, flexibility to minimize bycatch.

***4. Analyze the effects of port of landing requirements and regionalization for fisheries that are not currently or historically fully utilized.***

Port-of-landing requirements may provide a windfall to communities in the event of a groundfish fishery that has not been fully utilized in the past. For example, the 610 and 640 Pollock fisheries have historically been underutilized, along with many CGOA flatfish fisheries. If these were fully tied to a particular community or set of communities, the additional harvest occurring under a rationalized program would not appropriately fall within the umbrella of community protection.

We appreciate the work the Council is doing on this important issue, and support the continued analysis of Alternative 2 with the additional elements described above. Thank you for the opportunity to comment.

Sincerely,

ICICLE SEAFOODS, INC.

Hunter Berns  
Fishing Vessel Operations Manager

**NORTH PACIFIC FISHERY MANAGEMENT COUNCIL**  
**October 5-13, 2015 — 225<sup>th</sup> Plenary Session**  
**Anchorage Hilton Hotel**

**Public Comment of Ludger W. Dochtermann, F/V NORTH POINT, STORMBIRD**  
**Email submittal — npfmc.comments@noaa.gov**

**RE: C-8 GOA TRAWL BYCATCH MANAGEMENT – Discussion Paper**

Secretary Pritzker, Chairman Hull & NPFMC Members:

I'm Ludger W. Dochtermann of Kodiak, Alaska – owner and captain of two fishing vessels for Crab, Halibut, and salmon tendering operations. My fishing rights have been harmed by hard-on-bottom trawling for decades. During that time, Council's actions to address GOA Groundfish Trawl Bycatch have been pitiful, falling far short.

At 73, I remember dozens of Groundfish FMPs over the years. It's clear the existing motion cooperative measure was dominated by partisan desires of Washington and Oregon interests for the trawl sector, i.e. large industrial-sized, high poundage, low valued, fewer jobs, low economic-efficiency and low economic yield. Corporate serving, not fishing community serving.

All summer in Kodiak, while working fishermen were out on the grounds doing their jobs, a political faction of trawl interests was busy twisting our City and Borough leaders to segregate out the Cooperative option – as if it is the pre-designated “preferred alternative” – and the way to go. Political tools do not, cannot lower bycatch problems at sea that are caused by failures to adjust gear, use extruders on all nets, timing, trawl speeds, reduce on-bottom contacts, and are just a means to the greed of about 36 players who want to get very rich off groundfish quotas: catch shares.

I recently became aware of an Amendment 80 and Groundfish Forum effort to taint the minds of Northwest USA citizens in the Seattle Times and using YouTube. In it, they – gaspingly – state that only 10% of their gear has bottom contact. Can you imagine my telling a judge on a hit-and-run that he should let me off because I only hit the victim with my right front bumper below the knees and they never rolled over the top of the vehicle?

Escaping wartime Germany as a child, and as a military historian, I cannot stop thinking of Goebbels and ‘volksverdummung’. Why do you let yourselves be misled, stupefied, brain washed in 2015?

There is a greater environmental context here, too. Carbon Credits did not reduce overall harms to the environment, and neither will Individual Bycatch Quotas. They are not incentives to behave, rather incentives to do harm to as high of a possible level that you allow. They financially harm my interests and that of many others. Get tough on crime!

I know from ASMI ads, if no other source, that there is ample groundfish biomass; and recently TACs were raised, i.e. no problem of sustainability for the trawl species. It is the opposite for halibut, crab and some salmon. We cannot even begin to make a noticeable dent in groundfish but trawlers can decimate entire pods, millions of crab, barely noticed. *Incentivized!*

There is no justification for IBQs and catch shares. Quite the opposite. You need to place disincentives, punishments on avoidable harms. National standards obligate you to consider the multispecies complexities?

National standards also command you to address – not merely brush a little cheek rouge on – the dependency of fishing communities and the greater number of jobs available in a far more numbered competitive fleet. How will privatization for 36 greedy trawlers accomplish that?

It is early, still, to comment effectively. The State of Alaska has not put forth an acceptable set of alternatives and options. Another motion at this meeting, done correctly, will only be the start. An EIS and analysis are vital. You have yet to gather adequate data from all the affected fleets and communities, as well.

After 38 years of the FCMA, it should be clear: keep all of these fisheries open, competitive, and non-privatized. You've an obligation under the UN Civil and Political Rights Convention, as Iceland discovered. Catch shares are problematic, even internationally illegal all over the world's oceans.

The science is pathetic. Observer coverage is a joke. Stop wasting NMFS budgets on political and legislative toolbox toys. Implement full observer coverage on all trawlers, all the time. Put underwater cameras on their gear – do 'firsthand' direct observation. Build a factual database of information to remove inadequacies in best science.

Then come back to us, a decade from now with some reality in hand. Do not give the trawl faction all they are paying millions of dollars to lobby you and fool the public – greedy "get-rich-quick outlets." They can stay with status quo and fish their federal permits, not privatized rights.

Respectfully yours,



Ludger W. Dochtermann; POB 714; Kodiak, AK 99615 Tel: 907-486-5450



175 South Franklin Street, Suite 418  
Juneau, Alaska 99801 USA

+907.586.4050  
[OCEANA.ORG](http://OCEANA.ORG)

August 28, 2015

Glenn Merrill, Assistant Regional Administrator  
Sustainable Fisheries Division, NOAA Fisheries, Alaska Region  
P.O. Box 21668 Juneau, AK 99802-1668

RE: NOAA-NMFS-2014-0150, Gulf of Alaska Trawl Management EIS

Dear Mr. Merrill:

We appreciate your continued commitment to reduce bycatch in the groundfish fisheries in the Gulf of Alaska and commend the National Marine Fisheries Service and the North Pacific Fishery Management Council (NPFMC) for taking some steps to cap and reduce Pacific halibut and Chinook salmon bycatch in the Gulf of Alaska trawl fisheries. While this reactionary approach to management has been necessary to respond quickly to severe bycatch concerns, there is a clear need for comprehensive, proactive management that will reduce bycatch, protect habitat, increase the ecological sustainability of the fisheries, and provide stability to coastal communities.

A new program should be focused on progress towards ecosystem-based fishery management and ecologically sustainable fisheries (which includes reducing bycatch), and it should not simply allocate harvest privileges or divide up current or historic trawl bycatch among participants. As part of developing this program, NMFS and the NPFMC should consider, at a minimum:

- Requirements to reduce bycatch, including bycatch of prohibited species;
- Clear annual catch limits, overfishing limits, and bycatch caps for all marine life;
- 100% observer coverage and estimation of the catch and bycatch of all species, including benthic invertebrates;
- Incentives for one-way transfer of quota to lower impact gears;
- A timeline to achieve zero discards of edible fish;
- Protection of important ecological areas and sensitive habitats;
- Mitigation of any cumulative impacts on areas supporting remaining open-access fisheries, including fisheries in Alaska state waters;
- Cost recovery to pay for monitoring, research, and management of the fishery;
- An expiration date for any exclusive fishing privileges granted, with option to renew contingent on meeting program goals and individual performance measures;
- Adaptive management that involves review and evaluation of program performance with opportunities to modify and improve the program; and

We note that the two 'strawman' Alternatives described in the Federal Register Notice<sup>1</sup> are focused on improving operational efficiency of the trawl fleet and stability to fish processors and communities. Those goals are important and laudable, but they are not sufficient. The issues outlined above should be

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<sup>1</sup> <http://www.regulations.gov/#!documentDetail;D=NOAA-NMFS-2014-0150-0001>

GOA Trawl EIS Scoping  
August 28, 2015  
Page 2 of 2

considered as you develop a reasonable range of alternatives that will move us forward toward healthy ocean ecosystems and ecologically sustainable fisheries.

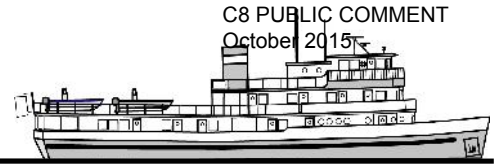
We will continue to work with you to find ways to protect the health, productivity, and biodiversity of the North Pacific marine ecosystem while maintaining fishing opportunities and vibrant coastal communities.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jon Warrenchuk', written in a cursive style.

Jon Warrenchuk  
Senior Scientist and Campaign Manager  
Oceana





Paul Olson, Attorney-at-Law  
606 Merrell St.  
Sitka, AK 99835  
polsonlaw@gmail.com

September 29, 2015

Dan Hull, Chairman  
North Pacific Fishery Management Council  
605 W. 4<sup>th</sup> Avenue, Suite 306  
Anchorage, AK 99501-2252  
Fax: (907) 271-2817

Re: Agenda Item C-8, Discussion Paper Review of Proposed Program for Gulf of Alaska Trawl Bycatch Management

Dear Mr. Hull:

Thank you for the opportunity to comment on the proposal to implement a new management program for Gulf of Alaska (GOA) groundfish fisheries. I submit the following comments on behalf of The Boat Company (TBC). TBC is a tax exempt, charitable, education foundation with a long history of operating in southeast Alaska. TBC conducts multi-day conservation and wilderness tours in southeast Alaska aboard its two larger vessels, the 145' M/V Liseron and the 157' M/V Mist Cove. TBC's clients fish for halibut and Chinook salmon populations affected by trawl bycatch in the Gulf of Alaska (GOA). Additionally, TBC's charitable programs support southeast Alaska communities that depend on access to Chinook salmon and halibut for commercial and guided sport fishing, unguided sport fishing and subsistence.

Section 2.9 of the discussion paper provides additional information on the two Alternative 3 components – Community Fisheries Associations (CFAs) and an Adaptive Management Program (AMP). The goals and objectives for the CFA and AMP Option 1 primarily aim at community impacts and entry level opportunities. AMP Option 2 would include for conservation goals and reserve quota to address other unintended outcomes. The October 2014 discussion paper's preliminary review of the CFA and AMP, noted that the initial CFA proposal primarily aimed at community protections but did not provide additional means to meet the Council's primary objective for the bycatch management program - to reduce PSC.

As bycatch reduction is a primary driver of the program, TBC requests that further development of Alternative 3 programs include measures to enhance the achievement of bycatch reduction goals. The following comments thus respond to the discussion paper's suggestion that the Council develop a list of uses for Alternative 3 quota and request that the

Council further consider: (1) using Alternative 3 to complement existing and future economic and environmental incentives for gear conversion or gear switching<sup>1</sup> through target species allocation and (2) setting aside PSC as a conservation measure, with possible allocation options after considering the conservation status of the species and impacts on directed fisheries.

### **Alternative 3 quota for gear conversion or gear switching**

The FEIS for the PFMC's program explains that an AMP (or a CFA) can be used to incentivize the use of lower bycatch gear, complementing other incentives such as public relations issues, market conditions and bycatch limits. [NMFS 2010 at 359].<sup>2</sup> TBC requests that the Council consider whether Alternative 3 programs could further incentivize gear conversion or gear switching in order to create conservation benefits across the Gulf of Alaska and beyond through a shift to gear types with lower bycatch levels and mortality rates. An additional conservation benefit would result from reducing benthic habitat disturbances caused by bottom trawling.<sup>3</sup> Indeed, minimizing adverse habitat impacts was an explicit goal of gear conversion alternatives considered in the PFMC's FEIS. [NMFS 2010, Appx. A at A-421].

As noted in the discussion paper, NMFS has reallocated GOA Pacific cod from the trawl sector to the pot sector in recent years, but the catch share system has the potential to reverse this trend. Thus, while the Council's October 2014 decision to allow pot gear to fish trawl Pacific cod quota is an appropriate measure, the GOA program could do more to further incentivize the use of fixed gear. For example, AMP (or CFA) cod quota could be used to further incentivize permanent gear conversion through multi-year allocations or shorter-term gear switching.

Incentivizing the use of non-trawl gear is an important consideration given the significant difference in bycatch rates and fishery value per unit of PSC. The halibut PSC rate in the Bering Sea Aleutian Islands (BSAI) trawl cod fisheries has generally been double the rate in the BSAI longline fisheries. [Northern Economics. 2014].<sup>4</sup> Also, the longline fisheries consistently generate twice as much economic value relative to their take of halibut PSC. [*Id.* at 29, Table 15]. The cod pot fishery has a "very low" bycatch rate which is "generally at least an order of magnitude lower than any of the other sectors." [*Id.* at 25]. As a result, the pot fishery generates "extremely high" economic value per unit of halibut take relative to other gear types. [*Id.* at 26]. Notably, the GOA halibut PSC rate in the trawl cod fisheries is considerably higher than the BSAI PSC rate. [Fissel, B. et al. 2013, Tables 14, 15].

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<sup>1</sup> Gear conversion, at least as explained in the PFMC's catch share program, is a permanent change and gear switching can be temporary.

<sup>2</sup> NMFS. 2010. Rationalization of the Pacific Coast Groundfish Limited Entry Trawl Fishery; Final Environmental Impact Statement, Including Regulatory Impact Review and Initial Regulatory Flexibility Analysis. Pacific Fishery Management Council, Portland, OR. June 2010.

<sup>3</sup> See NMFS 2010, Appx. At at A-422 (explaining that even though both gears affect benthic habitat, there would be an overall decrease in bottom disturbance associated with converting or switching to fixed gear).

<sup>4</sup> Northern Economics. 2014. A quantitative examination of halibut mortality in BSAI Groundfish fisheries. P. 24, Table 14.

Using the AMP or CFA for gear conversion may also complement economic incentives associated with market trends, and provide the flexibility to increase value in response to those trends. For example, NMFS and the PFMC have projected that “[o]ne trend that is likely to continue in the future is increasing scrutiny of the fishing industry by the public, particularly scrutiny of bottom trawl gears.” [NMFS 2010 at 381]. The FEIS projects that this trend may lead to a relatively higher price for nontrawl caught groundfish. [*Id.*]<sup>5</sup> The FEIS noted that some fishermen “have expressed a desire to switch from trawl gear ... because of public relations issues and because consumers in central and southern California appear to prefer nontrawl caught fish.” [NMFS 2010 at 295-296.] Thus, when combined with rationalization, there could be increased incentive to switch over to non-trawl gear. Although the PFMC’s FEIS found that the overall effect on revenues was unclear because potential price gains could be offset by reduced landings, a set-aside of target species quota for gear changes would thus provide fishermen with the with the flexibility in the future to evaluate those trade-offs.

Another possible economic incentive for gear conversion pertains to monitoring costs. As noted in the PFMC’s analysis, “[t]here may be some possibility that at-sea monitoring with cameras is more feasible with nontrawl gear.” [*Id.*, Appx. A at A-420]. Thus, adaptive management aimed at gear conversion could provide some smaller CVs using fixed gear that can be effectively monitored with EM an opportunity to reduce the costs of human observer coverage. Perhaps the most critical economic incentive would be the possibility of extending harvest opportunities in areas where PSC rates are high and limits constrain harvests. Finally, TBC encourages the Council to consider the relationship between gear conversion and the initial primary objectives of the CFA and AMP – to assist entry-level and small vessel operators. In general, it is hard to see how the trawl fishery is an entry-level fishery – particularly for future vessel owner-operators - given the capital investment. Further analysis could consider the relative costs of entry into a fixed gear fishery versus entry into the trawl fishery.

### **Alternative 3: PSC set aside for conservation**

The discussion paper considers the potential for reserving a PSC set aside as part of Alternative 3, and TBC requests that Council seek greater detail in further analyses as suggested in the discussion paper. A conservation reserve would provide the flexibility to ensure additional salmon and halibut savings as needed to respond to changes in the conservation status of each species. Such a buffer for halibut and Chinook salmon may be an essential precautionary measure to address the possibility that PSC species may not recover quickly enough to restore the balance between directed fisheries and PSC users, or even decline

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<sup>5</sup> See also NMFS 2010 at 295-296 (explaining that these market conditions can present “a noticeable differential in the prices paid for groundfish species caught with one gear versus another” ); *id.* at 356 (“Gear switching provides another source of potential revenue because it allows vessels to capitalize on market conditions that may be more favorable for nontrawl caught groundfish” although there may be lower catch due to foregone catch of flatfish species).

further. Allocations of PSC quota from the reserve could occur in years of higher abundance and strengthen the bycatch reduction performance of the fishery by providing additional incentives to reduce bycatch, limit habitat impacts and encourage innovation and gear modification or gear switching. TBC submits that a proposal driven approach would be an appropriate process for allocation of reserved PSC and could function similarly to the EFP process with criteria specifically aimed at PSC reduction.

Although TBC would prefer that the Council revisit PSC limits as it moves toward identifying a preferred alternative, the Council could consider whether a PSC set aside for Alternative 3 programs can be an additional PSC limit reduction beyond the range of alternatives developed in the Council's October 2014 motion. Those alternatives do not go far enough to address the inequitable resource allocation between PSC users and the directed fisheries. The motion proposes to reduce halibut PSC by 10% (1,364 mt), 15% (1,288 mt), or even not at all (maintaining the 1,515 mt limit implemented by Amendment 95), and reduce the Chinook salmon PSC limit of 25,000 by 25% (18,750), or possibly not even at all. But over the past decade, the combined catch limit for directed halibut commercial fisheries in the GOA (Areas 2C, 3A and 3B) declined from 46.7 million pounds in 2006 to 17 million pounds in 2015 – a reduction of roughly 64%.<sup>6</sup> The 2014 guided sport halibut allocation under the Pacific halibut Catch Sharing Plan (CSP) was less than half of the 3A Guideline Harvest Level in 2011. Area 2C guided sport allocations have also dropped by nearly 50% since 2007. While the resource finally may have stabilized at near historically low harvest levels, the low abundance trend is likely to continue in the near future.<sup>7</sup>

The Council's motion would thus allocate an increasing share of a resource already fully utilized in the directed fisheries. For example, from 2006 – 2010, the Area 3A and 3B halibut TCEY began to decrease slightly per year, but averaged over 40 million pounds. The all-gear PSC limit was 3.8 million pounds - always less than 10% of the TCEY during that time period. But beginning in 2011, the TCEY began to decline substantially, dropping nearly in half to 21.3 million pounds by 2013. The amount of the TCEY allocated to the PSC limit nearly doubled over a three year period – to 17.8%. In 2014, the TCEY declined yet again, to 15.9 million pounds. The 3.5 million pound PSC limit in 2014 under the staggered “reduction” implemented by Amendment 95 was the highest allocation of the resource yet to the groundfish fisheries - 22% of the TCEY.

In other words, establishing additional PSC reductions through Alternative 3 would meet numerous Council goals for the program in addition to the Council's primary goal of bycatch reduction. It would improve the balance between all sectors and PSC resource stakeholders and

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<sup>6</sup> Data sources for this section are Tables 2.6A-G in the 2015 IPHC Annual Meeting Briefing Book and NMFS Final Rules implementing the Pacific halibut Catch Sharing Plan for Areas 2C & 3A.

<sup>7</sup> Stewart, I. J. & S. Martell. 2015. Assessment of the Pacific halibut stock at the end of 2014. Int. Pac. Halibut Commission Report of Assessment and Research Activities 2014. Pp. 121-140.

minimize adverse impacts to the numerous non-trawl GOA communities that depend on the halibut and Chinook salmon resources.

Sincerely,

Paul Olson