

This table was prepared at the request of the Council’s Fishery Monitoring Advisory Committee to provide a simplified look at potential coverage outcomes given a specific \$1 million EM funding level and applying 2019 budget scenarios. In the Public Review draft, the analysis includes information on a broader range of potential outcomes that account for different inputs, which allows the reader to evaluate the relationship of the budget and EM funding choices on estimated coverage days, costs per day, and potential coverage rates.

MODIFIED Table ES-2: Assuming a \$1 million EM budget and various observer fee percentages, resulting cost per day, and coverage days purchased, and estimated selection rates under 2019 deployment scheme.

Strata-specific selection rates (for observers, via the 15% baseline + optimization strategy in the 2019 ADP) are calculated based on fishing effort in 2018. The table uses two cost curves for observer cost per day estimates with different assumptions, which can be used to represent lower and upper bounds of observer cost efficiency, respectively. EM cost per day is also calculated from 2018 cost estimates.

Alt. 2 Fee % and total fee revenue <small>(based on average of years 2013-2018)</small>	Observer Budget	Estimated Cost Per Day ¹		Estimated Coverage Days	Assumed Deployment Strata	Estimated Potential Selection Rates	
	EM Budget	Upper	Lower			Hook and Line	Pot
1.25% \$3,810,846	\$2,810,846	\$1,836	\$1,648	1,527 - 1,702	Hook and Line	9.1%	8.2%
					Pot	9.1%	8.2%
					Trawl	9.1%	8.2%
					Tender Pot	9.1%	8.2%
					Tender Trawl	9.1%	8.2%
	\$1,000,000	\$1527	\$956	655 – 1,046	Fixed Gear EM	30%	30%
1.50% \$4,573,015	\$3,573,015	\$1,836	\$1,528	1,942 - 2,334	Hook and Line	12.5%	10.4%
					Pot	12.5%	10.4%
					Trawl	12.5%	10.4%
					Tender Pot	12.5%	10.4%
					Tender Trawl	12.5%	10.4%
	\$1,000,000	\$1527	\$956	655 – 1,046	Fixed Gear EM	30%	30%
1.75% \$5,335,184	\$4,335,184	\$1,588	\$1,323	2,726 - 3,273	Hook and Line	16.6%	14.6%
					Pot	15.2%	14.6%
					Trawl	19.9%	14.6%
					Tender Pot	15.4%	14.6%
					Tender Trawl	21.3%	14.6%
	\$1,000,000	\$1527	\$956	655 – 1,046	Fixed Gear EM	30%	30%
2.00% \$6,097,354	\$5,097,354	\$1,426	\$1,209	3,569 - 4,213	Hook and Line	19.8%	17.6%
					Pot	15.7%	15.4%
					Trawl	29.6%	23.0%
					Tender Pot	16.2%	15.7%
					Tender Trawl	33.5%	25.1%
	\$1,000,000	\$1527	\$956	655 – 1,046	Fixed Gear EM	30%	30%

¹ The observer cost per day estimates are generated from cost curves presented in Figure 12 on page 84 of the Public Review Draft EA/RIR to Adjust the Observer Fee. EM cost per day estimates represented in this table are derived from Table 7 and information provided in the 2018 Observer Program Annual Report. The EM cost per day estimates represent the total annual costs and those spread over hardware life-cycles estimated in the 2018 annual report based on the 1005 EM days reviewed in 2018 and used to generate these EM costs per day estimates. In 2018, there were 62 EM hard drives that were not reviewed and those EM days were not counted in the 1005 total used to generate the cost estimates. If we assume each hard drive represented 1 monitored trip and each trip averaged 5.8 days, we can estimate 360 days were monitored, but not reviewed for a total of 1365 days. If we divide the total cost estimate for 2018 by 1365 instead of 1005 would result in a fully loaded estimate of \$1,125 or \$704 with spread hardware costs. These are low estimates because video review for these 62 hard drives is unknown and not included in the total annual costs for 2018.