

North Pacific Fishery Management Council

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November 27, 2002

DRAFT AGENDA
159th Plenary Session
North Pacific Fishery Management Council
December 4-9, 2002
Anchorage Hilton

The North Pacific Fishery Management Council will meet December 4-9, 2002 at the Anchorage Hilton in Anchorage, Alaska. Other meetings to be held during the week are:

Committee/Panel

Advisory Panel
Scientific and Statistical Committee
Joint Protocol/Council/BOF
Community Protection Committee
Ecosystem Panel (Council, SSC, AP)
Binding Arbitration Committee

Beginning

8:00 am, Mon., December 2 (Dillingham/Katmai)
8:00 am, Mon., December (King Salmon)
6:00 pm, Tue., December 3 (King Salmon)
5:30 pm, Tue., December 3 (Dillingham/Katmai)
1:00-5:00 pm Tue., December 3 (Aspen/Spruce)
5:30 pm, Wed., December 4 (Dillingham/Katmai)

The Council, SSC and AP will meet at the Anchorage Hilton. All meetings are open to the public, except executive sessions of the Council. Other committee and workgroup meetings may be scheduled on short notice during the week, and will be posted at the hotel.

INFORMATION FOR PERSONS WISHING TO PROVIDE PUBLIC COMMENTS

Sign-up sheets are available at the registration table for those wishing to provide public comments on a specific agenda item. Sign-up must be completed **before** public comment begins on that agenda item. Additional names are generally not accepted **after** public comment has begun.

Submission of Written Comments. Because of special circumstances (Thanksgiving), for this meeting only, written comments and materials to be included in Council meeting notebooks must be received at the Council office **by 5:00 p.m. (Alaska Time) on Friday, November 22nd.** However, materials will be accepted and copied for distribution outside of the notebooks until 5:00 p.m. Tuesday November 26th. Written and oral comments should include a statement of the source and date of information provided as well as a brief description of the background and interests of the person(s) submitting the statement. Comments can be sent by mail or fax--please **do not** submit comments by e-mail. **It is the submitter's responsibility to provide an adequate number of copies of comments after the deadline.** Materials provided during the meeting for distribution to Council members should be provided to the Council secretary. A minimum of **25** copies is needed to ensure that Council members, the executive director, NOAA General Counsel, appropriate staff, and the official meeting record each receive a copy. If copies are to be made available for the Advisory Panel (28), Scientific and Statistical Committee (18), or the public after the pre-meeting deadline, they must also be provided by the submitter.

FOR THOSE WISHING TO TESTIFY BEFORE THE ADVISORY PANEL

The Advisory Panel has revised its operating guidelines to incorporate a strict time management approach to its meetings. Rules for testimony before the Advisory Panel have been developed which are similar to those used by the Council. Members of the public wishing to testify before the AP **must** sign up on the list for each topic listed on the agenda. Sign-up sheets are provided in a special notebook located at the back of the room. The deadline for registering to testify is when the agenda topic comes before the AP. The time available for individual and group testimony will be based on the number registered and determined by the AP Chairman. **The AP may not take public testimony on items for which they will not be making recommendations to the Council.**

FOR THOSE WISHING TO TESTIFY BEFORE THE SCIENTIFIC AND STATISTICAL COMMITTEE

The usual practice is for the SSC to call for public comment immediately following the staff presentation on each agenda item. In addition, the SSC will designate a time, normally at the beginning of the afternoon session on the first day of the SSC meeting, when members of the public will have the opportunity to present testimony on any agenda item. The Committee will discourage testimony that does not directly address the technical issues of concern to the SSC, and **presentations lasting more than ten minutes will require prior approval from the Chair.**

COMMONLY USED ACRONYMS

ABC	Acceptable Biological Catch	MSFCMA	Magnuson-Stevens Fishery Conservation and Management Act
AP	Advisory Panel	MMPA	Marine Mammal Protection Act
ADFG	Alaska Dept. of Fish and Game	MRB	Maximum Retainable Bycatch
BSAI	Bering Sea and Aleutian Islands	MSY	Maximum Sustainable Yield
CDQ	Community Development Quota	mt	Metric tons
CRP	Comprehensive Rationalization Program	NMFS	National Marine Fisheries Service
CVOA	Catcher Vessel Operational Area	NOAA	National Oceanic & Atmospheric Adm.
EA/RIR	Environmental Assessment/Regulatory Impact Review	NPFMC	North Pacific Fishery Management Council
EEZ	Exclusive Economic Zone	OY	Optimum Yield
EFH	Essential Fish Habitat	POP	Pacific ocean perch
FMP	Fishery Management Plan	PSC	Prohibited Species Catch
GHL	Guideline Harvest Level	SAFE	Stock Assessment and Fishery Evaluation Document
GOA	Gulf of Alaska	SSC	Scientific and Statistical Committee
HAPC	Habitat Areas of Particular Concern	TAC	Total Allowable Catch
IBQ	Individual Bycatch Quota	VBA	Vessel Bycatch Accounting
IFQ	Individual Fishing Quota	VIP	Vessel Incentive Program
IPHC	International Pacific Halibut Commission		
IRFA	Initial Regulatory Flexibility Analysis		
IRIU	Improved Retention/Improved Utilization		
ITAC	Initial Total Allowable Catch		
LAMP	Local Area Management Plan		
LLP	License Limitation Program		

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Tuesday afternoon, December 3, we are scheduling an 'ecosystem panel discussion', which would include Council, SSC (as available), and AP. Details to be arranged. Council Plenary session would begin Wednesday December 4:

Estimated Hours

A. CALL MEETING TO ORDER

- (a) Approval of Agenda •
- (b) Approval of Minutes (June/September 2002) •

B. REPORTS

- B-1 Executive Director's Report •
- B-2 NMFS Management Report •
- B-3 ADF&G Management Report •
- B-4 Coast Guard Report •
- B-5 USFWS Report
- B-6 National Academy of Science SSL Report (6 hrs for
(The full written report will not be available until December 4.
Additional presentation to the Council, SSC and AP may be scheduled for
February meeting.)
A/B items)
- B-7 VMS National Committee report (if available)

C. NEW OR CONTINUING BUSINESS

- C-1 Crab Rationalization and other management issues (6 hrs)
 - (a) Receive Committee reports and determine preferred alternatives for completed trailing amendments.
 - (b) Discuss EIS progress and alternatives.
 - (c) Provide direction/alternatives on Pribilof blue king crab rebuilding plan.

- C-2 Gulf of Alaska Rationalization (4 hrs)
Receive report from GOA Work Group, discuss alternatives for formal analysis, and provide direction to staff and Work Group.
 - C-3 Essential Fish Habitat (6 hrs)
Receive Committee report and clarify mitigation alternatives for analysis.
 - C-4 American Fisheries Act Issues (2 hrs)
 - (a) Final action on P. cod sideboard issue (T).
 - (b) Review initial co-op reports and agreements (full report in February)
 - C-5 IR/TU (1 hr)
Receive Committee report and provide direction as necessary
- D. FISHERY MANAGEMENT PLANS
- D-1 Groundfish Issues (16 hours)
 - (a) F40 review: final report.
 - (b) Review NMFS discussion paper on BSAI rockfish management.
 - (c) Review alternatives for TAC-setting process amendment package.
 - D-1 (c) POSTPONED**
 - (d) Review and approve BSAI SAFE documents and recommend final specifications and bycatch apportionments.
 - (e) Review and approve GOA SAFE documents and recommend final specifications and bycatch apportionments.
 - (f) Review discussion paper on Amendment 64 (BSAI fixed gear Pacific cod allocations) and finalize alternatives for analysis.
 - D-2 Staff Tasking (2 hrs)
Review tasking and committees and provide direction to staff.
 - D-3 Other Business (1 hr)
Approve AP and SSC appointments for 2003.
- E. PUBLIC COMMENTS
- F. CHAIRMAN'S REMARKS AND ADJOURNMENT

Total Agenda Hours: 44 hours

ADVISORY PANEL MINUTES
September 30, 2002 to October 5, 2002
Doubletree, SeaTac, Washington

Advisory Panel members in attendance:

Alstrom, Ragnar	Fraser, Dave
Benson, Dave	Fuglvog, Arne
Boisseau, Dave	Kandianis, Teresa
Bruce, John (Chair)	Jacobsen, Bill
Burch, Alvin	Mayhew, Tracey
Cross, Craig	Norosz, Kris
Ellis, Ben	Olson, Eric
Enlow, Tom	Preston, Jim
Falvey, Dan	Ridgway, Michelle
Fields, Duncan	Steele, Jeff
Farr, Lance	Stephan, Jeff
	Yeck, Lyle

C-1 CRAB MANAGEMENT

The AP recommends releasing the Community Protection, Binding Arbitration, Captain QS, and Sideboards trailing amendments for public review with the following revisions/additions: *Motion passed 18/1.*

Community Protection: The AP recommends the Council create a committee with community and industry representatives to further develop the two community protection alternatives by identifying additional issues and options, such as direct allocations of PQS to communities, for the Council to consider and in doing so, address concerns expressed by NOAA GC. In addition, the committee would develop the "right of first refusal" alternative and provide additional issues and options for the Council's consideration. *Motion passed 12/9.*

Further, the AP recommends adding the following options to section 3.6.4 - Maximum IPQ allocation:

for the opilio fishery, (maximum harvest in 1992-2002, 313 million lbs., minimum 22 million)

Option 3: IPQ percentage times a TAC of 100 million pounds.

Option 4: IPQ percentage times a TAC of 50 million pounds.

for Bristol Bay red king crab, (maximum harvest 1992-2002, 14.5 million, minimum 0)

Option 1: IPQ percentage times a TAC of 10 million pounds

Option 2: IPQ percentage times a TAC of 5 million pounds

for the Eastern Aleutians brown crab fishery, (maximum harvest 1992-2002, 5.4 million)

Option 1: IPQ percentage times a TAC of 4 million pounds

Option 2: IPQ percentage times a TAC of 2 million pounds

for the Western Aleutians brown crab fishery, (maximum harvest 1992-2002, apx. 4 million)

Option 1: IPQ percentage times a TAC of 3 million pounds

Option 2: IPQ percentage times a TAC of 1.5 million pounds

for the Bairdi fishery, (maximum harvest 1992-2002, 35 million lbs., minimum 0)

Option 1: IPQ percentage times a TAC of 30 million pounds

Option 2: IPQ percentage times a TAC of 20 million pounds

Option 3: IPQ percentage times a TAC of 10 million pounds

for the St. Matthews blue king crab fishery, (maximum harvest 1992-2002, 4.6 million, min. 0)

Option 1: IPQ percentage times a TAC of 3 million pounds

Option 2: IPQ percentage times a TAC of 1.5 million pounds

for the Pribilof red and blue king crab fisheries, (maximum harvest 1992-02, 2.6 million, min. 0)

Option 1: IPQ percentage times a TAC of 2 million pounds

Option 2: IPQ percentage times a TAC of 1 million pounds

Add an option to attach a regional designation to all alternatives.

Motion passed 12/6/4

Minority Report

The undersigned opposed the motion to expand the options under 3.6.4 - Maximum IPQ allocation. The original request for analysis under the community protection trailing amendment was confined to an opilio IPQ threshold of 150 and 200 million lbs. This motion expands to all crab species and adds more restrictive thresholds which would have been exceeded in a majority of past seasons. As an example, proposed option 4 for opilio IPQ threshold is 50 million lbs. This would have been exceeded in 10 of the past 13 seasons and would have limited IPQ to less than 45 million lbs. Similarly, for BBRKC, the option 2 limit of 5 million lbs would have constrained IPQs in each of the last 15 seasons.

Limiting IPQs to restrictive thresholds diminishes the value of investments made by processors, and is simply an attempt to tip the bargaining balance in favor of harvesters. From the analysis: page 3.6-13: "Increasing the share of the fishery that is not subject to IPQ delivery requirements will increase the bargaining strength of the harvesters." It provides little benefit to communities even if the newly created B shares are regionalized.

Signed: Kris Norosz, Tom Enlow, Dave Boisseau and Dave Benson

Binding Arbitration: The AP recommends the Council request NOAA GC provide a legal opinion on anti-trust issues associated with binding arbitration using a fleet-wide single event vs binding arbitration with individual processors. We further request the committee address the issues of uniformly applying quality standards at time of delivery and develop options for a price smoothing function under model 5. *Motion passed 22-0.*

Captain QS: The AP recommends expanding the definition of active participation in section 1.8.1.7 to include evidence from other verifiable sources. *Motion passed 22-0.*

Crab Sideboards: The AP requests staff expand discussion on how sideboards would be applied to each vessel, LLP transfers, and a cooperative agreement. *Motion passed 22-0.*

Data Collection: The AP believes the program must fulfill two tasks: first, to provide data to support which ever structure is chosen for binding arbitration and make the necessary data available to the market analyst and arbitrators in a timely manner. Second, to provide socio-economic information to evaluate the long-term impacts of rationalization. With respect to socio-economic information, the AP notes that rationalization programs may have significant impact on crew members in terms of employment and crew share. We request the data committee examine additional means of gathering information to determine the impacts of rationalization on crew members with a history in the crab fisheries.

We request the committee identify data and collection means necessary to fulfill both tasks and to provide an estimate of the costs associated with this program.

The AP further requests staff work with community representatives to identify data sources necessary to track demographic changes in communities as a result of crab rationalization.

Motion passed 20/0/1.

Additionally, the AP requests an additional sunk vessel provision for persons whose eligibility to replace their vessel was denied under PL 106-554. The sunk vessel must have been replaced with a newly constructed vessel or and have been under construction by June 10, 2002 for a person to receive a benefit under this provision.

For each of the fisheries for which such a vessel holds valid endorsement, for all seasons between the sinking of the vessel and the entry of the replacement vessel to the fishery within the IRS replacement period (as extended by IRS, if applicable) allocate QS according to (50-100%) of the vessel's average history for the qualifying years unaffected by the sinking. *Motion passed 22-0.*

C-1 (d) Bering Sea Crab EIS

The AP requests the Council add the following options to the EIS:

- Option 1: add analysis of different ratios of "A" and "B" shares
- a. 80/20
 - b. 70/30
 - c. 60/40
 - d. 50/50

Option 2: add analysis of a new option for processor quota - Processor Aggregate Quota.

The qualification rules for processors remain the same, as do all other particulars of the program except the portion of quota allocated to qualified processors (90%, 80%, etc) is allocated to the class of qualified processors, not as individual transferrable quota. "Processor qualification" may be transferred and consolidated with new suboptions describing the limitations on this activity.

Suboption 1) Stacking. No more than

- A.. 2
- B. 3

Processor Qualifications may be stacked

Suboption 2) caps.

- A. The present AFA caps on processing of crab shall apply
- B. The AFA caps on processing of crab will be removed.

Motion passed 11/7/4.

Minority Report

We, the undersigned, believe that Option 1 of the motion calling for analysis of alternate processor quota share discounts, has already received analysis and that the sufficiency of that analysis will be adequately demonstrated in the appendices of the formal EIS document.

We also believe that Option 2, calling for an analysis of the distribution of processor quota shares in aggregate, previously presented to the AP in June 2002, but unable to obtain a majority, is counter to the form of rationalization intended by the Council as plainly indicated in the Council's choice of a preferred alternative in June 2002.

Signed, Jeff Steele, Tom Enlow, David Boisseau, David Benson, Lance Farr, Kris Norosz

C-2 (c) Steller Sea Lion Management Measures - Cape Sarichef closure

The AP recommends the Council adopt alternative 4 with the closure contingent on the continuation of the experiment. *Motion passed 19/1.*

C-4 IRIU

The AP recommends the Council adopt alternative three (3) to delay implementation of IRIU flatfish regulations for a period of three (3) years. However, if possible, superceding regulations would be implemented prior to the end of the three year exemption period. *Motion passed 21/1.* Additionally, the AP recommends the following:

Adoption of Alternative four (4), exempting fisheries with less than a 5% IRIU flatfish bycatch, to be adopted upon implementation of IRIU flatfish regulations and that the 5% IRIU flatfish bycatch rate retention exemption be established using a three (3) year rolling average and that the retention exemption be reassessed annually.

Further, the AP recommends the Council initiate analysis on the three trailing amendments identified by the IRIU committee, as amended by the following, with the understanding that these amendments are interactive in nature and should be analyzed standing alone, and in combination. The Council should clarify that these amendments are limited to BSAI fisheries.

1. Amendment A: Establish Prohibited Species Bycatch Reduction Co-Operatives
 - a. Decision Point 8 — The AP requests the IRIU technical committee further define options for transferability - specifically, can catch history be separated from the vessel, from the LLP and can catch history be subdivided. Further we request the committee provide options for second generation entry into bycatch co-operatives in the event a limited number of co-op form, controlling all available PSC.
2. Amendment B: Create Bycatch caps (Discard Caps) for the Flatfish Fisheries
 - a. No Changes
3. Amendment C: A Minimum Groundfish Retention Standard as an Alternative to Flatfish Retention Requirements
 - a. Decision Point 5:
 1. Eliminate section 5.1: Daily
 2. Add Decision Point 6: Can the groundfish retention limits be measured across groups or pools?
 - 6.1 Groundfish retention limits can be measured across pools
 - 6.2 Groundfish retention limits cannot be measured across pools
 3. Add Decision Point 7: Does a general groundfish retention standard, that isn't species specific, supercede the current pollock and cod retention standard?
 - 7.1 For all fisheries
 - 7.2 For all non-pollock fisheries.

The AP recommends that under Amendment C the following language be included in the preamble. "The purpose of this amendment is to encourage fishermen to avoid unwanted catch, increase utilization of fish that are taken, and, thus, reduce discards of whole fish to the extent practicable (1997 IRIU EA/RIR/IRFA). Additionally, the AP recommends the Council request NOAA General Counsel to issue an opinion regarding definition of "Bycatch Reduction" under the Magnuson Stevens Act inclusive of the concepts of bycatch reduction by rate and/or amount.

The AP further recommends that the 5% flatfish IRIU discard rate exemption, should it be implemented in 3 years for Gulf of Alaska Fisheries, be re-examined as part of the Gulf of Alaska Rationalization Initiative.

Motion carries 18/2/1.

C-5 EFH

The AP recommends the Council release the EFH and HAPC designations for public review. *Motion passed 18/0.* Additionally, the AP requests the Council consider the following modifications to the committees' frameworked mitigation alternatives:

- adopt the EFH committee's mitigation alternatives including alternative 4 and alternative 9. *Motion passed 18/0*
- treat the gear modification portion of Alternative 4 as a suboption so that the analysis shows the relative effect of the gear-modification component vs the area restriction component of the measures. *Motion passed 18/0*
- direct the EFH committee to refine the designated open areas in Alternative 9. *Motion passed 18/0*
- delete alternative 7. *Motion passed 16/2*

The following motion failed 14/3 after reconsideration: *add an Aleutian Island open area component to the mitigation Alternative 3. Motion passed 17/1*

To accomplish these goals in a way that the Council, agency and the public can best evaluate the proposed measures, the AP requests that the SEIS include following as practicable:

1. Clarification that task of EFH mitigation measures is to reduce habitat degradation that has or has the high probability of negatively impacting the productivity of FMP species.
2. An assessment of the productivity of the FMP species using the SAFE documents and other available information.
3. Information or evidence linking any adverse effects on the productivity of the FMP species to fishing.
4. Evidence that the proposed mitigation measures will properly mitigate specific adverse impacts to FMP species.
5. An assessment of the level of certainty of information used to determine adverse impacts, linkages to fishing and effectiveness of proposed measures to mitigate specific adverse effect.
6. A cost benefit analysis to determine the "*practicability and consequences*" of adopting proposed mitigation measures. This should also include an assessment of unintended consequences such as increased bycatch and bycatch-triggered closures.
7. An assessment of the costs and benefits of measures already imposed to protect the FMP species including the Bering Sea crab and Pribilof habitat closure areas, salmon, herring, walrus and Steller sea lion closures, and similar closures in the GOA including the Eastern GOA trawl closure and the Mt. Edgecomb Pinnacles and any other closed areas that restrict impact on local habitat.
8. The two million metric ton cap in the BSAI should also be factored in as an existing mitigation measure since the proposed alternatives recommend that TAC reductions should accompany area closures to further protect habitat by reducing fishing effort.
9. A table that compares the proposed mitigation measures, any adverse impacts to FMP species, certainty of scientific information used to determine adverse impact, projected effectiveness and cost of measures to coastal communities and industry participants and projected unintended consequences.
10. An evaluation and comparison of each alternative to the requirements of the National Standards.

Motion passed 18/0.

Additionally, the AP recommends the Council request staff to solicit public input on the frameworked EFH mitigation alternatives prior to the December council meeting. *Motion passed 18/0.*

C-6 Gulf of Alaska Rationalization

The AP requests the Council endorse the letters and information request (Appendix 1-4) drafted by the GOA working group. We further request the work group receive a response by November 1st, if possible. *Motion passed 22/0.*

C-8 Observer Program

The AP recommends the Council support the work of the OAC, and task them to develop a problem statement and alternatives to be presented at the December meeting. *Motion passed 17/0.*

C-9 (a) Pacific cod sideboards

The AP requests that Alternative 2 be amended to read: Limiting access to the directed trawl fishery for Pacific cod in January and February in area 655430 to open access vessels which have a history of economic dependency upon the winter Bering Sea Pcod fisheries, demonstrated by average January and February deliveries of at least 250,000 lbs for 4 out of 5 pre-AFA years of 1995-1999 and to the cod exempt AFA vessels. Additionally, the AP would like to send out the document for public review, with the following comments from their April 2002 minutes: *Motion passed 21/0.*

The information in the draft EA for amendment 73 and in public comment indicates that the concerns of the 3 "traditional cod vessels" may have components other than direct AFA impacts. This issue requires a broader problem statement than the proposed "prevent AFA impacts" problem statement.

Problem Statement.

The problem statement should be revised to incorporate elements of the problem statement the Council developed for the fixed gear split and cod endorsement analysis which focused on preventing impacts to vessels with a history of investment and dependence on cod from the entry of new vessels.

The Analysis

The analysis should attempt to distinguishing AFA impacts from other elements are at work that impact CV cod vessels, both AFA and non-AFA. Areas that should be explored in the analysis include:

- a) TAC changes - The absolute amount of catch per vessel is partly a function of TAC changes (270,000 MT in 1997 vs 188,000 MT in 2001). Cod TACs have been lower in recent years, so on average most vessels have seen reductions in catch that may not reflect a change in the share of the catch
- b) SSL regulations in place in various years (area closures and seasonal apportionments) that have reduced the available grounds and intensified the need to race for the seasonal apportionment.
- c) Latent licenses becoming more active through the entry of non-AFA vessels without a long term dependence on the cod fishery may have eroded the historic share of the traditional non-AFA cod. (RAM LLP database show there are 38 CV non-AFA trawl permits for the BS in addition to the 3 "traditional" non-AFA vessels)
- d) Increased effort by the pot cod fleet, particularly in 2000 when opilio was delayed, may have reduced the area available to the trawl CV's.

Questions for the analysis:

How many latent licenses exist in the Bering Sea CV trawl sector for non-AFA vessels?

What are the participation patterns for AFA and non-AFA Bering Sea CV's in the cod trawl fishery at various thresholds i.e., 250k, 500k. (the "Matulich" style figures used in the fixed gear cod endorsement analysis)?

What are the catch history shares from 1995-2002 as a % of TAC of:

- the 3 traditional cod vessels
- other "latent" (?) non-AFA catcher vessels
- the AFA non-exempt vessels
- the AFA exempt vessels
- non-LLP endorsed trawl CV's fishing in state waters

What are the post AFA catch shares from 1995-2002 as a % of TAC and the daily/weekly participation patterns of:

- the 3 traditional cod vessels
- other "latent" (?) non-AFA catcher vessels
- the AFA non-exempt vessels
- the AFA exempt vessels
- non-LLP endorsed trawl CV's fishing in state waters

CPUE - Does a statistical analysis demonstrate there are significant changes to CPUE that are directly attributable to change in the number of vessels on the grounds during January and February, separate from inter-annual variation in CPUE?

Has redistribution of effort under AFA provided offsetting benefits in market opportunities and reduced competition in March?

Alternatives

The alternatives should be expanded to include:

- eliminating latent licenses in the BSAI CV cod fishery
- limits on the number of AFA vessels fishing prior to the 5th week of the fishery in stat area 655430
- rationalization of the BSAI CV cod trawl fishery

Finally, the AP endorses the SSC's comment encouraging the parties to continue working towards a negotiated agreement.

Motion passed 18/0.

C-10 (a) Halibut Management

The AP recommends NMFS and the Council continue working on both the GHF and IFQ packages. We request NMFS clarify the legal issues associated with the GHF and other trigger/response issues used by the Council for management purposes. We also concur with the SSC's recommendation to further examine the log book data issue and provide the Council with an update in December. *Motion passed 18/0.*

C-10 (c) Akutan request

The following two motions failed:

The AP recommends the Council initiate modification to Amendment 66 to allow Akutan to be an eligible community to purchase commercial halibut and sablefish QS. Failed 5/10/2.

The AP recommends that this issue, and those affected by it, should confer with the Aleutian East Borough, the State of Alaska, and APIDCA. The AP is sympathetic and recognizes the uniqueness of this situation. We further request the Council schedule this report at a further time. Motion failed 7/8/2

D-1 (b) TAC Setting Process

The AP recommends the Council delay final action and analyze the two MCA alternatives, and that NMFS provide a report of the legal review of those alternatives at the December meeting. *Motion passed 18/0.*

D-1 (c-f)

The AP recommends the 2003 BSAI TAC be set equal to the 2002 TAC, except for Northern rockfish which would be set equal to the 2003 ABC, due to concerns of decreased biomass projections, Atka mackerel TAC was set equal to the 2003 ABC, and yellowfin sole TAC was set at 10,000 mt below the 2002 TAC to account for the increase in the Atka mackerel TAC. *Motion passed 15/2/1.*

Additionally, the AP requests the Council breakout shortraker/rougheye and northern rockfish in the Aleutian Islands by East, West and Central AI districts and EBS, (as is done for POP), contingent on NMFS ability to treat CDQ rockfish allocation once reached, as a PSC prohibited species (discard status) rather than a cap. Motion failed 7/9/2.

The AP also recommends the Council initiate a discussion paper for review at the December meeting regarding splitting out the Rockfish TAC's by area and district for the BSAI. *Motion passed 18/0.*

The AP recommends that the PSC's be set at the interim level (25%) as per the aggregates in table D-1 (d)(4) with the exception of rockfish which will be set at 0. *Motion passed 17/0.*

Further, the AP recommends the Council draft a letter to NMFS requesting they consider redefining "overfishing" and "overfished" so that the SAFE evaluations can be used. *Motion passed 17/0.*

Finally, the AP recommends rolling the 2002 VIP rates to 2003 for the first half of the year. *Motion passed 18/0.*

GOA

The AP endorses the SSC's recommended 2003 ABC's and recommends setting the TAC equal to ABC's with the following exceptions:

1. Pacific cod W=14,777
C=21,743
E=2,273
TOTAL=38,793

2. For SW flatfish, flathead sole, arrowtooth flounder and other slope rockfish, set 2003 TACs equal to 2002 TACs. *Motion passed 17/0.*

PSC

The AP recommends that the Council set trawl halibut cap at 2000MT, and set hook and line halibut cap at 300MT. Additionally, the AP recommends the PSCs be set as apportioned in the table. *Motion passed 17/0.*

Table 1. Gulf of Alaska groundfish 2002 and 2003 ABCs, 2002 TACs, and 2002 catches reported through November 2, 2002.

SPECIES		ABC (mt) 2003	OFL 2003	ABC (mt) 2002	OFL 2002	TAC 2002	CATCH 2002
Pollock	W (61)	16,788		17,730		17,730	17,381
	C (62)	19,685		23,045		23,045	20,380
	C (63)	10,339		9,850		9,850	10,809
	Shelikof						
	WYAK	1,078	69,410	1,165	75,480	1,165	1,818
	EYAK/SEO	6,460	8,610	6,460	8,610	6,460	2
TOTAL	54,350	78,020	58,250	84,090	58,250	50,390	
Pacific Cod	W	20,600		22,465		16,849	15,327
	C	29,000		31,680		24,790	25,094
	E	3,200		3,455		2,591	103
	TOTAL	52,800	70,100	57,600	72,100	44,230	40,524
Deep water flatfish ¹	W	180		180		180	19
	C	2,220		2,220		2,220	530
	WYAK	1,330		1,330		1,330	2
	EYAK/SEO	1,150		1,150		1,150	7
	TOTAL	4,880	6,430	4,880	6,430	4,880	558
Rex sole	W	1,280		1,280		1,280	398
	C	5,540		5,540		5,540	2,611
	WYAK	1,600		1,600		1,600	0
	EYAK/SEO	1,050		1,050		1,050	0
	TOTAL	9,470	12,320	9,470	12,320	9,470	3,009
Shallow water flatfish ²	W	23,480		23,550		4,500	241
	C	21,740		23,080		13,000	6,599
	WYAK	1,160		1,180		1,180	2
	EYAK/SEO	2,960		1,740		1,740	0
	TOTAL	49,340	61,810	49,550	61,810	20,420	6,842
Flathead sole	W	16,420		9,000		2,000	419
	C	20,820		11,410		5,000	1,689
	WYAK	2,900		1,590		1,590	0
	EYAK/SEO	1,250		690		690	0
	TOTAL	41,390	51,560	22,690	29,530	9,280	2,108
Arrowtooth flounder	W	17,990		16,960		8,000	6,100
	C	113,050		106,580		25,000	14,674
	WYAK	18,190		17,150		2,500	56
	EYAK/SEO	5,910		5,570		2,500	111
	TOTAL	155,140	181,390	146,260	171,060	38,000	20,941
Sablefish	W	2,260		2,240		2,240	1,780
	C	5,670		5,430		5,430	6,120
	WYAK	2,045		1,940		1,940	1,548
	SEO	3,135		3,210		3,210	2,798
	TOTAL	13,110	20,020	12,820	19,350	12,820	12,246
Other Slope rockfish	W	90		90		90	222
	C	550		550		550	481
	WYAK	270		260		150	37
	EYAK/SEO	4,140		4,140		200	31
	TOTAL	5,050	6,610	5,040	6,610	990	771

(Table 1 continued)

SPECIES		ABC (mt) 2003	OFL 2003	ABC (mt) 2002	OFL	TAC (mt) 2002	CATCH 2002
Northern rockfish	W	890		810		810	337
	C	4,640		4,170		4,170	2,998
	E	0 ³				n/a ³	n/a
	TOTAL	5,530	6,560	4,980	5,910	4,980	3,335
Pacific ocean perch	W	2,700	3,220	2,610	3,110	2,610	2,723
	C	8,510	10,120	8,220	9,760	8,220	8,263
	WYAK	810		780		780	748
	SEO	1,640	2,900	1580	2,800	1580	1
	TOTAL	13,660	16,240	13,190	15,670	13,190	11,735
Shortraker/rougheye	W	220		220		220	260
	C	840		840		840	628
	E	560		560		560	403
	TOTAL	1,620	2,340	1,620	2,340	1,620	1,291
Pelagic shelf rockfish	W	510		510		510	183
	C	3,480		3,480		3,480	2,680
	WYAK	640		640		640	448
	EYAK/SEO	860		860		860	7
	TOTAL	5,490	8,220	5,490	8,220	5,490	3,318
Demersal Shelf Rockfish		390	540	350	480	350	182
Atka Mackerel	GW	600	6,200	600	6,200	600	84
Thornyhead rockfish		360		360		360	368
		840		840		840	504
		800		790		790	253
	TOTAL	2,000	3,050	1,990	2,330	1,990	1,125
Other Species	GW	NA		NA	NA	11,330	3,748
TOTAL		414,820	531,410	394,780	504,450	237,890	162,207

1/ Deep water flatfish includes dover sole, Greenland turbot and deepsea sole.

2/ "Shallow water flatfish" includes rock sole, yellowfin sole, butter sole, starry flounder, English sole, Alaska plaice, and sand sole.

3/ The EGOA ABC of 10 mt for northern rockfish has been included in the WYAK ABC for other slope rockfish.

NOTE:

ABCs and TACs are rounded to nearest 10 mt.

GW means Gulfwide.

Catch data source: NMFS Blend Reports.

Table 2. Gulf of Alaska 2003 ABCs, biomass, overfishing levels, and estimated trends (mt) for Western, Central, Eastern, Gulfwide, West Yakutat, and Southeast Outside regulatory areas.

SPECIES		2003			Abundance, ² Trend
		ABC	Biomass	Overfishing Level	
Pollock	W (61)	16,788			Below, Declining
	C (62)	19,685			
	C (63)	10,339			
	WYAK	1,078	670,410	69,410	
	EYAK/SEO	6,460	28,710	8,610	
	TOTAL	54,350	699,120	78,020	
Pacific Cod	W	20,600			Below, Declining
	C	29,000			
	E	3,200			
	TOTAL	52,800	452,000	70,100	
Deep water flatfish	W	180			Unknown, Unknown
	C	2,220			
	WYAK	1,330			
	EYAK/SEO	1,150			
	TOTAL	4,880	68,260⁴	6,430	
Rex sole	W	1,280			Unknown, ³ Stable
	C	5,540			
	WYAK	1,600			
	EYAK/SEO	1,050			
	TOTAL	9,470	71,330	12,320	
Shallow water flatfish	W	23,480			Unknown, ³ Stable
	C	21,740			
	WYAK	1,160			
	EYAK/SEO	2,960			
	TOTAL	49,340	349,990	61,810	
Flathead sole	W	16,420			Above, Declining
	C	20,820			
	WYAK	2,900			
	EYAK/SEO	1,250			
	TOTAL	41,390	132,260	51,560	
Arrowtooth flounder	W	17,990			Above, Increasing
	C	113,050			
	WYAK	18,190			
	EYAK/SEO	5,910			
	TOTAL	155,140	1,302,000	181,390	
Sablefish	W	2,260			Moderate, Increasing
	C	5,670			
	WYAK	2,045			
	EY/SEO	3,135			
	TOTAL	13,110	182,000	20,020	
Other Slope rockfish	W	90			Unknown, Unknown
	C	550			
	WYAK	270 ¹			
	EYAK/SEO	4,140			
	TOTAL	5,050	107,960	6,610	

(Table 2 continued)

SPECIES		2003			Abundance, ² Trend
		ABC	Biomass	Overfishing Level	
Northern rockfish	W	890			Above, Declining
	C	4,640			
	E	0 ¹			
	TOTAL	5,530	108,830	6,590	
Pacific ocean perch	W	2,700		3,220	Above, Increasing
	C	8,510		10,120	
	WYAK	810			
	EY/SEO	1,640		2,900	
	TOTAL	13,660	298,820	16,240	
Shorthead/ roughey	W	220			Unknown, Unknown
	C	840			
	E	560			
	TOTAL	1,620	66,830	2,340	
Pelagic shelf rockfish	W	510			Unknown, Unknown
	C	3,480			
	WYAK	640			
	EY/SEO	860			
	TOTAL	5,490	62,500	8,220	
Demersal shelf rockfish	SEO	390	17,510	540	Unknown, Unknown
Atka mackerel	GW	600	Unknown	6,200	Unknown, Unknown
Thornyhead rockfish	Western	360			Above, Stable
	Central	840			
	Eastern	800			
	Total	2,000	85,760	3,050	
Other species					TAC = 5% of the sum of TACs.
TOTAL		414,820	4,005,170	531,440	

1/ The EGOA ABC of 10 mt for northern rockfish has been included in the WYAK ABC for other slope rockfish.

2/ Abundance relative to target stock size as specified in SAFE documents.

3/ Historically lightly exploited therefore expected to be above the specified reference point.

4/ Biomass of Dover sole; biomass of Greenland turbot and deep-sea sole is unknown.

NOTE:

ABCs are rounded to nearest 10.

Overfishing is defined Gulf-wide, except for pollock and POP.

North Pacific Fishery Management Council

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Certified: *Nau Bendixen*
Date: *11/05/02*

MINUTES SCIENTIFIC STATISTICAL COMMITTEE September 30-October 2, 2002

The Scientific Statistical Committee met September 30-October 2, 2002 in Seattle, WA. All members were present except George Hunt:

Rich Marasco, Chair,	Jack Tagart, Vice Chair	Steve Berkeley
Keith Criddle	Doug Eggers	Steve Hare
Jeff Hartman	Mark Herrmann	Sue Hills
Dan Kimura	Seth Macinko	Ken Pitcher
Terry Quinn		

C-1 (b-d) CRAB MANAGEMENT Trailing Amendments for Crab Rationalization Committee Reports and Initial Review

Council staff, Mark Fina and Darrell Brannan presented the Initial Review for BSAI crab rationalization trailing amendments for binding arbitration, alternative protections for communities, captain's quota share, and data collection. The SSC wishes to recognize the staff for their excellent work in preparing the trailing amendments given the enormous amount of work that they were tasked with over a very short amount of time. Industry committee members also presented committee reports for the captain quota share committee, binding arbitration and data collection.

The SSC encountered three significant impediments to our task of reviewing the trailing amendments. The impediments are (1) a departure from a typical council review process and fast pace of Council decision making on these topics, (2) Lack of industry market data and data that could be used for determining distributional effects, including effects on regions and localities, and (3) lack of sufficient time at this meeting to fully examine the trailing amendments.

While this agenda item is identified as an "initial review", staff noted that the trailing amendments are on a parallel track with the preferred alternative selection chosen by the Council at the June 2002 NPFMC meeting. Unlike a typical initial review, the trailing amendments do not, as yet, have the EA/RIR/IRFA supporting documentation required at this review stage. The SSC has consistently expressed concern over the precipitous pace of decision-making related to management of the crab fisheries and at the separate development of NEPA and RFA analyses. The actions proposed in the sideboard and trailing amendments to the rationalization program adopted by the Council could have potentially large impacts on the profitability of fishery sectors and economic viability of communities. The decision-making process has outstripped the collection of data and development of analyses needed to fully assess the likely consequences of proposed actions. Understanding these consequences is important for informed decision-making on the specific issues

addressed in the sideboard and trailing amendments and important for future decisions regarding rationalization in other fisheries. In the absence of the full EA/RIR/IRFA our review of these sections has been highly abbreviated, and we only have been able to prepare substantive comments on the trailing amendment for data collection and binding arbitration

A more thorough treatment of the crab rationalization data collection is dealt with in our review of that specific trailing amendment, however, lack of industry data and data for characterization of community impacts of the proposed amendments constrained our efforts to critique the various options and sub options in all of the trailing amendments.

The SSC notes that the data limitations regarding ex ante and ex post conditions of the halibut/sablefish and AFA pollock fisheries have severely limited the post hoc analysis of the economic consequences of IFQs and Co-Ops. In those cases, reporting of economic data was not mandated in the enabling regulation. While it is preferable for decision-makers to be provided with well-founded information about the likely consequence of management actions before decisions are made, at a minimum, it is important to gather information that will allow an assessment of those consequences after the fact as a means of informing future decisions.

Trailing amendment for Captains' Quota Shares

Tom Suryan outlined the primary findings of the Captain's share committee report. The committee was charged with developing specific options for allocation, trading and various constraints on the use of the shares. The options also include a discussion of whether shares should be allocated from the total quota to a pool, or to each captain from the history available to an individual vessel. Finally, there are several options and suboptions for initial qualifying criteria, transfer of quota, regionalization of shares and delivery requirements, leasing, on-board requirements and loan provisions. The SSC did not provide substantive comments on this alternative.

Trailing Amendment for Alternative Regionalization/Community Protection Option

Council staff provided a summary of the analysis for the alternative regionalization/ community protection options. This suite of options is intended to create opportunities for BSAI and GOA communities to purchase quota or receive negotiated compensation for exit of processing firms from a locality. We note that the community right of refusal option, which is essentially a purchase option, by itself, is equivalent in complexity to the community purchase of halibut quota.

Public Testimony provided by Bob Juetner and Sam Cotton conveyed concerns over the lack of community impact assessment associated with the community protection option. Mr. Juetner indicated that additional data on crab revenue and the distribution of revenues to communities could have been accessed by the analysts. The SSC notes that it is incumbent on the analysts to seek out relevant data sets. Further, interest groups that are impacted by rulemaking, including those representing localities are equally encouraged to provide relevant data to the Council. The testimony also offered the view that the tools economists use for analysis of distributional effects, particularly regional economic impacts models, have no value for analysis of community protection alternatives. The SSC disagrees with this perception.

Public testimony was also offered by Pat Carlson of the City Borough of Kodiak. He indicated Borough's support for a community level designation of processing quota. In a response to SSC questioning regarding an option for purchase of processing quota by communities Mr. Carlson indicated that while purchase options that included the Borough of Kodiak would be helpful. However, a direct allocation and authority to grant permission to exit would be preferable.

Trailing Amendment on Data Collection

The SSC received a briefing on the Crab Rationalization Data Collection Committee Report (John Garner and Gary Painter) in regard to their efforts to comply with the Council's request for mandatory data collection as part of crab rationalization. They reported progress on a variety of issues in regard to data collection. They noted concern in the area of employment data, fixed cost data, variable costs, enforcement and confidentiality. It was indicated that some harvesters did not believe that they should have to supply any data and that the gains from rationalization may be offset by the additional costs of data collection. The SSC noted concern over the tone of the presentation and that the processors and harvesters are about to receive a valuable right to a public good and that their reluctance to supply economic information needed to evaluate crab rationalization was not acceptable. Data that industry has indicated a willingness to provide will not allow an adequate evaluation of the economic and social impacts of crab rationalization as stated in the June 2002 Council motion.

Council Staff (Darrell Brannan) with assistance from NMFS staff (Ron Felthoven and Joe Terry) presented the analysis of the trailing amendment on the data collection program. The analysis indicated that using the proposed survey put forth by the processors and the harvesters would leave the economic analysis of the crab rationalization program deficient in several areas. Specifically, it would not be possible for processing and harvesting sector profits and quasi rents for the crab industry to be calculated, regional impacts could not be addressed, and harvesting and processing productivity and efficiency calculations would be incomplete. In sum, the SSC believes that this would make it impossible to address the economic effects of fishery rationalization.

Staff indicated that after selecting performance indicators, a survey was developed that would allow for the measures to be quantified. After receiving industry input, a revised survey was developed that would make it possible to collect the minimum amount of data needed for the analysis of the effects of the program on quasi-rent and distributional impacts. Additional data would still be needed to analyze crab rationalization effects on industry profitability and any changes in the distribution of profits. The revised survey was also unacceptable to industry. The SSC believes, at the very minimum, that the revised survey designed by staff should be required and prefers that choice of the more comprehensive survey.

John Garner provided testimony on the processor's position on the cost collection survey. John stated that there is a misunderstanding over the survey that the processors submitted to staff. This survey was intended to be a list of variable costs that the processor's felt was relevant to crab production. John stated that the processors are in agreement over most of the revised survey's questions with the main disagreement being over section 6.2 regarding how to prorate fixed costs over multiple products. John also indicated that industry and the staff are not that far off on a mutually acceptable design for the survey.

Trailing Amendment on Binding Arbitration.

The SSC received a briefing on the draft report from the Working group on Binding Arbitration (John Garner and Jay Jacobson). The report includes a problem statement and five binding arbitration alternatives which covered a variety of arbitration structures. The working group stressed that the industry hopes that the presence of binding arbitration would lead to the industry settling on a pricing structure before arbitration would take place. The SSC suggested that the form of the binding arbitration can favor one sector over another and that a contract for fishery simulations using different arbitration structures could be contracted out to researchers that have expertise in this area. Identified candidate researchers include:

- (1) Vernon Smith (George Mason University) vsmith2@gma.edu
- (2) Charles Holt cahzk@virgina.edu
- (3) Economic Science Laboratory www.econlab.arizona.edu

The Council staff briefing on binding arbitration was provided by Mark Fina. The SSC raised the issue of whether the structure of binding arbitration would differ by fishery and discussed that differences in season length or temporal distributions in harvesting could lead to different preferred alternatives by fishery. Council staff indicated that it might be desirable to have one structure covering all fisheries. The SSC also noted that the report focused on the larger issues concerning arbitration and glossed over many technical aspects of how the arbitration would be implemented.

Additional Public Testimony

Dave Fraser and Gordon Blue offered separate testimony on the A/B split in crab harvesting shares under crab rationalization. Both testimonies, summed below, were received without SSC comment.

Dave Fraser presented an analysis that questioned whether a non-PQ endowed processor could exist under the current A/B split in crab harvesting shares. Gordon Blue presented an analysis that questioned the notion of using "average values" to calculate harvesters percent of first wholesale price and using revenues instead of quasi-rents to base the split on.

CPT and PNCIAC.

The SSC was briefed on the Crab Plan Team meeting (Wayne Donaldson and Bob Otto) and the Pacific Northwest Crab Industry Advisory Committee meeting (Gary Painter). The Crab Plan Team notes that several crab stocks are stressed and there was discussion on the appropriate time frame to use for MSST. The team also discussed the work of on biological reference point estimates for seven BSAI crab stocks. Initial results of this study suggest that the current maximum harvest rates for snow and Tanner crab may be too high. The team believes that the results of this study will be useful to the examination of crab overfishing definitions. PNCIAC noted that its recommendation to consider an intermediate step between the 10% and 15% exploitation rate for mature red king crab was supported by the Crab Plan Team. The committee also noted that because of declining crab stocks that the crab industry is going through difficult economic times.

Sideboards. The SSC received a briefing on the trailing amendment on sideboards from Darrell Brannan. The briefing was received without SSC comment.

SEIS. The SSC received an update on the status of the SEIS by Council staff.

C-2 STELLER SEA LION - MISCELLANEOUS

The SSC received a report from John Sease with the National Marine Mammal Lab (AFSC) on Stellar sea lion population counts. Counts of non-pups in both the eastern and western stocks generally showed an increase in the 2002 surveys. Counts of pups, while still in decline, appear to be declining at a much slower rate than in previous periods. These trends are very encouraging, although the SSC cautions that it is too soon to conclude that the western population is recovering.

C-2(c) CAPE SARICHEF CLOSURE

Presenters: M. Elizabeth Conners (AFSC), Ben Muse (NMFS)

Public Testimony: Dave Fraser, Brent Paine

Issues: 1. Experimental Design (Appendix A of EA), 2. EA Review

NMFS is proposing a study of local depletion of Pacific cod in the Bering Sea near Cape Sarichef, in the so-called Cod Alley. The changes in abundance in closed and open waters in the study area will be measured with crab pots before and after the main fishery in January to March. Other biological data will be collected.

The SSC believes that the overall experimental design is sound and welcomes experimental studies of this sort. Some additional attention to elements of the experimental design should be considered, as itemized below. The EA/RIR/IRFA has made a good attempt to quantify the impacts of the closure; an unresolved issue of catch amounts in statistical area 655430 needs to be resolved: amounts in this document do not agree with those in Amendment 73.

Experimental Design issues:

1. From public testimony, it seems likely that depth changes would be expected during the season as Pacific cod move to different depths. The design should attempt to measure cod abundance at similar depths in the closed and open areas.
2. Statistical power should be reported in the experimental design. The power was reported in the presentation, but was based on a significance level α of 0.10. Either justification for this value should be given, or else the typical α of 0.05 should be used.
3. It would be useful to get a handle on total trawl catch in the open part of the study area. This may not be possible because a significant portion of the fleet has only 30% coverage and is not mandatory for estimating the design parameters, but might help to explain aspects of the results.
4. Other gears (longlines, pots) operate in both the open and closed areas. Some attempt should be made to determine if catches by these gears would confound the results of the study. It should be a design consideration of whether it is important to close the study area to all fishing, not an option in the EA/RIR/IRFA.
5. Industry desires an opportunity to comment on the design and impact of this study: NMFS and industry should meet to resolve issues.
6. It is unclear whether the closure should be for 1 year or for all 4 years proposed. Funding is not available yet for the remaining time period, and it is not clear whether the results will be sufficiently interesting to continue the study after the first year.
7. Hypothesis tests should be expanded to include testing whether the change in abundance between open and closed areas is greater than the change expected due to the average level of fishing for the Bering Sea as a whole. In the SSC's opinion, "depletion" would occur if the abundance change is greater in the open area than in the closed area. "Local depletion" would occur if the difference in the abundance change between the open and closed areas exceeds the average exploitation rate for the Bering Sea as a whole during this period.
8. According to public testimony, the closure of the entire Cod Alley to trawling would be a large burden to harvesters. Is it possible that viable results could be obtained by reducing the size of the closed area to, say, half of Cod Alley?

C-5 ESSENTIAL FISH HABITAT

Cathy Coon of the Council Staff and Craig Rose of the AFSC provided an EFH update.

Craig Rose gave a report applying the EFH model from the draft discussion paper "Models for evaluating fisheries effect in habitat," written by Jeff Fujioka and Craig Rose. Donna Parker (AMCC), Ben Entiknap (AMCC), Geoff Shester (OCEANA), John Gauvin (Groundfish Forum), and Heather McCarty (Central Bering Sea CDQ) provided public testimony. The EFH model was introduced to the SSC at the June Council meeting. Since then, the authors have estimated parameters of the model using actual data and informed assumptions where necessary. Graphical representations of predicted impacts of fisheries on EFH were presented. The authors should be congratulated for their rapid implementation.

The authors made it clear that there was a scarcity of the types of data required by the model and that model development was at its early stages. Percent bottom type, impact rate for various habitats, and recovery rate are all poorly known and must be assumed for many of the bottom types. Specific habitat types such as corals, and gears such as scallop dredges have yet to be addressed in the model. Despite these limitations, the model behaved intuitively, providing rankings of impacts for various fisheries that may be useful.

However, it is important to realize that these rankings are based on uncertain data, and a model output that cannot be compared simply with observed data. Also estimated model impacts should be put in the context of other things that affect FMP species. The rankings do not provide information on absolute impacts or absolute difference among impacts.

Nevertheless, the model represents a promising avenue for analyzing EFH. The model clearly delineates areas where data is sparse or non-existent, and therefore highlights areas that require additional research. The SSC recommends further development of the model and its inputs, and encourages research to fill the obvious data gaps.

Since model development is in its early stages, it is recommended that a process be developed that allows for the review of model assumptions and results. The SSC encourages utilization of all data sources in the process of the designing of alternatives and mitigation measures.

C-10(a) HALIBUT MANAGEMENT

Rob Bentz and Allen Bingham (ADF&G) reported on a comparison of halibut harvests reported in the logbook entries with on-site survey reports. Jane DiCosimo (NPFMC) and Glen Merrill (NMFS-AK Region) provided staff response to questions related to the timing and actions required from the SSC in support of Council decision-making.

There appear to be two issues related to use of halibut charter logbook data and implementation of a Charter Halibut IFQ Program. The first is the appropriateness of using these data to establish whether or not a vessel was active in the fishery during the qualifying years (1998-1999). The second is whether logbook data are representative of the distribution of catch among participating charter vessels in those years, and suitable as documentation for a catch-history based initial allocation of quota shares. Finally, the suitability of the logbook data as a basis for GHL management is also in question.

The analysis reported by ADF&G was not specifically designed to directly address these questions. Nevertheless, the analysis includes interesting observations on the frequency of inconsistent reporting of halibut landings and lack of compliance with the logbook requirement. Although the frequency of

inconsistencies between logbook entries and on-site survey reports is troubling, that concern is offset in part by the lack of a systematic pattern of positive or negative deviation and the statistical insignificance of most of the deviations. The SSC notes that the veracity of the logbook recorded catch records and the on-site survey reports was not independently verified and thus it would be inappropriate to judge the logbook records as more or less accurate than the on-site survey reports. As such, use of the terms "over reporting" and "under reporting" should be avoided. All that is known is that logbook data match or do not match on-site survey reports. More over, as noted by the authors, the logbook and on-site data are not independent and should not be compared using standard statistical methods that assume independence.

The SSC did not have access to the September 2001 ADF&G comparison of harvest estimates derived from the logbook records and harvest estimates derived from the ADF&G statewide angler survey. As a result the SSC cannot comment on the question of the relative accuracy of the logbook data versus the statewide harvest estimates. It should be noted however that both rely on self-reported catches and neither are what would be generally considered to be independent sources of catch estimation. If the logbook data are indeed skewed, their utility in administering a GHL may be compromised. Similarly, skewed logbook data might undermine their utility as a basis for initial IFQ allocations unless all logbook entries are equally skewed. Regardless of the accuracy of logbooks as a measure of individual catch records, IFQ allocations could still be awarded. As noted in our October 2000 minutes, catch history need not be the primary basis for the initial allocation of quota shares:

The selection of any particular set of potential IFQ recipients (stakeholders) should be an explicit decision of the Council and should not be driven by data availability. Once the Council has decided which classes of stakeholders to recognize, criteria can be defined to identify members of those stakeholder classes. For example, while MSFCMA requires that limited entry allocations be based, at least in part, on previous participation in the fishery, the criteria for determining the magnitude of that allocation and the extent of past participation are not specified in law. Consequently, it would be consistent with MSFCMA to acknowledge a very broad set of stakeholders (e.g. skippers, owners, anglers) under mechanisms as varied as equal shares, random shares assigned by lottery, or shares proportional to historic days fished, catches, or landings.

D-1 GROUND FISH ISSUES

D-1(a) F40 REVIEW

The Council requested outside review of its harvest policy, so a team of independent reviewers conducted the review this summer. The team chair, Prof. Dan Goodman (Montana State University), briefed the SSC on its findings. The Team's charge was to explain the NPFMC policy within the framework of harvest policy theory and practice around the world, to evaluate the conservatism of the NPFMC policy, and to determine if the policy is considerate of ecosystem needs. The SSC looks forward to reading the Team's report, which will be available soon.

D-1(b) TAC-SETTING (AMENDMENTS 48/48)

Melanie Brown and Sue Salvesson (NMFS Regional Office) presented the next iteration of this long-standing issue. The preparers of the new EA/RIR have attempted to be responsive to SSC and Council concerns by developing a new problem statement, bringing in information about requirements of the Administrative Procedures Act (APA), revising the expected benefits of alternatives, and adding an option for leaving sablefish on a calendar year schedule. They were not able to develop an alternative requested by the SSC that is more similar to the current process. The analysis and presentation in the document are particularly well

done and informative to the actions being contemplated. In particular, the analysis shows (1) that increased variability in management results from the Alternatives to the Status Quo, and (2) that the effect of this increased uncertainty may result in lower harvests and higher biomasses (which would not have otherwise been expected *a priori*).

Two major events have occurred since this issue was last considered. First, the Plan Teams have implemented a new forecasting procedure for updating ABCs in September based on stock assessment and catch projections, rather than just rolling over last year's results. The SSC endorses this new process [see our comments in section D-1(d-e) below] and believes it addresses many problems identified in the document. Since the Plan Teams did not develop this procedure until their recent September meeting, the document understandably does not mention this development. The document would be agreeably improved by explanation of how the Plan Team's new procedure addresses issues of interest to NMFS.

Second, the Marine Conservation Alliance (MCA) has proposed two new options that are more responsive to the SSC's suggestion of an alternative more like the Status Quo. The first involves including more information in the Interim Rule document along with web-based access to new information. The second option is a 15-18 month specification process based on projections. The SSC believes that both of these options are noteworthy and deserve further evaluation and analysis.

Thus, the SSC agrees with NMFS that further consideration of TAC-setting should be postponed until the February 2003 meeting to allow time for these issues to be investigated. The additional time may also be beneficial, in that litigation in other arenas pertaining to this issue may have been settled by then.

As noted in our February 2002 minutes, the annual harvest specification process is the realization of an analysis of the stock dynamics and the implementation of the Council's harvest strategy. The SSC believes that the proper focus for evaluation of this process is on the properties of the process that generate the recommendations of ABC, OFL, and TAC, and not the specific values themselves. The whole idea of having a framework procedure is to avoid extensive new rule-making by codifying and standardizing procedures. The NPFMC has made great strides over the years in doing so, and some administrative relief from overly-long review processes is warranted.

The SSC requests some additional information in the analysis if it can be determined. Namely, the issue of how much is the determination of ABC due to data in the most recent year, as opposed to data from the past? The new Plan Team forecasting procedure essentially uses stock assessment data up to but not including the current year in its harvest specification recommendations in October at this meeting. The new SAFEs will essentially update the exact same procedures with data from the current year. A comparison of the forecast errors from the old rollover procedure and the new forecasting method would be revelatory in assuring the public that there is some predictability in future population status.

D-1 (c) OTHER SPECIES

Jane DiCosimo (NPFMC) and Sara Gaichas (NMFS) gave presentations on the issue of standardizing guidelines and procedures for aggregating or disaggregating species into management units. By splitting out minor species that are not vulnerable or truly at risk from fishing, there could be unnecessary "overfishing" problems created by having very small harvest limits that could easily be exceeded, triggering the shutdown of major fisheries. The principal concern is to provide adequate protection to species that are vulnerable to overfishing but that are currently lumped into "other species" categories that contain a variety of disparate species that have no other home in the FMP. Their life histories are different, as are their susceptibilities to harvest and economic desirabilities. A subcommittee of SSC and Plan Team members met in August to

provide a better categorization of species in the FMP. This is a long-term process, which will first develop of a set of categories, then list species in the categories, and finally propose monitoring, conservation, and harvest strategies. The subcommittee advanced a plan to list species on the basis of their vulnerability and the degree to which they are monitored (or should be monitored). The SSC endorses this approach. The SSC wishes to be involved (perhaps by Email) in the development of categories and the placement of species into the categories. A further presentation to the SSC is expected in December.

D-1(d-e) BSAI AND GOA SAFE METHODOLOGY

Forecasting Procedure for Interim Specifications

The SSC believes that the Plan Teams have made a major advance in their develop of a forecasting (or projection) procedure for updating the September ABCs and OFLs from the most-recent SAFEs. The previous approach was a simple rollover of the previous year's numbers, which was done simply to provide some number until the new SAFEs were developed. The new approach uses stock assessment models for species in Tiers 1 to 3 to forecast future abundance, which is done routinely in the stock assessments. A welcome feature of the new method (suggested by industry) is to update the models by using the projected total catch in the current year. The SSC notes that the projected total catch proceeds from the year-to-date catch at the current time and that much of the total catch in a year has already been taken. Nevertheless, the SSC requests that documentation of the projected total catch be made, so that the algorithms used can be examined and approved. Otherwise, the SSC commends the Teams on a major improvement regarding interim specifications and endorses the forecasting procedure for future use. As noted elsewhere, the new procedure solves many problems with the current TAC-setting process, and the SSC recommends that an analysis examine the forecast accuracy of this procedure in terms of the December ABCs and OFLs.

The SSC suggests that the Plan Teams discuss what to do when some preliminary data suggest that the population trajectory is opposite to the projection (as did occur with GOA pollock this year; see below). One possibility might be to choose the smaller of the projection and the rollover.

National Standard Guidelines

Grant Thompson reported that NMFS headquarters is conducting its annual report of stock status for all marine fish stocks in the nation. For NPFMC, several stocks are being reclassified from "not overfished" to "unknown", because NMFS has decided to use only FMP language and not the entire harvest specification process. The implication for NPFMC is that NMFS is ignoring SAFE evaluations of whether stocks are below or above MSST and thus providing misleading information to the public.

The Plan Teams are requesting that NMFS consider redefining "overfishing" and overfished" so that the SAFE evaluations can be used. The SSC thoroughly supports the Teams' efforts in this regard and requests AP and Council support as well. The SSC notes that efforts to resolve the disagreement between NPFMC and NMFS in relation to MSST have stalled in the last two years. There are two reasons for this: (1) regional NMFS analysts have been fully occupied with Steller Sea Lion and PSEIS issues, and (2) NMFS Headquarters has not responded to a letter sent by the Council in the year 2000, requesting clarification of the criteria to be followed and the amount of permissible latitude that the Council be allowed.

Ecosystem Considerations

Pat Livingston (NMFS) reported on efforts to continue to improve this section of the SAFE. Dorothy Childers (AMCC) reported that she felt that the information presented on coral abundance from trawl surveys was uninformative and possibly misleading (showing large changes in abundance over time) and would perhaps be better used for spatial analysis. The SSC is pleased with the evolution of this chapter and finds

that the work to develop ecosystem indicators is welcome. The SSC endorses further efforts to synthesize and visualize results in a multi-species setting, and to bring ecosystem issues into each stock-specific SAFE chapter.

BSAI Arrowtooth Flounder

The SSC endorses the conversion from stock synthesis to AD Model Builder.

AI Atka Mackerel

The SSC endorses the conversion from stock synthesis to AD Model Builder, using the new NMFS Stock Assessment Toolbox (SAT) interface.

Rockfishes

Dorothy Childers (AMCC) gave public testimony calling for great protection of rockfish species. The SSC believes that rockfish assessment will become one of the critical stock assessment issues in the next few years. The combination of long-lived species, multiple species within an assessment group, issues of stock and species identification, insufficient information on abundance and life history, localized fishing pressure, limited movement and migration of adults, unknown larval dispersal patterns, habitat-specific associations, prior history of overexploitation (by Russian and Japanese trawlers in the 1960s), and limited ability to rebuild (only Gulf POP) creates fishery management difficulties unlike any other species group. One of the current issues is the development of separate ABCs for shortraker and rougheye rockfish, which NMFS feels is not currently possible due to inability to accurately identify these two species in the catch. NMFS has outlined an ambitious management program for these two species, which the SSC strongly supports. It will be necessary not only to attempt to develop separate ABCs for these two species but to develop a real solution based on developing foundations of knowledge about rockfish biology and ecology.

This situation is analogous to the "other species" problem, in that some rockfishes fall within the highly vulnerable, low data scenario. The recommendation that follows from consideration of that issue is that intensive data collection and alternate management measures are needed.

GOA Pollock

Martin Dorn (NMFS) briefed the SSC on the GOA pollock stock assessment, and Chris Wilson (NMFS) described recent and future hydroacoustic survey efforts. The recent hydroacoustic survey suggests that only about 16% of the adult pollock population returned to Shelikof Strait for spawning, which seems much lower than in other years. This finding was possible because of an expanded winter survey.

The preliminary information from this year gives mixed signals about the future, depending on which data are examined. A formal and complete stock assessment is not available at the present time for greater understanding of these data sources. This stock assessment is likely to be one of the most critical this year, because GOA pollock may be approaching the $B_{20\%}$ level at which the directed fishery will be terminated. Dorn presented a preliminary assessment that showed that the new hydroacoustic survey data point has a strong effect on the estimated biomass. Consequently, he plans to have alternative analyses with the data point included and then excluded.

The SSC also suggests that two additional alternatives be evaluated: (1) alter the assessment model in some way so that the complete hydroacoustic survey data from this year can be used (at present only the Shelikof Strait portion is used), and (2) drop the hydroacoustic survey entirely from the analysis. The first alternative is important, in that the current assessment model is based on the now-apparently untenable assumption that a constant proportion of fish return to Shelikof Strait each year. The second alternative may be the only

current resolution to this problem if that assumption cannot be relaxed. Otherwise, the SSC is supportive of the GOA assessment model and analyses proposed.

Concerning the interim specification for GOA pollock, the SSC recommends the default procedure of rolling over the 2002 ABC (54500 mt) and OFL. The SSC could not go along with PT's ABC recommendation (43390 mt) because it is based on an adjustment from the preliminary assessment that has no written record for justification. The SSC also could not support the ABC of 75995 mt from the new forecasting procedure. While both the Plan Teams and SSC do recommend the forecasting procedure for all other species, the SSC believes that the uncertainties in the preliminary pollock data are so large that deviation from the current procedure and value would be unwise until a formal stock assessment can be completed.

D-1(d-e) SAFE—ECONOMICS SECTION

Although the SSC did not receive a presentation on the economics portion of the SAFE, we note that the Economics SAFE includes useful time series of landings and average exvessel prices by fishery sector and management region. The maintenance and reporting of these data series is an important function and should be continued. However, the SSC notes that the Economics SAFE has not undergone the same degree of maturation that characterizes other portions of the SAFE. The SSC encourages a revitalization of the Economics SAFE towards the development of empirically based conceptual and analytic models of the fishery that are suitable for addressing the economic consequences of alternative harvest strategies considered in the SAFE. These new economic models should be forward looking and suitable for exploring the potential consequences of evolving management regimes and varying environmental conditions. The maturation and proposed integration of the Ecosystem SAFE serve as a model for directed evolution of the Economics SAFE.

D-2 OTHER BUSINESS

D-2(b) PLAN TEAM APPOINTMENTS

The SSC recommends that the Council appoint Sara Gaiches to the GOA Plan Team and Gregg Rosenkranz to the Scallop Plan Team.

D-2(c) NPRB

Dr. Clarence Pautzke provided the SSC with an update on activities of the NPRB. He requested that members of the SSC review the Board's research priorities. He also expressed the desire to develop a process that would facilitate the integration of research needs identified by the SSC into the Board process. These issues will be addressed at a future SSC meeting.

MISCELLANEOUS - Preparation of SSC Minutes

SSC minutes contain advice to the Council, explanation of current issues, and a historical record of SSC deliberations and advice. It is important that the minutes be clear, accurate, and complete. To assist in these goals, Terry Quinn and Seth Macinko will draft a list of guidelines to be reviewed by SSC members at the December 2002 meeting.