

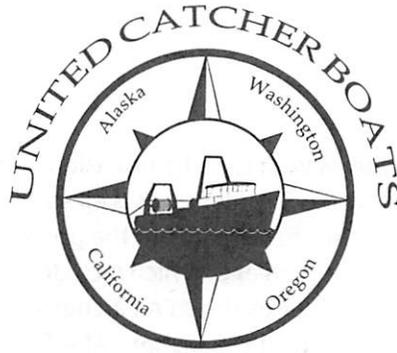
PUBLIC TESTIMONY SIGN-UP SHEET

Agenda Item: C6 BSAI Pod trawl CV

Check the boxes below if you will have a PowerPoint or Handout

	NAME (Please Print)	TESTIFYING ON BEHALF OF:	Handout	PPT	
1	Omar Allinson	Miss Leona Family			3
2	Steve Beard	Golden Discs			3
3	Mark Cooper	F/V Perseverance			3
4	BRENT PAINE	UCB	X		6
5	Nicole Kimball	PSPA			6
6	Earlin Yeager	Unalaska Fleet Coop			6
7	Tom Evick	Y under 60 - A/E			3
8	JASON CHANDLER	SELF F/V TOPAZ			3
9	Justin Johnson	F/V Pegasus			3
10	Hannah Heimbach	Under Sixty Cod Harvesters			6
11	Frank Kelly, Jim Erik Pave	Gregory Corp of UNALASKA	X		6
12	Steve Minor	Gouren Harvest			3
13	Matt Upton	U.S. Seafoods	X		3
14	Bert Ashley	F/V GOLD RUSH			3
15	JOHN GRUVER	AFA CV INTRACOOP			6
16	Todd Loomis	Ocean Peace, Inc.			3
17	dave Praser	ACDC			6
18	Paddy O'Donnell	F/V CACAVELLE			3
19	Heather Mann	Midwater Trawlers Coop			6
20	CHRIS WOODLEY	GROUND FISH FORUM		X	6
21	Mike Hyde	American Seafoods			3
22	JOE PLESHA	TRIDENT SEAFOODS			3
23					
24					
25					

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.



North Pacific Fishery Management Council
605 West 4th Street Suite 306
Anchorage, AK 99501

May 31, 2018

Re: Agenda Item C6 BSAI Pacific cod Trawl CV Fishery Preliminary Analysis

Dear Chairman Hull and Members of the Council,

The members of United Catcher Boats (UCB) thank you for examining the current problems we are experiencing in the Eastern Bering Sea trawl catcher vessel Pacific Cod fishery and appreciate your development of a Purpose and Need statement and an initial set of alternatives to examine to solve the 'race for fish' issue and associated problems.

UCB represents the interests of the owners of 70 trawl catcher vessels that have extensive history participating in the BSAI CV trawl fisheries. The situation currently occurring in the Bering Sea Pacific cod trawl fishery is of utmost importance to UCB members.

After review of the problem statement and the four current action alternatives, as well as review of the staff's discussion paper, we strongly encourage the Council to initiate analysis with modifications to the Purpose and Need Statement and the inclusion of two additional alternatives for analysis. Please see that attached document that includes our recommended modifications to the Purpose and Need Statement and two additional alternatives.

At your December 2017 meeting (with an update at the April 2018 meeting), UCB and other industry representatives provided public testimony stating the concerns with the current number of vessels and rapid pace of the Eastern Bering Sea cod trawl catcher vessel fishery. To better refine our original ask, UCB is requesting a thorough evaluation of trends and effort in the Bering Sea cod trawl fishery. Too many LLP licenses, and their associated vessels, is only one component of effort in the fishery. While we still believe there may be too many catcher vessels currently participating, it is difficult to simply identify a hard number for the optimal amount of vessels that should be allowed to operate in the fishery when there are elements of the fishery that won't be considered under the set of alternatives identified for analysis by the Council in December 2017. One major element is that we believe needs consideration, or an examination when determining participation in the fishery, is the cooperative structure established under the American Fisheries Act (AFA) for the majority of the catcher vessel participants.

The AFA established Pollock cooperatives with specific provisions for their allocations, structure, and participation by catcher vessels and processing plants, as well as annual reporting requirements. The AFA also added measures to protect other fisheries from the potential adverse effects arising from the formation of an exclusive Pollock harvest privilege, which included the establishment of cod sideboards for those AFA catcher vessels. The AFA requires the AFA catcher vessel fleet to manage their cod sideboard limits in the aggregate. For many of the inshore AFA CV cooperatives, this has allowed fewer AFA catcher vessels the ability to harvest the sideboard limit for the benefit of all the AFA catcher vessels. As a result, all AFA catcher vessels have participated in the BSAI cod trawl fishery even though all of the vessels do not actively harvest P. cod on the grounds every season. Removing some of the AFA vessels' ability to participate in the directed cod fishery (through a prohibition on the use of some LLP licenses) will disrupt the functionality and the successful ability of the AFA catcher vessels to manage their cod fishery via their Innercooperative Agreement (ICA).

In addition, the creation of the Pollock CV cooperatives and the ICA have allowed for increased efficiency, a reduction in regulatory bycatch, an increased utilization rate, a safer fishery, and the production of higher value products. The goal of UCB's proposed Alternative 5 is to capitalize on the multiple benefits achieved under the Pollock cooperative structure for the benefit of the trawl CVs participating in the EBS cod fishery.

The Pollock cooperative structure is a proven effective tool to control and minimize prohibited species catch (PSC), including salmon, halibut, and crab. The current AFA Intercooperative agreement requires its members to stop fishing on those vessels that have exceeded their assigned pro-rata halibut limit; it prohibits fishing at night for Pacific cod; and it requires all member vessels to use a halibut excluder. In addition, a majority of the AFA cooperative members have voluntarily elected to have 100% observer coverage aboard their vessels in order to obtain the best and most accurate bycatch information at the individual vessel level.

To facilitate the use of the Pollock cooperative structure for the benefit the BSAI cod resource, UCB anticipates amending the current Intercooperative Agreement to include specified provisions related to the Pacific cod fishery. Examples could include an agreement to limit on the number of AFA CVs on the Unimak cod grounds at any given time, agreements with the processors to deliver a certain quality of fish (time in the fish hold, bleeding, chilling requirements), halibut bycatch management measures, and other provisions the NPFMC might want the ICA members to consider. We envision an ICA cod management program similar to how the ICA governs its members' Chinook and chum management program for their Pollock fishery.

Capitalizing on emerging market opportunities should not come at the cost of safety, reasonableness, or the erosion of traditional markets available to the trawl catcher vessel fishery. Prior to the influx of new participants, and after the enactment of the AFA, AFA vessels had the ability to fish Pollock and target cod later throughout the A season, but now all vessels with the ability to harvest cod are doing so at the very beginning of the season prior to a rapid closure due to the race for fish problem. Because there are long-standing relationships between processors and catcher vessels, it is expected that proposed Alternative 5 would allow both processors and catcher vessels to create more value out of their cod product. It is anticipated that this alternative will allow for a steadier and more predictable fishery, which will promote more shoreside investment thereby benefiting processors, vessels, and communities

Proposed Alternative 6 is intended to restructure the Eastern Bering Sea trawl fishery's Stellar Sea Lion Pacific cod apportionments to allow for the ability to more fully utilize the individual trawl sector's seasonal apportionment without triggering a major ESA SSL consultation or reconciliation. Prior to the SSL fishery management measures, the EBS trawl CV fleet harvested 100% of its cod fishery in the current A season time period (late January through mid-April). Use of P. cod by the CV trawl fleet outside of this period is for incidental catch of cod in other target fisheries like Yellowfin Sole or Pollock. For the AM-80 C/P vessels, the enactment of the provisions of Amendment 80 and Amendment 85 has resulted in their need for P. cod throughout the entire fishing year as incidental fish in their main target fisheries as they no longer have a directed P. cod fishery in the winter months. The suggested percentages for the A, B & C season apportionments for the trawl sectors were calculated by examining the NOAA Fisheries catch information and cooperative reports to the NPFMC by the trawl participants (C/P and CV sectors). Analysis in an EA/RIR document can provide information to inform the Council on the best or optimal apportionment percentages.

To summarize, the members of United Catcher Boats want to see prosecution of the BSAI Pacific cod fishery done in the safest, most reasonable manner possible for the benefit of all users of this vital resource. We believe that the inclusion of the two proposed new alternatives (and modifications to the Purpose and Need Statement) will provide for a more well-rounded and robust analysis that will better inform the Council throughout its decision-making process. Inclusion of the proposed changes will produce a more holistic analytical package with potential solutions available for all Bering Sea cod participants: catcher vessels, shoreside processors, catcher processors, and communities. Thank you for your time and consideration of this very important issue.

Sincerely,

A handwritten signature in black ink that reads "Brent C. Paine". The signature is written in a cursive, flowing style.

Brent Paine, Executive Director

**United Catcher Boats Proposed Changes/Additions
C.6 BSAI Pacific cod Trawl Catcher Vessel Preliminary Review
June 2018**

UCB recommends following changes to the NPFMC'S December 7, 2017 motion (additions presented in **bold** and deletions shown in ~~strikethrough~~).

Purpose and Need

During development of Amendment 80 to the Bering Sea-Aleutian Islands Fishery Management Plan, and associated rule making, the Council was silent on the ability of catcher processors defined in Amendment 80 to act as motherships in limited access fisheries. Recent increases of Amendment 80 catcher processors acting as motherships has resulted in an increase in the amount of Pacific cod delivered to Amendment 80 catcher processors, an increase in the number of catcher vessels delivering Pacific cod to motherships, and a decrease in the amount of Pacific cod delivered to shoreside processing facilities. The Council is concerned about the impacts of the recent increases and potential for future growth in offshore deliveries of Pacific cod to Amendment 80 vessels or other vessels operating as motherships, and the potential impacts those increases could have on shoreside processors, communities, and participating catcher vessels. The Council intends to address the activity of vessels acting as motherships.

In addition, there are ~~108~~ **both AFA and non-AFA** licenses endorsed to fish in the BSAI trawl cod fishery, including ~~76~~ exempt and non-exempt AFA vessels. Information ~~indicates there are a shows a large~~ number of these ~~AFA endorsed~~ vessels which are not actively participating, but whose catch history contributes to the AFA Pacific cod sideboard in the Bering Sea trawl cod fishery. ~~These AFA endorsed vessels that are not participating also benefit from secure allocation of pollock.~~ Despite a high level of ~~some latency amongst available licenses~~, the pace of the fishery has increased **significantly in recent years. This has resulted in a shortening the season, and a resulting in decreased ability to maximize the value of the fishery and negatively impacting fishery to all participants.** Additional entrants could exacerbate these issues and threaten the viability and **competitive nature** of the fishery. The Council is considering improving the prosecution of the fishery, with the intent of **promoting safety and increasing the value of the Bering Sea-Aleutian Islands Pacific cod fishery, by considering options that limiting entry of vessels, shift seasonal cod allocations, and/or create seasonal fishery sub-sectors. that have not participated or have not participated recently.**

Alternative 1. No Action

Note: Alternatives 2 through 6 below are not mutually exclusive.

Alternative 2. A catcher processor may take deliveries of Pacific cod from catcher vessels participating in the Bering Sea-Aleutian Islands (BSAI) non-CDQ Pacific cod trawl fishery if the catcher processor acted as a mothership and received Pacific cod deliveries as follows:

Option 1: Amendment 80 catcher processors acting as motherships during 2015-2017

Sub-option 1.1: in any year

Sub-option 1.2: in any two years

Sub-option 1.3: in any three years

Option 2: Non-Amendment 80 vessels acting as motherships during 2015-2017

Alternative 3. The total amount of BSAI non-CDQ Pacific cod catcher vessel trawl sector allocation that can be delivered to Amendment 80 vessels acting as a mothership is equal to the percentage of trawl catcher vessel sector's BSAI Pacific cod delivered to catcher processors acting as motherships relative to the total BSAI catcher vessels trawl catch between:

- Option 1: 2015-2017
- Option 2: 2016-2017
- Option 3: 2008-2017

Alternative 4. Prohibit use of LLP licenses in the BSAI trawl cod fishery that are not attributed a directed BSAI trawl cod landing between:

- Option 1: 2010-2017
- Option 2: 2012-2017
- Option 3: 2010-2015
- Option 4: 2012-2015

Alternative 5. Apportion the Bering Sea CV trawl A season into two sub-sectors: AFA (86.09%) and non-AFA (13.91%). This split would apply to the catcher vessel cod trawl A season for only the Bering Sea sub-area fishery in years when the 5,000 mt Aleutian Island set aside is in place. For years without an Aleutian Islands set-aside, the split will apply to the entire BSAI CV trawl A season allocation. B and C season Pacific cod allocations would return to a single sector allocation (AFA and non-AFA combined) to cover incidental cod catch in other fisheries. However, if a significant amount of cod rolled into the B and/or C season results in NMFS' ability to open a catcher vessel cod trawl directed fishery, it would also be managed as a single sector fishery.

Option 1: The AFA sub-sector will be managed via an Intercooperative Agreement (ICA).

Option 2: The non-AFA sub-sector will be managed consistent with Open Access style fisheries.

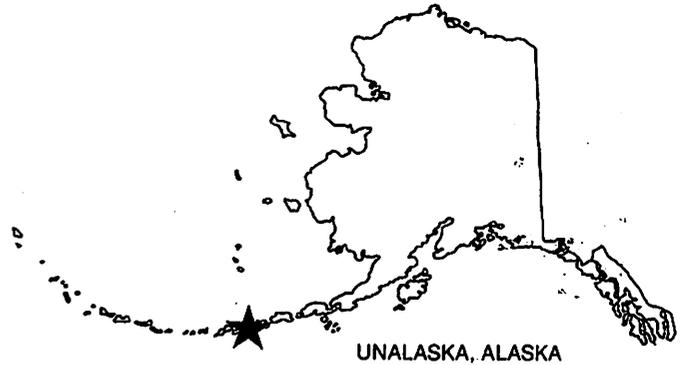
Option 3: Halibut and crab PSC allocations will be divided pro-rata for the AFA and non-AFA catcher vessel sub-sectors.

Alternative 6. Modify the current BSAI trawl Pacific cod fishery seasonal allocations.

Revised Apportionments	Annual Trawl Sector %'s	A Season Sector %	B Season Sector %	C Season Sector %
A80 Trawl Cod TAC	13.40%	48.00%	27.00%	25.00%
CV Trawl Cod TAC	22.10%	90.00%	5.00%	5.00%
AFA C/P Trawl Cod TAC (no change)	2.30%	75.00%	25.00%	0.00%
All Trawl Sector Cod TAC %	37.80%			

CITY OF UNALASKA

P.O. BOX 610
UNALASKA, ALASKA 99685-0610
(907) 581-1251 FAX (907) 581-1417



June 6, 2018

Dan Hull, Chairman
North Pacific Fisheries Management Council
605 W. 4th Ave. Suite 306
Anchorage, Alaska 99501

Subject: Agenda Item C-6

Dear Chairman Hull,

I'm writing to you today in strong support of the continued development of Alternative 3. The City of Unalaska believes that this alternative could provide the needed sideboard protections for the continued catcher vessel deliveries to Unalaska and other fishery dependent communities in the Bering Sea area. We know that there have been some discussions on making this a Bering Sea Cod proposal and not included the Aleutians Islands and that sideboard protection may only be needed during the A/B seasons. We haven't taken a position on those issues as of yet and will watch as the Alternatives develop during the analysis.

The City of Unalaska is this nation's number one commercial fishing port is highly dependent on fishery landings made by catcher vessels that deliver Pollock, Pacific Cod and various crab species to Unalaska's shore-based processing plants. The fishing industry of the Bering Sea is our only industry and if it is negatively impacted; it is felt in all sectors of the community from revenues to the City, to the processing plants, harvesters support sector businesses.

The shore plants in Unalaska, Akutan and King Cove have invested tens of millions in their respective communities through taxes paid, plant upgrades, wages, goods and service purchased from support business, scholarships funds, and donations to charitable causes. In Unalaska alone, real property taxes paid by the 5 major shore-based companies for FY18 came in at \$1.1 million dollars and millions more in sales taxes and local and state shared fishery taxes 12-15 million dollar ranges.

The investments made in cod processing plant upgrades recently done by Unalaska shore-based plants is substantial, in the many millions of dollars. To further show the importance of cod processing to Unalaska, I have included with this memo a 5-year spread sheet on cod deliveries to Unalaska shore-based plants, based on volume, value and taxes paid and a 3 year look at A/B season cod landings for 2016-2018 which points out the decline in landing to Unalaska shore-based plants.

Dan Hull, Chairman
North Pacific Fisheries Management Council
June 2, 2018

We feel that sideboards are very important in preserving the historical catches of Pacific Cod that shore-plants depend on. The Pacific Cod fishery in the Bering Sea has a large percentage of the cod fishery sectors that are still un-rationalized, they include the catcher vessel trawl, catcher vessel >over 60' processor and CV pot and the 60< fixed gear sector all still in the race for fish. The Pacific Cod fishery after the Pollock fishery is the next most important species that is processed by the local Unalaska shore plants. Unalaska shore plants are already facing added pressure on the Pacific Cod fishery, with the Bering Sea Cod allocation taking a 15% reduction in 2018 federal water total allowable catch (TAC). We expect to additional vessels moving into the Bering Sea federal water fishery, with the decline in the Gulf of Alaska Cod fishery as well as additional requests to the Board of Fisheries for increases to the Bering Sea state water Pacific Cod fishery. This past A season we saw cod catcher vessels allocations taken in record time in some cases in just a few weeks as well as a reduction in landings to Unalaska shore-plants.

These impacts mean shorter fishing season, less revenue for harvesters, processors, and support sector businesses. Unalaska will also have face impacts to employment in all sectors of the community, especially the processing plants, the support sector businesses and the people that work on the waterfront and transportation sectors.

Once again; thank you for your consideration of our comments on C-6 BSAI Pacific Cod trawl catcher vessel issue, we look forward to providing comments and testimony in the future on this very important issue to the City of Unalaska.

Sincerely

CITY OF UNALASKA



Frank Kelty
Mayor

Pacific Cod Landings in Unalaska, Harvest, Value and Tax Information

Pacific Cod Harvest Year	lbs.	Ave Price lbs.	Gross Sale	2% Local tax	AK Bus State 3%	Total Taxes
2013	66,203,669	\$0.26	\$17,469,599.88	\$349,391.99	\$524,087.99	\$873,479.98
2014	70,568,521	\$0.33	\$23,399,594.12	\$467,992.46	\$701,988.69	\$1,169,981.15
2015	70,218,979	\$0.24	\$17,080,862.13	\$341,617.24	\$512,425.86	\$854,043.01
2016	76,554,095	\$0.23	\$18,277,081.07	\$365,541.62	\$548,312.42	\$913,854.04
2017	70,433,197	\$0.30	\$21,992,733.91	\$439,854.78	\$659,782.01	\$1,099,636.79
2018-4/30/18	54,370,591	\$0.37	\$20,163,315.68	\$403,266.03	\$604,899.45	\$1,058,573.75
Totals	408,349,052	\$0.29	\$118,383,176.79	\$2,367,663.73	\$3,551,495.60	\$5,919,159.33
Cod A/B Season Landings	lbs.					
2018	54,370,591					
2017	65,153,408					
2016	70,887,331					
Note: Average price per pound is influenced						
by Cod that goes to fish meal at a lower price per pound.						
These landings are combined trawl and pot cod highest percentage is from the trawl sector.						
Note: Alaska State Shared 3% tax is shared at 50% with the community the product was landed in .						



June 1, 2018

Mr. Dan Hull, Chairman
North Pacific Fishery Management Council

RE: C6 BSAI Pacific Cod Trawl Catcher Vessel Fishery

Dear Chairman Hull,

Thank you for the opportunity to comment on the Council's potential action affecting the BSAI Pacific cod trawl catcher vessel fishery. United States Seafoods, LLC ("US Seafoods"), operates Amendment 80 trawl catcher processors ("A80 CPs") and non-AFA trawl catcher vessels ("trawl CVs") with extensive history in the BSAI Pacific cod trawl CV fishery. As the Council considers different ways to address recent changes in the fishery, particularly within offshore cod processing, US Seafoods asks that the Council consider our long-term history in the fishery and fashion any action to avoid disrupting our historical dependence.

US Seafoods has operated vessels in the offshore cod sector since the early 2000s. NMFS specifically identified US Seafoods history of offshore deliveries of trawl CV cod in the Amendment 80 final rule to justify the rule's permitting the use of Amendment 80 vessels as mothership vessels. US Seafoods invested in and depends on its catcher vessels' harvests of offshore Pacific cod. Its catcher vessels have no secure allocations in Bering Sea and Aleutian Islands fisheries to rely on. Three of these vessels are unable to fish in the Gulf of Alaska. Two of the vessels do not have tanks to deliver cod shoreside. As a result, our business depends on their ability to deliver fish offshore, including catches in the Bering Sea and Aleutian Islands cod fisheries.

Our company has a history of managing our offshore operations in a manner that aides the Council in achieving its management objectives. At great cost, we have stood down in the Aleutian Islands cod fisheries multiple times to assist the processing plant in Adak. Any Council action creating sideboards for the offshore sector would not credit these actions by US Seafoods. In addition, creating an offshore sector sideboard accessible to both long term participants and newer entrants will unjustly enrich newer entrants at the expense of the long-term participants.

The Council purpose and need statement expresses its concern for "recent increases and potential for future growth in offshore deliveries of cod". US Seafoods' historical operations are not part of this increase and should not be jeopardized by this action.

Best regards,

Matthew J. Doherty, President
United States Seafoods, LLC

Groundfish Forum Comments on BSAI Pacific Cod Trawl CV

North Pacific Fishery Management Council (June 2018)

Agenda Item C-6

Purpose and Need Statement

*During development of Amendment 80 to the Bering Sea and Aleutian Islands Fishery Management Plan and associated rule making, the Council was silent on the ability of catcher processors defined in Amendment 80 to act as motherships in limited access fisheries. Recent increases of Amendment 80 catcher processors acting as motherships has resulted in an increase in the amount of Pacific cod delivered to Amendment 80 catcher processors, an increase in the number of catcher vessels delivering Pacific cod to motherships, and a decrease in the amount of Pacific cod delivered to shoreside processing facilities. The Council is concerned about the impacts of the recent increases and potential for future growth in offshore deliveries of Pacific cod to Amendment 80 vessels or other vessels operating as motherships, and the potential impacts those increases could have on shoreside processors, communities, and participating catcher vessels. **The Council intends to address the activity of vessels acting as motherships.***

*In addition, there are 108 licenses endorsed to fish in the BSAI trawl cod fishery including 76 exempt and non-exempt AFA vessels. Information shows a large number of AFA endorsed vessels are not participating, but whose catch history contributes to the AFA Pacific cod sideboard in the Bering Sea trawl cod fishery. These AFA-endorsed vessels that are not participating also benefit from the secure allocation of pollock. Despite a high level of latency, the pace of the fishery has increased shortening the season, resulting in decreased ability to maximize the value of the fishery and negatively impacting fishery participants. Additional entrants could exacerbate these issues and threaten the viability of the fishery. **The Council is considering improving the prosecution of the fishery, with the intent of increasing the value of the fishery, by considering limiting entry of vessels that have not participated or have not participated recently.***

Current Apportionments	Annual Trawl Sector %'s	A Season Sub-Sector %	B Season Sub-Sector %	C Season Sub-Sector %
A80 Trawl Cod TAC	13.40%	75.00%	25.00%	0.00%
CV Trawl Cod TAC	22.10%	74.00%	11.00%	15.00%
AFA C/P Trawl Cod TAC	2.30%	75.00%	25.00%	0.00%
All Trawl Sector Cod TAC %	37.80%			

Revised Apportionments	Annual Trawl Sector %'s	A Season Sector %	B Season Sector %	C Season Sector %
A80 Trawl Cod TAC	13.40%	48.00%	27.00%	25.00%
CV Trawl Cod TAC	22.10%	90.00%	5.00%	5.00%
AFA C/P Trawl Cod TAC (no change)	2.30%	75.00%	25.00%	0.00%
All Trawl Sector Cod TAC %	37.80%			

October 9, 2017

North Pacific Fishery Management Council

E-1 Staff Tasking – Pacific cod BS, AI and GOA; Obstacles to the complete harvest.

Motion

The Council requests that staff add a module to the BSAI cod allocation review outlining steps necessary to remove obstacles that impede achieving, on a continuing basis, the complete harvest of Pacific cod allocations in the Bering Sea, Aleutian Islands, and add a similar discussion when reviewing the allocations in the Gulf of Alaska .

The discussion paper should outline the process for reallocating Pacific cod , and options for NMFS and the Alaska Department of Fish and Game to facilitate the harvest by state and federal fishery participants of stranded allocation of Pacific cod in state waters (GHL) fisheries, with a focus on the Aleutian Island Sub district (AIS) GHL fishery.

The discussion paper should also address impediments to the complete harvest of Pacific cod allocations in the federal fisheries, including the below allocations, and to examine steps to facilitate earlier season rollover of BSAI Pcod (e.g. Amdt 85) allocations by NMFS.

- ICA on fixed gear in the BSAI allocation
- ICA in the GOA
- GOA Rock Fish Pilot Program allocation
- Amendment 80 fleet allocation