

Feb. 09

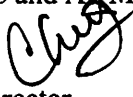
# Public Testimony Sign-Up Sheet

Agenda Item D-2 (e) GOA Rockfish Program Changes

|    | NAME (PLEASE PRINT)        | AFFILIATION     |
|----|----------------------------|-----------------|
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| 2  | Julie Bonny / 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.

MEMORANDUM

TO: Council, SSC and AP Members  
FROM: Chris Oliver   
Executive Director  
DATE: January 28, 2009  
SUBJECT: CGOA Rockfish Program Revisions

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| ESTIMATED TIME<br>4 HOURS<br>AI D-2 Items |
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ACTION REQUIRED

(e) Receive discussion paper concerning possible rockfish program revisions

BACKGROUND

At its June 2008 meeting, the Council received a paper reviewing the performance of the Central Gulf of Alaska rockfish pilot program in its first year. On receiving the report, public testimony, and recommendations of the Advisory Panel, the Council requested staff to prepare a discussion paper examining certain possible changes to the program, including:

- 1) A possible amendment to qualify persons with Central Gulf rockfish history who acquired a license to remain eligible to fish in the Central Gulf fisheries.
- 2) The use of a harvester only cooperative for the entry level trawl fishery and other possible mechanisms that could be used to control effort in the entry level trawl fishery.
- 3) Additional options to rollover catch from the fixed gear entry level fishery to the trawl entry level fishery, including various dates for the rollover and different allocations to the fisheries.
- 4) A change in the management of shorttraker in the catcher processor sector from an allocation to a maximum retainable amount (MRA).
- 5) A change in the management of MRAs under the program to include catch of allocated secondary species in the basis for determining the MRA of a species that is not allocated.
- 6) A change in the management of halibut PSC in the entry level trawl fishery.

The attached paper examines these changes, as well as the process for development of a possible amendment package (see **Item D-2(e)**). In particular, the time for analysis and implementation of the suggested amendments could be protracted, resulting in only a single year of fishing under the revisions prior to the 5 year sunset of the program, unless the Council chooses to broaden an analysis as the vehicle to continue the program without additional legislation. In that event there are a number of issues to consider which are further addressed in the discussion paper.

**Discussion paper on an amendment package  
Central Gulf of Alaska rockfish pilot program  
North Pacific Fishery Management Council  
December 2008 and February 2009**

At its June 2008 meeting, the Council received a report from staff reviewing the first year performance of the Central Gulf of Alaska rockfish pilot program. On receiving the report and public testimony, the Council requested staff to prepare a discussion paper examining possible changes to the program. The Council specifically requested staff to examine the following aspects of the Central Gulf of Alaska rockfish pilot program:

1) A possible amendment to the program providing that:

A person who operated a vessel in the Central Gulf of Alaska rockfish fisheries during the 1996-2002 period under an interim License Limitation Program licence that was determined after such period to have an invalid Central Gulf of Alaska trawl gear endorsement, who then acquired an additional LLP license with a valid Central Gulf of Alaska trawl gear endorsement and assigned it to such vessel by December 31, 2003, shall be eligible to receive Rockfish Quota Share under the Rockfish Pilot Program based on the catch history of such vessel, notwithstanding the invalidity of the interim Central Gulf trawl LLP endorsement under which the vessel operated during the 1996-2002 period. Rockfish Quota Share allocated under this provision shall be assigned to the additional LLP license.

In the discussion of this provision, the Council requested staff to include a discussion of the removal of a similar provision from the alternatives considered when the pilot program was originally adopted and a discussion of any catcher vessel and catcher processor licenses that might be affected by this or a similar provision.

- 2) The use of a harvester only cooperative for the entry level trawl fishery and other possible mechanisms that could be used to control effort in the entry level trawl fishery.
- 3) Additional options to rollover catch from the fixed gear entry level fishery to the trawl entry level fishery, including various dates for the rollover and different allocations to the fisheries.
- 4) A change in the management of shorttraker in the catcher processor sector from an allocation to a maximum retainable amount (MRA).
- 5) A change in the management of MRAs under the program to include catch of allocated secondary species in the basis for determining the MRA of a species that is not allocated.

At its October 2008 meeting, the Council requested staff to examine an additional aspect of the program in the discussion paper, specifically:

A change that would either a) provide an exclusive halibut PSC allocation to the entry level trawl fishery or b) exempt halibut PSC mortality of the entry level trawl fishery from any limit on halibut mortality.

This paper is staff's response to these Council requests.

## **Background**

In the 2003, the U.S. Congress directed the Secretary of Commerce to establish, in consultation with the Council, a pilot program for management of the rockfish fisheries in the Central Gulf of Alaska (the Central Gulf).<sup>1</sup> Specifically, Congress passed the following legislation:

SEC. 802. GULF OF ALASKA ROCKFISH DEMONSTRATION PROGRAM. The Secretary of Commerce, in consultation with the North Pacific Fishery Management Council, shall establish a pilot program that recognizes the historic participation of fishing vessels (1996 to 2002, best 5 of 7 years) and historic participation of fish processors (1996 to 2000, best 4 of 5 years) for pacific ocean perch, northern rockfish, and pelagic shelf rockfish harvested in Central Gulf of Alaska. Such a pilot program shall (1) provide for a set-aside of up to 5 percent for the total allowable catch of such fisheries for catcher vessels not eligible to participate in the pilot program, which shall be delivered to shore-based fish processors not eligible to participate in the pilot program; (2) establish catch limits for non-rockfish species and non-target rockfish species currently harvested with pacific ocean perch, northern rockfish, and pelagic shelf rockfish, which shall be based on historical harvesting of such bycatch species. The pilot program will sunset when a Gulf of Alaska Groundfish comprehensive rationalization plan is authorized by the Council and implemented by the Secretary, or 2 years from date of implementation, whichever is earlier.

Although originally subject to a sunset after 2 years, the 2007 reauthorization of the Magnuson-Stevens Fishery Conservation and Management Act (the MSA) extend the term of the program to 5 years. Under this extension, the program is scheduled to sunset after the 2011 season.

Following a typical schedule for this amendment package will require this discussion paper, followed by initial and final review of an analysis by the Council. After Council action, a regulatory package will be prepared for submission to the Secretary of Commerce, followed by the standard process for publication and comment on the proposed rule and issuance of the final rule. Under an expedited process, this action would be completed in time for any amendments to be in place for the fifth and final year of the program. In addition, commitment of staff time to an amendment analysis could limit staff availability for analysis of the any program extension.

Absent Congressional action, Council extension of the program will require the standard MSA regulatory process evaluating the program (or a modification of the program) and other alternatives (including the status quo, under which the fishery would return to management under the License Limitation Program). The action necessary to extend the life of the program is likely to be very time consuming for both staff and the Council.

The current rockfish management is a comprehensive management program that allocates annual harvest privileges of several species to cooperatives based on the historic participation of their members. Since these allocations are a Federal permit, issued as part of a limited access system, to harvest a quantity of fish expressed by units representing a portion of the total allowable catch of the fishery that may be held for exclusive use by a person, the allocations are defined limited access privileges under the MSA. In the reauthorization of the MSA, Congress revised both procedural and substantive requirements for adoption of limited access privilege programs. These requirements include the consideration of additional factors and program elements (such as the participation of fishing communities and regional fishery associations) and set asides for entry level or small vessel fishermen. In addition, privileges expire after a ten year

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<sup>1</sup> Directed (or "primary") rockfish fisheries are prosecuted for Pacific ocean perch, northern rockfish, and pelagic shelf rockfish (which includes dusky rockfish, yellowtail rockfish, and widow rockfish) in the Central Gulf.

period, but are renewed unless they are revoked, limited, or modified for failure to comply with either specific program requirements or violation of an MSA prohibition. Development of a program under these new provisions will likely exacerbate an already long time for regulatory implementation.

Additional program development by the Council and additional staff analysis arising from the revised MSA requirements are likely to be compounded by the need to revise aspects of the existing program. Specifically, aspects of the program intended to benefit processors may be beyond the general authority granted the Council under the MSA. In the catcher vessel sector, each qualified harvester is eligible for a single cooperative, which must associate with the processor to which it delivered the most pounds of rockfish during an identified period. Catcher vessels that choose not to join their associated cooperative may fish a limited access fishery without an exclusive allocation. No clear MSA authority authorizes a requirement that a harvester associate with a specific processor to access an exclusive harvest privilege. If the Council wishes to advance a program that fosters harvester/processor associations, that aspect of the program would need careful development in light of the authority of the MSA. Further consultation with NOAA General Counsel will be required, if the Council wishes to extend some fishery privileges (either harvester or processor) to processors in the fishery. In addition, other new management structures, such as regional fishery associations or fishing communities, could be used to extend benefits to processing interests.

An alternative approach to addressing rockfish program concerns identified by the Council is to incorporate program modifications into an analysis to extend the program. Although this could delay the implementation of the changes, this approach would ensure that the benefits of the changes would be realized for an extended period, rather than for the limited period until the sunset of the program. If the Council elects to include any program revisions in an action to extend the life of the program, it could undergo a broader scoping process to ensure that all desirable program changes (including changes to the protections of processor interests) are incorporated into that action. This approach could allow the Council to consider whether management provisions that are not permitted by the existing structure might better address issues in the fishery. For example, the current authority requires a 5 percent entry level set aside, but does not provide a means for entry level participants to transition into the larger program without purchasing a qualifying license. Under the general MSA authority (instead of the rockfish program authorization) it is possible that the Council could choose different means of allowing transition to the main program for entry level participants.

### ***Discussion of possible program revisions***

The remainder of this paper discusses the suggested revisions to the program included in the Council's June and October 2008 motions.

### **Allocations to persons who fished with interim licenses**

The first proposed change to the program would create program eligibility for vessels that fished the Central Gulf rockfish fishery during the qualifying period with interim licenses that were later revoked, but who acquired a valid license to remain in the fishery. Specifically, the Council has proposed:

A person who operated a vessel in the Central Gulf of Alaska rockfish fisheries during the 1996-2002 period under an interim License Limitation Program licence that was determined after such period to have an invalid Central Gulf of Alaska trawl gear endorsement, who then acquired an additional LLP license with a valid Central Gulf of Alaska trawl gear endorsement and assigned it to such vessel by December 31, 2003, shall be eligible to receive Rockfish Quota Share under the Rockfish Pilot Program based on the catch history of such vessel, notwithstanding the invalidity of the interim Central Gulf trawl LLP endorsement under which the vessel operated during the

1996-2002 period. Rockfish Quota Share allocated under this provision shall be assigned to the additional LLP license.

#### Background

The Council also requested staff to include a discussion of the removal of a similar provision from the alternatives considered when the pilot program was originally adopted and a discussion of any catcher vessel and catcher processor licenses that might be affected by this or a similar provision.

In the early development of the program alternatives, the Council included for consideration the following provision:

Persons who have purchased an LLP, with a CGOA endorsement to remain in the fishery may obtain a distribution of harvest share history of either the vessel on which the LLP is based or on which the LLP is used, not both. License transfers for purpose of combining LLPs must have occurred by April 2, 2004.

As discussed by the Council when it was under consideration, this provision would allow a person who acquired a license for use on a vessel to obtain either the history of the vessel that the license is assigned to or the history of the vessel from which the license originated (but not both). In the event that the provision were adopted by the Council, the proposed amendment would be unnecessary (since it would be redundant). The provision was removed by the Council on the suggestion of the Advisory Panel at its February 2005 meeting, when the Council received a preliminary analysis of options. At the time, no public testimony was received in support of the provision. It is also believed that no one spoke in support of the provision prior to Council action defining the program. The absence of supports of the provision (or testimony from persons who might rely on the provision for an allocation) likely contributed to the Council's rejection of it.

#### Possible amendment to create eligibility for persons who fished with interim licenses

The Council requested discussion of the proposed amendment after receiving testimony that at least one vessel owner who participated in the fishery historically was denied an allocation under the program, despite having acquired an LLP license that would support continued participation in the rockfish fishery under the LLP.

To qualify for the rockfish pilot program a person needed to hold a valid LLP license endorsed for the Central Gulf that was used for at least one targeted rockfish landing during the qualifying years (i.e., a landing in which the sum of primary rockfish pounds exceeded pounds of all other groundfish combined). This provision would qualify a person whose vessel:

- 1) did not qualify for a Central Gulf endorsed LLP,
- 2) had at least one targeted landing of Central Gulf rockfish during the qualifying years, and
- 3) assigned a valid, permanent Central Gulf endorsed trawl license to the vessel prior to December 31, 2003 (which license is still assigned to the vessel).

Using these criteria, two catcher vessels and no catcher processors appear to qualify for the provision. This estimate is based on the number of vessels that have targeted rockfish catch in the qualifying period that did not receive a Central Gulf endorsed LLP, but have since assigned one to the vessel. One of these two vessels participated in all seven qualifying years; the other participated in only one of the qualifying years. Since only two vessels appear to qualify for the provision, no information concerning catch amounts of these vessels can be released.

In considering this action, the Council should consider the effects of the action on the allocations of both primary rockfish and other species allocated under the program. The allocation of primary rockfish to the program is made after first deducting an incidental catch allowance to support rockfish catch in other fisheries and an entry level set aside to support that fishery. The creation of eligibility for additional licenses by this action would not affect those allocations. The portion of the rockfish TAC remaining after these deductions is divided between the two sectors that participate in the rockfish program (the catcher vessel sector and the catcher processor sector) and is then divided among cooperatives and the limited access fisheries. These sector, cooperative, and limited access allocations of the different primary rockfish species are all proportional allocations based on the respective quota share holdings of participants in the sectors, cooperatives, and limited access fisheries. Consequently, the qualification of additional licenses and history for the program would have the effect of redistributing a portion of the primary rockfish allocations under the program to the sector, cooperative, or limited access fishery of the newly qualified participants. So, the effect of new qualification on the primary rockfish allocations would be to dilute the allocations to current participants based on the proportion of newly qualified history.

In addition to primary rockfish species, program participants also receive allocations of secondary species (which may include Pacific cod, sablefish, shortraker rockfish, roughey rockfish, and thornyhead rockfish)<sup>2</sup> and halibut PSC. Under the program, each sector can receive a maximum allocation of secondary species equal to the sector's retained incidental catch of the secondary species in rockfish target trips during the rockfish fishery in the qualifying years. The inclusion of additional qualified licenses in a sector would add qualifying history to that sector for retained incidental catch of secondary species by the license holder. If credited under the amendment, this additional history could be expected to slightly increase the allocation of secondary species to the sector. The increase in the allocation to the rockfish program would reduce the amount of the species available to other fisheries. Within each sector, each cooperative receives allocations of all allocated secondary species in proportion to its members' rockfish primary rockfish quota shares. So, if a cooperative's members have 20 percent of the primary rockfish quota shares, it will receive 20 percent of the maximum sector allocation of each secondary species.<sup>3</sup> The effects of the allocation to the newly eligible license on other participants in the sector depends on whether the new license's secondary species history relative to its rockfish history is greater or less than that of other sector members. A newly eligible license with a high catch rate of a secondary species relative to primary rockfish species could slightly increase the allocation of the secondary species to other sector members. In any case, the effect is likely to be minor as it will be dissipated across participants in the sector.

The effect of new eligibility on halibut PSC allocations is likely to be similar to the effect on secondary species allocations. Halibut PSC allocations to sectors, however, are calculated in a slightly different manner than secondary species allocations. Halibut PSC allocated to the program is based on total halibut usage in the rockfish fisheries during the qualifying years. This total PSC allocation is divided between the sectors in proportion to the primary rockfish history of the two sectors. As a consequence, a newly eligible license with substantial rockfish history, but little PSC could result in a slight increase in halibut PSC available to its sector (if the sector's halibut PSC allocation is adjusted under the amendment) and a slight decrease in the halibut PSC available to the other sector. A similar distributive effect would happen within the newly eligible license's sector, as the vessel would bring halibut PSC to its cooperative in proportion to its rockfish quota share.

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<sup>2</sup> Currently the catcher processor sector catch of Pacific cod and the catcher vessel sectors catch of shortraker rockfish and roughey rockfish are managed through maximum retainable amounts (MRAs), rather than direct allocations. In addition, all catches of secondary species in the limited access fisheries are managed through MRAs.

<sup>3</sup> If one or more sector members elect not to participate in a cooperative, the maximum amount will not be allocated. Withholding this allocation is intended to allow for harvests of the species by the limited access fishery under MRA management.

## **Changes in management of the entry level fisheries**

The Council has suggested three possible changes to management of the entry level fisheries. First, the Council has suggested a change from limited access management to some other form of management (such as cooperatives) for the entry level trawl fishery. Second, the Council has suggested either a direct allocation of halibut PSC to the entry level trawl fishery or the exemption of that fishery from halibut PSC limitations. Third, the Council has suggested revision of the rollover from the entry level fixed gear fishery to the entry level trawl fishery to allow more complete harvest of that allocation. Each of these proposals is examined after a brief description of the entry level fisheries.

### Background

The ability to provide information concerning the entry level fishery is limited because few vessels and processors participated in those fisheries in the first year of the program. This discussion attempts to provide useful information to the extent that is permitted.

The entry level fishery is open to harvesters that are not eligible for the primary program. All deliveries from the entry level fisheries must be made to processors that are not eligible for the primary program. The entry level trawl fishery would be prosecuted as a competitive limited access fishery, open, on application, to any LLP license holders endorsed for the CGOA. The fixed gear fishery opens on January 1<sup>st</sup> each year. The trawl fishery is scheduled to open on the 1<sup>st</sup> of May, if halibut PSC is available. If PSC is unavailable at that time, the fishery would open upon the next release of halibut PSC. Since historic harvests suggested that the fixed gear sector may be unable to fully harvest its allocation, trawl participants are permitted to harvest the fixed gear allocation after September 1<sup>st</sup>. To maintain parity, the fixed gear sector is permitted to harvest any remaining portion of the trawl allocation after September 1<sup>st</sup>.

The trawl and fixed gear sectors receive equal allocations of the aggregated TACs of primary rockfish species available to the entry level fishery. Because of operational differences, the trawl sector receives its portion of the aggregate TACs first from the entry level TAC of Pacific ocean perch. If the Pacific ocean perch TAC is less than the total allocation to the trawl sector, the sector receives proportional shares of the northern rockfish and pelagic shelf rockfish TACs, such that entry level TAC is divide equally between the two gear types. The rationale for allocating Pacific ocean perch first to the entry level trawl sector is that the entry level fixed gear sector has no harvest history of the species and targeting of Pacific ocean perch with fixed gear is primarily experimental at this time.

Vessels fishing the fixed gear entry level allocation in Federal waters must have an LLP (if required for the vessel to operate in Federal waters) and must have registered for the entry level fishery. Fixed gear vessels that fish exclusively in parallel waters and do not have an LLP or a federal fisheries permit do not need to register for the program. In addition, these vessels that fish exclusively in parallel waters and do not have an LLP or federal fisheries permit may deliver their catch to any processor, including processors qualified for the main program (who cannot otherwise receive deliveries from the entry level fisheries). This relaxation of landing constraints allows greater flexibility for vessels that fish exclusively inside 3 nm by allowing them to deliver mixed loads of pelagic shelf rockfish and black rockfish to processors of their choice; however, it also allows processors participating in the main program to compete for entry level deliveries, which would otherwise be reserved for delivery to processors that do not qualify for the main program.

In the first and second years of the program, only a single vessel registered for the entry level fixed gear fishery. Since all harvests of primary rockfish by fixed gear vessels (inside or outside 3 nm) is counted against the entry level TAC, several vessels have reported harvests against the entry level TAC. Yet, these harvests have been relatively minimal in comparison to the available TAC (see Table 1). The fishery



harvested less than one percent of either of its Pacific ocean perch or northern rockfish allocations. Less than 10 percent of the pelagic shelf rockfish allocation was harvested by the fishery.

**Table 1 Entry level fixed gear TACs and catch (2007 and 2008).**  
fix tac and catch

|                        |                | 2007 | 2008* |
|------------------------|----------------|------|-------|
| Pacific ocean perch    | TAC            | 17   | 54    |
|                        | catch          | 0    | 0     |
|                        | percent caught | 0.00 | 0.00  |
| Northern rockfish      | TAC            | 169  | 115   |
|                        | catch          | 1    | 1     |
|                        | percent caught | 0.59 | 0.87  |
| Pelagic shelf rockfish | TAC            | 161  | 176   |
|                        | catch          | 11   | 14    |
|                        | percent caught | 6.83 | 7.95  |

Source: NMFS gear reports

\* Harvests through August 29, 2008.

In the first and second years of the program, the entry level trawl fishery received allocations of Pacific ocean perch only under the priority rule established for allocating species to the two entry level fisheries. Only two and four trawl vessels registered for the entry level trawl fishery in these two years, respectively. In the first year, both registered vessels participated in the fishery. The relatively small allocation to the fishery (approximately 350 tons of Pacific ocean perch) posed a management challenge, since vessels can harvest on the order of 100 metric tons in a day. Given the catching power of vessels in the fishery, it is difficult to time a closure to avoid overharvests. In the first year of the program, the two participating vessels managed to coordinate catches to avoid an overage in the fishery. On September 1<sup>st</sup>, entry level trawl participants were permitted to catch any unharvested portion of the entry level fixed gear allocations. Under this rule, managers opened both fisheries for northern rockfish and pelagic shelf rockfish for entry level trawl participants. The fishery for northern rockfish closed in November, but the fishery for pelagic shelf rockfish remained open through the end of the year. Participants have reported that the late opening conflicts with other fisheries, that rockfish are difficult to target during this period of the year, and that halibut PSC mortality in the third season Pacific cod fishery could limit the halibut PSC available to the entry level trawl rockfish fishery.

In the second year of the program, the opening of the entry level trawl fishery was delayed because the second seasonal trawl halibut PSC apportionment was fully used by the May 1<sup>st</sup> scheduled opening. When the fishery opened in July with the third season halibut PSC apportionment coming available, registered participants were in the process of negotiating an arrangement intended to allow the fishery to be prosecuted without exceeding the TAC. One participant began harvesting Pacific ocean perch on July 1<sup>st</sup> asserting and reporting those harvests were from Area 640, outside of the Central Gulf; however, NOAA Fisheries determined those harvests to be from the Central Gulf and to have fully harvested the available TAC to the entry level fishery. Consequently, the entry level trawl fishery was closed prior to any of the other vessels beginning to fish. As in the first year, managers opened all three directed trawl fisheries to allow entry level trawl participants to harvest the remaining entry level fixed gear TAC. These fisheries have remained open to date, as eligible vessels have chosen not to attempt to harvest these remaining TACs.

Possible change from limited access management of the entry level trawl fishery

The relatively small allocation to trawl participants is difficult to manage in a limited access, race-for-fish. A system that allows managers to more reliably ensure that the fishery can be opened without potential for the TAC to be exceeded might be preferable to the existing management.

Even with few vessels entering the fishery, managers have expressed concern that timing fishery closures to allow harvest of a substantial portion of the TAC without overages is extremely challenging. Although managers can use strategies such as short openings of less than 24 hours to limit catches, it is not possible to manage the TAC precisely. Participants have attempted to use gentlemen's agreements to limit harvests in these circumstances, but absent a management structure to compel these limits, the potential for these agreements to be reached and abided by is questionable. As a result, management of the small allocation to trawl vessels in the entry level fishery is likely to continue to be problematic under the current rules.

The management of the entry level fishery also poses problems related to the processing of catches. In the first year of the program, delivery scheduling posed challenges for trawl participants as a result of the race-for-fish management of the trawl fishery and the prohibition on deliveries to processors qualified for the main program. If prosecution of the rockfish fishery conflicts with other activity at entry level plants, deliveries under the program can create logistical complications for the plants and can lead to delays and loss of fishing time for harvesters and reduced product quality and value. Since the trawl entry level fishery can only support a few deliveries, no economies of scale are likely to be realized by processors gearing up for those deliveries.

The Council suggested that this discussion paper examine alternatives to the current limited access management of the entry level trawl fisheries that would control effort. The Council suggested use of cooperatives for this purpose, but also suggested that the paper could examine other possible management measures. Other suggested measures include individual allocations and the use of a lottery to limit the number of persons eligible to participate.<sup>4</sup>

Since an individual allocation is the simplest and most reduced form of exclusive allocation, that possible measure is discussed first. Under a system of individual allocations, the entry level trawl TAC could be equally divided among the applicants for the fishery. Allocations could be fished at any time (if adequate halibut mortality is available to support the fishing). Each holder of an individual allocation would be constrained by the allocation the person received and would be liable for any overage. These constraining allocations and accompanying liability for overages would effectively address the TAC management (or effort control) issues in the fishery. To date, only four trawl vessels have applied for the program. Under the recent allocation levels, with only four participating vessels, each vessel will receive slightly more than 80 metric tons of Pacific ocean perch. Although not overly generous, this allocation is likely adequate to support participation. If additional persons apply for the fishery, it is possible that allocations could be too small to support participation.

Depending on the Council's preference, individual allocations could be transferable. Transferability could aid participants in achieving efficiencies (allowing the most efficient vessels to harvest the allocations) and could be used to aggregate small residual amounts of the TAC to allow the TAC to be more fully

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<sup>4</sup> In developing alternative management structures for the limited access fishery, the Council should be cognizant of the authority under which the program would be developed. Exclusive allocations to either individuals or cooperatives are both defined as limited access privileges by the MSA as reauthorized. It could be argued that the establishment of new limited access privileges in the entry level fishery should follow the requirements of the MSA as reauthorized. Countering this argument is that the rockfish program (including the entry level fishery) was established under separate authority prior to the reauthorization of the MSA, which expires after 5 years.

harvested. Unlimited transferability, however, could have some undesirable consequences. If an entire allocation can be transferred, some absentee ownership may occur, as applicants may elect to transfer their entire allocations, rather than fish. At the extreme, allowing unlimited transferability of individual allocations could induce persons who have no intention of fishing to apply for the entry level fishery, expecting to lease their allocation to another participant. So, if the Council intends to use a system of individual allocations, it could consider some limitations on transfers to ensure the participants in the entry level fishery actually enter the fishery (not just the market for shares). Limiting the percentage of a person's allocation that may be transferred may effectively address this problem.

An alternative to individual allocations in the entry level fishery could be a cooperative structure. Cooperatives can provide benefits to participants, as they provide a structure for coordination of harvest activity. In addition, cooperatives can reduce management burdens, as harvest activity is monitored at the cooperative level, instead of at the individual or vessel level.

In the past, the Council has used a variety of harvest cooperative structures to ensure that the cooperative achieve their intended purposes. In some instances (including in the management of the rockfish program generally), the Council included a requirement that cooperatives association with specific processors to preserve historic processor/harvester associations and to ensure processors share in the benefits of the program. Any cooperative structure that has a processor component would require some assessment of the Council's authority for the structure. Whether a processor component is authorized is not known and may depend on whether the Council chooses to adopt modifications under its original authority for establishing the rockfish program or the MSA as reauthorized. If the Council elects to include a processor component in its program that provision will require careful assessment of its authority.

The Council has typically included a variety of provisions in its cooperative programs (such as minimum membership thresholds and provisions defining the scope of liability of members for cooperative harvest activity) to ensure that the programs function as intended. Membership thresholds have been applied to ensure that participants form cooperative associations of size adequate to achieve the desired level of coordination. The use of minimum membership thresholds for cooperative formation when combined with a requirement of cooperative membership to receive an exclusive allocation can raise equity concerns, since participants could use membership thresholds to apply undue negotiating pressure on others. Once a threshold is met, cooperative members may be able to demand favorable terms from others in the entry level if cooperative membership is required to participate in the fishery. For example, if only three persons apply for the entry level fishery, even a membership threshold of two, could allow two of the applicants to impose onerous membership terms on the third applicant. With few persons showing an interest in the entry level fishery to date, a requirement of cooperative membership to receive an exclusive allocation could have unpredictable distributional consequences.

If the Council elects to include a cooperative structure in its management of the entry level fishery, it should also consider the level of participation that will be required of any participant in the fishery. If three persons apply for the entry level fishery and form a cooperative, one participant could harvest the entire allocation in the fishery. If the objective of the entry level set aside is to allow entry to the fishery, it is possible that that objective will not be met under a cooperative structure that does not include participation requirements. In a system of individual allocations, transfers can be prohibited to prevent non-participating applicants to the entry level fishery from deriving benefits from an exclusive allocation. Under a cooperative structure, defining requirements to achieve participation goals may be more difficult. Since allocations are managed at the cooperative level, it is not possible to use a limit on transfers to achieve participation objectives.

Revising management to a system of individual allocations or cooperatives would require reconsideration of observer coverage in the entry level fishery. Currently, entry level trawl vessels are only required to

carry an observer, if they fish 3 or more days. Vessels that are required to have an observer on board must have at least 30 percent of fishing trips in the directed fishery in each quarter or at least one fishing trip. In the main program, under which cooperatives receive exclusive allocations, catcher vessels are required to maintain 100 percent observer coverage. Modification of observer coverage levels will need to be considered, if the fishery is modified to one of exclusive allocations.

It has also been suggested that a lottery system could be used to limit entry or allocate shares in the entry level fishery. If the Council elects to continue management through a limited entry system, the use of a lottery might be promoted to avoid catch management challenges arising because the effort in the fishery cannot be effectively managed. Yet, given the performance of the entry level trawl fishery in the first two years of the program, it is unlikely that simply limiting the number of vessels in the fishery will address that management issue.

It is unclear whether a lottery system could be efficiently administered by NOAA Fisheries or whether a lottery would be deemed suitable. A lottery for allocating privileges might be challenged for fairness or causing instability. In addition, participants in the lottery would need to have the opportunity to appeal lottery outcomes. Appeals could cause delays in fishing or lead to program ineffectiveness. In any case, a lottery system will require substantial development of administrative aspects.

The suggested revisions to the entry level trawl fishery could involve several layers of decisions for the Council. These include:

- A. limited entry management
  - a. whether to include a lottery to allocate privileges or limit entry
  - b. other means to control effort
- B. cooperative management
  - a. basis for allocations
    - i. equal allocations to all license holders
    - ii. possible discount for non-members of cooperatives
  - b. cooperative formation requirements
  - c. opportunities for persons unable to reach cooperative agreements
    - i. individual allocations
    - ii. limited entry
    - iii. other opportunity
  - d. required level of participation for cooperative membership
  - e. transferability of allocations among cooperatives or individuals (if individual allocations for non-members of cooperatives)
- C. individual allocations
  - a. basis for allocations
    - i. equal allocations to all license holders
    - ii. other allocation rule
  - b. required level of participation
  - c. transferability of allocations

It should be noted that the complexity and depth of program modifications required for this change may be comparable to the development of a share-based management system. At the extreme, it is possible that program development, analysis, and implementation could be a protracted process that extends beyond the sunset of the pilot program authority. The extended process required for a change of this type bolsters any argument that program changes might be better handled in a more comprehensive way that addresses the sunset of the main program after 5 years of fishing.

If the Council elects to consider development of alternatives to extend the program indefinitely, the Council can address entry in a more focused manner that considers current participation levels and capitalization in the fishery and the potential for vessels and processors to enter the main program, which is currently accessible to vessels only through the acquisition of a license qualified for the main program or to a processor through the acquisition of a plant qualified for the main program.

#### Changing the availability of the entry level fixed gear allocation to trawl vessels to ensure more fully harvest of the TAC

Currently, any remaining portion of the entry level fixed gear allocation comes available to entry level trawl sector participants on September 1<sup>st</sup>. In the first two years of the program, the fixed gear participants harvested very little of rockfish available to them under the program. In addition, trawl participants have suggested that the September 1<sup>st</sup> opening of the fixed gear allocation for harvest by trawl vessels provides little opportunity for the harvest of the remaining allocation because of conflicts with other fisheries. In addition, availability of halibut PSC from the deepwater complex may prevent harvests until after the fourth season halibut apportionment comes available on October 1<sup>st</sup>. These factors collectively have resulted in little harvest of the portion of the rockfish TAC allocated to the fixed gear entry level fishery in the first two years of the program. To begin the process of addressing this issue, the Council has suggested that staff discuss possible revisions to the entry level fixed gear allocation and its availability to the trawl sector in this paper.

In considering possible revisions to the allocation and management of the fixed gear entry level fishery allocation, the Council should be careful to note interactions of their decisions with other decisions concerning the entry level trawl fishery management. Specifically, if the Council elects to shift to a system of exclusive allocations in the entry level trawl fishery, the current management, under which the trawl sector is generally permitted to harvest the fixed gear allocation after a specific date, may not be effective. A cleaner approach might be to reduce the allocation to the sector to a size that more closely matches the catch of the sector. In the event that the Council chooses to modify the size of the allocation, it could include provision for an increase in the allocation in the event that the sector fully (or near fully) harvested its previous year's allocation. Such a provision would allow the sector the opportunity to grow, if participation or the effectiveness of participants increases. Modifying the fixed gear allocation would allow for more effective harvest of trawl allocations, since NOAA Fisheries could make exclusive allocations to trawl sector participants prior to the season opening.

Even if the current system of limited entry management is maintained in the trawl sector, modifying the date on which trawl participants are permitted to harvest the entry level fixed gear allocation could impose greater hardship on the fixed gear sector than simply changing the allocation. Fixed gear harvests of rockfish are likely to be infringed on more as the date that the harvest of the fixed gear allocation is opened to trawl vessels is moved up. It is likely that trawl vessels could effectively harvest the entire fixed gear allocation in the mid summer (when the rockfish fishery has been historically prosecuted). If permitted, these trawl harvests could result in a closure of the fishery to both gear types shortly after the opening to trawl gear. A reduced allocation that does not become available to the trawl sector may more effectively protect fixed gear interests in the rockfish fishery. Some portion of the TAC may be stranded using this approach, but the amount stranded might be limited.

#### Change in halibut usage by the entry level trawl fishery

The entry level trawl fishery is dependent on halibut mortality that is generally available to trawl vessels participating in Gulf of Alaska deepwater complex fisheries. If halibut mortality is unavailable when the rockfish entry level trawl fishery opens (or when participants elect to fish), the prosecution of the fishery may be delayed. These delays can disrupt participation in other fisheries by entry level trawl vessels and processor, as well as cause delivery timing problems, if the timing of the next halibut available coincides with fishing or processing activities in other fisheries. These disruptions led the Council to suggest that

this paper include a discussion of possible options for the management of halibut in the entry level trawl fishery. Two options were suggested – an allocation of halibut mortality to the entry level trawl fishery and the exemption of the entry level trawl fishery from halibut mortality limits.

In considering whether an allocation of halibut might be appropriate for the entry level rockfish fishery, the Council should consider both the ability of NOAA Fisheries to manage the allocation and the potential for the management of that fishery to affect halibut usage and the adequacy of the allocation. Allocating halibut to a small limited access fishery could exacerbate the existing problem of managing the fishery to avoid overages. A halibut allocation might simply extend the management problem that currently exists for rockfish allocations to the halibut PSC allocation. In addition, in a limited access fishery without individual constraints on rockfish or halibut catch, it is possible that the incentive to obtain a greater share of the available rockfish could lead participants to disregard relatively high halibut bycatch rates. Unless the allocation is excessive, it is possible that full harvest of the TAC could be threatened by a halibut PSC closure.

If the Council elects to change management of the entry level trawl fishery to a share-based system (i.e., cooperatives or individual allocations), exclusive halibut PSC allocations could be made to each person receiving an annual allocation. Since each person would receive an annual allocation of rockfish and PSC, an incentive to conserve halibut PSC would exist, to the extent that the allocation could be constraining. The Council would need to consider the extent of potential halibut mortality to determine the allocation to participants in the entry level trawl fishery. The best source for assessing possible halibut mortality needs in the fishery is likely the historic halibut catch in the rockfish fishery.

Under limited access management prior to implementation of the pilot program halibut mortality in the rockfish fishery was relatively high. From 2003 to 2006, inclusive, halibut mortality per ton of primary rockfish catch ranged from 22 pounds to 36 pounds for the catcher processor sector. During the same time period, halibut mortality per ton of primary rockfish in the catcher vessel sector ranged from 26 pounds to 56 pounds. In the first year of the program, halibut mortality per ton of primary rockfish was 4.2 pounds for catcher vessel cooperatives, 8.6 pound for the catcher processor cooperative, and 12.8 pounds for the catcher processor limited access. At bycatch rates equivalent to the pre-pilot program extremes approximately 3.5 metric tons to 9 metric tons of halibut would be needed to support harvest of the 350 metric ton allocation of rockfish to the entry level trawl fishery in the first year of the program. At the lower bycatch rates observed in the first year of the program, the entry level trawl fishery would have required between two-thirds of one ton and two tons of halibut PSC to harvest its 350 ton rockfish allocation. While these average bycatch rates can be used to suggest halibut PSC allocations that may be able to support an entry level trawl fishery, cooperative and individual levels of usage should be considered, as that would be the basis of any allocations.

Based on cooperative reports, no cooperative approached full usage of its halibut allocation, with the cooperative that used the most of its halibut taking only approximately one-third of its allocation. Yet, each cooperative received approximately 37 pounds of halibut mortality for each ton of primary rockfish. Despite the overall success of cooperatives in maintaining low levels of halibut mortality, some vessels are reported to have exceeded precautionary bycatch rates set by their cooperatives to ensure adequate halibut mortality is available for the cooperative to fully harvest its rockfish and secondary species allocations. At the extreme, some vessels had halibut mortality rates similar to rates observed prior to implementation of the program.

As with all bycatch allocations, any halibut PSC allocation for the entry level trawl fishery should be set to allow full harvest of the target species allocations while creating an incentive for reduced mortality. An overly high halibut PSC allocation might create no deterrent; an overly low allocation might prevent harvest of the rockfish allocation. A difficulty that arises in the entry level trawl fishery is few vessels

participate. With only a few vessels, the entry level trawl fleet has a small base across which to distribute extraordinary high halibut bycatch trips or hauls. Most vessels in the main program received allocations of primary rockfish species greater than the entire allocation to the entry level trawl fishery. Those vessels also have the ability to form cooperatives to collectively manage halibut allocations and catches. In addition, the main program participants can engage in post-delivery transfers of allocations to cover unanticipated overages. Under the current program structure that isolates the allocation to the entry level trawl fishery, it is possible that one or more of those vessels may be unable to complete its harvests of rockfish, if the vessel has an unavoidable and unexpectedly high catch of halibut.

In the main program, unused halibut PSC is available for use in the fall deepwater complex fisheries. By making the catch available for later use, cooperatives have an incentive to conserve halibut PSC that might otherwise be dissipated. A similar approach could be used to create an incentive for halibut preservation under an entry level trawl halibut PSC allocation. Since the entry level fishery has only a few participants (and would likely receive a relatively small halibut PSC allocation), it is uncertain whether the incentive would be effective. The incentive in the main program is driven by an intercooperative agreement among all catcher vessel cooperatives, which includes penalties for exceeding specific bycatch levels. Whether similar agreements would be used in the entry level is uncertain.

An alternative to providing the entry level trawl fishery with a halibut allocation is to simply exempt the fishery from any halibut limit. Using this approach, the fishery would not be constrained by halibut, but halibut mortality would be counted against the trawl deepwater halibut limit in the Gulf. Mortality would be counted against the season in which the halibut is used (or in next subsequent season, if the current season's apportionment is fully used). Such an approach would provide entry level participants with the opportunity to harvest rockfish during the scheduled season despite halibut limitations that have applied to other fisheries.

If the limited access structure of the entry level trawl fishery is maintained, it is possible that the exemption of halibut from any limitation could lead participants racing for rockfish to show little regard halibut mortality. The mortality would affect limited access fisheries either in the current or subsequent season, but would not affect the prosecution of the entry level trawl fishery. Participants in the entry level, however, may be reluctant to exert efforts to avoid halibut mortality, if they believe that it will reduce catches of rockfish in the race for fish. For example, a vessel may be unwilling to move from an area of high halibut catch, if that move requires additional fuel usage and reduces the amount of time that the vessel can spend catching rockfish.

If the entry level fishery is managed through individual or cooperative allocations of primary rockfish, the exemption of the fishery from halibut limits may be more likely to avoid halibut catch, but the absence of a limit would still reduce the incentive for avoiding halibut. The vessel may be reluctant to incur additional fuel costs to avoid halibut, but its catch of rockfish should not be jeopardized by the move. Since the entry level trawl fishery receives a relatively small allocation of primary rockfish, the extent of any threat of excessive halibut is limited. At the highest preprogram halibut bycatch rate, the total catch of halibut by the entry level fishery would be slightly less than 9 metric tons, based on the current rockfish allocation. Although the extent of any mortality might be limited by the small allocation, the reduced incentive for avoiding halibut mortality under this approach should be considered.

### **Change in management of shortraker rockfish and rougheye rockfish for the catcher processor sector**

Members of the catcher processor sector have suggested that the current allocations of shortraker rockfish and rougheye rockfish are overly constraining. Sector members believe that the current allocations

prevent participants from realizing historic catches from the fishery. In addition, some sector members have suggested that the relatively small allocations create a disincentive for cooperative membership.

### Background

Under the program, the catcher processor sector receives an annual allocation of shorttraker rockfish equal to 30.03 percent of that TAC and roughey rockfish equal to 58.87 percent of that TAC. This allocation is divided among cooperatives with each receiving a share equal to its members' share of the total primary rockfish QS. If any eligible catcher processor sector members choose not to join a cooperative (either opting out of the program for the year or electing to fish the limited access fishery), a share of the allocations that would have gone to cooperatives with their membership is not made. Sector members that choose to fish in the limited access fishery do not receive an allocation. Instead, limited access participants are limited by a maximum retainable amount of combined shorttraker rockfish and roughey rockfish equal to two percent of catch of primary rockfish. This maximum retainable amount applies at all times and its calculation renews on each weekend date.<sup>5</sup>

During program development, the Council considered a variety of options for the allocation of shorttraker rockfish and roughey rockfish. At that time, a change was underway from management under an aggregate TAC to management under separate TACs for the two species. Stock estimates of roughey rockfish exceeded stock estimates of shorttraker rockfish, but that shorttraker rockfish was a greater share of the catch under the aggregate TAC. To address any potential overexploitation of shorttraker rockfish, the Council elected to establish separate TACs for the two species.

In developing the rockfish pilot program, the Council first considered allocation of shorttraker rockfish and roughey rockfish based solely on aggregate catches of the two species during the qualifying period. Each sector would then receive two allocations by applying its share of the historic aggregate catch the two species to each of the two species TACs. Data were (and are) unavailable to establish the share of each species caught from the aggregate catches during the qualifying period. Under this approach, the catcher processor sector would receive approximately 60 percent of the shorttraker rockfish TAC and 60 percent of the roughey rockfish TAC, while the catcher vessel sector would receive approximately 6 percent of each TAC. The Council also considered an option to credit only 75 percent of the catch history of the catcher processor sector in determining its allocation, effectively reducing the allocation to approximately 45 percent of the combined TACs. In considering this allocation, the Council expressed concern that relatively high share of the historic catch of these species could threaten the stocks, if other fisheries increased their catches under the limited access MRA management that governs those fisheries.<sup>6</sup>

Adopting a precautionary approach to limiting catches of the species, the Council allocated to the catcher processor sector approximately 30 percent of the shorttraker rockfish TAC (approximately one-half of its historic percentage of the aggregate shorttraker rockfish/roughey rockfish TAC harvest in the qualifying years) and approximately 60 percent of the roughey rockfish TAC to the catcher processor sector (approximately its historic percentage of the aggregate shorttraker rockfish/roughey rockfish TAC harvest). In the limited entry fishery, catcher processors are subject to a reduced aggregate shorttraker rockfish/roughey rockfish MRA of 2 percent (a percent substantially lower than the 7 percent MRA applied prior to the program). The reduced MRA is intended to protect these species and create an incentive for cooperative membership.

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<sup>5</sup> Catcher vessels participating in the program (in the limited access or cooperatives) are subject to a 2 percent MRA on shorttraker rockfish and roughey rockfish. In addition, catcher vessels are prohibited from retaining shorttraker rockfish, if the sector's harvest of the species exceeds 9.72 percent of its TAC.

<sup>6</sup> In most fisheries (other than the primary rockfish fisheries) the MRA of aggregate shorttraker rockfish/roughey rockfish is 7 percent.



In the first year of the program, two catcher processor cooperatives formed. One of these cooperatives fished; the other transferred most of its allocations to catcher vessel cooperatives and a portion of its shortraker rockfish and roughey rockfish allocation to the other catcher processor cooperative. One vessel fished in the active catcher processor cooperative and three vessels fished in the catcher processor limited access fishery. Catches were below allocations after transfers for all species (see Table 2).

**Table 2. Total catch and allocations of allocated species by catcher processors in the Gulf rockfish pilot program (2007).**

cp - alloc and catch

|                | Species                | Number of vessels | Catch (in metric tons) | Allocation excluding transfers (in metric tons) | Percentage of allocation harvested |
|----------------|------------------------|-------------------|------------------------|---|------------------------------------|
| Cooperative*   | Pacific Ocean Perch    | 1                 | 1,667                  | 1,700   | 98                                 |
|                | Northern Rockfish      | 1                 | 153                    | 284   | 54                                 |
|                | Pelagic Shelf Rockfish | 1                 | 113                    | 141   | 80                                 |
|                | Sablefish              | 1                 | 78                     | 87  | 90                                 |
|                | Shortraker Rockfish    | 1                 | 43                     | 34  | 126***                             |
|                | Roughey Rockfish       | 1                 | 11                     | 117   | 10                                 |
|                | Thornyhead Rockfish    | 1                 | 23                     | 74  | 31                                 |
| Limited Access | Pacific Ocean Perch    | 3                 | 943                    | 1,008   | 94                                 |
|                | Northern Rockfish      | 3                 | 584                    | 675   | 87                                 |
|                | Pelagic Shelf Rockfish | 3                 | 535                    | 1,065   | 50                                 |

Source: Catch Accounting Data and Cooperative Reports.

Note: Excludes allocation of catcher processor cooperative that did not fish.

\*Data are not confidential because of disclosure in cooperative reports.

\*\* Withheld for confidentiality.

\*\*\* No overage occurred because of transfer of cooperative quota.

Generally, catcher processors are permitted to retain more shortraker rockfish and roughey rockfish, if they join cooperatives (see Table 3). So, maximum retained catch by the sector would be permitted, if all catcher processors chose to join cooperatives. Yet, since discards are permitted by participants in the limited access, it is possible that total catches of shortraker rockfish and roughey rockfish could be greater if all catcher processors chose to join the limited access than fish in cooperatives, if participants in the limited access have substantial discards. In addition, since the MRA applies to aggregate catches of shortraker rockfish and roughey rockfish, it is possible that catches of shortraker rockfish (the species of greater biological concern) could be greater in the limited access fishery. Catches in the first year of the program were substantially below the total amount permitted.

**Table 3. Maximum permitted catches and actual catch of shortraker and roughey rockfish in the first year of the pilot program.**

| shtrkrngheye   |  | Catcher processor | Catcher vessels | Total |
|--|--|-------------------|-----------------|-------|
| Maximum permitted catches under various co-op membership scenarios | Maximum sector shortraker allocation                           | 106*              | NA              |       |
|  | Maximum sector roughey allocation                              | 360*              | NA              |       |
|  | Maximum sector catch of MRA shortraker and roughey - aggregate | 192**             | 204             |       |
|  | Maximum retained catch of shortraker and roughey               |                   |                 | 669   |
| Maximum permitted catches under first year co-op memberships       | Allocation of shortraker to cooperatives                       | 60                |                 |       |
|  | Allocation of roughey to cooperatives                          | 203               |                 |       |
|  | Maximum MRA catch of shortraker and roughey - aggregate        | 41                | 204             |       |
|  | Maximum retained catch of shortraker and roughey               |                   |                 | 508   |
| Catches in the first year  | Total catch of shortraker by cooperatives                      | 44                | 9               |       |
|  | Total catch of roughey by cooperatives                         | 11                | 10              |       |
|  | Total catch of shortraker and roughey by limited access        | 32                |                 |       |
|  | Total catch of shortraker and roughey                          |                   |                 | 106   |

Source: NMFS Catch Accounting data

Notes: MRA amounts assume that allocations of primary species are harvested in their entirety. MRAs limit only retained catch, so maximum catch under an MRA excludes potential discards. Total catch amounts include discards and retained catch.

\* Maximum allocation to cooperatives, if all catcher processors join a cooperative.

\*\* Maximum possible MRA catch, if all catcher processors join the limited access fishery.

In the first year of the program, catcher processors participated in both cooperatives and the limited access fishery. The choice of some catcher processors to participate in the limited access fishery reduced the permitted retained catch of the two species by over 150 metric tons. Yet, some catcher processors are reported to have been reluctant to join cooperatives because of the potential that the constraining shortraker rockfish and roughey rockfish allocations would limit their ability to harvest primary species. Notwithstanding this fear, during the first year of the program, total catch of shortraker and roughey in the limited access were approximately 10 metric tons less than the amount that could be retained under the MRA and were substantially less than would have been permitted had these catcher processors elected to participate in cooperatives. Catcher vessels in the program harvested less than 10 percent of the maximum amount permitted by its MRA.

Catches of both species under the program's system of allocations and MRAs were less than historical catches in the rockfish fishery since the qualifying period (see Table 4).<sup>7</sup> In addition, catcher processor catches in the first year of the program were substantially lower than the 60 percent historical share of the aggregate species TAC harvested by the sector during the qualifying period.

**Table 4. Total allowable catches and total catches of shortraker rockfish and roughey rockfish in the Central Gulf rockfish fisheries (2005-2007).**

| rfish shreyye |                     | Total allowable catch | Catcher processor sector |                                      | Catcher vessel sector  |                                      | Total                  |                                      |
|---------------|---------------------|-----------------------|--------------------------|--------------------------------------|------------------------|--------------------------------------|------------------------|--------------------------------------|
| Year          | Species             |                       | Catch (in metric tons)   | Percent of the total allowable catch | Catch (in metric tons) | Percent of the total allowable catch | Catch (in metric tons) | Percent of the total allowable catch |
| 2005          | Shortraker rockfish | 324                   | 127                      | 39                                   | 19                     | 6                                    | 146                    | 45                                   |
|               | Roughey rockfish    | 557                   | 48                       | 9                                    | 9                      | 2                                    | 57                     | 10                                   |
| 2006          | Shortraker rockfish | 353                   | 145                      | 41                                   | 14                     | 4                                    | 159                    | 45                                   |
|               | Roughey rockfish    | 608                   | 5                        | 1                                    | 30                     | 5                                    | 35                     | 6                                    |
| 2007          | Shortraker rockfish | 353                   | 63                       | 18                                   | 4                      | 1                                    | 67                     | 19                                   |
|               | Roughey rockfish    | 611                   | 19                       | 3                                    | 6                      | 1                                    | 25                     | 4                                    |

Source: NMFS Catch Accounting.

<sup>7</sup> Reliable estimates of the catch of the different species are not available prior to 2005.

Also, total catches of shortraker rockfish and rougheye rockfish in all fisheries relative to their TACs do not suggest any danger of overharvest of the current TACs (see Table 5).

**Table 5. Catches and total allowable catches of shortraker rockfish and rougheye rockfish in all Central Gulf fisheries (2005 -2007).**

| allfish |                        |  |  |                        |  |  |
|---------|------------------------|--|--|------------------------|--|--|
| Year    | Shortraker rockfish    |  |  | Rougheye rockfish      |  |  |
|         | Catch (in metric tons) | Total allowable catch (in metric tons) | Percent of total allowable catch harvested | Catch (in metric tons) | Total allowable catch (in metric tons) | Percent of total allowable catch harvested |
| 2005    | 223                    | 324                                    | 68.8                                       | 122                    | 557                                    | 21.9                                       |
| 2006    | 303                    | 353                                    | 85.8                                       | 134                    | 608                                    | 22.0                                       |
| 2007    | 158                    | 353                                    | 44.8                                       | 178                    | 611                                    | 29.1                                       |

Source: NMFS Catch reports (2005-2007).

Note: Prior to 2005, shortraker rockfish and rougheye rockfish were managed using an aggregate total allowable catch.

Change to MRA management of shortraker rockfish and rougheye rockfish for the catcher processor sector

To address the shortfall of shortraker rockfish or rougheye rockfish faced by catcher processor cooperatives under the allocations of these species, it is suggested that the MRA management be adopted. Under MRA management, catcher processors exceeding the MRA at any point in a trip would be required to discard catches above the MRA.<sup>8</sup> While MRA management would create greater flexibility for vessels unable to limit their catches of shortraker rockfish and rougheye rockfish, it may have some undesirable effects.

MRAs can contribute to discards. As currently applied in the Gulf, an MRA requires discards of catch that exceed the prescribed level at any time. So, a vessel that catches an unexpected amount of an MRA species early in a trip may be forced to discard, even if the catch would be retainable at a later time in the trip. For valuable species, an MRA may induce a vessel to catch up to the maximum amount, knowing that overharvest of the MRA may be discarded without risk of penalty. These added discards are avoided under the current allocations, which counts all harvests against the allocation.

MRAs can also contribute to excessive harvests of a species. Since an MRA limits only retention, requiring vessels to discard above the retainable amount, they do not limit total harvest of a species. To effectively limit total catch requires a limit on catch in addition to an MRA. Typically, species subject to an MRA are also subject to limits on catch by all vessels, above which no retention is permitted. Without this additional limitation, overall catch will not be limited by regulation. For species of value that are fully utilized, establishing an MRA in a fishery prosecuted with exclusive allocations and an extended season could provide participants in the fishery with an advantage in the harvest of the MRA species. Persons able to harvest the MRA in conjunction with exclusive allocations may be under less time pressure to harvest the MRA species than persons fishing in a limited access race for fish.

If the Council elects to proceed with an action to manage catcher processor catch of shortraker rockfish and rougheye rockfish with an MRA, it could consider whether total catch of the species by catcher processors participating in the program should be limited, as is done for the catcher vessel sector. Catcher

<sup>8</sup> The Council's direction in analyzing this did not suggest a change in the MRA level, but it is believed that a change would be appropriate if the intent is to permit additional catches by the catcher processor sector.

vessels are subject to a 2 percent MRA for shortraker rockfish and rougheye rockfish combined, and are not permitted to retain shortraker rockfish, if the sector's harvests exceed 9.72 percent of the TAC. Establishing such a limit for the catcher processor sector would prevent excessive catches by the sector.

Two possible motivations for modifying management of the shortraker rockfish and rougheye rockfish for the catcher processor sector have been suggested. First, it is suggested that the current binding allocations of these species may constrain harvest of target rockfish allocations. Catch processors have suggested that relatively high catch rates of shortraker rockfish in the grounds they typically fish put them in jeopardy of fully harvesting their allocations of shortraker rockfish prior to fully harvesting their primary rockfish allocations. In 2006 under limited access management, catcher processors in the rockfish fishery caught approximately 41 percent of the shortraker TAC, substantially greater than the 30 percent allocation they receive under the rockfish pilot program. Despite this catch, approximately 15 percent of the TAC was left unharvested in that year. In the first year of the program, catcher processors harvested approximately 18 percent of the shortraker TAC, while approximately 45 percent was left unharvested. In the first year, the only active cooperative exceeded its initial allocation by 25 percent, avoiding an overage by acquiring a transfer of quota from another cooperative. Modifying management of shortraker rockfish and rougheye rockfish by establishing an MRA for these species would minimize the potential for harvests of shortraker rockfish to prevent harvest of primary rockfish. Yet, an increase in the allocation of shortraker rockfish to the sector could accomplish the same end, without increasing the incentive or potential for discards (or excessive harvests).

A second motivation for establishing MRA for management of shortraker rockfish and rougheye rockfish for catcher processors is that it would allow the sector to take an amount closer to its historic harvests. The average estimated harvest of shortraker rockfish during qualifying years was approximately 195 metric tons. In the first two years of the program, the maximum allowable harvest of shortraker rockfish by the sector under the program was approximately 100 metric tons (assuming all vessels joined a cooperative). A few factors led the Council to make this relatively small allocation. The sector took approximately 60 percent of the combined TAC of shortraker rockfish and rougheye rockfish in the qualifying years. Estimates suggest that shortraker rockfish made up a larger share of this harvest than rougheye rockfish. Yet, to protect the shortraker rockfish stock, the Council limited the allocation to the sector to approximately 30 percent of the shortraker rockfish TAC. Under the divided TAC of the two species, the shortraker rockfish TAC makes up approximately one-third of the combined TACs of the two species. This TAC change, together with the reduced allocation of shortraker rockfish to protect the stock, led to a substantial reduction in the permitted harvests of that species by catcher processors participating in rockfish cooperatives.

If the Council's concern is that the current allocation overly constrains the catcher processor sector from maintaining historic harvests, it could address this shortcoming by increasing the allocation to the sector. This would allow the sector to increase its catch to an amount closer to its historic catch level, but without creating an incentive for discards or overharvest, which might arise under MRA management. In addition, an allocation will allow the Council to more precisely allocate catch of shortraker rockfish and rougheye rockfish to the sector without less potential to unintentionally disadvantage participants in other fisheries.

#### **Change in the basis species for determining MRAs**

Under the current structure of the rockfish pilot program, only primary rockfish species are counted as basis species for determining maximum retainable amount of species that are not allocated. The Council has asked staff to discuss the potential for adding catches of species other than primary rockfish to the basis species for determining MRAs under the program.

### Background

Under the program, cooperatives receive exclusive allocations of the three primary rockfish species and as many as four secondary species. These secondary allocations may be harvested at the discretion of the cooperative, including as separate targeted trips. In the first year of the program, catcher vessel cooperatives made trips targeting two secondary species Pacific cod and sablefish (see Table 6). During these trips, little primary rockfish were harvested. By limiting their catch of rockfish in these trips, harvesters are able to both reduce costs of traveling to the different grounds and increase quality of catch by limiting the extent of mixing of Pacific cod and sablefish with rockfish, the spines of which can damage more fragile fish.

**Table 6. Rockfish pilot program catcher vessel trips and catch targeting species other than rockfish (2007).**

cv targeting

| Target      | Vessels with at least one trip in the target | Total trips in the target | Species caught in the target | Catch (in metric tons) | Percent of total catch of the species |
|-------------|--|---------------------------|------------------------------|------------------------|---------------------------------------|
| Pacific cod | 10   | 11                        | Pacific Ocean Perch          | 5.2                    | 0.1                                   |
|             |  |                           | Northern Rockfish            | 0.9                    | 0.0                                   |
|             |  |                           | Pelagic Shelf Rockfish       | 0.4                    | 0.0                                   |
|             |  |                           | <b>Pacific Cod</b>           | <b>207.1</b>           | <b>74.7</b>                           |
|             |  |                           | <b>Sablefish</b>             | <b>30.5</b>            | <b>6.6</b>                            |
| Sablefish   | 14   | 16                        | Pacific Ocean Perch          | 16.1                   | 0.4                                   |
|             |  |                           | Northern Rockfish            | 0.0                    | 0.0                                   |
|             |  |                           | Pelagic Shelf Rockfish       | 0.9                    | 0.1                                   |
|             |  |                           | Pacific Cod                  | 15.7                   | 5.7                                   |
|             |  |                           | <b>Sablefish</b>             | <b>229.1</b>           | <b>49.2</b>                           |

Source: NMFS Catch Accounting Data.

During trips that do not target rockfish, MRAs for species that are not allocated are determined based on catch of primary rockfish only. So, vessels with little harvest of primary rockfish are very limited in their retention of unallocated species (including shorttraker rockfish and roughey rockfish). While some discards in the fishery have been voluntary, others are likely required by MRA limits. This influence is suggested by the sum of the differences in percent of catches discarded in rockfish targeted trips compared to discards in trips targeting other species. Arrowtooth flounder discards, which are relatively large percentages and large amounts of catch when compared to other species, are an exception. These high discards are likely a result of the relatively high biomass and low value of the species. Differences are most pronounced for flatfish species and roughey rockfish. Although in most cases, the discards are relatively small amounts of fish, requiring discards contributes to waste and imposes an unnecessary sorting burden on crews.

**Table 7. Preliminary catcher vessel species catch (in metric tons) by target in the rockfish pilot program (2007).**

cvctchdiscbytrgt

| Species                | Target   | Discarded | Retained | Total | Percent discarded |
|------------------------|----------|-----------|----------|-------|-------------------|
| Atka mackerel          | Rockfish | 0.1       | 0.6      | 0.7   | 8.2               |
| Arrowtooth flounder    | Rockfish | 132.0     | 46.1     | 178.1 | 74.1              |
|                        | Other    | 196.9     | 17.7     | 214.7 | 91.7              |
| Big skate              | Rockfish | *         | *        | 0.2   | *                 |
|                        | Other    | 2.6       | 0.0      | 2.6   | 100.0             |
| Deepwater flatfish     | Rockfish | 4.5       | 12.8     | 17.3  | 26.0              |
|                        | Other    | 15.9      | 4.6      | 20.5  | 77.6              |
| Flathead sole          | Rockfish | 0.9       | 5.9      | 6.8   | 12.8              |
|                        | Other    | 2.8       | 2.4      | 5.1   | 53.7              |
| Longnose skate         | Rockfish | 1.0       | 1.1      | 2.1   | 46.6              |
|                        | Other    | *         | *        | 6.5   | *                 |
| Other species          | Rockfish | 6.7       | 1.7      | 8.5   | 79.4              |
|                        | Other    | 2.5       | 0.1      | 2.6   | 96.0              |
| Pollock                | Rockfish | 1.5       | 19.9     | 21.4  | 6.9               |
|                        | Other    | 2.7       | 0.5      | 3.3   | 83.3              |
| Rex sole               | Rockfish | 1.3       | 6.0      | 7.3   | 17.8              |
|                        | Other    | 7.9       | 1.5      | 9.4   | 84.0              |
| Rougheye rockfish      | Rockfish | 0.3       | 4.8      | 5.1   | 5.0               |
|                        | Other    | 3.7       | 1.1      | 4.8   | 77.5              |
| Other rockfish         | Rockfish | 2.2       | 37.2     | 39.4  | 5.5               |
|                        | Other    | *         | *        | 0.7   | *                 |
| Shallow water flatfish | Rockfish | 0.2       | 2.1      | 2.3   | 10.6              |
|                        | Other    | 3.4       | 2.0      | 5.3   | 63.0              |
| Shortraker rockfish    | Rockfish | *         | *        | 4.4   | *                 |
|                        | Other    | *         | *        | 4.9   | *                 |
| Thornyhead rockfish    | Rockfish | 1.4       | 19.6     | 21.0  | 6.7               |
|                        | Other    | 2.2       | 26.6     | 28.8  | 7.6               |
| Other skate            | Rockfish | 3.1       | 1.2      | 4.3   | 71.6              |
|                        | Other    | 1.1       | 0.1      | 1.1   | 94.8              |

Source: NMFS Catch Accounting.

\* withheld for confidentiality.

Change to using all allocated species as basis species for calculating MRAs

Since vessels fishing under the program have trips targeting species other than targeted rockfish, it has been suggested that all allocated species be used as a basis for calculating MRAs.<sup>9</sup> This expansion would allow additional catches of MRA species, but would also prevent discards of otherwise valuable, retainable fish. The effects of a change would be limited by the extent of the allocations of secondary species under the program.

The number of additional pounds of unallocated species that might be harvested increases substantially when all allocated species are included as basis species (see Table 8). Yet, Comparing potential increases in maximum retainable amounts that would arise from increasing the basis species with the catch of species managed by MRAs suggests that in the absence of substantial changes in targeting behavior, little effect on total catches of MRA limited species might arise by using all allocated species as basis species, instead of exclusively primary rockfish.

<sup>9</sup> Secondary species are allocated only to cooperatives. Limited access catches of all secondary species are managed by MRAs, so the limited access would not be affected by this action.

**Table 8. Maximum retainable amounts by sector based on allocations of primary rockfish species and secondary species allocations (2008).**

| mrabaschnge              |                                      |                                |  |   |  |
|--------------------------|--------------------------------------|--------------------------------|--|---|--|
| Incidental catch species | MRA as a percentage of basis species | Catcher vessel sector          |  |   |  |
|                          |                                      | Allocation of primary rockfish | MRA in tons based on rockfish allocation | Maximum cooperative allocation of secondary species | MRA in tons based on secondary species allocations |
| Shortraker/rougheye      | 2                                    | 6,625                          | 133                                      | 1,034   | 21   |
| Pollock                  | 20                                   |                                | 1,325                                    |   | 207  |
| Deep water flatfish      | 20                                   |                                | 1,325                                    |   | 207  |
| Rex sole                 | 20                                   |                                | 1,325                                    |   | 207  |
| Flathead sole            | 20                                   |                                | 1,325                                    |   | 207  |
| Shallow water flatfish   | 20                                   |                                | 1,325                                    |   | 207  |
| Arrowtooth flounder      | 35                                   |                                | 2,319                                    |   | 362  |
| Other rockfish           | 15                                   |                                | 994                                      |   | 155  |
| Atka mackerel            | 20                                   |                                | 1,325                                    |   | 207  |
| Aggregated forage fish   | 2                                    |                                | 133                                      |   | 21   |
| Skates                   | 20                                   |                                | 1,325                                    |   | 207  |
| Other species            | 20                                   |                                | 1,325                                    |   | 207  |
| Catcher processor sector |                                      |                                |  |   |  |
| Incidental catch species | MRA as a percentage of basis species | Allocation of primary rockfish | MRA in tons based on rockfish allocation | Maximum cooperative allocation of secondary species | MRA in tons based on secondary species allocations |
| Pacific cod              | 4                                    | 6,503                          | 260                                      | 1,019   | 41   |
| Pollock                  | 20                                   |                                | 1,301                                    |   | 204  |
| Deep water flatfish      | 20                                   |                                | 1,301                                    |   | 204  |
| Rex sole                 | 20                                   |                                | 1,301                                    |   | 204  |
| Flathead sole            | 20                                   |                                | 1,301                                    |   | 204  |
| Shallow water flatfish   | 20                                   |                                | 1,301                                    |   | 204  |
| Arrowtooth flounder      | 35                                   |                                | 2,276                                    |   | 357  |
| Other rockfish           | 15                                   |                                | 975                                      |   | 153  |
| Atka mackerel            | 20                                   |                                | 1,301                                    |   | 204  |
| Aggregated forage fish   | 2                                    |                                | 130                                      |   | 20   |
| Skates                   | 20                                   |                                | 1,301                                    |   | 204  |
| Other species            | 20                                   |                                | 1,301                                    |   | 204  |

Source: NMFS rockfish program allocations (2008).

## Conclusion

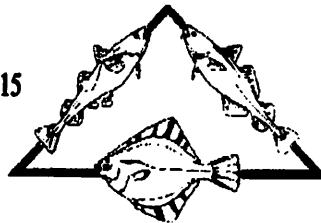
In requesting this paper, the Council suggested its intention proceed with an amendment package to address certain issues that have arisen in the first year of the rockfish pilot program. While amendments may be useful to address those program deficiencies, the Council should be aware that an extensive package will require substantial program development, analysis, and regulation preparation, all of which will delay implementation. Given that the pilot program is scheduled to expire at the end of the 2011 season, the Council should consider whether it is more effective to develop an action to extend the life of the program that incorporates desired changes. If the Council elects to take action to extend the life of the program, it could consider a more expansive scoping process to ensure that it address all of its concerns with the program. If the Council elects to proceed with an amendment to the pilot program that does not extend the life of the program, it can proceed with the development of a purpose and need statement and the identification of alternatives for analysis at this time, to begin that process.

# Groundfish Data Bank

Alaska

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## CGOA Rockfish Pilot Program 2008 Annual Cooperative Reports

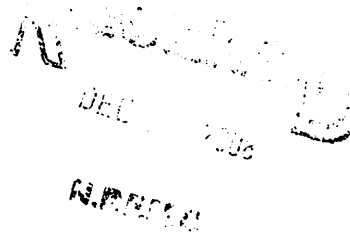
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December 15, 2008

To: North Pacific Fishery Management Council  
605 West 4<sup>th</sup> Suite 306  
Anchorage, AK 95501-2252

From: Julie Bonney, Alaska Groundfish Data Bank  
P.O. Box 788  
Kodiak, AK 99615



Please find enclosed the 2008 Annual Central Gulf of Alaska Rockfish Cooperative Reports for the following cooperatives:

1. Star of Kodiak Rockfish Cooperative
2. North Pacific Rockfish Cooperative
3. ISA Rockfish Cooperative
4. OBSI Rockfish Cooperative
5. Western Alaska Fisheries Cooperative
6. Trident Offshore Rockfish Cooperative

These annual reports are being submitted to the National Marine Fisheries Service and to the North Pacific Fishery Management Council pursuant to and in accordance with 50 C.F.R § 679.81(i)(3)(xxiv).

Respectfully,

Julie Bonney  
Executive Director,  
Alaska Groundfish Data Bank



Final Report  
Western Alaska Fisheries  
Rockfish Cooperative

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2008

December 15, 2008

Prepared by:  
Julie Bonney  
Alaska Groundfish Data Bank  
P.O. Box 788  
Kodiak AK 99615

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## I. INTRODUCTION

In Section 802 of the Consolidated Appropriations Act of 2004, the U.S. Congress included a Directive to the Secretary of Commerce to establish, in consultation with the North Pacific Fishery Management Council (the Council), a pilot program for management of three primary rockfish species in the Central Gulf of Alaska (CGOA): Pacific Ocean perch (POP), northern rockfish (NR), and pelagic shelf rockfish fisheries (PSR)<sup>1</sup>. The ensuing catcher vessel Rockfish Pilot Program (RPP) allows each catcher vessel/harvester to join a cooperative in association with the processor to which it delivered the most pounds of CGOA rockfish during the processor qualifying period. Each cooperative receives an annual harvest share allocation based on the qualified harvest history of its members (combined vessel quota shares or QS). In addition to the allocation of target rockfish, catcher vessel cooperatives also receive allocations of secondary species, which include Sablefish, Pacific cod, Thornyhead rockfish and Halibut PSC mortality. Allocations to the catcher vessel sector are based on the average percentage of retained catch or Halibut PSC mortality usage of these species in the target rockfish fisheries during the qualifying period. These allocations are distributed to the cooperative members based on the amount of primary rockfish that the cooperative member holds.

The primary RPP objective is to stabilize the residential processing work force by filling times of year with low processing volumes, particularly May and June, and to remove the processing conflict with salmon. Additionally, the RPP reduces the competition for fish among harvesters thereby promoting safety, high quality seafood production, and increased economic performance and stability for coop members, fishermen and processors. The extended, non-derby style season allowed co-op members to improve harvesting efficiency in the target fisheries while reducing incidental bycatch of prohibited species through better fishing practices and efficient fleet monitoring and information distribution.

The Western Alaska Fisheries Rockfish Cooperative is one of 5 inshore cooperatives formed in March 2008 in accordance to Amendment 68 of the Fishery Management Plan for Groundfish of the Gulf of Alaska. 2008 marked the second year of the 5-year Rockfish Pilot Program and, in compliance with Amendment 68, this Final Report is submitted to the Council as a summary of harvests, transfers and cooperative performance during the 2008 rockfish fishing season in the Central Gulf of Alaska (CGOA). Catch figures and statistics were provided by Sea State, Inc. and by the cooperative's manager and representative, Julie Bonney, Executive Director of Alaska Groundfish Data Bank.

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<sup>1</sup> Pelagic shelf rockfish consists of dusky rockfish, dark rockfish, yellowtail rockfish, and widow rockfish.

## II. COOPERATIVE MEMBERSHIP

The Western Alaska Fisheries Rockfish Cooperative consists of ten member licenses with ten member vessels (LLP's), of which eight actively fished during the RPP: Leslie Lee, Walter N, Dusk, Michelle Renee, Vanguard, Hickory Wind, Collier Brothers and the Gold Rush. The Lady Joanne allocation was fished by the Vanguard and the Hickory Wind; the Alaska Dawn allocation was fished by the Vanguard.

Western Alaska Fisheries in Kodiak, Alaska served as the primary purchasing and processing facility for the Western Alaska Fisheries Rockfish Cooperative.

| <u>Member License</u> |                              | <u>Member Vessel</u> | <u>ADF&amp;G no.</u> |
|-----------------------|------------------------------|----------------------|----------------------|
| LLP 1271              | Elizabeth F, Inc.            | Walter N             | 34919                |
| LLP 2565              | Futura Fisheries, Inc.       | Vanguard             | 39946                |
| LLP1523               | Schones, James A.            | Collier Brothers     | 54648                |
| LLP 3600              | Hickory Wind, LLC            | Hickory Wind         | 47795                |
| LLP 3987              | F/V Gold Rush Fisheries, LLC | Gold Rush            | 40309                |
| LLP 2550              | Black Sea Fisheries, Inc.    | Michelle Renee       | 61244                |
| LLP1905               | Gilbert, William T. Jr.      | Alaska Dawn          | 69765                |
| LLP 2165              | Burch, Alvin R.              | Dusk                 | 21636                |
| LLP 1183              | Leslie Lee, Inc.             | Leslie Lee           | 56119                |
| LLP 2222              | Lady Joanne, Inc.            | Lady Joanne          | 62922                |

### **III. COOPERATIVE MANAGEMENT**

The Western Alaska Fisheries Rockfish Cooperative was represented and managed by Julie Bonney at the Alaska Groundfish Data Bank in collaboration and coordination with the Co-op President, Mike Martin, Western Alaska Fisheries Seafood's Plant Manager, Mitch Kilborn, Sea State, Inc., and the National Marine Fisheries Service.

Fishing plans were devised to harvest the allocations efficiently while reducing the amount of prohibited and non-marketable species. Harvest numbers, observer data and fish ticket information were analyzed, updated and distributed to the appropriate and interested parties in a timely manner to ensure proper management. Figure 1 shows the schematic outlining the Co-op's operations and flow of information among the contributing parties.

#### **A. Monitoring**

##### **(1) Check-ins and Check-outs**

To facilitate moving into and out of non-RPP fisheries during the rockfish season, NMFS instituted "Check-ins" and "Check-outs" but limited them to 3 times the number of LLP's within the coop. Co-op vessels were required to check into the RPP fishery 48 hours prior to starting a trip and to check out of the program before participating in other fisheries. With six LLP's, the WAF Rockfish Cooperative was limited to 3x10 or 30 check-ins: only 17 were actually used.

##### **Observer Coverage**

100% Observer coverage was required by all participating vessels and per 12 hour processing period at the shoreside processing plants.

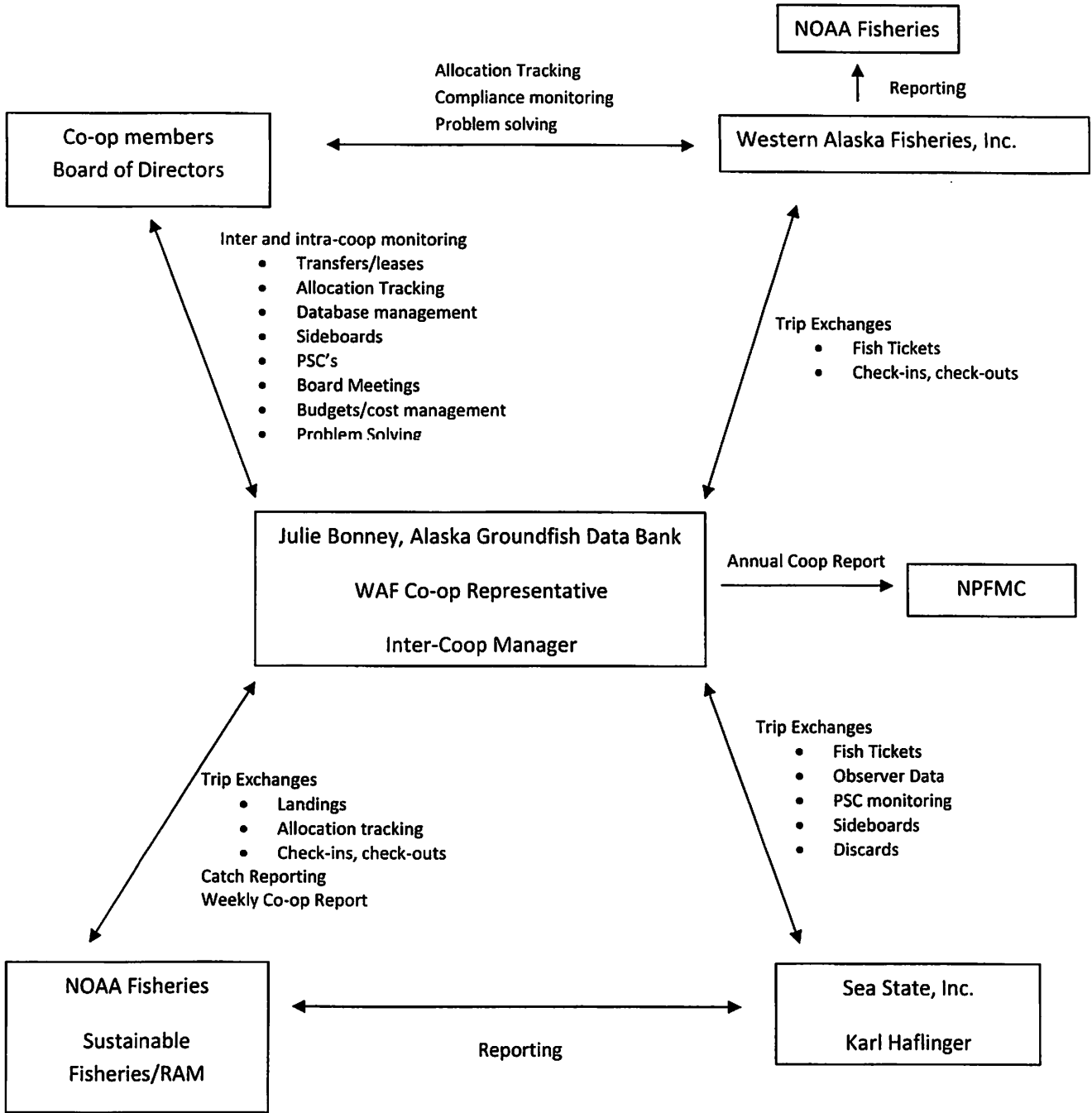
##### **(2) Sea State, Inc.**

Sea State, Inc. was hired by the cooperatives to establish and maintain the observer and fish ticket data base which was used in turn by the co-op's manager to monitor the co-op's catch.

##### **(3) NOAA Fisheries**

Weekly co-op reports were composed and sent to NMFS/Sustainable Fisheries as per the regulations and the co-op manager maintained close contact with NMFS personnel to monitor the co-op's harvest activities and bycatch rates and to discuss and resolve actual or potential management issues. NOAA RAM's Co-op ledger web site, available for the first time this year, proved very useful and was accessed frequently to confirm transfers, check balances and detect observer-fish ticket data mismatches.

**Figure 1. Schematic of WAF Rockfish Cooperative Operations and Management.**



## IV. COOPERATIVE PERFORMANCE

### A. Co-op Allocations, Transfers and Harvests

The WAF Rockfish Cooperative's allocations and harvests for the 2008 season are summarized by species and vessel in Table 1. Note that cooperative fishing allowed individual vessel overages to be offset by quota not harvested by other member vessels. Inter-coop transfers (Table 2) were arranged by the Inter-coop manager to maximize harvesting of the allocations among the five catcher vessel cooperatives and to bring the catcher processor cooperative allocations on shore.

**Table 2: WAF Rockfish Co-op Allocation and Inter-coop Transfer Summary (weights are in pounds)**

|                                   | POP              | NR               | PSR              | Sablefish      | P. cod         | Thornyhead    | Halibut       |
|-----------------------------------|------------------|------------------|------------------|----------------|----------------|---------------|---------------|
| <b>Initial WAF Allocation:</b>    | 2,463,077        | 805,318          | 798,362          | 212,542        | 363,844        | 57,145        | 70,919        |
| <b>Transfers In (Trident CP):</b> | 461,444          | 89,412           | 110,910          | 19,172         | 0              | 4,881         | 1,332         |
| <b>Transfers In (SOK):</b>        | 82,534           | 157,679          | 156,907          | 24,143         | 0              | 0             | 0             |
| <b>Transfers In (OBSI):</b>       | 3,251            | 11,611           | 48,838           | 100            | 223            | 0             | 0             |
| <b>Transfers In (ISA):</b>        | 92,353           | 20,420           |                  |                |                |               |               |
| <b>Transfers In (NP):</b>         | 5,502            | 2,129            | 212,802          | 12,620         | 7,220          | 0             | 0             |
| <b>Final WAF Allocation:</b>      | <b>3,108,161</b> | <b>1,086,569</b> | <b>1,327,819</b> | <b>268,577</b> | <b>371,287</b> | <b>62,026</b> | <b>72,251</b> |
| <b>Total CV Co-ops:</b>           | 8,234,708        | 2,943,065        | 3,334,060        | 759,940        | 1,300,916      | 204,322       | 253,569       |
| <b>WAF %:</b>                     | 29.91%           | 27.36%           | 23.95%           | 27.97%         | 27.97%         | 27.97%        | 27.97%        |

Trident CP: (Catcher processor off-shore co-op); SOK: Star of Kodiak Rockfish Co-op; OBSI: Ocean Beauty Seafood, Inc. Rockfish Co-op; ISA: International Seafoods of Alaska Rockfish Co-op; NP: North Pacific Rockfish Co-op.

**Table 1: WAF Allocations and Harvests by Species and Vessel (weights are in pounds). CQ totals from ADF&G Fish Tickets (includes discards and dark rockfish); halibut totals from NMFS/Random Access Management Co-op account website (balance as of December 13, 2008).**

| Species   | Vessel              | Co-op %     | Initial 2008 Allocation | Catch            | Under/ overage   |
|-----------|---------------------|-------------|-------------------------|------------------|------------------|
| POP       | Leslie Lee          | 15%         | 368,446                 | 295,278          | 73,168           |
|           | Walter N            | 14%         | 333,593                 | 372,136          | (38,543)         |
|           | Collier Brothers    | 8%          | 185,239                 | 183,651          | 1,588            |
|           | Alaska Dawn         | 0%          | 10,085                  | 0                | 10,085           |
|           | Dusk                | 7%          | 174,237                 | 358,177          | (183,940)        |
|           | Lady Joanne         | 2%          | 53,134                  | 0                | 53,134           |
|           | Michelle Renee      | 15%         | 358,132                 | 641,658          | (283,526)        |
|           | Vanguard            | 13%         | 312,800                 | 366,097          | (53,297)         |
|           | Hickory Wind        | 13%         | 309,082                 | 479,283          | (170,201)        |
|           | Gold Rush           | 15%         | 358,330                 | 356,032          | 2,298            |
|           | <b>Total</b>        | <b>100%</b> | <b>2,463,077</b>        | <b>3,052,312</b> | <b>(589,235)</b> |
|           | Transfers:          |             | 645,084                 |                  |                  |
|           | <b>Final Total:</b> |             | <b>3,108,161</b>        | <b>Net:</b>      | <b>55,849</b>    |
| NR        | Leslie Lee          | 12%         | 95,805                  | 71               | 95,734           |
|           | Walter N            | 6%          | 49,490                  | 30,622           | 18,868           |
|           | Collier Brothers    | 11%         | 89,020                  | 64,864           | 24,156           |
|           | Alaska Dawn         | 1%          | 7,787                   | 0                | 7,787            |
|           | Dusk                | 3%          | 22,273                  | 12,144           | 10,129           |
|           | Lady Joanne         | 1%          | 7,968                   | 0                | 7,968            |
|           | Michelle Renee      | 30%         | 243,126                 | 389,431          | (146,305)        |
|           | Vanguard            | 11%         | 87,111                  | 283,440          | (196,329)        |
|           | Hickory Wind        | 11%         | 87,137                  | 83,607           | 3,530            |
|           | Gold Rush           | 14%         | 115,601                 | 144,423          | (28,822)         |
|           | <b>Total</b>        | <b>100%</b> | <b>805,318</b>          | <b>1,008,602</b> | <b>(203,284)</b> |
|           | Transfers:          |             | 281,251                 |                  |                  |
|           | <b>Final Total:</b> |             | <b>1,086,569</b>        | <b>Net:</b>      | <b>77,967</b>    |
| PSR       | Leslie Lee          | 6%          | 51,364                  | 66               | 51,298           |
|           | Walter N            | 9%          | 70,136                  | 54,946           | 15,190           |
|           | Collier Brothers    | 7%          | 59,005                  | 17,840           | 41,165           |
|           | Alaska Dawn         | 0%          | 0                       | 0                | 0                |
|           | Dusk                | 6%          | 51,610                  | 17,537           | 34,073           |
|           | Lady Joanne         | 0%          | 3,244                   | 0                | 3,244            |
|           | Michelle Renee      | 40%         | 319,263                 | 522,553          | (203,290)        |
|           | Vanguard            | 13%         | 103,777                 | 192,479          | (88,702)         |
|           | Hickory Wind        | 9%          | 69,534                  | 72,691           | (3,157)          |
|           | Gold Rush           | 9%          | 70,428                  | 81,508           | (11,080)         |
|           | <b>Total</b>        | <b>100%</b> | <b>798,362</b>          | <b>959,620</b>   | <b>(161,258)</b> |
|           | Transfers:          |             | 529,457                 |                  |                  |
|           | <b>Final Total:</b> |             | <b>1,327,819</b>        | <b>Net:</b>      | <b>368,199</b>   |
| Sablefish | Leslie Lee          | 13%         | 26,821                  | 16,534           | 10,287           |
|           | Walter N            | 11%         | 22,350                  | 34,519           | (12,169)         |
|           | Collier Brothers    | 9%          | 18,212                  | 16,000           | 2,212            |
|           | Alaska Dawn         | 1%          | 1,085                   | 0                | 1,085            |
|           | Dusk                | 6%          | 12,048                  | 21,636           | (9,588)          |
|           | Lady Joanne         | 2%          | 3,217                   | 0                | 3,217            |
|           | Michelle Renee      | 23%         | 49,935                  | 82,511           | (32,576)         |
|           | Vanguard            | 12%         | 25,886                  | 44,949           | (19,063)         |
|           | Hickory Wind        | 11%         | 24,207                  | 24,906           | (699)            |
|           | Gold Rush           | 14%         | 28,780                  | 24,724           | 4,056            |
|           | <b>Total</b>        | <b>100%</b> | <b>212,542</b>          | <b>265,779</b>   | <b>(53,237)</b>  |
|           | Transfers:          |             | 56,035                  |                  |                  |
|           | <b>Final Total:</b> |             | <b>268,577</b>          | <b>Net:</b>      | <b>2,798</b>     |



Table 1 (continued): WAF Allocations and Harvests by Species and Vessel (weights are in pounds).

| Species     | Vessel              | Co-op %     | Initial 2008 Allocation | Catch          | Under/overage |
|-------------|---------------------|-------------|-------------------------|----------------|---------------|
| P. cod      | Leslie Lee          | 13%         | 45,915                  | 68,562         | (22,647)      |
|             | Walter N            | 11%         | 38,260                  | 80             | 38,180        |
|             | Collier Brothers    | 9%          | 31,177                  | 30,888         | 289           |
|             | Alaska Dawn         | 1%          | 1,857                   | 0              | 1,857         |
|             | Dusk                | 6%          | 20,625                  | 26,862         | (6,237)       |
|             | Lady Joanne         | 2%          | 5,507                   | 0              | 5,507         |
|             | Michelle Renee      | 23%         | 85,482                  | 180,445        | (94,963)      |
|             | Vanguard            | 12%         | 44,313                  | 6,038          | 38,275        |
|             | Hickory Wind        | 11%         | 41,439                  | 14,675         | 26,764        |
|             | Gold Rush           | 14%         | 49,268                  | 36,501         | 12,767        |
|             | <b>Total</b>        | <b>100%</b> | <b>363,844</b>          | <b>364,052</b> | <b>(208)</b>  |
|             | Transfers:          |             | 7,443                   |                |               |
|             | <b>Final Total:</b> |             | <b>371,287</b>          | <b>Net:</b>    | <b>7,235</b>  |
| Thornyhead  | Leslie Lee          | 13%         | 7,211                   | 2,287          | 4,924         |
|             | Walter N            | 11%         | 6,009                   | 6,434          | (425)         |
|             | Collier Brothers    | 9%          | 4,897                   | 1,751          | 3,146         |
|             | Alaska Dawn         | 1%          | 292                     | 0              | 292           |
|             | Dusk                | 6%          | 3,239                   | 5,499          | (2,260)       |
|             | Lady Joanne         | 2%          | 865                     | 0              | 865           |
|             | Michelle Renee      | 23%         | 13,426                  | 5,384          | 8,042         |
|             | Vanguard            | 12%         | 6,960                   | 2,547          | 4,413         |
|             | Hickory Wind        | 11%         | 6,508                   | 4,111          | 2,397         |
|             | Gold Rush           | 14%         | 7,738                   | 8,725          | (987)         |
|             | <b>Total</b>        | <b>100%</b> | <b>57,145</b>           | <b>36,738</b>  | <b>20,407</b> |
|             | Transfers:          |             | 4,881                   |                |               |
|             | <b>Final Total:</b> |             | <b>62,026</b>           | <b>Net:</b>    | <b>25,288</b> |
| Halibut PSC | Leslie Lee          | 13%         | 8,950                   | 11,991         | (3,041)       |
|             | Walter N            | 11%         | 7,458                   | 886            | 6,571         |
|             | Collier Brothers    | 9%          | 6,077                   | 3,299          | 2,778         |
|             | Alaska Dawn         | 1%          | 362                     | 0              | 362           |
|             | Dusk                | 6%          | 4,020                   | 216            | 3,804         |
|             | Lady Joanne         | 2%          | 1,073                   | 0              | 1,073         |
|             | Michelle Renee      | 23%         | 16,662                  | 2,490          | 14,171        |
|             | Vanguard            | 12%         | 8,637                   | 1,508          | 7,129         |
|             | Hickory Wind        | 11%         | 8,077                   | 5,633          | 2,444         |
|             | Gold Rush           | 14%         | 9,603                   | 2,728          | 6,875         |
|             | <b>Total</b>        | <b>100%</b> | <b>70,919</b>           | <b>28,752</b>  | <b>42,167</b> |
|             | Transfers:          |             | 1,332                   |                |               |
|             | <b>Final Total:</b> |             | <b>72,251</b>           | <b>Net:</b>    | <b>43,499</b> |

**B. Retained and Discarded Catch of CQ**

Federal regulations require the RPP participants to retain all Cooperative Quota (CQ) species: at-sea discards of Pacific Ocean Perch, Northern Rockfish, Pelagic Shelf Rockfish, Pacific cod, Thornyheads, and Sablefish are not allowed. During the 2008 WAF Rockfish Cooperative's fishing season (May 1, 2008 – November 15, 2008), there were zero occurrences of at-sea discards of CQ species by WAF co-op members.

**C. Sideboard Limitations**

The Rockfish Pilot Program established sideboard limitations (not allocations) that limit LLP holders participating in the Program from expanding their harvests in other fisheries. These sideboard limits apply only in July, historically the most active month for rockfish fishing.

**(1) Prohibited Fishing**

For the catcher vessel sector, the BS/AI was closed for flatfish and rockfish.

**(2) Catch Limits**

A collective CV Sector limit was imposed for the following (all were closed to the CV sector during the 2008 RPP since the allocations were too small to support directed fishing):

| <u>BS/AI</u> | <u>West Yakutat</u>    | <u>Western GOA</u>                        |
|--------------|------------------------|---|
| Pacific Cod  | POP                    | POP                                       |
|              | Pelagic Shelf Rockfish | Northern Rockfish, Pelagic Shelf Rockfish |

**(3) Halibut Mortality Limits**

A collective CV Sector halibut mortality limit was also imposed on the GOA shallow-water flatfish and deep-water flatfish fisheries. The deep-water complex remained closed throughout July due to an insufficient amount of halibut mortality to sustain the fishery. Therefore, shallow-water flatfish, including rock sole and flathead sole, was the only non-RPP fishery harvested by RPP co-op vessels during the month of July, but the vessels fished on an "open-access" basis, not cooperatively. For the month of July, the vessels caught 101 MT of the available 137 MT of shallow-water complex halibut mortality (74%).

**V. COOPERATIVE PROHIBITED SPECIES CATCH**

**Halibut:** The cooperative's fishing plan instituted a management scheme to discourage high halibut bycatch rates since the co-op's RPP fishing would cease once its halibut PSC mortality cap was reached. Standards were set and enforced by the co-op members to abide by the halibut PSC mortality rate limits (Table 3). These standards were set based on what the co-op members thought were achievable and

acceptable bycatch rates while assuring that there would be sufficient halibut available to harvest the co-op's quota of CQ species. If a vessel approached or exceeded these pre-set rates during a trip, the co-op members would convene to discuss possible actions. Fishing practices were adopted to aid in reducing halibut bycatch: (1) more frequent use of pelagic (off-bottom or "flying bottom") gear, (2) temporal distribution of catches to avoid high halibut bycatch time frames.

The WAF Rockfish Co-op used 28,752 lbs. of its allocated 72,251 lbs of halibut PSC mortality quota (39.8%).

**Other Prohibited Species Catch:** The following were attributed to the combined in-shore catcher vessel cooperative catch accounts during the 2008 RPP fishing season (May 1<sup>st</sup> – November 15<sup>th</sup>): 1,684 King salmon, 125 non-Chinook salmon, 243 Bairdi tanner crab and 24 Golden king crab.

**Table 3: Halibut Bycatch Standards Adopted by the WAF Rockfish Cooperative**

| <b>Inter-coop standard</b>               |                  |
|--|------------------|
| <i>Species</i>                           | <i>% halibut</i> |
| POP                                      | 0.50%            |
| NR/PSR                                   | 2.20%            |
| Sable/cod                                | 4.00%            |
| <b>Cooperative Red Light Standard</b>    |                  |
| <i>Species</i>                           | <i>% halibut</i> |
| POP                                      | 0.45%            |
| NR/PSR                                   | 1.98%            |
| Sable/cod                                | 3.60%            |
| <b>Cooperative Yellow Light Standard</b> |                  |
| <i>Species</i>                           | <i>% halibut</i> |
| POP                                      | 0.38%            |
| NR/PSR                                   | 1.65%            |
| Sable/cod                                | 3.00%            |

## **VI. PENALTIES/CIVIL ACTIONS**

The multispecies aspect of the RPP precludes harvesting the co-op's allocation on a vessel-by-vessel basis - such is the advantage of fishing the quota cooperatively where the vessels can balance out each other's catches with no penalty incurred on the group as a whole. However, individuals who exceed their individual co-op quota share are penalized monetarily as a disincentive for future occurrences. As per the WAF Co-op Membership Agreement, 100% of the ex-vessel revenue of the overage is paid by the offender directly to the member vessel that covers the overage. This discourages future overage events.

There was one Co-op overage of POP reported to NMFS Enforcement. There were three WAF POP deliveries made on July 28<sup>th</sup>-29<sup>th</sup>. One of the vessels did not adhere to their fishing plan and delivered an unexpected 50,000 lbs of POP resulting in a POP co-op overage of 42,353 lbs. An inter-cooperative transfer was made on August 11<sup>th</sup> to cover the overage. NMFS Enforcement delivered an Enforcement Action Report (I0804720) stating that their office will issue a Notice of Violation Assessment (NOVA) which, as of the date of this report, has not yet been received.

An amendment allowing inter-cooperative post delivery transfers is expected to be in place for the 2009 RPP season.

Final Report of the  
North Pacific Rockfish Cooperative

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2008

December 15, 2008

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## I. INTRODUCTION

In Section 802 of the Consolidated Appropriations Act of 2004, the U.S. Congress included a Directive to the Secretary of Commerce to establish, in consultation with the North Pacific Fishery Management Council (the Council), a pilot program for management of three primary rockfish species in the Central Gulf of Alaska (CGOA): Pacific Ocean perch (POP), northern rockfish (NR), and pelagic shelf rockfish fisheries (PSR)<sup>1</sup>. The ensuing catcher vessel Rockfish Pilot Program (RPP) allows each catcher vessel/harvester to join a cooperative in association with the processor to which it delivered the most pounds of CGOA rockfish during the processor qualifying period. Each cooperative receives an annual harvest share allocation based on the qualified harvest history of its members (combined vessel quota shares or QS). In addition to the allocation of target rockfish, catcher vessel cooperatives also receive allocations of secondary species which include Sablefish, Pacific cod, Thornyhead rockfish and Halibut PSC mortality. Allocations to the catcher vessel sector are based on the average percentage of retained catch or Halibut PSC mortality usage of these species in the target rockfish fisheries during the qualifying period. These allocations are distributed to the cooperative members based on the amount of primary rockfish that the cooperative member holds.

The primary RPP objective is to stabilize the residential processing work force by filling times of year with low processing volumes, particularly May and June, and to remove the processing conflict with salmon. Additionally, the RPP reduces the competition for fish among harvesters thereby promoting safety, high quality seafood production, and increased economic performance and stability for co-op members, fishermen and processors. The extended, non-derby style season allowed co-op members to improve harvesting efficiency in the target fisheries while reducing incidental bycatch of prohibited species through better fishing practices and efficient fleet monitoring and information distribution.

The North Pacific Rockfish Cooperative is one of 5 inshore cooperatives formed in March 2008 in accordance to Amendment 68 of the Fishery Management Plan for Groundfish of the Gulf of Alaska. 2008 marked the second year of the 5-year Rockfish Pilot Program and, in compliance with Amendment 68, this Final Report is submitted to the Council as a summary of harvests, transfers and cooperative performance during the 2008 rockfish fishing season in the Central Gulf of Alaska (CGOA). Catch figures and statistics were provided by Sea State, Inc. and by the cooperative's manager and representative, Alaska Groundfish Data Bank.

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<sup>1</sup> Pelagic shelf rockfish consists of dusky rockfish, dark rockfish, yellowtail rockfish, and widow rockfish.

## II. COOPERATIVE MEMBERSHIP

The North Pacific Rockfish Cooperative consists of six member licenses with six member vessels (LLP's), of which three actively fished during the RPP: Coho, Dawn and Topaz. The Topaz, Alaskan, Taasinge and Alaska Beauty allocations were fished by the Topaz. Alaska Pacific Seafoods in Kodiak, Alaska served as the primary purchasing and processing facility for the North Pacific Rockfish Cooperative.

| <u>Member License</u> |                          | <u>Member Vessel</u> | <u>ADF&amp;G no.</u> |
|-----------------------|--------------------------|----------------------|----------------------|
| LLP 4851              | Island Coho, LLC         | Coho                 | 56189                |
| LLP 2603              | Defiant Fisheries, Inc.  | Taasinge             | 38001                |
| LLP 1590              | Four Sure, Inc.          | Alaska Beauty        | 22011                |
| LLP 2535              | Chandler Fisheries, Inc. | Topaz                | 40250                |
| LLP 2487              | Burch, Alvin R.          | Dawn                 | 9206                 |
| LLP 3764              | Pelagic Resources, Inc.  | Alaskan              | 3734                 |



### **III. COOPERATIVE MANAGEMENT**

The North Pacific Rockfish Cooperative was represented and managed by Julie Bonney at the Alaska Groundfish Data Bank in collaboration and coordination with the Co-op President, Mark Chandler, Alaska Pacific Seafood's Plant Manager, Matt Moir, Sea State, Inc., and the National Marine Fisheries Service.

Fishing plans were devised to harvest the allocations efficiently while reducing the amount of prohibited and non-marketable species. Harvest numbers, observer data and fish ticket information were analyzed, updated and distributed to the appropriate and interested parties in a timely manner to ensure proper management. Figure 1 shows the schematic outlining the Co-op's operations and flow of information among the contributing parties.

#### **A. Monitoring**

##### **(1) Check-ins and Check-outs**

To facilitate moving into and out of non-RPP fisheries during the rockfish season, NMFS instituted "Check-ins" and "Check-outs" but limited them to 3 times the number of LLP's within the co-op. Co-op vessels were required to check into the RPP fishery 48 hours prior to starting a trip and to check out of the program before participating in other fisheries. With six LLP's, the NP Rockfish Cooperative was limited to 3x6 or 18 check-ins: only 7 were actually used.

##### **(2) Observer Coverage**

100% Observer coverage was required by all participating vessels and per 12 hour processing period at the shoreside processing plants.

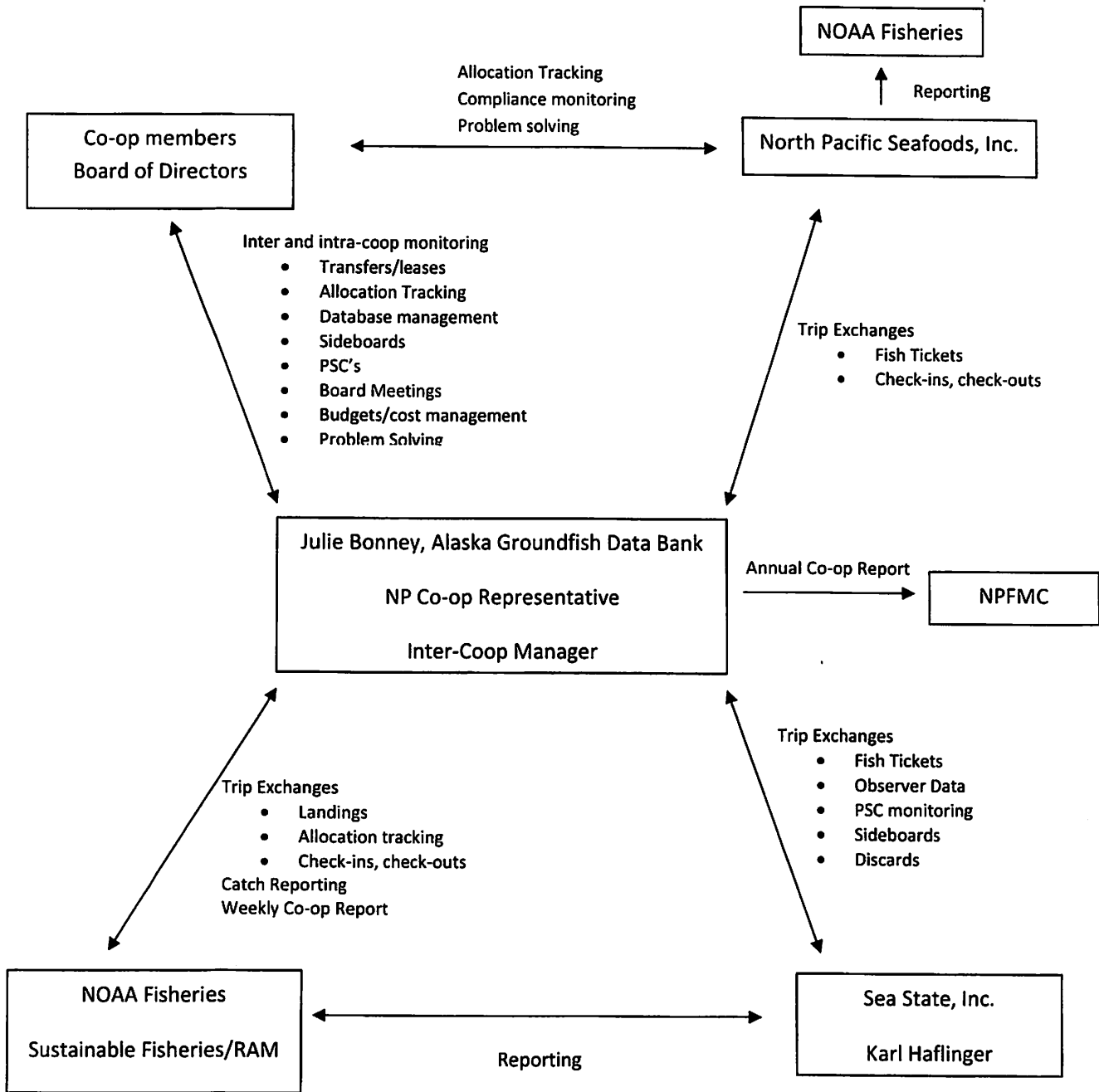
##### **(3) Sea State, Inc.**

Sea State, Inc. was hired by the cooperatives to establish and maintain the observer and fish ticket data base which was used in turn by the co-op's manager to monitor the co-op's catch.

##### **(4) NOAA Fisheries**

Weekly co-op reports were composed and sent to NMFS/Sustainable Fisheries as per the regulations and the co-op manager maintained close contact with NMFS personnel to monitor the co-op's harvest activities and bycatch rates and to discuss and resolve actual or potential management issues. NOAA RAM's Co-op ledger web site, available for the first time this year, proved very useful and was accessed frequently to confirm transfers, check balances and detect observer-fish ticket data mismatches.

**Figure 1. Schematic of NP Rockfish Cooperative Operations and Management.**



## IV. COOPERATIVE PERFORMANCE

### A. Co-op Allocations, Transfers and Harvests

The NP Rockfish Cooperative's allocations and harvests for the 2008 season are summarized by species and vessel in Table 1. Note that cooperative fishing allowed individual vessel overages to be offset by quota not harvested by other member vessels. Inter-coop transfers (Table 2) were arranged by the Inter-coop manager to maximize harvesting of the allocations among the five catcher vessel cooperatives and to bring the catcher processor cooperative allocations on shore.

Table 2: NP Rockfish Co-op Allocation and Inter-coop Transfer Summary (weights are in pounds)

|                               | POP       | NR        | PSR       | Sablefish | P. cod    | Thornyhead | Halibut |
|-------------------------------|-----------|-----------|-----------|-----------|-----------|------------|---------|
| <b>Initial NP Allocation:</b> | 887,531   | 372,609   | 451,336   | 90,390    | 154,736   | 24,303     | 30,160  |
| <b>Transfers In (FCA):</b>    | 15,432    | 46,297    | 171,960   | 5,512     |           |            | 26,455  |
| <b>Transfers In (OBSI):</b>   |           | 17,637    |           |           |           |            |         |
| <b>Transfers Out (WAF):</b>   | (5,502)   | (2,129)   | (212,802) | (12,620)  | (7,220)   |            |         |
| <b>Final NP Allocation:</b>   | 897,462   | 434,414   | 410,494   | 83,282    | 147,516   | 24,303     | 56,616  |
| <b>Total CV Co-ops:</b>       | 8,234,708 | 2,943,065 | 3,334,060 | 759,940   | 1,300,916 | 204,322    | 253,569 |
| <b>NP %:</b>                  | 10.8%     | 12.7%     | 13.5%     | 11.9%     | 11.9%     | 11.9%      | 11.9%   |

FCA: Fishing Company of Alaska (off-shore co-op); OBSI: Ocean Beauty Seafood, Inc. Rockfish Co-op; WAF: Western Alaska Fisheries Rockfish Co-op.

**Table 1: NP Rockfish Cooperative 2008 Allocations and Harvests by Species and Vessel (weights are in pounds). CQ totals from ADF&G Fish Tickets (includes discards and dark rockfish); halibut totals from NMFS/Random Access Management Co-op account website (balance as of December 13, 2008).**

| Species     | Vessel              | Co-op %       | Initial 2008 Allocation | Catch          | Under/overage   |
|-------------|---------------------|---------------|-------------------------|----------------|-----------------|
| POP         | Coho                | 15.3%         | 135,412                 | 173,882        | (38,470)        |
|             | Dawn                | 21.6%         | 191,332                 | 169,058        | 22,274          |
|             | Topaz               | 63.2%         | 560,788                 | 554,522        | 6,266           |
|             | <b>Total</b>        | <b>100.0%</b> | <b>887,531</b>          | <b>897,462</b> | <b>(9,931)</b>  |
|             |                     | Transfers:    | 9,930                   |                |                 |
|             | <b>Final Total:</b> |               | <b>897,462</b>          | <b>Net:</b>    | <b>0</b>        |
| NR          | Coho                | 7.3%          | 27,101                  | 12,839         | 14,262          |
|             | Dawn                | 29.1%         | 108,389                 | 109,665        | (1,276)         |
|             | Topaz               | 63.6%         | 237,119                 | 311,910        | (74,791)        |
|             | <b>Total</b>        | <b>100.0%</b> | <b>372,609</b>          | <b>434,414</b> | <b>(61,805)</b> |
|             |                     | Transfers:    | 61,805                  |                |                 |
|             | <b>Final Total:</b> |               | <b>434,414</b>          | <b>Net:</b>    | <b>0</b>        |
| PSR         | Coho                | 7.6%          | 34,249                  | 13,008         | 21,241          |
|             | Dawn                | 31.1%         | 140,289                 | 104,286        | 36,003          |
|             | Topaz               | 61.3%         | 276,798                 | 293,201        | (16,403)        |
|             | <b>Total</b>        | <b>100.0%</b> | <b>451,336</b>          | <b>410,495</b> | <b>40,841</b>   |
|             |                     | Transfers:    | (40,842)                |                |                 |
|             | <b>Final Total:</b> |               | <b>410,494</b>          | <b>Net:</b>    | <b>0</b>        |
| Sablefish   | Coho                | 10.9%         | 9,887                   | 10,067         | (180)           |
|             | Dawn                | 26.1%         | 23,624                  | 15,676         | 7,948           |
|             | Topaz               | 62.9%         | 56,878                  | 57,539         | (661)           |
|             | <b>Total</b>        | <b>100.0%</b> | <b>90,390</b>           | <b>83,282</b>  | <b>7,108</b>    |
|             |                     | Transfers:    | (7,108)                 |                |                 |
|             | <b>Final Total:</b> |               | <b>83,282</b>           | <b>Net:</b>    | <b>0</b>        |
| P. cod      | Coho                | 10.9%         | 16,926                  | 20,404         | (3,478)         |
|             | Dawn                | 26.1%         | 40,442                  | 17,702         | 22,740          |
|             | Topaz               | 62.9%         | 97,368                  | 109,410        | (12,042)        |
|             | <b>Total</b>        | <b>100.0%</b> | <b>154,736</b>          | <b>147,516</b> | <b>7,220</b>    |
|             |                     | Transfers:    | (7,220)                 |                |                 |
|             | <b>Final Total:</b> |               | <b>147,516</b>          | <b>Net:</b>    | <b>0</b>        |
| Thornyhead  | Coho                | 10.9%         | 2,658                   | 1,333          | 1,325           |
|             | Dawn                | 26.1%         | 6,352                   | 7,316          | (964)           |
|             | Topaz               | 62.9%         | 15,293                  | 6,289          | 9,004           |
|             | <b>Total</b>        | <b>100.0%</b> | <b>24,303</b>           | <b>14,938</b>  | <b>9,365</b>    |
|             |                     | Transfers:    | 0                       |                |                 |
|             | <b>Final Total:</b> |               | <b>24,303</b>           | <b>Net:</b>    | <b>9,365</b>    |
| Halibut PSC | Coho                | 10.9%         | 3,299                   | 0              | 3,299           |
|             | Dawn                | 26.1%         | 7,883                   | 1,084          | 6,798           |
|             | Topaz               | 62.9%         | 18,979                  | 1,287          | 17,692          |
|             | <b>Total</b>        | <b>100.0%</b> | <b>30,160</b>           | <b>2,371</b>   | <b>27,789</b>   |
|             |                     | Transfers:    | 26,455                  |                |                 |
|             | <b>Final Total:</b> |               | <b>56,616</b>           | <b>Net:</b>    | <b>54,245</b>   |

**B. Retained and Discarded Catch of CQ**

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| Pacific Cod  | POP                    | POP                                       |
|              | Pelagic Shelf Rockfish | Northern Rockfish, Pelagic Shelf Rockfish |

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A collective CV Sector halibut mortality limit was also imposed on the GOA shallow-water flatfish and deep-water flatfish fisheries. The deep-water complex remained closed throughout July due to an insufficient amount of halibut mortality to sustain the fishery. Therefore, shallow-water flatfish, including rock sole and flathead sole, was the only non-RPP fishery harvested by RPP co-op vessels during the month of July, but the vessels fished on an “open-access” basis, not cooperatively. For the month of July, the vessels caught 101 MT of the available 137 MT of shallow-water complex halibut mortality (74%).

**V. COOPERATIVE PROHIBITED SPECIES CATCH**

**Halibut:** The cooperative’s fishing plan instituted a management scheme to discourage high halibut bycatch rates since the co-op’s RPP fishing would cease once its halibut PSC mortality cap was reached. Standards were set and enforced by the co-op members to abide by the halibut PSC mortality rate limits (Table 3). These standards were set based on what the co-op members thought were achievable and acceptable bycatch rates while assuring that there would be sufficient halibut available to harvest the

co-op's quota of CQ species. If a vessel approached or exceeded these pre-set rates during a trip, the co-op members would convene to discuss possible actions. Fishing practices were adopted to aid in reducing halibut bycatch: (1) more frequent use of pelagic (off-bottom or "flying bottom") gear, (2) temporal distribution of catches to avoid high halibut bycatch time frames.

These avoidance measures proved successful: the NP Rockfish Co-op caught only 2,371 lbs. of its final allocation of 56,616lbs. of halibut PSC mortality quota (4.19%).

**Other Prohibited Species Catch:** The following were attributed to the combined in-shore catcher vessel cooperative catch accounts during the 2008 RPP fishing season (May 1<sup>st</sup> – November 15<sup>th</sup>): 1684 King salmon, 125 non-Chinook salmon, 243 Bairdi tanner crab and 24 Golden king crab.

**Table 3: Halibut Bycatch Standards adopted by the NP Rockfish Cooperative**

| <b>Inter-coop standard</b>               |                  |
|--|------------------|
| <i>Species</i>                           | <i>% halibut</i> |
| POP                                      | 0.50%            |
| NR/PSR                                   | 2.20%            |
| Sable/cod                                | 4.00%            |
| <b>Cooperative Red Light Standard</b>    |                  |
| <i>Species</i>                           | <i>% halibut</i> |
| POP                                      | 0.45%            |
| NR/PSR                                   | 1.98%            |
| Sable/cod                                | 3.60%            |
| <b>Cooperative Yellow Light Standard</b> |                  |
| <i>Species</i>                           | <i>% halibut</i> |
| POP                                      | 0.38%            |
| NR/PSR                                   | 1.65%            |
| Sable/cod                                | 3.00%            |

## **VI. PENALTIES/CIVIL ACTIONS**

The multispecies aspect of the RPP precludes harvesting the co-op's allocation on a vessel-by-vessel basis: such is the advantage of fishing the quota cooperatively where the vessels can balance out each other's catches with no penalty incurred on the group as a whole. However, individuals who exceed their individual co-op quota share are penalized monetarily as a disincentive for future occurrences. As per the NP Co-op Member Agreement, 100% of the ex-vessel revenue of the overage is paid by the offender directly to the member vessel that covers the overage. This discourages future overage events.

There were no civil actions taken against any co-op member.

**Final Report of the  
International Seafoods of Alaska, Inc.  
Rockfish Cooperative**

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**2008**

**December 15, 2008**

Prepared by:  
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## I. INTRODUCTION

In Section 802 of the Consolidated Appropriations Act of 2004, the U.S. Congress included a Directive to the Secretary of Commerce to establish, in consultation with the North Pacific Fishery Management Council (the Council), a pilot program for management of three primary rockfish species in the Central Gulf of Alaska (CGOA): Pacific Ocean perch (POP), northern rockfish (NR), and pelagic shelf rockfish fisheries (PSR)<sup>1</sup>. The ensuing catcher vessel Rockfish Pilot Program (RPP) allows each catcher vessel/harvester to join a cooperative in association with the processor to which it delivered the most pounds of CGOA rockfish during the processor qualifying period. Each cooperative receives an annual harvest share allocation based on the qualified harvest history of its members (combined vessel quota shares or QS). In addition to the allocation of target rockfish, catcher vessel cooperatives also receive allocations of secondary species, which include Sablefish, Pacific cod, Thornyhead rockfish and Halibut PSC mortality. Allocations to the catcher vessel sector are based on the average percentage of retained catch or Halibut PSC mortality usage of these species in the target rockfish fisheries during the qualifying period. These allocations are distributed to the cooperative members based on the amount of primary rockfish that the cooperative member holds.

The primary RPP objective is to stabilize the residential processing work force by filling times of year with low processing volumes, particularly May and June, and to remove the processing conflict with salmon. Additionally, the RPP reduces the competition for fish amongst harvesters thereby promoting safety, high quality seafood production, and increased economic performance and stability for coop members, fishermen and processors. The extended, non-derby style season allowed co-op members to improve harvesting efficiency in the target fisheries while reducing incidental bycatch of prohibited species through better fishing practices and efficient fleet monitoring and information distribution.

The International Seafoods of Alaska (ISA) Rockfish Cooperative was one of 5 inshore cooperatives formed in March 2008 in accordance to Amendment 68 of the Fishery Management Plan for Groundfish of the Gulf of Alaska. 2008 marked the second year of the 5-year Rockfish Pilot Program and, in compliance with Amendment 68, this Final Report is submitted to the Council as a summary of harvests, transfers and cooperative performance during the 2008 rockfish fishing season in the Central Gulf of Alaska (CGOA). Catch figures and statistics were provided by Sea State, Inc. and by the cooperative's manager and representative, Alaska Groundfish Data Bank.

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<sup>1</sup> Pelagic shelf rockfish consists of dusky rockfish, dark rockfish, yellowtail rockfish, and widow rockfish.

## II. COOPERATIVE MEMBERSHIP

The International Seafoods of Alaska Rockfish Cooperative consists of nine member licenses with nine member vessels (LLP's), of which three actively fished during the RPP: Mar Pacifico, Ocean Hope 3, and the Elizabeth F. The allocations of the Forum Star, Capt'n Art, Pacific Challenger, Morning Star and Winona J were fished by the Mar Pacifico. The Green Hope allocation was fished by the Ocean Hope 3.

International Seafoods of Alaska, Inc. in Kodiak, Alaska served as the primary purchasing and processing facility for the International Seafoods of Alaska Rockfish Cooperative.

| <u>Member License</u> |                            | <u>Member Vessel</u> | <u>ADF&amp;G no.</u> |
|-----------------------|----------------------------|----------------------|----------------------|
| LLP 2394              | American Seafoods Co., LLC | Forum Star           | 59687                |
| LLP 1273              | Elizabeth F, Inc.          | Elizabeth F          | 14767                |
| LLP 2683              | U.S. Marine Corporation    | Ocean Hope 3         | 48173                |
| LLP 2148              | Tormala, Thomas A.         | Capt'n Art           | 40967                |
| LLP 2188              | Green Hope, LLC            | Green Hope           | 47790                |
| LLP 2608              | Pacific Dawn, LLC          | Pacific Challenger   | 6931                 |
| LLP 2164              | Doña Martita, LLC          | Morning Star         | 70323                |
| LLP2653               | Kellow, Ronald M.          | Winona J             | 43383                |
| LLP2696               | Mar Pacifico, Inc.         | Mar Pacifico         | 23131                |

### **III. COOPERATIVE MANAGEMENT**

The International Seafoods of Alaska Rockfish Cooperative was represented and managed by Julie Bonney at the Alaska Groundfish Data Bank in collaboration and coordination with the co-op president, Mike Martin, the ISA plant manager, Jean Franquelin, Sea State, Inc., and the National Marine Fisheries Service.

Fishing plans were devised to harvest the allocations efficiently while reducing the amount of prohibited and non-marketable species. Harvest numbers, observer data and fish ticket information were analyzed, updated and distributed to the appropriate and interested parties in a timely manner to ensure proper management. Figure 1 shows the schematic outlining the Co-op's operations and flow of information among the contributing parties.

#### **A. Monitoring**

##### **(1) Check-ins and Check-outs**

To facilitate moving into and out of non-RPP fisheries during the rockfish season, NMFS instituted "Check-ins" and "Check-outs" but limited them to 3X the number of LLP's within the co-op. Co-op vessels were required to check into the RPP fishery 48 hours prior to starting a trip and to check out of the program before participating in other fisheries. With 9 LLP's, the ISA Rockfish Cooperative was limited to 3x9 or 27 check-ins: only 9 were actually used.

##### **(2) Observer Coverage**

100% Observer coverage was required by all participating vessels and per 12 hour processing period at the shoreside processing plants.

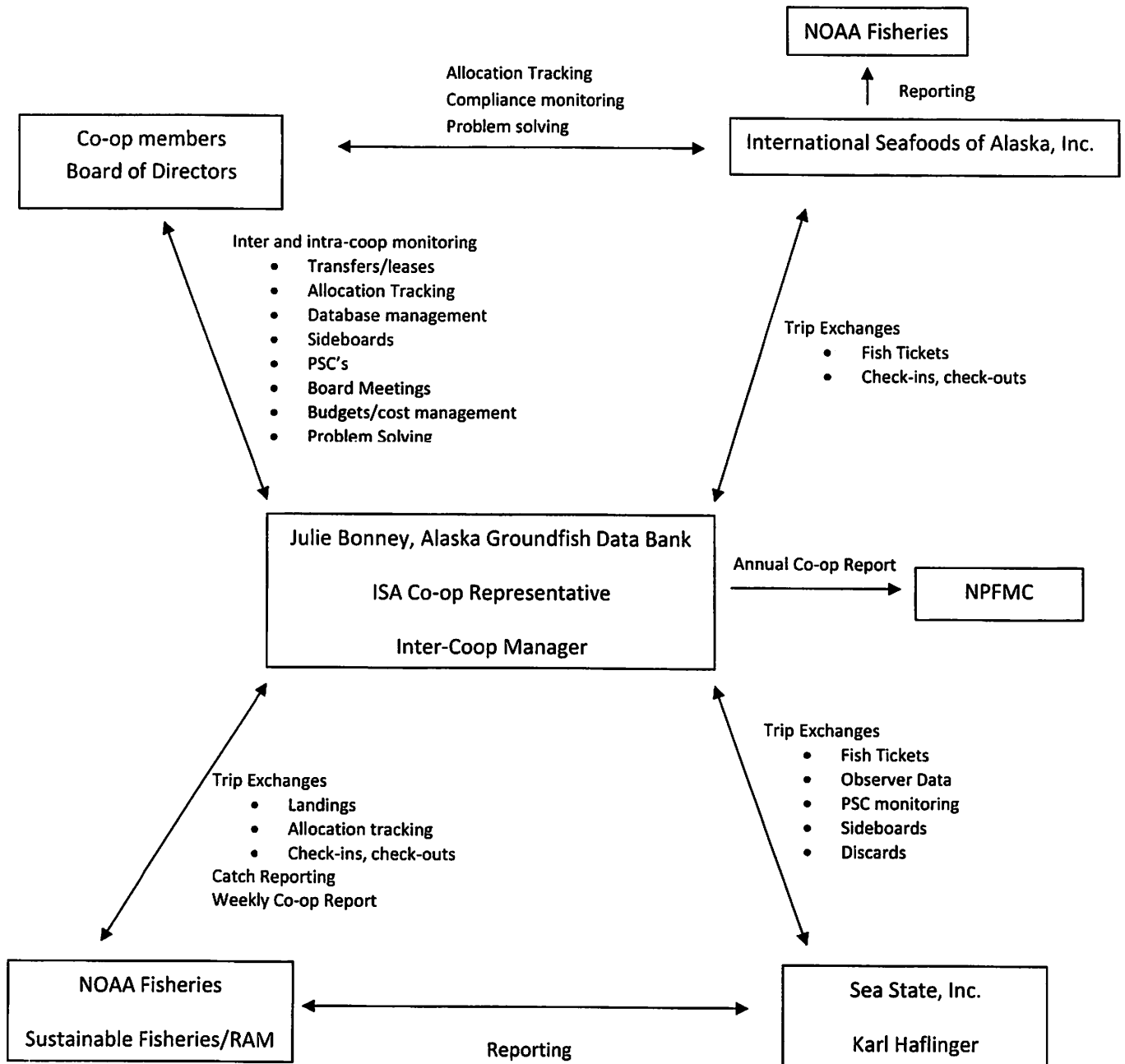
##### **(3) Sea State, Inc.**

Sea State, Inc. was hired by the cooperatives to establish and maintain the observer and fish ticket data base which was used in turn by the co-op's manager to monitor the co-op's catch.

##### **(4) NOAA Fisheries**

Weekly co-op reports were composed and sent to NMFS/Sustainable Fisheries as per the regulations and the co-op manager maintained close contact with NMFS personnel to monitor the co-op's harvest activities and bycatch rates and to discuss and resolve actual or potential management issues. NOAA RAM's Co-op ledger web site, available for the first time this year, proved very useful and was accessed frequently to confirm transfers, check balances and detect observer-fish ticket data mismatches.

**Figure 1. Schematic of ISA Rockfish Cooperative Operations and Management.**



## IV. COOPERATIVE PERFORMANCE

### A. Co-op Allocations, Transfers and Harvests

The ISA Rockfish Cooperative's allocations and harvests for the 2008 season are summarized by species and vessel in Table 1. Note that cooperative fishing allowed individual vessel overages to be offset by quota not harvested by other member vessels. Inter-coop transfers (Table 2) were arranged by the Inter-coop manager to maximize harvesting of the allocations among the five catcher vessel cooperatives and to bring the catcher processor cooperative allocations on shore.

**Table 2: ISA Rockfish Co-op Allocation and Inter-coop Transfer Summary (weights are in pounds)**

|                                   | POP              | NR             | PSR            | Sablefish      | P. cod         | Thornyhead    | Halibut       |
|-----------------------------------|------------------|----------------|----------------|----------------|----------------|---------------|---------------|
| <b>Initial ISA Allocation:</b>    | 1,453,169        | 336,788        | 417,038        | 111,962        | 191,664        | 30,103        | 37,358        |
| <b>Transfers In (Trident CP):</b> | 192,435          |                |                | 10,400         |                |               |               |
| <b>Transfers In (SOK):</b>        | 139,955          | 44,682         | 143,184        | 15,295         | 38,532         | 4,112         | 5,104         |
| <b>Transfers In (OBSI):</b>       | 47,121           |                |                |                |                |               |               |
| <b>Transfers Out (WAF):</b>       | (92,353)         | (20,420)       |                |                |                |               |               |
| <b>Final ISA Allocation:</b>      | <b>1,740,326</b> | <b>361,050</b> | <b>560,222</b> | <b>137,657</b> | <b>230,196</b> | <b>34,215</b> | <b>42,462</b> |
| <b>Total CV Co-ops:</b>           | 8,234,708        | 2,943,065      | 3,334,060      | 759,940        | 1,300,916      | 204,322       | 253,569       |
| <b>ISA %:</b>                     | <b>17.65%</b>    | <b>11.44%</b>  | <b>12.51%</b>  | <b>14.73%</b>  | <b>14.73%</b>  | <b>14.73%</b> | <b>14.73%</b> |

Trident CP: (Catcher processor off-shore co-op); SOK: Star of Kodiak Rockfish Co-op; OBSI: Ocean Beauty Inc Rockfish Cooperative; WAF: Western Alaska Fisheries Rockfish Co-op.

**Table 1: ISA 2008 Co-op Allocations and Harvests by Species and Vessel (weights are in pounds). CQ totals from ADF&G Fish Tickets (includes discards and dark rockfish); halibut totals from NMFS/Random Access Management Co-op account website (balance as of December 13, 2008).**

| Species            | Vessel              | Co-op %     | Initial 2008 Allocation | Catch            | Under/overage    |
|--------------------|---------------------|-------------|-------------------------|------------------|------------------|
| <b>POP</b>         | Elizabeth F         | 25%         | 365,325                 | 302,373          | 62,952           |
|                    | Ocean Hope 3        | 36%         | 515,995                 | 700,675          | (184,680)        |
|                    | Mar Pacifico        | 39%         | 571,849                 | 737,277          | (165,428)        |
|                    | <b>Total</b>        | <b>100%</b> | <b>1,453,169</b>        | <b>1,740,325</b> | <b>(287,156)</b> |
|                    | Transfers:          |             | 287,157                 |                  |                  |
|                    | <b>Final Total:</b> |             | <b>1,740,326</b>        | <b>Net:</b>      | <b>1</b>         |
| <b>NR</b>          | Elizabeth F         | 4%          | 14,271                  | 335              | 13,936           |
|                    | Ocean Hope 3        | 66%         | 222,856                 | 208,529          | 14,327           |
|                    | Mar Pacifico        | 30%         | 99,661                  | 152,185          | (52,524)         |
|                    | <b>Total</b>        | <b>100%</b> | <b>336,788</b>          | <b>361,049</b>   | <b>(24,261)</b>  |
|                    | Transfers:          |             | 24,262                  |                  |                  |
|                    | <b>Final Total:</b> |             | <b>361,050</b>          | <b>Net:</b>      | <b>1</b>         |
| <b>PSR</b>         | Elizabeth F         | 17%         | 69,213                  | 332              | 68,881           |
|                    | Ocean Hope 3        | 52%         | 217,788                 | 209,875          | 7,913            |
|                    | Mar Pacifico        | 31%         | 130,037                 | 177,463          | (47,426)         |
|                    | <b>Total</b>        | <b>100%</b> | <b>417,038</b>          | <b>387,670</b>   | <b>29,368</b>    |
|                    | Transfers:          |             | 143,184                 |                  |                  |
|                    | <b>Final Total:</b> |             | <b>560,222</b>          | <b>Net:</b>      | <b>172,552</b>   |
| <b>Sablefish</b>   | Elizabeth F         | 19%         | 20,951                  | 18,851           | 2,100            |
|                    | Ocean Hope 3        | 46%         | 51,081                  | 61,317           | (10,235)         |
|                    | Mar Pacifico        | 36%         | 39,930                  | 56,418           | (16,488)         |
|                    | <b>Total</b>        | <b>100%</b> | <b>111,962</b>          | <b>136,585</b>   | <b>(24,623)</b>  |
|                    | Transfers:          |             | 25,695                  |                  |                  |
|                    | <b>Final Total:</b> |             | <b>137,657</b>          | <b>Net:</b>      | <b>1,072</b>     |
| <b>P. cod</b>      | Elizabeth F         | 19%         | 35,865                  | 27,521           | 8,344            |
|                    | Ocean Hope 3        | 46%         | 87,445                  | 111,165          | (23,721)         |
|                    | Mar Pacifico        | 36%         | 68,355                  | 91,510           | (23,155)         |
|                    | <b>Total</b>        | <b>100%</b> | <b>191,664</b>          | <b>230,196</b>   | <b>(38,532)</b>  |
|                    | Transfers:          |             | 38,532                  |                  |                  |
|                    | <b>Final Total:</b> |             | <b>230,196</b>          | <b>Net:</b>      | <b>0</b>         |
| <b>Thornyhead</b>  | Elizabeth F         | 19%         | 5,633                   | 5,280            | 353              |
|                    | Ocean Hope 3        | 46%         | 13,734                  | 4,242            | 9,492            |
|                    | Mar Pacifico        | 36%         | 10,736                  | 662              | 10,074           |
|                    | <b>Total</b>        | <b>100%</b> | <b>30,103</b>           | <b>10,184</b>    | <b>19,919</b>    |
|                    | Transfers:          |             | 4,112                   |                  |                  |
|                    | <b>Final Total:</b> |             | <b>34,215</b>           | <b>Net:</b>      | <b>24,031</b>    |
| <b>Halibut PSC</b> | Elizabeth F         | 19%         | 6,991                   | 1,244            | 5,747            |
|                    | Ocean Hope 3        | 46%         | 17,044                  | 7,199            | 9,845            |
|                    | Mar Pacifico        | 36%         | 13,323                  | 2,390            | 10,933           |
|                    | <b>Total</b>        | <b>100%</b> | <b>37,358</b>           | <b>10,833</b>    | <b>26,525</b>    |
|                    | Transfers:          |             | 5,104                   |                  |                  |
|                    | <b>Final Total:</b> |             | <b>42,462</b>           | <b>Net:</b>      | <b>31,629</b>    |

**B. Retained and Discarded Catch of CQ**

Federal regulations require the RPP participants to retain all Cooperative Quota (CQ) species: at-sea discards of Pacific Ocean Perch, Northern Rockfish, Pelagic Shelf Rockfish, Pacific cod, Thornyheads, and Sablefish are not allowed. During the 2008 ISA Rockfish Cooperative’s fishing season (May 1, 2008 – November 15, 2008), there were no occurrences of at-sea discards of CQ species.

**C. Sideboard Limitations**

The Rockfish Pilot Program established sideboard limitations (not allocations) that limit LLP holders participating in the Program from expanding their harvests in other fisheries. These sideboard limits apply only in July, historically the most active month for rockfish fishing.

**(1) Prohibited Fishing**

For the catcher vessel sector, the BS/AI was closed for flatfish and rockfish.

**(2) Catch Limits**

A collective CV Sector limit was imposed for the following (all were closed to the CV sector during the 2008 RPP):

| <u>BS/AI</u> | <u>West Yakutak</u>    | <u>Western GOA</u>                        |
|--------------|------------------------|---|
| Pacific Cod  | POP                    | POP                                       |
|              | Pelagic Shelf Rockfish | Northern Rockfish, Pelagic Shelf Rockfish |

**(3) Halibut Mortality Limits**

A collective CV Sector halibut mortality limit was also imposed on the GOA shallow-water flatfish and deep-water flatfish fisheries. The deep-water complex remained closed throughout July due to an insufficient amount of halibut mortality to sustain the fishery. Therefore, shallow-water flatfish, including rock sole and flathead sole, was the only non-RPP fishery harvested by RPP co-op vessels during the month of July, but the vessels fished on an “open-access” basis, not cooperatively. For the month of July, the vessels caught 101 MT of the available 137 MT of shallow-water complex halibut mortality (74%).

**V. COOPERATIVE PROHIBITED SPECIES CATCH**

**Halibut:** The cooperative’s fishing plan instituted a management scheme to discourage high halibut bycatch rates since the co-op’s RPP fishing would cease once its halibut PSC mortality cap was reached. Standards were set and enforced by the co-op members to abide by the halibut PSC mortality rate limits

(Table 3). These standards were set based on what the co-op members thought were achievable and acceptable bycatch rates while assuring that there would be sufficient halibut available to harvest the co-op's quota of CQ species. If a vessel approached or exceeded these pre-set rates during a trip, the coop members would convene to discuss possible actions. Fishing practices were adopted to aid in reducing halibut bycatch: (1) more frequent use of pelagic (off-bottom or "flying bottom") gear, (2) temporal distribution of catches to avoid high halibut bycatch time frames.

These avoidance measures proved successful: the ISA Rockfish Co-op caught 10,833 lbs. of its allocated 42,462 lbs of halibut PSC mortality quota (25.5%).

**Other Prohibited Species Catch:** The following were attributed to the combined in-shore catcher vessel cooperative catch accounts during the 2008 RPP fishing season (May 1<sup>st</sup> – November 15<sup>th</sup>): 1684 King salmon, 125 non-Chinook salmon, 243 Bairdi tanner crab and 24 Golden king crab.

**Table 3: Halibut Bycatch Standards Adopted by the ISA Rockfish Cooperative**

| <b>Inter-coop standard</b>   |                  |
|------------------------------|------------------|
| <i>Species</i>               | <i>% halibut</i> |
| POP                          | 0.50%            |
| NR/PSR                       | 2.20%            |
| Sable/cod                    | 4.00%            |
| <b>Red Light Standard</b>    |                  |
| <i>Species</i>               | <i>% halibut</i> |
| POP                          | 0.45%            |
| NR/PSR                       | 1.98%            |
| Sable/cod                    | 3.60%            |
| <b>Yellow Light Standard</b> |                  |
| <i>Species</i>               | <i>% halibut</i> |
| POP                          | 0.38%            |
| NR/PSR                       | 1.65%            |
| Sable/cod                    | 3.00%            |

## **VI. PENALTIES/CIVIL ACTIONS**

The multispecies aspect of the RPP precludes harvesting the co-op's allocation on a vessel-by-vessel basis: such is the advantage of fishing the quota cooperatively where the vessels can balance out each other's catches with no penalty incurred on the group as a whole. However, individuals who exceed their individual co-op quota share are penalized monetarily as a disincentive for future occurrences. As per the ISA Co-op Member Agreement, 100% of the ex-vessel revenue of the overage is paid by the offender directly to the member vessel that covers the overage. This discourages future overage events.

There were no civil actions taken against any co-op member.



**Final Report**  
**Star of Kodiak Rockfish Cooperative**

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**2008**

**December 15, 2008**

Prepared by:  
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## I. INTRODUCTION

In Section 802 of the Consolidated Appropriations Act of 2004, the U.S. Congress included a Directive to the Secretary of Commerce to establish, in consultation with the North Pacific Fishery Management Council (the Council), a pilot program for management of three primary rockfish species in the Central Gulf of Alaska (CGOA): Pacific Ocean perch (POP), northern rockfish (NR), and pelagic shelf rockfish fisheries (PSR)<sup>1</sup>. The ensuing catcher vessel Rockfish Pilot Program (RPP) allows each catcher vessel/harvester to join a cooperative in association with the processor to which it delivered the most pounds of CGOA rockfish during the processor qualifying period. Each cooperative receives an annual harvest share allocation based on the qualified harvest history of its members (combined vessel quota shares or QS). In addition to the allocation of target rockfish, catcher vessel cooperatives also receive allocations of secondary species, which include Sablefish, Pacific cod, Thornyhead rockfish and Halibut PSC mortality. Allocations to the catcher vessel sector are based on the average percentage of retained catch or Halibut PSC mortality usage of these species in the target rockfish fisheries during the qualifying period. These allocations are distributed to the cooperative members based on the amount of primary rockfish that the cooperative member holds.

The primary RPP objective is to stabilize the residential processing work force by filling times of year with low processing volumes, particularly May and June, and to remove the processing conflict with salmon. Additionally, the RPP reduces the competition for fish among harvesters thereby promoting safety, high quality seafood production, and increased economic performance and stability for co-op members, fishermen and processors. The extended, non-derby style season allowed coop members to improve harvesting efficiency in the target fisheries while reducing incidental bycatch of prohibited species through better fishing practices and efficient fleet monitoring and information distribution.

The Star of Kodiak Rockfish Cooperative is one of 5 inshore cooperatives formed in March 2008 in accordance to Amendment 68 of the Fishery Management Plan for Groundfish of the Gulf of Alaska. 2008 marked the second year of the 5-year Rockfish Pilot Program and, in compliance with Amendment 68, this Final Report is submitted to the Council as a summary of harvests, transfers and cooperative performance during the 2008 rockfish fishing season in the Central Gulf of Alaska (CGOA). Catch figures and statistics were provided by Sea State, Inc. and by the cooperative's manager and representative, Alaska Groundfish Data Bank.

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<sup>1</sup> Pelagic shelf rockfish consists of dusky rockfish, dark rockfish, yellowtail rockfish, and widow rockfish.

## II. COOPERATIVE MEMBERSHIP

The Star of Kodiak Rockfish Cooperative consists of twelve member licenses with twelve member vessels (LLP's), of which seven actively fished during the RPP: Mar Del Norte, Hazel Lorraine, Marcy J, Cape Kiwanda, Caravelle, Peggy Jo and the Progress. The Cape Kiwanda fished the Traveler's CQ and the Peggy Jo fished the Nordic Explorer's CQ. The Rosella CQ was transferred to the ISA cooperative and delivered to Trident Seafoods in Kodiak.

Trident Seafoods, Inc. in Kodiak, Alaska served as the primary purchasing and processing facility for the Star of Kodiak Rockfish Cooperative.

| <u>Member Licenses</u> |                             | <u>Member Vessels</u> | <u>ADF&amp;G no.</u> |
|------------------------|-----------------------------|-----------------------|----------------------|
| LLP 3144               | Blue Sea Fisheries          | Pacific Ram           | 61792                |
| LLP 1841               | Mar Del Norte, Inc.         | Mar Del Norte         | 21650                |
| LLP 2567               | Geiser, Albert              | Hazel Lorraine        | 57117                |
| LLP 3896               | Rondy's, Inc.               | Progress              | 6                    |
| LLP 3463               | Traveler Fisheries, LLC     | Traveler              | 58821                |
| LLP 2636               | Cape Kiwanda, LLC           | Cape Kiwanda          | 61432                |
| LLP2364                | Rosella, Inc.               | Rosella               | 21732                |
| LLP 3594               | B & N Fisheries Co.         | Peggy Jo              | 9200                 |
| LLP 3756               | B & N Fisheries Co.         | Nordic Explorer       | 51092                |
| LLP 2973               | Golden West Fisheries, Inc. | Caravelle             | 57634                |
| LLP 2278               | Marcy J, Inc                | Marcy J               | 55                   |
| LLP 1710               | Miss Leona, Inc.            | Miss Leona            | 25227                |

### **III. COOPERATIVE MANAGEMENT**

The Star of Kodiak Rockfish Cooperative was represented and managed by Julie Bonney at the Alaska Groundfish Data Bank in collaboration and coordination with the Co-op President, Jerry Downing, Star of Kodiak Seafood's Plant Manager, Greg Hathaway, Sea State, Inc., and the National Marine Fisheries Service.

Fishing plans were devised to harvest the allocations efficiently while reducing the amount of prohibited and non-marketable species. Harvest numbers, observer data and fish ticket information were analyzed, updated and distributed to the appropriate and interested parties in a timely manner to ensure proper management. Figure 1 shows the schematic outlining the Co-op's operations and flow of information among the contributing parties.

#### **A. Monitoring**

##### **(1) Check-ins and Check-outs**

To facilitate moving into and out of non-RPP fisheries during the rockfish season, NMFS instituted "Check-ins" and "Check-outs" but limited them to 3 times the number of LLP's within the co-op. Co-op vessels were required to check into the RPP fishery 48 hours prior to starting a trip and to check out of the program before participating in other fisheries. With twelve LLP's, the SOK Rockfish Cooperative was limited to 3x12 or 36 check-ins: only 15 were actually used.

##### **Observer Coverage**

100% Observer coverage was required by all participating vessels and per 12 hour processing period at the shoreside processing plants.

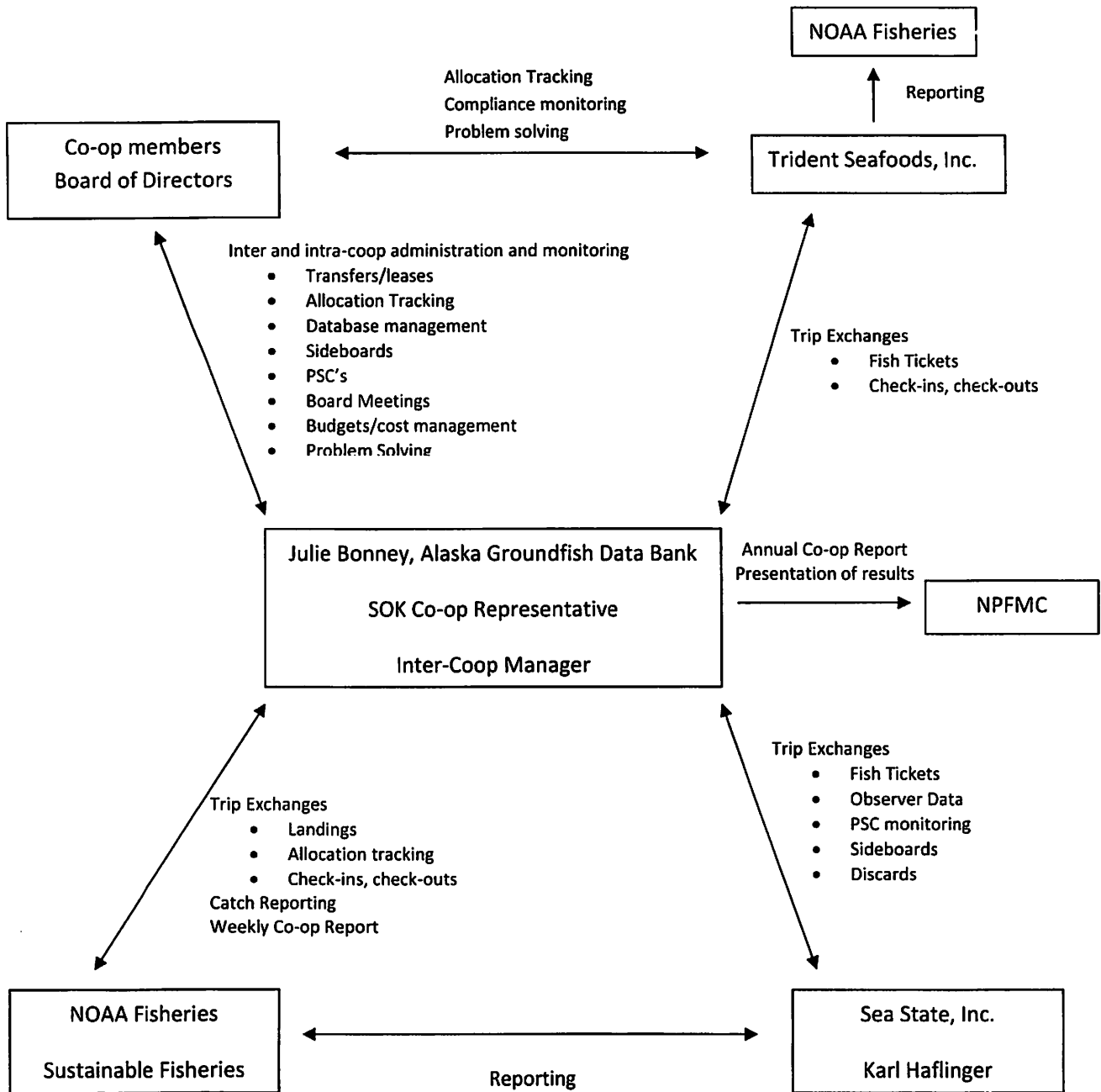
##### **(2) Sea State, Inc.**

Sea State, Inc. was hired by the cooperatives to establish and maintain the observer and fish ticket data base which was used in turn by the co-op's manager to monitor the co-op's catch.

##### **(3) NOAA Fisheries**

Weekly co-op reports were composed and sent to NMFS/Sustainable Fisheries as per the regulations and the co-op manager maintained close contact with NMFS personnel to monitor the co-op's harvest activities and bycatch rates and to discuss and resolve actual or potential management issues. NOAA RAM's Co-op ledger web site, available for the first time this year, proved very useful and was accessed frequently to confirm transfers, check balances and detect observer-fish ticket data mismatches.

**Figure 1. Schematic of SOK Rockfish Cooperative Operations and Management.**



## IV. COOPERATIVE PERFORMANCE

### A. Co-op Allocations, Transfers and Harvests

The SOK Rockfish Cooperative's allocations and harvests for the 2008 season are summarized by species and vessel in Table 1. Note that cooperative fishing allowed individual vessel overages to be offset by quota not harvested by other member vessels. Inter-coop transfers (Table 2) were arranged by the Inter-coop manager to maximize harvesting of the allocations among the five catcher vessel cooperatives and to bring the catcher processor cooperative allocations on shore.

**Table 2: SOK Rockfish Co-op Allocation and Inter-coop Transfer Summary (weights are in pounds)**

|                                   | POP              | NR             | PSR              | Sablefish      | P. cod         | Thornyhead     | Halibut        |
|-----------------------------------|------------------|----------------|------------------|----------------|----------------|----------------|----------------|
| <b>Initial SOK Allocation:</b>    | 1,867,118        | 687,978        | 893,964          | 180,046        | 308,214        | 48,408         | 60,076         |
| <b>Transfers In (Trident CP):</b> | 776,772          | 230,393        | 650,854          | 55,834         | 0              | 89,618         | 50,590         |
| <b>Transfers Out (OBSI):</b>      |                  | (50,442)       |                  |                |                |                |                |
| <b>Transfers Out (ISA):</b>       | (139,955)        | (44,682)       | (143,184)        | (15,295)       | (38,532)       | (4,112)        | (5,104)        |
| <b>Transfers Out (WAF):</b>       | (82,534)         | (157,679)      | (156,907)        | (24,143)       |                |                |                |
| <b>Final SOK Allocation:</b>      | <b>2,503,935</b> | <b>823,247</b> | <b>1,401,634</b> | <b>220,584</b> | <b>269,682</b> | <b>133,913</b> | <b>105,562</b> |
| <b>Total CV Co-ops:</b>           | 8,234,708        | 2,943,065      | 3,334,060        | 759,940        | 1,300,916      | 204,322        | 253,569        |
| <b>SOK %:</b>                     | 22.67%           | 23.38%         | 26.81%           | 23.69%         | 23.69%         | 23.69%         | 23.69%         |

Trident CP: (Catcher processor off-shore co-op); OBSI: Ocean Beauty Seafood, Inc. Rockfish Co-op; ISA: International Seafoods of Alaska Rockfish Co-op; WAF: Western Alaska Fisheries Rockfish Co-op.

Thornyheads, and Sablefish are not allowed. During the 2008 SOK Rockfish Cooperative's fishing season (May 1, 2008 – November 15, 2008), there was one occurrence of at-sea discards of CQ species: 6,000 lbs of POP. The discarded amount was charged to the offending vessel's catch account and NMFS Enforcement notified. The SOK Co-op therefore lost 6,000 pounds of POP. All other harvested CQ species catch was retained.

**C. Sideboard Limitations**

The Rockfish Pilot Program established sideboard limitations (not allocations) that limit LLP holders participating in the Program from expanding their harvests in other fisheries. These sideboard limits apply only in July, historically the most active month for rockfish fishing.

**(1) Prohibited Fishing**

For the catcher vessel sector, the BS/AI was closed for flatfish and rockfish.

**(2) Catch Limits**

A collective CV Sector limit was imposed for the following (all were closed to the CV sector during the 2008 RPP since the allocations were too small to support directed fishing):

| <u>BS/AI</u> | <u>West Yakutat</u>    | <u>Western GOA</u>                        |
|--------------|------------------------|---|
| Pacific Cod  | POP                    | POP                                       |
|              | Pelagic Shelf Rockfish | Northern Rockfish, Pelagic Shelf Rockfish |

**(3) Halibut Mortality Limits**

A collective CV Sector halibut mortality limit was also imposed on the GOA shallow-water flatfish and deep-water flatfish fisheries. The deep-water complex remained closed throughout July due to an insufficient amount of halibut mortality to sustain the fishery. Therefore, shallow-water flatfish, including rock sole and flathead sole, was the only non-RPP fishery harvested by RPP co-op vessels during the month of July, but the vessels fished on an "open-access" basis, not cooperatively. For the month of July, the vessels caught 101 MT of the available 137 MT of shallow-water complex halibut mortality (74%).

**V. COOPERATIVE PROHIBITED SPECIES CATCH**

**Halibut:** The cooperative's fishing plan instituted a management scheme to discourage high halibut bycatch rates since the co-op's RPP fishing would cease once its halibut PSC mortality cap was reached. Standards were set and enforced by the co-op members to abide by the halibut PSC mortality rate limits (Table 3). These standards were set based on what the co-op members thought were achievable and acceptable bycatch rates while assuring that there would be sufficient halibut available to harvest the co-op's quota of CQ species. If a vessel approached or exceeded these pre-set rates during a trip, the co-op members would convene to discuss possible actions. Fishing practices were adopted to aid in



reducing halibut bycatch: (1) more frequent use of pelagic (off-bottom or “flying bottom”) gear, (2) temporal distribution of catches to avoid high halibut bycatch time frames.

These avoidance measures proved successful: the SOK Rockfish Co-op caught 7,750 lbs. of its allocated 105,562 lbs of halibut PSC mortality quota (7.34%).

**Other Prohibited Species Catch:** The following were attributed to the combined in-shore catcher vessel cooperative catch accounts during the 2008 RPP fishing season (May 1<sup>st</sup> – November 15<sup>th</sup>): 1684 King salmon, 125 non-Chinook salmon, 243 Bairdi tanner crab and 24 Golden king crab.

**Table 3: Halibut Bycatch Standards Adopted by the SOK Rockfish Cooperative**

| <b>Inter-coop standard</b>               |                  |
|--|------------------|
| <i>Species</i>                           | <i>% halibut</i> |
| POP                                      | 0.50%            |
| NR/PSR                                   | 2.20%            |
| Sable/cod                                | 4.00%            |
| <b>Cooperative Red Light Standard</b>    |                  |
| <i>Species</i>                           | <i>% halibut</i> |
| POP                                      | 0.45%            |
| NR/PSR                                   | 1.98%            |
| Sable/cod                                | 3.60%            |
| <b>Cooperative Yellow Light Standard</b> |                  |
| <i>Species</i>                           | <i>% halibut</i> |
| POP                                      | 0.38%            |
| NR/PSR                                   | 1.65%            |
| Sable/cod                                | 3.00%            |

## **VI. PENALTIES/CIVIL ACTIONS**

The multispecies aspect of the RPP precludes harvesting the co-op’s allocation on a vessel-by-vessel basis: such is the advantage of fishing the quota cooperatively where the vessels can balance out each other’s catches with no penalty incurred on the group as a whole. However, individuals who exceed their individual co-op quota share are penalized monetarily as a disincentive for future occurrences. As per the SOK Co-op Membership Agreement, 100% of the ex-vessel revenue of the overage is paid by the offender directly to the member vessel that covers the overage. This discourages future overage events.

There were no civil actions taken against any co-op member.

**Final Report  
Ocean Beauty Seafoods, Inc.  
Rockfish Cooperative**

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**2008**

**December 15, 2008**

Prepared by:  
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## I. INTRODUCTION

In Section 802 of the Consolidated Appropriations Act of 2004, the U.S. Congress included a Directive to the Secretary of Commerce to establish, in consultation with the North Pacific Fishery Management Council (the Council), a pilot program for management of three primary rockfish species in the Central Gulf of Alaska (CGOA): Pacific Ocean perch (POP), northern rockfish (NR), and pelagic shelf rockfish fisheries (PSR)<sup>1</sup>. The ensuing catcher vessel Rockfish Pilot Program (RPP) allows each catcher vessel/harvester to join a cooperative in association with the processor to which it delivered the most pounds of CGOA rockfish during the processor qualifying period. Each cooperative receives an annual harvest share allocation based on the qualified harvest history of its members (combined vessel quota shares or QS). In addition to the allocation of target rockfish, catcher vessel cooperatives also receive allocations of secondary species, which include Sablefish, Pacific cod, Thornyhead rockfish and Halibut PSC mortality. Allocations to the catcher vessel sector are based on the average percentage of retained catch or Halibut PSC mortality usage of these species in the target rockfish fisheries during the qualifying period. These allocations are distributed to the cooperative members based on the amount of primary rockfish that the cooperative member holds.

The primary RPP objective is to stabilize the residential processing work force by filling times of year with low processing volumes, particularly May and June, and to remove the processing conflict with salmon. Additionally, the RPP reduces the competition for fish among harvesters thereby promoting safety, high quality seafood production, and increased economic performance and stability for coop members, fishermen and processors. The extended, non-derby style season allowed co-op members to improve harvesting efficiency in the target fisheries while reducing incidental bycatch of prohibited species through better fishing practices and efficient fleet monitoring and information distribution.

The Ocean Beauty Seafoods Rockfish Cooperative is one of 5 inshore cooperatives formed in March 2008 in accordance to Amendment 68 of the Fishery Management Plan for Groundfish of the Gulf of Alaska. 2008 marked the second year of the 5-year Rockfish Pilot Program and, in compliance with Amendment 68, this Final Report is submitted to the Council as a summary of harvests, transfers and cooperative performance during the 2008 rockfish fishing season in the Central Gulf of Alaska (CGOA). Catch figures and statistics were provided by Sea State, Inc. and by the cooperative's manager and representative, Julie Bonney, Executive Director of the Alaska Groundfish Data Bank.

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<sup>1</sup> Pelagic shelf rockfish consists of dusky rockfish, dark rockfish, yellowtail rockfish, and widow rockfish.

## II. COOPERATIVE MEMBERSHIP

The Ocean Beauty Seafoods Rockfish Cooperative consists of eight member licenses with seven member vessels (LLP's), of which four actively fished during the RPP: Excalibur II, Laura, New Life, and the Pacific Star. The Bay Islander, Marathon and Linda Cochran LLP allocations were fished by the New Life and the allocations for the Defiant were fished by the Laura. Ocean Beauty Seafoods in Kodiak, Alaska served as the primary purchasing and processing facility for the Ocean Beauty Seafoods, Inc. Rockfish Cooperative.

| <u>Member License</u> |                               | <u>Member Vessel</u> | <u>ADF&amp;G no.</u> |
|-----------------------|-------------------------------|----------------------|----------------------|
| LLP 3665              | Laura Fisheries Joint Venture | Laura                | 21591                |
| LLG 1367              | Cochran, Linda L.             |                      |                      |
| LLP 3521              | Excalibur II, LLC             | Excalibur II         | 54653                |
| LLP 4465              | Marathon Fisheries, Inc.      | Marathon             | 49617                |
| LLP 4852              | Pac Star, Inc.                | Pacific Star         | 55038                |
| LLP5201               | F/V New Life, Inc.            | New Life             | 21845                |
| LLP 3496              | M/V Defiant, Inc.             | Defiant              | 40141                |
| LLP 3504              | Bay Islander, Inc.            | Bay Islander         | 21636                |

### **III. COOPERATIVE MANAGEMENT**

The Ocean Beauty Seafoods Rockfish Cooperative was represented and managed by Julie Bonney at the Alaska Groundfish Data Bank in collaboration and coordination with the Co-op President, Kent Helligso, Ocean Beauty Seafoods Seafood's Plant Manager, Tim Blott, Sea State, Inc., and the National Marine Fisheries Service.

Fishing plans were devised to harvest the allocations efficiently while reducing the amount of prohibited and non-marketable species. Harvest numbers, observer data and fish ticket information were analyzed, updated and distributed to the appropriate and interested parties in a timely manner to ensure proper management. Figure 1 shows the schematic outlining the Co-op's operations and flow of information among the contributing parties.

#### **A. Monitoring**

##### **(1) Check-ins and Check-outs**

To facilitate moving into and out of non-RPP fisheries during the rockfish season, NMFS instituted "Check-ins" and "Check-outs" but limited them to 3 times the number of LLP's within the coop. Co-op vessels were required to check into the RPP fishery 48 hours prior to starting a trip and to check out of the program before participating in other fisheries. With six LLP's, the OBSI Rockfish Cooperative was limited to 3x8 or 24 check-ins: only 7 were actually used.

##### **(2) Observer Coverage**

100% Observer coverage is normally required by all participating RPP co-op vessels and per 12 hour processing period at the shoreside processing plants. In 2008, however, the four OBSI Co-op vessels voluntarily participated in an Exempted Fishing Permit (EFP 08-01) research project testing the use of electronic monitoring to monitor and quantify at-sea halibut discards. This Permit exempted the OBSI co-op vessels from the 100% observer requirement and MRA restrictions (100% retention of all species was required by the permit). They were, however, subject to 30% observer coverage.

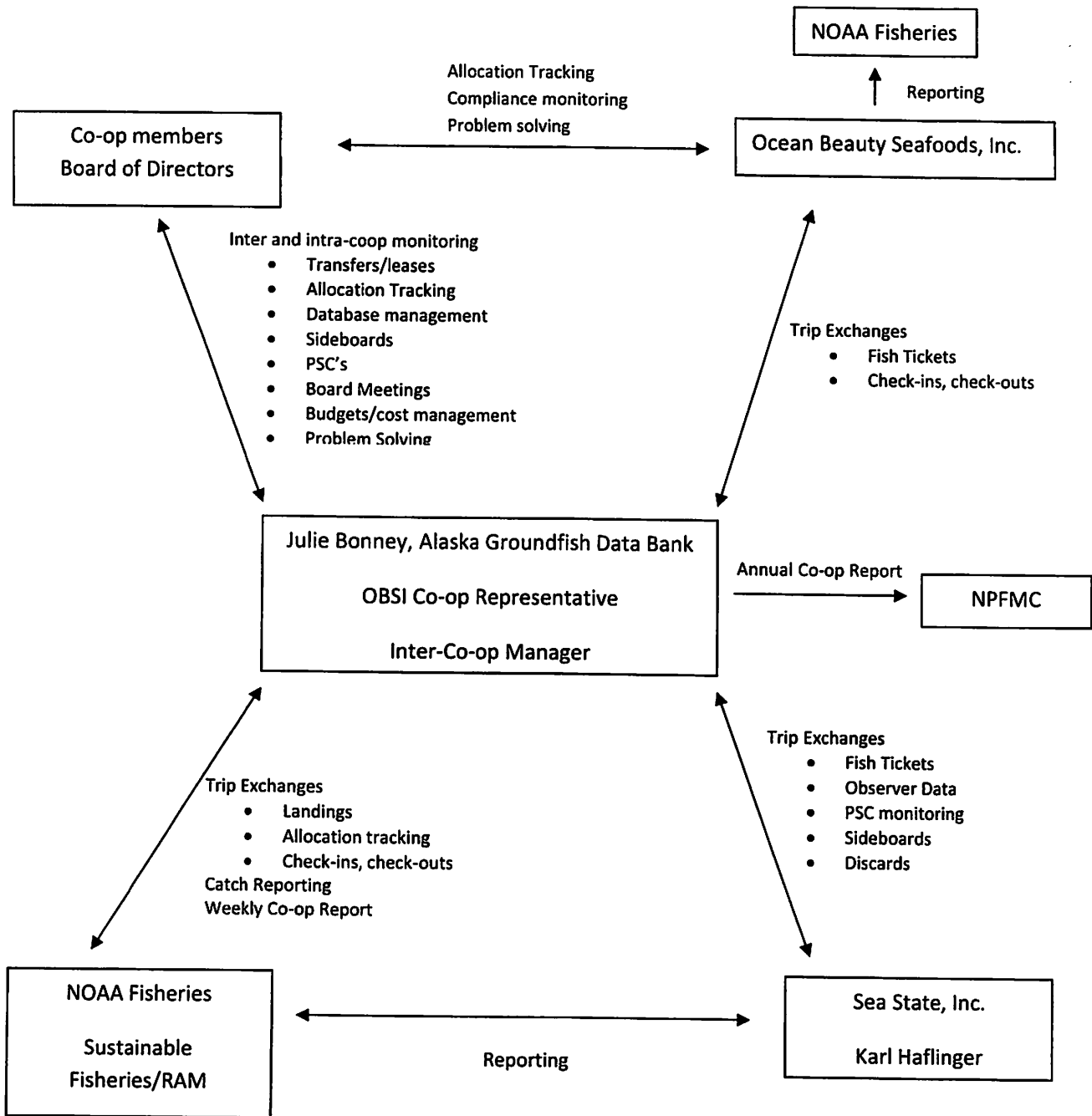
##### **(3) Sea State, Inc.**

Sea State, Inc. was hired by the cooperatives to establish and maintain the observer and fish ticket data base which was used in turn by the co-op's manager to monitor the co-op's catch.

##### **(4) NOAA Fisheries**

Weekly co-op reports were composed and sent to NMFS/Sustainable Fisheries as per the regulations and the co-op manager maintained close contact with NMFS personnel to monitor the co-op's harvest activities and bycatch rates and to discuss and resolve actual or potential management issues. NOAA RAM's Co-op ledger web site, available for the first time this year, proved very useful and was accessed frequently to confirm transfers, check balances and detect observer-fish ticket data mismatches.

**Figure 1. Schematic of OBSI Rockfish Cooperative Operations and Management.**



## IV. COOPERATIVE PERFORMANCE

### A. Co-op Allocations, Transfers and Harvests

The OBSI Rockfish Cooperative's allocations and harvests for the 2008 season are summarized by species and vessel in Table 1. Note that cooperative fishing allowed individual vessel overages to be offset by quota not harvested by other member vessels. Inter-coop transfers (Table 2) were arranged by the Inter-coop manager to maximize harvesting of the allocations among the five catcher vessel cooperatives and to bring a portion of the catcher processor cooperative allocations on shore.

**Table 2: OBSI Rockfish Co-op Allocation and Inter-coop Transfer Summary (weights are in pounds)**

|                                   | POP              | NR             | PSR              | Sablefish      | P. cod         | Thornyhead    | Halibut       |
|-----------------------------------|------------------|----------------|------------------|----------------|----------------|---------------|---------------|
| <b>Initial OBSI Allocation:</b>   | 1,563,812        | 740,372        | 773,360          | 165,000        | 282,458        | 44,363        | 55,055        |
| <b>Transfers In (Trident CP):</b> | 347,357          | 46,273         | 320,428          | 27,878         | 0              | 0             | 0             |
| <b>Transfers In (SOK):</b>        | 0                | 50,442         | 0                | 0              | 0              | 0             | 0             |
| <b>Transfers Out (NP):</b>        |                  | (17,637)       |                  |                |                |               |               |
| <b>Transfers Out (WAF):</b>       | (3,251)          | (11,611)       | (48,838)         | (100)          | (223)          |               |               |
| <b>Transfers Out (ISA):</b>       | (47,121)         |                |                  |                |                |               |               |
| <b>Final OBSI Allocation:</b>     | <b>1,911,169</b> | <b>819,450</b> | <b>1,093,788</b> | <b>192,878</b> | <b>282,458</b> | <b>44,363</b> | <b>55,055</b> |
| <b>Total CV Co-ops:</b>           | 8,234,708        | 2,943,065      | 3,334,060        | 759,940        | 1,300,916      | 204,322       | 253,569       |
| <b>OBSI %:</b>                    | 18.99%           | 25.16%         | 23.20%           | 21.71%         | 21.71%         | 21.71%        | 21.71%        |

Trident CP: (Catcher processor off-shore co-op); NP: North Pacific Rockfish Co-op; SOK: Star of Kodiak Rockfish Co-op; WAF: Western Alaska Fisheries Rockfish Co-op; ISA: International Seafoods of Alaska Rockfish Co-op.



**B. Retained and Discarded Catch of CQ**

Federal regulations require the RPP participants to retain all Cooperative Quota (CQ) species: at-sea discards of Pacific Ocean Perch, Northern Rockfish, Pelagic Shelf Rockfish, Pacific cod, Thornyheads, and Sablefish are not allowed. During the 2008 OBSI Rockfish Cooperative’s fishing season (May 1, 2008 – November 15, 2008), there were zero occurrences of at-sea discards of CQ species – all harvested CQ species catch was retained and delivered a Kodiak RPP processing plant.

**C. Sideboard Limitations**

**(1) Prohibited Fishing**

For the catcher vessel sector, the BS/AI was closed for flatfish and rockfish.

**(2) Catch Limits**

A collective CV Sector limit was imposed for the following (all were closed to the CV sector during the 2008 RPP since the allocations were too small to support directed fishing):

| <u>BS/AI</u> | <u>West Yakutat</u>           | <u>Western GOA</u>                               |
|--------------|-------------------------------|--|
| Pacific Cod  | POP<br>Pelagic Shelf Rockfish | POP<br>Northern Rockfish, Pelagic Shelf Rockfish |

**(3) Halibut Mortality Limits**

A collective CV Sector halibut mortality limit was also imposed on the GOA shallow-water flatfish and deep-water flatfish fisheries. The deep-water complex remained closed throughout July due to an insufficient amount of halibut mortality to sustain the fishery. Therefore, shallow-water flatfish, including rock sole and flathead sole, was the only non-RPP fishery harvested by RPP co-op vessels during the month of July, but the vessels fished on an “open-access” basis, not cooperatively. For the month of July, the vessels caught 101 MT of the available 137 MT of shallow-water complex halibut mortality (74%).

**V. COOPERATIVE PROHIBITED SPECIES CATCH**

**Halibut:** The cooperative’s fishing plan instituted a management scheme to discourage high halibut bycatch rates since the co-op’s RPP fishing would cease once its halibut PSC mortality cap was reached. Standards were set and enforced by the co-op members to abide by the halibut PSC mortality rate limits (Table 3). These standards were set based on what the co-op members thought were achievable and acceptable bycatch rates while assuring that there would be sufficient halibut available to harvest the co-op’s quota of CQ species. If a vessel approached or exceeded these pre-set rates during a trip, the co-op members would convene to discuss possible actions. Fishing practices were adopted to aid in reducing halibut bycatch: (1) more frequent use of pelagic (off-bottom or “flying bottom”) gear, (2) temporal distribution of catches to avoid high halibut bycatch time frames.

These avoidance measures proved successful: the OBSI Rockfish Co-op used only 6,841 lbs. of its allocated 55,055 lbs of halibut PSC mortality quota (12.4%).

**Other Prohibited Species Catch:** The following were attributed to the combined in-shore catcher vessel cooperative catch accounts during the 2008 RPP fishing season (May 1<sup>st</sup> – November 15<sup>th</sup>): 1684 King salmon, 125 non-Chinook salmon, 243 Bairdi tanner crab and 24 Golden king crab.

**Table 3: Halibut Bycatch Standards Adopted by the OBSI Rockfish Cooperative**

| <b>Inter-coop standard</b>               |                  |
|--|------------------|
| <i>Species</i>                           | <i>% halibut</i> |
| POP                                      | 0.50%            |
| NR/PSR                                   | 2.20%            |
| Sable/cod                                | 4.00%            |
| <b>Cooperative Red Light Standard</b>    |                  |
| <i>Species</i>                           | <i>% halibut</i> |
| POP                                      | 0.45%            |
| NR/PSR                                   | 1.98%            |
| Sable/cod                                | 3.60%            |
| <b>Cooperative Yellow Light Standard</b> |                  |
| <i>Species</i>                           | <i>% halibut</i> |
| POP                                      | 0.38%            |
| NR/PSR                                   | 1.65%            |
| Sable/cod                                | 3.00%            |

## **VI. PENALTIES/CIVIL ACTIONS**

The multispecies aspect of the RPP precludes harvesting the co-op's allocation on a vessel-by-vessel basis: such is the advantage of fishing the quota cooperatively where the vessels can balance out each other's catches with no penalty incurred on the group as a whole. However, individuals who exceed their individual co-op quota share are penalized monetarily as a disincentive for future occurrences. As per the OBSI Co-op Membership Agreement, 100% of the ex-vessel revenue of the overage is paid by the offender directly to the member vessel that covers the overage. This discourages future overage events.

There were no civil actions taken against any co-op member.

**Final Report  
Trident Offshore Rockfish  
Cooperative Association**

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**2008**

**December 15, 2008**

Prepared by:  
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## I. INTRODUCTION

In Section 802 of the Consolidated Appropriations Act of 2004, the U.S. Congress included a Directive to the Secretary of Commerce to establish, in consultation with the North Pacific Fishery Management Council (the Council), a pilot program for management of three primary rockfish species in the Central Gulf of Alaska (CGOA): Pacific Ocean perch (POP), northern rockfish (NR), and pelagic shelf rockfish fisheries (PSR)<sup>1</sup>. The ensuing Rockfish Pilot Program (RPP) allowed for the formation of rockfish fishing cooperatives in the catcher vessel (CV) and catcher processor (CP) sectors, the latter of which requires at least two limited license permits (LLP's). Two offshore (catcher processor) cooperatives were established in addition to the five inshore rockfish cooperatives: the Trident Offshore Rockfish Cooperative and the Fishing Company of Alaska (FCA) Rockfish Cooperative.

Each cooperative receives an annual harvest share allocation based on the qualified harvest history of its members (combined vessel quota shares or QS). In addition to the allocation of primary rockfish species (POP, NR, PSR), catcher processor cooperatives also receive allocations of secondary species, which include sablefish, thornyhead rockfish, shortraker rockfish, roughey rockfish and halibut PSC mortality. The catcher vessel co-ops receive allocations of Pacific cod (managed by maximum retainable amounts - MRA's - in the CP sector) but were not allocated any shortraker or roughey rockfish which are managed by MRA's in the CV sector. Allocations to both the inshore and catcher processor sectors are based on the average percentage of retained catch and Halibut PSC mortality usage of these species in the target rockfish fisheries during the qualifying period. These allocations are distributed to the cooperative members based on the amount of primary rockfish that the cooperative member holds.

Provisions in the RPP regulations allow for one-way transfers of CQ from a CP co-op to a CV co-op, and during the 2008 RPP season all of the Trident Offshore CP cooperative quota for POP, PSR, NR, sablefish and Halibut PSC were transferred to the inshore CV co-ops (detailed in section IV). Two-way transfers were allowed and performed between the two CP co-ops to facilitate transfers to the inshore co-op sector as well as to facilitate CQ fishing for the FCA cooperative.

The Trident Offshore Rockfish Cooperative Association was one of 2 offshore/catcher processor cooperatives formed in March 2008 in accordance to Amendment 68 of the Fishery Management Plan for Groundfish of the Gulf of Alaska. 2008 marked the second of the 5-year Rockfish Pilot Program and, in compliance with Amendment 68, this Final Report is submitted to the Council as a summary of harvests, transfers and cooperative performance during the 2008 rockfish fishing season in the Central Gulf of Alaska (CGOA).

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<sup>1</sup> Pelagic shelf rockfish consists of dusky rockfish, dark rockfish, yellowtail rockfish, and widow rockfish.

## II. COOPERATIVE MEMBERSHIP

The Trident Offshore Rockfish Cooperative Association consisted of three member licenses with three member vessels (LLP's), none of which actively fished during the RPP (all allocations were transferred – see section IV).

| <u>Member License</u> |                         | <u>Member Vessel</u> | <u>ADF&amp;G no.</u> |
|-----------------------|-------------------------|----------------------|----------------------|
| LLP 3741              | B & N Fisheries Company | Epic Explorer        | 8500                 |
| LLP 3744              | San Juan Seafoods, Inc. | Ocean Harvester      | 101                  |
| LLP 3740              | San Juan Seafoods, Inc. | Sovereignty          | 55199                |

### **III. COOPERATIVE MANAGEMENT**

The Trident Offshore Rockfish Cooperative Association was represented and managed by Joseph Plesha of Trident Seafoods, Inc. in collaboration and coordination with the Co-op President, Christopher Arnim, the inshore inter-coop manager, Julie Bonney of the Alaska Groundfish Data Bank, and the National Marine Fisheries Service.

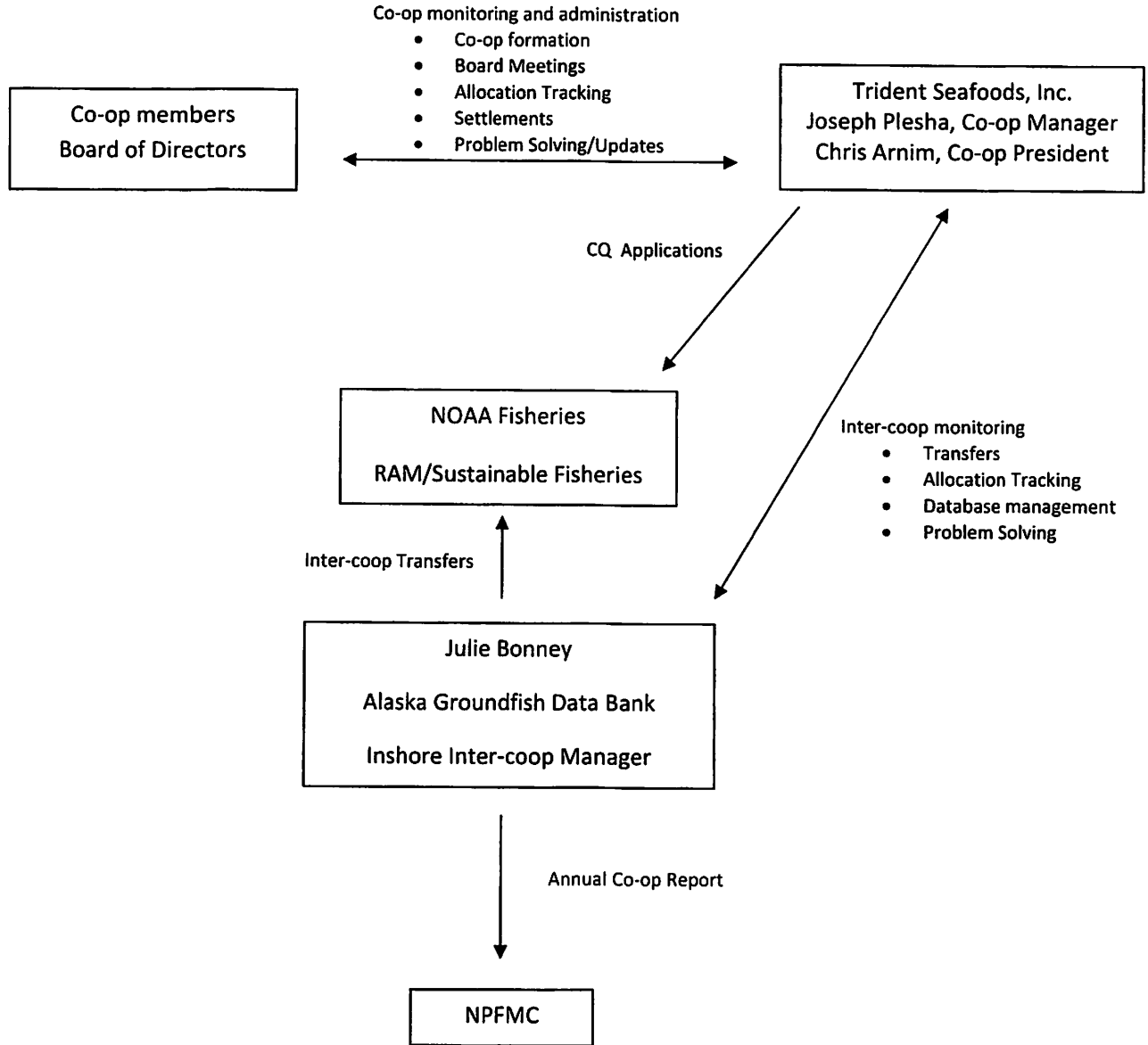
The Trident CP co-op goal was to bring their entire allocation on shore, thus no fishing plan was necessary - only development of a plan to bring this fish on shore. The Trident CP co-op was a member of the catcher vessel inter-coop management structure which included the five CV coops (FCA was not a member). While the Trident CP co-op did not fish, the co-op set aside a portion of their allocation as a reserve pool to support the CV co-ops (i.e. thornyhead rockfish) and to help establish the appropriate fishing standards.

Figure 1 shows the schematic outlining the Co-op's operations and flow of information among the contributing parties.

#### **A. Monitoring**

None of the three vessels in the Trident offshore CP co-op actively fished for the RPP because the co-op's quota was transferred to the inshore co-ops, so no monitoring was necessary.

**Figure 1. Schematic of Trident Offshore Rockfish Cooperative Operations and Management.**





## **IV. COOPERATIVE PERFORMANCE**

### **A. Co-op Allocations, Transfers and Harvests**

The Trident Offshore Rockfish Cooperative's allocations and transfers for the 2008 season are summarized by species and co-op in Table 1. There were no harvests by the Trident CP co-op member vessels: all allocations of POP, Northern rockfish, PSR rockfish, sablefish, thornyhead rockfish, and halibut PSC were transferred to the inshore catcher vessel cooperatives. There was no Pacific cod allocation. The Shortraker rockfish allocation (allocated to CP's only) was transferred to the other offshore/CP rockfish cooperative, Fishing Company of Alaska (FCA). The Rougheyeye rockfish allocation (CP's only) was neither transferred out nor harvested.

## V. COOPERATIVE PROHIBITED SPECIES CATCH

While the Trident CP co-op did not fish, the co-op was involved in setting standards to discourage high halibut bycatch rates (Table 2).

**Table 2: Halibut Bycatch Standards Adopted by the Trident CP Rockfish Cooperative**

| <b>Inter-coop standard</b>               |                  |
|--|------------------|
| <i>Species</i>                           | <i>% halibut</i> |
| POP                                      | 0.50%            |
| NR/PSR                                   | 2.20%            |
| Sable/cod                                | 4.00%            |
| <b>Cooperative Red Light Standard</b>    |                  |
| <i>Species</i>                           | <i>% halibut</i> |
| POP                                      | 0.45%            |
| NR/PSR                                   | 1.98%            |
| Sable/cod                                | 3.60%            |
| <b>Cooperative Yellow Light Standard</b> |                  |
| <i>Species</i>                           | <i>% halibut</i> |
| POP                                      | 0.38%            |
| NR/PSR                                   | 1.65%            |
| Sable/cod                                | 3.00%            |

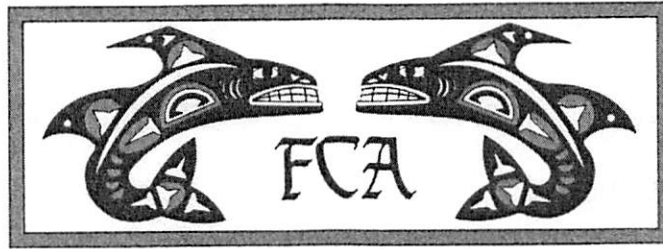
## VI. SIDEBOARDS

The Rockfish Pilot Program established sideboard limitations (not allocations) that limit LLP holders participating in the Program from expanding their harvests in other fisheries. These sideboard limits apply only in July, historically the most active month for rockfish fishing.

The F/V Sovereignty participated in the Bering Sea AFA pollock fishery during the month of July which is exempt from the RPP sideboard provisions. Both the F/V Epic Explorer and the F/V Ocean Harvester tendered for salmon in July.

## VII. PENALTIES/CIVIL ACTIONS

There were no civil actions taken against any co-op member.



# **Year End Report of The Fishing Co. of Alaska**

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## **Offshore Rockfish Cooperative**

Respectively submitted to:  
**Regional Administrator**  
NMFS Alaska  
P.O. Box 21668  
Juneau, Alaska 99802

**December 15, 2008**

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## Section I INTRODUCTION

In Section 802 of the Consolidated Appropriations Act of 2004, the U.S. Congress included a Directive to the Secretary of Commerce to establish, in consultation with the North Pacific Fishery Management Council (the Council), a pilot program for management of three primary rockfish species in the Central Gulf of Alaska (CGOA): Pacific Ocean perch (POP), northern rockfish (NR), and pelagic shelf rockfish fisheries (PSR).<sup>1</sup> The ensuing Rockfish Pilot Program (RPP) allowed for the formation of rockfish fishing cooperatives in the catcher vessel (CV) and catcher processor (CP) sectors, the latter of which requires at least two limited license permits (LLP's). During the 2007 and 2008 fishing year, two offshore catcher processor cooperatives were established. They were the Fishing Co. of Alaska Cooperative and the Trident Rockfish Cooperative.

The Fishing Company of Alaska (FCA) Rockfish Cooperative was one of two offshore/catcher processor cooperatives formed first in 2007 and again in 2008 in accordance to Amendment 68 of the Fishery Management Plan for Groundfish of the Gulf of Alaska. The FCA co-op was the only fully operational offshore/catcher processor cooperative. The second and only other cooperative formed by Trident Seafood's chose to transfer its quota share (QS) inshore.

Each cooperative received an annual harvest share allocation based on the qualified harvest history of its members (combined vessel quota shares or QS). In addition to the allocation of primary rockfish species (POP, NR, PSR), catcher processor cooperatives also received allocations of secondary species, which included sablefish, thornyhead, shortraker, roughey rockfish and halibut PSC mortality. The catcher processor (CP) vessel co-ops do not receive allocations of Pacific cod. The CP cod was managed as a maximum retainable amount (MRA's in the CP sector) but are allocated shortraker and roughey rockfish. Allocations to both the inshore and catcher processor sectors was based on the average percentage of retained catch and Halibut PSC mortality usage of these species in the target rockfish fisheries during the qualifying period. These allocations were distributed to the cooperative members based on the amount of primary rockfish that the cooperative member held.

Provisions in the RPP regulations allowed for only one-way transfers of CQ from a CP offshore co-op to a CV inshore co-op, and during the 2008 RPP season, all of the FCA CP cooperative quota for POP, PSR<sup>1</sup>, NR, sablefish and halibut PSC were consolidated within the cooperative (detailed in section IV). One such transfer from the FCA co-op to the inshore co-op sector was accomplished to reduce the stranding of fish within the FCA co-op.

Two-way transfers were allowed and performed between the only two CP co-ops when it became obvious that the FCA co-op allocation of shortraker would potentially prohibit FCA from maximizing harvest.

This year (2008) marked the 2<sup>nd</sup> year of the five year Rockfish Pilot Program and, in compliance with Amendment 68, this annual report is submitted to the Council as a summary of harvests, transfers and cooperative performance during the 2008 rockfish fishing season in the Central Gulf of Alaska (CGOA).

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<sup>1</sup> Pelagic shelf rockfish consists of dusky rockfish, dark rockfish, yellowtail rockfish, and widow rockfish.

## Section II COOPERATIVE MEMBERSHIP

The 2008 Fishing Company of Alaska Cooperative (FCA) consisted two member vessels, AK Spirit (LLP #3043) and AK Victory (LLP #2080), which both actively fished during the RPP.

While FCA qualified and could have been assigned quota under the RPP for a third license under vessel AK Warrior/ Ranger LLP# 2083, it was unable to include the LLP and corresponding catch history in the FCA cooperative because of limiting factors contained in the program sideboard limitations (i.e. 14 day stand-down) and LLP qualifying vessel history restrictions. More specifically, the RPP regulations specified (per NMFS) that any vessel or vessels that gave rise to the catch history on the LLP during the qualifying period, would be subject to the same program regulations and sideboard provisions if the LLP were brought into the program. This would have meant that while FCA had three qualified RPP LLP's under the program, four vessels would have been affected by co-oping the single LLP #2083, which captured both the AK Warrior and the AK Ranger. This resulted in the business decision to forgo co-oping all four vessels.

### Member Licenses

| Vessel Name    | ADF&G | USCG   | LLP  |
|----------------|-------|--------|------|
| Alaska Spirit  | 59870 | 554913 | 3043 |
| Alaska Victory | 61083 | 569752 | 2080 |

#### Sub note:

Now that the council has taken action to eliminate the 14 day stand-down provision, the FCA cooperative should be able to co-op all four of the FCA vessel licenses during the 2009 fishing season.

## **Section III**

### **COOPERATIVE MANAGEMENT-MONITORING**

The Fishing Company of Alaska (FCA) cooperative was represented and managed by Capt. Bill McGill of Fishing Co. of Alaska, Inc. in collaboration and coordination with the only other offshore co-op Trident Seafood's, Inc., the inshore inter-co-op manager, Julie Bonney of the Alaska Groundfish Data Bank, and the National Marine Fisheries Service (in-season management).

FCA's 2008 cooperative harvesting strategy was to bring their entire allocation under one cooperative and manage the harvesting in the central GOA utilizing both the AK Spirit and AK Victory. This year FCA was able to utilize both FCA vessels to harvest the Central RPP QS and Western sideboards.

Based on its previous years fishing experience, FCA was able to develop an effective onboard catch monitoring program and employ fishing techniques (ie. Pelagic nets) that maximized harvest and minimized PSC bycatch without exceeding any species or PSC allocations. The ability to coordinate harvesting of relatively small TAC's between the vessels proved to be key factor in this program.

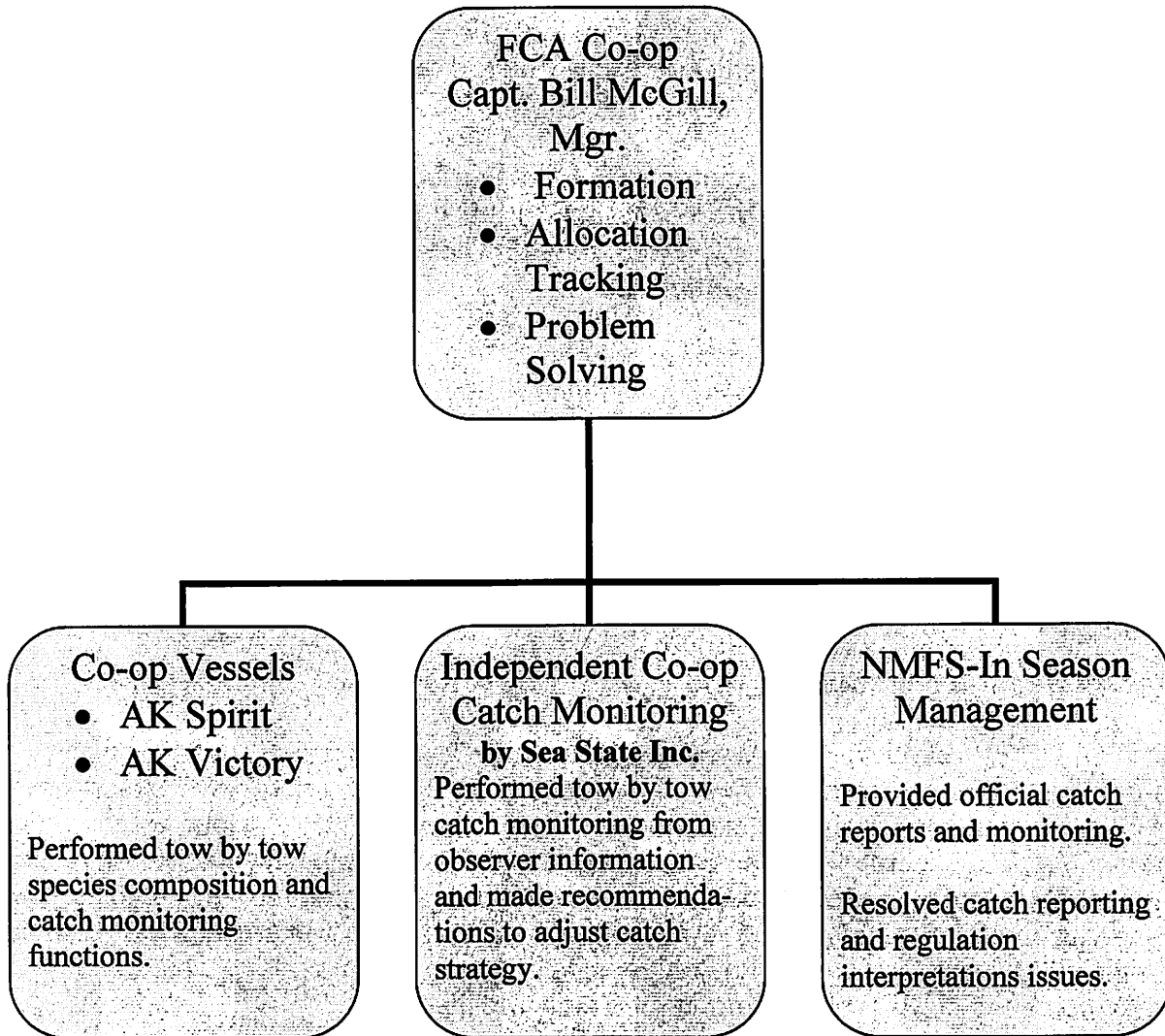
Figure 1 below shows the schematic outlining the co-op's operations and flow of information among the contributing parties.

#### **Vessel Catch-Monitoring**

Both of FCA's co-op vessels were equipped with onboard catch monitoring systems that allowed them to compute and monitor catch on a tow by tow basis based on real time haul estimates, species composition and observer information. Each vessels accounting was compared to catch reports compiled by an independent catch monitoring company, Sea State Inc., who utilized the most current official NMFS observer catch information. The comparative data was then transmitted to the vessels via the co-op manager and any discrepancies between the vessels catch estimates and those compiled by Sea State were immediately rectified.

In addition to the above, a third check of catch data accuracy was made when the co-op manager also compared the vessels and Sea State catch numbers with the NMFS co-op manager's official catch accounting in Juneau to ensure no species allocations were exceeded. While all of this may have seemed a little redundant, it gave all concerned confidence that over harvesting of CQ would not happen.

**Figure 1. Schematic of Fishing Co. of Alaska Rockfish Cooperative Operations and Management.**





## Section IV CO-OP ALLOCATIONS, TRANSFERS and PERFORMANCE

FCA cooperative's allocations and transfers for the 2008 season are summarized by species in Table 1.

Anecdotal information provided by other qualified offshore CP companies indicated that they were reluctant to form or join a cooperative because of the extremely limited shortraker allocation to the sector and to individual companies. Others have indicated that they were reluctant to form a cooperative because of the western GOA sideboard limits that would be imposed on them. In lieu of joining or forming a cooperative, they made the decision to harvest under the RPP "limited access fishery" and continue the race for POP/ Northern in the Western GOA.

When the FCA co-op realized that the shortraker allocation would not permit the co-op to fully harvest its primary species allocations, it sought and obtained transfer of some shortraker from the Trident CP co-op. While this worked in this instance, we suggest a more long term solution to the limited shortraker allocation to the offshore sector be made by the NPFMC, such as treating shortraker as a soft cap MRA.

After maximizing FCA's cooperative harvest and without exceeding any allocations, FCA transferred varying limited amounts of the remaining species to the inshore cooperative in an effort to obtain optimum yield from the program.

Table 1 Central Gulf of Alaska Allocations and Transfers IN and OUT of Cooperative by species.

| NAME                   | FCA CQ Allocation | In Transfers | Out Transfers | Catch    | CQ not harvested | Percent <sup>2</sup> Remaining |
|------------------------|-------------------|--------------|---------------|----------|------------------|--------------------------------|
| Pacific Ocean Perch    | 1671.391          | 0            | 48            | 1621.504 | 0.0              | 0                              |
| Pelagic Shelf Rockfish | 147.469           | 0            | 78            | 69.227   | 0.242            | 0.164                          |
| Northern Rockfish      | 167.534           | 0            | 21            | 145.738  | 0.796            | 0.475                          |
| Sablefish              | 69.678            | 0            | 2.5           | 66.684   | 0.494            | 0.708                          |
| Shortraker Rockfish    | 27.870            | 20.553       | 0             | 28.728   | 19.695           | 40.672                         |
| Rougheye Rockfish      | 144.652           | 0            | 0             | 6.929    | 137.723          | 95.209                         |
| Thornyhead Rockfish    | 58.124            | 0            | 0             | 12.534   | 45.590           | 78.435                         |
| CGOA Halibut - PSC     | 31.937            | 0            | 12            | 8.769    | 11.167           | 34.965                         |

<sup>2</sup> Percent is after adjusted transfers in/out of co-op.

## Central Gulf of Alaska Cooperative Retention Performance

Because of Fishing Co. of Alaska's vast experience fishing in the Gulf (20 years) for Rockfish, we were able to target retainable species and minimize discards as shown in Table 2 below.

**Table 2 Central GOA Catch Retained and Discards (all vessels)**

| Species Fished         | Vessel Name               | Retained | Discards |
|------------------------|---------------------------|----------|----------|
| Northern Rockfish      | Alaska Spirit and Victory | 145.7    | 0        |
| Pacific Ocean Perch    | Alaska Spirit and Victory | 1621.5   | 0        |
| Pelagic Shelf Rockfish | Alaska Spirit and Victory | 69.2     | 0        |
| Rougheye Rockfish      | Alaska Spirit and Victory | 6.9      | 0        |
| Sablefish              | Alaska Spirit and Victory | 66.7     | 0        |
| Shortraker             | Alaska Spirit and Victory | 28.7     | 0        |
| Thornyhead             | Alaska Spirit and Victory | 12.5     | 0        |

## Western Gulf of Alaska (WGOA) Sideboards/ Performance

During the first year of program, Fishing Co. of Alaska chose to manage its single owner cooperative in a conservative manner, focusing on catch monitoring and individual vessel accountability. Both co-op vessels fished in the WGOA sideboard fishery.

**Table 3 Western GOA Sideboard Species and PSC Sideboards' for FCA Cooperative**

| Species Group             | Area | Sideboard Percentage | Total CP Sideboard Limit (mt) | FCA Co-op Sideboard Limit (mt) | FCA Catch (mt) | FCA Balance (mt) | FCA % Remaining |
|---------------------------|------|----------------------|-------------------------------|--------------------------------|----------------|------------------|-----------------|
| Deep-Water Halibut PSC    | GOA  | 6.9                  | 80                            | 6                              | 0              | 6                | 100%            |
| Shallow-Water Halibut PSC | GOA  | 3.0                  | 11                            | 0                              | 0              | 0                | 0               |
| Northern Rockfish         | WG   | 47.8                 | 1,689                         | 807                            | 506.131        | 300.869          | 37%             |
| Pacific Ocean Perch       | WG   | 61.8                 | 2,252                         | 1,391                          | 1,377.185      | 13.815           | 0.90%           |
| Pelagic Shelf Rockfish    | WG   | 67.7                 | 635                           | 430                            | 212.434        | 217.566          | 50.59%          |

**Table 4 Western GOA Sideboard Catch by Vessel and Species**

| Western GOA Sideboard     | Total Catch |
|---------------------------|-------------|
| Northern Rockfish         | 505.7       |
| Pacific Ocean Perch (POP) | 1307.0      |
| Pelagic Shelf Rockfish    | 211.4       |

## Section V CO-OP Central GOA Prohibited Species Catch (PSC)

The FCA co-op was allocated 31.937 mts of halibut PSC and only used 8.77 mts as compared to 16.84 mts during previous year. A transfer of 12 mts was made to the inshore cooperative and 11.17 mts remained, as compared to the 6.2 mts remaining last year. If the cooperative could have performed post delivery transfers the amount remaining could have been reduced. Post delivery transfers would have enabled FCA to bring the allocated PSC CQ not harvested down to almost nothing.

The FCA co-op continued to reduce halibut bycatch during this second year of the program operations. A combination of experience on the fishing grounds and staying away from high halibut bycatch areas produced the reduction.

**Table 5 Central GOA PSC allocations and catch.**

| NAME               | FCA CQ<br>Allocation | In<br>Transfers | Out<br>Transfers | Catch    | CQ not<br>harvested | Percent <sup>3</sup><br>Remaining |
|--------------------|----------------------|-----------------|------------------|----------|---------------------|-----------------------------------|
| CGOA Halibut - PSC | 31.937 mts           | 0               | 12 mts           | 8.77 mts | 11.1 mts            | 56                                |

## Section VI PROGRAM SIDEBOARDS

The Rockfish Pilot Program established sideboard limitations (not allocations) that limit LLP holders participating in the program from expanding their harvests in other fisheries. These sideboard limits applied only in July, historically the most active month for rockfish fishing.

Both FCA cooperative vessels participated in the western gulf co-op sideboard fisheries. In doing so, they performed individual vessel catch accounting that was coordinated both on the fishing grounds and through the co-op manager to ensure sideboard limitations were not exceeded.

Because of the sideboard 14-day stand-down provision FCA's quota allocation to the cooperative was reduced by approximately 25 percent during this second year of the program.

## Section VII PENALTIES/CIVIL ACTIONS

There were no NMFS enforcement actions or other sanctions taken against the FCA cooperative.

<sup>3</sup> Percent is after adjusted amount out of co-op.

## **SUMMARY OF SUGGESTED PROGRAM CHANGES:**

- Allow for post delivery transfers for all program cooperatives
- Establish shorttraker as a soft-cap MRA for all cooperatives