



LATE COMMENT

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November 30, 2011

Mr. Eric Olson
Mr. Chris Oliver
North Pacific Fishery Management Council

Re: Agenda Item C-4(b), Crab Program Binding Arbitration

Gentlemen,

Peter Pan Seafoods, Inc. is a processor quota share holder for most species of Bering Sea crab. While we support the BSAI Crab Rationalization Program, we feel that the Binding Arbitration system is not meeting the original Congressional or Council objectives. Specifically, the lengthy season agreements (LSA) allow final price arbitrations to occur long after the subject crab has been harvested, processed and sold.

The current regulations allow for LSA to include arbitration proceedings any time during the "crab fishing year." The language "crab fishing year" did not appear until the final rule was published. This term is in conflict with NMFS discussions prior to the final rule that indicated "crab fishing season" was the intended language. The current language allows price arbitrations to occur long after harvesting, processing and sales of the crab has occurred. Often this results in substantially different market conditions being considered in the arbitration that can unfairly disadvantage the IPQ holder.

We feel strongly that the intent of the lengthy season agreement was to have arbitrations occur during the current crab fishing season. This timing would best capture the current market conditions that the product is being sold into and would more effectively capture the division of risk and gains between the harvesting and processing sectors, as the original objectives of the program were stated. We look forward to discussing a regulatory amendment to correct this that would reflect the original intent for the arbitration system.

Sincerely,

A handwritten signature in black ink, appearing to read "Dale Schwarzmiller". The signature is fluid and cursive, written over a white background.

Dale Schwarzmiller
Vice President - Alaska Production

NPFMC
Chairman Eric Olson
605 West 4th, Suite 306
Anchorage, Alaska 99501-2252
Fax 907-271-2817

LATE COMMENT

Dear Chairman Olson.

I would like to comment on the present Crab Rationalization Plan with regards to present lease rate fees and crew share compensation as they relate to my experience. Let me begin with a brief history of my perspective. I began crab fishing in Dutch Harbor fresh out of high school in 1969. I continued with the fishery until I was retired in 2005. I can only recall a couple of crab seasons I missed mainly because of severe injuries., otherwise I was fishing. I purchased an interest in a boat in 1975 and began skippering from that day until I sold my boat in 2005.

Coming up to the wheelhouse from the deck gave me perspective of appreciation and respect for the men on deck and I would like to believe that made me a fair minded captain. I don't really know if all the present day crews are unhappy or not but I do know that many of them are making as much or more than they did before Rationalization. I know for a fact that many crews made little or nothing for their efforts before the present system was in place. During the years of the old Olympic style race for crab everything depended on the good fortune of the day . Did the captain get lucky and land on the crab right away? Did the boat and equipment work without fail or was there a catastrophic season ending breakdown? Did we make it through the season without someone getting injured requiring the boat to run the injured man into town costing a fatal economic blow to the boat and crew. One year we rescued an entire crew from a sinking vessel and ran them to Dutch Harbor in fierce weather. This cost my boat and crew over five days of lost income on a relatively short season. Of course, the right thing to do but a hardship on us none the less.

Sure there were always those stories of the big scores and big crew shares but for each one of those there were the ones who barely broke even and in some cases even went backwards. Any fisherman who says otherwise probably wasn't involved long enough or is lying. My first year crab fishing netted me almost \$800 for over six months work and that's only because we hit a spot the last month before calling it quits. The gamble then was much greater than the way the rationalized system works today.

Today, if crews know the dock price of what they are catching , they know pretty much what they will be making. They know how much they will have to catch, how much quota the boat owns if any and how much is leased, what the lease rate is before hand, what the boat expenses to be deducted are approximately and their share of the dock landings. No other boat is going to catch their share when they aren't looking. If the skipper makes a bad set and has to move it costs mostly only time and effort, not your season. If the boats breaks down and has to be repaired the crab is still going to be available to catch when repairs are made. The improved safety record speaks for itself because the mad race for crab has been replaced with a system that measures the time with greater consideration for safety.

When I owned my boat I was always an advocate for trying to make sure my crew made a fair percentage. I know I paid consistently higher crew percentages than a majority of the fleet and

many times when things were lean I would split my captains share among the crew. That is part of the reason my crew members would stay on so many years with me. If crewmen are not getting paid fairly today, that may be primarily due to the vessel owners not paying a reasonable crew share percentage. As was before rationalization, the crew percentages varied greatly based on a number of factors. How much percentage was available to be split up amongst the number of crewmen. There may be three to eight crewmen splitting up the same amount of pie. The experienced crewmen usually get a greater share than the inexperienced one. I usually paid my engineer more because of the importance of the job and the added workload over just the deckhands. Does the boat carry a heavy mortgage. Each boat has widely different operating costs over others and that factor can increase or reduce the share percentage available to boat crews. Then there is always the greed factor and that is something I don't know if the council can social engineer that. You can watch any season ending episode of "The Deadliest Catch" and the crew earning are disclosed. Do the math and you'll see that for like amounts of crab caught, the crew income varies thousands of dollars between boats for any number of reasons. When I operated my boat, 32% of the gross was available to the deck crew, usually four sometimes five men. If I had a hired captain then 42% of the gross was split up. There were times after a calendar year of work with wages and expenses, that we were feeling good as owners to break even.

I can only speak for myself on lease rates but from asking and comparing with other lease holders I can say that the rate is pretty standard amongst those I've compared with. When Crab Rationalization was first implemented I had heard for some quota share holders with multiple vessels leasing crab to their own boats to maximize their own profit at the expense of their own crews. I can't confirm this but I would hope that practice no longer occurs and shame on them for doing so.

In 2008 and in 2010, I went to Dutch Harbor and worked on deck on two different boats for a king crab trip. I got to see and hear how the crews of each boat felt and dealt with the Crab Ratz scheme. Aside from the usual grumbling about getting the trip over with, none expressed a sentiment of being treated unfairly or feeling "screwed" by the system. The most glaring improvement I noticed was that the average workday was greatly reduced from my days before rationalization. We all got a good amount of sleep each night because the race for fish had changed resulting in pretty good attitudes and safer more alert crewmen. In each case the crews had been with their respective boats for a number of years. All good guys and professional in their duties. Each one of these guys pretty much knew what they would be making seemed good with that.

I didn't design or even fully endorse the Crab Rationalization plan before implementation but I know that had nothing been done, pure economics would have caused the fleet to shrink. Shrinking quotas, increased vessel expenses with insurances, fuels and every other aspect of operating in such harsh environments would have led many owners to throwing in the towel. I just remember how many boats were getting really run down simply because the owners couldn't afford to do the needed maintenance on their boats. That situation never has a happy ending. Although much more consolidation of the crab fleet occurred than I thought would have, the result is a well managed, well maintained, efficient fleet that provides good jobs that generally pay a fair wage. Those who are still in seem to be making a go of it in spite of the fluctuating harvest levels and equally variable ex-vessel prices.

I think that a consideration given to professional crewmen with regards to being given a first right of refusal on future sales of share quotas is a good step toward assuring a healthy viable

stock of guys who wish to make there future in any fishery. I would hope the Federal loan program is going to be affective for those wanting to be involved further.

Thank you for allowing me to submit these comments .

Respectfully,

Captain Joe Wabey
F/V Arctic Eagle
F/V American Eagle



12-1-2011

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LATE COMMENT

29 Nov 2011

Dear Mr. Oliver,

By way of introduction, I'm a 75 year old veteran of 30 years in the Army. I love to hunt and fish and now try to make up for all those times I couldn't do it while on active duty.

My best fishing trip each year (with my 76 year old wife) is to Ketchikan, Alaska. We've been going there for 15 years and start planning our August trip in January. We usually come with a group of 10-12 other friends.

We really enjoy trolling or "mooring" for salmon but spend time every day bottom fishing. The biggest thrill and resulting good eating is catching a halibut.



While I believe I understand the need for population control and conservation, this past year the rules for sport fishing while guided in the Ketchikan area were disappointing. We caught a couple halibut smaller than 37" but released several larger ones. It seems unfair that if we were not guided, we could have kept two halibut per day of any size. I don't know if the commercial fishermen with long lines have restrictions. Would you please consider a change whereby fishing with or without a guide a person could keep one halibut per day of any size. - or two a day with one less than 37".

You probably have to make hard decisions but we would appreciate any considerations.

Respectfully yours,
Richard D. Benson
Major General, US Army Ret.

28 November 2011

SENT VIA FAX to (907) 271-2817

LATE COMMENT

Mr Eric Olson, Chair
North Pacific Fishery Management Council
605 West 4th Ave, Ste 306
Anchorage, AK 99501

Dear Mr. Olson,

Re: Agenda Item C-6 Halibut Catch Sharing Plan

We understand NMFS has delayed publication of the halibut catch sharing plan final rule to obtain policy guidance from the Council and strengthen parts of the analysis.

We urge you to:

1. Give clear direction to IPHC to hold the charter sector in both 2C and 3A under their GHL in 2012 using management tools considered in the catch sharing plan.
2. Address policy questions raised by NMFS from public comment and publish the final catch sharing plan rule by June 1 for implementation in 2013. Review Tier 1 (Low abundance) management measures and propose a trailing amendment, if needed, for implementation in 2013. The use of a trailing amendment is a long standing procedure for the Council to modify
3. Publish an interim rule for 2012 allowing for leasing of guided angler fish and adopt an accurate of method of calculating the weight of GAF. This will allow guide

12/1/2011

clients to access larger fish if desired.

My family is dependent on halibut longlining for our income and it is important to our community to resolve allocation with the charter sector. The Council acted correctly in October 2008 and it is well past time to publish the final catch sharing rule.

Sincerely,

Virginia F Tornes

POB 2497

Homer AK 99603

Copy: Governor Sean Parnell, State of Alaska
Senator Lisa Murkowski
Senator Mark Begich
Congressman Don Young
Commissioner Cora Campbell, Alaska Department of Fish and Game

LATE COMMENT



F/V Lady Simpson

LATE COMMENT

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Thursday, December 1, 2011

Mr. Eric Olsen

I am writing to you in reference to the IFQ sharing plan currently in place. There seems to be a belief that one of the current guidelines is being exploited and the only measure to fix it is to modify its original purpose (without general knowledge or approval) as to make it unfeasible and to extend it's reach to other areas that would not only destroy its original intent, but open the door to allow unfair and dishonest fishing practices long term.

I first set sail in 1951 as a gill-netter, eventually buying larger vessels and branching out into the myriad of sea fisheries. I remember the usage of fish traps by processors to control the market. I witnessed with the advent of statehood the abolishment of said monopolies. I have seen years with nothing but salmon fins from bay to bay. The same bays 2 two months later that would yield pots full of golden tanner crab and peach colored Dungeness. My children and wife fishing right alongside me during the weekends so we could keep food on the table.

Now comes the twilight of our lives where we find ourselves looking back over decades of wisdom and hard earned and sacrificed for financial stability. We have the means to purchase IFQ that come on the market. I believe the word here is **CAPITOLISM**. This company is the legacy I will leave my children and grandchildren. A nest egg of sorts that they can grow as well, after I am gone. A working company that provides at least 8 jobs a year and tens of thousands of dollars in state and federal taxes.

Someone, somewhere in the industry thinks that is a bad thing. It doesn't matter how sound the company is, the fact that I am unable to physically be present on the boat when the IFQ is collected is a sin that cannot be tolerated. Not only is it bad, they want to go back to 2010 and make any quotas my company bought just as sinful. It doesn't matter that the replacement skipper is my son who will one day be head of this company. And it certainly doesn't matter that after a couple of coronary infarctions I feel it best to be minutes away from a hospital, or that my partner and wife is medically invalid and needs my attention on a daily basis.

I am proud to say that I keep myself abreast of the current topics that relate to IFQ's and long lining. Never has the issue of medical transfers being abused ever crossed my desk. Being the 'down to brass tacks' kind of person I am I went and looked at the proposed legislation to see if I figure out WHY it is needed. I bet the answer will surprise you as much as it did me.

Now it seems that not only are too many people taking advantage of the medical transfer rule, but at the same time there is no thing in the works for the poor people in the Community Quota Entity (CQE). In the same legislation that takes away the medical transfer, it **ALLOWS** CQE communities to not only buy IFQ but **THEY ARE ALLOWED** to hire a skipper to go fish them. To be blunt. They are forcing the long term solvent family owned companies out and making it easier for others to compete, aka **SOCIALISM**. Let's not even mention the 0 percent loans and generous CQE grants that give them something for nothing. That is not the intent of this program.

I am asking you to absolve this malicious attack on the fair and equitable guidelines already present in our IFQ's. This is just another vampires' attempt by a special interest group to legally 'rip-off' hard working honest people. Not only should this attempt be made aware of, but the person(s) that introduced this legislation be examined to find how they benefit.

Sincerely

Kenneth M. Simpson
Owner/Operator
F/V Lady Simpson

CC
Senator Lisa Murkowski
US Senate
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FAX (202) 224-5301
From Area Code 907 only

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November 30, 2011

LATE COMMENT

North Pacific Fishery Management Council
605 West 4th Avenue
Suite 306
Anchorage, Alaska 99501

Dear Chairman and Council Members:

I have been actively involved as Captain & CVO Quota holder in the Bering Sea crab fisheries. I fished prior to and since the implementation of the Crab Rationalization Program. I have been harvesting both CVC shares & CVO shares onboard the F/V Bulldog through an arrangement with Alaska Boat Company, Management Company of F/V Bulldog.

The Crab Rationalization Program, although still evolving, has provided nearly all of the desired benefits intended by its creation. Among the considerable list achievement's, conservation of the fisheries, orderly execution, improvement of crew & vessel safety, consolidation of industry assets, dependable employment for crew, all have been achieved. All of these things are very good and improving. During the design of the program, the North Pacific Council was wise enough to allow for review & improvement of the program as we progress.

Issues involving Lease Rates and Crew Compensations are concerns forefront at this time. With urging from the council, industry has voluntarily addressed the issues of minimum rate standards, which seem to be more favorable for lessee of crab quota. Industry has also delivered a mechanism, which will allow for crewman and active participants to acquire CVC & CVO shares through a Right of First Refusal. I believe both of these solutions to be of positive nature, allowing potential ownership by participants who have an interest to do so. These may or may not prove to be solutions to the concerns of crew compensation; they do however provide more opportunities for crew & smaller shareholders to become larger stakeholders.

Critics of the program suggest scrapping the program or implementing sweeping changes through the council process. As a life long Bering Sea crab harvester, I find the notion of returning to the "good old days" of an open access fishery or the introduction of additional regulatory mandates, to be distasteful & counterproductive. I would ask the council to continue to encourage industry stakeholders to find solutions to the identified shortcomings of the program, rather than impose regulations, which are inflexible, and cause addition layer of bureaucracy. I believe the industry as a whole has demonstrated creativity in addressing shortcomings of the program and with guidance from the council can continue to address grievances & pitfalls identified going forward.



Sincerely,

Spencer Bronson
Captain F/V Bulldog

LATE COMMENT

November 30, 2011

James Mackovjak
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907-697-2246
lituya@gmail.com

Eric Olson, Chairman
North Pacific Fisheries Management Council
605 West 4th Ave, Suite 306
Anchorage, AK 99501

Re: Halibut Catch Sharing Plan

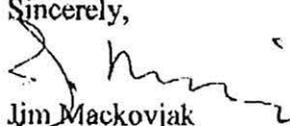
Dear Chairman Olson and Members of the NPFMC,

I have lived in Gustavus for nearly 40 years and halibut is important to me. I know halibut: I have fished commercially for halibut, worked as a charter boat operator, and operated a seafood business that purchased and processed halibut. Perhaps most importantly, I catch halibut to help feed my family.

Over perhaps the past decade or so, the sport charter industry has developed in Gustavus and the Icy Strait region and has been successful at killing lots and lots of halibut. I have noticed that it has been getting harder and harder to catch personal use halibut. The NPFMC needs to get serious about halting local depletion. The halibut caught in the Icy Strait/Glacier Bay area have averaged larger than the average for Southeast Alaska, and charter operators and (nominally) unguided operators seeking trophy halibut will migrate here, causing further depletion. Also, nominally self-guided operations, such as the Doc Warner operation at Excursion Inlet, should have the same restrictions as guided sport charter operators.

I am encouraged by the restrictions on the number and size limitation on halibut in Southeast Alaska, but I am very concerned over some charter fishermen's successful efforts to circumvent the restriction. As you have no doubt heard, some charter boat operators are putting clients in a small skiff carried on the larger boat, asserting that these fishermen are unguided and not subject to sport charter restrictions. Every attempt should be made to discourage this type of behavior.

Sincerely,


Jim Mackovjak

Colleen I Stansbury
F/V La Bamba del Mar
P O Box 145
Gustavus, AK 99826
codlips@gmail.com

LATE COMMENT

November 29, 2011

Eric Olson, Chair

North Pacific Fisheries Management Council

605 West 4th Ave, Suite 306

Anchorage, AK 99501

Re: Halibut Catch Sharing Plan

Dear Chairman Olson and Members of the NPFMC;

I am pleased to see a call for closer review of the Halibut Catch Sharing Plan, and the regulation of the sport charter industry in Alaska. I live in Gustavus, Alaska and have fished in the Icy Strait, Cross Sound area for the past 35 years. I have endured drastic cuts to my IFQ catch because of reported low abundance and decreasing size of halibut in Area 2C. The economic impact to my self, my family, community and fellow commercial halibut fisherman has been quite nearly fatal to the small operator. In spite of this, the commercial fleet has taken these drastic cuts in stride because those of us who have fished for many years know conservation is central to the health and viability of our industry. We have survived conservation measures in the past and experienced their overall, long-term benefit. We wish to see a healthy, stable halibut fishery for commercial, charter and sport fisherman.

In your deliberations on this complex issue please consider the following points:

- The Charter Management Implementation Committee suggested sub-area management for 2C, and the IPHC staff noted precedence in the Pacific Council's CSP, which divided Area 2A into sub-areas. I strongly support this concept. Management of Harvest areas which are vast and diverse is outdated and not effectively serving the resource or commercial stakeholders. The time has come for the council to reconfigure these huge management areas into smaller, more homogenous sectors. My home on Icy Strait and Cross Sound is a prime and relevant example. It is now known from reliable sources*, that halibut

caught in this area are larger at 47.4 lbs., compared to the 26.4 lb. average in other parts of the state. The charter operators in Icy Strait and Cross Sound such as Mr. Forrest Braden, who is one of the prime supporters of the GAF equation, are hoping that the IPHC overlooks this significant difference, which would prove a boon to their business. Gear concentration, population densities, natural barriers, and weather differ throughout the State and within these larger management areas. The present mega-management approach does not offer the IPHC or NPFMC the dexterity or timeliness required to effectively regulate this fishery for maximum conservation and harvest.

- This rule, as published, recommends that commercial fisherman will share in any overages incurred by the charter industry. ("overages by the guided sport sector would result in a corresponding decrease in the combined guided sport and commercial catch limit for the following year" (*Federal Register*, Vol. 76, No. 141, July 22, 2011, p. 44163). This is blatantly inequitable. I am willing to give up some of my IFQ to make room for this relatively new "commercial" use of the resource. I support conservation efforts to maintain healthy stocks and a sustainable harvest. As a commercial fisherman I am held to an inflexible, federally enforced harvest limit (IFQ), and I have been boarded by armed federal agents who enforce that quota. My allowable catch limit is reduced the following year by overages I personally incur. If the overage is extreme, I face fines and/or incarceration. I can tell you that this management method creates extreme motivation for fisherman to stay within their quota. The guided charter industry on the other hand, has shown no ability to adhere to a Guideline Harvest Level. In fact the industry has exceeded their harvest guideline by extraordinary numbers every year since its inception in 1997. In 2011 the implementation of the 37" rule finally stopped the madness. The only way a Catch Share Plan can work is to hold the guided charter industry accountable for their own overages. This would discourage over fishing, encourage catch and release of very large fish, and foster adherence to GHL within the fleet.
- I am hopeful that NPFMC will also address the proposed equation to convert IFQ to GAF. Remember your second grade math teacher saying you can't subtract apples from oranges. A pound is a pound is a pound. Where is the equity if my quota is in pounds and the charter leased quota GAF is in number of fish? As mentioned above, Icy Strait has historically produced large halibut. The charter lodges boast of this, and my 35 year experience bares this out. If simply counting fish worked for the biologists who rely on science to conserve and stabilize fish stocks, why then, is the commercial fishery regulated in pounds? Halibut can be measured to produce a fairly accurate dressed weight, that's how we do it. Guided sport captains should be compelled to catch by weight, and record their catch in a log book, just as commercial fisherman have done for years. Commercial halibut quota shareholders contribute 1-3% of our gross sales each year to enforcement of our own industry. Guided sport charter, and the burgeoning "self-guided" charter industry should be required to do no less.

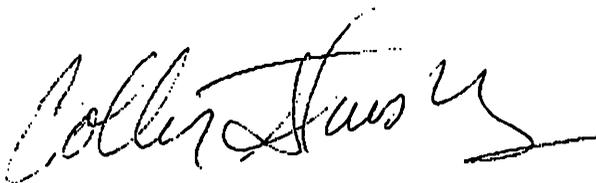
- The commercial IFQ formula takes into consideration release mortality figures. The proposed Catch Share Quota for the charter fishery includes no such figures. Presumably there are no figures because to my knowledge no studies have been undertaken which would determine the release mortality in this industry. At the very least, in the interest of conservation and equity, a reasonable figure should be agreed upon and studies undertaken to ascertain more accurate release mortality in the charter and self guided sport fisheries.

One note about the "self-guided" charter industry in Icy Strait and Cross Sound. With the implementation of the 37" rule in 2011, we saw this sector grow alarmingly. Some charter operators from Gustavus just towed a skiff behind their charter boat, then, put their customers in the skiff when they reached the fishing grounds calling this "self-guided". Please, stop this blatant disregard for conservation and reasonable regulation. Extend the 37" rule across the board to the "self guided" sport fisherman, along with a one fish daily bag limit, until the abundance of the halibut stocks have returned to healthy levels. Local residents who consume halibut as part of their subsistence needs can easily obtain a "SHARC" (Subsistence Halibut Regulation Certificate) through NOAA Fisheries, for an ample subsistence harvest.

I appreciate the complexity of this task, and thank you for the many hours you dedicate to finding solutions. Whatever your decisions, please make them equitable among the stakeholders. We understand the need to share and we want to conserve the resource. For my part, I wish to continue fishing for as long as I can, and would like to see my grandchildren have the opportunity to participate in the lifestyle I love.

Sincerely,

Colleen Stansbury
F/V La Bamba Del Mar



* Final 2010 Sport Halibut Harvest Estimates. ADF&G. Retrieved from www.adfg.alaska.gov .