

Public Testimony Sign-Up Sheet

Agenda Item C-2 GOA groundfish mgt.

Test.
3/30
pm

| | NAME (PLEASE PRINT) | AFFILIATION |
|----|---------------------------|--------------------------------|
| 1 | Ilia Kuzmin | (on Sector Split) |
| 2 | SAM COFFIN | AEB |
| 3 | Theresa Peterson | AMCC |
| 4 | ALEXUS KWACHKA | CREW MEMBER ASSOC. |
| 5 | Jennifer Vickstrom | F/V IMAE H |
| 6 | Warren Wilson | King Cove Fishermen |
| 7 | LORI SWANSON | GROUNDFISH FORUM |
| 8 | Joe Sullivan | Mundt Mac Gregor |
| 9 | Joe Childers | WESTERN GOA Fishermen's Assoc. |
| 10 | Ron Koenenburgh | F/V Sylvia Steer |
| 11 | SHAWN C. DOCHTERMANNS | ALASKA JIG ASSOCIATION |
| 12 | DAVID MARTIN | F/V ALASKA CHALLENGER |
| 13 | Stephen Toufen | Groundfish Fisheries Movement |
| 14 | Ken Tippett | AK BOAT CO. |
| 15 | Julie Bonny | AGDB |
| 16 | Jeff Stephen | UFMA |
| 17 | Chris + Ken Holland | F/V Point Omega |
| 18 | Harthur McLarty | Island Seafoods |
| 19 | Steve Mathison | Pres AK Jig Ass |
| 20 | | |
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NOTE to persons providing oral or written testimony to the Council: Section 307(1)(I) of the Magnuson-Stevens Fishery Conservation and Management Act prohibits any person "to knowingly and willfully submit to a Council, the Secretary, or the Governor of a State false information (including, but not limited to, false information regarding the capacity and extent to which a United State fish processor, on an annual basis, will process a portion of the optimum yield of a fishery that will be harvested by fishing vessels of the United States) regarding any matter that the Council, Secretary, or Governor is considering in the course of carrying out this Act.

MEMORANDUM

TO: Council and AP Members
FROM: Chris Oliver ^{DO} _{FOR}
Executive Director
DATE: March 17, 2007
SUBJECT: Gulf of Alaska groundfish management

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|---------------------------|
| ESTIMATED TIME 4 HOURS |
|---------------------------|

ACTION REQUIRED

- (a) Discussion paper on Gulf of Alaska sideboards
- (b) Gulf of Alaska Pacific cod sector splits
- (c) Gulf of Alaska LLP recency
- (d) Western Gulf of Alaska pollock trip limits

BACKGROUND

- (a) Discussion paper on Gulf of Alaska sideboards

In adopting rationalization programs, the Council typically establishes sideboard limits constraining the effort of beneficiaries of those programs in non-rationalized fisheries. Currently, sideboards applicable to Gulf of Alaska fisheries limit catch and effort by American Fisheries Act pollock cooperative participants, crab rationalization program participants, Central Gulf of Alaska rockfish pilot program participants, and Amendment 80 fisheries participants. At its December 2006 meeting, the Council heard public testimony that some of these Gulf of Alaska sideboard limits maybe overly restrictive, thus preventing full harvest of the TAC in some Gulf fisheries. Other testimony contended that some of the sideboard limits may not restrictive enough, allowing sideboard vessels to encroach on Gulf dependent vessels. To begin assessing whether changes in sideboard limits in the Gulf of Alaska fisheries are needed, the Council requested staff prepare a brief summary outlining the sideboard limits applicable to Gulf of Alaska fisheries and the catch of sideboarded participants in those fisheries. Attached is that summary (**Item C-2(a)**).

- (b) Gulf of Alaska Pacific cod sector splits

At its February 2007 meeting, the Council received a report from staff exploring the goals, objectives, elements, and options to divide the Gulf of Alaska Pacific cod fishery among various sectors, and a potential action to identify latent licenses for removal from the non-trawl sector fisheries in the Gulf. At that time the Council elected to sever the two actions. In addition, the Council elected to defer action on either item until this meeting to allow for additional public testimony and additional time to consider the development of the two actions.

The attached discussion paper (**Item C-2(b)**) is largely the same as the first section of the discussion paper on this matter that the received Council at its February 2007 meeting. The paper is supplemented with additional information concerning the purpose and need statement, as requested by the Council. The first part of the paper is a brief description of the Gulf of Alaska Pacific cod fisheries, including some information on recent seasons

and catches that the Council could consider in defining its purpose and need statement. The second part of the paper examines potential issues that could be identified in a purpose and need statement. The paper then goes on to enumerate different options that could be included in analysis, which should address needs identified in the purpose and need statement. The options should specify the areas (i.e., Central Gulf and Western Gulf), sector definitions (including possibly gear and operation type distinctions). Assuming that the Council wishes to define the allocations based on catch histories, years used to define that history will need to be specified. The Council may also wish to consider provisions that supplement allocations for some sectors to allow for growth and provisions that allow for full harvest, in the event a sector does not take its entire allocation (i.e. opening an allocation to other sectors or rollovers).

(c) Gulf of Alaska LLP recency

This agenda item concerns the potential action to remove latent LLPs from the Gulf of Alaska non-trawl fisheries. Attached is a discussion paper (**Item C-2(c)**) on this subject for Council review. The first part of the paper describes the LLP and the system of limited entry established by the program. The second part of the paper discusses potential rationales for the action, including a draft purpose and need statement for consideration by the Council. The paper goes on to discuss potential alternatives, including sectors to be included in the action, years used for defining recent participation, and catch or landing thresholds that could be applied. The Council should consider whether this action will be used to redefine the LLP sectors. Currently, the LLP qualifies vessels to participate in fisheries using either trawl or non-trawl gear (or both). Licenses carrying a catcher processor endorsement may operate as a catcher processor or catcher vessel, while licenses with a catcher vessel designation may only operate as a catcher vessel. The LLP also defines areas that a person may enter, in which any authorized gear or operation type may be used for any groundfish species (except sablefish). The Council could choose to further refine the system of designations and endorsements. For example, the Council could elect to subdivide the non-trawl designations, so that licenses with exclusively pot history would be permitted to fish only pot gear and licenses with exclusively longline history would be permitted to fish only longline gear.

(d) Western Gulf of Alaska pollock trip limits

At its February 2007, the Council heard testimony that the current structure of the Western Gulf of Alaska 300,000 lb pollock trip limit may be ineffective for limiting temporal concentration of catch in that fishery. According to the testimony, regulations permit deliveries to tenders. Some participants in the fishery are asserted to have made multiple 300,000 pound trips daily. In response, the Council requested staff to bring back the February 2005 discussion paper concerning this issue at this meeting (**Item C-2 (d)**). The Western Gulf of Alaska trip limit discussion paper is a preliminary study of a proposal submitted by a representative of Western Alaska groundfish fishermen that recommends eliminating the 300,000 pound pollock trip limit, and implementing a 300,000 pound limit of unprocessed pollock during a 24 hour period.

At the February 2005 meeting, the Council expressed concern about pollock overages in the 2005 'A' season in the Western Gulf (Area 610). However, the Council tabled further action indefinitely after receiving assurances from industry representatives that the pace of future fishing would be slower, and from NMFS that the 2006 'A' season would be more closely managed. At that time, the Council stated that if the problem is not addressed voluntarily, they may schedule further discussion and possible regulatory action in the future.

Since 2005, the fishery has seen increasingly shorter openings, which may be in part due to the continuing ineffectiveness of the trip limit. In order to manage this fishery, NMFS has shortened the fishery openers and pre-announces fishery closures based on historical daily catch rates. As depicted in the table below, 2006 had six openers of which 5 were 3 days or less. For 2007, the fishery has had five openers thus far, four of which were 3 days and one was 4 days. These relatively short, concentrated openings suggest that temporal dispersion of effort remains a problem in the fishery.

| Openers | Number of Days | # vessels | # deliveries | Deliveries per vessel |
|-------------|----------------|-----------|--------------|-----------------------|
| 2007 | | | | |
| 1/20-1/22 | 3 | 21 | 33 | 1.6 |
| 2/5-2/7 | 3 | 13 | 24 | 1.8 |
| 2/8-2/10 | 3 | 13 | 22 | 1.7 |
| 3/10-3/13 | 3 | 10 | 24 | 2.4 |
| 3/16-3/18 | 3 | | | |
| 2006 | | | | |
| 2/20-2/22 | 3 | 22 | 33 | 1.5 |
| 2/26-2/27 | 2 | 20 | 31 | 1.6 |
| 3/10-3/14 | 5 | 19 | 80 | 4.2 |
| 8/25-8/28 | 4 | 16 | 42 | 2.6 |
| 8/31-9/3 | 4 | 13 | 32 | 2.5 |
| 9/6-9/27 | 22 | 17 | 117 | 6.9 |
| 2005 | | | | |
| 1/20-1/23 | 4 | 22 | 75 | 3.4 |
| 3/10-3/12 | 3 | 11 | 31 | 2.8 |
| 8/25-9/3 | 10 | 22 | 146 | 6.6 |
| 10/1-10/14 | 14 | 25 | 208 | 8.3 |

Source: NMFS

Summary of GOA Sideboards

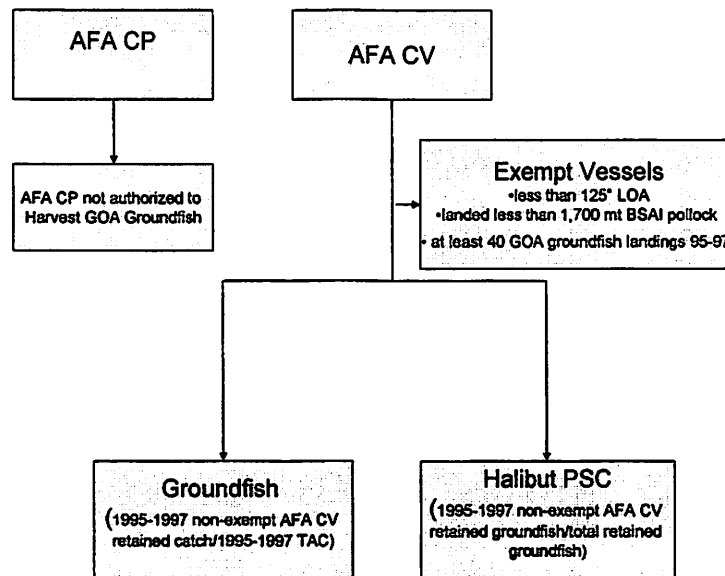
The Council at the December 2006 meeting requested staff prepare a discussion paper summarizing the GOA sideboards. Presented below is summary of the GOA sideboards associated with the American Fisheries Act (AFA), Crab Rationalization Program, Rockfish Pilot Program, and Amendment 80. Currently, Amendment 80 has not been approved by the Secretary of Commerce.

American Fisheries Act Sideboards

The AFA was signed into law in October 1998. The purpose of the AFA was to tighten U.S. ownership standards for U.S. fishing vessels under the Anti-reflagging Act, and to provide the BSAI pollock fleet the opportunity to conduct their fishery in a more rational manner while protecting non-AFA participants in the other fisheries.

The AFA requires the protection of participants in other U.S. fisheries that could be negatively impacted by the BSAI pollock fleet. Given that the 20 catcher/processors listed in paragraphs 208(e)(1) through (20) are restricted from harvesting any GOA groundfish, the summary of AFA GOA sideboards focuses on the AFA catcher vessels. As shown in Figure 1, the AFA CP sector is restricted from harvesting any GOA groundfish, so the sector has no GOA sideboards. For the AFA trawl CV sector, there are groundfish and halibut PSC sideboards. Provided below is summary of these sideboards for the AFA trawl CV sector.

Figure 1. Diagram of AFA sideboard limits for GOA



Catcher Vessel Exemptions

Before addressing GOA groundfish sideboard limits for the AFA vessels, a summary of exemptions are presented. Exemptions are included up front because sideboard limits do not apply to these vessels and the exempt vessel's historic catch is not included in the sideboard calculations. An exemption for AFA trawl catcher vessels less than 125' LOA that landed less than 1,700 mt of BSAI pollock on average during 1995-1997 was developed for those vessels with a high economic dependence on the GOA fisheries. These vessels were exempted from the sideboard limits if they made at least 40 GOA groundfish landings from 1995-1997. As noted above, the catch history of the exempt vessels is not included when NMFS determines the overall sideboard cap amounts. Since their historic catch is not included in the calculation of the limits, catch of these vessels will not count towards the sideboard limits. In addition, if GOA directed fishery is open and an AFA catcher vessel sideboard limit is reached, exempt AFA trawl catcher vessels are not required to stop fishing.

As noted in the 2006 American Fisheries Act Catcher Vessel Intercooperative Annual Report to the NPFMC, the Council recommended and approved the exemption with the understanding that vessels holding GOA exemptions would not lease their Bering Sea pollock in years that they exceed their 1995-1997 GOA harvest level. To ensure the Council's intent is met, the AFA CV sector utilizes a Catcher Vessel Intercooperative Agreement. For the 2006 fishing season, the GOA exempt vessels left 14,790 mt of the 16,353 mt shoreside sector allocation of BSAI pollock unharvested (AFA CV Intercooperative Annual Report). The BSAI pollock allocation was not fully utilized for several reasons, including changing fishing conditions, bycatch reduction regulations, and rising fuel costs.

GOA Groundfish Sideboard Limits

GOA groundfish sideboard limits for AFA CVs are based on the sector's (excluding exempt vessels) ratio of aggregate retained catch for each groundfish species or species group during 1995-1997 relative to the sum of the TACs for that species or species group. NMFS sets a single AFA catcher vessel sideboard cap for each groundfish species. That amount is then made available to all non-exempt AFA catcher vessels on a seasonal basis at the beginning of the year. After NMFS sets the limit, the cooperatives then divide the limit among themselves. Because the AFA CV sideboard limits must be shared amongst the different cooperatives, an inter-cooperative agreement was developed to divide the AFA trawl CV sideboard limit among the cooperatives and set penalties for exceeding the limit. Then each cooperative determines how their portion of the sideboard limit is divided among the member vessels. Table 1 shows the GOA sideboard ratio for the AFA trawl CV sector, the 2006 sideboard amounts, and sideboard catch for 2006.

NMFS closes directed fisheries to AFA-listed catcher vessels when sideboard amounts are inadequate to support a directed fishery. The closures will be timed so that adequate amounts of sideboard limits are available for bycatch needs in other directed fisheries. This is done to help ensure that no sideboard caps are exceeded. NMFS will only open directed fishing for a species when adequate sideboard amounts exist at the start of the fishing year to cover both the bycatch needs of that species in other fisheries and the directed fishery harvest. As Table 2 shows, there are a number of GOA groundfish fisheries closed for the AFA trawl CV sector during the 2006 and 2007 season due to small sideboard limits.

Halibut PSC Sideboards

Sideboard limits were also developed for halibut PSC in the GOA. Those sideboard limits are equal to the ratio of total retained groundfish catch by non-exempt AFA catcher vessels in each

PSC target category from 1995 to 1997 relative to the total retained catch of all vessels in that fishery from 1995 to 1997. Table 3 presents the halibut PSC sideboard ratios, the 2006 and 2007 halibut PSC limit, and the 2006 and 2007 non-exempt AFA catcher vessel halibut PSC sideboard limit by target fishery and season.

Table 1. 2006 GOA non-exempt AFA CV groundfish harvest sideboard limitations (mt) and sideboard catch

| Species | Apportionments and allocations by area/season/processor/gear | Ratio of 1995-1997 non-exempt AFA CV catch to 1995-1997 TAC | 2006 non-exempt AFA catcher vessel sideboard | Total Catch | Remaining Quota |
|------------------------|--|---|--|-------------|-----------------|
| Pollock | Shumagin (610) A,B, C, & D | 0.6112 | 17,674 | 4,441 | 13,233 |
| | Chirikof (620) A, B, C, & D | 0.1427 | 4,350 | 2,991 | 1,359 |
| | Kodiak (630) A, B, C, & D | 0.2438 | 4,498 | 632 | 3,866 |
| | WYK (640) | 0.3499 | 627 | 0 | 627 |
| | SEO (650) | 0.3499 | 2,154 | 0 | 2,154 |
| Pacific cod | W inshore | 0.1423 | 2,580 | 6 | 2,574 |
| | W offshore | 0.1026 | 207 | 0 | 207 |
| | C inshore | 0.0722 | 1,845 | 406 | 1,439 |
| | C offshore | 0.0721 | 205 | 0 | 205 |
| | E inshore | 0.0079 | 26 | 0 | 26 |
| | E offshore | 0.0078 | 3 | 0 | 3 |
| Flatfish deep-water | W | 0 | 0 | 0 | 0 |
| | C | 0.067 | 277 | 9 | 268 |
| | E | 0.0171 | 70 | 0 | 70 |
| Rex sole | W | 0.001 | 1 | 0 | 1 |
| | C | 0.0402 | 221 | 40 | 181 |
| | E | 0.0153 | 39 | 0 | 39 |
| Flathead sole | W | 0.0036 | 7 | 3 | 4 |
| | C | 0.0261 | 131 | 64 | 67 |
| | E | 0.0048 | 10 | 0 | 10 |
| Flatfish shallow-water | W | 0.0156 | 70 | 0 | 70 |
| | C | 0.0598 | 777 | 162 | 615 |
| | E | 0.0126 | 31 | 0 | 31 |
| Arrowtooth flounder | W | 0.0021 | 17 | 7 | 10 |
| | C | 0.0309 | 773 | 495 | 278 |
| | E | 0.002 | 10 | 0 | 10 |
| Sablefish | W trawl gear | 0 | 0 | 0 | 0 |
| | C trawl gear | 0.072 | 93 | 50 | 43 |
| | E trawl gear | 0.0488 | 14 | 0 | 14 |
| Pacific ocean perch | W | 0.0623 | 259 | 6 | 253 |
| | C | 0.0866 | 642 | 511 | 131 |
| | E | 0.0466 | 125 | 0 | 125 |
| Shortraker rockfish | W | 0 | 0 | 0 | 0 |
| | C | 0.0237 | 8 | 20 | -12 |
| | E | 0.0124 | 4 | 0 | 4 |

| Species | Apportionments and allocations by area/season/processor/gear | Ratio of 1995-1997 non-exempt AFA CV catch to 1995-1997 TAC | 2006 non-exempt AFA catcher vessel sideboard | Total Catch | Remaining Quota |
|-------------------------|--|---|--|-------------|-----------------|
| Rougeye rockfish | W | 0 | 0 | 0 | 0 |
| | C | 0.0237 | 14 | 10 | 4 |
| | E | 0.0124 | 3 | 0 | 3 |
| Other rockfish | W | 0.0034 | 2 | 0 | 2 |
| | C | 0.2065 | 80 | 9 | 71 |
| | E | 0 | 0 | 0 | 0 |
| Northern rockfish | W | 0.0003 | 0 | 0 | 0 |
| | C | 0.0336 | 121 | 111 | 10 |
| Pelagic shelf rockfish | W | 0.0001 | 0 | 3 | -3 |
| | C | 0 | 0 | 61 | -61 |
| | E | 0.0067 | 5 | 0 | 5 |
| Thornyhead rockfish | W | 0.0308 | 16 | 0 | 16 |
| | C | 0.0308 | 30 | 13 | 17 |
| | E | 0.0308 | 22 | 0 | 22 |
| Big skates | W | 0.009 | 6 | 0 | 6 |
| | C | 0.009 | 20 | 24 | -4 |
| | E | 0.009 | 5 | 0 | 5 |
| Longnose skates | W | 0.009 | 1 | 0 | 1 |
| | C | 0.009 | 18 | 10 | 8 |
| | E | 0.009 | 8 | 0 | 8 |
| Other skates | GW | 0.009 | 15 | 4 | 11 |
| Demersal shelf rockfish | SEO | 0.002 | 1 | 0 | 1 |

Table 2. 2006 and 2007 non-exempt AFA catcher vessel sideboard directed fishing closures in the GOA (mt)

| Species | Regulatory area/district | Gear | Incidental catch |
|-------------------------|--------------------------|------|--------------------|
| Pacific cod | Eastern GOA | all | 26 (inshore 2006) |
| | | | 19 (inshore 2007) |
| | | | 3 (offshore 2006) |
| | | | 2 (offshore 2007) |
| Deep-water flatfish | Western GOA | all | 0 |
| Rex sole | Western GOA | all | 1 |
| Flathead sole | Eastern and Western GOA. | all | 10 and 7 (2006) |
| | | | 13 and 7 (2007) |
| Shallow-water flatfish | Eastern GOA | all | 31 |
| Arrowtooth flounder | Eastern and Western GOA. | all | 10 and 17 |
| | | | |
| Northern rockfish | Western GOA | all | 0 |
| Pelagic shelf rockfish | entire GOA | all | 0 (W), 0 (C), 5(E) |
| Demersal shelf rockfish | SEO District | all | 1 |

Table 3. 2006 and 2007 non-exempt AFA catcher vessel PSC limits for the GOA (mt)

| PSC species | Season | Target fishery | Ratio of 1995– 1997 non-exempt AFA CV retained catch to total retained catch | 2006 and 2007 PSC limit | 2006 and 2007 non-ex-empt AFA catcher vessel PSC limit |
|-------------------|------------------------------|----------------|--|-------------------------|--|
| Halibut mortality | Trawl 1st seasonal allowance | shallow-water | 0.34 | 450 | 153 |
| | January 20–April 1 | deep-water | 0.07 | 100 | 7 |
| | Trawl 2nd seasonal allowance | shallow-water | 0.34 | 100 | 34 |
| | April 1–July 1 | deep-water | 0.07 | 300 | 21 |
| | Trawl 3rd seasonal allowance | shallow-water | 0.34 | 200 | 68 |
| | July 1–September 1 | deep-water | 0.07 | 400 | 28 |
| | Trawl 4th seasonal allowance | shallow-water | 0.34 | 150 | 51 |
| | September 1–October 1 | deep-water | 0.07 | 0 | 0 |
| | Trawl 5th seasonal allowance | all targets | 0.205 | 300 | 61 |
| | October 1–December 31 | | | | |

Stand Downs

Although not a sideboard specifically associated with the AFA, there are stand down requirements for trawl CVs that fish in both the BSAI and GOA (§ 679.23(h)) that impact AFA trawl CVs. A trawl CV operating in the BSAI while pollock or Pacific cod are open for directed fishing is prohibit from deploying trawl gear in the Western and Central GOA for three days after the date of landing or transferring all of the vessel’s BSAI groundfish. An exception applies to directed fishing for Pacific cod in the GOA for processing by the offshore sector. In a similar fashion, a trawl CV operating in the Western GOA while pollock or inshore Pacific cod is open for directed fishing in the Western GOA is restricted from using its trawl gear in the BSAI for three days after the date of landing or transferring all of its Western GOA groundfish. Finally, a trawl CV operating in the Central GOA area while pollock or inshore Pacific cod is open to directed fishing is required to stand down for two days after landing or transferring its Central GOA groundfish before operating in the BSAI. There is no stand down for a trawl CV fishing in the CDQ fishery.

Crab Rationalization Sideboards

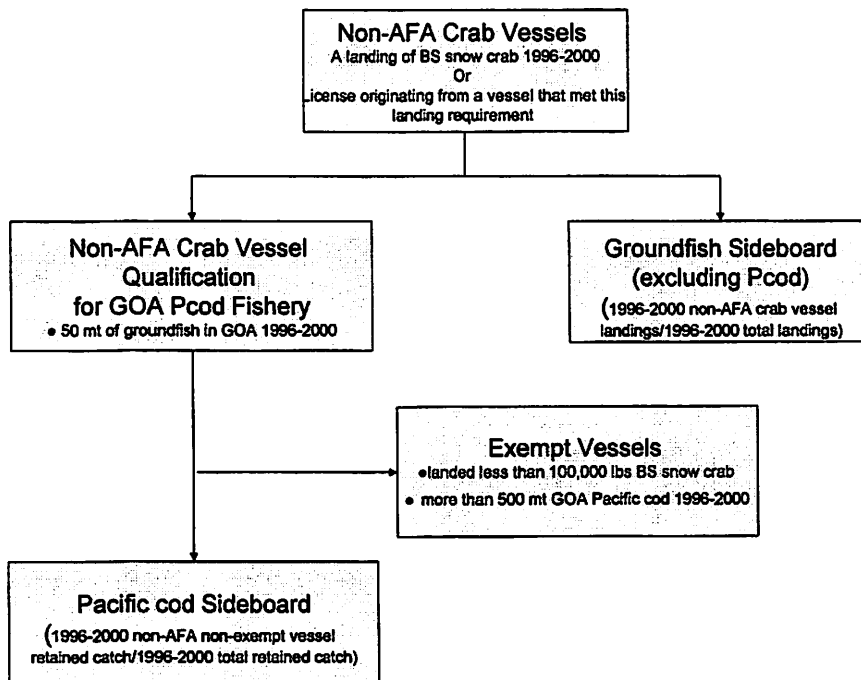
The Crab Rationalization Program was implemented in March of 2005. The program allocates BSAI crab resources among harvesters, processors, and coastal communities and builds on the Council’s experiences with the halibut/sablefish IFQ program and the AFA cooperative program. Recognizing that rationalizing the BSAI crab fisheries could provide opportunities for fishermen to alter their crab fishing patterns and take greater advantage of other fisheries, the Council included GOA groundfish sideboards for non-AFA vessels that qualified for the Bering Sea snow

crab IFQ fishery. Figure 2 provides a diagram of the non-AFA crab vessel sideboard program for the GOA. As noted in the figure, separate sideboard limits exist for GOA groundfish and GOA Pacific cod. There is also a qualification requirement for non-AFA crab vessels to participate in the GOA Pacific cod fishery. Finally, vessels that exceed a specific harvest level of GOA Pacific cod from 1996 to 2000 would be exempt from GOA Pacific cod sideboard limits.

GOA Groundfish (except Pacific cod)

GOA groundfish (other than Pacific cod and fixed-gear sablefish) sideboard limits for non-AFA vessels are based on GOA groundfish landings by qualified vessels¹ relative to groundfish landings by all vessels from 1996 to 2000. For Pacific Cod, the sideboard limit is based on retained catch of Pacific cod by qualified vessels, excluding BSAI snow crab qualified vessels that are prohibited from participating in the GOA Pacific cod fishery and vessels exempt from GOA sideboards limits, divided by the total retained catch of Pacific cod by all groundfish vessels. These same GOA groundfish sideboard restrictions apply in the State of Alaska parallel groundfish fisheries for those qualified BSAI snow crab vessels with a Federal Fisheries Permit or LLP license. Table 4 shows the GOA sideboard ratio for the non-AFA crab vessels, the 2006 sideboard amounts, and sideboard catch for 2006.

Figure 2. Diagram of Non-AFA crab vessel sideboard program for the GOA



¹ Any non-AFA vessel that made a landing of Bering Sea snow crab between January 1, 1996, and December 31, 2000 and any vessel named on an LLP licenses that was generated in whole or part by the fishing history of a qualified vessel.

GOA Pacific cod Sideboard Limit

In addition to the GOA groundfish sideboards for the non-AFA crab vessels, participation in the GOA Pacific cod fishery is restricted. Vessels that qualified for the Bering Sea snow crab quota must have landed more than 50 mt of groundfish harvested from the GOA between January 1, 1996, and December 31, 2000 in order to qualify to participate in the GOA Pacific cod fishery. This restriction also applies to any vessel named on an LLP that generated Bering Sea snow crab fishery quota share.

As noted above, there is an exemption from GOA Pacific cod sideboard limits for vessels that qualify. Exempt BSAI snow crab qualified vessels landed less than 100,000 lbs of Bering Sea snow crab and more than 500 mt of GOA Pacific cod between 1996 and 2000. The exempt was developed for those qualified vessels that demonstrated dependence on the GOA fisheries. The catch history of the exempt vessels is not included in the sideboard limit calculation. Since their historic catch is not included in the sideboard limits, catch of these vessels will not count towards the sideboard caps nor are the exempt vessels required to stop fishing when the sideboard limit is reached, if the directed fishery is open.

Management of GOA Sideboard Limit

NMFS manages the sideboard limits by setting a single sideboard cap for each GOA groundfish species. That amount is then made available to all qualified vessels subject to the cap on a seasonal basis at the beginning of the year. All targeted or incidental catch of sideboard species made by the non-AFA crab vessels will be deducted from the sideboard limit.

As with the AFA trawl CV sideboards, NMFS will close the directed fisheries to those non-AFA BSAI snow crab vessels subject to the cap that qualify to participate in the GOA groundfish fisheries when sideboard amounts are inadequate to support a directed fishery. The exception would those vessels that are exempt from GOA Pacific cod sideboards. These exempt vessels would be allowed to fish for GOA Pacific cod as long as directed fishing continued.

Sideboard limit closures will be timed so that adequate amounts of the species are available for bycatch needs in other directed fisheries. This is done to help ensure that no sideboard caps are exceeded. NMFS will only open directed fishing for a species when adequate sideboard amounts exist at the start of the fishing year to cover both the bycatch needs of that species in other fisheries and the directed fishery harvest. In 2006 and 2007, only the Western and Central GOA Pacific cod were open for directed fishing for the qualified non-AFA crab vessels. The remaining GOA groundfish fisheries were closed as the sideboard limits were necessary for incidental catch to support Pacific cod fishery incidental catch.

Number of Crab Vessels and Licenses Affected by GOA Sideboard

In the NMFS Crab LLP database, there are 227 crab vessels that made a landing of BS snow crab during the 1996 to 2000 period. These vessels are limited by the GOA groundfish sideboards except Pacific cod. Of these 227 crab vessels, 137 are prohibited from fishing for GOA Pacific cod, 85 crab vessels are allowed to target GOA Pacific cod but limited by a GOA Pacific cod sideboard, and 5 are exempt from the GOA Pacific cod sideboard limit.

There are 57 groundfish LLP licenses that originated on qualified crab vessels. Vessels that use these licenses are also limited by the GOA groundfish sideboards. Of the 57 licenses, 12 licenses prohibit the vessel using that license from directed fishing in the GOA Pacific cod fishery, 35

licenses limit the vessel using that LLP license to the GOA Pacific cod sideboard, and 5 of these LLP licenses would exempt that vessel using that license from the GOA Pacific cod sideboard limit.

In cases where vessels are subject to one sideboard (i.e., GOA Pacific cod sideboard) and the LLP license used on that vessel is more restrictive (i.e., prohibited from fishing GOA Pacific cod) the more restrictive measure applies. The converse is true as well, LLP licenses subject to GOA Pacific cod sideboard and used on a vessel prohibited from fishing GOA Pacific cod would not relieve that vessel from the sideboard limit prohibiting GOA Pacific cod fishing.

Table 4. Final 2007 GOA non-AFA crab vessel groundfish harvest sideboard limitations

| Species | Apportions and allocations by area/processor/gear | Ratio of 1996-2000 non-AFA crab vessel catch to 1996-2000 total harvest | Proposed 2007 TAC | 2007 non-AFA crab vessel sideboard limit |
|---------------|---|---|-------------------|--|
| Pollock | A Season (W/C areas only) | | | |
| | January 20 - March 10 | | | |
| | Shumagin (610) | 0.0098 | 4,511 | 44 |
| | Chirikof (620) | 0.0031 | 7,357 | 23 |
| | Kodiak (630) | 0.0002 | 3,320 | 1 |
| | B Season (W/C areas only) | | | |
| | March 10 - May 31 | | | |
| | Shumagin (610) | 0.0098 | 4,511 | 44 |
| | Chirikof (620) | 0.0031 | 8,924 | 28 |
| | Kodiak (630) | 0.0002 | 1,753 | 0 |
| | C Season (W/C areas only) | | | |
| | August 25 - October 1 | | | |
| | Shumagin (610) | 0.0098 | 7,995 | 78 |
| | Chirikof (620) | 0.0031 | 2,304 | 7 |
| | Kodiak (630) | 0.0002 | 4,889 | 1 |
| | D Season (W/C areas only) | | | |
| | October 1 - November 1 | | | |
| | Shumagin (610) | 0.0098 | 7,995 | 78 |
| | Chirikof (620) | 0.0031 | 2,304 | 7 |
| | Kodiak (630) | 0.0002 | 4,889 | 1 |
| Annual | | | | |
| WYK (640) | 0 | 1,398 | 0 | |
| SEO (650) | 0 | 6,157 | 0 | |
| Pacific cod | A Season | | | |
| | January 1 - June 10 | | | |
| | W inshore | 0.0902 | 10,876 | 981 |
| | W offshore | 0.2046 | 1,208 | 247 |
| | C inshore | 0.0383 | 15,339 | 587 |
| | C offshore | 0.2074 | 1,704 | 353 |
| | B Season | | | |
| | September 1 - December 31 | | | |
| | W inshore | 0.0902 | 7,251 | 654 |

| Species | Apportions and allocations by area/processor/gear | Ratio of 1996-2000 non-AFA crab vessel catch to 1996-2000 total harvest | Proposed 2007 TAC | 2007 non-AFA crab vessel sideboard limit |
|------------------------|---|---|-------------------|--|
| | W offshore | 0.2046 | 806 | 165 |
| | C inshore | 0.0383 | 10,226 | 392 |
| | C offshore | 0.2074 | 1,136 | 236 |
| | Annual | | | |
| | E inshore | 0.011 | 3,346 | 37 |
| | E offshore | 0 | 372 | 0 |
| | Flatfish deep-water | W | 0.0035 | 420 |
| C | | 0 | 4,163 | 0 |
| E | | 0 | 4,124 | 0 |
| Rex sole | W | 0 | 1,147 | 0 |
| | C | 0 | 5,446 | 0 |
| | E | 0 | 2,507 | 0 |
| Flathead sole | W | 0.0002 | 2,000 | 0 |
| | C | 0.0004 | 5,000 | 2 |
| | E | 0 | 2,148 | 0 |
| Flathead shallow-water | W | 0.0059 | 4,500 | 27 |
| | C | 0.0001 | 13,000 | 1 |
| | E | 0 | 2,472 | 0 |
| Arrowtooth flounder | W | 0.0004 | 8,000 | 3 |
| | C | 0.0001 | 30,000 | 3 |
| | E | 0 | 5,000 | 0 |
| Sablefish | W | 0 | 494 | 0 |
| | C | 0 | 1,238 | 0 |
| | E | 0 | 283 | 0 |
| Pacific ocean perch | W | 0 | 4,244 | 0 |
| | C | 0 | 7,612 | 0 |
| | E | 0 | 2,780 | 0 |
| Shortraker rockfish | W | 0.0013 | 153 | 0 |
| | C | 0.0012 | 353 | 0 |
| | E | 0.0009 | 337 | 0 |
| Rougheye rockfish | W | 0.0067 | 136 | 1 |
| | C | 0.0047 | 611 | 3 |
| | E | 0.0008 | 241 | 0 |
| Other rockfish | W | 0.0035 | 577 | 2 |
| | C | 0.0033 | 386 | 1 |
| | E | 0 | 519 | 0 |
| Northern rockfish | W | 0.0005 | 1,439 | 1 |
| | C | 0 | 3,499 | 0 |
| Pelagic shelf rockfish | W | 0.0017 | 1,466 | 2 |
| | C | 0 | 3,325 | 0 |
| | E | 0 | 751 | 0 |

| Species | Apportions and allocations by area/processor/gear | Ratio of 1996-2000 non-AFA crab vessel catch to 1996-2000 total harvest | Proposed 2007 TAC | 2007 non-AFA crab vessel sideboard limit |
|---------------------|---|---|-------------------|--|
| Thornyhead rockfish | W | 0.0047 | 513 | 2 |
| | C | 0.0066 | 989 | 7 |
| | E | 0.0045 | 707 | 3 |
| Big skate | W | 0.0392 | 695 | 27 |
| | C | 0.0159 | 2,250 | 36 |
| | E | 0 | 599 | 0 |
| Longnose skate | W | 0.0392 | 65 | 3 |
| | C | 0.0159 | 1,969 | 31 |
| | E | 0 | 861 | 0 |
| Other skates | GW | 0.0176 | 1,617 | 28 |
| DSR | SEO | 0 | 410 | 0 |
| Atka mackerel | GW | 0 | 1,500 | 0 |
| Other species | GW | 0.0176 | 4,500 | 79 |

Rockfish Pilot Program Sideboards

The Central Gulf of Alaska Rockfish Pilot Program was implemented on December 20, 2006. The program provides exclusive harvesting and processing privileges for a specific set of rockfish species and for associated species harvested incidentally to those rockfish in the CGOA. Recognizing that development of a rationalization program has the potential to adversely impact other fisheries, the Council established a suite of sideboard limits for participants in the Rockfish Pilot Program. Participants in this program are able to increase their effort in other fisheries because of the redistribution of effort under the rationalization program.

There are a suite of GOA sideboard limits for catcher processors and catcher vessels operating in the Central GOA Rockfish Pilot Program. There are two broad categories of sideboards – those that establish catch limits, and those that prohibit directed fishing. Catch limits are divided into limits on harvests in other GOA rockfish fisheries and limits on the amount of halibut mortality that can be used in GOA flatfish fisheries. The sideboard limits are in effect only during the month of July. The sideboards are designed to restrict fishing during the historical season for the fishery, but allow eligible rockfish harvesters to participate in fisheries before and after the historical rockfish season. Sideboards would apply to State waters in the “parallel” fishery. Table 5 provides a detailed one page summary of the Rockfish Pilot Program sideboard limits for each sector. Management of sideboard limits are similar to other sideboard programs in that once sideboard limits are reached, directed fisheries are closed.

General Sideboard Provisions

As noted in Figure 3, CP and CV sectors have sideboard limits for West Yakutat pelagic shelf rockfish and POP and Western GOA pelagic shelf rockfish, POP, and northern rockfish. The sideboard limits will be based on each sector’s historic catch of target species in GOA fisheries during July. The sideboard limit applies both to qualified vessels and to any LLP licenses derived

in whole or in part from the history of the qualified vessels. Sideboard restrictions apply even if the LLP license holder did not submit an application to participate in the Rockfish Program, but that LLP license is otherwise eligible to receive rockfish quota shares under the program. Non-exempt AFA vessels are exempt from sideboard limits under the Rockfish Program.

The calculation of GOA rockfish sideboard limits is based on the sector's retained catch as a percentage of total retained catch in a fishery from July 1 to July 31 in each year from 1996 to 2002. There are separate sideboard ratios for each rockfish sideboard fishery and for each sector. For the CP sector, sideboard limits are applied at the rockfish cooperative level. Each CP rockfish cooperative is assigned a sideboard limit as a percent of the general sideboard ratio for each fishery for the CP sector. The general sideboard ratio for each fishery is presented in Table 6

Table 5. Summary of Rockfish Pilot Program sideboard limits in each sector

| July Catch Limit | CV Sector | C/P Cooperatives | C/P Limited Access | C/P "Opt-out" |
|--|--|---|--|---|
| Catch limits: Western GOA POP, Pelagic Shelf, and Northern Rockfish | CV Sector limit – a collective CV limit for each species in each region | Cooperative specific limit for each species in each region | C/P sector limit – a collective limit for all non-cooperative C/Ps for each species in each region. | |
| West Yakutat POP, Pelagic Shelf, and Northern Rockfish | | | | |
| BSAI Pacific cod | CV Sector limit | N/A | N/A | N/A |
| Halibut mortality limits: GOA (1) Shallow-water limit, & (2) Deep-water limit | CV Sector limit. (1) shallow-water flatfish closed in GOA (2) deep-water flatfish closes in the GOA when limit reached | C/P Cooperative specific limit. (1) shallow-water flatfish closed in GOA (2) deep-water flatfish closes in the GOA when limit reached | C/P Non-cooperative Sector limit (1) shallow-water flatfish closed in GOA (2) deep-water flatfish closes in the GOA when limit reached | |
| Prohibited fishing: .BSAI groundfish (except pollock and IFQ sablefish) | July 1 - 31 prohibited directed fishing for most flatfish and rockfish | July 1- July 14 | From July 1- until C/Ps harvest 90% of the CGOA POP. | N/A |
| GOA groundfish (except pollock and IFQ sablefish) | N/A | N/A ** (Assuming monitoring requirements met) | (Only for C/Ps with more than 5% of the total C/P POP history) | July 1 - July 14 – unless past activity |

Figure 3. General sideboard limit for Central Gulf of Alaska Rockfish Pilot Program

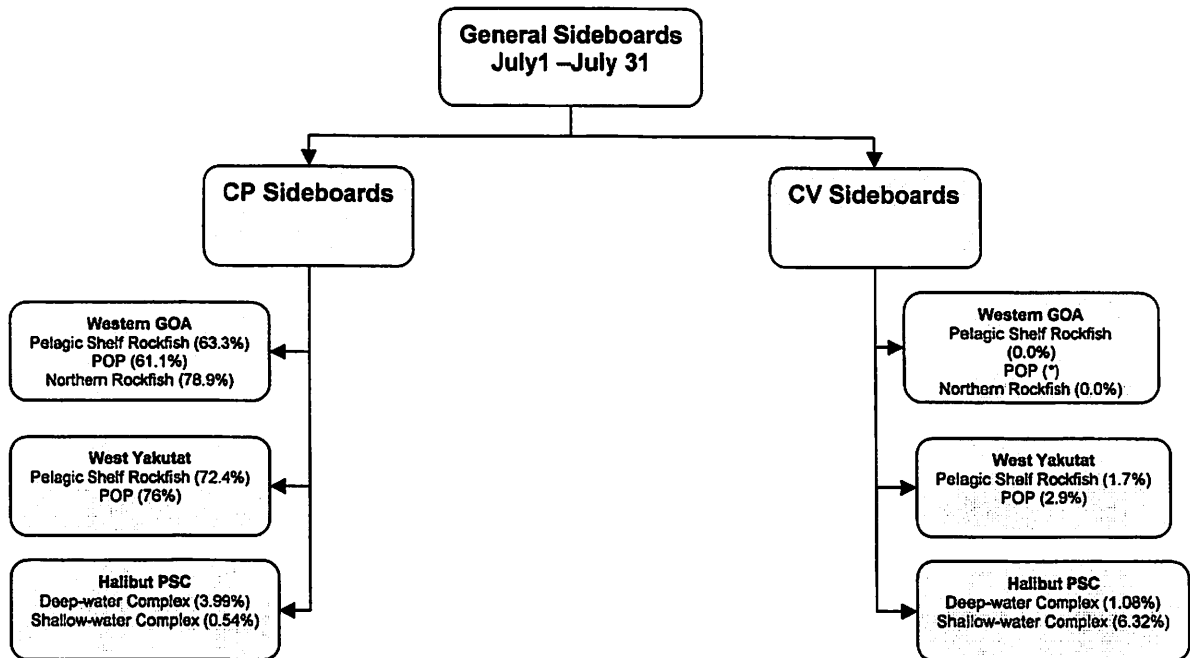


Table 6. 2007 Rockfish Program harvest limits by sector for West Yakutat and Western GOA

| Management Area | Fishery | C/P sector (% of TAC) | CV sector (% of TAC) | 2007 TAC | 2007 C/P limit | 2007 CV limit |
|-----------------|------------------------|-----------------------|----------------------|----------|----------------|---------------|
| West Yakutat | Pelagic Shelf rockfish | 72.4 | 1.7 | 307 | 222 | 5 |
| | Pacific ocean perch | 76 | 2.9 | 1,140 | 866 | 33 |
| Western GOA | Pelagic Shelf rockfish | 63.3 | 0 | 1,466 | 928 | 0 |
| | Pacific ocean perch | 61.1 | 0 | 4,244 | 2,593 | 0 |
| | Northern rockfish | 78.9 | 0 | 1,439 | 1,135 | 0 |

Sectors are also limited in their catch of halibut by a second sideboard limit that is intended to constrain harvests from fisheries that are typically halibut constrained (Table 7). Sideboard limits are established for the CV and CP sectors separately. Similar to the sideboard limits for rockfish, halibut PSC sideboard limits for the CP sector are also calculated at the cooperative level. NMFS will administer the sideboard on the deep-water complex and the shallow-water complex.² The sideboards are set for Gulf-wide halibut usage, as halibut is currently managed on a Gulf-wide basis. If, in July, eligible vessels have caught the sideboard halibut amount within a complex, they would be precluded from participating in specific halibut sideboarded fisheries in the complex for the remainder of July. For example, once the shallow-water complex sideboard limit is reached for a sector or CP cooperative the flathead sole and shallow water flatfish fisheries would close for that sector or cooperative during the remainder of July. Similarly, once the sideboard limit is reached for deep-water complex, NMFS would close the rex sole, arrowtooth flounder, and deep water flatfish fisheries to fishing for that sector or cooperative for the remainder of July.

² The deep-water complex includes sablefish, rockfish, deepwater flatfish, rex sole, and arrowtooth flounder. The shallow-water complex includes flathead sole, shallow water flatfish, pollock, and Pacific cod.

Note, since halibut is necessary to support the CGOA rockfish fishery, any halibut mortality in the CGOA rockfish fishery is deducted from the sector allocation of halibut PSC and not the sideboard limit for halibut. In contrast, any halibut mortality from GOA flatfish fisheries in the month of July will be deducted from the sideboard limit for the deep-water complex or the shallow-water complex, depending on the species of flatfish targeted.

Table 7. 2007 and 2008 Rockfish Program halibut mortality limits by sector

| Sector | Shallow-water complex halibut PSC sideboard ratio | Deep-water complex halibut PSC sideboard ratio | Annual halibut mortality limit (mt) | Annual shallow-water complex halibut PSC sideboard limit (mt) | Annual deep-water complex halibut PSC sideboard limit (mt) |
|-------------------|---|--|-------------------------------------|---|--|
| Catcher/Processor | 0.54 | 3.99 | 2,000 | 11 | 80 |
| Catcher vessel | 6.32 | 1.08 | 2,000 | 126 | 22 |

As noted above, each rockfish cooperative in the CP sector will be assigned a percentage of each halibut PSC sideboard limit. The sideboard limit is based on the aggregate halibut PSC used in the deep-water complex from July 1 through July 31 annually from 1996 to 2002 by all LLP licenses assigned to a rockfish cooperative, divided by the GOA annual halibut mortality limit (3.99%). Halibut from the primary rockfish fisheries in the CGOA is excluded from sideboard calculations. For the shallow-water complex sideboard limit, the calculations are the same but halibut mortality for the sector is 0.54%.

Sideboard Provisions for Catcher Vessels

In addition to rockfish and halibut PSC sideboard limits noted above, any qualified CV vessel may not participate in directed fishing in BSAI (and adjacent State waters) during the month of July for Alaska plaice, arrowtooth flounder, flathead sole, other flatfish, POP, rock sole, and yellowfin sole.

Sideboard Provisions for Catcher Processors Cooperatives

In addition to the general sideboard limits noted above, CP vessels that join a cooperative are also prevented from participating in the directed groundfish fisheries in the BSAI and adjacent State waters from July 1 to July 14.³ All vessels in a rockfish cooperative must maintain an adequate monitoring plan while participating in the CGOA rockfish fishery or any directed sideboard fishery to be exempt from GOA groundfish prohibitions. If cooperative participants fail to maintain a monitoring plan, then cooperative participants would be prohibited from participating in GOA directed groundfish fisheries (IFQ sablefish fishery and CGOA rockfish fisheries) from July 1 through July 14 or until 90% of the cooperative's rockfish quota has been harvested.

Sideboard Provisions for Catcher Processors Limited Access

In addition to the general sideboard provisions noted above, participants that elect to fish in the limited access fishery that have in excess of 5% of the sector's qualified catch of CGOA POP are subject to additional limits from July 1 until 90% of the CGOA POP that is allocated to the limited access fishery for the CP sector has been harvested. During that time period, CPs that are

³ Sideboard limits do not apply to vessels while fishing for IFQ sablefish and pollock.

GOA groundfish etc
TIFA stablefish

in the limited access may not participate in 1) the ~~CGOA rockfish limited access fishery~~, and 2) the BSAI groundfish fishery.

Sideboard Provisions for Catcher Processors Opt-Out

In addition to the general sideboard limits noted above, qualified participants that choose to opt-out of the rockfish pilot program would be prevented from participating in any directed fishery that the license holder did not participate in during the first week of July in at least two of the seven qualifying years. These seven qualifying periods are:

- June 30, 1996 through July 6, 1996
- June 29, 1997 through July 5, 1997
- June 28, 1998 through July 4, 1998
- July 4, 1999 through July 10, 1999
- July 8, 2000 through July 15, 2000
- July 1, 2001 through July 7, 2001, and
- June 30, 2002 through July 6, 2002.

Participation in area 650 during the qualifying period will count toward area 640 qualification. This provision is intended to prevent participants with multiple licenses and substantial history from opting out of the program with one license and entering other fisheries in which the license holder has no history.

Amendment 80 Sideboard

In June 2006, the Council took final action on Amendment 80, which included H&G trawl sideboard limits in the GOA. The proposed Amendment 80 action would allow members of the H&G trawl CP sector to form cooperatives in the BSAI, which should allow them to more nearly optimize when and where they fish. Increased flexibility in planning their fishing year is expected to enable participants to alter their historic fishing patterns and improve their efficiency. It also could allow participants to change their fishing patterns to give them a competitive advantage over participants in non-rationalized GOA fisheries. As seen from Figure 4, the preferred alternative in Amendment 80 would establish groundfish sideboards for pollock, Pacific cod, Pacific Ocean perch, northern rockfish, and pelagic shelf rockfish. Sideboard limits would also be established for halibut PSC. Amendment 80 sideboards apply to vessels and LLPs used to generate harvest shares that result in allocation of TACs to the H&G trawl CP sector.

GOA Groundfish

GOA sideboard restrictions would be based on historic usage during the 1998-2004 qualifying period. Specifically, retained catch for non-exempt qualified H&G trawl CP vessels by GOA area as a percentage of total retained catch of all sectors in that area from 1998 to 2004. The sideboards are designed to limit participation in the pollock, Pacific cod, and directed rockfish fisheries (for species not allocated under the Rockfish Demonstration Program). The pollock and Pacific cod sideboards will constrain the harvest of these species by limiting a vessel's incentives to join the inshore component of the GOA fleet. Rockfish sideboard limits are less restrictive, but could provide some protections to the other GOA vessels operating in those rockfish fisheries. GOA groundfish sideboard percentages are provided in Table 8.

Figure 4. Summary diagram of the overall H&G trawl CP GOA sideboard program from Amendment 80

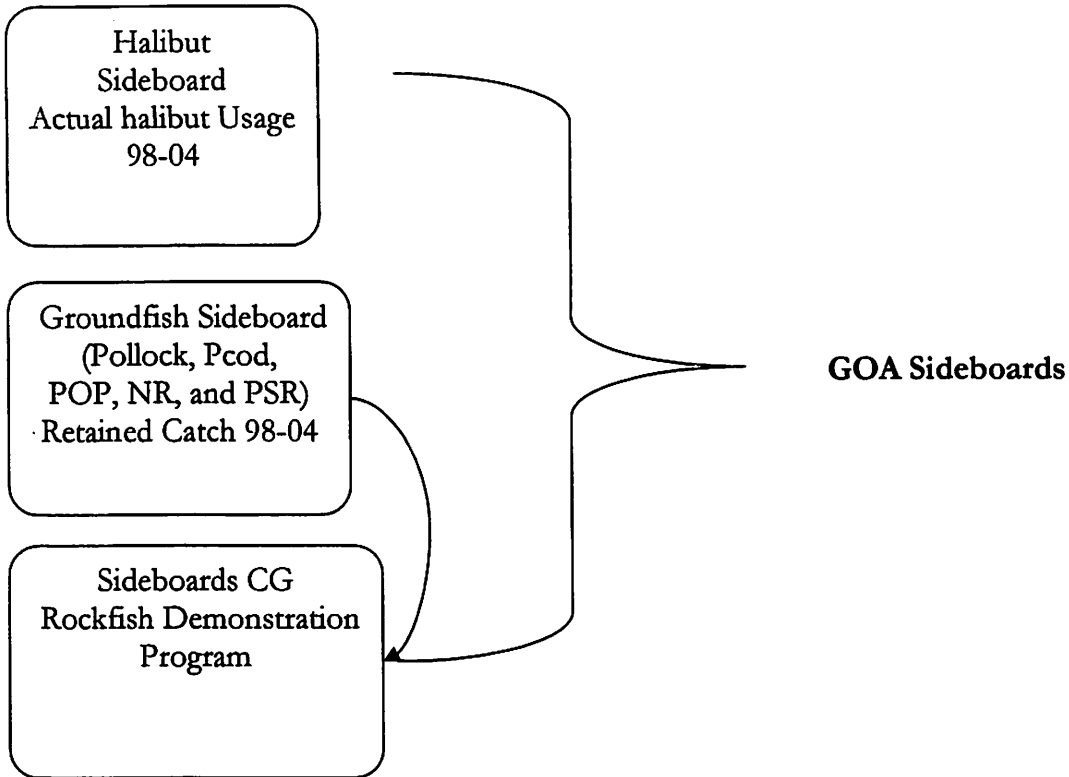


Table 8. Amendment 80 GOA sideboard estimates and average historic catch

| Species | Sideboard % | | Estimated Sideboard (mt) | Average Catch of H&G trawl CPs (95-03) |
|------------------------|-------------|--------------------------|--------------------------|--|
| | Sideboard % | Estimated Sideboard (mt) | | |
| Pollock | | | | |
| Pollock 610 | 0.3% | 91 | 120 | |
| Pollock 620 | 0.2% | 34 | 100 | |
| Pollock 630 | 0.2% | 19 | | |
| Pollock 640 | 0.2% | 4 | | |
| Central Gulf | | | | |
| Pacific Ocean Perch | RDP | RDP | RDP | |
| Pelagic Shelf Rockfish | RDP | RDP | RDP | |
| Northern Rockfish | RDP | RDP | RDP | |
| Pacific Cod | 4.4% | 1,355 | 2,024 | |
| Western Gulf | | | | |
| Pacific Ocean Perch | 99.4% | 2,549 | 1,456 | |
| Pelagic Shelf Rockfish | 76.4% | 288 | 135 | |
| Northern Rockfish | 100.0% | 808 | 443 | |
| Pacific Cod | 2.0% | 314 | 553 | |
| West Yakutat | | | | |
| Pacific Cod | 3.4% | * | * | |
| Pacific Ocean Perch | 96.1% | 808 | 784 | |
| Pelagic Shelf Rockfish | 89.6% | 182 | 116 | |

Source: Sideboard percent was estimated using the retained catch of the 28 H&G trawl CP vessels (as estimated in the Council IR/IU and GOA Rationalization data base) divided by the total retained catch of all vessels in the GOA, as reported in the NOAA Fisheries catch and bycatch reports (1995-2003).

RDP - Indicates that species will be managed under the Rockfish Demonstration Program

*Not report to protect confidential data

Halibut PSC Sideboards

As indicated in Figure 5, GOA flatfish fishery participation is limited to vessels that had more than 10 weeks of participation in the GOA flatfish fisheries. Vessels with more than 10 weeks of participation may target GOA flatfish within current TAC and PSC regulations. Vessels that did not fish a sufficient number of weeks would not be allowed to harvest GOA flatfish in a directed fishery in the future. Under the Council's preferred alternative, 13 H&G trawl CP vessels appear to qualify to target flatfish in the GOA.

GOA halibut PSC caps would be set based on historic usage of halibut PSC by the H&G trawl CP sector from 1998 to 2004. Table 9 shows the percentages of the deep water flatfish complex and shallow water flatfish complex halibut PSC limits, by quarter under the preferred alternative. The halibut PSC sideboard limit for the H&G trawl CP sector would be 555 mt after removing catch data for the F/V Golden Fleece, which would be exempt from GOA halibut sideboards based on language in the preferred alternative; and after accommodating the allocation of halibut PSC from the third season, which is used to support quota allocations under the RDP.

Table 9. Amendment 80 GOA Trawl Halibut PSC Sideboard estimates (mt)

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

Source: NPFMC summary of NMFS weekly PSC reports

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

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

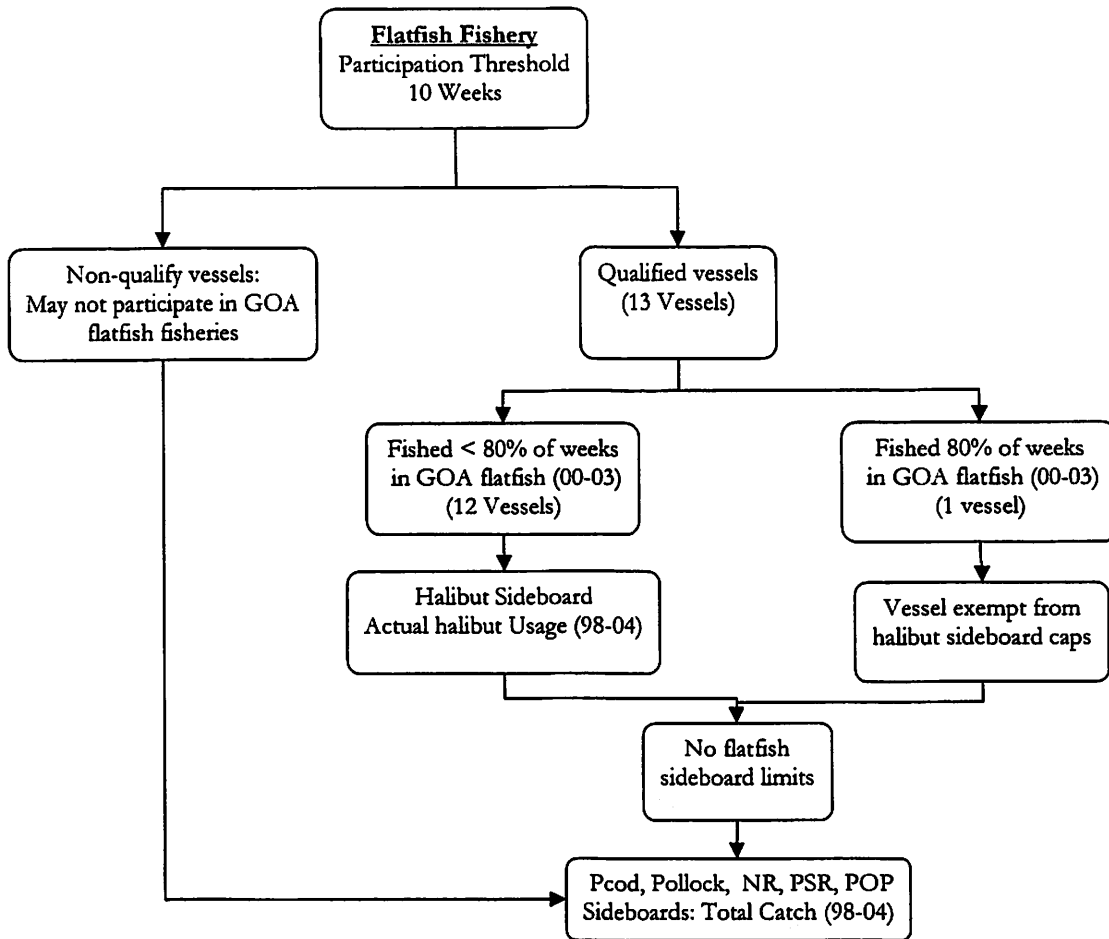
**Fourth season deep water was combined with first season deep water and would rollover if not fully utilized

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

The Council included an exemption from the GOA halibut sideboards if a vessel had fished 80% of their weeks in the GOA flatfish fisheries from January 1, 2000 through December 31, 2003. The historic catch of exempt vessels will not contribute to the halibut sideboard limit calculations and the future catch of exempt vessels will not count against the halibut sideboard caps. Exempt vessels would be prohibited from directed fishing for all other sideboard species in the GOA (rockfish, Pacific cod, and pollock). Finally, exempt vessels may lease their BSAI Amendment 80 history. Based on the Amendment 80 EA/RIR/IRFA, only the F/V Golden Fleece qualifies to be exempt from GOA halibut sideboards.

Within the H&G trawl CP sector, sideboard limits will be assigned to cooperative and H&G trawl limited access group based on each vessels contribution to the group.

Figure 5. Diagram of GOA flatfish fishery threshold and GOA sideboard program



**Gulf Pacific Pacific cod sector splits
North Pacific Fishery Management Council
March/April 2007**

At its February 2007 meeting, the Council reviewed a discussion paper exploring the goals, objectives, elements and options of a division of the Gulf of Alaska Pacific cod fishery among various sectors and the removal of latent licenses from fisheries in the Gulf. In response, the Council indicated its intent to consider addressing these issues through separate actions. In addition, the Council expressed its interest in taking further testimony on the issues at this meeting prior to developing a statement of purpose and need and alternatives for consideration.

This paper examine possible goals, objectives, elements, and options for dividing the Pacific cod TAC among sectors in the Gulf of Alaska. The section begins with a brief, background description of the Gulf of Alaska Pacific cod fisheries. The background section includes information concerning use of the Pacific cod resource in the Gulf in recent years. The background discussion is followed by a brief discussion of possible purposes and needs for this action. That section includes the Council's purpose and need statements from previous actions that divided the Bering Sea and Aleutian Islands Pacific cod resource among different sectors and a draft problem statement prepared by staff.

Background

To gain some perspective on the fishing of Gulf of Alaska Pacific cod, this section provides a brief description of the Gulf fisheries that harvest Pacific cod. Three separate area TACs are identified for Gulf of Alaska Pacific cod, Western Gulf, Central Gulf, and Eastern Gulf.

The Western Gulf and Central Gulf TACs are divided seasonally, with 60 percent of each TAC allocated to the A season and 40 percent of each TAC allocated to the B season. The A season for fixed gear vessel begins on January 1st; the trawl gear A season opens on January 20th. The A season ends on June 10th. The B season begins on September 1st and ends November 1 for trawl gear and at the end of the year for non-trawl gear. This seasonal distribution of catch was implemented as a Steller sea lion protection measure. The TACs are not divided among gear types, but are divided between the inshore and offshore, with 90 percent allocated to the inshore component and 10 percent allocated to the offshore component.¹

| Gear | A season (60 percent) | | B season (40 percent) | |
|-------|--------------------------|---------|--------------------------|-------------|
| | begins on | ends on | begins on | ends on |
| Fixed | January 1 | June 10 | September 1 | December 31 |
| Trawl | January 20 | | | |

In general, inseason managers monitor catch in the fishery, timing the closure of the directed fishery to allow full harvest of the TAC. To meet that goal, the closure must be timed to leave only enough of the TAC to support incidental catch in other fisheries during the remainder of the season.² So, managers attempt to time the A season closure to have a sufficient portion of the A season TAC available for incidental catch until the A season ends on June 10th. Any A season overage or incidental catch between the end of the A season (June 10th) and the beginning of the B season (September 1st) is accounted for against the B season TAC. Incidental catch when the direct fishery is closed is limited as a maximum

¹ Under regulation, 20 percent of the TAC of each Gulf species (including Pacific cod) can be held in reserve for later allocation to accommodate bycatch. In recent years, NOAA Fisheries has allocated the reserves as part of the annual specifications process.

² If catch were to exceed the TAC, managers would put the species on PSC status, under which no retention would be permitted.

retainable allowance (MRA). An MRA limits the amount of a non-directed species catch that may be retained to a percentage of directed species catch. For Pacific cod, the MRA with respect to all directed species is 20 percent. So, when Pacific cod is not open for directed fishing, a vessel may retain Pacific cod in an amount up to 20 percent of its catch of species that are open for directed fishing.³ Also, Pacific cod is an Improved Retention/Improved Utilization species. So, all catch must be retained, if open for directed fishing, and all catch up to the MRA must be retained, if closed to directed fishing.

In addition to the Pacific cod allocations, halibut Prohibited Species Catch (PSC) apportionments are important to the Pacific cod fishery, particularly the trawl sector. In the Gulf, halibut harvests in the Pacific cod fishery are accounted for against the applicable halibut PSC allowance. Separate halibut mortality allowances may be made to trawl, hook-and-line, and pot gear. In recent years, the pot gear fisheries have received no allowance, as halibut mortality is negligible in the current pot fisheries. Halibut mortality is apportioned seasonally to both the hook-and-line and trawl fisheries. The hook-and-line allowance is divided into three periods, January 1st to June 10th (the A season for Pacific cod), June 10th to September 1st, and September 1st to December 31st (the B season for Pacific cod). The trawl halibut PSC apportionment is divided not only seasonally, but also between the shallow-water species complex (pollock, Pacific cod, shallow-water flatfish, flathead sole, Atka mackerel, skates, and "other species") and the deep-water species complex (all other species, which includes Pacific ocean perch, northern rockfish, pelagic shelf rockfish, and deep-water flatfish). Seasonally, shallow-water trawl halibut PSC is divided into four periods, January 20th to April 1st, April 1st to July 1st, July 1st to September 1st, and September 1st to October 1st. In addition, a separate apportionment that is not divided between shallow-water and deep-water is available for use from October 1st to December 31st.

Managers monitor halibut PSC catch in the Pacific cod fishery and close the directed fishery, if the available halibut PSC mortality apportionment is fully used. After such a closure, the directed fishery is typically reopened when the next apportionment of PSC becomes available. In recent years, managers have been compelled to close the directed trawl fishery on occasion because of constraining halibut PSC apportionments.

Entry to the Pacific cod fishery in federal waters is limited under the License Limitation Program (LLP).⁴ Licenses are issued with either a catcher vessel designation (which allows harvests) or catcher processor designation (which allows harvests and onboard processing). The inshore and offshore components, however, cannot simply be distinguished as catcher vessels and catcher processors, respectively. Instead the components are distinguished by processor type, with the inshore component comprised of shore plants, stationary floating processors, and vessels less than 125 feet in length that process less than 126 metric tons (in round-weight equivalents) per week of pollock and Gulf Pacific cod in the aggregate.⁵ Under this construction, two aspects of the regulations allow catcher processors license holders to participate in the inshore sector. First, a catcher processor license may be used to operate as a catcher vessel in the inshore fishery, delivering catch to a shore plant or floating processor. Second, a catcher processor less than 125 feet in length may choose to operate in the inshore sector by limiting its processing to less than 126 metric tons per week.⁶

³ Pacific cod catch is also retained in the halibut and sablefish IFQ program. Vessels fishing IFQ are required to retain Pacific cod up to the MRA, except if Pacific cod is on PSC status.

⁴ A description of the LLP is included in the section of this paper concerning latent licenses.

⁵ Incidental catch of Pacific cod in the halibut and sablefish IFQ fishery is accounted against the TAC corresponding to the processor type (i.e., inshore or offshore).

⁶ An additional exemption allows catcher vessels less than or equal to 60 feet in length in the inshore component to process onboard up to 1 mt of catch per day on vessels.

Contemporaneously with the fishery in federal waters (3 nm to 200 nm), the State of Alaska opens its waters (0 nm to 3 nm) to directed fishing for Pacific cod. This fishery in State waters (referred to as the 'parallel fishery') is prosecuted under the same rules as the federal fishery with catch counted against the federal TAC. In addition, the State of Alaska manages its own Pacific cod fisheries inside of 3 nm (referred to as the 'State water fishery'), which is allocated a portion of the federal TAC. The State water fishery is open only to pot and jig vessels. Table 1 summarizes the allocations and seasons in the State water fisheries in the Central Gulf and Western Gulf. State fisheries are managed to a guideline harvest level (GHL), which limits total catch in the fishery in a manner similar to TAC limitation of harvests in the federal fisheries. State water GHLs are specified as a portion of the federal TAC, which can be increased annual if the GHL is fully fished. Currently, all GHLs are at the maximum amount permitted by State regulation, with the exception of the Prince William Sound fishery. The Prince William Sound GHL is at its regulatory minimum, because the fishery has not fully utilized that allocation.

Table 1. State water Pacific cod fisheries in the Gulf of Alaska.

| Area | Season opening | Current GHL | Allocation | | |
|----------------------|-----------------------------------|---|---------------------------|---------------------------------------|----------------------|
| | | | Pot gear (all vessels) | Pot gear (vessels over 58 feet) | Jig gear |
| Prince William Sound | 7 days after federal closure | 10 percent of Eastern Gulf TAC | up to 60 percent* | up to 60 percent | up to 100 percent |
| Cook Inlet | 24 hours after federal closure | 3.75 percent of Central Gulf TAC | 75 percent* | up to 25 percent | 25 percent* |
| Kodiak | 7 days after federal closure | 12.5 percent of Central Gulf TAC | 50 percent* | up to 25 percent | 50 percent* |
| Chignik | March 1 | 8.75 percent of the Central Gulf TAC | 90 percent* | none | 10 percent* |
| South Peninsula | 7 days after federal closure | 25 percent of the Western Gulf TAC | up to 85 percent* | none | up to 100 percent |

*Subject to rollover, which occurs if the other gear type does not use the portion of the GHL available to it.

Fisheries in the State waters (including both the parallel fishery and the State water fishery) are not subject to license limitation. Both the parallel fishery and the State water fishery are prosecuted by both vessels that have LLP licenses for the federal fishery and vessels that have no federal LLP license.

To gain a general perspective on the distribution of catch in the Central Gulf and Western Gulf, Table 2 and Table 3 show preliminary estimates of catch by gear and operation types from 1995 to 2003. Information in these tables will be updated in a manner that corresponds to elements and options adopted by the Council, if the Council advances this action.

Table 2. Pacific cod catch in Western Gulf by Gear, Fishery, License, and Operation, (in hundreds of metric tons) 1995-2003.

| Gear | Fishery | Catcher processor catch | | | Catcher vessel catch | | | All vessels |
|---------------|----------|-------------------------|--------------------------|--------------|------------------------|--------------------------|---------------|---------------|
| | | Vessels with licenses* | Vessels without licenses | Total | Vessels with licenses* | Vessels without licenses | Total | Total |
| Jig | EEZ | - | - | - | 0.2 | 0.2 | 0.4 | 0.4 |
| | Parallel | - | - | - | 2.2 | 7.4 | 9.6 | 9.6 |
| | State | - | - | - | 8.3 | 37.9 | 46.2 | 46.2 |
| Hook-and-Line | EEZ | 341.1 | 40.6 | 381.7 | 0.5 | 25.3 | 25.8 | 407.5 |
| | Parallel | - | - | - | 1.1 | 1.0 | 2.1 | 2.1 |
| | State | - | - | - | - | - | - | - |
| Pot | EEZ | 25.0 | 8.1 | 33.1 | 91.0 | 45.5 | 136.5 | 169.7 |
| | Parallel | - | - | - | 205.8 | 48.2 | 254.0 | 254.0 |
| | State | - | - | - | 268.2 | 28.2 | 296.4 | 296.4 |
| Trawl | EEZ | 39.4 | 4.4 | 43.9 | 792.3 | 13.1 | 805.4 | 849.2 |
| | Parallel | - | - | - | 174.1 | 3.2 | 177.3 | 177.3 |
| | State | - | - | - | - | - | - | - |
| Total | | 405.5 | 53.2 | 458.7 | 1543.7 | 209.9 | 1753.7 | 2212.4 |

*Includes permanent and interim licenses.

wg

Source: ADF&G Fish tickets and Weekly Processor Reports.

Table 3. Pacific cod catch in Central Gulf by Gear, Fishery, License, and Operation (in hundreds of metric tons) 1995-2003.

| Gear | Fishery | Catcher processor catch | | | Catcher vessel catch | | | All vessels |
|---------------|----------|-------------------------|--------------------------|--------------|------------------------|--------------------------|---------------|---------------|
| | | Vessels with licenses* | Vessels without licenses | Total | Vessels with licenses* | Vessels without licenses | Total | Total |
| Jig | EEZ | - | - | - | 0.8 | 0.3 | 1.0 | 1.0 |
| | Parallel | - | - | - | 6.2 | 7.5 | 13.6 | 13.6 |
| | State | - | - | - | 23.1 | 41.8 | 64.9 | 64.9 |
| Hook-and-Line | EEZ | 38.4 | ** | 38.4 | 319.5 | 23.1 | 342.6 | 381.0 |
| | Parallel | - | - | - | 124.3 | 21.9 | 146.2 | 146.2 |
| | State | - | - | - | - | - | - | - |
| Pot | EEZ | 18.4 | 25.8 | 44.2 | 403.8 | 56.2 | 460.1 | 504.3 |
| | Parallel | - | - | - | 299.2 | 35.0 | 334.2 | 334.2 |
| | State | - | - | - | 234.5 | 42.9 | 277.4 | 277.4 |
| Trawl | EEZ | 145.1 | 21.4 | 166.5 | 1553.4 | 50.6 | 1604.0 | 1770.5 |
| | Parallel | - | - | - | 34.6 | 1.6 | 36.1 | 36.1 |
| | State | - | - | - | - | - | - | - |
| Total | | 201.8 | 47.3 | 249.1 | 2999.2 | 280.9 | 3280.1 | 3529.2 |

*Includes permanent and interim licenses.

cg

**Withheld for confidentiality. Totals exclude this amount.

Source: ADF&G Fish tickets and Weekly Processor Reports.

The purported motivation for separation of the Pacific cod TAC among sectors is that the fishery is fully utilized and failing to allocate the TAC among sectors will allow participants to some sectors to impinge on the historic catch of other sectors. Several factors should be considered in assessing the extent to which the fishery is fully utilized. First, one can consider whether the TACs are fully harvested. In some recent years, some sectors have not fully harvested the Pacific cod TAC in the Western Gulf and Central Gulf management areas (see Table 4). In the three of the last six years, the inshore sector in the Western Gulf harvested less than 90 percent of the TAC. In the Central Gulf, the inshore sector harvested more than 90

percent of the TAC in all but one of the last six years. In the last three years, the offshore sector in both areas has harvested 75 percent of the TAC or less.

Table 4. Pacific cod catches, TACs, and percent of the TAC harvested in the Western and Central Gulf (2001-2006) (in metric tons).

| Year | Western Gulf | | | | | | Central Gulf | | | | | |
|------|--------------|--------|-------------------|----------|-------|-------------------|--------------|--------|-------------------|----------|-------|-------------------|
| | Inshore | | | Offshore | | | Inshore | | | Offshore | | |
| | Catch | TAC | Percent harvested | Catch | TAC | Percent harvested | Catch | TAC | Percent harvested | Catch | TAC | Percent harvested |
| 2001 | 12,461 | 16,470 | 75.7 | 1,700 | 1,830 | 92.9 | 25,255 | 27,225 | 92.8 | 2,066 | 3,025 | 68.3 |
| 2002 | 15,541 | 15,164 | 102.5 | 1,627 | 1,685 | 96.6 | 22,665 | 22,311 | 101.6 | 2,393 | 2,479 | 96.5 |
| 2003 | 14,029 | 13,905 | 100.9 | 2,206 | 1,545 | 142.8 | 22,601 | 20,421 | 110.7 | 2,228 | 2,269 | 98.2 |
| 2004 | 14,273 | 15,261 | 93.5 | 1,281 | 1,696 | 75.5 | 25,533 | 24,404 | 104.6 | 1,931 | 2,712 | 71.2 |
| 2005 | 11,982 | 14,118 | 84.9 | 424 | 1,569 | 27.0 | 22,348 | 22,577 | 99.0 | 361 | 2,509 | 14.4 |
| 2006 | 13,647 | 18,127 | 75.3 | 1,095 | 2,014 | 54.4 | 21,612 | 25,565 | 84.5 | 1,402 | 2,840 | 49.4 |

Source: NMFS annual catch reports

While considering catch levels relative to TACs gives some perspective on the level of utilization of the fisheries, other factors might also be considered. Given the season division of the Pacific cod TACs one could also consider the extent to which seasonal TACs are harvested. The A season TAC, which is harvested when Pacific cod are aggregated and more easily targeted and when roe peaks, is typically fully harvested. In addition, some catches are made in between the A and B seasons, which limit available TACs in the B season (see Table 5 and Table 6). In most recent years, A season catches have substantially exceeded the A season TACs in both areas. Most of this catch is made as incidental catch after the A season has closed. Catch between the A and B seasons is also substantial, particularly by the inshore sector in the Central Gulf.

Table 5. Western Gulf Pacific cod A season catches, TACs, and catches between the A and B seasons (2003-2006) (in metric tons).

| Year | Western Gulf | | | | | | | |
|------|----------------|--------------|-------------------|------------------------------|----------------|--------------|-------------------|------------------------------|
| | Inshore | | | | Offshore | | | |
| | A season catch | A season TAC | Percent harvested | Catch between A and B season | A season catch | A season TAC | Percent harvested | Catch between A and B season |
| 2003 | 10,057 | 8,343 | 120.5 | 186 | 2,040 | 927 | 220.1 | 137 |
| 2004 | 10,536 | 9,157 | 115.1 | 61 | 626 | 1,017 | 61.6 | 203 |
| 2005 | 10,298 | 8,471 | 121.6 | 67 | 123 | 941 | 13.1 | 62 |
| 2006 | 12,299 | 10,876 | 113.1 | 27 | 666 | 1,208 | 55.1 | 66 |

Source: NMFS seasonal catch reports

Table 6. Central Gulf Pacific cod A season catches, TACs, and catches between the A and B seasons (2003-2006) (in metric tons).

| Year | Central Gulf | | | | | | | |
|------|----------------|--------------|-------------------|------------------------------|----------------|--------------|-------------------|------------------------------|
| | Inshore | | | | Offshore | | | |
| | A season catch | A season TAC | Percent harvested | Catch between A and B season | A season catch | A season TAC | Percent harvested | Catch between A and B season |
| 2003 | 15,679 | 12,253 | 128.0 | 2,437 | 1,440 | 1,361 | 105.8 | 50 |
| 2004 | 15,673 | 14,643 | 107.0 | 1,767 | 1,347 | 1,627 | 82.8 | 121 |
| 2005 | 12,688 | 13,547 | 93.7 | 1,556 | 1,505 | 1,414 | 106.4 | 193 |
| 2006 | 15,529 | 15,339 | 101.2 | 1,357 | 1,704 | 1,679 | 101.5 | 253 |

Source: NMFS seasonal catch reports

Since the A season TAC is typically fully caught, any remaining TAC is from the B season. Halibut PSC has been a limiting factor in the B season frequently for the trawl sectors and occasionally for hook-and-line participants in recent years. With halibut PSC unavailable to support the fishery, much of the B season TAC has been left uncaught.

A further indicator of the utilization of a fishery is season length. In recent years, the A seasons for the different Gulf cod fisheries have closed because of harvest of the TAC approximately one month after the January 20th trawl opening (see Table 7). Halibut has rarely limited A season catches by the trawl sector. Some non-trawl participants believe that the relatively high catching power of the trawl fleet has limited their ability to maintain their catch levels in the fisheries. In addition, larger boats are likely more suitable to fish in these months.

Table 7. Pacific cod fishery A season closures (2001-2007).

| Year | Western Gulf | | | | Central Gulf | | | |
|------|----------------------|------------------------------|----------------------|------------------------------|----------------------|------------------------------|----------------------|------------------------------|
| | Inshore | | Offshore | | Inshore | | Offshore | |
| | A season TAC closure | Halibut limiting in A season | A season TAC closure | Halibut limiting in A season | A season TAC closure | Halibut limiting in A season | A season TAC closure | Halibut limiting in A season |
| 2001 | February 27 | no | May 24 | yes | March 24 | no | May 25 | yes |
| 2002 | February 26 | no | February 9 | no | March 9 | no | March 25 | no |
| 2003 | February 17 | no | March 20 | no | February 9 | no | February 1 | no |
| 2004 | February 24 | no | March 8 | no | January 31 | no | February 2 | no |
| 2005 | February 24 | no | February 22 | no | February 26 | no | February 22 | no |
| 2006 | March 2 | yes | February 19 | no | February 28 | yes | February 19 | no |
| 2007 | March 8 | no | February 14 | no | February 27 | no | February 14 | no |

Source: NMFS status of fisheries reports.

Catch by gear varies substantially year to year (see Table 8 and Table 9 for catch by gear in the Western Gulf and Central Gulf, respectively). The wide variation suggests no consistent pattern by which one gear type preempts the historic dependence of other gear types. The fluctuation in catch, however, suggests that effort levels vary across gear types on an annual basis, which could affect those most dependent on the fishery, regardless of gear type.

Table 8. Pacific cod catch by gear in the Western Gulf (2001-2005) (in metric tons).
western

| Year | Trawl | | Longline | | Pot | | Jig | | Total Catch |
|------|-------|------------------|----------|------------------|--------|------------------|-------|------------------|-------------|
| | Catch | Percent of total | Catch | Percent of total | Catch | Percent of total | Catch | Percent of total | |
| 2001 | 6,942 | 49.0 | 4,196 | 29.6 | 3,023 | 21.3 | NA | | 14,161 |
| 2002 | 5,564 | 32.4 | 6,668 | 38.8 | 4,935 | 28.7 | NA | | 17,167 |
| 2003 | 2,089 | 12.9 | 4,481 | 27.6 | 9,619 | 59.2 | 46 | 0.3 | 16,235 |
| 2004 | 2,287 | 14.7 | 3,088 | 19.9 | 10,002 | 64.3 | 178 | 1.1 | 15,555 |
| 2005 | 4,648 | 37.7 | 1,132 | 9.2 | 6,507 | 52.7 | 52 | 0.4 | 12,339 |

Source: NMFS gear reports.

Table 9. Pacific cod catch by gear in the Central Gulf (2001-2005) (in metric tons).
central

| Year | Trawl | | Longline | | Pot | | Jig | | Total Catch |
|------|--------|------------------|----------|------------------|-------|------------------|-------|------------------|-------------|
| | Catch | Percent of total | Catch | Percent of total | Catch | Percent of total | Catch | Percent of total | |
| 2001 | 17,429 | 63.8 | 5,748 | 21.0 | 4,144 | 15.2 | NA | | 27,321 |
| 2002 | 14,245 | 56.8 | 8,103 | 32.3 | 2,710 | 10.8 | NA | | 25,058 |
| 2003 | 16,823 | 67.8 | 4,905 | 19.8 | 3,056 | 12.3 | 42 | 0.2 | 24,826 |
| 2004 | 15,291 | 55.7 | 7,126 | 25.9 | 4,882 | 17.8 | 165 | 0.6 | 27,464 |
| 2005 | 9,842 | 43.6 | 4,551 | 20.1 | 8,047 | 35.6 | 154 | 0.7 | 22,594 |

Source: NMFS gear reports.

Purpose and Need

The first step in any action is to define the goals or objectives of the action. If the Council wishes to proceed with a Pacific cod sector split in the Gulf of Alaska, defining its purpose and need will aid in defining appropriate alternatives.⁷

The need for a sector division of the Pacific cod TACs in the Gulf could arise from several factors. Under the current management each sector's members must compete for a share of the TAC not only with other members of the sector, but also with members of other sectors. This competition across sectors can complicate efforts of some sectors to achieve improvements in their fishing. The need for the restructuring likely arises from these challenges in general, but could be more specifically enumerated in the purpose and need statement to focus alternatives.

Generally, the purpose and need statement could include factors such as:

- The need to eliminate the race between sectors to maintain harvest share,
- The need to reduce impact of incidental harvests on the distribution of catch among sectors,
- The need to provide each sector with an allocation that will reduce intrusion by other sectors,
- The need to reduce gear conflicts,
- The need to increase the ability of sectors to comply with management needs, including bycatch reduction, PSC limitations, and Steller sea lion restrictions,
- The need to improve economic and social stability within and among sectors and for service providers, and
- The need to preserve historic dependence of sectors on the fishery.

To the extent that the action is intended to address interaction among the sectors, the purpose and need statement could provide some indication of the characteristics that are integral to sector definition, which may include gear type, operation type (catcher vessel/catcher processor), or vessel length, or some combination of these factors. For example, the fixed gear vessels may be pressured to intensify effort early in the season to maximize their share of the TAC harvested prior to trawl vessels entering the fishery in late January. Similarly, the effort of large vessels could limit the ability of smaller participants to effectively participate in the fisheries. Additionally, entry level opportunities for small vessel fleets could be limited, if large vessels are able to quickly catch the entire TAC. Similar interactions could occur between catcher vessels and catcher processors. These interactions could occur in the directed fishery, but also through incidental catch after the directed fishery is closed. This pressure to fish for a share of the TAC could contribute to incidental catch, by limiting the incentive of a sector to reduce incidental catch. A complete statement of purpose and need should identify (or provide the basis for identifying) sector characteristics.

In the past, the Council has taken similar actions, dividing the Pacific cod resource in the Bering Sea and Aleutian Islands among different sectors. In the original action making such a division, Amendment 24 to the Bering Sea and Aleutian Islands Fishery Management Plan, the Council adopted the following problem statement:

Amendment 24: The Bering Sea/Aleutian Islands Pacific cod fishery, through overcapitalized open access management, exhibits numerous problems which include: compressed fishing seasons, periods of high bycatch, waste of resource, gear conflicts and an overall reduction in benefit from the fishery. The objective of this amendment is to provide a bridge to comprehensive rationalization. It should provide a measure of stability

⁷ The Advisory Panel motion on this issue, which includes a draft statement of purpose and need and elements and options, is included as Appendix A to this paper.

to the fishery while allowing various components of the industry to optimize their utilization of the resource.

The Council further refined the sectoral division of the Pacific cod resource in the Bering Sea and Aleutian Islands in Amendment 46 to the Bering Sea and Aleutian Islands Fishery Management Plan. The revision of the sector division of Amendment 46 relied on the following problem statement:

***Amendment 46:** The Bering Sea/Aleutian Islands Pacific cod fishery continues to manifest many of the problems that led the NPFMC to adopt Amendment 24 in 1993. These problems include compressed fishing seasons, periods of high bycatch, waste of resource, and new entrants competing for the resource due to crossovers allowed under the NPFMC's Moratorium Program. Since the apportionment of BSAI cod TAC between fixed gear, jig, and trawl gear was implemented on January 1, 1994, when Amendment 24 went into effect, the trawl, jig, and fixed gear components have harvested the TAC with demonstrably differing levels of PSC mortality, discards, and bycatch of non-target species. Management measures are needed to ensure that the cod TAC is harvested in a manner which reduces discards in the target fisheries, reduces PSC mortality, reduces non-target bycatch of cod and other groundfish species, takes into account the social and economic aspects of variable allocations and addresses impacts of the fishery on habitat. In addition, the amendment will continue to promote stability in the fishery as the NPFMC continues on the path towards comprehensive rationalization.*

After implementation of the License Limitation Program in 2000, the Council further subdivided the fixed gear allocations in Amendment 64 to the Bering Sea and Aleutian Islands groundfish Fishery Management Plan. The Council adopted the following problem statement for Amendment 64:

***Amendment 64:** The hook-and-line and pot fisheries for Pacific cod in the Bering Sea/Aleutian Islands are fully utilized. Competition for this resource has increased for a variety of reasons, including increased market value of cod products and a declining ABC/TAC.*

Longline and pot fishermen who have made significant long-term investments, have long catch histories, and are significantly dependent on the BSAI cod fisheries need protection from others who have little or limited history and wish to increase their participation in the fishery.

This requires prompt action to promote stability in the BSAI fixed gear cod fishery until comprehensive rationalization is completed

The Council relied on this same problem statement to support its action under Amendment 67, which revised the gear and operation endorsements for Bering Sea and Aleutian Island fixed gear fisheries.

The Council took further action to revise the sector allocations of Pacific cod in the Bering Sea and Aleutian Islands in 2006. The Council adopted the following problem statement for Amendment 85 to the Bering Sea and Aleutian Islands groundfish Fishery Management Plan:

***Amendment 85:** The BSAI Pacific cod fishery is fully utilized and has been allocated among gear groups and to sectors within gear groups. The current allocations among trawl, jig, and fixed gear were implemented in 1997 (Amendment 46) and the CDQ allocation was implemented in 1998. These allocations are overdue for review. Harvest patterns have varied significantly among the sectors, resulting in annual inseason*

reallocations of TAC. As a result, the current allocations do not correspond with actual dependency and use by sectors.

Participants in the BSAI Pacific cod fishery who have made significant investments and have a long-term dependence on the resource need stability in the allocations to the trawl, jig, fixed gear, and CDQ sectors. To reduce uncertainty and provide stability, allocations should be adjusted to better reflect historic use by sector. The basis for determining sector allocations will be catch history, as well as consideration of socio-economic and community factors.

As other fisheries in the BSAI and GOA are incrementally rationalized, historical participants in the BSAI Pacific cod fishery may be put at a disadvantage. Each sector in the BSAI Pacific cod fishery currently has different degrees of license requirements and levels of participation. Allocations to the sector level are a necessary step on the path towards comprehensive rationalization. Prompt action is needed to maintain stability in the BSAI Pacific cod fisheries.

The unifying rationale for the various actions revising sector allocations in the Bering Sea and Aleutian Islands Pacific cod fisheries is the need to maintain stability in the fisheries. Another stated purpose of the actions is the protection of long-term investments and historic dependencies on the Pacific cod resource. The problem statements also cite increased value of Pacific cod as stimulating competition in the fishery. The actions are also directed at reducing incidental catch, discards, and associated mortality of species other than Pacific cod in the Pacific cod fishery and of Pacific cod in other directed fisheries.⁸

Draft Statement of Purpose and Need

As requested by the Council, staff has prepared the following draft purpose and need statement for this action. The statement attempts to incorporate elements presented in public testimony and discussed by the Council and Advisory Panel at the February 2007 meeting.

The limited access derby-style management of the Western Gulf and Central Gulf Pacific cod fisheries has led to competition among the various gear types (trawl, longline, pot, and jig) and operation types (catcher processor and catcher vessel) for shares of the total allowable catch. Competition for the GOA Pacific cod resource has increased for a variety of reasons, including increased market value of cod products, rationalization of other fisheries in the BSAI and GOA, increased participation by fishermen displaced from other fisheries, a reduced federal TAC due to the state waters cod fishery, and Steller Sea Lion mitigation measures including the A/B seasonal split of the GOA Pacific cod TAC. The competition among sectors in the fishery may contribute to higher rates of bycatch, discards, and out-of-season incidental catch of Pacific cod. Participants in the fisheries who have made long-term investments and are dependent on the fisheries face uncertainty as a result of the competition for catch shares among sectors. Allocation of the TAC among sectors would reduce this uncertainty and contribute to stability across the sectors. Dividing the TAC among sectors may also facilitate development of management measures to address bycatch and PSC mortality issues, hand fishing practices, SSL mitigation measures, & bycatch red.

Elements and Options

The Council could choose to develop elements and options for several aspects of sector allocations. The specific elements and options should be tailored to address issues identified in the purpose and need statement.

⁸ In addition, the purpose and need statement under consideration for Gulf rationalization is attached as Appendix B.

Areas

The first step in developing sector allocations is to determine the management areas to include in the alternatives. The justification for dividing a TAC among sectors is that the TAC is fully utilized and the various sectors impinge on one another through their harvest activity. If a TAC is not fully utilized, a division of the TAC is unlikely to address any sectoral interactions. In recent years, the Pacific cod TACs in the Western Gulf and Central Gulf have been fully harvested. In the Eastern Gulf, less than 10 percent of the TAC has been taken in recent years. Given the low level of harvests in the Eastern Gulf, division of the TAC among sectors in that area may be unnecessary and could prevent the full harvest of the TAC, if the division does not match the future interest in gear use and effort. Areas that could be selected for options are:

Provisions defining areas

Eastern Gulf
Central Gulf
Western Gulf

Relevant provisions in the Gulf rationalization package

Central Gulf
Western Gulf
West Yakutat

Sectors

For purposes of dividing the TAC, sectors should be defined in a manner that addresses the issues identified in the problem statement. For example, if sector stability across gear types is the prime concern, the division of the TAC should be defined in a manner that addresses the differences in fishing pressures across gear types. Variation in factors such as effort levels and catch per unit effort could be used to identify appropriate sectors. Using this approach trawl gear could be distinguished from fixed gear. In addition, fixed gear could be divided into separate gear types (i.e., longline, pot, and jig). In general sectors could be defined based on gear type, operation type, processing sector, vessel size, and combinations of thereof.

Catcher vessels could be distinguished from catcher processors (or the inshore component from the offshore component), if the different operation type is believed to contribute to competition and instability across these fleets. In defining the program, the Council should consider how the current inshore/offshore distinction is delineated, with small catcher processors permitted to fish the inshore TAC. The purpose of allowing limited onboard processing from the inshore component is to protect relatively small catcher processors from large catcher processors that may quickly take the entire offshore TAC. Removing this distinction could work to the detriment of these smaller catcher processors. If the current rule is maintained, history of catcher processors fishing in the inshore component could be counted toward the inshore allocation. If these small catcher processors are not permitted to fish the inshore TAC, removing small catcher processor history from the inshore TAC would acknowledge the historic dependency of small catcher processors on that allocation.

Depending on the current effort levels and catching power, a fixed gear sector could be defined by vessel size. In the Bering Sea and Aleutian Islands, a separate allocation is made to longline and pot catcher vessels under 60 feet. If a 'vessel length-based' allocation were to be considered in the Gulf, the Council could consider using a smaller threshold, as Gulf fisheries are typically prosecuted by smaller vessels than Bering Sea and Aleutian Islands fisheries. Such a distinction is applied in the LLP, under which vessels of

less than 32 feet are not required to have an LLP license for the groundfish fisheries in the Bering Sea and Aleutian Islands, while vessels of less than 26 feet are not required to have an LLP license for the groundfish fisheries in the Gulf. In considering whether a small vessel allocation is appropriate, the Council should also consider that a few relatively powerful vessels may have a substantial share of the small vessel historic catch. Establishing a separate allocation for small vessels could severely disadvantage these vessels, making a TAC based primarily on their catch history available to a large number of small vessels in what could be a developing sector. In addition, the Council should consider whether a distinction is necessary given the opportunities in the parallel fishery and the State water fisheries, neither of which are subject to license limitation.

Sector definitions

Gear

Trawl

Fixed

Longline

Pot

Jig

Operation type

Catcher vessel

Catcher processor

Vessel length

Relevant provisions in the Gulf rationalization package

Sectors are defined as:

Trawl catcher processor

Trawl catcher vessel

Longline catcher processor

Longline catcher vessel

Pot catcher processor

Pot catcher vessel

Jig

Options could define:

Low producing longline catcher vessels – vessels with catch below the mean or 75th percentile

Low producing pot catcher vessels – vessels with catch below the mean or 75th percentile

Suboption: only vessels below the catch threshold and less than 60 feet in length would be defined as low producers

The objective of the 'low producer' distinction in the rationalization program was to exempt small operators from provisions creating processor protections that are typically not present in sector allocations. Vessel length and operation size distinctions, however, could be used to provide small operator and entry level opportunities.

Criteria for determining allocations

The Council has used a variety of criteria for establishing the sector allocations. Most often, historical catches are examined to determine relative dependence of the various fleets on the fisheries subject to the TAC division. Typically, the Council has considered historical catch over a few time periods, with the intention of balancing historic and recent dependency. In some instances, the options have allowed a sector to drop its lowest catch year, if an event disrupted fishing in that year. It is possible that the

disruption that arose when Steller sea lion restrictions were implemented could justify exclusion of a year from consideration.

Catch histories

In developing historical catch estimates, the Council should also specify the catch that is to be considered. The Council at times has credited total catch (including discards) in determining catch histories. In other instances, the Council has chosen to only credit retained catch. Crediting only retained catch is generally favored, particularly for species that have relatively high market value, like Pacific cod. At times, the Council has also elected to exclude meal from certain estimates of historical catch. The exclusion of meal has usually been adopted when a certain segment would be particularly disadvantaged by the inclusion of meal in calculations. Specifically, small catcher processors without meal plants could be disadvantaged. The distinction is most relevant, if reliable estimates of the amount of catch that is committed to meal production are available. Generally, these estimates can be generated for catcher processors through Weekly Processing Reports. Less reliable estimates are available for shore-based plants. Fish tickets, at times, designate catch as 'destined for meal production'. This estimate, however, is not particularly reliable and likely underestimates the amount of catch used in meal production. In the options for allocations in the Gulf rationalization program meal was excluded.

Most often, the Council has based allocations on catch of a sector during a period of years divided by catch of all sectors during those years. At times (to accommodate particular circumstances), the Council has chosen to base an allocation on a sector's average annual percent of catch (i.e., determine the sector's percent of catch for each year, then determine the average of those percentages). The use of an average annual percent is typically justified when annual catch has relatively large variations. Large TAC fluctuations or changes in circumstances across years (such as changes in area closures) could justify consideration of using average annual percentages for determining allocations.

Lastly, the allocation to the trawl sector should be decreased by allocation to participants in that sector in the Central Gulf rockfish pilot program during the tenure of that program. Since this allocation is already fixed as a percentage of the Central Gulf Pacific cod TAC, the simplest method of accommodating the allocation would be to reduce the trawl allocation by the percentage of the allocation to the pilot program for the life of that program.

Provisions for defining catch history allocations

Sector catch histories

Identify years

Identify number of years that can be dropped (if any)

Qualifying catch

Retained catch or total catch (including discards)

Include meal or exclude meal

Balancing provision

Decrease trawl allocation by the allocation to the rockfish pilot program (during the tenure of that program)

Relevant provisions in the Gulf rationalization package

Qualifying periods (same for all gears in all areas) for allocations of shares or history

95-01 drop 1, on a species by species basis

95-02 drop 1, on a species by species basis

95-02 drop 2, on a species by species basis

98-02 drop 1, on a species by species basis

98-03 drop 1, on a species by species basis

Suboption: Consider only A season harvests for 2001 and 2002.

Landings based on retained catch for each species (includes weekly production report for catcher processor sector). Total pounds landed will be used as the denominator. Exclude retained catch that is used for meal production.

Qualified catch is from:

Option 1: 3-200 miles

Option 2: 3-200 miles, plus 0-3 miles parallel history

Suboption: catch history determined based on a percentage of retained catch per year

The rationale for excluding catch in the parallel fishery would not seem to apply to this action, since the sector allocations would apply to fishing in the federal fishery, as well as the parallel fishery.

Approaches to accommodate future growth and provide entry opportunities

If a sector provides entry opportunity or is in a developmental stage, the Council could supplement the allocation to that sector to allow for growth. Under this approach, allocations to some sectors could be based on historic use, while other sectors receive allocations based on other criteria. The Gulf rationalization alternatives included a provision that would allocate the jig sector between 100 percent and 200 percent of its historic catch.

Growth could also be accommodated for a small and growing sector by allowing the sector to increase its catch over time. This could be accomplished in a few ways. The Gulf rationalization alternatives package includes a provision that would account for catch in the jig sector in a manner similar to sport catch in the halibut fishery (which allows for growth up to a specific cap). Under this approach, jig sector portion of the TAC would be estimated before the season opened based on the previous year's catch, but would not be limited unless it approached the overall cap. The disadvantage of this approach is that it reduces certainty and could cause delays in the TAC setting process. Conservative TAC setting would likely result in managers reserving the amount of the cap for the sector to avoid potential overages.

Growth could also be accommodated for a small and growing sector by allowing the allocation to that sector to be increased over time, once that sector fully utilizes its allocation. Under this approach, an allocation could be increase incrementally within a range, each time the sector fully utilizes its allocation. For example, the allocation to a sector could be increased by one-half of one percent each time a sector fully uses its allocation. Growth could be limited by setting a maximum percent that the sector's allocation could reach.

Provisions to supplement allocations

Supplement historic allocation

One time increase in allocation

Flexible growth within a cap

Incremental increases (with possible cap)

Relevant provisions in the Gulf rationalization package

Jig fishery would receive an allocation of Pacific cod based on its historic landings in the qualifying years

100% - 200% of history

Catch by jig would be accounted for in a manner similar to sport halibut harvests in halibut IFQ fishery.

Suboption: Cap jig harvest at ___% of current harvest by Pacific cod by area:

100% - 200%

Reallocation of unused allocations

Although the Council could intend to accommodate growth in its alternatives, setting aside a portion of the TAC for a sector that would not fully utilize that allocation for some time could result in a harvestable portion of the TAC being left in the water. To avoid leaving a portion of the TAC unharvested the Council could use a rollover provision or a provision that makes an allocation available to other sectors after a set date. To implement such a provision, after a certain date, NOAA Fisheries would assess whether a sector is likely to fully utilize its allocation. If NOAA Fisheries projects that a portion of the allocation would remain unharvested, either a) the portion that is estimated to be unused could be reallocated to another sector, or b) one or more sectors could be permitted to catch any portion of the allocation that is unused. The difference between a rollover and the provision that would make the allocation available to other sectors is that the allocation would remain open to the original sector. Having the allocation remain open to the original sector could minimize disruption to the sector, particularly if it is a growing sector. This approach would also simplify inseason management, since it would require no action on the part of managers (unlike a direct rollover, which requires FR notice). The more direct rollover would be appropriate, if the sector that leaves quota is choosing not to fish because of other opportunities or because PSC is unavailable to harvest the rollover species. In that case, leaving the allocation available to the original sector is unlikely to deprive the sector of catch. If the Council were to adopt a provision that allowed incremental growth, provisions for rollovers for that sector could be avoided. The Council could choose specific timing for a rollover (or making a TAC available to different sectors), or leave that up to the discretion of NOAA Fisheries. More specific guidance could add certainty to these reallocations.

Reallocation of unused allocations

Rollovers

Specify order of preference for the rollovers – i.e., from which sector to which sector

Specify timing for any rollover

Allowing harvest of an allocation by other sectors

Specify which sectors allocations would come available and which sectors would be permitted to fish the allocations

Specify timing of opening

Relevant provisions in the Gulf rationalization package

None

Seasonal distribution of allocations

The simplest means of distributing catch across the A and B seasons would be to apply the existing 60 percent A season/40 percent B season distribution to each sector allocation. Any other distribution is likely to require extensive analysis to ensure adequate protection of Steller sea lion populations. If the Council wishes to examine other distributions, it should specify its approach. These options could be proposed to the Steller sea lion mitigation committee and incorporated into the ongoing consultation. Alternatively, any distribution that varies from the current seasonal distribution would need to be addressed through a separate consultation. In the absence of other direction from the Council, staff will assume that it wishes to maintain the current seasonal distribution for all sectors.

Measures to improve quality and product value

Some stakeholders may view the development of sector allocations as an opportunity to improve quality and product value. Management changes most often contribute to achieving these goals by slowing the race for fish, allowing participants time to better care for their catch or develop higher value products. If allocations are structured to prevent effort levels in one sector from affecting participants in another sector, the sector allocations, in and of themselves, could facilitate some of these improvements. Additional measures, such as trip limits or other effort limits, could be implemented with intent to

improve quality and value. While these limitations could lead to improved product value, they also could increase costs (particularly during periods of relatively high fuel prices). Whether these types of provisions are appropriate for incorporation into an action concerning sector allocations depends on the Council's purpose and need statement. Effort limits would be ancillary to this action, if the Council elects to adopt a problem statement that intends to protect sectors from interactive effects of multiple sectors fishing from a common TAC. Analysis of trip limits or other effort limitations of that type could substantially extend the time needed to develop and analyze alternatives.

Measures to reduce bycatch and address habitat concerns

Bycatch reduction and habitat protection could also be incorporated into the action to divide Gulf Pacific cod TACs among different sectors. The relationship between actions intended to protect the various sectors from interactive effects of fishing from a common TAC and measures to address bycatch or habitat concerns is not clear. If the Council wishes to incorporate measures of this type into this action, its purpose and need statement should be drafted broadly to include these interests. Some stakeholders believe that the inclusion of bycatch reduction provisions in the rationalization program alternatives was justified since that change in management would increase the ability of participants to address bycatch concerns and managers to impose accountability for individual actions. Sector allocations provide substantially less flexibility for participants and no individual level allocations with which to enforce bycatch limitations. In addition, the Council should consider how these provisions would interact with other actions that are under consideration. The Council should also consider whether the development of bycatch and habitat protections might be better addressed in an agenda item focused on those issues, rather than in a manner that is ancillary to an allocation decision.

Incentives to change gear

Provisions to create incentives for participants to change gear types could also be included in this action. As with other ancillary provisions, the purpose and need statement would need to be appropriately drafted to include these interests and provide the rationale for their inclusion. Depending on the specific provisions adopted, the action could require redefinition of LLP eligibility (i.e., allowing movement from trawl gear to fixed gear or differentiating fixed gear types). Provisions for gear changes will need to be carefully developed to create the incentive for changing gears, without countering the greater purpose of the action (i.e., to insulate the different sectors from effects of other sectors). For example, a provision that creates a large incentive for vessels to switch from one gear type to another could lead the entering vessels to encroach on the sector allocation intended for the long term participants in the "attracting sector". Two means of addressing this could be undertaken. First, the allocation to the attracting sector could be increased at the start of the program. This larger allocation could be viewed as unfair, but if the goal is to create an incentive for gear switching to the sector, the best means for creating the incentive would be by increasing the allocation to the sector. Alternatively, with each participant moving to the attracting sector a portion of the TAC could be shifted from the "departing sector" to the attracting sector. This approach, however, could be deemed unfair, unworkable, or overly complicated for several reasons. If a uniform portion of the TAC is shifted with each move, long term, successful participants in the departing sector would be least likely to change gear. Less successful (or even intermittent) participants might leave as a simple means of seeking a better opportunity in the attracting sector.⁹ The fairness of equating less successful (or dependent) participants with more successful (or dependent) participants could be questioned. If, instead, a system were developed that would give each participant a history (or participation) determined portion of the TAC to transfer to the attracting sector, the development of that apportionment would resemble the allocations in a share-based rationalization program (which seems beyond the scope of this action). Ultimately, the development of a system that creates fair incentives for participants to change gear types is likely to greatly complicate and extend the time to develop

⁹ In some cases, a license could be endorsed for both sectors. The method of dealing with these participants fairly could be more complicated.

alternatives in this action. An effective provision must balance the need to cover the burden of the entering vessel against the cost to the departing sector of the movement of that vessel, while creating a reasonable incentive for the change. Since the incentive should be large enough to cover any the investment in learning and capital to support the change, it is possible that the cost to the departing sector could exceed the individual benefit arising from the move.

Appendix A

North Pacific Fishery Management Council February 5-10, 2007, Portland, OR

C-7 GOA Sector Split for Pacific cod portion only

PURPOSE AND NEED GOA Sector Split for Pacific Cod

The Gulf of Alaska (GOA) Pacific cod resource is fully utilized. All gear sectors – jig, longline, pot, trawl, catcher vessels and catcher processors, are fully subscribed. The North Pacific Fisheries Management Council has been unable to complete a comprehensive rationalization management plan for the Central and Western GOA. The GOA Pacific cod fisheries have the largest number of participants of any Alaska groundfish fisheries.

The GOA Pacific cod TAC is not subdivided by gear type or between catcher vessels or catcher processor vessels. The result is that there is an intense race for fish between sectors and between harvesters within sectors.

Since the TAC is not divided by gear type, each sector is unable to develop an appropriate management regime for their sector. Also, when all sectors fish at the same time gear conflicts occur.

Competition for the GOA Pacific cod resource has increased for a variety of reasons, including increased market value of cod products, rationalization of other fisheries in the BSAI and GOA, increased participation by fishermen displaced from other fisheries, a reduced federal TAC due to the state waters cod fishery, and Stellar Sea Lion mitigation measures including the A/B seasonal split of the GOA Pacific cod TAC.

The purposes of the proposed action include elimination of the race for fish between sectors and provision of economic stability for the participants in the GOA Pacific cod fishery who have significant fishery investments and long-term dependence on the resource. Sector allocations will be based on historic dependence, catch history and other socio-economic factors. Allocating Pacific cod amongst sectors will give the sectors additional flexibility to address management needs. Prompt action is needed to promote stability within the GOA cod fishery until comprehensive rationalization or other appropriate management measures can be put in place.

Motion passed 16/4

The minority opposes the inclusion of language referencing the NPFMC's inability to complete a comprehensive rationalization plan in the sector split purpose and need statement. We contend that retaining this reference suggests that the sector split is a default measure, whereas, in fact, rationale for pursuing a GOA cod sector split to address inter-sector competition is fully justified. Signed: John Moller, Lisa Butzner, Tina McNamee, and Michelle Ridgway

GOA Sector Split for Pacific Cod Components and Options

Component 1 – Area

Pacific cod sector split in CGOA & WGOA

Component 2 – Identify and define sectors

Trawl CP

Trawl CV
H&L CP
H&L CV
Pot CP
Pot CV
Jig

Optional vessel length subdivision for sectors:

- a) Pot CV sector: <60 ft and >=60 ft
- b) All CP sectors: <125 ft and >=125 ft

Component 3 – Qualifying catch

Option 1) For purposes of determining catch history, “catch” means retained legal catch. A sector’s catch history includes all retained legal catch from both the Federal fishery and parallel fishery in the CGOA and WGOA. This includes retained legal catch from both LLP and non-LLP vessels.

Option 2) For purposes of determining catch history, “catch” means retained legal catch excluding fish meal. A sector’s catch history includes all retained legal catch excluding fish meal from both the Federal fishery and parallel fishery in the CGOA and WGOA. This includes retained legal catch excluding fish meal from both LLP and non-LLP vessels.

Option 3) For purposes of determining catch history, “catch” means Pcod catch retained when the Pcod fishery is open for directed catch. A sector’s catch history includes all Pcod catch retained when the Pcod fishery is open for directed catch from both the Federal fishery and parallel fishery in the CGOA and WGOA. This includes retained legal catch when the Pcod fishery is open for directed catch from both LLP and non LLP vessels.

The analysis will also provide each sector’s catch history based on total catch (retained and discarded) where practicable.

Component 4 – Sector catch histories

The AP recommends the Council adopt the following option for determining catch histories:

Each sector is allowed to choose their best 5 or 7 years (as a percentage of TAC) from the years 1995-2005 to obtain an average % of TAC for that sector. The sector split would then be based on the relative comparison of these averages.

| | | |
|---------|--|------------------------|
| Example | <ul style="list-style-type: none">1. Trawl fleet has a 7 year average % of TAC of 65%2. Pot fleet has a 7 year average % of TAC of 50%3. Longline fleet has a 7 year average % of TAC of 25%4. Jig fleet has a 7 year average % of TAC of 15% | Total % of TAC is 155% |
| | Trawl sector split is 65/155 of annual TAC | |
| | Pot sector split is 50/155 of annual TAC | |
| | Longline sector split is 25/155 of annual TAC | |
| | Jig sector split is 15/155 of annual TAC | |

**Decrease the trawl allocation by the allocation to the CGOA rockfish pilot program (during the tenure of that program).

Component 5 – Allocation to Sectors: Allocations to sectors are to be based on catch history (Component 4) except for the jig sector.

Component 6—Allowing harvest of an allocation by other sectors

Trawl sector – when the trawl sectors reach their final allocation of halibut PSC for the year

1. CV trawl sector allocation available to other CV sectors
2. a. CP trawl sector allocation available to other CP sectors
b. CP trawl sector allocation available to both CP and CV sectors (CV sector catch accounts to other CV sector allocations first before accounting to the CP sectors allocation)

Longline sector – when the longline sectors reach their final allocation of halibut PSC for the year

1. CV longline sector allocation available to other CV sectors
2. a. CP longline sector allocation available to other CP sectors
b. CP longline sector allocation available to both CP and CV sectors (CV sector catch accounts to other CV sector allocations first before accounting to the CP sectors allocation)

Motion passed 20/0

Appendix B

Gulf Rationalization Problem Statement

The Council is proposing a new management regime that rationalizes groundfish fisheries in the Gulf of Alaska west of 140 degrees longitude and rockfish bycatch east of 140 degrees longitude. A rationalization program includes policies and management measures that may increase the economic efficiency of GOA groundfish fisheries by providing economic incentives to reduce excessive capital investment. These management measures would apply to those species, or groups of species identified by the Council as benefitting from additional economic incentives that may be provided by rationalization. This rationalization program would not modify the hook-and-line halibut and sablefish fisheries currently prosecuted under the IFQ Program, except for management of associated groundfish bycatch.

The purpose of the proposed action is to create a management program that improves conservation, reduces bycatch, and broadly distributes the benefits of rationalization to harvesters, processors and fishery-dependent coastal communities. A rationalization program could allow harvesters and processors to manage their operations in a more economically efficient manner. Rationalization of GOA fisheries should eliminate the derby-style race for fish by allocating privileges and providing economic incentives to consolidate operations and improve operational efficiencies of remaining operators. Because rationalization programs can have significant impacts on fishing dependent communities, this program should address community impacts and seek to provide economic stability or create economic opportunity in fishery dependent communities.

Rationalizing GOA fisheries may improve stock conservation by creating incentives to eliminate wasteful fishing practices, improve management practices, and provide mechanisms to control and reduce bycatch and gear conflicts. Rationalization programs may also reduce the incentive to fish during unsafe conditions.

Management of GOA groundfish has grown increasingly complicated due to impositions of measures to protect Steller sea lions, increased participation by fishermen displaced from other fisheries such as Alaska salmon fisheries and the requirements to reduce bycatch and address Essential Fish Habitat requirements under the Magnuson-Stevens Act (MSA). These changes in the fisheries are frustrating management of the resource, raising attendant conservation concerns. These events are also having significant, and at times, severe adverse social and economic impacts on harvesters, processors, crew, and communities dependent on GOA fisheries. Some of the attendant problems include:

1. reduced economic viability of the harvesters, processors, and GOA communities
2. high bycatch,
3. decreased safety,
4. reduced product value and utilization,
5. jeopardy to community stability and their historic reliance on groundfish fishing and processing,
6. limited ability of the fishery harvesters and processors to respond to changes in the ecosystem
7. limited ability to adapt to MSA requirements to minimize bycatch and protect habitat,
8. limited ability to adapt to changes to other applicable law (i.e., Endangered Species Act).

All of these factors have made achieving the goals of the National Standards in the MSA difficult and encourage reevaluation of the status quo management of the GOA groundfish fisheries. The management tools in the current GOA groundfish FMP do not provide managers with the ability to improve the economic efficiency of the fishery and effectively solve the excess harvesting capacity and resource allocation problems in the GOA groundfish fisheries. The Council has determined that some form of rationalization program is warranted.

**Gulf Pacific cod LLP latency
North Pacific Fishery Management Council
February 2007**

At its February 2007 meeting, the Council reviewed a discussion paper exploring the goals, objectives, elements and options of a division of the Gulf of Alaska Pacific cod fishery among various sectors and the removal of latent licenses from fisheries in the Gulf. In response, the Council indicated its intent to consider addressing these issues through separate actions. In addition, the Council expressed its interest in taking further testimony on the issues at this meeting prior to developing a statement of purpose and need and alternatives for consideration.

This paper examines possible goals, objectives, elements, and options for removing latent License Limitation Program (LLP) licenses from Gulf of Alaska fisheries. The paper begins with a brief background description of the LLP. The background discussion is followed by a discussion of possible purposes and needs for this action. The paper goes on to describe elements and options that the Council could consider, if it elects to advance this action for analysis.

Background - The LLP

The LLP limits access to the groundfish and crab fisheries in the Bering Sea, Aleutian Islands, and Gulf of Alaska.¹ In the mid to late 1990s, the Council developed the LLP to address capacity concerns and take a first step toward rationalization of the groundfish fisheries under its management. Fishing under the program began in 2000. The LLP established criteria for the issuance of licenses to persons based on fishing history of vessels. This discussion briefly summarizes the primary provisions applicable to the trawl participants. Further detail could be provided in a future paper (or in the analysis) at the Council's discretion.

The LLP defined a general qualification period (GQP) and an endorsement qualification period (EQP) both of which must have been satisfied for a management subarea for a vessel owner to have received a license. Vessels that met requirements for more than one subarea endorsement were issued a single, non-severable LLP license with multiple area endorsements. GQP and EQP criteria differ across areas and subareas, and include a variety of exceptions meant to address specific circumstances in the different areas.

Table 1 shows the primary GQP and EQP requirements applicable to trawl vessels in the various BSAI and GOA subareas. In general, the endorsements and EQP catch requirements apply to a single subarea. However, the Central Gulf endorsement and EQP catch requirements treat the Central Gulf area and West Yakutat district as a single LLP endorsement area. So, catch in either the Central Gulf or West Yakutat would qualify a vessel for a Central Gulf endorsement, which in turn, qualifies a vessel to participate in the Central Gulf and West Yakutat. EQP requirements differ across the different

Trawl LLP License Endorsements and Designations

Area endorsements – Each license carries one or more LLP area endorsements authorizing entry to fisheries in those LLP areas (BS, AI, CG, WG, or SEO).

Operation-type designations – Each license carries a designation for either catcher processor operation or catcher vessel operation. A catcher processor may choose to operate as a catcher vessel, delivering its catch to shore.

Gear designation – Each license carries a gear designation, trawl and/or non-trawl, authorizing its entry in fisheries for the designated gear.

MLOA designation – Each license carries a maximum LOA designation, limiting the length of the vessel that can use the license.

Non-severability – The endorsements and designations of a license are non-severable and only transfer with the license.

AFA LLP licenses – Licenses derived from AFA vessel histories cannot be transferred to non-AFA vessels.

¹ Amendment 39 to the BSAI groundfish plan and Amendment 41 to the groundfish plan for the GOA established the LLP. The rules governing the LLP are contained in 50 CFR 679.4(k).

endorsement areas.²

Table 1. General LLP license issuance criteria.

| Management Area | GQP requirement (Jan. 1, 1988 – June 27, 1992) | Endorsement Area | Vessel length and operation | EQP requirement (Jan. 1, 1992 – June 17, 1995) |
|-----------------------------|--|---|-----------------------------|--|
| Bering Sea/Aleutian Islands | One landing | Bering Sea | All vessels | One landing |
| | | Aleutian Islands | | One landing |
| Gulf of Alaska | One landing | Western Gulf | CVs ≥ 125' and CPs ≥ 60' | One landing in at least two calendar years |
| | | | 125' > CVs and CPs < 60' | One landing |
| | | Central Gulf (inc. Central Gulf and West Yakutat) | All vessels ≥ 60' | One landing in at least two calendar years |
| | | | All vessels < 60' | One landing |

In addition to the different area endorsements, LLP licenses also carry a designation for operation type (i.e., catcher processor or catcher vessel), gear (trawl or non-trawl), and vessel length. LLP licenses were issued catcher processor designations, if groundfish were processed on the vessel during the period from January 1, 1994 through June 17, 1995 or the last calendar year of the EQP. It is important to recognize that licenses of either operation type (i.e., catcher vessel or catcher processor) authorize participation as a catcher vessel. So, removing inactive catcher vessel licenses will not affect the potential entry of holders of catcher processor licenses to the catcher vessel sector.³

Each license carries a gear designation (trawl or non-trawl) based on the gear used on the vessel during the period beginning January 1, 1988 through June 17, 1995. If a vessel used both trawl and non-trawl gear during this period, its license was designated for both gear types.

Lastly, each license carries an MLOA, identifying the maximum vessel LOA for use of the license. For vessels 125 feet or greater in length on June 24, 1992, the MLOA is the vessel length. For vessels under 125 feet in length on that date, the MLOA is the lesser of 1.2 times the LOA or 125 feet. If a vessel was under reconstruction on June 24, 1995, the basis for determining the MLOA is the vessel's length on completion of the reconstruction. In addition, vessels under 60 feet on June 17, 1995 (or under construction on that date with a reconstructed LOA under 60 feet) cannot have an MLOA greater than 60 feet; vessels under 125 feet on June 17, 1995 (or under construction on that date with a reconstructed LOA under 125 feet) cannot have an MLOA greater than 125 feet; and vessels under construction on that

² Notably, persons fishing only inside 3 nm (i.e., in state waters only) were eligible for an LLP license based on their state water participation. However, persons that never acquired a federal fisheries permit (FFP), required for participation in fisheries in federal waters, were issued LLPs that are not transferable from the originating vessel.

³ This transition could occur one of two ways. First, a catcher processor licenses can be voluntarily (and irreversibly) converted to a catcher vessel license. In addition, a catcher processor may choose to deliver its catch to shore.

date with a reconstructed LOA over 125 feet will have an MLOA equal to the vessel's reconstructed length.

Generally, a vessel participating in groundfish fisheries in federal waters in the BSAI or GOA is required to have an LLP license with the applicable area endorsement and designated for the gear (trawl or non-trawl) and operation type (catcher processor or catcher vessel) and of sufficient MLOA.⁴

| License operation type | Gear type used for harvests | Pacific cod harvest threshold | Pacific cod endorsement |
|------------------------|-----------------------------|---|---------------------------------|
| catcher vessel | hook-and-line or jig | 7.5 mt in one year from 1995 to 1999 | hook-and-line catcher vessel |
| | pot or jig | 100,000 pounds in each of any two years from 1995 to 1999 | pot catcher vessel |
| catcher processor | hook-and-line | 270 mt in any one year from 1996 to 1999 | hook-and-line catcher processor |
| | pot | 300,000 pounds in each of any two years from 1995 to 1998 | pot catcher processor |

In the fixed gear Pacific cod fishery in the Bering Sea and Aleutian Islands, an additional gear specific/operational endorsement applies to licenses. Various catch requirements were applied to vessels to qualify for the different endorsements. Notably, a jig catcher vessel could qualify

for either a hook-and-line catcher vessel or pot catcher vessel endorsement, provided the vessel met the catch threshold for the endorsement. A few other specific aspects of the development of the endorsements are worth consideration. Since the LLP had not been implemented during the catch qualifying period the program used a vessel basis for determining qualification. Catch from a vessel that did not qualify for an LLP license could be attributed to a vessel that did qualify for an LLP license if the same person owned the history of both vessels (except that the catch of a single vessel could not be used to qualify multiple license for an endorsement). In addition, the program counted only retained catch that was landed, excluding catch used for personal bait. Any vessel under 60 feet is exempt from the endorsement requirements. The action also contained provisions allowing the owner of a sunken vessel to stack history of that vessel with the history of a replacement vessel to meet the catch threshold and a provision to address unavoidable circumstances. Although the action only limited entry to the Pacific cod fishery, the Bering Sea and Aleutian Islands catcher processor capacity reduction act (which was part of the Consolidated Appropriations Act of 2005) extended the scope of the endorsements for catcher processors to several other species, specifically Atka mackerel, flathead sole, Pacific ocean perch, rock sole, Greenland turbot, and yellowfin sole. These provisions have yet to be implemented.

A number of past (as well as pending) actions have an effect on the environment for effort limitation in the BSAI and GOA groundfish fisheries. First and most important, the segmentation of fisheries by sector contributes to impacts of entry of latent effort. Sectors that receive exclusive allocations and have constraining limits on access are less likely to be affected by entry. The adverse impacts of entry of latent capacity are exacerbated for sectors with substantial latent capacity, if other sectors receive allocations that are not affected by the increase in effort. Two effects contribute to this impact. First, exclusive allocations leave less of the TAC available to the sectors not receiving those allocations, concentrating the impact of entry of latent effort. Second, exclusive allocations (especially when accompanied by new entry limits) reduce the number of fisheries available to latent effort, further contributing to the impact of entry of latent effort. The actions under Amendment 80 (non-AFA trawl catcher processor sector allocation and cooperative program) and Amendment 85 (Pacific cod sector allocations) have the effect of limiting the

⁴ A few exceptions to the requirement for an LLP license allow some fishing without an LLP. Most pertinent to this action, a person fishing exclusive in state waters (i.e., inside 3 nm) is not required to have an LLP. In addition, vessels of 26 feet or less LOA in the GOA and vessels of 32 feet or less LOA in the BSAI are not required to have an LLP license.

dispersal of impacts of entry. Both of these actions could leave some sectors exposed to the effects of increases in trawl catcher vessel effort. Under Amendment 85, trawl catcher vessels receive an exclusive allocation of Pacific cod. Participants in the trawl catcher vessel Pacific cod fishery (both AFA vessels and non-AFA vessels) could be affected by any increase in trawl catcher vessel effort. Under Amendment 80, the exclusive allocation to the non-AFA catcher processors would leave a portion of the TAC of the five Amendment 80 species (i.e., yellowfin sole, rock sole, other flatfish, Atka mackerel, and Pacific ocean perch) available to all other sectors. These allocations are unlikely to support directed fisheries for species other than Atka mackerel and yellowfin sole. These sectors (primarily, the AFA trawl catcher processors, AFA trawl catcher vessels, and non-AFA trawl catcher vessels) would be vulnerable to entry of latent catcher vessels. In a broader sense, as opportunities for entry are foreclosed, latent participants wishing to reenter have access to fewer fisheries. So, those sectors and fisheries that remain accessible are especially vulnerable to impacts of entry. Trawl catcher vessels in the BSAI and GOA have expressed a concern that their interests could be severely affected by entry of holders of latent licenses.

The AFA also impacts the distribution of effects of entry of holders of latent licenses in a few ways. To understand these impacts requires an understanding of the limits on AFA participation in fisheries (other than the BSAI pollock fisheries). Most AFA vessels are subject to sideboards in the BSAI non-pollock fisheries and GOA fisheries. The sideboards work to allow NMFS to determine what fisheries are open to directed fishing and do not limit incidental catch of species not open to directed fishing. The total catch of these vessels should be effectively limited by the sideboards. Some smaller AFA catcher vessels (i.e., less than 125 feet LOA) with limited BSAI pollock history (i.e., less than 1,700 mt during 1995-1997) are exempt from certain sideboards. Catcher vessels meeting the size and pollock catch criteria with at least 30 landings in the BSAI Pacific cod fishery during 1995-1997 are exempt from the sideboard in that fishery. Nine vessels have qualified for this exemption. In addition, meeting the size and pollock catch criteria with more than 40 groundfish landings in the GOA during 1995-1997 are exempt from the GOA sideboards. Sixteen vessels have qualified for this exemption. Catch of these exempt vessels was not included in calculating the applicable sideboard limit. To further protect non-AFA GOA groundfish participants, GOA sideboard exempt AFA vessels have agreed through the intercooperative agreement that the GOA exemption will only apply to vessels that do not lease any of their BSAI pollock allocation. This agreement is intended to prevent an exempt vessel from using leasing to increase its catch in the GOA, while receiving the benefit of its AFA pollock allocation. Lastly, LLP licenses derived from the history of an AFA vessel cannot be transferred to a non-AFA vessel. This prohibition prevents holders of AFA vessel LLPs from transferring an LLP to a non-AFA vessel, resulting in an increase in effort in fisheries other than the BSAI pollock fishery. The combination of sideboard limits together with this prohibition on transfer of LLPs to non-AFA vessels appears to prevent any potential increase in effort by AFA vessels (beyond the level used to determine the AFA sideboards) that would necessitate the removal of latent AFA licenses from either BSAI or GOA fisheries.

Some participants in fisheries other than the BSAI pollock fisheries, however, believe that any action to remove latent licenses should include the removal of latent AFA licenses to protect current participants from any potential increase in effort from AFA vessels (beyond their current effort level in the fisheries). Without eliminating inactive AFA licenses, it is possible for AFA licenses that are currently inactive to reenter the fisheries. While this increase in effort would be subject to the sideboard limitations, the reentry of effort by AFA vessels could result in increases in catch by AFA vessels when compared to the recent post-AFA implementation years.

More pertinent to the fixed gear sector is the rationalization of the Bering Sea and Aleutian Islands crab fisheries. In development of that program, the Council elected to impose sideboards on only the Gulf of Alaska fisheries. Pot vessels generally participate in only crab and cod fisheries. As a result, the only perceived increase in opportunity arising from the crab rationalization program was thought to be in the Pacific cod fisheries in the Gulf that are prosecuted in January, when the Bering Sea *C. opilio* fishery is

typically prosecuted. Only recipients of initial allocations⁵ in the Bering Sea *C. opilio* fishery are subject to the sideboards. The sideboards limit vessels in the aggregate to their historic share of the retained catch from 1996 to 2000 of Gulf of Alaska Pacific cod and other Gulf of Alaska groundfish (excluding Pacific cod and fixed gear sablefish). Vessels that have limited history in the Gulf groundfish fisheries – less than 50 mt of catch from 1996 to 2000 – are prohibited from directed fishing for Pacific cod in the Gulf. Vessels that landed less than 100,000 pounds of Bering Sea *C. opilio* and more than 500 mt of Pacific cod in the Gulf from 1996 to 2000 are exempt from the sideboards.

Table 5, Table 6, and Table 7, show counts of non-trawl catcher vessel licenses by endorsement area, MLOA 60 feet and under, and trawl designation for catcher vessels, catcher processors, and all operation types. The tables show that the Central Gulf has the most LLP endorsed non-trawl licenses (most of which are limited for use on vessels 60 feet or less in length). Less than one-fourth of the over 900 Central Gulf licenses carry endorsements for the Bering Sea or the Western Gulf. The Western Gulf has in excess of 250 endorsed non-trawl licenses. More than half of these licenses are also endorsed for use in either the Bering Sea or Central Gulf. As might be expected, a large percent of the Gulf eligible catcher processor licenses carry endorsements for the Bering Sea and Aleutian Islands. And, relatively few of the catcher processor licenses in are for vessels under 60 feet.

Table 2. Non-trawl catcher vessel LLP licenses by endorsement area, MLOA 60 feet or under, and trawl designation.

| Catcher vessel non-trawl licenses License endorsement area | Licenses that also have an endorsement (or designation) for | | | | | | |
|--|--|---------------|-----------------|-----------------|----------------------|--------------------------------|-------|
| | Aleutian Islands | Bering Sea | Central Gulf | Western Gulf | Southeast Outside | MLOA of 60 feet or under | trawl |
| Aleutian Islands | 81 | 70 | 63 | 64 | 15 | 26 | 16 |
| Bering Sea | | 296 | 162 | 159 | 32 | 112 | 62 |
| Central Gulf | | | 888 | 178 | 180 | 707 | 115 |
| Western Gulf | | | | 268 | 43 | 158 | 79 |
| Southeast Outside | | | | | 712 | 682 | 9 |

Source: NFMS LLP license database (January 11, 2007)

Table 3. Non-trawl catcher processor LLP licenses by endorsement area, MLOA 60 feet or under, and trawl designation.

| Catcher processor non-trawl licenses License endorsement area | Licenses that also have an endorsement (or designation) for | | | | | | |
|---|--|---------------|-----------------|-----------------|----------------------|--------------------------------|-------|
| | Aleutian Islands | Bering Sea | Central Gulf | Western Gulf | Southeast Outside | MLOA of 60 feet or under | trawl |
| Aleutian Islands | 78 | 76 | 43 | 32 | 2 | 0 | 14 |
| Bering Sea | | 84 | 47 | 33 | 3 | 1 | 15 |
| Central Gulf | | | 51 | 28 | 5 | 5 | 8 |
| Western Gulf | | | | 33 | 3 | 1 | 4 |
| Southeast Outside | | | | | 7 | 5 | 0 |

Source: NFMS LLP license database (January 11, 2007)

⁵ Since allocations in the program are based on catch history associated with a license, the sideboard is constructed to limit catch using the license. This is done by sideboarding any vessel the catch of which led to a share allocation and any vessel named on the license that arose from the catch history of the vessel that led to that allocation.

Table 4. Non-trawl LLP licenses by endorsement area, MLOA 60 feet or under, and trawl designation.

| All non-trawl licenses License endorsement area | Licenses that also have an endorsement (or designation) for | | | | | | |
|--|---|------------|--------------|--------------|-------------------|--------------------------|-------|
| | Aleutian Islands | Bering Sea | Central Gulf | Western Gulf | Southeast Outside | MLOA of 60 feet or under | trawl |
| Aleutian Islands | 159 | 146 | 106 | 96 | 17 | 26 | 30 |
| Bering Sea | | 380 | 209 | 192 | 35 | 113 | 77 |
| Central Gulf | | | 939 | 206 | 185 | 712 | 123 |
| Western Gulf | | | | 301 | 46 | 159 | 83 |
| Southeast Outside | | | | | 719 | 687 | 9 |

Source: NFMS LLP license database (January 11, 2007)

Purpose and Need

As with most actions, the first step in defining appropriate alternatives is the development of a clear purpose and need statement. In this case, the purpose of the action is generally to remove the potential for latent capacity to enter the fisheries. The purpose and need statement should go beyond a simple statement of the need to remove capacity to better define the scale of the problem of latent capacity and the specific needs that would be addressed by the action. For example, the purpose could be simply to remove licenses that have shown no or very minimal activity to ensure that entry does not occur in a fully utilized fishery. Alternatively, the action could impose more rigid standards to ensure that those that have regular dependence on the fisheries are not impinged on by license holders that sporadically participate in the fisheries. The purpose and need statement should provide some guidance for the defining the level of specificity in the action. For example, a general concern that latent licenses could reenter the Gulf groundfish fisheries would suggest that the action could remove latent licenses using broad and general criteria (i.e., licenses with less than a certain number of landings would be voided). Alternatively, if the action is intended to protect newly defined sector allocations of Pacific cod, the purpose and need statement would focus efforts toward the development of a different, more specifically defined set of alternatives. These could include options that make gear designations more specific (e.g., pot or hook and line, rather than fixed) or area specific gear designations (such as “Western Gulf fixed gear”. Some provisions that could be included in purpose and need statement are:

- Gulf fisheries are fully utilized
- Current participants have long term investments and dependence on the fisheries
- Potential reentry of vessels to Gulf fisheries using latent licenses could disrupt stability, harm investments, and interfere with expectations

If the Council believes that the generality of license endorsements and designations increases potential for disruption, it could add provisions similar to the following:

- The development of gear specific sector allocations, together with the current general “fixed gear” license designation, creates the potential for participants to encroach on the allocations of another sector
- The absence of area specific gear designations allow participants with minimal participation in an area to encroach on sector allocations based primarily on the catch history of others

At its February 2007 meeting, the Council requested staff to supplement this paper by including Council problem statements for similar actions. In Amendment 67 to the Bering Sea and Aleutian Islands

groundfish Fishery Management Plan, the Council relied on the following problem statement for removing latent capacity and redefining license limitation program gear endorsements:

***Amendment 67:** The hook-and-line and pot fisheries for Pacific cod in the Bering Sea/Aleutian Islands are fully utilized. Competition for this resource has increased for a variety of reasons, including increased market value of cod products and a declining ABC/TAC.*

Longline and pot fishermen who have made significant long-term investments, have long catch histories, and are significantly dependent on the BSAI cod fisheries need protection from others who have little or limited history and wish to increase their participation in the fishery.

This requires prompt action to promote stability in the BSAI fixed gear cod fishery until comprehensive rationalization is completed.

The Council relied on the same problem statement for Amendment 64, which revised sector allocations in the Bering Sea and Aleutian Islands Pacific cod fisheries.⁶

Draft Statement of Purpose and Need

As requested by the Council, staff has prepared the following draft purpose and need statement for this action. The statement attempts to incorporate elements presented in public testimony and discussed by the Council and Advisory Panel at the February 2007 meeting.

Western Gulf and Central Gulf groundfish fisheries are subject to intense competition, particularly in the A season, when fish are aggregated and of highest value. Competition among fixed gear participants in the Western Gulf and Central Gulf fisheries has increased for a variety of reasons, including increased market value of Pacific cod products and a declining ABC/TAC. The possible future entry of latent effort would have detrimental effects on LLP holders that have exhibited participation in, and dependence on, the fixed gear groundfish fisheries. Many fixed gear vessel owners have made significant investments, have long catch histories, and are dependant on WGOA and CGOA groundfish resources. These long-term participants need protection from those who have little or no recent history and who have the ability to increase their participation in the fisheries. The intent of the proposed amendment is to prevent latent fixed gear groundfish fishing capacity that has not been utilized in recent years, from future entry or re-entry into the fisheries. This requires prompt action to promote stability in the fixed gear sectors of the GOA groundfish fisheries, and is expected to be implemented concurrently with the division of GOA Pacific cod among sectors which is currently under consideration.

Elements and Options

The elements and options under consideration for the removal of latent licenses should be developed to address the Council's purpose and need statement. So, depending on concerns raised by the purpose and need statement, the Council could choose to adopt elements and options that simply remove licenses that have no (or very limited) use in recent years or redefine the system of endorsements by developing more specific gear designations and attach gear and operational designations to area endorsements. This section

⁶ The Advisory Panel motion from the February 2007 meeting, defining a statement of purpose and need for this action is included as Appendix A to this paper.

outlines possible elements and options that the Council could adopt for analysis. To simplify the process of defining elements for consideration, this paper reviews different aspects of possible elements and options independently. In developing its suite of alternatives, the Council should consider interactive effects of the different elements and options and how those interactions might address issues identified in the purpose and need statement.

Sectors

One of the first considerations in developing a scope for this action is for the Council to define the sectors that will be affected by this action. As a starting point, the Council should assess whether the action will affect only fixed gear licenses or whether trawl licenses will be included in the action.⁷ Inclusion of trawl licenses in this action could be deemed appropriate, if the parallel action that would establish Pacific cod sector allocations is believed to exacerbate effects of latent licenses on that (or those) sector(s).

The Council should also assess whether the action will restructure the LLP, by redefining parts of the system of gear and operation designations and area endorsements. Such an action could parallel Amendment 67 in the Bering Sea and Aleutian Islands fixed gear Pacific cod fishery, which defined gear and operation specific endorsements (i.e., pot cv, pot cp, longline cv, and longline cp) for Pacific cod in the Bering Sea and Aleutian Islands. That action, however, left the non-trawl designations unaffected for both vessels that met and vessels that did not meet the threshold catch requirements for specific Pacific cod endorsements. If the Council wished to approach the issue in a simpler manner, it could choose to add more specific endorsements for fixed gear participation (i.e., distinguishing pot, hook-and-line, and jig). Additionally, the Council could use this action to link area endorsements and gear designations. This could be accomplished at the Gulf level. For example, a general requirement that a license meet a fixed gear catch or landing requirement in the Gulf could be applied for maintaining and endorsement for future fixed gear use in the Gulf. The requirement could instead be more specifically applied at the endorsement area level providing separate gear designation/area endorsements for each Gulf endorsement area (i.e., Central Gulf and Western Gulf).⁸ Under this approach, a license would have to meet specific catch or landings thresholds with fixed gear in an endorsement area to maintain its authorization to fish with that gear in the area.

The Council should also assess how this action will affect operation designations and the interaction with gear designations and area endorsements. The Council could choose to integrate gear and operation designations, establishing specific gear and operation type thresholds for maintaining license designations. For example, the Council could require a license to meet a specific threshold for catch with pot gear that was also processed on board for that license to maintain a catcher processor pot endorsement. If desired, this type of requirement could be applied on a management subarea basis, effectively creating gear/operation type/subarea endorsements. If the Council elects to distinguish operation types (using catcher vessel and catcher processor endorsements), it should clearly state whether participants in one sector will be permitted to operate in the other sector. Under the current LLP, licenses with catcher processor designations authorize a vessel to operate as either a catcher vessel or a catcher processor. If this action is developed simultaneously with history-based sector allocations of Pacific cod, historic dependence could be acknowledged by crediting catch history of a vessel to its sector (or the sector from which the catch came). So, if small catcher processors are allowed to continue to fish the inshore TAC, their dependence on that fishery would be reflected by counting their inshore catch toward

⁷ If trawl vessels are included, the Council should provide clear guidance concerning the interaction of this action with the ongoing action to remove latent trawl licenses from the fisheries it manages.

⁸ If the Council wishes to extend this action to Southeast Outside endorsements, the Council should specify that intent. Since this action evolved from the Gulf rationalization action (which excluded Southeast Outside fisheries), this paper has focused on the endorsement areas of the Central Gulf (which includes West Yakutat) and Western Gulf.

the inshore sector allocation. If small catcher processors are excluded from the inshore sector, acknowledgement of their historic dependence would require crediting that history to a catcher processor (or offshore component). Allocations cannot be fully coordinated with eligibility (if catcher processors are permitted to fish on the inshore allocation), since some catcher processors have moved between the inshore component and offshore component.

Depending on the specific problem identified in the Council purpose and need statement, the Council could also add species to the endorsement/designation requirements (similar to the Bering Sea Aleutian Islands fixed gear Pacific cod licensing). The application of a species-based endorsement could be justified, if the Council perceives a need to restrict access to only that species fishery. This approach would allow license holders to pursue opportunities for other species that are subject to less fishing effort. The application of species level endorsements could complicate management in a few ways. Since the species endorsement would limit targeting, it is possible that some participants may perceive an opportunity to use retained incidental catch to supplement their catch revenue in less lucrative target fisheries. Policing and constraining incidental catch of vessels not carrying the endorsement could be complicated, since discards above the MRA are allowed in the current limited entry fishery. This problem is likely to be more pronounced than any similar problem in the Bering Sea and Aleutian Islands fisheries, since fewer local vessels participate in those fisheries and fewer vessels participate in the parallel fisheries in those areas. The development of species endorsements also complicates license administration, particularly if those endorsements are advanced for many different species.

In summary, a starting point for developing options to remove latent licenses from Gulf fisheries is to define sectors that would be affected by the action. These sectors could be those currently identified in the LLP or could expand on the current LLP sector definitions to incorporate more specificity.

Sector definitions

Area

Western Gulf

Central Gulf (current endorsement includes West Yakutat)

Southeast Outside (closed to trawl gear)

Gear

Trawl

Fixed

Hook-and-line

Pot

Jig

Operation type

Catcher vessel

Catcher processor

Vessel length

Relevant provisions in the Gulf rationalization package

Sectors are defined as:

Trawl catcher processor

Trawl catcher vessel

Longline catcher processor

Longline catcher vessel

Pot catcher processor

Pot catcher vessel

Jig

Options could define:

Low producing longline catcher vessels – vessels with catch below the mean or 75th percentile

Low producing pot catcher vessels – vessels with catch below the mean or 75th percentile

Suboption: only vessels below the catch threshold and less than 60 feet in length would be defined as low producers

Area designations include:

Central Gulf (currently endorsement includes West Yakutat)

Western Gulf

The Council should specify the extent to which it intends to integrate area, gear, and operation type designations and endorsements. The decision to integrate these different license characteristics should be derived from the purpose and need statement and the extent to which the division of sectors defined by license designations and endorsements are necessary to effectively meet the needs identified. For example, if the intent of this action is to protect vessels using a particular gear and operation type from an influx of vessels that have historically used another gear or operation type, it may be necessary to extend limitations with specific endorsements and designations that prohibit cross over among sectors. On the other hand, if the action is only intended to insulate trawl and fixed gear vessels from the actions of each other, it may be adequate to simply define trawl and fixed gear sectors.

Qualifying period

In developing actions to remove latent capacity, the Council has typically specified a period of years during which participants would need to meet specific participation thresholds to retain eligibility. A number of factors have typically influenced the development of qualifying year options. Actions to remove latent capacity are often based on dependence on the fisheries. Dependence is often best reflected by regular participation across a period of years. Years are defined to include both historic and recent participation. Historic participation is viewed as a reflection of dependence, while recent participation is a reflection of current activity.

Administration of the program could be complicated by including the years 2000 and 2001 in the qualification period. During that time period, the vessel using an LLP license was not required to be formally designated. Since no official record of license use exists for that period, application of landing or catch requirements during that period would rely on less uniform documentation (e.g., individual affidavits). So, exclusion of 2000 and 2001 from the qualification period would simplify and increase reliability of administration.

Provisions for defining qualifying period

Identify years

Relevant provisions in the Gulf rationalization package

Qualifying periods (same for all gears in all areas) for allocations of shares or history

95-01

95-02

95-02

98-02

98-03

Catch or participation thresholds

To remove latent capacity from the fisheries, the Council will need to specify appropriate catch or participation thresholds, which must be met to maintain eligibility to participate. The original LLP thresholds were specified as landing requirements (with requirements of one landing in each of one or two calendar years). The thresholds for fixed gear Pacific cod endorsements in the Bering Sea and Aleutian Islands were catch thresholds, which required a vessel to meet a specific retained catch threshold in each of one or two calendar years. Annual catch thresholds in that action ranged from 7.5 metric tons to 270 metric tons. The trawl latency action currently under consideration by the Council contains threshold options of one or two landings. In general, higher thresholds are applied to catcher processors than to catcher vessels. If quantities of catch requirements are applied and the action includes trawl licenses, higher catch quantities might be appropriate for trawl qualification than for fixed gear. Depending on the scope of this action, and whether endorsements or designations are developed for different fixed gear types and operations, the Council could specify appropriate levels for the different gear qualifications.⁹ Usually, the Council requires participation in a subset of the qualification period to allow for unforeseen circumstances or some movement among fisheries. Alternatively, the Council could require participation during the qualifying period to meet some aggregate threshold (for all activity during the entire period).

Depending on the thresholds established by the Council and the availability of entry opportunities under the revised LLP eligibility, the Council could adopt some exemptions from this action. The exemptions could be equivalent to the current Gulf LLP exemption (which allows vessels under 26 feet to participate in the Gulf limited access fisheries without a license) or could expand on those exemptions by allowing vessels that meet certain criteria (such as length limitations) to participate without a license. The extent of any exemption should depend on the structure of the program and the extent of opportunities within the program. An alternative to simple exemptions for small vessels could be lower catch thresholds for licenses with small MLOAs. Such a structure could be appropriate, if opportunities in the parallel fisheries and State water fisheries are perceived to be adequate for an entrant that wishes to develop operations. These participants could either decide that opportunities in the parallel and State water fisheries are sufficient or move to larger scale fisheries in federal waters by purchasing a license. If participants in fisheries in State waters are to move on to federal fisheries, the availability of licenses allowing for that transition is critical. In developing this action, the Council will need to balance the interests of those wishing to limit entry to fisheries, who desire stability and protection of their investments, against potential future entrants, who wish to ensure adequate opportunity.

In considering the application of catch thresholds, the Council should specify whether those thresholds should be based on total catch (including discards) or only retained catch. Retained catch is likely a better indicator of dependence, as discards provide no direct return. Analytically, retained catch thresholds can be more precisely applied, as discards of catcher vessels are typically estimated based on extrapolations of at sea discards from observer data. In addition, the Council could consider whether catch used in meal production should count toward satisfying a threshold. The Council has excluded meal from some allocation programs based on the rationale that meal is a relatively low value product and its inclusion could disadvantage some small catcher processors that do not have meal production capacity.

The Council should also consider the catch that can be applied to meet qualifications. Clearly, catch in the federal fishery should apply toward meeting the threshold. The Council could also allow parallel fishery catch and State water fishery catch to apply toward the threshold. Since the parallel fishery is prosecuted simultaneously with the federal fishery, some vessels likely participate in both fisheries during the course of a season (and even during a fishing trip). This interaction could be argued to justify consideration of parallel fishery catch for qualification. The State water fishery is prosecuted independently from the

⁹ In the Pacific cod endorsement program in Bering Sea and Aleutian Islands jig vessel catch could be applied to meeting pot gear endorsements. If the Council wishes to allow catch with one gear type to qualify a license for use of another gear type, it should clearly outline those requirements.

federal fisheries based on its own guideline harvest level. As a result, inclusion of this catch in defining participation thresholds seems less appropriate. A possible rationale for inclusion of State water catch is that the vessels participating in those fisheries also participate in the federal fisheries.

In some past actions that require participants to meet catch thresholds to remain eligible for a fishery, the Council has asked staff to develop illustrative tables showing the distribution of catch from which thresholds can be identified. If the Council wishes, staff could produce tables from which options could be developed. A set of tables could be developed that could be used to identify options for both catch thresholds and landings thresholds.

Provisions for defining catch thresholds

Identify threshold as:

Quantity of catch (retained or total catch)

Number of landings

Define whether the threshold must be met:

In one or more of the defined qualifying years

In the aggregate during all of the qualifying years

Define qualifying catch

Federal fisheries

Parallel fisheries

State water fisheries

Define whether any gear or vessel length exemptions to meeting criteria will be created

Relevant provisions in the Gulf rationalization package

Landings based on retained catch for each species (includes weekly production report for catcher processor sector). Total pounds landed will be used as the denominator. Exclude retained catch that is used for meal production.

Qualified catch is from:

Option 1: 3-200 miles

Option 2: 3-200 miles, plus 0-3 miles parallel history

Suboption: catch history determined based on a percentage of retained catch per year

Qualifying period options in the Gulf rationalization program include provisions to drop one or two years. These provisions reflect the need to consider that unexpected circumstances can affect regular participants. In this action, the provisions could be tailored to require catch thresholds to be met on some subset of the qualifying years.

Conclusion

To proceed with this action, the Council should first establish its purpose and need statement. The Council could either develop a single purpose and need statement (encompassing both sector allocations of Pacific cod and removal of latent effort) or two purpose and need statements, one for each action. The interrelatedness of the actions could support development of a single amendment covering both issues. The purpose and need statement should be focused to identify specific problems that motivate the action, which, in turn, will serve to guide the development of specific elements for consideration. In addition, the Council could preliminarily define sectors and request further information from staff that could be used to finalize alternatives at a future meeting. This approach would likely provide the Council with the opportunity to develop its purpose, then fashion alternatives in an appropriate and predictable manner to address that purpose.

Appendix A

**ADVISORY PANEL MINUTES
North Pacific Fishery Management Council
February 5-10, 2007, Portland, OR**

C-7 GOA LLP recency only

PURPOSE AND NEED GOA LLP license limitation program

The proposed amendment would apply threshold landings criteria to fixed gear fisheries in the WGOA and CGOA. The intent of the proposed amendment is to prevent latent fixed gear groundfish fishing capacity that has not been utilized in recent years, from future entry or re-entry into fisheries that are fully utilized.

The rationale for this action is concern over the impacts that possible future entry of latent effort would have on LLP holders that have exhibited participation in, and dependence on, the fixed gear groundfish fisheries. Fixed gear vessel owners who have made significant investments, have long catch histories, and are dependant on WGOA and CGOA groundfish resources need protection from those who have little or no recent history and who have the ability to increase their participation in the fisheries.

This requires prompt action to promote stability in the fixed gear sectors of the GOA groundfish fisheries until comprehensive rationalization can be completed.

It is extremely important that this proposed action is implemented concurrently with the GOA Pcod sector splits which are currently under consideration. *Motion passed 18/0.*

**WESTERN GULF OF ALASKA 300,000 LB POLLOCK TRIP LIMIT
DISCUSSION PAPER
FEBRUARY 1, 2005**

In December 2004, the Council requested that staff develop a discussion paper of a proposal submitted by a representative of Western Alaska groundfish fishermen during public testimony at that meeting. The proposal recommends implementing a 300,000 lb limit of unprocessed pollock during a 24 hour period in place of the current 300,000 lb trip limit. Some vessels are delivering multiple 300,000 lb trips daily to tenders, up to the 600,000 lb tender limit in the Western Gulf (Area 610). The proposer reported that some fishermen are using multiple tenders and have harvested and delivered as much as 1,500,000 lb in a single day. While the regulations do not prohibit this activity, the Council could consider whether this is consistent with its original intent to increase temporal dispersion of the fleet as part of the Steller sea lion mitigation measures, under which the trip limits were implemented in 1999. At its February 2005 meeting, the Council will review the paper and decide whether to initiate a regulatory amendment and set a timeline for action.

PROPOSED ACTION: Replace the 300,000 lb catcher vessel pollock trip limit with a 300,000 lb catcher vessel pollock daily limit in the western GOA (Area 610).

PROBLEM STATEMENT/OBJECTIVE: Section 679.7(b)(2) places a 300,000 lb trip limit for catcher vessels in the Gulf of Alaska, but places no limit on the amount of trips, or total amount of pollock, allowed on board a catcher vessel in a day. The trip limit was intended to slow down the race for fish in the pollock fishery by limiting harvests on catcher vessels to 300,000 lb of unprocessed pollock per fishing trip.

Non-resident catcher trawl vessels may be circumventing the intent of the trip limit by making multiple 300,000 deliveries in a day to tenders in the western GOA, which have a 600,000 lb limit [§679.7(b)(3)(ii)]. It was generally believed that only one trip per vessel would occur per day when the Council made its recommendation, but the regulations do not impose a daily limit. The higher tender trip limit would allow one vessel to offload twice and land its own trip limit or two vessels to offload once each and each land their trip limit. Multiple trips and offloading to tenders allow a faster catch rate by those vessels than if they were delivering to plants on shore or if only one trip was allowed per day.

BACKGROUND: The Council recommended and NMFS implemented a variety of measures to slow the pace of the pollock fishery under Steller sea lion mitigation measures. The 1999 emergency rule contained a trip limit of 300,000 lb (136 mt) for all vessels fishing for pollock in the western and central (Areas 620 and 630) GOA management areas. This limit accommodated larger non-resident vessels, which have hold capacities exceeding 1 million lb, and the smaller catcher vessel fleet based in Sand Point and King Cove, which have hold capacities of less than 150,000 lb. In the past, the entry of large numbers of Bering Sea -based catcher vessels has led to short-term pulse fisheries in the GOA with attendant concerns about localized depletion of pollock populations and quota overages. The trip limit significantly slowed the pace of fishing by the larger BS-based catcher vessel fleet that has traditionally fished in the GOA when BS fishing seasons were closed.

The Council also recommended regulations that prohibit catcher vessels from fishing in both the GOA and BS during the same fishing season and prohibit vessels from operating as pollock tenders in central GOA to prevent the large scale use of tender vessels to avoid the trip limit restriction. Vessels operating as tenders in western GOA are prohibited from retaining on board more than 600,000 lb (272 mt) of unprocessed pollock. Tendering is allowed there, while prohibited from other Gulf management areas,

because smaller vessels delivering to Sand Point and King Cove are more dependent on tenders than the larger vessels that operate in the central GOA and deliver primarily to Kodiak.

The American Fisheries Act placed additional (sideboard) restrictions on BS-based catcher vessels when fishing in the GOA. The combined effects of all of these measures were expected to significantly slow the pace of the GOA pollock fisheries in a manner consistent with the principle of temporal dispersion, by discouraging or preventing all but a few BS-based catcher vessels from continuing to fish in the GOA. During 1995-1997, BS-based catcher vessels accounted for approximately 75 percent of the pollock landings in Areas 610 and 620, and more than 50 percent of pollock landings in Areas 630 and 640.

In-season management of 2005 fishery: NMFS staff reported that most catcher vessels do not exceed the trip limit. Twenty two catcher vessels participated in the 2005 "A" season. During the three day fishery, eight vessels made three deliveries, nine vessels made four deliveries and one vessel made eight deliveries. The remaining four vessels made two or fewer deliveries for a total of 76 deliveries for the fishery. Of those, eight (about 9 percent) exceeded the 300,000 lb trip limit, compared with one or two vessels in a typical season. While one vessel exceeded the limit by over 57,000 lb, the others exceeded the limit by 1,000-10,000 lb (the average of all eight was 14,396 lb). One vessel had overages on two deliveries in a row. The total of all catcher vessel trip limit overages was 115,170 lb or about 52 mt, which is approximately 1 percent of the TAC. The enforcement policy is to forfeit the value of an overage for the first infraction if the overage is small (approximately 10 percent). Subsequent violations carry a fine of up to \$5000. Fines are more substantial if there are more than three overages in a year.

Since there are no limits on the number of trips allowed each day for either catcher vessels or tenders in the WGOA, the pace of the fishery has accelerated in recent years. The pre-announced 2005 "A" season began on a Thursday and lasted three days. While overages of the catcher vessel trip limit were not significant and overages of the tender trip limit have not been determined at this time, the 5,000 mt "A" season pollock TAC was exceeded by 2,000 mt due to the fast pace of the fishery from the use of tenders. Season closures must be filed through NMFS headquarters, which is not possible on weekends. A pre-season announcement is a (not necessarily better) alternative to in-season management, in which NMFS announces the closing date of a fishery prior to its start. This may still result in either overages, as was the case in this most recent season, or underages based on the lack of precision by staff in projecting the daily harvest rate. Sufficient TAC must remain in an underage for a projected full day of fishing to allow for a reopening. Otherwise, the underage amount is rolled over to the next seasonal allocation. While pre-announced closures are sometimes necessary if the projected season length is too short to allow for inseason management, they eliminate the ability for inseason managers to react to unanticipated changes in weather conditions and or catch rates.

The four processing plants that traditionally participate in this fishery all have tender vessels operating on the grounds during the fishery. A few cod end transfers have occurred in the last few seasons, including the 2005 "A" season, but this has been more the exception than the rule (or just not documented by NMFS). There were nine tenders in the 2005 fishery, compared with four tenders in 2004. This year, one processor had two tenders operating on the grounds and an additional seven tenders tied to their dock to hold fish waiting for processing (or for transport to another processing facility). One plant is weighing the fish through their hopper scales and then pumping the fish onto the tender vessels for shipment to Akutan to get processed. In doing this, the tender is not really acting as a buying tender but more as a transporter of unprocessed fish that was already delivered and reported, and may not be subject to the tender trip limit. This allows the fleet to not be constrained by the processing capacity of the plant.

The use of tenders speed the pace of fishing, whether they shorten the run time from the fishing grounds to the point of offload, thereby allowing the fleet to spend more time fishing and less time running between the processor and the fishing grounds, or provide additional holding capacity for the processing

plant. Tenders typically haul the cod end on board, dump the pollock into their recirculated seawater tanks, and then transport the harvest in to a shore plant for processing. The use of tenders in the WGOA pollock fishery has been an evolving phenomenon, allowing catcher vessels to make multiple deliveries in a shorter period of time and contributing to quota overages by complicating in-season tracking of harvests. Having fish going to both shore plants and tenders makes it more difficult to track the entire catch in a manner timely enough to be useful for in-season management. If the Council chooses to reexamine the tender allowance (rather than the current trip limit), more local vessels with a 300,000 lb hold capacity could enter the fishery (now about 8 of the 22 boats have that capacity).

ANALYSIS: RIR/IRFA for a regulatory amendment; a categorical exclusion for NEPA would be requested; however, an EA may be required.

RANGE OF ALTERNATIVES:

1. No action: Limit catcher vessels to no more than 300,000 lb of pollock on board the vessel at any time during a trip in the WGOA
2. Limit catcher vessels to no more than 300,000 lb of pollock in a 24-hour period* in the WGOA
*Staff recommends noon to noon to coincide with season openings

The Council may wish to consider whether to expand the proposed action to: (1) all or other areas of the GOA, and/or (2) 600,000 lb tender trip limit in the western GOA or (3) eliminate the use of tenders in the WGOA.

ESTIMATE OF STAFF RESOURCES: Likely no more than 4 weeks of total interagency staff time for analytical and regulatory writing and review, if limited to the proposed action in an RIR/IRFA.

TIMELINE TO IMPLEMENTATION: A regulatory amendments typically requires two Council meetings for initial review and final action, with an additional six months for rulemaking and implementation. If not controversial and the proposed action entails a clarification of Council intent to the original implementing regulations (Steller sea lion mitigation measures) without triggering re-initiation of Section 7 formal consultation, it may be possible to proceed straight to final action in one meeting. Rulemaking and implementation would still require at least six months. The Council would have to identify this as a high priority action and identify staff or contract resources to schedule action in 2005. Final action would be needed by June 2005, for the possibility of implementation in January 2006.

OTHER APPLICABLE LAWS: Endangered Species Act consultations may be necessary if the alternatives are expanded beyond those currently proposed.

Acknowledgements: Rance Morrison and Josh Keaton, NMFS SF

March 20, 2007

North Pacific Fishery Management Council
605 W 4th Ave, Suite 306
Anchorage, AK 99501-2252

Re: Gulf of Alaska Groundfish Rationalization

Dear Council Members:

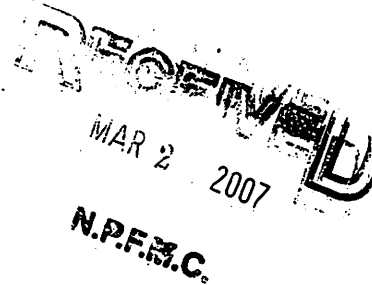
On behalf of Food & Water Watch, a nonprofit consumer rights organization that supports economically and environmentally sustainable fisheries policy, I would like to express concerns about Gulf of Alaska groundfish rationalization.

We commend the Council for electing at its December meeting to defer further action on the Gulf rationalization program. However, we respectfully request that the Council use this time to examine whether rationalization is appropriate, not when or how it can be implemented. Groundfish rationalization would exacerbate many of the problems it was designed to address, and would create new socioeconomic, environmental and safety problems.

By establishing tradable quota shares, rationalization allows for consolidation within fishing sectors as larger fishing businesses acquire shares from smaller businesses. This system also decreases crew pay, and as evidenced by the crab rationalization program, eliminates a large number of jobs. (Please see enclosed report)

As people are displaced from one fishery, competition within other fisheries can increase. As the Council has pointed out, rationalization programs in the BSAI and GOA have increased competition in the Gulf of Alaska cod sector. Establishing a new rationalization program would further increase competition in other fisheries.

Rationalization is also inconsistent with the goal of reducing bycatch. Gear types with the highest historic catch levels may also have the highest bycatch levels. Therefore, quota allocations based on historic catch levels can entrench environmentally inefficient gear types and foreclose on management options intended to reduce bycatch. Moreover, rationalization can promote the practice of high-grading by allowing fishermen to keep only the most economically valuable fish, and discard less valuable fish.



Insofar as rationalization proposals include processor linkages, they can fail to address the safety concerns the Council has raised. When fishermen are beholden to the timing needs of processors, they often lose the freedom to fish when conditions are safer.

While the Council may find it necessary to re-evaluate GOA groundfish management, we urge you to avoid programs that rely on tradable quota shares and processor linkages. We also encourage the Council to work with all members of the local fishing communities that would be impacted by any rationalization program. We look forward to working with you in the future. For additional information, contact Konrad Fisher at 202.797.6543.

Sincerely,



Konrad Fisher
Wild Oceans Campaign
Food & Water Watch

Enclosure: *Irrational Approach; How Individual Fishing Quotas Protect Private Interests, Not Public Resources*

Polar Star, Inc.

Patrick J. Pikus, President
P.O. Box 2843 Kodiak, AK 99615
907-486-5258 pikus@ptialaska.net

March 21, 2007

Ms. Stephanie Madsen, Chair
North Pacific Fishery Management Council
605 W. 4th Ave., Suite 306
Anchorage, AK, 99501

RE: Agenda item C-2, GOA Groundfish Management

Dear Chair Madsen:

I own and operate the 58 foot F/V Polar Star, which participates in the federal pacific cod pot fishery out of Kodiak. I have fished here in the GOA since 1972, and I've fished in the p-cod fishery since 1991. This fishery historically accounts for a significant proportion of my fishing effort and income.

I support the effort to move forward with the development and analysis of alternatives for both a GOA p-cod sector split and the removal of GOA p-cod latent licenses. In the absence of true rationalization, these actions are needed to bring some stability to this volatile fishery. While other federal fisheries around the state are now fully rationalized (halibut, sablefish, BSAI crab and groundfish), the GOA groundfish fisheries, especially p-cod, are still relatively open and are now attracting significant new fishing effort. Also, the complexity of the GOA p-cod fishery (different gear types and vessel sizes, sea lion measures, bycatch issues) coupled with the fact that it is still a "race for fish" makes the fishery very frustrating to plan for. I believe that a sector split coupled with the removal of latent licenses will go a long way toward stabilizing this fishery.

If the council does decide to move forward on this issue, I ask that the council move the sector split and latent license actions forward concurrently. They complement each other and to take final action on one without the other wouldn't make any sense. Also, I support the inclusion of the purpose and need statements proposed by staff in the discussion paper "Gulf Pacific cod sector splits and LLP latency" from February, 2007 in the purpose and need statements that the council may develop at this meeting. They capture in nutshell the problems I see in the fishery today.

Thank you for your consideration.

Regards,


Patrick J. Pikus

Attention Stephanie Madsen, Chair
North Pacific Fisheries Management Council
605 West 4th, Suite 306
Anchorage, Ak 99501
PH (907) 271-2809
FAX (907) 271-2817

Wednesday, March 21, 2007

We would like to address two issues concerning GOA Rationalization.

The first is LLP Latency. We support the Council's proceedings to identify and eliminate LLP's in the Gulf of Alaska that have little or no history. We urge the Council to add gear endorsements to the remaining eligible LLPs.

As to cod sector splits in the Gulf of Alaska. We are in favor of a sector split that allocates the primary targeted species and identifies & maintains a balance for the cod sectors in the GOA.

Ron & Julie Kavanaugh
FV Sylvia Star LLC
PO Box 3890 Kodiak AK 99615
sylstar@ak.net

* Kodiak Residents, pot fishing P-cod in Kodiak, Chignik, Sand Point, and Akutan with groundfish history dating back to 1990.

Mark & Jennifer Vickstrom
F/V Irene H
PO Box 318
Kodiak Alaska 99615
907-486-7622

RECEIVED
MAR 2 2007

NMFS

03/20/07

Ms. Stephanie Madsen,

My name is Jennifer Vickstrom, my husband is Mark Vickstrom. Mark is a commercial fisherman, and has actively fished for the past 30+ years in Alaska. My Letter today is in reference to the GOA Sideboards. At the upcoming meetings I will be submitting documentation asking for an exception to be added in regards to specific boats that fall under the following criteria.

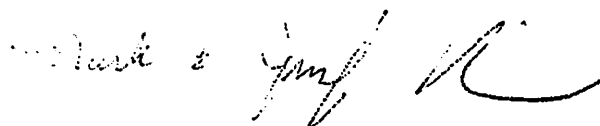
In the Final Rule for the Crab Rationalization it describes the Sideboards as a precaution set up to protect the GOA Cod fishermen from Crab fishermen that now have more flexibility with Crab Rationalization to utilize the GOA P Cod Fishery. I would like the exception to be specific to the point that if your vessel can prove (with the burden of proof being on the vessel owner) that thru financial records, fish tickets and any other means possible that the specific vessel made its primary income on P Cod, rather than Opilio Crab, the side board inflicted on that vessel would be lifted and they would then fall under the side board with an exception to P Cod.

We will supply both the AP and the Council with documentation in regards to our vessel Irene H. In the packets I will include some different averages I have put together with the help of the NMFS Ram dept, a list of our P Cod deliveries, supplied by fish and game, and a breakdown of our Opilio history. I will include the TAC for PCod during the qualifying years, and then GHIL for Opilios during the qualifying years. With this information and financial history I feel that it will be clear that our vessel was and still is relying on the P Cod fishery, as our primary fishery. Our financial records show that we made more than four times as much on P Cod as we did on Opilio crab during the qualifying years, and if you take into effect the price difference of Opilio's being worth at least 4 times as much as PCod, it should be obvious that the FV Irene H is primarily a Cod fishing vessel.

I hope that you will not take this information lightly; the sideboards last fall and this winter have cost our vessel over \$300,000, our skipper over \$25,000 and our crew over \$13,000.00 each. Mark doesn't disagree with the idea of the sideboards; however we don't feel that you can just put a flat minimum or maximum on the catch history to clarify which type of fishermen you are.

Thank you for you time, and I look forward to testifying before you and the other council members at the upcoming meetings.

Sincerely,

Handwritten signature in cursive script, appearing to read "Mark & Jennifer".

Mark & Jennifer Vickstrom
F/V Irene H

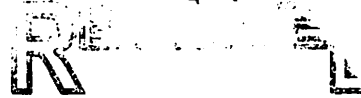


United Fishermen's Marketing Association, Inc.

P.O. Box 2917 Kodiak, Alaska 99615

Telephone 486-4568

Fax: 907-486-8362



March 20, 2007

MAR 21 2007

Ms. Stephanie Madsen, Chair
North Pacific Fishery Management Council

NPFMC

Re: March, 2007, Council Agenda Item C-2, GOA Groundfish Management [(b) Review problem statement and develop alternatives for GOA sector split, & (c) Review problem statement and develop alternatives for GOA latent licenses].

Dear Chair Madsen,

The United Fishermen's Marketing Association, Inc. (UFMA) includes harvesters who participate in the Gulf of Alaska (GOA) Pacific cod (p. cod) pot fishery. UFMA members are impacted by Council action that may allocate the GOA p. cod TAC among and between various sectors ("alternatives for GOA sector split"), and that may address the future participation of current GOA Groundfish LLP holders ("alternatives for GOA latent licenses").

In providing our comments to the Council, we will attempt to follow, to the greatest extent possible, the format and content of the February, 2007, NPFMC Advisory Panel (AP) recommendations on "C-7 GOA Sector Split for Pcod". We have also offered comment on components, elements, options and analytical considerations that we believe warrant consideration and examination by the Council.

I. UFMA comments and recommendations on AP Components (from February, 2007, AP meeting)

A. AP Component 2 – Identify and define sectors

- Trawl CP
- Trawl CV
- H&L CP
- H&L CV
- Pot CP
- Pot CV
- Jig

Optional vessel length subdivision for sectors:

- a) Pot CV sector: <60 ft and >=60 ft
- b) All CP sectors: <125 ft and >=125 ft

1. UFMA recommendations on AP Component 2:

a. UFMA recommendation on the addition of 4 additional "identified sectors". UFMA recommends the addition of the following 4 sectors to the list of 7 "identified sectors", rather than listing these 4 sectors as "Optional vessel length subdivision for sectors":

NPFMC Meeting; March 2007; UFMA Testimony
GOA Groundfish Management; Agenda C-2 (b) & (c)
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Pot CV < 60' LOA

Pot CV ≥ 60' LOA

CP < 125' LOA that operate in the Inshore component (please see UFMA recommendation for the addition of an Option 1 to Component 2)

CP ≥ 125' LOA that operate in the Offshore component (please see UFMA recommendation for the addition of an Option 2a and an Option 2b to Component 2)

b. UFMA recommendation for the addition of an Option 1 to AP Component 2.

Option 1. Provisions for the "CP < 125' LOA that operate in the Inshore component" sector to elect, on an annual basis, the operation-type mode in which such CP may operate (i.e., the general concept of "Endorsements").

Permit a Catcher Processor (CP) < 125' LOA that operates in the Inshore component, on an annual basis, to elect to participate as either a CP, or as a Catcher Vessel (CV), but not both. That is, on an annual basis, each vessel in this sector must elect to harvest GOA p. cod in only one specific operation-type mode (i.e., either as a CP, or as a CV).

If this provision is not adopted, a CP < 125' LOA that operates in the Inshore component will be permitted to operate both as a CP and as a CV in the same year (i.e., a vessel in this sector would be permitted to harvest GOA p. cod in both operation-type modes; that is, as a CP and as a CV).

While participation as both a CP and a CV is permitted in the current management regime, it may be reasonable to limit this opportunity, and the associated impacts, under a management regime that allocates the GOA p. cod resource to several separate and discreet sectors.

c. UFMA recommendation for the addition of an Option 2a and an Option 2b to AP Component 2.

Option 2a. Provisions for a Catcher Vessel that fishes under the authority of an LLP license that is endorsed for "trawl/non trawl" to elect, on an annual basis, the gear-sector mode in which such Catcher Vessels may operate.

Permit a Catcher Vessel (CV) that fishes under the authority of an LLP license that is endorsed for "trawl/non-trawl", on an annual basis, to elect to participate in either the trawl sector, or in the non-trawl sector (or in only one of the discreet subdivisions of the non-trawl sector that may be further designated by the NPFMC; i.e., pot, longline, jig, etc.). That is, on an annual basis, a CV that fishes under the authority of an LLP license that is endorsed for "trawl/non-trawl" must elect to harvest GOA p. cod in only one specific gear-sector mode.

If this provision is not adopted, a CV that is attached to an LLP license that is endorsed for trawl/non-trawl will be permitted to harvest GOA p. cod from both the trawl sector allocation and from the non-trawl sector allocation (and possibly from all of the discreet subdivisions of the non-trawl sector that may be further designated by the NPFMC; i.e., pot, longline, jig, etc.).

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While participation in both the trawl/non trawl categories is permitted in the current management regime, it may be reasonable, on an annual basis, to limit this opportunity, and the associated impacts, under a management regime that allocates the GOA p. cod resource to several separate and discreet sectors.

Option 2b. Provisions for a Catcher Vessel that fishes under the authority of an LLP license that is endorsed for "trawl/non trawl" to elect, on a permanent basis, the gear-sector mode in which such CV may operate.

Permit a Catcher Vessel (CV) that fishes under the authority of an LLP license that is endorsed for "trawl/non-trawl" to elect, on a permanent basis, prior to the implementation of a Sector Split, to participate in either the trawl sector, or in the non-trawl sector (or in only one of the discreet subdivisions of the non-trawl sector that may be further designated by the NPFMC; i.e., pot, longline, jig, etc.). That is, on a permanent basis, a CV that fishes under the authority of an LLP license that is endorsed for "trawl/non-trawl" must elect to harvest GOA p. cod in only one specific gear-sector mode.

If this provision is not adopted, a CV that is attached to an LLP license that is endorsed for trawl/non-trawl will be permitted to harvest GOA p. cod from both the trawl sector allocation and from the non-trawl sector allocation (and possibly from all of the discreet subdivisions of the non-trawl sector that may be further designated by the NPFMC; i.e., pot, longline, jig, etc.).

While participation in both the trawl/non trawl categories is permitted in the current management regime, it may be reasonable, on a permanent basis, to limit this opportunity, and the associated impacts, under a management regime that allocates the GOA p. cod resource to several separate and discreet sectors.

B. AP Component 3 - Qualifying catch

Option 1) For purposes of determining catch history, "catch" means retained legal catch. A sector's catch history includes all retained legal catch from both the Federal fishery and parallel fishery in the CGOA and WGOA. This includes retained legal catch from both LLP and non-LLP vessels.

Option 2) For purposes of determining catch history, "catch" means retained legal catch excluding fish meal. A sector's catch history includes all retained legal catch excluding fish meal from both the Federal fishery and parallel fishery in the CGOA and WGOA. This includes retained legal catch excluding fish meal from both LLP and non-LLP vessels.

Option 3) For purposes of determining catch history, "catch" means Pcod catch retained when the Pcod fishery is open for directed catch. A sector's catch history includes all Pcod catch retained when the Pcod fishery is open for directed catch from both the Federal fishery and parallel fishery in the CGOA and WGOA. This includes retained legal catch when the Pcod fishery is open for directed catch from both LLP and non LLP vessels.

The analysis will also provide each sector's catch history based on total catch (retained and discarded) where practicable.

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1. UFMA recommendations on AP Component 3:

- a. The Options that the AP put forth in Component 3 represent a reasonable suite of Options.
- b. UFMA prefers Option 3. That is, UFMA believes that allocations to discreet sectors should be based only on directed catch from both the Federal and the Parallel GOA p. cod fishery, and should not include the inclusion of bycatch in the determination of sector allocations.
- c. UFMA recommends that Option 3 be reworded to clarify that meal is not included in Option 3. That is, UFMA believes that allocations to discreet sectors should be based only on directed catch from both the Federal and the Parallel GOA p. cod fishery, and should not include the inclusion of bycatch or meal in the determination of sector allocations.

C. AP Component 4 - Sector catch histories

The AP recommends the Council adopt the following option for determining catch histories:

Each sector is allowed to choose their best 5 or 7 years (as a percentage of TAC) from the years 1995-2005 to obtain an average % of TAC for that sector. The sector split would then be based on the relative comparison of these averages.

| | | |
|---------|---|------------------------|
| Example | <ol style="list-style-type: none"> 1. Trawl fleet has a 7 year average % of TAC of 65% 2. Pot fleet has a 7 year average % of TAC of 50% 3. Longline fleet has a 7 year average % of TAC of 25% 4. Jig fleet has a 7 year average % of TAC of 15% | Total % of TAC is 155% |
| | Trawl sector split is 65/155 of annual TAC | |
| | Pot sector split is 50/155 of annual TAC | |
| | Longline sector split is 25/155 of annual TAC | |
| | Jig sector split is 15/155 of annual TAC | |

**Decrease the trawl allocation by the allocation to the CGOA rockfish pilot pr

1. UFMA recommendations on AP Component 4:

- a. The Example that the AP put forth in Component 4 is a reasonable Option.
- b. UFMA recommendation on the note that the AP included under Component 4 to address the allocation of CGOA p. cod to the trawl rockfish pilot program. The AP Note [i.e., "**Decrease the trawl allocation by the allocation to the CGOA rockfish pilot program (during the tenure of that program"')] should be made a definitive and clear Option under Component 4, and should be reworded as follows: "Decrease the allocation of CGOA p. cod to the CGOA trawl sector by the amount of p. cod that is allocated to the trawl rockfish pilot program."

c. UFMA recommends the addition of 3 Options under Component 4 (i.e., "Sector catch histories") for the purpose of determining the catch history of a sector. Please note that UFMA

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recommends that these 3 Options are most appropriately applied in conjunction with Component 3, Option 3 (i.e., allocations to discreet sectors should be based only on directed catch from both the Federal fishery and the Parallel fishery for GOA p. cod, and should not include the inclusion of bycatch in the determination of sector allocations).

Option: 1995-2005 (all years)

Option: 1998-2005 (all years)

Option: 2000-2005 (all years)

D. AP Component 5 - Allocation to Sectors: Allocations to sectors are to be based on catch history (Component 4) except for the jig sector.

E. AP Component 6 - Allowing harvest of an allocation by other sectors

Trawl sector – when the trawl sectors reach their final allocation of halibut PSC for the year

1. CV trawl sector allocation available to other CV sectors
2.
 - a. CP trawl sector allocation available to other CP sectors
 - b. CP trawl sector allocation available to both CP and CV sectors (CV sector catch accounts to other CV sector allocations first before accounting to the CP sectors allocation)

Longline sector – when the longline sectors reach their final allocation of halibut PSC for the year

1. CV longline sector allocation available to other CV sectors
2.
 - a. CP longline sector allocation available to other CP sectors
 - b. CP longline sector allocation available to both CP and CV sectors (CV sector catch accounts to other CV sector allocations first before accounting to the CP sectors allocation)

1. UFMA recommendations on AP Component 6:

- a. This Component may be better labeled as “Rollover Provisions”
- b. UFMA recommendation on AP Component 6, Trawl Sector Number 1: Reword this provision to indicate, “The CV trawl sector allocation will be made available to other CV sectors according to the adjusted proportional allocation of GOA p. cod that exists between CV sectors.”
- c. UFMA recommendation on AP Component 6, Longline Sector Number 1: Reword this provision to indicate, “The CV longline sector allocation will be made available to other CV sectors according to the adjusted proportional allocation of GOA p. cod that exists between CV sectors.”

II. UFMA comments and recommendations on Recency Issues

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UFMA recommends that the following Options be included in a Component for 'Recency':

- Option 1. 1995 to 2003 (9 years): Minimum of 3 deliveries in each of any 3 years.
- Option 2. 1997 to 2003 (7 years): Minimum of 3 deliveries in each of any 2 years.
- Option 3. 1999 to 2005 (7 years): Minimum of 3 deliveries in each of any 2 years.
- Option 4. 1997 to 2005 (9 years): Minimum of 3 deliveries in each of any 3 years.
- Option 5: 1995 to 2005 (11 years): Minimum of 3 deliveries in each of any 3 years.

III. Some Analytical Considerations

Any analysis of a proposed Council action that may allocate the GOA p. cod TAC among various sectors should consider and incorporate an examination of several issues, including:

- Any analysis of a proposed Council action that may allocate the GOA p. cod TAC among and between various discreet harvesting sectors (i.e., Sector Split) should incorporate and include an examination of several issues that encourage the reasonable probability that such Sector Split will create an increase in the race for fish within each discreet GOA p. cod sector, and that:
- The degree of the increase in the race for fish will vary by sector, and is likely to be more significantly evident in and have impact on those sectors that require the least cost for entry and participation in terms of capital investment and operating costs.
- There is a reasonable probability that Latent LLPs, and previously low-producing LLPs, will become more active and increase their participation in the harvest of the GOA p. cod TAC under a management regime that allocates the GOA p. cod resource among and between discreet sectors.
- There is a reasonable expectation that each discreet sector, with some exception, and to varying degrees, will realize an influx of new entrants (i.e., latent LLPs and previously low-producing LLPs) who wish to earn participation history, harvest history, gear history, and other associated rights that are anticipated to be of value with respect to any future initiative to further rationalize the GOA p. cod fishery.

Thank you for your consideration of our comments and recommendations at this early stage of the initiative to allocate the GOA p. cod TAC among discreet harvesting sectors.

Best Regards,



Jeffrey R. Stephan

3/27/2007

Nikolai N. Yakunin
F/V ST. NICHOLAS
P.O. Box 5055
Nikolaevsk, AK 99556
(907) 299-2993

Subject: GOA Sector Split

To NPFM Council and AP Members,

Thank you for allowing me to speak before the AP, unfortunately I was unprepared to convey my points across as clearly and as succinctly as I would have liked, so if you would, gracious gentlemen and ladies, please read this written statement and consider its content before the vote. Thank you immensely.

I am an under 60' longliner and a heavily vested participant, and I am writing this on behalf of myself and my colleges.

The system for management of GOA Pacific Cod fishery in federal waters, currently in place, **works**. Stocks are managed well and good, according to current fish data, and we all know that having and managing the resource long into the future is in all of our best interests. A well-managed fully-utilized renewable resource is **priceless**, and it should not be taken away from our children, nor should the access to fish become a commodity in itself. Nonetheless, there is always a better way to do something, and to some us, it seems that if not rationalization, then at least a sector-split. I personally, do not subscribe to either of the ideas, however, if a sector-split is being pushed on us then it should be, in our fishermen's opinion, along these lines:

1. If using a split based on historical catch;
 - A. Most recent year to as far back as the fishermen agree.
 - B. Use only the directed-fishing catch history for the A&B federal fishing seasons, and leave the bycatch as bycatch.

2. If removing latent LLP licenses, then we must use the original LLP thresholds, but use instead the most recent fishing year, and the previous 4 years, (for example 2006-2001.) then come up with the exact number of current participants, and set that as a fixed figure of participants. At the same time create an application process for new entrants, by taking the discarded latent LLP's, and storing them for future use in where for example if the TAC allocated is not harvested totally or within a set agreed-upon percentage for two years, say like 20% remaining unharvested, and there was 200 vessels participating, then allow say 20 more new LLP's to become eligible for new qualified-entrants. Or even differently, Like for example we lock-up the currently participating LLP's and we come to find that in the next say like 2 years we are unable to harvest the total TAC within an agreed upon percentage then we take that percentage and make it open-access for 2-

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(Ilia Kuzmin)
-testifier

3years, and if there materialize new entrants then incorporate them into the same system along with the excess TAC, and continue doing that until we come to a point when we can undeniably see that the fishery is over utilized, and at that point we just go back to the drawing-board and again. I do not believe that we can ever achieve perfection, but we must always have the potential and ability to attempt to achieve it. Let us not fully lock-and-privatize this public resource from our future.

3. The State jig fishery alone should not be considered a new entry fishery;

A. It doesn't require an LLP to participate.

B. It is unreasonable to purport that a fishing vessel that can safely and efficiently participate in the federal fishery during the winter season, will be able to generate enough income to satisfy its owner and its maintenance. The jig fishery is primarily a fishery for small boats that can be maintained and operated on a much smaller scale then it would take to maintain and operate an efficient and safe boat that has the ability to participate in the federal winter and fall fishery.

4. Sector-split should have provisions in it that;

A. Allow a sector to harvest their allocated A season share by March 15, and if that sector does not harvest it by that date to within a reasonable percentage, then the sector that has fully harvested its' allocated share can join in the harvest of the sector that has not harvested it's allocation.

B. If a sector is shut down because it has exceeded its' allowed by catch, then its' remaining quota should be rolled over to the other sector immediately, for that particular season.

C. We should have reviews of the allocation of the TAC, and its' distribution per sector every 2 to 3 years, to see if any sector is allocated a share that it is unable to harvest and adjust the distribution accordingly.

D. We must not make the sector-split a one time permanent deal, so as not to allow one sector to move towards a permanent rationalized system.

5. We must have the ability to harvest our A season allocation to the final pound before management closes that season, and if it happens that the A season harvest is in excess of it's allowable catch then deduct that from the B season.

6. We must have the ability to move between sectors, that is, a vessel cannot be locked into it's specific gear type permanently. All participators must have the right to opt to fish any gear type during any season, or even multiple gear-types during the same season. The gear-type alone must determine which sector the harvest is calculated against. This will allow the fleet to become more efficient as ocean and biomass conditions change without unfairly punishing those vessels that have in the past used a gear-type which is proving to be less profitable in an ever-changing environment.

In summary, it is my and many of my colleges belief that, we the people who most closely interact with our God-given rich and bountiful resources, must act first as

responsible stewards and only secondly as owners. If a sector-split will follow along the lines mentioned above then we will have satisfied the needs of a "split" fairly and reasonably without locking and dividing a public resource strictly along private lines. The idea to totally eliminate the race for fish is contrary to our American way and our human condition. Bycatch excesses are dependent mostly on gear-type, so how is that by giving a significant share of the TAC to a gear-type that is notorious for bycatch excesses going to address the bycatch problem or even the need to avoid incidental harvest? Cod is most valuable and best harvested during and around a relatively short period when it is spawning, so how would a sector-split give us the ability to avoid gear conflicts? Does the need to comply with management needs mean that current fish management is ineffective? If a boat cannot make the economics work in 2-3 months on the current TAC then they are either overcapitalized, or are grossly inefficient, of which neither of the problems should be addressed by a greater allocation of the resource.

Humbly and Sincerely,

Nikolai N. Yakunin

North Pacific Fishery Management Council

604 West 4th Avenue Suite #306
Anchorage, Alaska 99501

181th Plenary Session – March 26- April 3, 2007
Hilton Hotel Anchorage, Alaska

Testimony: **Alaska Jig Association**

Public Comment re: C-2 GOA Groundfish Management

By: Mr. Shawn C. Dochtermann
Kodiak, Alaska
Tel: (907) 486-8777

Mr. Secretary, Madame Chair & Council members,

I'm Shawn Dochtermann here representing the Alaska Jig Association, an organization of small vessel owner/operators that jig in and around the Kodiak Archipelago.

We've been engaged in the Council process for the past 2 years. We've been reluctant to accept any type of privatization, but have come to the realization that some type of FMP modification is necessary for GOA groundfish. We'd like to offer amendments today to the AP motion on Cod Sector Splits, as none of the representatives of our organization were available to be present for the AP's deliberations earlier this week. We'll be discussing reasons why we think it's necessary to allocate a non-historically based allocation for the jig sector of the GOA.

The jig sector primarily consists of small vessels from skiffs to 58 feet in length. Most of the jig fishermen live in coastal communities, are highly dependent on pacific cod and rockfish resources to keep them financially secure, as a result of low salmon prices. We're also the entryway of opportunity for new entrants into fisheries.

Our gear group enjoys many benefits that are known to be positive for conservation of fish habitat and fish stocks. We have the smallest footprint on the bottom and a great portion of our fishing is done in the water columns above the bottom. Our low bycatch rates and almost zero mortality are unsurpassable by other gear sectors. We have the ability to adapt to MSA requirements to minimize bycatch.

Our fish deliveries are inside our region, which promotes community stability and economic benefits. We have the potential to create the freshest & finest consumer products available, and as a result can attain higher ex-vessel values than other gear sectors.

We can only prosecute our fishery during fair weather and our history verifies the promotion of significant safety. We don't have a derby type of fishery, and don't contribute to the race to fish. While fishing, our gear sector has almost no gear conflicts.

The jig fleet has never had the chance to fully participate in the Federal Pacific Cod fishery in the past. This is a result of the A season occurring during winter, which has prevented us from participating due to inclement weather. This is the major reason why the jig fleet has no substantial history in Federal waters.

Therefore, we ask the council to take into consideration the needs of the jig sector, and request that we receive a non-historically based allocation.

We've do have a prepared proposal to amend the AP motion and it reads: (see attached amendment)

We've chosen 2.5% of the TAC of Pacific Cod as a minimum starting point for a non-historically based allocation, as it reflects the Rockfish Pilot Programs set aside allocation for new entrants into the fishery. However, at any time consumers demand the higher quality products that our sector produces we would reserve the right to readily acquire the TAC to serve them.

We appreciate this time provided for us to convey our concerns,

Shawn C. Dochtermann
Vice President-Alaska Jig Association
F/V Isanotski

BY: ALASKA JIG ASSOCIATION

DATE: APRIL 2, 2007

NPFMC 181ST PLENARY SESSION

Re: C-2 GOA Sector Split for Pacific Cod Components and Options

Language to amend the AP motion:

Component 5- Allocation to Sectors: Allocations to sectors are to be based on catch history (Component 4) except for the jig sector.

~~The set aside for the jig sector shall be 1%, 3%, or 5% of the GOA TAC~~

- ~~a. Shall be taken from the A season allocation~~
- ~~b. shall be taken from the B season allocation~~
- ~~c. shall be taken from the a and b seasonal allocation~~

~~The jig allocation shall be available for harvest by other sectors on August 1, Sept. 1, October 1.~~

insert:

1. ___ % of set aside (non-historically based) for the jig sector of the GOA TAC
 - a. 2 ½
 - b. 3
 - c. 3 ½
 - d. 4

2. ___ % of progressive allocation increase for jig sector if allocation is caught in full in a given year
 - a. 1
 - b. 2
 - c. 3
 - d. 4

3. ___ % of TAC cap for the jig sector
 - a. 6
 - b. 7
 - c. 8
 - d. 9

4. ___ % of non-historically TAC set aside for jig fleet shall be taken from
 - a. A season
 - b. B season
 - c. A & B season

5. The jig allocation shall be available for harvest by other sectors on
 - a. September 1
 - b. October 1

*three year review if jig sector reaches TAC cap

*remove LLP to provide for new entry opportunity

C-2
Alyus
Kwachka



To meet the goals of this overall management approach, the Council and National Marine Fisheries Service (NMFS) will use the Alaska Groundfish Fisheries Programmatic Supplemental Environmental Impact Statement (NMFS 2004) as a planning document. To help focus consideration of potential management measures, the Council and NMFS will use the following objectives as guideposts, to be re-evaluated, as amendments to the FMP are considered over the life of the analysis.

Prevent Overfishing:

1. Adopt conservative harvest levels for multi-species and single species fisheries and specify optimum yield.
2. Continue to use the existing optimum yield cap for the GOA groundfish fisheries.
3. Provide for adaptive management by continuing to specify optimum yield as a range.
4. Provide for periodic reviews of the adequacy of F_{40} and adopt improvements, as appropriate.
5. Continue to improve the management of species through species categories.

Promote Sustainable Fisheries and Communities:

6. Promote conservation while providing for optimum yield in terms of the greatest overall benefit to the nation with particular reference to food production, and sustainable opportunities for recreational, subsistence, and commercial fishing participants and fishing communities.
7. Promote management measures that, while meeting conservation objectives, are also designed to avoid significant disruption of existing social and economic structures.
8. Promote fair and equitable allocation of identified available resources in a manner such that no particular sector, group or entity acquires an excessive share of the privileges.
9. Promote increased safety at sea.

Preserve Food Web:

10. Develop indices of ecosystem health as targets for management.
11. Improve the procedure to adjust acceptable biological catch levels as necessary to account for uncertainty and ecosystem factors.
12. Continue to protect the integrity of the food web through limits on harvest of forage species.
13. Incorporate ecosystem-based considerations into fishery management decisions, as appropriate.

Manage Incidental Catch and Reduce Bycatch and Waste:

14. Continue and improve current incidental catch and bycatch management program.
15. Develop incentive programs for bycatch reduction including the development of mechanisms to facilitate the formation of bycatch pools, vessel bycatch allowances, or other bycatch incentive systems.
16. Encourage research programs to evaluate current population estimates for non-target species with a view to setting appropriate bycatch limits, as information becomes available.
17. Continue program to reduce discards by developing management measures that encourage the use of gear and fishing techniques that reduce bycatch which includes economic discards.

18. Continue to manage incidental catch and bycatch through seasonal distribution of total allowable catch and geographical gear restrictions.
19. Continue to account for bycatch mortality in total allowable catch accounting and improve the accuracy of mortality assessments for target, prohibited species catch, and non-commercial species.
20. Control the bycatch of prohibited species through prohibited species catch limits or other appropriate measures.
21. Reduce waste to biologically and socially acceptable levels.

Avoid Impacts to Seabirds and Marine Mammals:

22. Continue to cooperate with the U.S. Fish and Wildlife Service (USFWS) to protect ESA-listed species, and if appropriate and practicable, other seabird species.
23. Maintain or adjust current protection measures as appropriate to avoid jeopardy of extinction or adverse modification of critical habitat for ESA-listed Steller sea lions.
24. Encourage programs to review status of endangered or threatened marine mammal stocks and fishing interactions and develop fishery management measures as appropriate.
25. Continue to cooperate with NMFS and USFWS to protect ESA-listed marine mammal species, and if appropriate and practicable, other marine mammal species.

Reduce and Avoid Impacts to Habitat:

26. Review and evaluate efficacy of existing habitat protection measures for managed species.
27. Identify and designate essential fish habitat and habitat areas of particular concern pursuant to Magnuson-Stevens Act rules, and mitigate fishery impacts as necessary and practicable to continue the sustainability of managed species.
28. Develop a Marine Protected Area policy in coordination with national and state policies.
29. Encourage development of a research program to identify regional baseline habitat information and mapping, subject to funding and staff availability.
30. Develop goals, objectives and criteria to evaluate the efficacy and suitable design of marine protected areas and no-take marine reserves as tools to maintain abundance, diversity, and productivity. Implement marine protected areas if and where appropriate.

Promote Equitable and Efficient Use of Fishery Resources:

31. Provide economic and community stability to harvesting and processing sectors through fair allocation of fishery resources.
32. Maintain the licence limitation program, modified as necessary, and further decrease excess fishing capacity and overcapitalization by eliminating latent licences and extending programs such as community or rights-based management to some or all groundfish fisheries.
33. Provide for adaptive management by periodically evaluating the effectiveness of rationalization programs and the allocation of access rights based on performance.
34. Develop management measures that, when practicable, consider the efficient use of fishery resources taking into account the interest of harvesters, processors, and communities.

Increase Alaska Native Consultation:

35. Continue to incorporate local and traditional knowledge in fishery management.
36. Consider ways to enhance collection of local and traditional knowledge from communities, and incorporate such knowledge in fishery management where appropriate.
37. Increase Alaska Native participation and consultation in fishery management.

Improve Data Quality, Monitoring and Enforcement:

38. Increase the utility of groundfish fishery observer data for the conservation and management of living marine resources.
39. Develop funding mechanisms that achieve equitable costs to the industry for implementation of the North Pacific Groundfish Observer Program.
40. Improve community and regional economic impact costs and benefits through increased data reporting requirements.
41. Increase the quality of monitoring and enforcement data through improved technology.
42. Encourage a coordinated, long-term ecosystem monitoring program to collect baseline information and compile existing information from a variety of ongoing research initiatives, subject to funding and staff availability.
43. Cooperate with research institutions such as the North Pacific Research Board in identifying research needs to address pressing fishery issues.
44. Promote enhanced enforceability.
45. Continue to cooperate and coordinate management and enforcement programs with the Alaska Board of Fish, Alaska Department of Fish and Game, and Alaska Fish and Wildlife Protection, the U.S. Coast Guard, NMFS Enforcement, International Pacific Halibut Commission, Federal agencies, and other organizations to meet conservation requirements; promote economically healthy and sustainable fisheries and fishing communities; and maximize efficiencies in management and enforcement programs through continued consultation, coordination, and cooperation.

Presented by Theresa Peterson, Alaska Marine Conservation Council

C-2 Gulf Groundfish Management
Addressing item b) Sector Splits

A request for the underscored language to be included in the statement of purpose and need for sector splits presented by Council staff.

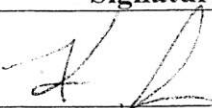
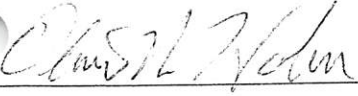
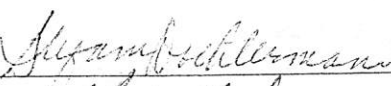
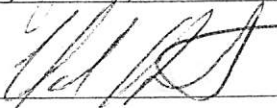
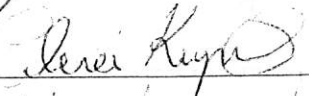


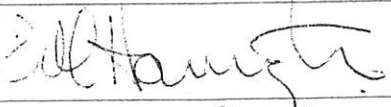

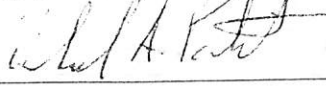
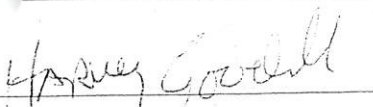
The limited access derby style management of the Western Gulf and Central Gulf Pacific cod fisheries has led to competition among the various gear types (trawl, longline, pot, and jig) and operation types (catcher processor and catcher vessel) for shares of the total allowable catch. Competition for the GOA Pacific cod resource has increased for a variety of reasons, including increased market value of cod products, rationalization of other fisheries in the BSAI and GOA, increased participation by fishermen displaced from other fisheries, a reduced federal TAC due to state waters cod fishery, and Stellar Sea Lion mitigation measures including the A/B seasonal split of the GOA Pacific cod TAC. The competition among sectors in the fishery may contribute to higher rates of discards, and out-of-season incidental catch of Pacific cod. A continued need in Gulf groundfish fisheries is to reduce bycatch to the extent practicable. By stabilizing each sector's opportunity to fish a portion of the TAC, participants can better explore clean fishing practices. The sector split is intended to foster fishing practices that reduce bycatch and increase ex-vessel value through appropriate incentive mechanisms. Participants in the fisheries who have made long-term investments and are dependent on the fisheries face uncertainty as a result of competition for catch shares among sectors. Allocation of the TAC among sectors would reduce this uncertainty and contribute to stability across the sectors. Dividing the TAC among sectors may also facilitate development of management to address bycatch and PSC mortality issues.

Submitted by
Theresa
Peterson
C-2

Improve Bycatch Accounting in Gulf of Alaska Fisheries

We, the undersigned fishermen and concerned Alaskans, request that the North Pacific Fishery Management Council improve observer coverage in the directed Pacific cod fishery and those fisheries allocated 20% maximum retainable allowance to achieve a more accurate accounting of bycatch for each sector. At a minimum, this would require observer coverage of 30% of the *landed catch*. The amount of catch that is currently observed is not sufficient to provide accurate data across sectors.

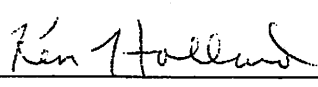

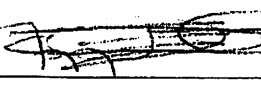
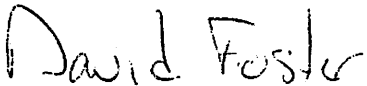
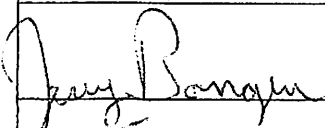
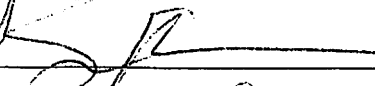
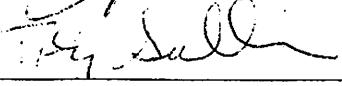
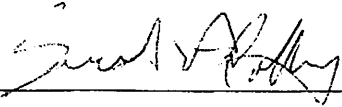
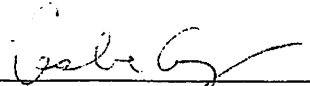
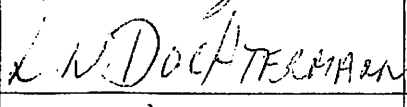
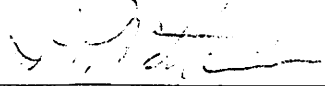
We request this data be gathered prior to implementing a sector split for the Gulf of Alaska Pacific cod fishery. Cod is valuable to our coastal communities. Communities deserve an accurate portrayal of bycatch among different gear types in this fishery and the actual amount of cod bycatch needed to prosecute other groundfish fisheries.

| Signature | Print name | Address | Vessel/Occupation |
|---|-------------------|-----------------------|--------------------|
|  | Fred Stager | 941615 POB 8243 | Fisherman |
|  | Oliver Holm | PO Box 3865 KOD | Fisherman |
|  | Stefani Doolittle | P.O. Box 74 Kodiak AK | Boat Owners |
|  | Yakov Reutov | P.O. Box 2956 Homer | Dynasty Mystery |
|  | Alex Kuzmin | P.O. Box 27 Delta | Fisherman owner |
|  | WENDY BECK | BOX 2790 Kodiak | fisherman |
|  | Tom Miller | BOX 1931 | Glarus Bar |
|  | Bill Harrington | Box 8166 Kodiak | MISSLORE |
|  | Debra Gritman | 1115 Selief | Law #3 |
|  | Mike Patitucci | Box 1511 | Denise Marie |
|  | Harvey Goodell | Box 3108 | Fisherman |

Improve Bycatch Accounting in Gulf of Alaska Fisheries

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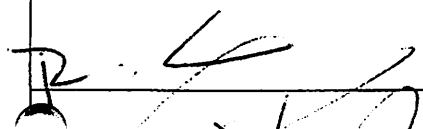
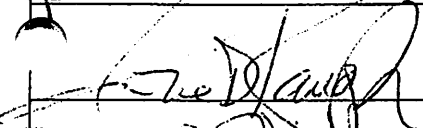
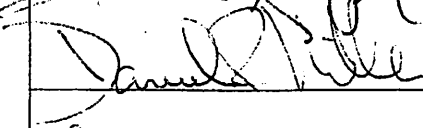
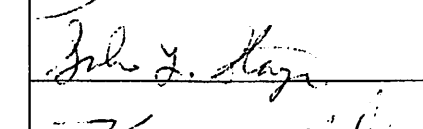
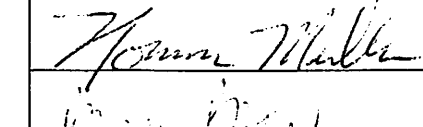
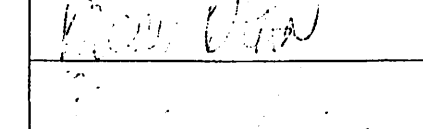
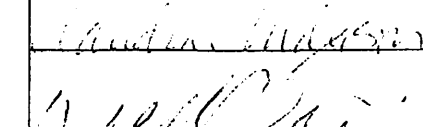
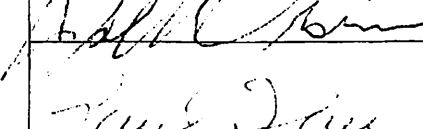
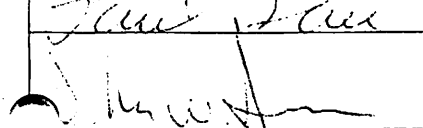
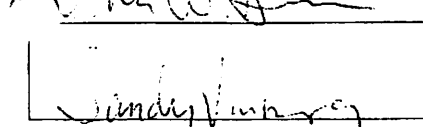
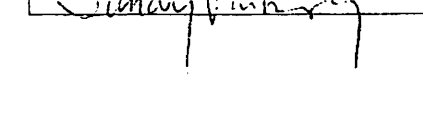
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| Signature | Print name | Address | Vessel/Occupation |
|--|------------------|---------------------------|------------------------------|
|  | KEN HOLLAND | Box 608 | Point Omega SKIPPER |
|  | Pete Hannah | Box 1803 | Mikad owner |
|  | _____ | _____ | _____ |
|  | David Foster | PO 7041 Kodiak | Kanawak Skipper |
|  | Jerry Bangen | P.O. 3523 | Jeancah owner |
|  | Steve BRANSON | PO BOX 451 | |
|  | TOBY SULLIVAN | P.O. BOX 3047 | STEFHERMAN |
|  | BRENT CATHEY | P.O. Box 3264 | SUMNER STRAIT |
|  | Leslie Fay | 2810 Spruce Cape Rd #2 | |
|  | L.N. Dochterman | Box 710 KODIAK AK | STORM BIRD NORTH POINT |
|  | Steven Holliman | 1721 Mission Rd Kodiak | Resident Fish Association |

Improve Bycatch Accounting in Gulf of Alaska Fisheries

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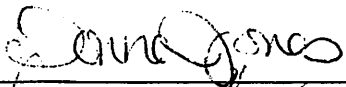
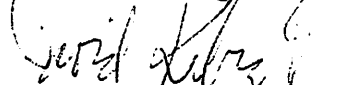
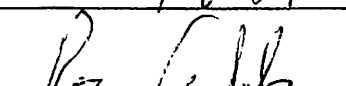
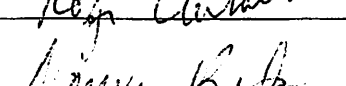
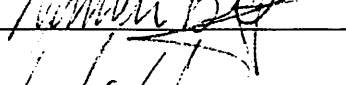
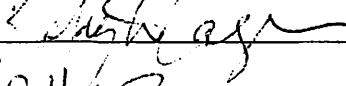
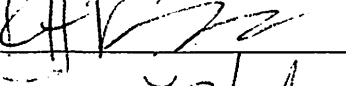
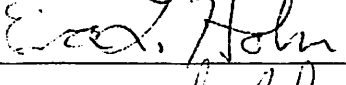
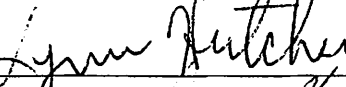

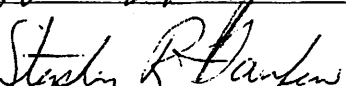
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| Signature | Print name | Address | Vessel/Occupation |
|--|------------------|------------------------------------|------------------------|
|  | Ron Kavanaugh | Box 3890 Kodiak AK | F/V Sylvia Starr |
|  | Julie Kavanaugh | Box 3890 Kodiak AK | F/V Sylvia Starr |
|  | Daniel E. Miller | Box 4475 | F/V Anna D |
|  | John L. Stager | POB 5243 Kodiak, AK 99615 | F/V Sisiutl Fishing |
|  | NORMAN MULLIN | Box 92 Kodiak AK 99615 | F/V CANDRA WENGE |
|  | BECKY BERN | Kodiak AK | F/V CANDRA WENGE |
|  | Claudia Anderson | POB 310 Kodiak, AK | Student |
|  | Joe Orsini | 402 Marine Way Suite 200 Kodiak | F/V Morica Anne |
|  | Paul Deu | 818 K St #2 Anchorage | Fishermen |
|  | John Secorson | Box 3154 Kodiak AK | ? |
|  | SANDY VINNERBERG | Box 1813 Kodiak | |

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| Signature | Print name | Address | Vessel/Occupation |
|--|-------------------|--|-------------------------------------|
|  | Donna Jones | 515 Marine Way #206 Kodiak, AK 99615 | South Water Comm. Union District |
|  | DAVID KUBICK | PO Box 193 KODIAK | F/V MYTHOS |
|  | Roger Aulander | Box 8174 KODIAK, AK | CHARTER |
|  | Norman Bote | 9163 James Blvd Juneau, AK 99801 | skidman, halibut crab |
|  | Raleigh Eager | PO Box 8174 KODIAK, AK 99615 | FV/LAWAE |
|  | Richard H. Lewis | PO Box 23 Kodiak | Field Area Bay Fisheries |
|  | Eva L. Holm | Box 3865 Kodiak | setnet |
|  | LYNN HUTCHERSON | 1212 MILLBAY #101 KODIAK | RETIRED |
|  | Steven Zanet | Kodiak | F/V Alutian Belle |
|  | Stephen Tauten | PO Box 714 STORMBIRD Kodiak, AK 99615 | Groundwell Fisheries Movement |
|  | Robert Petruikoff | Kodiak AK | Halibut Salmon |

Improve Bycatch Accounting in Gulf of Alaska Fisheries

We, the undersigned fishermen and concerned Alaskans, request that the North Pacific Fishery Management Council improve observer coverage in the directed Pacific cod fishery and those fisheries allocated 20% maximum retainable allowance to achieve a more accurate accounting of bycatch for each sector. At a minimum, this would require observer coverage of 30% of the *landed catch*. The amount of catch that is currently observed is not sufficient to provide accurate data across sectors.

We request this data be gathered prior to implementing a sector split for the Gulf of Alaska Pacific cod fishery. Cod is valuable to our coastal communities. Communities deserve an accurate portrayal of bycatch among different gear types in this fishery and the actual amount of cod bycatch needed to prosecute other groundfish fisheries.

| Signature | Print name | Address | Vessel/Occupation |
|-----------|------------------------|--------------------------------------|--|
| | Locke Finley | Box 3849 Kodiak AK 99615 | Lindy II Tig cod |
| | SHAWN C. DECKERMANN | P.O. Box 3886 KODIAK AK 99615 | FV ESTABROOK COD, HARBOR, CRAB & SHELLFISH FISHING |
| | RALEIGH EAGER | P.O. Box 8238 Kodiak AK 99615 | FV LANA-E Kodiak Fisherman |
| | DANA REID | Box 8935 KODIAK, AK 99615 | FV / LYNX |
| | PETER YAMBON | Box 3037 KODIAK AK 99615 | FV DUES PAYER II |
| | ALEXIS KWACHKA | 326 COPE ST. KODIAK, ALASKA 99615 | FV NO POINT |
| | TERRY HAINES | 724 Hillside Dr. | DECKHAND |
| | Ben Collier | Box 1005 Sterling AK 99672 | Clyde |
| | Ron WEATHERS | Box 1703 SEWARD AK 99664 | CLYDE |
| | Cheryl Nugent | Box 8915 Kodiak, AK 99615 | KIUB |
| | Cindy Boennick | Box 2913 Kodiak AK 99615 | BUSINESS OWNER |

Contact information for fishermen who would like to expound on bycatch concerns in the Gulf of Alaska groundfish fishery.

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Oliver Holm chicken@gci.net (907) 486-6957

Dave Kubiak mythos@starband.net (907) 486-2553

Ron Kavanaugh sylstar@ak.net (907) 486-5061

Julie Kavanaugh sylstar@ak.net (907) 486-5061

Alexus Kwachka island1@ptialaska.net (907) 486-5558

Theresa Peterson theresa@akmarine.org (907) 486-2991

Shawn Dochtermann drdrmann@hotmail.com (907) 486-8777

Steve Mathieu scrim@gci.net (907) 486-9488

Terry Haines yohaines@alaska.com



United Fishermen's Marketing Association, Inc.

P.O. Box 2917 Kodiak, Alaska 99615

Telephone 486-4568

Fax: 907-486-8362



April 2, 2007

North Pacific Fishery Management Council

Agenda Item C-2: Gulf of Alaska Groundfish Management

- (b) Review problem statement and develop alternatives for GOA sector split
- (c) Review problem statement and develop alternatives for GOA latent licenses

Oral Testimony Talking Points

Jeffrey R. Stephan

Madam Chair, Members of the Council,

My name is Jeff Stephan. I represent the United Fishermen's Marketing Association.

Our membership includes vessel owners who have earned significant fishing history with LLPs in the federal GOA p. cod pot fishery.

These individuals have substantial investments and important historical participation in this fishery, and they own vessels that are both under and over 60 feet,

These individuals are impacted by Council action:

- That may allocate the GOA p. cod TAC between discreet sectors (i.e., alternatives for GOA p. cod Sector Split), and
- That may also address the future participation of current GOA groundfish LLP holders thru "Recency" provisions (alternatives for GOA "Latent Licenses" and "Recency").

We have previously submitted written comments (March 20, 2007) on this issue that are included in your Briefing Book.

I. NPFMC Advisory Panel Recommendations

We recommend adoption of the recommendations that have been made by the Advisory Panel.

A. AP Component 3 - Qualifying catch

While we believe that the three Options that the AP has recommended for "Component 3 - Qualifying catch" are reasonable, we would like to go on record that Option 3 is the preferable manner in which to address "Qualifying Catch".

That is, UFMA believes that allocations of GOA p. cod to discreet sectors should be based only on "directed catch" from both the Federal and the Parallel GOA p. cod fishery, and should not include the inclusion of bycatch or meal in the determination of sector allocations.

B. AP Component 4 - Sector catch histories

The "Catch History Years" (i.e., 1995 – 2005), and the formula approach that have been recommended by the AP for "Component 4 - Sector Catch Histories" are reasonable.

We note that we have offered a few other Options for analysis for "Sector Catch History" in our written comment (March 20, 2007), that is:

1995-2005 ("all years")
1998-2005 ("all years")
2000-2005 ("all years")

We further suggest that the Council include another Option in "Component 4" that uses only "directed catch" (i.e., does not include bycatch from other directed fisheries) as the basis of accounting for sector-specific "Catch History Years", such Option that would include the following Sub-Options for analysis:

2000 – 2006 (all years)
2001 – 2006 (all years)
2002 – 2006 (all years)
2003 – 2006 (all years)

II. Two Issues that are not directly addressed in the Advisory Panel Recommendation

A. Recency and Latent Licenses in the GOA p. cod pot sector

The AP recommended that the "Gulf fixed gear LLP 'discussion paper'" be expanded to include additional tables and information "to enable the public to provide testimony ... in anticipation of Council ..." action on Options that would address the "Recency" challenges that exist in the GOA p. cod fishery.

We recommend that the Council should develop Options for Analysis that would address "Recency" and "Latent Licenses" in the GOA p. cod pot fleet at your earliest opportunity.

We note that we offered a few Options for analysis for "Sector Catch History" in our written comment (March 20, 2007), that is:

- Option 1. 1995 to 2003 (9 years): Minimum of 3 deliveries in each of any 3 years.
- Option 2. 1997 to 2003 (7 years): Minimum of 3 deliveries in each of any 2 years.
- Option 3. 1999 to 2005 (7 years): Minimum of 3 deliveries in each of any 2 years.
- Option 4. 1997 to 2005 (9 years): Minimum of 3 deliveries in each of any 3 years.
- Option 5. 1995 to 2005 (11 years): Minimum of 3 deliveries in each of any 3 years.

Additionally, we recommend that final Council action on a Recency or Latent License Option for both the pot and trawl sectors should be taken at the same time that the Council takes final action on the GOA p. cod Sector Split.

That is, we believe that the Council should not take final action on the Sector Split unless and until you are ready to take final simultaneous action on Latent Licenses in both the trawl and pot sectors; therefore, solving the Recency challenges in both the pot and the trawl sectors at the same time that you adopt a Sector Split.

B. Describe the impact of vessels that have been displaced or otherwise redeployed as a result of Bering Sea/Aleutian Island (BSAI) Crab Rationalization on the GOA p. cod and other groundfish fisheries.

We recommend that the Council should recognize the need to review the impacts of those vessels that have been displaced or otherwise redeployed as a result of BSAI Crab Rationalization on the GOA p. cod and other groundfish fisheries.

We recommend that you include and undertake, at the earliest opportunity, a review of the following topics in any discussion paper and analysis that addresses a GOA p. cod Sector Split:

- The movement of vessels that have been displaced or otherwise redeployed as a result of BSAI Crab Rationalization,
- The sectors of the GOA p. cod and other GOA groundfish fisheries into which these displaced and redeployed vessels have moved, and
- The extent of the impact of these displaced and redeployed vessels on the GOA p. cod and other GOA groundfish fisheries into which these displaced and redeployed vessels have moved.

We believe that you have previously promised to evaluate the impacts of BSAI Crab Rationalization on other fisheries, and we believe that it reasonable for the Council to identify this effect of BSAI Crab Rationalization during the process of addressing Alternatives and Options of a GOA p. cod Sector Split.

Thank you for your consideration of our comments and recommendations on the issue of GOA Groundfish Management, and specifically, on the issues that surround the GOA p. cod Sector Split.

C-2

GOA Mgmt.

During the AP report, yesterday.

John Hendershchedt said the majority of jig caught fish were taken during the B season. I would like to call for a point of clarification since I believe the majority of jig caught cod are taken before May.

Steve Mathieu
Pres AK Jig Assn.

4/2/07



[Faint, illegible handwriting in pencil or light ink, possibly bleed-through from the reverse side of the page. The text is scattered across the lower half of the page and is difficult to decipher.]