APPENDIX F

Cutifud Die 12,1978

# North Pacific Fishery Management Council

Clement V. Tillion, Chairman Jim H. Branson, Executive Director

Suite 32, 333 West 4th Avenue Post Office Mall Building



Mailing Address: P.O. Box 3136DT Anchorage, Alaska 99510

Telephone: (907) 274-4563

FTS 265-5435

November 29, 1978

#### ADVISORY PANEL REPORT

The Advisory Panel met on Wednesday, November 29 and again on Thursday, November 30. Sixteen members were in attendance as well as Council staff and Council member Gordon Jensen from time to time.

The Advisory Panel considered an agenda with eleven items.

Agenda Item 9 - Fishery Management Plan: High Sea Salmon Fishery
Off the Coast of Alaska East of 175° East Longitude

The Panel reviewed the redrafted troll salmon plan. In addition to a discussion of the major changes in the plan, the Panel had two additional comments.

1. Page 10, paragraph 2, should be changed to indicate that the fishing effort in waters west of 175° East longitude are the subject of the INPFC agreement beyond the 3-mile territorial state boundary only. Suggested change is as follows: "Fishing effort in the FCZ west of 175° East longitude is the subject of a separate international fisheries agreement between the United States, Canada, and Japan."

Page 10, paragraph 3, the Panel felt that the state of Alaska Aleutian fishery management area should also be listed.

Page 44, first paragraph, the Panel recommends an additional sentence which reads as follows: "This regulation while specific for the fishery conservation zone (3 - 200 miles), is the same in state waters (0 - 3 miles)."

With those recommendations the Advisory Panel wishes to advise the Council that they have reviewed the plan and find it acceptable with the changes recommended.

#### Agenda Item 10 - Bering Sea Shrimp FMP

The Advisory Panel listened to a presentation by Paul Anderson, NMFS, Kodiak, regarding the FMP Bering Sea shrimp plan. The Panel learned from Mr. Anderson that the SSC had extensively reviewed the plan and had recommended a reassessment of the equilibrium yield allowing for a range based on economic factors among other things. The plan, Anderson said, would likely undergo a major rewrite and would be resubmitted at the next Council meeting.

The Panel therefore has no comments on the shrimp FMP until the plan has been rewritten and resubmitted for review. Additionally, the Panel has indicated that they will review the logbook reporting requirements contained in the plan, and comment additionally on that specific aspect at the next Council meeting.

#### Agenda Item 11 - FMP Gulf of Alaska Groundfish Amendments

The Panel considered all 14 amendments put forth in the November 27 memo from Jim Branson to the Council. In addition a 15th amendment was added.

Amendment #1: The Panel wishes to endorse a reduction in the OY commensurate with their earlier recommendations of 10,000 metric tons. In addition the Panel concurred that the reserves for sablefish should (if any) not be allowed to be transferred to the TALFF as scheduled for January 2 and March 2.

Amendment #2: The Panel rejected this proposal in support of the current FMP rationale for closing this area, i.e., for conservation reasons and for gear conflict reasons.

Amendment #3: The Panel recommends adoption of this proposal and while not wishing to impose any undue hardships on the joint venture fishery, did feel that an allowable bycatch of 1.5% blackcod was unrealistic and could reasonably be set at 0.1%.

The Panel intended for this action to reduce the amount of allowable bycatch for joint venture operations from 15% to 13.6% taking into account this reduction of 1.4%.

Amendment #4: The Panel studied this proposal and the accompanying information supplied by Carl Mundt and recommends adoption. The Panel concurred with the recommendations in the letter which stressed that the existing 20% reserve and DAH for Pacific cod and sablefish was entirely adequate to handle any reasonable expected catch during 1979.

Amendment #5: The Panel learned that this proposed amendment had been formally withdrawn by the Japan Deep Sea Trawlers Association.

Amendment #6: The Panel reviewed the proposed amendment and listened to Bert Larkins and Jay Hastings regarding supporting rationale and data. The Panel recommended retaining the regulation "...which limits the catch to no more than 25% of TALFF during the period December 1 to May 31."

Amendment #7: The Panel recommends rejecting this proposal and feels that the present system of five INPFC statistical areas and the ensueing closure once any species or species group in a major statistical area is exceeded for that nation, are essential to the plan.

Amendment #8: The Panel recommended rejecting this proposed amendment.

Amendment #9: The Panel learned that this amendment had been formally withdrawn by the Japan Deep Sea Trawlers Association.

Amendment #10: The Panel recommends this proposal be accepted. This decision was made after the Panel learned that the closure to foreign trawling in this area was an oversight and was never intended to be a closure in the FMP.

Amendment #11: The Panel learned also that this amendment had been withdrawn formally by the Japan Deep Sea Trawlers Association.

Amendment #12: The Panel recommended approving a compromise proposal to allow foreign longlining seaward of 400 meters from May 1 - September 30, and seaward of 500 meters from October 1 - April 30. In part the Panel based its decision on a letter written by Steve Hoag, IPHC, presented by Panel member Bob Alverson. See attachment 1.

Amendment #13: The Panel recommends this proposal be rejected. The two principal reasons for rejection of this proposal stemmed from halibut conservation problems and potential gear conflicts with the developing blackcod U.S. longline fishery.

Amendment #14: The Panel rejected this proposal as written but recommends adoption if changed to read "until March 1, 1979." The proposal received considerable discussion which brought forth a general feeling from the Panel that there was some credence in giving joint ventures two more months "to get going" and establish a better track record.

The Panel's recommendation was not unanimous and was passed by vote of 10 to 6. An earlier motion to adopt the proposal as written failed 8 to 8.

Amendent #15: The Panel additionally considered the request by the Japanese to increase the OY for squid in the Gulf to 3300 metric tons from 2,000 metric tons.

The Panel deferred action on this proposal until they had learned from Bert Larkins that it appeared biologically justified. Given that information the Panel concurs with the proposal and recommends any OY (ABC) supported by the SSC.

#### Agenda Item 12 - Tanner Crab FMP

The Panel considered a report by Jerry Reeves and Bob Otto of National Marine Fisheries Service regarding the 1978 Eastern Bering Sea Tanner crab survey results. Insofar as the data results were totally unexpected and difficult to explain, the Panel considered and discussed the survey, its methodology, and possible explanations. Among those explanations discussed were: (1) the applicability of a trawl survey to estimate Tanner crab abundance, (2) possible spatial temperature anomalies, (3) possible annual variations in crab distribution, abundance and density, and (4) these results in light of other data and past conflicting survey results.

The Panel also heard a report from Steve Pennoyer on the SSC's recommendations.

The Panel considered the reports and concurs with the SSC recommendations. In addition, the Panel discussed the need for an indication to industry of an expected or probable harvest range. The Panel also commented that an earlier indication of the status of these stocks would have been helpful to the industry.

#### Agenda Item 13 - Halibut FMP

The Panel acknowledged receipt of the first draft regulations for this plan and will review them for any needed changes before the next Council meeting. Panel members with comments will submit them in writing before the next meeting. Agenda Item 15 - Contract final report "Investigations on the Continental Origin of Sockeye and Coho Salmon in the Area of the Japanese Land-Based Fishery"

The Panel reviewed this final report and concurs with the recommendations of the SSC and staff that it be formally received by the Council in fulfillment of the terms of the contract and for final payment.

Agenda Item 17 - Progress report - herring fishery management plan

The Panel listened to an excellent presentation by Ron Regnart, Jeff Skrade, Vidar Westpestad, Louis Barton, and Richard Randall: the management plan drafting team. The Panel felt that the presentation was very beneficial as it brought out most of the pertinent historical fisheries data, the most current status of the resource, the intended U.S. fishery, and the role of the subsistence fishery. In considering these issues and the 1979 fishery the Panel was uncertain about the source of the 1979 PMP OY's and TALFF's for the Bering Sea herring and adopted the "In view of the preference of the following motion: Fishery Conservation and Management Act given the United States industry, the Advisory Panel considers it reprehensible that NMFS, the Department of Commerce and the Department of State did not properly consult the Council in establishing 1979 Bering Sea herring PMP OY's and allocations."

Agenda Item 18 - research proposals

The Panel considered the letter from AEIDC inquiring as to the Council's interest in receiving a research proposal to determine the domestic processing capacity and intent. The Panel recommended that the study was not a high Council priority in that the information to be gained could be obtained from existing agencies and sources. In addition it was mentioned that Keith Specking of the Governor's Office was responding to this need statewide.

Agenda Item 19 - Incidental Species Report

The Panel reviewed the incidental species report and has no basic objection with the policy statement. The Panel accepted the report as a good starting point, and understands that it is subject to change as more is learned and as new evidence is acquired.

The Panel specifically addressed strategy II, #3 on page 4 of the report and adopted the following motion:

"Regarding the Regional Director's in-season allocations as pertains to the release of reserves of incidental species, the Advisory Panel recommends that the Regional Director consult, when ever possible, with the Council before taking action, and when not possible, inform the Council at its next meeting."

### Agenda Item 21 - Foreign Permit Application Review

The Panel generally discussed the "allocation aspects" of the foreign permit applications under review. In addition the Panel also discussed an emerging national allocation policy which appears to be deviating from the intent of the Act and from the Council's recommendations relating to allocations to foreign nations on the basis of past allocations, past participation in the fishery, history of violations, etc.

The Panel also discussed a Mrs. Paul's Kitchen - Polish pollock venture. With the preliminary indications that the initial 1979 allocation to Poland will be 26,000 metric tons of pollock in the Bering Sea and a 20,000 metric ton pollock allocation to Mexico in the Gulf of Alaska, the Panel adopted the following three-part motion: "(1) The Advisory Panel objects to preliminary allocations going out for review and comment to receiving nations and not to the regional Councils. The Panel specifically referenced increases in the Polish and Korean quotas and decreases in the Japanese quota. (2) The Panel recommends sending a strongly worded wire to Secretary of State Vance objecting to this action, and (3) requests an explanation of this action at this Council meeting by the State Department representative."

Agenda Item - Marine Resources Co., Inc. letter and proposal dated November 27, 1978.

The Advisory Panel received the letter this morning and expressed a general objection to continued receipt of last minute proposals and has no recommendation. It is included with this report as attachment #3.

APPENDIX F

Certified elec 12,1978

# North Pacific Fishery Management Council

Clement V. Tillion, Chairman Jim H. Branson, Executive Director

Suite 32, 333 West 4th Avenue Post Office Mall Building



Mailing Address: P.O. Box 3136DT Anchorage, Alaska 99510

Telephone: (907) 274-4563

FTS 265-5435

November 29, 1978

#### ADVISORY PANEL REPORT

The Advisory Panel met on Wednesday, November 29 and again on Thursday, November 30. Sixteen members were in attendance as well as Council staff and Council member Gordon Jensen from time to time.

The Advisory Panel considered an agenda with eleven items.

Agenda Item 9 - Fishery Management Plan: High Sea Salmon Fishery
Off the Coast of Alaska East of 175° East Longitude

The Panel reviewed the redrafted troll salmon plan. In addition to a discussion of the major changes in the plan, the Panel had two additional comments.

1. Page 10, paragraph 2, should be changed to indicate that the fishing effort in waters west of 175° East longitude are the subject of the INPFC agreement beyond the 3-mile territorial state boundary only. Suggested change is as follows: "Fishing effort in the FCZ west of 175° East longitude is the subject of a separate international fisheries agreement between the United States, Canada, and Japan."

Page 10, paragraph 3, the Panel felt that the state of Alaska Aleutian fishery management area should also be listed.

2. Page 44, first paragraph, the Panel recommends an additional sentence which reads as follows: "This regulation while specific for the fishery conservation zone (3 - 200 miles), is the same in state waters (0 - 3 miles)."

With those recommendations the Advisory Panel wishes to advise the Council that they have reviewed the plan and find it acceptable with the changes recommended.

#### Agenda Item 10 - Bering Sea Shrimp FMP

The Advisory Panel listened to a presentation by Paul Anderson, NMFS, Kodiak, regarding the FMP Bering Sea shrimp plan. The Panel learned from Mr. Anderson that the SSC had extensively reviewed the plan and had recommended a reassessment of the equilibrium yield allowing for a range based on economic factors among other things. The plan, Anderson said, would likely undergo a major rewrite and would be resubmitted at the next Council meeting.

The Panel therefore has no comments on the shrimp FMP until the plan has been rewritten and resubmitted for review. Additionally, the Panel has indicated that they will review the logbook reporting requirements contained in the plan, and comment additionally on that specific aspect at the next Council meeting.

#### Agenda Item 11 - FMP Gulf of Alaska Groundfish Amendments

The Panel considered all 14 amendments put forth in the November 27 memo from Jim Branson to the Council. In addition a 15th amendment was added.

Amendment #1: The Panel wishes to endorse a reduction in the OY commensurate with their earlier recommendations of 10,000 metric tons. In addition the Panel concurred that the reserves for sablefish should (if any) not be allowed to be transferred to the TALFF as scheduled for January 2 and March 2.

Amendment #2: The Panel rejected this proposal in support of the current FMP rationale for closing this area, i.e., for conservation reasons and for gear conflict reasons.

Amendment #3: The Panel recommends adoption of this proposal and while not wishing to impose any undue hardships on the joint venture fishery, did feel that an allowable bycatch of 1.5% blackcod was unrealistic and could reasonably be set at 0.1%.

The Panel intended for this action to reduce the amount of allowable bycatch for joint venture operations from 15% to 13.6% taking into account this reduction of 1.4%.

Amendment #4: The Panel studied this proposal and the accompanying information supplied by Carl Mundt and recommends adoption. The Panel concurred with the recommendations in the letter which stressed that the existing 20% reserve and DAH for Pacific cod and sablefish was entirely adequate to handle any reasonable expected catch during 1979.

Amendment #5: The Panel learned that this proposed amendment had been formally withdrawn by the Japan Deep Sea Trawlers Association.

Amendment #6: The Panel reviewed the proposed amendment and listened to Bert Larkins and Jay Hastings regarding supporting rationale and data. The Panel recommended retaining the regulation "...which limits the catch to no more than 25% of TALFF during the period December 1 to May 31."

Amendment #7: The Panel recommends rejecting this proposal and feels that the present system of five INPFC statistical areas and the ensueing closure once any species or species group in a major statistical area is exceeded for that nation, are essential to the plan.

Amendment #8: The Panel recommended rejecting this proposed amendment.

Amendment #9: The Panel learned that this amendment had been formally withdrawn by the Japan Deep Sea Trawlers Association.

Amendment #10: The Panel recommends this proposal be accepted. This decision was made after the Panel learned that the closure to foreign trawling in this area was an oversight and was never intended to be a closure in the FMP.

Amendment #11: The Panel learned also that this amendment had been withdrawn formally by the Japan Deep Sea Trawlers Association.

Amendment #12: The Panel recommended approving a compromise proposal to allow foreign longlining seaward of 400 meters from May 1 - September 30, and seaward of 500 meters from October 1 - April 30. In part the Panel based its decision on a letter written by Steve Hoag, IPHC, presented by Panel member Bob Alverson. See attachment 1.

Amendment #13: The Panel recommends this proposal be rejected. The two principal reasons for rejection of this proposal stemmed from halibut conservation problems and potential gear conflicts with the developing blackcod U.S. longline fishery.

Amendment #14: The Panel rejected this proposal as written but recommends adoption if changed to read "until March 1, 1979." The proposal received considerable discussion which brought forth a general feeling from the Panel that there was some credence in giving joint ventures two more months "to get going" and establish a better track record.

The Panel's recommendation was not unanimous and was passed by vote of 10 to 6. An earlier motion to adopt the proposal as written failed 8 to 8.

Amendent #15: The Panel additionally considered the request by the Japanese to increase the OY for squid in the Gulf to 3300 metric tons from 2,000 metric tons.

The Panel deferred action on this proposal until they had learned from Bert Larkins that it appeared biologically justified. Given that information the Panel concurs with the proposal and recommends any OY (ABC) supported by the SSC.

#### Agenda Item 12 - Tanner Crab FMP

The Panel considered a report by Jerry Reeves and Bob Otto of National Marine Fisheries Service regarding the 1978 Eastern Bering Sea Tanner crab survey results. Insofar as the data results were totally unexpected and difficult to explain, the Panel considered and discussed the survey, its methodology, and possible explanations. Among those explanations discussed were: (1) the applicability of a trawl survey to estimate Tanner crab abundance, (2) possible spatial temperature anomalies, (3) possible annual variations in crab distribution, abundance and density, and (4) these results in light of other data and past conflicting survey results.

The Panel also heard a report from Steve Pennoyer on the SSC's recommendations.

The Panel considered the reports and concurs with the SSC recommendations. In addition, the Panel discussed the need for an indication to industry of an expected or probable harvest range. The Panel also commented that an earlier indication of the status of these stocks would have been helpful to the industry.

#### Agenda Item 13 - Halibut FMP

The Panel acknowledged receipt of the first draft regulations for this plan and will review them for any needed changes before the next Council meeting. Panel members with comments will submit them in writing before the next meeting. Agenda Item 15 - Contract final report "Investigations on the Continental Origin of Sockeye and Coho Salmon in the Area of the Japanese Land-Based Fishery"

The Panel reviewed this final report and concurs with the recommendations of the SSC and staff that it be formally received by the Council in fulfillment of the terms of the contract and for final payment.

Agenda Item 17 - Progress report - herring fishery management plan

The Panel listened to an excellent presentation by Ron Regnart, Jeff Skrade, Vidar Westpestad, Louis Barton, and Richard Randall: the management plan drafting team. The Panel felt that the presentation was very beneficial as it brought out most of the pertinent historical fisheries data, the most current status of the resource, the intended U.S. fishery, and the role of the subsistence fishery. In considering these issues and the 1979 fishery the Panel was uncertain about the source of the 1979 PMP OY's and TALFF's for the Bering Sea herring and adopted the "In view of the preference of the following motion: Fishery Conservation and Management Act given the United States industry, the Advisory Panel considers it reprehensible that NMFS, the Department of Commerce and the Department of State did not properly consult the Council in establishing 1979 Bering Sea herring PMP OY's and allocations."

Agenda Item 18 - research proposals

The Panel considered the letter from AEIDC inquiring as to the Council's interest in receiving a research proposal to determine the domestic processing capacity and intent. The Panel recommended that the study was not a high Council priority in that the information to be gained could be obtained from existing agencies and sources. In addition it was mentioned that Keith Specking of the Governor's Office was responding to this need statewide.

Agenda Item 19 - Incidental Species Report

The Panel reviewed the incidental species report and has no basic objection with the policy statement. The Panel accepted the report as a good starting point, and understands that it is subject to change as more is learned and as new evidence is acquired.

The Panel specifically addressed strategy II, #3 on page 4 of the report and adopted the following motion:

"Regarding the Regional Director's in-season allocations as pertains to the release of reserves of incidental species, the Advisory Panel recommends that the Regional Director consult, when ever possible, with the Council before taking action, and when not possible, inform the Council at its next meeting."

#### Agenda Item 21 - Foreign Permit Application Review

The Panel generally discussed the "allocation aspects" of the foreign permit applications under review. In addition the Panel also discussed an emerging national allocation policy which appears to be deviating from the intent of the Act and from the Council's recommendations relating to allocations to foreign nations on the basis of past allocations, past participation in the fishery, history of violations, etc.

The Panel also discussed a Mrs. Paul's Kitchen - Polish pollock venture. With the preliminary indications that the initial 1979 allocation to Poland will be 26,000 metric tons of pollock in the Bering Sea and a 20,000 metric ton pollock allocation to Mexico in the Gulf of Alaska, the Panel adopted the following three-part motion: "(1) The Advisory Panel objects to preliminary allocations going out for review and comment to receiving nations and not to the regional Councils. The Panel specifically referenced increases in the Polish and Korean quotas and decreases in the Japanese quota. (2) The Panel recommends sending a strongly worded wire to Secretary of State Vance objecting to this action, and (3) requests an explanation of this action at this Council meeting by the State Department representative."

Agenda Item - Marine Resources Co., Inc. letter and proposal dated November 27, 1978.

The Advisory Panel received the letter this morning and expressed a general objection to continued receipt of last minute proposals and has no recommendation. It is included with this report as attachment #3.

WILLIAM S CILBERT
BAINDRIDGE ISLAND, WA.
CLIFFORD R. LEYELTON
OMAWA, ONT.
JOHN A. O'CONNOR
VANJOUVER, BC.
POBERT W. SCHONING
WASHINGTON D.C.
PET WALLIN

HUPERT, D.C.

# INTERNATIONAL PACIFIC HALIBUT COMMISSION

ESTABLISHED BY A CONVENTION BETWEEN CANADA

AND THE UNITED STATES OF AMERICA

P.O. BOX 5009 UNIVERSITY STATION SEATTLE, WA 98105

> TELEPHONE (206) 634-1838

20 November 1978

Attachment 1

Mr. H. A. Larkins National Marine Fisheries Service Northwest & Alaska Fisheries Center 2725 Montlake Blvd., East Seattle, Washington 98112

Dear Bert:

Regarding the Japanese request to relax the depth restriction on foreign longlining, IPHC scientists are concerned about a possible high incidence of halibut during the winter. Although halibut generally are in depths less than 400 m, they are found deeper than this during the winter. Halibut also tend to be more vulnerable to setline fishing during the winter because they concentrate in certain locations. There apparently is some misunderstanding regarding the information Dr. Low obtained from IPHC on the depth of halibut spawning. He states that "potential spawning probably does not take place in waters deeper than 300-500 m". Although information on the winter depth distribution of halibut is incomplete, our understanding is that substantial spawning occurs during the winter at 300-500 m.

In any event, considering the poor condition of halibut stocks, a more cautious approach is needed until better information is available. Specifically, the 500 m depth restriction should remain in effect during the winter, i.e. October-April. The proposed change to 400 m during the remainder of the year is satisfactory. This should give Japanese longline fishermen additional opportunity and also protect halibut.

Hopefully, additional information from observers and research vessels will be available in the next few years to reexamine the question of the proper depth restriction.

Sincerely yours,

Stephen H. Hoag Senior Biologist

## Members attending November 29, 1978 Advisory Panel meeting:

Ray Lewis Bob Alverson Don Rawlinson Dan O'Hara Sigfryed Jaeger Chuck Jensen Oral Burch Bud Boddy Truman Emberg Keith Specking Nick Szabo Robert Blake Rick Lauber Joe Demantle, Jr. Ken Olsen Harry Wilde, Sr.



## IVECT LINE EXEQUETION OF HIS.

HEAD OFFICE: 4215 - 21st Avenue West Suite 206 Seattle, Washington 98199 Phone: (206) 285-2701 Telex: 32-8041 MRC SEA NAKHODKA OFFICE:
Hotel Horizon-BAMR
Suite 224
Nakhodka Primorskogo 4
U.S.S.R.
Telex: 213434 MRKNHDSU

November 27, 1978

Mr. Clement V. Tillion, Chairman North Pacific Fishery Management Council P.O. Box 3136 DT Anchorage, AK 99510

#### Dear Clem:

Several months ago Jim Branson asked me to inform the Council as soon as possible on our plans for next year. Unfortunately, due to our involvement with the Pacific Whiting (hake) fishery and numerous other commitments, it has not been possible for us to formulate our 1979 proposal before now. I hope this delay hasn't created any major difficulties for the Council in their deliberation on the Gulf of Alaska Groundfish FMP.

Before giving you our projected "numbers" for 1979, I feel it would be helpful to briefly review what we accomplished with regard to developing a U.S. Pacific Whiting fishery this past fall.

## The experimental "joint venture" Pacific Whiting fishery

The "joint venture" Pacific Whiting fishery, involving two American trawlers and two Soviet processing boats (BMRT-type), was successful and provided answers to most of our questions. Total deliveries did not reach our expectations due to a late start and some start-up problems. Nevertheless, over a period of about a month and a quarter we received 895.1 metric tons of Pacific Whiting.

Cooperation between American and Soviet fishermen was excellent which contributed to this success. Considerable effort was directed at perfecting the codend transfer system, working out the logistics of a joint operation, and experimentally processing the whiting. Our joint efforts really bore fruit the last ten days when one of the trawlers averaged 41.3 MT per day with daily deliveries ranging from 8.8 to 73 MT.

Based on the demonstrated success of this year's operation together with increased interest it has generated among fishermen, we are planning a substantially larger fishery next year. We have requested the Pacific Council and NMFS to set aside 30,000 MT of Pacific Whiting and 1500 MT of jack mackerel. We and the fishermen involved feel confident that this is a realistic projection of our harvest for next season.

### Marine Resources Company's projection for 1979 Gulf of Alaska Groundfish Fishery

Although the considerable experience we gained this past year on Pacific Whiting will help us in putting together a successful high-volume fishery on Gulf of Alaska and Bering Sea groundfish, the information and experience is not totally transferable. For this reason we feel it is probably wise to carry out an experimental operation next season in the Gulf. Only one or two American boats together with one or two Soviet processors would be involved. This would allow all parties to better understand the distribution and availability of the groundfish species on which we would target, make changes if necessary in the method of transferring codends, experimentally process and market the various species, establish catch rates, etc.

Accordingly as it now stands, we plan to carry out an experimental groundfish fishery in the Western Gulf of about six months' duration starting when the weather improves about 1 May. We project a catch target of about 6000 metric tons broken down as follows:

Alaska Pollock	2000	MT
Pacific Cod	1900	MT
Pacific Ocean Perch	1400	MT
Sablefish	400	MT
Other species	300	TM

You will note that we have backed away somewhat from our commitment to Alaska pollock and instead plan to target on the entire underutilized groundfish complex in the Gulf. There are several reasons for this shift in emphasis. First, our experience in marketing pollock has not been encouraging due to import restrictions and a shift in the world market to other whitefish species (e.g. whiting) with changes in the price and availability of pollock. Second, we recognize that in order to provide an attractive groundfish market to U.S. fishermen, we must be in a position to receive their entire groundfish catch, not just one or two species.

## DAH, Reserve and Release Provision in FMP

For the reasons mentioned previously, we were not in a position to give any reasonable estimates of our projected 1979 operations at the time of Council and NMFS deliberations on the 1978-79 FMP. We did, though, informally communicate our interest to do something in the Gulf this next year to Jim Branson, some of your Council members, and NMFS. During the FMP development process we were not overly concerned because it was obvious that the flexibility being built into the plan was sufficient to take care of our limited needs.

Although I believe there is sufficient reserve in the plan to take care of our projected experimental operation this summer, I am somewhat concerned by the accelerated re-allocation schedule of unused reserve back to TALFF. As the Plan now stands, the majority of the reserve could be committed or re-allocated to TALFF before we ever get into operation. For this reason I would hope that the Council would keep our intended interests in mind during your bi-monthly reserve deliberations on recommendations to the Regional Director.

For our part please be assured we will do everything possible to keep the Council appraised of our plans as they develop. We feel that it is imperative that domestic users, ourselves included, are realistic in their annual projections of intended operations.

Yours sincerely,

Walter T. Pereyra

Walls

Vice-President and General Manager

Marine Resources Co., Inc.

WTP:ar

cc: Terry Leitzell

Harry Rietze

Dr. Dayton Alverson

Dr. Donald Bevan

Jim Branson

Bert Larkins

Sig Jaegar

Henry Haugen