

Public Testimony Sign-Up Sheet

Agenda Item D-2(a) Arrowtooth MRA

	NAME (PLEASE PRINT)	AFFILIATION
1	Julie Bonney / Lori Swanson	AGDB / GFF
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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.

Executive Summary

This Environmental Assessment/Regulatory Impact Review/Initial Regulatory Flexibility Analysis (EA/RIR/IRFA) evaluates the environmental impacts, costs and benefits, and small entity impacts of a proposed regulatory amendment. The proposed amendment would revise the maximum retainable amounts (MRAs) of groundfish in the arrowtooth flounder fishery in the Gulf of Alaska (GOA). The purpose of the proposed amendment is to reduce the amount of regulatory discards of otherwise marketable groundfish in the developing arrowtooth flounder fishery. This EA/RIR/IRFA addresses the requirements of the National Environmental Policy Act, Presidential Executive Order 12866, and the Regulatory Flexibility Act.

In October 2006 the North Pacific Fishery Management Council (Council) received a proposal from industry to revise the MRAs of groundfish in the arrowtooth flounder fishery in the GOA. The problem statement made by the industry may be summarized as follows:

When the MRAs for the directed GOA arrowtooth flounder fishery were set in regulations in 1994, the Council chose to set incidental catch allowances at zero for a wide group of species to prevent vessels from using arrowtooth flounder as a basis species for retention since there was no market for arrowtooth flounder. Arrowtooth flounder is now a viable target fishery and efforts to improve retention of many groundfish species utilized by the trawl sectors are restrained by MRAs in the directed GOA arrowtooth flounder fishery. MRAs are a widely used groundfish management tool to reduce targeting on a species and slow harvest rates as an allocation approach. However, sometimes species managed with MRAs must be discarded, even though economic incentives exist to retain that species. Thus, the MRA forces regulatory discards of some species that might otherwise be retained without undermining the intent of the MRA as a tool to reduce overall harvest rates. This regulatory amendment would evaluate raising the MRAs for some species in the directed GOA arrowtooth flounder fishery to provide increased opportunity for retention of species harvested by the trawl sectors and reduce overall discards in this sector, while not subjecting incidentally caught species to increased allocation concerns.

Table 1 lists these MRAs for incidental catch species relative to arrowtooth flounder as a basis species under each alternative for comparison. Note that the basis species under each alternative is arrowtooth flounder and that the MRA percentages for each incidentally catch species are found in the columns.

None of the alternatives under consideration would alter the existing MRAs in the arrowtooth flounder fishery for pollock, Pacific cod, the "other species" category (squid, octopus, sharks, and sculpins), or forage fish.

Alternative 1, the no action or status quo alternative, would leave the MRAs for groundfish in the arrowtooth fishery unchanged from those in current regulations.

Alternative 2 would set the MRAs for incidental catch species relative to arrowtooth flounder as a basis species as per the industry proposal.

Alternative 3 would set the MRAs for incidental catch species relative to arrowtooth flounder as a basis species near recent high catch levels in the arrowtooth flounder target.

Table 1. Comparison of Maximum Retainable Amounts (Percentages) of Groundfish in the Arrowtooth Flounder Fishery in the Gulf of Alaska under Alternatives 1 through 3.

Incidental Catch Species	Alternative 1 %	Alternative 2 %	Alternative 3 %
Pollock	5	5	5
Pacific cod	5	5	5
Deep-water flatfish	0	20	5
Rex sole	0	20	10
Flathead sole	0	20	15
Shallow-water flatfish	0	20	5
Sablefish	0	1	1
Aggregated rockfish	0	5	5
Atka mackerel	0	20	5
Skates ¹	0	20	10
Other Species ¹	20	20	20
Forage fish	2	2	2

¹For the years 2004 through 2006.

The action area effectively covers the entire GOA. The alternatives concern only the distribution of the MRAs between the arrowtooth flounder fishery and other groundfish fisheries. None of the alternatives under consideration affect the arrowtooth flounder stock or any other components of physical or biological environment. Under the proposed action, the MRAs for groundfish in the arrowtooth flounder fishery would be raised from current levels and greater amounts of groundfish closed to directed fishing could be retained in the arrowtooth flounder fishery. However, even though the amounts of groundfish retained in the arrowtooth flounder fishery would increase, total removal of the each species would still be within the TAC levels for each species. The effect of the arrowtooth flounder fishery on groundfish species is limited primarily by the TAC established for arrowtooth flounder and the MRA species, and by the amount of the halibut prohibited species catch (PSC) allowed in the trawl fisheries. However, the total harvest of groundfish would still be limited by the TACs established for them through the harvest specifications process. The impacts of the harvest strategies and resulting TAC amounts were analyzed in the Alaska Harvest Specifications Environmental Impact Statement (NMFS 2007a). This proposed action would have no additional impacts on the GOA environment beyond those analyzed in the EIS.

The current directed fishery for arrowtooth flounder is described in more detail in Section 5.4 of this document. In the GOA the arrowtooth flounder fishery is almost exclusively prosecuted by catcher vessels (CVs) and catcher processing vessels (CPs) using bottom trawl gear. Although the arrowtooth flounder fishery is open to other vessel categories and gear types, very small amounts of arrowtooth flounder are harvested by other gear types and then only as incidental catch. In recent years CVs participating in the arrowtooth flounder fishery generally fish for Pacific cod and pollock during the roe season. Following the seasonal closure of these fisheries, vessels target arrowtooth flounder until the second seasonal halibut bycatch cap for the deep-water complex is reached (usually in May). The CPs participating in the arrowtooth flounder fishery enter the fishery following the closure of rock sole and yellowfin sole in the Bering Sea. Most of the harvest of arrowtooth flounder occurs from March through May. Depending upon the availability of the halibut PSC allowance for the deep-water complex vessels may also target arrowtooth flounder in October and November. After the arrowtooth flounder fishery closes,

these vessels generally shift to several different targets; notably flatfish species in the shallow-water complex, rockfish, pollock, and Pacific cod as the seasonal allowances of these targets become available. The implementation of the Rockfish Pilot Program in the Central GOA in 2007 may result shifts in effort and timing of the arrowtooth flounder fishery.

Given the general trend in the price for arrowtooth flounder, increasing the MRAs for incidentally caught species could provide enough of an economic incentive for the some trawl vessels to target arrowtooth flounder more often. Under Alternative 1, those groundfish species with an MRA set at zero that are closed to directed fishing must be discarded, regardless of the value of the species. Under Alternatives 2 and 3, high valued bycatch species that are closed to directed fishing could be retained up to the MRA, thus potentially increasing the vessel's net revenue while targeting arrowtooth flounder. In those cases were a vessel is on the margin for targeting arrowtooth flounder under Alternative 1, increasing the MRAs for arrowtooth flounder under Alternatives 2 and 3 could be enough of economic incentive to induce entry into the arrowtooth flounder target fishery.

Increasing the MRAs for the directed arrowtooth flounder fishery under Alternatives 2 and 3 would likely increase the demand for halibut PSC that is apportioned to the deep-water species complex. Given that halibut PSC is not apportioned between trawl sectors, the pace of fishing could increase as trawl vessels race to harvest more of the species in the deep-water complex fisheries before halibut PSC is fully utilized.

Both Alternatives 2 and 3 would allow vessels to retain a greater amount of groundfish using arrowtooth flounder as a basis species. This could lead to a reduction in regulatory discards of otherwise marketable groundfish and provide an incentive for vessels to target arrowtooth flounder more often. This Environmental Assessment finds that all of the alternatives considered would have no impacts on stocks of groundfish. Alternatives 2 and 3 would raise the MRA for Atka mackerel, an important prey species for Steller sea lions (SSL) during the summer months in the Western GOA. Because there would be a possibility of localized depletion within SSL critical habitat further analysis may be warranted should topping off on Atka mackerel occur in the arrowtooth flounder fishery.

An Initial Regulatory Flexibility Analysis (IRFA) was prepared to evaluate the impacts on small entities of the alternatives for revising the MRAs for groundfish in the GOA using arrowtooth flounder as a basis species. At this time, data on the number of trawl vessels that caught and processed less than \$4.0 million ex-vessel value or product value of directed GOA arrowtooth flounder could not be generated in time for initial review. This information and other information necessary to complete the IRFA will be generated and included in the public review draft that is scheduled for review in October 2007.

MEMORANDUM

TO: Council, SSC and AP Members
FROM: Chris Oliver *Chris*
Executive Director
DATE: May 29, 2007
SUBJECT: Groundfish Management

ESTIMATED TIME 4 HOURS (all D-2 items)
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ACTION REQUIRED

Initial review of the EA/RIR/IRFA for GOA Arrowtooth MRA adjustment

BACKGROUND

In October 2005, the Council received a proposal from industry to revise the MRAs of groundfish in the arrowtooth flounder fishery in the GOA. Currently, the MRAs for the directed GOA arrowtooth flounder fishery are set at zero percent (0%), except for pollock (5%), Pacific cod (5%), other species (20%), and forage fish (2%). In 1997, the Council set most of the groundfish MRAs at zero percent in the directed GOA arrowtooth flounder fishery to prevent vessels from using arrowtooth as a base species for retention. Since that time, markets for arrowtooth flounder have developed and the species now supports a viable target fishery. The action under consideration would evaluate raising the MRAs for some species in the directed GOA arrowtooth flounder fishery to provide increased opportunity for retention of species harvested by the trawl sectors and reduced overall discards. The proposed action includes three alternatives under consideration. Alternative 1 is the no action alternative. Alternative 2 would set the MRAs for incidental catch species relative to arrowtooth based on the industry proposal. Alternative 3 would set the MRAs for incidental catch species closer to recent catch levels in the arrowtooth target fishery. The executive summary of the EA/RIR/IRFA is attached as **Item D-2(a)(1)**. At this meeting, the Council is scheduled to review the initial review draft EA/RIR/IRFA and to take action as necessary. The Council is scheduled to take final action at its October 2007 meeting.

Table 3a. 2003 Catch of rockfish attributed to the arrowtooth flounder fishery by the NMFS catch accounting system.

Groundfish	Discarded (mt)	Retained (mt)	Total	Percent Retained	Associated Catch Rate
Arrowtooth Flounder	4,338	11,146	15,484	72	
Rockfish ¹	796	234	1,031	23	6.65%
Shortraker Rockfish	na	na	na		
Rougheye Rockfish	na	na	na		
SR/RE Rockfish Combined	12	26	38	68	0.44%

1. Includes all rockfish except for shortraker and rougheye rockfish.

Table 4a. 2004 Catch of rockfish attributed to the arrowtooth flounder fishery by the NMFS catch accounting system.

Groundfish	Discarded (mt)	Retained (mt)	Total	Percent Retained	Associated Catch Rate
Arrowtooth Flounder	1,367	4,614	5,981	77	
Rockfish ¹	15	40	55	73	0.92%
Shortraker Rockfish	na	na	na		
Rougheye Rockfish	na	na	na		
SR/RE Rockfish Combined	6	34	30 40	80	0.13%

1. Includes all rockfish except for shortraker and rougheye rockfish.

Table 5a. 2005 Catch of rockfish attributed to the arrowtooth flounder fishery by the NMFS catch accounting system.

Groundfish	Discarded (mt)	Retained (mt)	Total	Percent Retained	Associated Catch Rate
Arrowtooth Flounder	2,062	8,653	10,716	81	
Rockfish ¹	113	99	212	47	1.99%
Shortraker Rockfish	1	5	6	83	0.06%
Rougheye Rockfish	0	8	8	100	0.07%
SR/RE Rockfish Combined	1	13	14	93	0.13%

1. Includes all rockfish except for shortraker and rougheye rockfish.

Table 6a. 2006 Catch of rockfish attributed to the arrowtooth flounder fishery by the NMFS catch accounting system.

Groundfish	Discarded (mt)	Retained (mt)	Total	Percent Retained	Associated Catch Rate
Arrowtooth Flounder	2,668	12,676	15,353	83	
Rockfish ¹	321	192	513	37	3.3%
Shortraker Rockfish	1	11	12	92	0.08%
Rougheye Rockfish	9	10	19	53	0.12%
SR/RE Rockfish Combined	10	21	31	68	0.2%

1. Includes all rockfish except for shortraker and rougheye rockfish.