

Patrick O'Donnell

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Mr. Simon Kinneen, Chairman
North Pacific Fishery Management Council
1007 West Third, Suite 400
Anchorage, Alaska 99501-2252
Submitted electronically

Re: C4 BSAI Pacific cod Trawl Catcher Vessel LAPP

Dear Chairman Kinneen:

My Name is Patrick O'Donnell and I own the 85 foot trawl catcher vessel Caravelle. The Caravelle is endorsed to fish in the GOA and Bering Sea; I do not have an Aleutian Islands endorsement. I am one of the Non-AFA catcher vessels that qualify to fish Pacific cod in the Bering Sea and Bering Sea cod remains an important part of my business plan.

Element 2.2-Harvester Allocations. I recommend the Council select 2014-2019 as qualifying years, with the option to drop 2 years. The Central GOA Rockfish Program is based on a 7-year qualifying period, with two drop-years. This best reflected which fishing business actually participated in, and depended on, the fishery at the time the program was implemented. Including drop-years helps account for circumstances beyond the control of the LLP owner (major mechanical issues), and will better reflect recent dependency. If the Council continues with the 2009-2019 suite of years in the PPA then the drop-years are even more appropriate over that longer time period. Moreover, if 2009-2019 is chosen then the Council should consider dropping three years. During development of the Rockfish program motion 28.5% of the years were dropped (2 years out of 7 years), so with a selected PPA of 11 years (2009-2019), a commensurate 28.5% drop would be 3 years. This approach will better balance the qualifying CV's for the PCTC program, and provide balance for the Non-AFA CV's that lack Bering Sea pollock, and the bargaining power and market that come with it.

Element 4-GOA Sideboards. I appreciate the sideboards options that recognize my BS cod history, and do not prevent me from continuing to fish in the GOA. The Caravelle is a Gulf-dependent boat that is also endorsed to fish in the Bering Sea, and the bulk of my fishing activity is in the GOA. I note that sideboard limits for AFA Exempt vessels and for Non-AFA vessels are not an equal measure and it may not make sense to have the same exemption threshold. When the AFA program was developed the GOA AFA Exempt vessels were exempted from GOA sideboards based on a limit of 1700 MT of pollock, which equals 3,746,800 pounds. Based on an exvessel pollock price of 13.5 cents per pound the value of

1700 MT is \$505,818. If you wanted to calculate a similar threshold value for this PCTC program you could take the exvessel price of cod in 2021 at 37 cents per pound, and divide into \$505,818 to get a commensurate threshold of 1,367,075 pounds, or 620 MT. The GOA exemption threshold for Non-AFA participants should not be less than 620 MTs, which was deemed an acceptable threshold in the AFA program, particularly since Non-AFA vessels do not have the benefit of being part of an AFA cooperative, with the markets and leasing opportunities that come with that.

I have said before and I will say again that when a Non-AFA vessel, like the Caravelle, participates in the Bering Sea cod fishery it gives up the opportunity to fish in the GOA because it does not have a guaranteed allocation like AFA pollock. My choice to go to the Bering Sea to fish cod means that I gave up the opportunity to fish in the Gulf of Alaska. This is very different from an AFA pollock quota holder who can decide to participate in the cod fishery and still have the benefit of their pollock quota. Non-AFA CVs that come from the Gulf, like the Caravelle, give up part or all of A season pollock in the GOA in order to fish for Bering Sea cod.

Element 5. I do not believe there is a need for harvester shares going to processors in order to balance market power. The processors already wield more market power, especially in regard to Non-AFA participants like myself. In the event that harvester shares are awarded to processors then AFA and non-AFA participants should be looked at separately. Non-AFA CVs do not hold Pollock quota in the Bering Sea and do not have the same market power to bargain with processors that an AFA CV with pollock quota will have under this program.

Element 7. LLPs with a small amount of BSAI cod QS should be allowed to sever it from the license under this program. Due to the extended length of the PPAs qualifying years (11 years) many LLPs will receive very small amount of QS, perhaps equating to a fraction of a trip. Particularly for Non-AFA participants it may not be economical to travel 2 1/2 days to the Bering Sea and 2 1/2 days back to Kodiak, including switching gear, in order to harvest the cod quota. There should be a mechanism to sever the QS without having to sell the entire LLP. This continues to be an issue under the Rockfish Program where we have 46 qualifying LLPs, but only 28 active CVs fished in 2021 and depend on the Rockfish Program. In fact, some of those vessels have sunk and are no longer active in any fishery. Including severability provisions for all LLPs would provide a mechanism for quota holders to be compensated for their earned history, while at the same time ensuring that quota is owned by fishermen who will actively use it.

Thank you,



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