C1 CGOA Rockfish Program
Adjustments
Final Action

June 2022
Jon McCracken
Introduction

- February 2022 – Council initiated an analysis to modify the CGOA Rockfish Program

- April 2022 – After initial review, Council released analysis for final action at this meeting. Council also selected a PPA
  - Change season start date from May 1 to April 1
  - Eliminate the CV cooperative holding cap of 30%
  - Increase the processor cap to 35% - 40% of the CV quota for sablefish, Pacific cod, and/or primary rockfish
  - Revise the CV aggregate primary rockfish harvesting cap by capping only POP at 8%

- Purpose and need is to increase flexibility and efficiency, improve functionality, and better ensure the rockfish quota are fully harvested and landed in Kodiak as intended (Section 2.2; page 9)
Major Changes from April Initial Review

- Corrected language describing cooperative formation around processors (Section 2.6)
- Enhanced the usability of Figures 2-4 and 2-5 to show monthly data and included a pre-COVID year (Section 2.6.3)
- Included tables showing monthly PSC data (Section 2.6.4)
- Provided additional information about regulations relevant to prohibitions on discarding (page 15)
- Ensured there is a description of the original rationale for season and use caps
- Characterized the administrative costs that are likely to be saved associated with removing the cooperative holding cap of 30% (Section 2.7.2.2)
- Clarified the specifics of what has driven processor consolidation (Section 2.6.7)
- Characterized the potential impacts of changes to the use caps on vessel crew and processors workers (Section 2.7.2.4)
- Included an EA (Chapter 3)
Background

- Section 2.5 notes the analysis draws largely on AM111, CGOA RP review, final RIR for a temporary rule to modify the RP season start date for 2021 (pages 10-11)
- Section 2.6 builds on the background sections from AM111 and final RIR for the emergency rule to include overviews of the following elements:
  - Overall harvest to include vessels, LLP licenses, processing plants, reported catch, exvessel value and wholesale value for CV and CP sectors (Section 2.6.1)
  - TAC and catch of the RP primary and secondary species (Section 2.6.2)
  - **Updated** Seasonal fishing activity for CV and CP RP vessels (Section 2.6.3)
  - **Updated** PSC species (Section 2.6.4)
  - Cooperatives (Section 2.6.5)
  - Excessive share limits (Section 2.6.6)
  - Shore-based processors (Section 2.6.7)
  - Fishing communities (Section 2.6.8)
  - Rockfish products (Section 2.6.9)
  - Safety considerations (Section 2.6.10)
  - Cost recovery (Section 2.6.11)
Option 1: April 1 Start Date

- In February 2021, the Council recommended, and the Agency approved an emergency rule to modify the RP start date for 2021 to April 1
  - Intended to address negative economic and social impacts on harvesters and processors participating in the RP due to the COVID-19 pandemic
- Given the ongoing potential of another COVID-19 pandemic outbreak and the loss of the April arrowtooth market due to the trade tariffs Council proposed changing the RP start date to April 1
Option 1: April 1 Start Date

- Alternative 1 would maintain the May 1 start date:
  - Continued reduced operations in April since there are limited fisheries during this period
  - Limit flexibility to adapt to COVID-19 restrictions which could lead to overlapping operational conflicts between the RP and the salmon fisheries

- Alternative 2, Option 1 would change the start date to April 1:
  - Provide enhanced flexibility to mitigate some of operational impacts from the loss of the April flatfish market
  - Adjust operations if future COVID-19 outbreaks occur to prevent overlapping RP and salmon operations
  - Included monthly halibut and Chinook salmon PSC data for CVs (Figures 2-3 and 2-4 on page 24 and 25) which shows April 2021 data relative to other months. PSC rates for both halibut and Chinook lower than other months
  - CPs monthly data is confidential but normally have not fished in the RP earlier than June. Starting in 2020, 1 CP has fished in the RP in May. Sector will likely focus on BSAI trawl fisheries until June with one CP maybe entering the May fishery
Option 2: Elimination of CV Cooperative Holding Cap

- The cooperative holding cap was intended to provide greater opportunity for multiple shorebased processors to receive RP quota.

- Alternative 1 would maintain 30% CV cooperative holding cap:
  - Would limit cooperative consolidation
    - Despite no regulation that prevents multiple cooperatives being associated with the same processor.

- Alternative 2, Option 2 would remove the 30% CV cooperative holding cap:
  - Would likely reduce the minimal management and administrative costs for those cooperatives associated with the same processor that would like to consolidate into one cooperative.
  - Only two cooperatives are currently associated with same shorebased processor, and if combined, the CQ would exceed the existing 30% cap.
    - Likely these two cooperatives would consolidate into a single cooperative under this option.
Option 3: Increase the CV Quota Share Pool Processor Caps

- Processor caps were intended to maintain the distribution of processing activity to a minimum of 4 processors, which would benefit employees of those plants.
- Cap was also intended to stabilize the Kodiak processing sector.
- From 2012 – 2014, there were 7 shorebased processors.
- Starting in 2015, the number of shorebased processors declined to low of 4 in 2020 and 2021.
  - In 2014, Trident purchased Western Alaska Fisheries, so in 2015 Western Alaska Fisheries Rockfish Cooperative associated with Star of Kodiak as its processor.
  - Global Seafoods ceased processing operations altogether in 2018.
  - Pacific Seafoods no longer takes rockfish deliveries.
- As a result of the declining number of shorebased processors, the 30% processing cap has become constraining for some shorebased processors.
Option 3: Increase the CV Quota Share Pool Processor Caps

- Alternative 1 would maintain the 30% CV shorebased processing caps for sablefish, Pacific cod, and primary rockfish:
  - Given the current 30% caps are constraining for Pacific cod, sablefish, and the primary rockfish, these three fisheries will continue to be constraining under Alt 1
    - Would likely result in some portion of the CV quota remaining unharvested
  - Primary species could be even more constraining under Alt 1 if the Council revises the vessel use cap (Option 4) to only limit POP to 8%
Option 3: Increase the CV Quota Share Pool Processor Caps

- Alternative 2, Option 3 would increase the CV shorebased processing caps to 35% - 40%:
  - Would likely provide additional flexibility to ensure all the CV quota is harvested and processed
    - PPA of 40% would provide slightly more flexibility relative to 35%
  - The 30% CV shorebased processing cap is constraining for Pacific cod, sablefish, and the primary rockfish species for some processors
  - In addition, revising the vessel use cap (Option 4) could increase the risk of a 30% processor cap for primary rockfish species being even more constraining
Option 3: Increase the CV Quota Share Pool Processor Caps

- Increase the CV shorebased processing caps to 35% - 40% (Alt 2):
  - Increasing processors cap could improve economic efficiencies for those processors constrained by the current caps
    - Processors can operate at a more efficient capacity, which may reduce costs per unit of production
  - Overall, the proposed processor caps will ensure that a minimum of three Kodiak processors will be required to process all the CV rockfish quota while providing some additional flexibility for current Kodiak processors
Option 4: Revise CV Aggregated Rockfish Vessel Use Cap

- Vessel use cap was intended to ensure that harvest activity does not exceed the specified threshold and at a minimum 13 harvesting vessels would be needed to harvest all the CV quota.
- As noted in Table 2-1 (page 13), in 2021 there were 26 CVs active in the RP.
- CAS data indicates no CVs have exceeded the 8% harvesting cap limit.
  - Three or fewer CVs have reported primary species catch data approaching the 8% limit.
- Catch amongst the three primary species is very different:
  - Figure 2-1 (page 14) shows that POP is a fully harvested species.
  - Figures 2-2 & 2-3 (page 15) shows that northern rockfish and dusky rockfish are far from a fully harvested species.
  - The reason northern and dusky rockfish species are not fully utilized is because they are much harder to catch relative to POP and CVs have a limited window to harvest the RP quota.
Option 4: Revise CV Aggregated Rockfish Harvesting Cap

- Alternative 1 would leave in place the existing 8% CV aggregate rockfish use cap:
  - Would likely continue a pattern of low quota harvests of northern rockfish and dusky rockfish due to the difficulty catching these two rockfish species relative to POP
- Alternative 2 would revise the CV aggregated rockfish use cap to only cap POP at 8%:
  - Could provide an incentive to harvest a greater portion of the northern rockfish and dusky rockfish CV quota since these species would not have a vessel use cap
  - One to three CVs have harvested rockfish quota near the aggregate cap, but have never exceeded the cap
  - The CVs that harvested rockfish quota near the 8% cap primarily harvest POP, so maintain the 8% cap for POP will continue to restrict these vessels from exceeding the cap for POP
Environmental Assessment

- EA was conducted to assess the impact on the alternatives to the following biological resource components
  - Target species
  - Unallocated species, including PSC
  - Essential Fish Habitat (EFH)
Alternatives

- **Alternative 1: Status Quo**
- **Alternative 2:** Amend the current Rockfish Program with the following options:
  1. Change season start date from May 1 to April 1
  2. Eliminate the CV cooperative holding cap of 30%
  3. Increase the processor cap to 35% - 40% of the CV quota for sablefish, Pacific cod, and/or primary rockfish
  4. Revise the CV aggregate primary rockfish harvesting cap by capping only POP at 8%

Throughout the EA, it was found that Alternative 2, options 2,3,4 would have no adverse environmental effect.
Target Species Life History

- Primary Species Life History is largely unknown
  - Northern, Dusky and Pacific Ocean Perch (POP)

- POP thought that larvae remain in offshore surface water
- 3 years they migrate to deeper/offshore habitats

- Alternative 2, Option 1, adjusting the start date of April 1 for the RP, is unlikely to have impacts to the process of spawning/parturition and or larval dispersal for RP species

- During their larval pelagic state, it is unlikely fishing or fishing gear will negatively impact development
Target Species and Vessel Participation

- CPs did not utilize the April start date
  - Earliest enter date for CP participating in the RP was May
- Despite vessel participation in April, analyst estimate it would be unlikely that the early start date would negatively impact target species life history and parturition.
- CVs utilized the flexible April 1 start date in 2021 (seen in Fig 3-4)
- Alternative 2, Option 1, adjusting the start date of April 1 for the RP, is unlikely to have impacts to the process of spawning/parturition and or larval dispersal for RP species
- CV and low CP vessel participation is unlikely to have negligible impact on April parturition phase for primary RP species
<table>
<thead>
<tr>
<th>Month</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>OA</td>
<td>RP</td>
<td>Total</td>
<td>OA</td>
</tr>
<tr>
<td>January</td>
<td>1</td>
<td>3</td>
<td>4</td>
<td>2</td>
</tr>
<tr>
<td>February</td>
<td>12</td>
<td>12</td>
<td>24</td>
<td>61</td>
</tr>
<tr>
<td>March</td>
<td>20</td>
<td>20</td>
<td>40</td>
<td>558</td>
</tr>
<tr>
<td>April</td>
<td>145</td>
<td>225</td>
<td>370</td>
<td>725</td>
</tr>
<tr>
<td>May</td>
<td>155</td>
<td>4,012</td>
<td>4,167</td>
<td>132</td>
</tr>
<tr>
<td>June</td>
<td>*</td>
<td>2,315</td>
<td>*</td>
<td>2,980</td>
</tr>
<tr>
<td>July</td>
<td>3,792</td>
<td>2,144</td>
<td>5,936</td>
<td>5,398</td>
</tr>
<tr>
<td>August</td>
<td>366</td>
<td>3,007</td>
<td>3,373</td>
<td>205</td>
</tr>
<tr>
<td>September</td>
<td>272</td>
<td>494</td>
<td>765</td>
<td>891</td>
</tr>
<tr>
<td>October</td>
<td>78</td>
<td>405</td>
<td>482</td>
<td>550</td>
</tr>
<tr>
<td>November</td>
<td>29</td>
<td>1,402</td>
<td>1,431</td>
<td>*</td>
</tr>
<tr>
<td>December</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>Total</td>
<td>4,954</td>
<td>13,778</td>
<td>18,732</td>
<td>7,541</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Month</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022 thru May 26</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>OA</td>
<td>RP</td>
<td>Total</td>
<td>OA</td>
</tr>
<tr>
<td>January</td>
<td>4</td>
<td>10</td>
<td>14</td>
<td>34</td>
</tr>
<tr>
<td>February</td>
<td>119</td>
<td>24</td>
<td>143</td>
<td>263</td>
</tr>
<tr>
<td>March</td>
<td>377</td>
<td>274</td>
<td>651</td>
<td>246</td>
</tr>
<tr>
<td>April</td>
<td>193</td>
<td>6,671</td>
<td>6,864</td>
<td>246</td>
</tr>
<tr>
<td>May</td>
<td>206</td>
<td>3,191</td>
<td>3,397</td>
<td>263</td>
</tr>
<tr>
<td>June</td>
<td>4,318</td>
<td>1,916</td>
<td>6,234</td>
<td>2,046</td>
</tr>
<tr>
<td>July</td>
<td>1,769</td>
<td>1,100</td>
<td>2,869</td>
<td>842</td>
</tr>
<tr>
<td>August</td>
<td>708</td>
<td>1,407</td>
<td>2,115</td>
<td>523</td>
</tr>
<tr>
<td>September</td>
<td>654</td>
<td>1,252</td>
<td>1,906</td>
<td>587</td>
</tr>
<tr>
<td>October</td>
<td>*</td>
<td>1,196</td>
<td>*</td>
<td>1,184</td>
</tr>
<tr>
<td>November</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>0</td>
</tr>
<tr>
<td>December</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>8,941</td>
<td>16,528</td>
<td>25,469</td>
<td>4,848</td>
</tr>
</tbody>
</table>
Stock Author Consultation

- Stock author agrees that the early start date will likely have minimal impacts on the primary RP species
  - Model projections of biomass and apply catch account for some catch prior to spawning
  - Encounters with spawning fish may provide an opportunity for increased collection of information about RP species reproductive biology
  - Stock authors suggest continued monitoring of vessel participation during April months in conjunction with monitoring of the primary stock status
Unallocated Species and PSC Species

- Since the RP was implemented in 2012, PSC rates have declined for both Chinook and Halibut.

- Chinook Salmon
  - Timing of Chinook salmon bycatch follows a predictable pattern in most years, corresponding primarily with seasonal openings of the pollock fishery
  - 2021 season Stats:
    - April: 66 salmon; November: 993 (highest)

- Halibut
  - The rockfish fishery generally accounts for between 2-16 % percent of the halibut bycatch of these vessels in the GOA
  - 2021 Season:
    - April PSC Rate: 0.37; November PSC Rate: 14.00 (highest)

It is not likely that Alternative 2 would result in significant changes to the current levels of bycatch of salmon or halibut as PSC limits are not proposed to change in Alternative 2.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>No. Samples</td>
<td>2,070</td>
<td>398</td>
<td>635</td>
<td>493</td>
<td>280</td>
<td>499</td>
<td>686</td>
<td>1,106</td>
</tr>
<tr>
<td>Russia</td>
<td>0.0%</td>
<td>0.1%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Coast W AK</td>
<td>0.0%</td>
<td>0.3%</td>
<td>0.1%</td>
<td>0.5%</td>
<td>0.1%</td>
<td>0.3%</td>
<td>0.3%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Mid Yukon</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Up Yukon</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>N AK Pen</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.2%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>NW GOA</td>
<td>2.2%</td>
<td>3.2%</td>
<td>2.7%</td>
<td>3.7%</td>
<td>2.7%</td>
<td>5.0%</td>
<td>4.2%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Copper</td>
<td>0.3%</td>
<td>0.1%</td>
<td>0.8%</td>
<td>0.3%</td>
<td>2.4%</td>
<td>3.3%</td>
<td>2.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>NE GOA</td>
<td>0.0%</td>
<td>0.1%</td>
<td>0.0%</td>
<td>0.3%</td>
<td>0.0%</td>
<td>0.1%</td>
<td>0.1%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Coast SE AK</td>
<td>6.4%</td>
<td>7.1%</td>
<td>4.8%</td>
<td>6.9%</td>
<td>10.9%</td>
<td>10.7%</td>
<td>2.2%</td>
<td>4.1%</td>
</tr>
<tr>
<td>BC</td>
<td>31.3%</td>
<td>17.4%</td>
<td>18.9%</td>
<td>26.8%</td>
<td>28.1%</td>
<td>28.0%</td>
<td>22.1%</td>
<td>18.3%</td>
</tr>
<tr>
<td>West Coast US</td>
<td>59.9%</td>
<td>71.7%</td>
<td>72.8%</td>
<td>61.5%</td>
<td>55.6%</td>
<td>52.5%</td>
<td>69.2%</td>
<td>72.4%</td>
</tr>
<tr>
<td>SE, BC,WC comb.</td>
<td>97.6%</td>
<td>96.2%</td>
<td>96.5%</td>
<td>95.1%</td>
<td>94.7%</td>
<td>91.1%</td>
<td>93.4%</td>
<td>94.8%</td>
</tr>
<tr>
<td>Total</td>
<td>100.1%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Essential Fish Habitat

- As seen in the most recent 2017 EFH 5-year review, The FE model assumed no bottom contact for GOA slope rockfish pelagic trawl.
  The total number of fishing events for both CV and CP has remained relatively constant.
- Likely a continued trend in decreased habitat for RP species as seen in 2017 EFH 5 year Review
- The rockfish fisheries are likely to continue to have minimal and temporary effects on the essential fish habitat. No long-term negative impacts to essential fish habitat are likely under the program alternatives.
Conclusions

- Alternative 2, options 2, 3, 4 would likely have no adverse environmental effect on target species, unallocated species and PSC, and EFH.

- Alternative 2, option 1 would likely have minimal effect on target species, specifically in life-history alterations including the timing/success of parturition.

- Alternative 2, option 1 would have negligible impacts on unallocated species and PSC species as rates of PSC is highest during the standing RP season, under alternative 1.

- Alternative 2, option 1 would likely have no impact to EFH.
Thank You

Questions?
## Historical Monthly PSC Rates by Rockfish Program

### Halibut

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>April</td>
<td>0</td>
<td>n/a</td>
<td>0.37</td>
</tr>
<tr>
<td>May</td>
<td>6.88</td>
<td>3.98</td>
<td>1.73</td>
</tr>
<tr>
<td>June</td>
<td>0</td>
<td>3.04</td>
<td>1.68</td>
</tr>
<tr>
<td>July</td>
<td>10.74</td>
<td>3.88</td>
<td>2.94</td>
</tr>
<tr>
<td>August</td>
<td>6.01</td>
<td>4.55</td>
<td>3.46</td>
</tr>
<tr>
<td>September</td>
<td>0</td>
<td>5.04</td>
<td>5.12</td>
</tr>
<tr>
<td>October</td>
<td>40.48</td>
<td>3.25</td>
<td>6.17</td>
</tr>
<tr>
<td>November</td>
<td>0</td>
<td>7.94</td>
<td>8.85</td>
</tr>
<tr>
<td>Average across months and years</td>
<td>10.73</td>
<td>3.88</td>
<td>3.01</td>
</tr>
</tbody>
</table>

Source: AKFIN; Source file is PP_MNTH_PSC(5-10-22)

*Based on rockfish targets in the CGOA

**While checked into the RPP or RP

1 Kilograms of PSC per ton of groundfish
## Historical Monthly PSC Rates by Rockfish Program

### Chinook

<table>
<thead>
<tr>
<th>Month</th>
<th>Average monthly Chinook PSC rate(^1) (CVs and CPs combined) across years</th>
<th>Pre-RPP (2003-2006)*</th>
<th>RPP (2007-2011)**</th>
<th>RP (2012-2021)**</th>
</tr>
</thead>
<tbody>
<tr>
<td>April</td>
<td></td>
<td>0</td>
<td>n/a</td>
<td>0.02</td>
</tr>
<tr>
<td>May</td>
<td></td>
<td>0.01</td>
<td>0.19</td>
<td>0.04</td>
</tr>
<tr>
<td>June</td>
<td></td>
<td>0.03</td>
<td>0.09</td>
<td>0.02</td>
</tr>
<tr>
<td>July</td>
<td></td>
<td>0</td>
<td>0.04</td>
<td>0.02</td>
</tr>
<tr>
<td>August</td>
<td></td>
<td>0</td>
<td>0.01</td>
<td>0.02</td>
</tr>
<tr>
<td>September</td>
<td></td>
<td>0</td>
<td>0.06</td>
<td>0.06</td>
</tr>
<tr>
<td>October</td>
<td></td>
<td>0</td>
<td>0</td>
<td>0.03</td>
</tr>
<tr>
<td>November</td>
<td></td>
<td>0</td>
<td>0.01</td>
<td>0.16</td>
</tr>
</tbody>
</table>

**Average across months and years**

| Average across months and years | 0.03 | 0.08 | 0.04 |

Source: AKFIN; Source file is PP_MNTH_PSC(5-10-22)

*Based on rockfish targets in the CGOA

**While checked into the RPP or RP

\(^1\)Chinook/total groundfish