C6 RQE, D2 Halibut Retention PO Box 232 Petersburg AK, 99833

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North Pacific Fisheries Management Council Dan Hull, Chair 605 W Ave. Suite 306 Anchorage, AK 99501 npfmc.comments@noaa.gov

RE: C6 Charter Halibut RQE Program, D2 Halibut Retention in Sablefish Pots

Dear Chairman Hull and Council Members,

Petersburg Vessel Owner's Association (PVOA) is composed of almost 100 members participating in a wide variety of species and gear type fisheries. An additional thirty businesses supportive to our industry are members. Our members fish throughout Alaska from Southeast to the Bering Sea. Targeted species include crab, herring, salmon, shrimp, halibut, sablefish, and cod.

PVOA's mission statement is to:

"Promote the economic viability of the commercial fishing fleet in Petersburg, promote the conservation and rational management of North Pacific resources, and advocate the need for protection of fisheries habitat."

C6 Halibut Charter RQE

Petersburg Vessel Owner's Association is opposed to the creation of a Halibut Charter Recreational Quota Entity (RQE). Many of the regulatory areas of Alaska are at lower levels of abundance compared to past years. We know most sectors would prefer more fish, but they are not available at this time. As a result, PVOA urges the Council to implement Alternative 3, which would identify and retire the latent Charter Halibut Permits. We believe this is the best alternative to help the active participants of the charter sector obtain more fish without disrupting the commercial sector. There are several reasons why our organization is afraid the commercial sector and consequently costal communities would suffer from the RQE program.

PVOA's main concern from the RQE program is the social-economic impacts on our commercial fishermen and the small coastal economies dependent on the commercial fishing industry. The prices of quota are very high at this time and would certainly increase if this proposal were implemented. Increasing prices would result in consolidation and reduced availability to fishermen trying to break into the industry. Consolidation also reduces jobs from crew to processors. In Petersburg

and some other coastal communities, the economic activity created by harvesting halibut by the commercial fleet; fuel, bait, ice, food, processing labor, vessel parts and maintenance, etc, are much higher than that created by our charter fleet. Quota shares in the commercial sector create more local employment opportunities than it does in the charter sector.

Another of PVOA's major concerns is that fishermen would not be able to compete with the financing proposed to back the RQE. All of the financing alternatives have the potential of raising an infinite amount of funds to purchase quota. We are afraid it would raise quota prices to a level that our fishermen would not be able to acquire it.

PVOA realizes that both the commercial and charter sector are important to the economies of coastal communities. We believe Alternative 3 is the best solution to aid the charter sector in obtaining more fish without re-allocating it from the commercial fleet. This option seems to benefit coastal economies in a utilitarian way. Reducing the capacity of the charter fleet would create a higher annual harvest for the remaining permits. Since the remaining permits would all be actively fishing businesses with a higher quota it would increase the flow of income from the charter sector without reducing the flow of income from the commercial sector.

Several of our members have leased quota to charter operations in our community. Their perception of the GAF program is that it is working well for both sectors. They are willing to continue to lease quota but do not want the shares to leave the commercial sector.

Ultimately, PVOA recommends the Council implement Alternative 3, which would identify and retire the latent Charter Halibut Permits. We believe this the best solution to help the active participants of the charter sector obtain more fish, without harming the commercial sector.

D2 Halibut Retention in Sablefish Pots Discussion

PVOA's members are opposed to allowing the retention of any halibut caught in sablefish pots. Because halibut are very rarely caught as by catch on hook and line gear, our members don't expect to catch many if they switch to pots. The two species are generally fished for on very different grounds.

The Council's decision in April did not define the characteristics of a sablefish pot. This allows fishermen to find what works best through trial and error for their specific operation. This ambiguity could however lead to pots being built that catch halibut very efficiently. If the retention of halibut is not legal a pot fishermen will

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not be tempted to target halibut and create gear conflicts with hook and line halibut fishermen. Our members believe the decision to allow or not allow the retention of halibut will significantly influence the design of sablefish pots.

Our members support a sablefish pot fishery to deal with predation issues, but don't want halibut to become a pot fishery as a result. If the exception is made to allow the retention of halibut from a sablefish pot, crab pot fishermen who own quota may feel they deserve the same right.

Thank you for the opportunity to comment on these agenda items. PVOA members met several times to discuss the Halibut Charter RQE proposal and retention of halibut and the potential impacts of these issues. We will have members present at the December meeting to answer any questions.

Respectfully,

Megan O'Neil

Executive Director

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