


MEMORANDUM

TO: Council, SSC and AP Members

FROM: Clarence G. Pautzke 
Executive Director

DATE: April 8, 1996

SUBJECT: BSAI Pollock 'B' Season Delay

ESTIMATED TIME 4 HOURS (all D-1 items)
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ACTION REQUIRED

Final review of a proposal to delay the start of the pollock B season until September 1.

BACKGROUND

In December 1995 the Council requested staff to develop a regulatory amendment to the BSAI FMP which would delay the start of the pollock 'B' season until September 1, for either the offshore sector only, or both onshore and offshore sectors. In January the staff provided the Council with an outline for that analysis - this consisted of utilizing the previous analysis from 1993 which was done under contract by UAA's Institute for Social and Economic Research (ISER), coupled with a supplementary analysis of specific issues including: (1) additional bycatch implications, particularly for chum salmon in the CVOA, (2) potential marine mammal implications, and (3) interactions with other groundfish fisheries, particularly the yellowfin sole fisheries. The completed draft analysis was mailed to the Council family on March 22. The Council would need to take final action at this meeting to have the delay in place for this year's 'B' season.

The specific alternatives are as follows:

Alternative 1: Status Quo - the season would open on August 15 for all sectors.

Alternative 2: Delay the start of the 'B' season until September 1 for both inshore and offshore sectors.

Alternative 3: Delay the start of the 'B' season until September 1 for the offshore sector only.

Within Alternatives 2 and 3 there are suboptions discussed for addressing the interaction with the yellowfin sole fisheries. There is also the option of including a November 1 cut-off for pollock fisheries under a September 1 opening, due to marine mammal concerns (the analysis shows that no pollock fishery, other than CDQ fisheries, would extend beyond that time in any case).

The Supplemental Analysis mailed to you on March 22 contained: (1) an Executive Summary of the original ISER analysis which looked explicitly at a September 1 opening date (that analysis utilized a detailed modeling process which we have not attempted to duplicate for purposes of the current proposal), (2) a further examination of the three issues identified above, and (3) as an Appendix, the full ISER analysis from 1993. An abbreviated summary of these findings is provided in item D-1(a)(1).

EXECUTIVE SUMMARY

Original ISER Analysis

Pollock fishing patterns, weather implications, and duration of fishery

Relative to earlier dates studied, the September 1 date is likely to concentrate fishing activity into areas east and southeast of the Pribilofs, at least during the latter part of October - this is partially due to seasonal weather patterns. Generally, safety and weather concerns increase, particularly for smaller vessels, the later the fishery extends into fall/winter months, though a two week delay is not expected to have significant impacts, particularly if applied only to the offshore fleet. Overall, due to slightly lower quota, fishery would still end at about the same time as in previous two years.

Pollock Resource

Later opening dates would increase catch of larger size fish, resulting in potentially fewer discards, and lower numbers of fish taken to reach TAC. Better flesh quality and higher recovery rates also likely, which greatly impact expected economic benefits.

Marine Mammals

September 1 date was found to be least optimal (relative to earlier dates considered) from marine mammal perspective because of temporal compression of overall fishery and importance of late fall/winter feeding of juvenile sea lions. However, an additional two week delay is not likely to have significant impacts; fishery is likely to end at about the same time as in previous two years. CVOA considerations are discussed in subsequent section.

Bycatch of PSC species

September 1 date was found to be least optimal from overall PSC perspective, particularly for herring bycatch implications (three-fold increase relative to June 1 opening). Effects of two-week delay was difficult to assess, but not likely to result in significant impacts. Chum salmon implications relative to CVOA are discussed in subsequent section.

Overall Finding of No Significant Impacts (FONSI) for environmental (NEPA) considerations.

Economic Analyses

An industry canvas was utilized to determine likely industry responses and changes in yields, prices, etc. Information was used to drive models that were used to predict changes in bycatch patterns, net benefits, and distributional incomes. Assumed 40/60 roe/non-roel split, inshore/offshore allocations, and CVOA.

Yield increases from pollock are single most important factor determining outcome of analysis - based on ISER analysis, the extrapolated yield increase of a two-week delay could be as much as 17,000 mt of incremental product, based on TACs at the time and assuming delay is applied to both sectors. Additional revenues associated with that yield increase as high \$15 million, assuming 1992 prices for various product forms. Actual increase will be mitigated by currently lower prices/TACs. Local and national direct income expected to also increase proportionally with season delay. These estimates would be slightly offset by incremental costs shown by the bycatch modeling exercise (PSC impacts from halibut bycatch changes).

Supplementary Analysis

Salmon Bycatch Considerations

Chum salmon bycatch over last two years peaks during last two weeks of August in the pollock fisheries - moving the season two weeks later appears likely to move the fishery out of period of highest bycatch, and into period of lower bycatch. Two week delay may make it less likely to trigger chum salmon closure area.

If applied to only offshore sector, may allow offshore fleet into CVOA for last 7-10 days of their fishery. This could increase chum bycatch relative to status quo situation, but would only impact CVOA closure until October 14 under worst case scenario, and inshore pollock fisheries would be over anyway.

Generally pushes fishery into later months when chinook salmon bycatch increases, but overall chinook bycatch is very low and pollock fishery would still occur throughout September, when most of the chinook are taken. In summary, not likely to impact chinook significantly.

Magnitude and incidence of salmon bycatch vary dramatically from year to year, so difficult to make future projections with much confidence.

Marine Mammals

As previously found, delay compresses fishery temporally, and into a time when juvenile sea lion foraging is critical. However, delay is only for two weeks and fishery will end about same time as previous two years. November 1 shutoff provides additional safeguard, but would not likely come into play in any case.

CVOA overlaps considerably with Critical Habitat Foraging Areas for Steller sea lions; this was not found to be a significant concern in original analysis, in fact CVOA could serve to preclude potential additional effort (from offshore sector) in this area.

If delay only applied to offshore sector, then inshore sector fishery would finish season earlier and allow offshore vessels into the CVOA. Maximum projected additional pollock which might be taken from CVOA is 106,000 mt, if all offshore vessels moved into CVOA. On the other hand, some vessels moving into CVOA would reduce concentrations of effort occurring just to the north of the CVOA boundary.

Interaction with yellowfin sole fishery

In 1995 yellowfin sole fisheries halibut bycatch was very high, and production of yellowfin sole per mt of halibut very low, during first two weeks of August. 'Pollock' vessels fishing in yellowfin fishery during that time may have contributed to these high bycatch rates, resulting in early closure of yellowfin fishery.

During spec setting process last December, Council set last PSC release for yellowfin at August 15, same as pollock opening, to alleviate this situation. If season delayed to September 1, same situation could occur.

Could remedy by also changing PSC release date to September 1, but that may be onerous solution for yellowfin fishery. Other option is to implement 'stand down' as done for pollock A season. Could be 7-day stand-down from pollock fishing for any vessel which fishes yellowfin in 7 days previous to September 1. Alternative approach would be to stand down a "day for a day" - If fishing 2 days prior to pollock opening, would have to sit out first two days of pollock season.

Brent C. Paine
Executive Director



Steve Hughes
Technical Director



Mr. Rick Lauber, Chairman
North Pacific Fishery Management Council
605 W. 4th Ave., Suite 306
Anchorage, AK 99501-2252

April 11, 1996

Re: Agenda Item D-1(a), BSAI pollock 'B' season delay

Dear Chairman Lauber,

United Catcher Boats recommends that the Council not change the start date of the BSAI pollock 'B' season at the April, 1996 meeting. Our trawl catcher vessel association, comprised of 51 vessels that all actively participate in both sectors of the BSAI pollock fisheries, unanimously recommends no delay to the pollock 'B' season start date.

Our primary reason for maintaining the status quo option is one of safety. This is especially true for the catcher vessels delivering offshore to motherships and factory trawlers. As the analysis points out, the further into the fall and winter the season is pushed, the greater the risk of fishing in dangerous weather conditions. The analysis also points out that a delay of two weeks is such a slight difference in time that no appreciable economic advantages can be measured for the directed pollock fishery. Yet we all know the difficulty and risk in having to fish in rough seas.

The range of length of the catcher boats fishing pollock in the offshore sector is relatively small for such an open water fishery. Our boats range from roughly 85 feet to 130 feet. There is a marked difference in safety between this class of vessel and the factory catcher/processors when fishing in 30 + knot winds and 20 + foot seas. Every opportunity to fish in calmer conditions is necessary when safety is the standard.

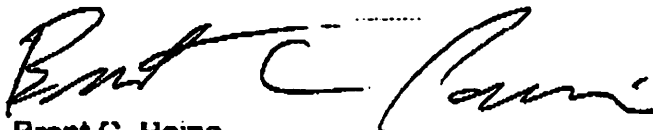
With a delay, advantages are created for a few factory trawlers and the inshore salmon seine fleet by providing additional salmon processing capacity. However, the analysis is lacking in estimating the number of factory trawlers who will actually be buying and processing salmon. We are aware of two large companies, Tyson Seafood group and Ocean Trawl, that have attempted to purchase and process salmon, and have ceased to continue their salmon processing operations. We know of only one company that has definite plans to engage their vessels this season. Given the poor economic conditions and market opportunities for salmon products, we doubt many factory trawlers who fish in the 'B' season will, in addition, buy and process salmon during the summer salmon season.

By delaying the pollock 'B' season, the Council would be rewarding a very small number of companies, while increasing the safety risks to a relatively large number of vessels. If the Alaska salmon industry is seeking additional processing capacity, we believe there are processing vessels available that do not participate in the BSAI pollock fishery.

Other issues are salmon bycatch and marine mammal concerns. Regarding bycatch, the original delay from June 1 to August 15 was in part based on an optimal balance between chum salmon and Chinook salmon bycatch. Moving the season later into the year will have the effect of increasing Chinook salmon bycatch. Regarding marine mammals, moving the season later also goes counter to the efforts of NMFS marine mammal lab biologists and the Stellar Sea Lion Rebuilding Team to temporally and spatially disperse the harvest of pollock.

Therefore, UCB members urge the Council to maintain the existing August 15th start date. Thank you for taking the time to consider our comments.

Sincerely,



Brent C. Paine

DRAFT FOR PUBLIC AND COUNCIL REVIEW

SUPPLEMENTARY ANALYSIS

of

PROPOSED DELAY OF THE BSAI POLLOCK B SEASON OPENING

UNTIL SEPTEMBER 1

**Prepared by
North Pacific Fishery Management Council staff**

March 22, 1996

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1.0 INTRODUCTION

1.1 Management Background

The pollock fisheries in the Bering Sea/Aleutian Islands (BSAI) are managed by two distinct seasons - the 'A' (or roe) season which runs from January 20 until April 15, and the 'B' (or non-roe) season which currently opens on August 15 and continues until the Total Allowable Catch (TAC) is taken. The B season opened on June 1 until 1993, when the Council changed the opening date to August 15. This action was taken primarily for two reasons: (1) to provide additional salmon processing opportunities by catcher/processor vessels in the summer months, and (2) to increase economic benefits from the pollock fishery through higher yields, better flesh quality, and higher prices which occur in the fall months.

The Council based its decision on an EA/RIR prepared by the University of Alaska's Institute for Social and Economic Research (ISER). The analysis contained a cost/benefit assessment, an economic impact (distributional) assessment, and information on bycatch implications, weather considerations, marine mammals, markets/prices, timing of salmon runs, and impacts to existing processors and communities. This document is summarized in Chapter 2 and available in Appendix I. That analysis specifically examined a September 1 opening date and the EA and RIR findings (Findings of No Significant Impact) are assumed to still be valid, though they have been updated where appropriate for the Council's current consideration.

Based on the ISER analysis, the Council chose an intermediate opening date of August 15, which has been in effect since 1993. In the 1995 groundfish amendment cycle, the Council received a proposal to delay that opening date for an additional two weeks, until September 1, to allow some catcher/processor vessels to more fully realize potential salmon processing opportunities, particularly for some late-run pink salmon. In December 1995, the Council directed staff to examine the September 1 opening date for possible implementation in 1996. The Council also reserves the option to have the delay until September 1 apply only to the offshore sector of the pollock fishery. If the Council takes final action at the April 1996 meeting, the change to September 1 could be in place for the 1996 B season.

1.2 Current Alternatives

This Supplemental Analysis is intended to apply to three basis alternatives:

- Alternative 1: No Action - retain the August 15 opening date for the BSAI pollock B season.
- Alternative 2: Opening date of September 1 for both inshore and offshore sectors.
- Alternative 3: Opening date of September 1 for offshore sector only.

Within Alternatives 2 and 3, suboptions are discussed which address potential interactions with other fisheries, particularly yellowfin sole fisheries in the BSAI. These are detailed in Chapter 3.3.

1.3 Organization of this Document

Chapter Two contains a summary of the original analysis, with an emphasis on the September 1 opening date - the full analysis is included as Appendix I. Chapter Three contains supplementary information which is intended to update appropriate issue areas; these include: (1) salmon bycatch implications, in particular the effects of recently adopted time/area closures and PSC caps for chum and chinook salmon, (2) an additional discussion of marine mammal implications, and (3) impacts to other groundfish fisheries, particularly yellowfin sole fisheries in the BSAI.

2.0 EXECUTIVE SUMMARY OF ORIGINAL ANALYSIS

The following summarizes the results of the original analysis (EA/RIR dated February 1993), with an emphasis on the September 1 opening date which is currently proposed. The original analysis presented impacts relative to the (then) existing June 1 opening date; therefore, this summary attempts, where relevant and where information exists, to translate the findings of that analysis to compare the September 1 opening date to the (now) current August 15 opening.

2.1 Environmental and Biological Impacts

2.1.1 Changes to Pollock Fishing Patterns/Weather Implications

Relative to earlier opening dates, the September 1 date is likely to concentrate fishing activity into areas east and southeast of the Pribilof Islands, at least during the latter part of the fishery in October. This would be at least partially due to seasonal weather patterns, which tend to move vessels from northwest of the Pribilofs to southeast of the Pribilofs during the period from September through November. Generally, weather and related vessel safety concerns increase as the opening date for the B season is delayed later in the fishing year. However, the proposed delay is now for only two additional weeks, and would not be expected to greatly affect weather concerns or to change the patterns of pollock fishing, in and of itself. A potential impact on pollock fishing patterns, as it relates to interactions with the yellowfin sole fisheries, is presented in Chapter 3.3.

2.1.2 Impacts to Pollock Resource

In comparing the June 1 date to later opening dates, the analysis indicates that larger average size fish, and potentially fewer discards, would occur by delaying the opening date. Pollock have more time to feed and fatten up during the summer growth season, resulting in larger fish, better flesh quality, and higher recovery rates. Because the total harvest is constrained by the TAC (in metric tons), and because fish will tend to be larger with higher yields under a later opening date, fewer individual pollock would be harvested to fill the TAC. The analysis estimates that a later opening would be better for the pollock resource itself, with the September 1 date being most optimal.

2.1.3 Impacts on Marine Mammals

The analysis estimated that a September 1 opening date, relative to earlier proposed dates, is least optimal from the marine mammal perspective, noting that a primary objective of the Council's pollock/sea lion management strategy has been to temporally and spatially disperse fishing effort to decrease the chance of localized prey depletion. A September 1 date was expected to concentrate fishing effort in sea lion foraging areas southeast of the Pribilofs during what may be the most critical time period for juvenile survival rates (late fall through spring). A later opening, with the resulting fishery extending into late fall or early winter, could also affect southerly migrating ice seals (bearded and largha seals) which are known to forage on pollock in Area 521 during the fall and winter. Finally, the later opening dates tend to compress the overall duration of pollock fisheries (A and B seasons together) to a September-March period. It was also predicted that the inshore sector would concentrate its harvest during the A and B seasons in or near the Catcher Vessels Operational Area (CVOA) which overlaps considerably with Critical Habitat Foraging Area for sea lions.

Although the September 1 date was least preferable when compared to July 1 and August 1 opening dates, it is not likely that the proposed delay of two additional weeks (from August 15 to September 1) would significantly or adversely impact marine mammals. Supplementary information on marine mammal considerations is contained in Chapter 3.2.

2.1.4 Impacts on Bycatch of Prohibited Species

Information from JV fisheries and from two years of domestic observer data was used to predict PSC bycatch implications of the various starting dates originally considered. While there is no evidence to suggest that the timing of bycatch has any positive or negative impacts to the species themselves (assuming they are managed under an overall bycatch cap), the timing of the season could affect attainment of those caps and affect the pollock fisheries, or other fisheries managed within the pollock PSC category. Based on examination of the existing information, the analysis found that a September 1 opening date would likely result in the following:

- (a) the fishery will begin during the period when herring bycatch rates have been the highest and when halibut bycatch rates are increasing.
- (b) the fishery is more likely to be conducted in areas where halibut bycatch rates have been high (south and east of the Pribilofs), especially later in the fall.
- (c) herring bycatch may be high south and east of the Pribilofs in September, but decrease in this area as the herring move north and west.
- (d) salmon bycatch may increase in late October, especially near Unimak Pass and the Alaskan Peninsula where the fishery would be concentrated at that time.

Overall, the September 1 opening date was found to be the least preferable from the perspective of bycatch considerations. However, the current proposal is considering only a two-week additional delay from the current opening date. Though herring bycatch was expected to perhaps triple under a September 1 opening date, this estimate was relative to a June 1 opening date. Season length for the pollock B season, for both inshore and offshore sectors, has decreased since the original analysis was conducted, and now lasts on the order of 35 days. Because of this, under a September 1 opening date, the fishery would now end at about the same time as it did in 1993 under the August 15 opening date.

This has implications for considering possible impacts relative to PSC bycatch under a September 1 opening date. For example, the increased salmon bycatch predicted in late October may be a moot issue since the fishery will likely be over by mid-October. Herring bycatch predictions also have to be tempered with the fact of a shorter overall season; i.e., an additional two-week delay would be expected, under a worse case scenario, to increase herring bycatch only incrementally and only to a minor degree. Bycatch patterns were also considered, using the BSAI Bycatch Model, in the economic analyses to be covered later in this Chapter. Further, Chapter 3.1 contains a supplemental discussion specific to salmon bycatch concerns.

2.2 Regulatory Impact Review - Economic Analysis of the Alternatives

The general research approach taken in the analysis was to gather information on (1) the groundfish industry response to a delay in the starting date for the B season, (2) how a shift in the timing of the pollock fishery, and potential shifts into other groundfish fisheries, might interact with existing bycatch regulations, and (3) the impacts on local and regional employment and income of shifts in fishery patterns. The basic methodology employed was to conduct an industry canvas of the groundfish processing sector to help assess how pollock yield and prices might change; the extent to which pollock harvesters would prosecute other groundfish fisheries during the summer months; and, the interest of groundfish processors to engage in salmon processing during this period. Information gleaned in this industry canvas was then used to help drive the model estimates used by the analysts to predict changes in bycatch/fishery patterns, net benefits, and distributional income analysis.

2.2.1 Results of Industry Canvas

Questions were posed, and estimates derived, under the assumptions that the pollock TAC would be split 40/60 (roe/non-roe seasons) and that the inshore/offshore allocations approved by the Council would be in place.

Though not quantifiable, a delayed season is expected to exert upward pressure on pollock prices in general. Based on information at hand, no changes were expected in overall product mixes (percentage going to surimi, fillet, etc.). However, increases in product yield were indicated by all respondents to the canvas. Based on these increased yield estimates, total incremental product resulting from a season delay ranged from 13,000 mt to 35,000 mt to 70,000 mt (July 1, August 1, and September 1 openings respectively). This is compared to the (then) status quo opening of June 1. Extrapolating the expected yield increases from a August 15 to September 1 opening, the industry might expect an additional 17,000 mt total yield increase. This will be slightly offset by slightly lower overall TACs currently in effect for BSAI pollock.

Other market effects noted by respondents included: more appropriate timing relative to the Japanese export market, and lower cold storage costs; increased production of higher grades of surimi; and, larger, meatier fish which may lead to a greater proportion of higher priced 'deep-skin' fillets. These factors were not quantified in the context of the cost/benefit assessment.

The likelihood of pollock operations switching to other fisheries under a season delay varied with the length of the delay being considered. For example, under a September 1 opening, more than half indicated a desire to prosecute other groundfish fisheries during the summer months. However, under a July 1 opening (only thirty days) less than half indicated interest in alternative groundfish fisheries. Costs of this potential new effort to existing, non-pollock groundfish fleets were not quantified. Some implications may be drawn relative to the current proposal to delay the season an additional two weeks. Given only a two-week period, interest in alternative targets may be very low; however, some concerns exist relative to pollock vessels entering the yellowfin sole fisheries during this two-week period. This is specifically discussed in more detail in Chapter 3.3.

In terms of actual interest by offshore processors in processing salmon, the industry canvas provided only limited information. Most processors indicated some interest in processing salmon, depending on the length of the delay, most likely in Bristol Bay or Prince William Sound. However, there was no ability to quantify the amount of processing, the type of processing or product forms to be produced, or the prices they would be willing to pay for salmon. An additional two week delay may encourage some operations to engage in salmon processing who would not otherwise do so. Two companies have to date expressed an interest in doing so - the actual number of operations which would engage in salmon processing is not quantifiable, and will depend on salmon prices and other factors.

2.2.2 Other Factors

Timing and duration of salmon runs are critical to the impacts of the B season delay and were examined in the original analysis. The September 1 opening date was the only proposed opening date found to significantly enhance the ability of floating processors to operate in both Bristol Bay and Gulf of Alaska salmon processing. An August 1 date, and to some extent an August 15 date, preclude the ability to participate in Prince William Sound and southeast Alaska pink salmon runs. Potential increases in salmon processing capacity, in the context of a two to three month delay, were extremely large; however, there was no way to estimate whether additional processors could operate profitably, or would attempt to do so, under a B season delay.

Other summary conclusions contained in the original analysis include:

1. Floating processors who currently participate in the pollock B season would tend to benefit from an additional economic opportunity to process salmon.
2. Salmon fishermen could benefit, at least in the short term, from additional markets, increased competition which might result in higher prices, and possible new end forms

(associated with this is an enhanced potential to develop new, more marketable product forms from salmon).

3. shore salmon processors could lose as a result of increased competition in the processing sector and higher prices.
4. Local Alaskan communities might benefit or lose, depending on the net effects of the B season delay on fishermen and processors, and the relative economic contribution of each to the communities.

All of the factors listed above may still be relevant (though to a lesser degree) to the current consideration to delay the season an additional two weeks (from August 15 until September 1) because of the additional Gulf of Alaska opportunities which would likely be created.

2.2.3 Bycatch Analysis

The BSAI Bycatch Simulation Model was used to estimate changes in fishing (and bycatch) patterns which might result from a delay in the pollock B season. Again, these changes were viewed from the perspective of a possible two to three month delay, as opposed to the two-week delay currently being considered. In general, a delay in the B season was found to have little substantive effect on overall groundfish catch and the bycatch of prohibited species, with one notable exception - because of seasonal trends in herring bycatch rates, particularly for mid-water trawl operations, total herring bycatch increased by up to a factor of three (under the September 1 opening date). As noted in Chapter 2.1, September 1 is not the optimal date from the bycatch perspective.

The model indicated slight losses in overall groundfish catch and revenue under a delay until September 1, but these losses would be more than offset by the gross revenue gains associated with pollock yield increases, without even assuming likely price increases as well. Net bycatch impact costs of a September 1 opening, *relative to a June 1 opening*, increased by \$1.4 million, again more than offset by the potential \$57 million in gross revenue increases due to higher yields alone.

In the current consideration of an additional two-week delay, the precision level of the bycatch model estimates is insufficient to make any predictions. Relative to the previous B season delay, an additional two weeks would likely be inconsequential, except as noted in Section 3.3 of this document.

2.2.4 Net Benefit Assessment

The bycatch model described above ignores changes in product recovery and prices which would likely have occurred under the B season delay to August 15. As noted in the analysis, the minimal net revenue losses predicted by the bycatch model are likely to be swallowed and overshadowed by the likely gross revenue increases due to yield increases alone. Though all factors, costs, and benefits are not quantified in that analysis, gross revenue increases from yield alone ranged from \$9 million for a July 1 opening, to \$27 million for an August 1 opening, to \$57 million under the September 1 opening date. In considering an additional two-week delay, the gross revenue estimates can be extrapolated from the original analysis to be half (two weeks worth) of the difference between the August 1 date and the September 1 date. In this case, that would be half of \$57 minus \$27 million, or \$15 million in additional gross revenues (inshore and offshore sectors combined).

Using average prices across product forms, and assuming a similar mix of product forms, the overall gross revenues associated with the current two-week delay (proposed) might be around \$15 million (inshore and offshore sectors combined). The estimates contained in that analysis were based on 1992 prices for surimi, fillets, and other product forms. Because current prices are significantly lower on average, these numbers

should be viewed as upper bound estimates. For example, the \$17 million extrapolated for the current two-week delay is likely an overestimate because of lower overall prices and TACs.

2.2.5 Impact Analysis

This part of the analysis relied on the Alaska Fisheries Economic Assessment Model (AF-EAM) to assess the contribution of pollock to income in Dutch Harbor and Akutan. In addition to accounting for the majority of the onshore pollock processing, the AF-EAM uses these communities as the locale to account for initial impacts from the offshore fleet. In summary, the AF-EAM was driven almost entirely by the estimated higher yields associated with the B season delay alternatives. For the three delayed opening dates - July 1, August 1, and September 1 - local direct income increases by \$274,000 and \$2.7 million, and \$5.1 million respectively. Total local income increases by \$320,000, \$3.2 million, and \$6.3 million respectively. U.S. direct income (analogous to the earlier estimates of gross revenue increases) increases by \$2.5 million, \$26 million, and \$58 million. The slight differences from earlier gross revenue estimates are due to differences in assumed landings, product mixes, and prices used in the AF-EAM.

Though certainly reduced from the estimates above, an additional two-week delay would be expected to produce increases in local and direct income proportional to the estimates provided above, all other factors being equal.

2.3 Findings of No Significant Impact (FONSI)

The original analysis found no significant impacts either from the EA (NEPA) or the RIR (Executive Orders 12291 and 12866) perspective. No increases in reporting costs, administrative and enforcement costs, or other administrative burdens would be expected from the proposed action, nor do they invoke any additional requirements relative to the Regulatory Flexibility Act. The current proposal for an additional two-week delay is within the range of the previous findings and consistent with that FONSI.

3.0 SUPPLEMENTARY INFORMATION FOR CURRENT PROPOSAL

Although the February 1993 analysis described above still provides valid information on most aspects of the current proposal, some issues have been identified which were not addressed in the previous analysis, or for which new information is available. These issues are addressed in the following sections in the context of the current proposal - to delay the B season opening for an additional two weeks, until September 1, for both inshore and offshore sectors, or for the offshore sector only.

3.1 Salmon Bycatch Considerations

In the original consideration of the B season delay, limited information was available regarding salmon bycatch. Because of high chum salmon bycatch numbers in two of the last three years, and a concern over some AYK chum salmon runs, the possible impacts of even a two-week delay are addressed here. Additionally, the Council has implemented a chum salmon savings area time/area closure, triggered by a cap mechanism, which took effect in 1994. The possible implications of a two-week delay to that closure mechanism are also addressed in the following discussion.

Chum Salmon Savings Area

In early 1994, the "chum salmon savings area" was implemented by emergency rulemaking to be in effect for the fall pollock fisheries. Under this rulemaking, effective August 15, a five-block area within the CVOA would close upon attainment of a bycatch limit of 42,000 chum salmon, then reopen on November 12, the expiration

date of the 90-day emergency rule. In this case, the counting of chum bycatch began at the start of the fishing year. On August 20, the five-block area within the CVOA was closed to trawling - total 'other salmon' bycatch in the 1994 BSAI fisheries was high at around 90,000 salmon, which was reached by mid-September.

In 1995, an altered chum salmon closure mechanism was implemented under Amendment 35 to the BSAI FMP. Amendment 35 imposed a similar five-block closure area, also based on an 'other salmon' catch 42,000 fish, but with a different opening/closure mechanism. Under Amendment 35, all trawling is prohibited from August 1 to August 31, with 'other salmon' bycatch accounting beginning on August 15. The five-block area would re-open on September 1, unless and until the 42,000 cap was reached, whereupon it would 're-close' until October 14. On October 15, this area would re-open, regardless of the number of 'other salmon' taken as bycatch, because by that time the window of high 'other salmon' bycatch would have passed. In 1995, the incidence of 'other salmon' bycatch in the BSAI was relatively low (total of less than 30,000) and the closure area did not come into play.

Because the accounting of 'other salmon' bycatch starts on August 15, concurrent with the B season opening date, and because that accounting is only from within the CVOA, a change in the opening date of the B season has direct implications relative to the chum salmon savings area only if that delay is applied to the inshore sector. If the B season is delayed for the offshore sector only, this would not directly affect the five-block closure because that closure is based on salmon bycatch from within the CVOA and only closes an area within the CVOA, so it is based only on activities of inshore sector vessels. An exception to this rule is discussed in subsequent sections.

Chum Salmon Bycatch Patterns in 1994 and 1995

Figures 1(a) and 1(b) show the 1994 weekly bycatch numbers for 'Other' salmon (predominately chum) in the whole BSAI during the August-November period for non-pelagic and pelagic gear modes respectively. The majority of the bycatch comes from pelagic gear fisheries (Figure 1(b)), and most of that bycatch occurred prior to September 1. The week ending August 20, the first week of the B season fishery, saw the highest total at just under 32,000 fish. This declines dramatically by week until early September, when it levels off at around 4,000 fish per week.

The non-pelagic gear salmon bycatch, much lower in total, also exhibited a decline after September 1, though it is uncertain how much of that decline might be attributable to the five-block area being closed after August 20, and how much is attributable to purely seasonal differences. Because of the way in which the closure was implemented under emergency rule in 1994, it is difficult to say how a September 1 opening date would have differed from an August 15 date.

The 1995 fisheries likely provide a better reference point for examining potential impacts from a delayed opening date since the closure mechanism is the same which will be in place for 1996 and beyond. Figures 2(a) and 2(b) show the weekly bycatch numbers for 'other salmon' during the August to November period in 1995. Overall the bycatch totals are much lower than 1994, with the pelagic gear mode accounting for the majority of the numbers. As in 1994, the bycatch of 'other salmon' falls off after September 1, though not as dramatically as in 1994. Once again, peak bycatch totals accrued in the last two weeks of August. Because the five-block closure did not come into play in 1995, these bycatch numbers by week may be viewed as more reflective of purely seasonal patterns, at least through September 23, when all pollock fisheries were closed due to TAC attainment.

Figure 1(a)

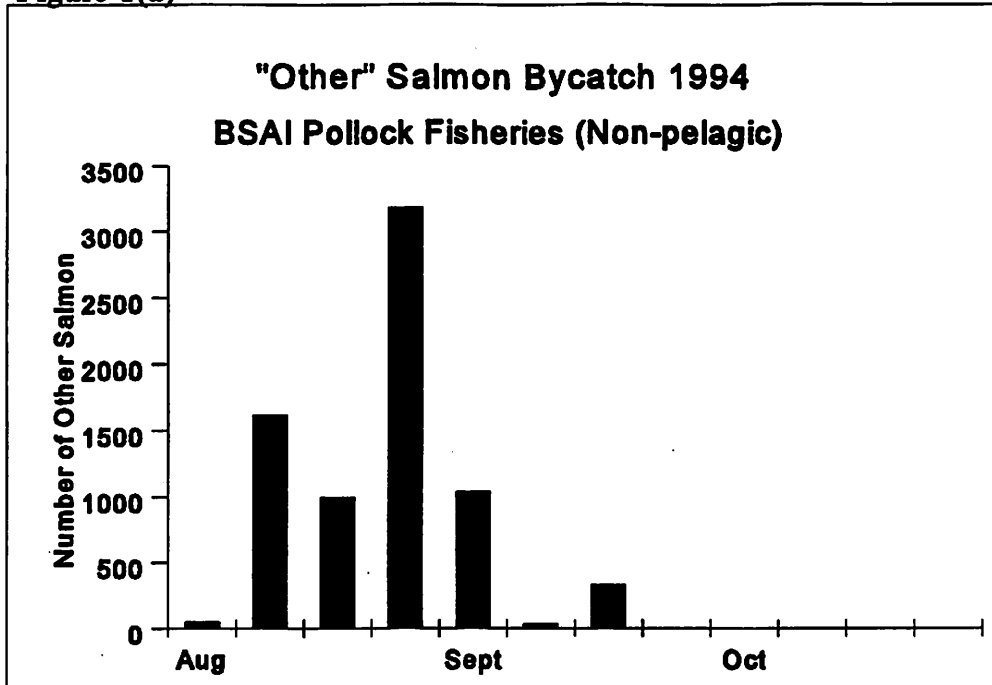


Figure 1(b)

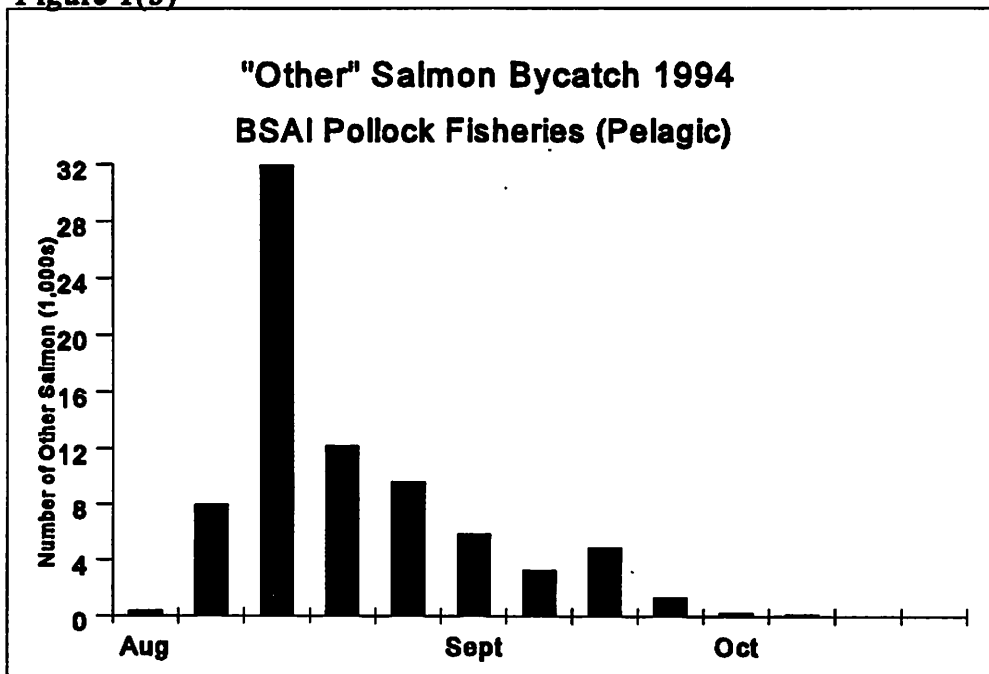


Figure 2(a)

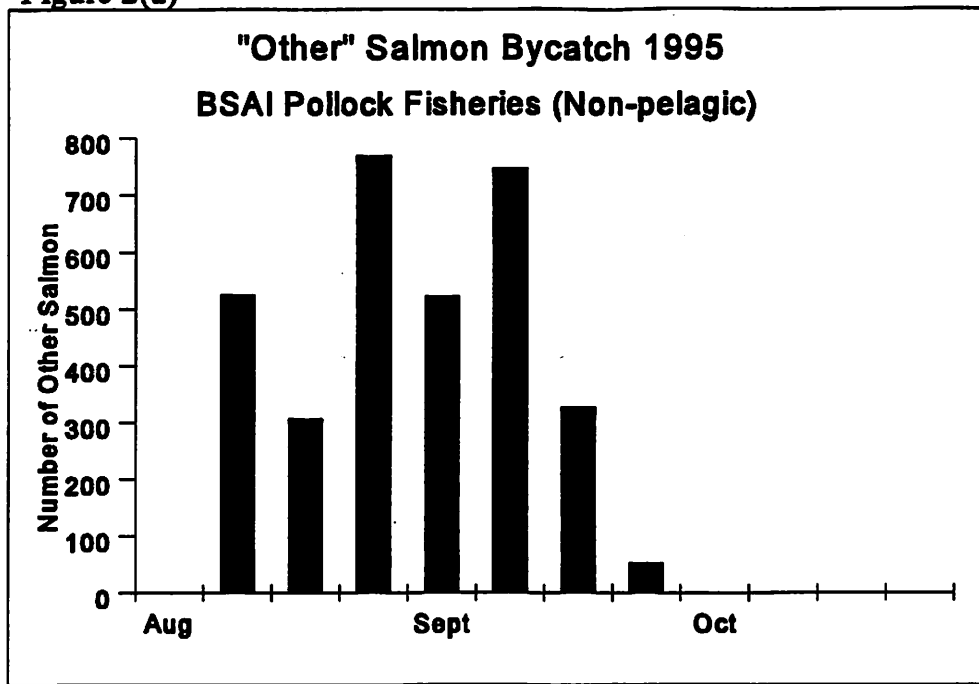
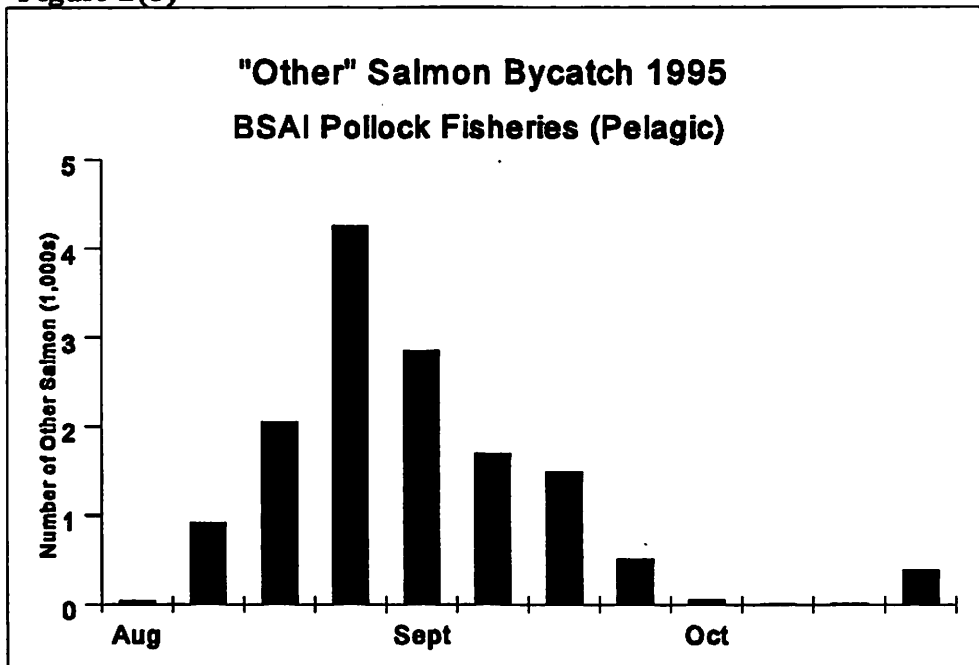


Figure 2(b)



Implications of a B Season Delay until September 1 - Offshore Sector Only

Although the bycatch of 'other salmon' shown above has not been disaggregated to separate the CVOA, the general trends should be indicative of what might occur within the CVOA only. Based on the weekly bycatch rates shown above, a delay of the B season opening until September 1 would result in lower overall bycatch of 'other salmon' by taking the fisheries out of the period of highest bycatch. If the B season delay is implemented for the offshore sector only, then there would likely be no impacts (relative to the status quo) on the five-block chum salmon savings area, since they are precluded from operating within the CVOA, except as noted in the following paragraph. The inshore sector would continue to begin on August 15 and total and seasonal occurrence of 'other salmon' bycatch would be the determinate factor relative to the closure area. Under this scenario, overall 'other salmon' bycatch might still be reduced, since the offshore sector would not be fishing during the last two weeks of August.

If CDQ fisheries operate in the CVOA between August 15 and September 1 (prior to the opening for the offshore sector), some 'other salmon' bycatch could accrue, thereby offsetting, to some extent, the absence of the inshore sector from the CVOA during the last two weeks of August. Under the scenario of delaying the opening for the offshore sector only, it also means that the inshore sector will finish its pollock fishery before the offshore sector. In previous years, the inshore sector fishery has typically lasted a few days to a week longer than the offshore sector. In 1995 the offshore fishery lasted until September 20, while the inshore closed on September 23. If only the offshore sector opening is delayed until September 1, that fishery will likely go until early October, perhaps 7-10 days longer than the inshore sector. Under Amendment 38 to the BSAI FMP (inshore/offshore reauthorization), the offshore sector may be allowed to operate in the CVOA if the inshore sector has taken its quota, and offshore quota is still remaining.

In this event, additional effort could be employed in the CVOA and perhaps accrue additional 'other salmon' bycatch, and possibly trigger a closure of this area until October 14. However, this effort would be occurring in late September/early October, where bycatch rates may be relatively low. If a closure did occur for this reason, it would not directly affect any inshore pollock fisheries, since those fisheries would, by definition, have already been completed.

Implications of a B Season Delay Until September 1 - Both Inshore and Offshore Sectors

Impacts to the savings area could result from a delay of the B season for the inshore sector which does operate largely within the CVOA. Although the figures above do not attempt to separate 'other salmon' bycatch between inshore delivery and offshore delivery vessels, nor do they separate the bycatch by specific management subarea (CVOA only, for example), the information is likely indicative of general bycatch patterns which might be assumed. Under this scenario, the fishery will likely last until early October, about two weeks later than in 1995. Because the fishery will be occurring during a period of lower 'other salmon' bycatch, this tends to decrease the likelihood of the five-block closure coming into play. Since that area reopens on October 14 anyway, it also might decrease the total length of time that a closure would be in place, if the 42,000 fish cap is reached prior to October 14. The fact that counting of salmon would continue to begin on August 15 (a plan amendment would be required to do otherwise) may be somewhat moot, since the majority of the 'other salmon' bycatch is taken in the pollock fisheries at this time of year. Because these fisheries would not be taking place during the last two weeks of August, the effective cumulation of 'other salmon' bycatch would not begin until September 1 anyway. This could be somewhat offset by activities of CDQ vessels during that two-week period in late August.

All of these factors should be viewed in the context of the extreme fluctuating nature of salmon bycatch, such as that exhibited over the past two years. Although we can make some general assessments of the possible impacts of a delay of the B season opening for two weeks, such impacts will depend largely on the total levels of salmon bycatch, as well as the temporal and spatial occurrence of that bycatch - all of these factors exhibit a wide range

of variation from year to year, one key factor being the total amount which comes from within the CVOA. Although information on weekly catch of 'other' salmon specifically from within the CVOA was not readily available, NMFS Bulletin Board reports did provide information on the total amount of salmon which came from the CVOA in a given year. These totals provided here are based not on aggregations by specific area, but on aggregations by shoreside delivery mode and mothership mode, and should therefore be viewed with appropriate caution. For 1995, roughly one half of the total 'other' salmon bycatch (13,200 fish) came from pollock CVOA fisheries based on this methodology. In 1994, more than two thirds of the total 'other salmon' bycatch (64,500 fish) came from these two operational modes, though it is uncertain based on this information how much of that actually came from within the CVOA, since the CVOA was closed for much of the 1994 B season pollock fishery.

Chinook Salmon Bycatch Considerations

Figures 3(a) and 3(b) show weekly incidence of chinook salmon bycatch in the pollock B season fisheries (non-pelagic and pelagic mode respectively). Figures 4(a) and 4(b) show similar information for the 1995 B season fisheries. Total chinook bycatch in the pollock B season fisheries is quite low, numbering less than 4,000 fish in both 1994 and 1995. Other than spike occurrences in early August 1995 and late October 1995 (which may be attributable to CDQ fisheries and are not affected by the proposed season delay), chinook salmon bycatch appears to be moderate in mid to late August and peaks during early to late September. Obviously these occurrences correspond to the duration of the pollock B season fishery, but within that duration most of the chinook bycatch is occurring in September.

A delay of the B season pushes the fishery two weeks further into the winter months, and may result in slightly higher bycatch of chinook salmon. However, to the extent that peak bycatch rates are in early to mid September, this will not be different from the status quo opening date of August 1; i.e., the fishery will occur throughout the month of September in either case and may exhibit similar chinook bycatch interactions. In any case, the fishery would end by early October, avoiding the late October period where high bycatch has occurred in previous years. As with 'other salmon', the incidence of chinook salmon bycatch is so variable that a two-week delay in the season is unlikely to make a significant difference in and of itself, and would likely play a minor role relative to other unrelated factors.

Figure 3(a)

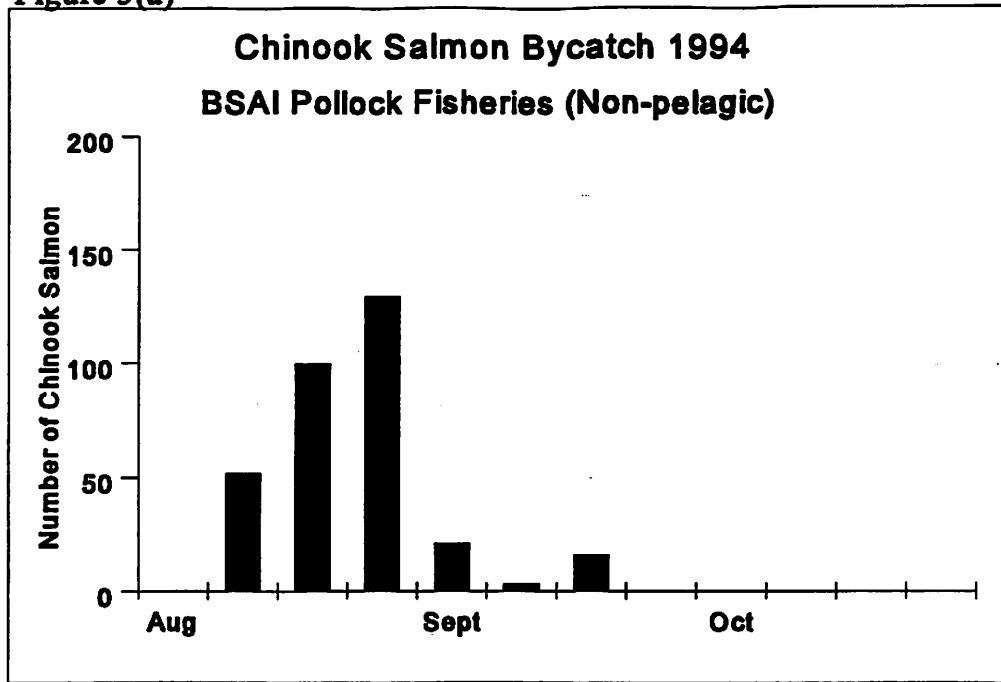
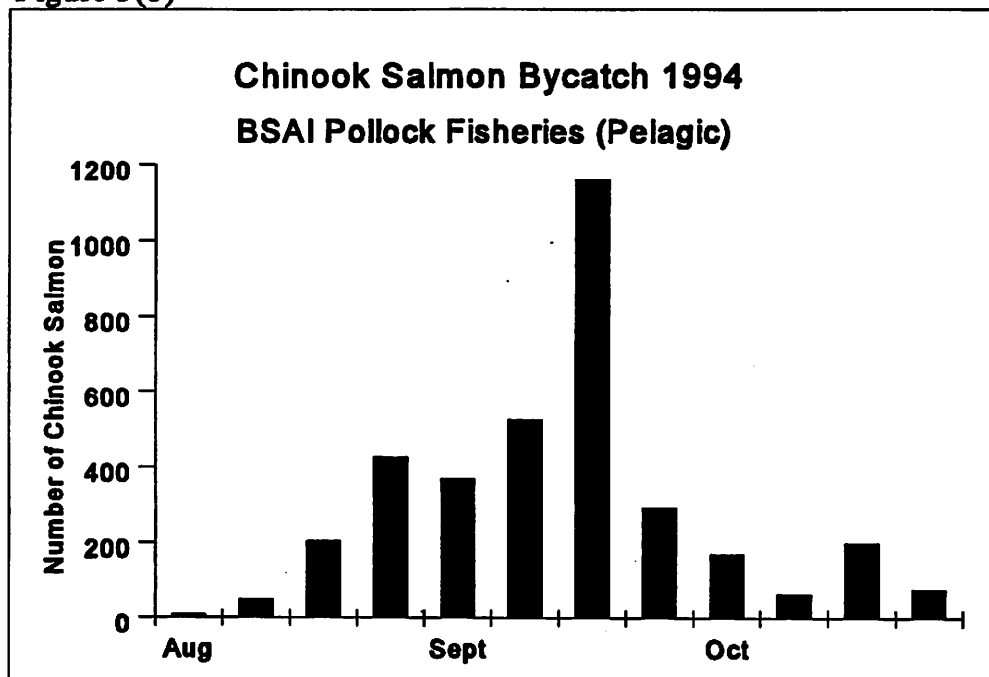


Figure 3(b)



Finally, the option for a November 1 closure of the fishery (except for CDQ operations) will insure that the fishery cannot proceed into late winter months where chinook salmon bycatch would start to become a more significant concern.

3.2 Marine Mammal Considerations

As is discussed in Section 2.1.3 of this document, the original analysis found the September 1 opening date to be the least preferred alternative with regard to marine mammals, relative to the other alternatives to the June 1 opening date. Currently, the same general concerns would still apply, though we are now contemplating only a two-week delay. NMFS marine mammal scientists have expressed concern over any management actions which move pollock fishing effort into the winter months. Late fall and early winter months are a critical survival period for juvenile sea lions that are learning to forage on their own, and may be dependant on concentrations of prey species to forage successfully (Sue Mello, personal communication). During these months, generally defined as November, December, and January, pollock is a particularly important element of their diet, as alternative prey species are less available during this period. Beginning in November, many pollock start to become roe-bearing and are likely of increased nutritional value to marine mammals. Because of these factors, and because of the uncertainty surrounding population declines of sea lions, a basic management strategy relative to marine mammal concerns has been to minimize winter fishing for pollock.

Moving the B season later in the year also compresses the overall pollock fishery temporally, as it reduces the time gap between the A and B pollock seasons. For all of these reasons, an option has been included in this proposed regulatory amendment which would close the fishery on November 1, regardless of whether the TAC is taken by that time. Based on current estimates, the pollock fisheries for both inshore and offshore sectors would be completed by early October anyway, so this closure date would not likely come into play. It does however put in place a safeguard against any pollock fisheries (other than CDQ fisheries) going beyond November 1. With a slightly reduced 1996 pollock quota, relative to previous years, the fishery will still end close to the same time it did in 1995, even with a two-week delay in the opening date. In essence, the fishery will last only a few days later in the year than it did in 1995. If the delay is applied only to the offshore sector, that would further mitigate any potentially adverse effects relative to marine mammals. In summary, it does not appear that a delay of the B season opening would, in and of itself, have any adverse impacts to marine mammals. Some ancillary issues relative to the CVOA are discussed below.

CVOA Considerations Relative to Marine Mammals

Although a two-week delay would not, in and of itself, be expected to create any adverse impacts relative to marine mammals, some possible interactions with the CVOA are discussed here. The CVOA overlaps considerably with Critical Habitat Foraging Areas for Steller sea lions (about 75% of the CVOA is within this Critical Habitat area). Implications of this overlap were discussed in the analysis for the reauthorization of inshore/offshore, where it was determined that this is not necessarily detrimental to marine mammals. In fact, it was noted that the existence of the CVOA precludes potential additional effort in this area from offshore sector pollock fisheries, thereby providing some protection of the Critical Habitat area.

However, one of the alternatives within the proposed B season delay is to apply such a delay to only the offshore sector. Part of the reauthorization of inshore/offshore under Amendment 38 was a provision which allows offshore sector vessels to enter the CVOA, when and if the inshore sector has taken its quota. When the opening dates are the same for both sectors, this possibility is precluded since the offshore sector typically takes its quota prior to the inshore sector. However, if the season opening is delayed for only the offshore sector, it is likely that the inshore fishery, beginning on August 15, would complete its fishery by around September 20, while the offshore fishery would be another 7-10 days away from fulfilling its quota. Under this scenario, the CVOA would 'cease to exist' upon attainment of the inshore pollock TAC and the offshore sector would be allowed to enter that area to finish its fishery.

At one end of the spectrum it could be assumed that all offshore vessels would enter the CVOA and that the total remaining quota would come from the CVOA. If the estimate of 7-10 days is accurate, then approximately one

fourth of the total offshore quota could be caught in that area. With a total offshore B season quota of 425,000 mt, as much as 106,000 mt could be taken from within the CVOA which would not have otherwise been taken from that area. Whether that would have an adverse impact on sea lions is not clear at this time, but these numbers likely represent a "worst case scenario" in terms of the additional pollock catch which could come from the CVOA.

At the other end of the spectrum, it is possible that offshore sector vessels would not choose to fish in the CVOA, or that only some of them would choose to do so, thereby mitigating the amount of additional pollock which would be taken from that area. If some of the offshore fleet did move into the CVOA, there could be positive aspects of this movement in the sense that offshore effort in late September to early October would be more spread out across the Bering Sea, as opposed to being concentrated in an area just north of the CVOA boundary.

3.3 Interactions With Other Fisheries

3.3.1 BSAI Yellowfin Sole Fisheries

During discussions of the proposed two-week delay, the Council's industry Advisory Panel raised the issue of potential impacts to other groundfish fisheries; specifically, fisheries for yellowfin sole may be impacted in two ways: (1) increased competition for yellowfin sole TAC by vessels which would otherwise be fishing for pollock from August 15 to September 1, and (2) potentially high bycatch rates of halibut during this two-week period by those same vessels. The following discussion focuses on the latter concern.

Apportionment and Timing of Halibut PSC

The Council annually distributes the overall BSAI trawl halibut PSC cap between various fisheries, and then seasonally apportions that amount in some fisheries. For the 1995 fisheries, the total PSC allowance for yellowfin sole fisheries was 750 mt, with 280 mt available for the period January 1 to August 1, and the remaining 470 mt available from the beginning of August to the end of the year. The first apportionment lasted through May 1 with the second apportionment lasting through October 8, with the fishery taking only 77% of the overall TAC for 1995.

The bycatch of halibut, and the production of yellowfin sole per mt of halibut bycatch, display an interesting pattern around the time of the pollock B season opening. Table 3.1 below shows a snapshot of the 1995 fishery for two weeks before the August 15 pollock B season opening through two weeks after the August 15 opening. This information is from NMFS weekly production and weekly bycatch reports which includes information on the number of processors per groundfish target.

Table 3.1 Production of yellowfin sole per halibut PSC in August 1995

Week Ending Date	Halibut (mt)	Yellowfin (mt)	Number of Vessels	Production/mt Halibut
8/05	97	7,750	26	79.90
8/12	106	7,565	27	71.37
8/19	64	4,177	27	65.27
8/26	28	4,524	12	161.57
9/02	15	5,369	19	357.93

Overall, halibut bycatch decreases dramatically by week through the month of August, while the catch of yellowfin sole levels off about August 15, when about half of the vessels exit the fishery to move into the pollock B season fisheries (the week ending August 19 is a split week for catcher/processors engaged in yellowfin sole fisheries, while the weeks ending August 26 and September 2 are reflective of rates when the 'pollock' boats have left the yellowfin sole fishery). Over 200 mt of halibut PSC mortality occurred in the two weeks prior to August 15, with about 100 mt occurring in the two weeks after August 15. Many of these 'pollock' vessels are targeting yellowfin sole prior to the pollock opening, and in fact re-enter the yellowfin sole fisheries after the pollock season is over. On the other hand, some of the 'pollock' vessels may not be directly interested in yellowfin sole fisheries, but may be using the allowable retention standards for pollock at that time to 'tune-up' their factory lines for the upcoming pollock fishery. In either case, the bycatch rates of halibut decrease substantially after these vessels leave the yellowfin sole fisheries in mid-August.

The production of yellowfin sole per mt of halibut mortality increases significantly after August 15, nearly quadrupling by the last week of the month when compared to the first two weeks. These data at least indicate that the pollock boats fishing in the yellowfin sole fishery are accounting for an inordinately high amount of halibut PSC mortality, thereby cutting short the season for the vessels remaining in yellowfin sole fisheries. On the other hand, it could be that halibut bycatch rates are lower overall in the latter part of August, and higher productions of yellowfin sole per mt of halibut during this period are a function of timing of the fishery, not necessarily just a function of particular vessels leaving the fishery.

During the 1996 specification setting process (occurring in December 1995) the Council responded to this situation by altering the seasonal apportionments of halibut PSC for the yellowfin sole fisheries, with the last PSC release of the year being on August 15. By moving that date from August 1 to August 15, they effectively moved the start date for the fall yellowfin sole fisheries to coincide with the start date for pollock B season fisheries, thereby eliminating the ability of 'pollock' vessels to fish in the yellowfin sole fisheries prior to pollock fishing. This action was supported by industry groups representing both pollock and yellowfin sole interests (John Gauvin, personal communication).

If the start date for the pollock B season is moved to September 1, this will create a situation similar to the 1995 fisheries with a two-week window for pollock vessels to participate in the yellowfin sole fisheries. The following sections discuss some potential solutions.

Status Quo for the B Season Date

If the Council decides to maintain the current August 15 opening date, then there is no change for either the pollock fishery, or in the ability of pollock vessels to fish in the yellowfin sole fishery prior to the pollock fishery. The Council's August 15 release date for the final halibut PSC apportionment to yellowfin sole will likely prevent the situation which occurred in 1995.

Change the Date for the Halibut PSC Apportionment

If the Council decides to delay the pollock B season opening until September 1, and still wishes to preclude pollock vessels from fishing for yellowfin sole prior to that opening, they could take concurrent action to delay the final release of halibut PSC (for the yellowfin sole fisheries) until September 1 also. This would result in a rather dramatic change in the timing of the fall yellowfin sole fisheries relative to 1995 and previous years. Beginning the fishery for yellowfin on September 1 may not be a palatable solution for the participants in that fishery, particularly since the yellowfin sole fishery exhibits better catch rates in August, and tends to play out in November (Gauvin, personal communication).

To the extent that the lower halibut bycatch rates (and higher production of yellowfin sole per mt of halibut PSC) shown in Table 3.1 are a function of timing, rather than particular vessels exiting the fishery, altering the release date for the last halibut PSC apportionment may be less critical. For example, it is possible that vessels fishing in the *last two weeks of August* for yellowfin sole will not encounter the high bycatch rates of halibut which were exhibited during the *first two weeks* of August in the 1995 fishery. If this is the case, the pollock B season could be delayed without changing the halibut PSC release date for yellowfin; i.e., allow a two-week window where these pollock vessels could fish the yellowfin sole fishery. However, to the extent the higher bycatch rates are a function of pollock vessels in the fishery, regardless of timing, this alternative would allow for a situation as occurred in 1995 - pollock vessels using a large percentage of the yellowfin sole PSC apportionment and exacerbating the likelihood of a closure prior to TAC attainment.

A 'Stand Down' Period

An alternative solution would be to delay the pollock B season date to September 1, not change the timing of the yellowfin sole PSC release, but require any vessel which participates in the yellowfin sole fishery between August 15 and September 1 to 'stand down' from the pollock B season fishery for some period of time. This was the solution employed for the offshore sector delay of the pollock A season in order to alleviate similar fishery interactions. In that case, the opening date was changed from January 20 to January 26, for the offshore sector only, with the additional provision that vessels fishing in any other BSAI/GOA groundfish or crab fishery prior to January 26 would be precluded from fishing in the offshore component of the pollock fishery until February 5, a 10-day exclusion. The Council and Secretary felt this was appropriate to achieve the FMP management objectives, which include minimizing preemptive impacts on other fisheries.

A similar provision might be implemented in conjunction with a B season delay, which would still allow the yellowfin sole fisheries to begin on August 15, but would discourage pollock vessels from entering that fishery. If a vessel chooses to enter the yellowfin sole fishery under this scenario, costs of foregone pollock fishing would obviously come into play, and would depend on the length of the 'stand down' period. In 1995 the offshore sector Bering Sea pollock B season fishery lasted 36 days (though a three-day 'C' season occurred in late October), while the inshore sector fishery lasted 39 days. With a slightly reduced overall pollock quota in 1996, these seasons are not likely to last more than 35 days, and with a September 1 opening date, would be completed by about October 5. Under this scenario, a ten-day stand down would cost a vessel about one-third of its potential pollock B season fishing time. The following additional options are put forward for Council consideration.

Option 1: 7-day Stand Down

Lacking information regarding the appropriate length of the potential stand down provision, an option for discussion is to create a 7-day stand down, which would be triggered if a vessel fishes anytime in the 7 days prior to the September 1 pollock B season opening date. This is an arbitrary number of days put forth as a starting point for consideration.

Option 2: A Day For A Day

A compromise alternative may be to mandate a stand down period equal to the length of time which the vessel participates in the yellowfin sole fisheries prior to September 1. For example, if a vessel fished for yellowfin sole beginning one day prior to the September 1 pollock opening, that vessel would be required to stand down from the pollock fisheries for one day, until September 2, allowing for two days of 'tune-up' fishing at a cost of one day of pollock fishing. This alternative may allow for vessels to get some amount of desired tune-up fishing without foregoing a significant amount of their pollock fishery, though monitoring and enforcement of such a flexible provision may be more difficult.

Regardless of the time of the stand down period, this approach would discourage extraneous effort in the yellowfin sole fisheries, would reduce the likelihood of adverse impacts to the yellowfin sole halibut PSC apportionment, and increase the likelihood of harvesting the full TAC for yellowfin sole. Although this approach imposes 'costs' to those pollock vessels that might otherwise have participated in the yellowfin sole fisheries, that 'cost' is no different than the current status quo; i.e., if no changes are made in either the pollock B season opening date or the release date for the last apportionment of halibut PSC for yellowfin sole fisheries, vessels will be forced to choose between the yellowfin sole fishery and the pollock fishery - they would open on the same day, August 15. This assumes that previous halibut PSC apportionments would be used up by that time and the yellowfin sole fishery would not open until August 15. This appears to be a valid assumption based on bycatch rates in previous years.

3.4 Summary and Conclusions

Based on information from the original analysis, coupled with supplementary information provided above, a two-week delay in the B season opening date, for both inshore and offshore sectors or for the offshore sector only, is not expected to have significant or adverse impacts relative to NEPA or to Executive Order 12866. Therefore, a Finding of No Significant Impact (FONSI) is reiterated, consistent with the original analysis (Appendix I).

Although salmon bycatch implications result from a B season delay (for either or both sectors), the limited, two week nature of such a delay is not likely to impact overall salmon bycatch, nor is it likely to directly impact the five-block chum salmon closure area within the CVOA. This will depend on actual amounts, as well as spatial and temporal distributions, of 'other salmon' bycatch in the 1996 and future pollock fisheries, which are very difficult to estimate.

The major implications of a two-week delay in the B season appear to be relative to two areas: (1) a potential opening of the CVOA to offshore sector vessels which brings into play marine mammal considerations and, to a limited extent, salmon bycatch considerations relative to the five-block CVOA closure area. This is only a concern if the B season delay is applied to only the offshore sector; (2) possible interactions with other fisheries, particularly the yellowfin sole fisheries. These concerns exist under any alternative which delays the opening for the offshore sector.

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**Testimony to North Pacific Fishery Management Council
April 21, 1996**

My name is Ken Adams. I'm on the Board of Directors of both Prince William Sound Aquaculture Corporation (PWSAC) and Cordova District Fishermen United (CDFU). I'm here representing PWSAC and the seiners of CDFU.

For those unfamiliar with PWSAC, I'll briefly describe our nonprofit corporation as being the operator of the largest salmon ocean ranching program in Alaska. We operate five hatcheries: four in Prince William Sound (PWS) and one small facility on the Copper River for sockeye salmon. Our production is primarily in pink salmon, but we also produce lesser amounts of all the other Pacific salmon species. Our program began in 1974 amidst harsh winter conditions which resulted in several years of poor wild stock survivals. Ours was a program initiated by fishermen to augment the disastrous returns of those times and to help provide some production stability to fishermen of PWS. Over the years, our program has grown from largely volunteer efforts of dedicated individuals to the point from which our hatcheries now provide the basis for the PWS summer seine fishery and various gillnet fisheries. Of the fish returning to our hatcheries, we retain 40% for cost recovery sales and broodstock needs. The remaining 60% is harvested by the fleet.

This year the Alaska Department of Fish and Game (ADF&G) forecasts a return of 27 million pink salmon to PWS. Of this total return, 21 million or approximately 75% are expected to be of hatchery origin. These are the products of both PWSAC and Valdez Fishery Development Association, an independent hatchery in our area. I mention the above to illustrate that our hatcheries are an essential component to the fisheries of PWS.

In the aftermath of the Exxon *Valdez* Oil Spill, we fishermen in PWS have endured outright herring biomass failures for years. We have also suffered direct pink salmon damage and earlier sporadic returns of our salmon. On top of these impacts, many of us are also feeling the effects of the halibut and sablefish IFQ program implementation with its consequent reduction on our ability to diversify to offset the losses to our former mainstay fisheries. To save words, PWSAC is all we've got left. At present, we're jeopardized by weak market conditions created by the high statewide production of recent years which has heavily taxed the abilities of the established onshore processors to produce more canned

and frozen H & G fish this year. ADF&G has forecasted yet another state-wide harvest of more than 100 million pink salmon for 1996.

To better obtain an understanding of processors' intentions, ADF&G has conducted a processors' survey. In PWS this survey reveals a capability or willingness to process approximately 70% of the run by the major processors. What happens to the remaining 30%? One major processor in PWS may not be taking any fish at all from fishermen this year. Not only are fishermen faced with abysmally low prices, but caps of one form or another will be placed on production. 1996 is shaping up to be the worst year in recent history for those involved in the pink salmon industry. In some ways, we in the Sound are not unique as the intention to operate at less than full capacity is the apparent processing plan for South East Alaska as well.

One hope we have as harvesters and hatchery operators in this fishery lies with the prospect of diverting a significant volume of pinks to product forms other than the can or frozen H & G. We therefore fully support the increased participation of the factory trawlers in our fishery as a means of providing new markets and much need product form diversity. We are gratified to see movement in this direction by traditional shoreside processors, but these needed changes are slow indeed in coming. We need relief now as well as in future years.

Support for the Pollock B delay with greater processing participation by factory trawlers is wide spread and ranges all the way from the Alaska Peninsula down to South East. The Alaska Druggers Association, Kodiak Seiners, CDFU, South East Alaska Seiners, and the United Fishermen of Alaska all have addressed their support to the Council for the B season delay. It will be noted however, several of these earlier letters of support were qualified. That is, support was given with the understanding that no negative by-catch issues were created by the 2 week delay. It therefore was a relief to have received the Council's staff Supplemental Analysis for this issue and to note their finding of no significant by-catch impact foreseen with this action.

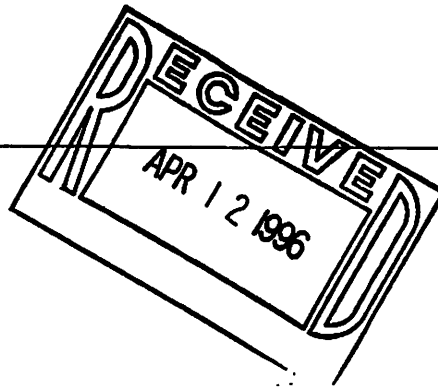
The same document recognizes that some problems may be created with this 2 week delay within the factory trawler fleet itself however. The concerns of the Yellow Fin Sole fishermen with respect to greater participation in that fishery by Pollock vessels in the 2 week period from August 15 to Sept. 1 are legitimate.

Suffice it to say, we encourage the Council to find a just resolution of this problem, facilitate greater participation by the factory trawlers in

our Salmon industry, and help us remedy the processing nightmare we're confronting.

We strongly urge your adoption of the Pollock B Season delay. It is a means of helping to alleviate economic disaster for many.

R. Lauber



April 1, 1996

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The Honorable Ronald H. Brown
Secretary
U.S. Department of Commerce
15th Street & Constitution Avenue, N.W.
Washington, D.C. 20230

RE: Gulf of Alaska Pollock Distribution

Dear Mr. Secretary:

During the last North Pacific Fishery Management Council meeting, the Council voted to change the Gulf of Alaska pollock distribution from quarterly to trimester. Peter Pan Seafoods, Inc. supported this change with the understanding that all areas of the Gulf would open September 1.

We were not aware of any discussion associated with the Gulf opening on different dates. Unfortunately, the Council voted to open the central Gulf on September 1 and the western Gulf on October 1. This action is extremely detrimental to the local Peninsula fleet, in fact the exact opposite effect of what was hoped to be gained by going to the trimester.

Peter Pan Seafoods, as a fillet producer, relies on the bigger Gulf fish. By October 1, both the Bering Sea and central Gulf will likely be closed, putting considerable effort into the western Gulf. By combining the last two quarterly TAC's, half of the western Gulf quota could be taken in a matter of hours, rather than the week or more as is our experience in January when the effort level is spread between the Gulf and the Bering Sea. This will certainly make it more difficult to manage and also seems to go against the intent of the Magnuson Act reauthorization which recognizes "the benefits of diversity in the fisheries and helps smaller fishers and coastal communities maintain their traditional role".

**The Honorable Ronald H. Brown, Secretary
U.S. Department of Commerce
April 1, 1996
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It is the hope of management at Peter Pan Seafoods that you oppose the current multi-date trimester system as suggested by the North Pacific Council and allow the Council to revisit this issue at the April meeting, leaving the trimester change intact, but opening all areas of the Gulf on September 1.

Thank you for your consideration in this matter.

Sincerely,



**Clyde E. Sterling
Vice President
Peninsula Operations**

**cc: William G. Saletic, President & C.E.O., Peter Pan Seafoods, Inc.
Rolland A. Schmitten, Assistant Administrator for Fisheries, NOAA, NMFS
Richard B. Lauber, Chairman, NPFMC
Denby Lloyd, Aleutian East Borough**