

# Public Testimony Sign-Up Sheet

## Agenda Item C-3 (c) Sideboards - Deepwater Flats

3rd quarter

	NAME (PLEASE PRINT)	AFFILIATION
1	Todd Loomis	Cascade Fishing Inc
2	Julie Bonny	AG-D.B
3	Lori Swanson	BFF
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

NOTE to persons providing oral or written testimony to the Council: Section 307(1)(I) of the Magnuson-Stevens Fishery Conservation and Management Act prohibits any person "to knowingly and willfully submit to a Council, the Secretary, or the Governor of a State false information (including, but not limited to, false information regarding the capacity and extent to which a United State fish processor, on an annual basis, will process a portion of the optimum yield of a fishery that will be harvested by fishing vessels of the United States) regarding any matter that the Council, Secretary, or Governor is considering in the course of carrying out this Act.

MEMORANDUM

TO: Council, SSC and AP Members  
FROM: Chris Oliver *for*  
Executive Director  
DATE: September 17, 2008  
SUBJECT: GOA Halibut Sideboards for Amendment 80

ESTIMATED TIME 8 HOURS  (all C-3 items)
--

**ACTION REQUIRED**

Initial review of GOA halibut PSC sideboards for Amendment 80 vessels

**BACKGROUND**

In December 2007, the Council reviewed a discussion paper on GOA sideboard limits and initiated an analysis of an amendment package to adjust the Amendment 80 3<sup>rd</sup> season deep water species halibut PSC sideboard limit. There are two alternatives to the status quo. One alternative is to include an amount of halibut PSC in the Amendment 80 3<sup>rd</sup> season deep water species halibut PSC sideboard limit equal to the halibut PSC available to the Rockfish Pilot Program CP limited access vessels that are also Amendment 80 vessels. The other alternative is to not deduct 3<sup>rd</sup> season halibut PSC usage while targeting central GOA rockfish from Amendment 80 sideboard halibut limit by Amendment 80 vessels are Rockfish Pilot Program limited access vessels.

At this meeting, the Council is scheduled to conduct an initial review of this analysis. The analysis was mailed out in early September; an executive summary of that analysis is attached **(Item C-3(c)(1))**.

## Executive Summary

### Introduction

The Amendment 80 (AM-80) program, implemented on September 14, 2006, includes a sideboard provision that regulates Gulf of Alaska (GOA) halibut PSC usage by AM-80 vessels. Halibut PSC is apportioned among five seasons and two species complexes: the shallow-water and the deep-water. Similarly, AM-80 halibut PSC sideboard limits are also apportioned among the five seasons and the two fishery complexes. Halibut PSC sideboard limits for AM-80 vessels were based on historic usage of halibut PSC by all AM-80 vessels during the 1998 to 2004 time period. Any GOA halibut PSC usage by AM-80 vessels is deducted from the appropriate season and fishery complex sideboard limit.

The central GOA Rockfish Pilot Program (RPP), implemented on December 20, 2006, provides an opportunity for a person, who is not in a rockfish cooperative, but who holds a LLP license with rockfish quota share, to fish in a limited access fishery. The RPP also established sideboards to limit the ability of eligible participants to harvest fish in fisheries other than the Central GOA rockfish fisheries. Sideboards limit harvest in specific rockfish fisheries and the amount of halibut PSC that can be used in certain flatfish fisheries.

The intersection of halibut PSC usage for the 3<sup>rd</sup> season deep-water species among qualified AM-80 vessels and RPP CP vessels that are participants in the limited access fisheries has raised questions as to whether the apportionment of the 3<sup>rd</sup> season deep-water halibut PSC sideboard limit is sufficient to support directed fishing for deep-water species by all three groups. Specifically, halibut PSC usage by CP vessels in the RPP limited access fishery while targeting central GOA rockfish is counted toward the AM-80 3<sup>rd</sup> season deep-water halibut PSC sideboard limit, even though the AM-80 halibut PSC sideboard limit has already been reduced to account for halibut allocation to AM-80/RPP vessels while targeting central GOA rockfish.

### Purpose and Need

Halibut PSC use while targeting central GOA rockfish by AM-80/RPP limited access vessels is counted toward the AM-80 3<sup>rd</sup> season deep water halibut PSC sideboard limit, despite the sideboard limit already being reduced to account for halibut quota allocation for AM-80 vessels in the RPP. The addition of halibut bycatch by AM-80/RPP limited access vessels, without including their RPP halibut allocation, could result in AM-80 vessels reaching their halibut sideboard limit prior the end of the 3<sup>rd</sup> season, thus unduly constraining AM-80 participants. Given that the AM-80 halibut PSC sideboard limit does not include the RPP halibut allocation for AM-80/RPP limited access vessels, the AM-80 halibut PSC sideboard limit for 3<sup>rd</sup> season deep-water species may need to be adjusted to accommodate additional halibut PSC usage by AM-80/RPP limited access vessels.

The Council has yet to adopt a problem statement for this action. The paragraph below has been drafted by staff for Council consideration and revision.

*Amendment 80/Rockfish Pilot Program CP limited access vessels participating in GOA 3<sup>rd</sup> season deep-water fisheries utilize halibut PSC. Currently, halibut PSC usage while targeting central GOA rockfish by this group of vessels is counted toward the GOA 3<sup>rd</sup> season deep-water species halibut PSC Amendment 80 sideboard limit even though the sideboard has already been reduced to account for halibut allocation for the Rockfish Pilot Program. In apportioning the Amendment 80 halibut PSC limit to the GOA 3<sup>rd</sup> season deep-water species, halibut PSC allocation by Amendment 80/Rockfish Pilot Program limited access vessels while targeting central GOA rockfish was not included in the sideboard calculation. Since the Amendment 80 halibut PSC sideboard limit for 3<sup>rd</sup> season deep-water species does not account for halibut PSC usage from Amendment 80/Rockfish Pilot Program limited access vessels, there is a potential that insufficient halibut PSC will be available during the 3<sup>rd</sup> season, resulting in premature closure of all deep-*

*water fisheries for all Amendment 80 vessels qualified to fish in the GOA. The premature closure of the 3<sup>rd</sup> season deep-water fisheries may result in economic losses for these vessels.*

## **Alternatives**

There are two alternatives to the status quo that would address the problem articulated above. The Council specifically identified Alternative 2 upon initiation of this amendment package. Alternative 3 is offered for the Council consideration by staff as an option that may also meet the Council's intent.

**Alternative 1:** Status quo

**Alternative 2:** Include an amount of halibut PSC in the AM-80 3<sup>rd</sup> season deep-water species halibut PSC sideboard limit equal to the halibut PSC available to the Rockfish Pilot Program CP limited access vessels that are also AM-80 vessels.

**Alternative 3:** Any 3<sup>rd</sup> season halibut PSC usage while targeting central GOA rockfish by AM-80/RPP CP limited access vessels would not be counted toward the AM-80 halibut sideboard limit for 3<sup>rd</sup> season deep water species.

## **Impacts of the Alternatives**

### Alternative 1 - Status Quo

Under Alternative 1, there would be no change to the AM-80 3<sup>rd</sup> season deep water species halibut PSC limit. Halibut PSC usage in the 3<sup>rd</sup> season while targeting central GOA rockfish by AM-80/RPP limited access vessels will continue to be deducted from the non-rockfish halibut PSC limit and the AM-80 sideboard limit. Based on historical halibut PSC usage by the AM-80 vessels during the 3<sup>rd</sup> season while targeting deep water species, there is some potential that fishing for deep water species during the 3<sup>rd</sup> season could be constrained in the future by the halibut PSC sideboard limit thereby creating economic hardship for the AM-80 vessels. During those years when the halibut sideboard limit constrains the AM-80 fleet due to halibut usage from AM-80/RPP vessels while targeting central GOA rockfish, all other trawl vessels would benefit from the sideboard triggered closure. A sideboard triggered closure for AM-80 vessels would reduce the number of trawl vessels that could potentially utilize the halibut PSC apportioned to the 3<sup>rd</sup> season deep water species, thereby allowing for a longer 3<sup>rd</sup> season for those trawl vessels targeting deep water species.

### Alternative 2 - Adjust the Amendment 80 3<sup>rd</sup> season deep water halibut PSC sideboard limit

This alternative would adjust the 3<sup>rd</sup> season deep water halibut PSC sideboard limit by including RPP halibut quota from AM-80 vessels that joined the RPP limited access fishery. The increased halibut sideboard limit would benefit all AM-80 vessels restricted by the sideboard by allowing vessels to continue fishing for deep water species longer during periods of high halibut usage. The increase halibut sideboard reduces the potential for a sideboard closure of deep water species for AM-80 vessels, which does not benefit all other trawlers targeting deep water species since these trawlers would have to continue competing against AM-80 vessels. Finally, the difficulty of this alternative due to the timing of harvest specification process and the application deadline for RPP makes this alternative unfeasible in its current form. One solution is to move the application deadline for the RPP to November of the previous year. However, this may hamper cooperative formation due to the large length of time between a November application deadline and the start of the July 1 fishery.

### Alternative 3 - Limited access and opt-out halibut PSC is not deducted from Amendment 80 3<sup>rd</sup> season deep water halibut PSC limited

Under this alternative, halibut PSC usage while targeting central GOA rockfish by AM-80/RPP limited access vessels would not be deducted from the 3<sup>rd</sup> season deep water halibut PSC sideboard limit. By not counting halibut bycatch while targeting central GOA rockfish by AM-80/RPP limited access vessels, towards the AM-80 sideboard

limit, the AM-80 vessels benefit from a potentially longer deep water species fishery. A drawback of this alternative is that AM-80/RPP limited access vessels would be released from the AM-80 halibut PSC sideboard limit while targeting central GOA rockfish and this could impact fishing in 3<sup>rd</sup> season deep water fisheries for other trawl vessels.



Fishermen's  
Finest

## Fishermen's Finest, Inc.

1532 N.W. 56<sup>th</sup> Street • Seattle, WA 98107  
TEL: (206) 283-1137 • FAX: (206) 281-8681

September 24, 2008

Mr. Eric Olson, Chair  
North Pacific Fishery Management Council  
605 West 4<sup>th</sup> Ave.  
Anchorage, AK 99501  
FAX: 907-271-2817

**Re: Agenda Item C-3(c) Initial Review of sideboards for Amendment 80 PSC**

Dear Chairman Olson,

Fishermen's Finest, Inc. manages two A80 catcher/processors which participate in both the Rockfish Demonstration Program (RDP) and the Amendment 80 program (A80). We offer the following comments and recommendation for implementation of both programs as originally crafted by the Council final motions.

Briefly, in Section 802 of the Consolidated Appropriations Act of 2004, Congress required the Secretary, in consultation with the Council, to establish a Rockfish Demonstration Program which recognized the historic participation of fishing vessels for Pacific ocean perch, northern rockfish, and pelagic shelf rockfish harvested in the Central Gulf of Alaska (CGOA). Accordingly, the Council developed a CGOA rockfish demonstration program (RDP), took final action in June 2005 and NMFS published the Final Rule on November 20, 2006.

The RPP granted eligible catcher processors (CPs) the ability to form rockfish cooperatives or to join a limited access fishery in order to harvest the CGOA rockfish target fisheries. Additionally, halibut needs for the CV and CP sectors' CGOA rockfish target fisheries were determined.

Under the development of the A80 program, sideboards were crafted for the Gulf of Alaska. Under Alt. 4, the preferred alternative for A80, the CGOA rockfish program took precedence. In determining the GOA 3<sup>rd</sup> seasonal DW halibut sideboard for the A80 fleet, the halibut attributed to the RDP CP CGOA rockfish target fisheries (108.46 mt) was deducted from the A80 overall 3<sup>rd</sup> seasonal DW halibut history (212.64 mt). The A80 DW sideboard (104.18 mt) was thus only that halibut earned in target fisheries *other* than the three CGOA rockfish targets. RPP CP CGOA rockfish target halibut was separated from the A80 DW halibut sideboard (A80, Secretarial Review Draft, April 20, 2007, table ES-21) :

A80 3<sup>rd</sup> Q total DW halibut 212.64 mt *less* the CP RDP 108.46 mt = A80 3<sup>rd</sup> quarter sideboard 104.18 mt

Agenda Item C-3 (c )  
September 24, 2008

page 2 of 2

In 2007, the first year of implementation of the CGOA RDP, several CPs participated in the limited access fishery. The 108.46 mt, which represented the RDP halibut while in a CGOA rockfish target, was split between the limited access CPs and the CPs which formed cooperatives. The cooperatives received their halibut as a direct coop allocation. The remaining CP CGOA rockfish target halibut was added back in to the overall 3<sup>rd</sup> quarter DW complex halibut pool. The limited access CPs listed "RPP 403" as the management program on their weekly production reports submitted to NMFS. This provided NMFS with the appropriate management program information from which to debit their catch while in the CGOA rockfish limited access fishery.

In 2008, the first year of implementation of A80, the CGOA rockfish program accounting methodology changed. The CPs which formed RPP cooperatives continued to be funded with their CGOA rockfish target halibut. However, unlike 2007, the 3<sup>rd</sup> quarter DW complex did not receive the balance of the CGOA target halibut for those RDP limited access CPs. (Specifically, the A80 3<sup>rd</sup> quarter DW sideboard did not receive the balance of the RDP CP CGOA rockfish halibut.)

The net effect of the limited access CP's CGOA rockfish halibut disappearance was that the *non*-CGOA rockfish CPs had to fund the limited access CGOA rockfish CPs. We do not believe that this was the intent of the Council motion on A80:

Suboption 12.4.5 While the CGOA rockfish demonstration program is in place, the CGOA rockfish demonstration program takes precedence. The demonstration program would remove the need for catch sideboards for the CGOA directed rockfish species. The Amendment 80 CPs deep halibut mortality sideboard cap for the 3<sup>rd</sup> seasonal allowance (in July) will be revised by the amount of the deep complex halibut mortality allocated to the rockfish demonstration program for the Amendment 80 qualified non-AFA trawl CP sector while the demonstration program is in effect." (NPFMC, A80 Final Motion, June 10, 2006)

The intent was that that the A80 sideboard would not need to fund the CP CGOA rockfish fisheries since the RDP would provide that halibut. Upon implementation of A80, instead, halibut associated with CPs' deep water flatfish or WGOA/WYAK rockfish targets funded the RDP limited access CGOA rockfish CPs.

We appreciate the opportunity to comment on the A80 sideboards, as they affect the CGOA rockfish pilot program. We believe that proper accounting of the RDP limited access rockfish target halibut should be amended as a housekeeping issue, rather than as a regulatory issue.

Respectfully,

*Susan Robinson*

Susan Robinson  
Mgr, Fisheries Management

## Groundfish Forum

---

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

September 23, 2008

Mr. Eric Olson, Chair  
North Pacific Fishery Management Council  
605 West 4<sup>th</sup> Ave.  
Anchorage, AK 99501  
FAX: 907-271-2817

**Re: Agenda Item C-3(c) Initial Review of sideboards for Amendment 80 PSC**

Dear Chairman Olson,

Groundfish Forum is a trade organization representing many of the trawl catcher-processors in the 'Amendment 80' sector. Many of our vessels also qualify for the Rockfish Demonstration Program ('Pilot Program') in the Gulf of Alaska. We are writing to you to comment on how the sideboards that result from these two programs are managed in the Gulf of Alaska.

Briefly, there is a problem with how halibut caught by some of our vessels in the Pilot Program is accounted for. It is really just an accounting issue; halibut is removed from the Amendment 80 sideboard for use by CPs in the pilot program (see Table ES-21 from the final Amendment 80 EA/RIR/FRFA, attached), but halibut caught by some of those CPs is deducted from the sideboard again rather than from the pilot program. The result is that halibut use by these vessels is being double-counted, once when it is removed from the sideboard up front and again when it is caught and accrued back to the sideboard.

The analysis shows that this mis-accounting could result in a shortage of PSC, based on historic catch (Table 6-1, page 25). We urge the Council to request that NMFS correct the accounting procedures. The result of this change would NOT increase the amount of halibut available to the Amendment 80 fleet. It would simply account for halibut catch in the Central Gulf rockfish target fisheries appropriately.

We believe that it is important for the Council and staff to recognize that while other sectors may see a benefit in short-changing the CP rockfish pilot program boats, it is contrary to the actions approved by the Council and the analyses which underpin those actions for the Rockfish Pilot Program and Amendment 80. An accounting error does not justify re-allocating catch history away from our sector.

Suggestions that the status quo encourages coop formation are irrelevant. The pilot program was set up to allow catcher-processors to either join cooperatives or fish in limited access. There is no record to justify using PSC allocations in the pilot program to force coop membership.



It is unclear to us why NMFS cannot simply accrue halibut catch in the limited access CP sector of Rockfish Pilot Program to the RPP halibut allocation, as it did in 2007. This seems to be the simplest fix, and the one we prefer. Both of the proposed alternatives create additional problems by either requiring coop applications be submitted six months early (Alternative 2) or not accounting for the actual halibut caught by the limited access vessels (Alternative 3).

In sum, we ask the Council to request that NMFS correctly account for halibut caught by catcher-processors in the limited access portion of the rockfish pilot program as it did in 2007. This will prevent the possibility that this sector could be improperly constrained, which would be contrary to the Council's actions when approving both the Rockfish Pilot Program and Amendment 80.

Thank you for the opportunity to comment.

Sincerely,



Lori Swanson  
Executive Director

Page xxv, Secretarial Review EA/RIR/FRFA for BSAI Amendment 80, July 20, 2007:

BSAI Groundfish Amendment 80

Executive Summary

Table ES - 21 GOA Trawl Halibut PSC Sideboard estimates (mt)

Fishery	Season					Grand Total
	1	2	3	4	5***	
GOA Deep water species trawl fishery	25.85 (1.29%)	214.34 (10.72%)	104.18* (5.21%)	n/a**	n/a**	344.37 (17.22%)
GOA Shallow water species trawl fishery	9.68 (0.48%)	37.80 (1.89%)	29.27 (1.46%)	14.78 (0.74%)	119.54 (5.98%)	211.07 (10.55%)
Grand Total	35.53 (1.77%)	252.13 (12.61%)	132.54 (6.67%)	14.78 (0.74%)	119.54 (5.98%)	555.42 (27.77%)

Source: NPFMC summary of NMFS weekly PSC reports

Note: F/V Golden Fleece data has been deducted from the catch data

\* Third season halibut PSC mortality (212.64 mt) is reduced by the allocations made to the CP sector in the RDP (108.46 mt)

\*\*Fourth season deep water was combined with first season deep water and would rollover if not fully utilized

\*\*\*Deep and Shallow water species have been combined since the season does not species specific apportionment in the past