

North Pacific Fishery Management Council

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Certified _____
Stephanie Madsen, Chair

Date _____

MINUTES

180th Plenary Session
North Pacific Fishery Management Council
February 7-12, 2007
Benson Hotel
Portland, Oregon

The North Pacific Fishery Management Council met February 7-12, 2007 at the Benson Hotel in Portland, Oregon. The Scientific and Statistical Committee met February 5-7, and the Advisory Panel met February 5-10, at the same location. The following Council, staff, SSC and AP members attended the meeting:

Council Members

Stephanie Madsen, Chair	Roy Hyder
Sue Salvesson for Jim Balsiger	Gerry Merrigan
Dave Benson	Bill Tweit for Jeff Koenings
John Bundy, Vice Chair	Eric Olson
Denby Lloyd/Dave Bedford/Earl Krygier	LCDR Lisa Ragone for ADM Brooks
Dave Hanson	Ed Rasmuson
Doug Hoedel	

Note: Lenny Corin and the State Dept. representative were not in attendance.

NPFMC Staff

Gail Bendixen	Jon McCracken
Cathy Coon	Chris Oliver
Jane DiCosimo	Jim Richardson
Elaine Dinneford	Maria Shawback
Diana Evans	Diana Stram
Mark Fina	Bill Wilson
Jeannie Heltzel	Dave Witherell
Nicole Kimball	

[NOTE: A list of staff support from various agencies and presenters of reports is found in Appendix I to these minutes.]

Scientific and Statistical Committee

Pat Livingston, Chair Chair
Bill Clark
Sue Hills
Anne Hollowed
Gordon Kruse
Seth Macinko

Keith Criddle, Vice Chair
Franz Mueter
Steve Parker
Terry Quinn II
Theresa Tsou
Dave Woodby

Advisory Panel

Lisa Butzner
Joe Childers
Craig Cross
Julianne Curry
Tom Enlow
Duncan Fields
Bob Gunderson
John Henderschedt
Jan Jacobs
Bob Jacobson

Simon Kinneen
Kent Leslie
Tina McNamee
Mike Martin
Matt Moir
John Moller
Jeb Morrow
Ed Poulsen
Michelle Ridgway
Lori Swanson

A list of persons signing the attendance register and those providing public comment during the meeting is included in Appendix I to these minutes.

A. CALL TO ORDER

Stephanie Madsen, Council Chair, called the meeting to order at approximately 8:10 a.m. on Wednesday, February 7, 2007.

Agenda. The agenda was approved as published.

Minutes. The minutes of the December 2006 meeting were approved as submitted.

The Chair introduced David Bedford, sitting for ADF&G Commissioner Denby Lloyd, who arrived later in the meeting.

The Oath of Office was administered to Gerry Merrigan who was appointed to complete the term of Arne Fuglvog.

[NOTE: Mr. Tweit participated in the entire meeting in place of Dr. Koenings.]

B. REPORTS

The Council received the following reports: Executive Director's Report (B-1), NMFS Management Report (including status reports on Amendments 80 and 85) (B-2); USCG Report (B-3); NMFS Enforcement Report (B-4); ADF&G Report (B-5); IPHC Report (B-7) and Protected Species Report (B-8). A written report was provided by USFWS (B-6); there was no oral report. Following are brief recaps of discussion or action taken during reports.

Executive Director's Report

Mr. Oliver advised the Council that the presentations planned for this meeting on the Pacific Council's halibut catch-sharing plan would not take place until staff discussions among the various agencies can determine which aspects of the plan may be applicable to the Alaska halibut fisheries. A written summary of the process will be provided at the March Council meeting.

The Council was also advised that the joint meeting of the Council and the Alaska Board of Fisheries is tentatively scheduled for the afternoon of Wednesday, March 28, the first day of the Council's next meeting.

The Council also received an update from David Little on the freezer longliner buyback program. Mr. Little asked that the Council notify the appropriate office (Financial Services) that the Council was notified and has been kept informed regarding the buyback plan. The Council agreed that the Chair and Executive Director should draft and send the letter

Mr. Oliver reviewed recent changes to the Magnuson-Stevens Fishery Conservation and Management Act (Act). New provisions relating to new limited access programs will need to be more thoroughly reviewed to clarify requirements, including publication of criteria for any proposed program for allocations to regional fishing associations or community allocations before developing the program. These new provisions will not apply to current programs, or any approved within six months of the date of the changes to the Act. NOAA Fisheries is developing more detailed guidance on these changes.

NMFS Management Report

Jay Ginter reviewed the status of current amendments in progress. With regard to Amendment 85, the Council was advised that because of the recent changes to the Act relating to CDQ allocations, it has been determined that several provisions in the proposed rule are not in compliance with the revised Act. NMFS has revised the Proposed Rule to (1) set the total CDQ allocation of Pacific cod to 10.7 percent of the BSAI Pacific cod TAC, (2) remove the incidental catch allowance of Pacific cod for the CDQ Program, and (3) prohibit exceeding the allocation for Pacific cod under the CDQ Program, and requested the Council to resubmit the proposed rule and attending documents to the Region to continue the Secretarial review process.

Similarly, the proposed rule for Amendment 80 will require revisions as a result of the changes to the Act, specifically provisions directly affecting the allocation of TAC as it relates to CDQ Program allocations. Mr. Ginter advised that while there are challenges to meeting a 2008 implementation schedule, NMFS is working diligently to meet it.

Mr. Ginter also advised the Council that because a research vessel and funding are not available for research in the Chiniak Gully this year, the area will be open to fishing in 2007.

IPHC Report

Dr. Bruce Leaman and Gregg Williams briefed the Council on actions taken by the International Pacific Halibut Commission at its annual meeting in January. The Council was specifically interested in the proposed change in charter halibut regulations which would change bag limits in Areas 2C and 3A in response to exceedence of the GHL in recent years. The IPHC advised the actions were taken in anticipation of the Council's continuing work on a long-time solution.

U.S. Coast Guard Report

CDR Lisa Ragone provided a review of Coast Guard activities 2006.

NMFS Enforcement Report

The Council received a report from John Klingeter, NOAA Office of Law Enforcement, and Susan Auer of the NOAA General Counsel's office in Juneau. The Council had questions regarding the affidavit process and how those reports are handled. The Council suggested that the Enforcement Office provide the Council with a summary sheet which shows affidavits and those that result in violations or enforcement actions. Also, the Council would like to know whether the vessel owner or skipper receives notice when an affidavit is filed and has an opportunity to respond. Mr. Bundy stressed that a skipper/or owner should be notified of these reports in a timely manner so any concerns or violations can be addressed.

Alaska Dept. of Fish & Game Report

Herman Savikko provided a report on the status of State fisheries of Council interest occurring since the last Council meeting, as well as proposals of Council interest that the Alaska Board of Fisheries (Board) will be addressing at future meetings.

As mentioned in the Executive Director's report, the Council will meet jointly with the Board on March 28. After receiving the staff reports and public comment on a revised schedule for the release of the Steller Sea Lion Recovery Plan, the Council requested staff prepare a letter to the Alaska Board of Fisheries outlining the revised schedule and suggesting that two proposals before the Board (182 and 183) be included in discussions at the joint Council/Board meeting in March.

Protected Species Report

Council members again expressed concern about the change in schedule for completion of a new Draft Steller Sea Lion Recovery Plan, now tentatively planned for release in late 2007 after consideration of substantive comments received.

The Council directed staff to prepare a response to NMFS's letter of January 31, 2007 which notified the Council of the delay in publishing the Recovery Plan and BiOp. The letter was to outline Council expectations for the recovery plan, including a workplan and schedule for completion of the revised recovery plan, a series of scientific workshops, and continued development of the draft BiOp. The Council requested the workplan and schedule for completion of the revised recovery plan be provided at the March meeting. The Council would also recommend to NMFS that the workplan include a process for independent peer review of the draft revised recovery plan.

With respect to peer review, Ms. Salveson noted that the original draft plan did go out to five experts and NMFS will be responding to comments received, as well as the comments from the public, the SSC, and

the Council. She also stressed that any scientific workshops held in response to the Council's request would be open to the public only for observation, not for debate.

Denby Lloyd moved that a white paper be provided that compares listing and delisting procedures for other endangered species with those for Steller sea lions. The motion was seconded and carried without objection. The intent would be that the paper be provided before the new draft recovery plan is available. Staff will provide the Council with a progress report at the next meeting, and the paper itself at the June meeting. Council members noted that the project may have to be contracted out.

The Scientific and Statistical Committee provided the Council with comments on the Listing of Fisheries, the Steller Sea Lion Mitigation Committee's proposal ranking tool, and the FMP consultation schedule. Please see the SSC Minutes, Appendix II to these minutes for those comments.

FORMAT FOR COUNCIL MEETING MINUTES FOR 'C' AND 'D' AGENDA ITEMS

Each agenda item will begin with a copy of the original "Action Memo" from the Council meeting notebook. This will provide an "historical" background leading to any discussion and/or action. This section will be set in a different typeface and size than the actual minutes. Any attachments referred to in the Action Memo will **not** be included in the minutes, but will be part of the meeting record and available from the Council office on request. Following the Action Memo will be reports of the Scientific and Statistical Committee and Advisory Panel on the subject. Last will be a section describing Council **Discussion and Action**, if any.

C. NEW OR CONTINUING BUSINESS

C-1 PSEIS Workplan

ACTION REQUIRED

Review and adopt revised workplan

BACKGROUND

In 2004, the Council developed a workplan to bring groundfish management in line with its revised management policy (adopted as part of the PSEIS). This workplan is reviewed by the Council at each meeting as part of the staff tasking agenda item, and is posted on the Council's website. In December 2006, the Council revised the workplan, based on SSC comments and a staff report illustrating the Council's progress on implementing the workplan.

The workplan as amended is attached as Item C-1(a). An additional attachment, Item C-1(b), illustrates how the revised workplan differs from the 2004 original. The Council's action is to review and adopt the revised workplan.

Neither the **Scientific and Statistical Committee** nor the **Advisory Panel** addressed this agenda item.

COUNCIL DISCUSSION/ACTION

Diana Evans provided a draft revised Groundfish Workplan for Council review. Ms. Evans also advised the Council that the recent revisions to the MFCMA requires a bycatch reduction 'engineering program' and that the Council needs to include that in the workplan as well as determining a specific priority for the task.

John Bundy moved to approve the revised Workplan dated 2/7/2007, as provided by staff, with the following changes:

- Under 2c, add "in AP" to the end of the sentence;
- Under 3a & 3b, add "and BSAI" to end of sentences;
- Under 2f, add "incentive-based and" after the word "develop" at the beginning of the sentence.
- Under 4a, add "through the MSA process" after "SSLs" in the middle of the sentence;
- Add a new 4c, "Recommend to NOAA Fisheries and participate in reconsideration of SSL critical habitat";
- Under 5c, begin sentence with "consider";
- Under 6a, begin sentence with "explore";
- Under 8b, begin sentence with "explore".

. The motion was seconded.

Bill Tweit moved to amend Item 2(b), to add the following at the end of the sentence: "for rockfish and other species as appropriate." The motion was seconded and carried without objection. It was clarified that this same phrase would also be appropriate to Item 1(b).

Bill Tweit moved to amend to add a new objective under Item 4, as follows:

- (d) Adaptively manage the seabird avoidance program.**

The motion was seconded and carried without objection.

Roy Hyder moved to amend Item 3, to add a new objective:

- (g) **Assess impact of management measures on regulatory discards and consider measures to reduce where practicable.**

The motion was seconded and carried without objection.

Gerry Merrigan moved to amend Item 1, to add a new objective:

- (c) **Continue to develop a systematic approach to ‘lumping and splitting’ that takes into account both biological and management considerations.**

The motion was seconded and carried without objection. [It was clarified that Mr. Merrigan was referring to the splitting of ABCs and TACs among species categories within existing management areas.]

The amended motion carried without objection.

The Chair clarified that the workplan will be reviewed annually in June. Any changes that may be required as a result of the MSA revisions can be incorporated at that time. Please see the final revised Workplan under Appendix III to these minutes.

C-2 AFA Pollock Co-ops

ACTION REQUIRED

Review AFA cooperative agreements and end of year cooperative reports

BACKGROUND

Each year the AFA pollock fishery cooperatives are required to submit year-end reports summarizing their fishing activities from the preceding year. They are also required to submit cooperative agreements for the upcoming fishing year (we have interpreted this requirement such that the cooperatives submit information only if and to what degree such agreements have been modified from existing agreements). Due to the volume of these materials, a few copies of the complete reports will be made available at the meeting, and full copies are available from our offices. Co-op representatives will provide a joint, summary report to the Council at this meeting.

Neither the **Scientific and Statistical Committee** nor the **Advisory Panel** addressed this agenda item.

COUNCIL DISCUSSION/ACTION

The Council received the annual reports for the AFA pollock cooperatives. This was an informational item and no Council action was required.

C-3 Seabird Interactions

ACTION REQUIRED

Receive Revised Draft EA/RIR/IRFA on Proposed Changes to Seabird Avoidance Regulations and Take Final Action to Approve Preferred Option

BACKGROUND

At its June 2006 meeting, the Council received a report from seabird research scientists with the Washington and Alaska Sea Grant programs on studies of the occurrence of albatrosses and other seabird species in inside waters of Alaska, and on the performance of various kinds of

seabird avoidance gear on 26–55 ft vessels. NMFS suggested that, based on the results of this research, the Council may wish to consider refinements to the existing seabird avoidance measures and seek additional public comment and suggestions for improving seabird avoidance. The Council approved proceeding with an analysis and preparation of an Environmental Assessment of new regulations that would change seabird avoidance measures in inside waters and performance standards for seabird deterrence on small vessels fishing outside waters.

At the December 2006 meeting, the Council received a draft EA/RIR/IRFA containing analyses of several alternatives to the proposed action. Based on SSC, AP, and public comment, the Council requested that the document be revised to contain additional information and analyses of several sub options, and then send the document out for public review. The EA/RIR/IRFA was revised and sent out for public review on January 22, 2007.

As part of the revision process, NMFS obtained some updated information on the distribution of short-tailed albatross in the North Pacific. More specifically, satellite tracking data show short-tailed albatross occur in Cross Sound and portions of IPHC Area 4E. The alternatives and the analysis for the EA/RIR/IRFA were modified accordingly to accommodate this new information. The Executive Summary of the document is attached as Item C-3(i).

The Council is scheduled to take final action at this meeting. NMFS and Council staff will be available to answer questions.

Report of the Scientific and Statistical Committee

The SSC has the following comments:

- Alternative 3a is more precautionary than either Alternative 2 or 3b. Council adoption of either Alternative 20 or Alternative 3b, Option 3, would probably trigger a formal Section 7 consultation.
- The SSC agrees that the revision to the boundary between inside and outside waters in the Cross sound area is a more reasonable boundary line than the boundary associated with the ADF&G groundfish statistical area. However, the rationale for adoption of the proposed suboption in the Chatham Strait area is not so well justified.

For more detailed comments, please see the SSC Minutes, Appendix II to these Minutes.

Report of the Advisory Panel

The AP recommends the Council take final action on the Seabird Avoidance measures with the following changes in Alternative 3:

Alternative 3. Revise seabird avoidance measure requirements as follows:

A. As in Alternative 2, eliminate seabird avoidance gear requirements, except in the following areas of Southeast Alaska, where hook and line vessels fishing in these areas would be subject to the same seabird avoidance gear requirements and standards as when fishing in the EEZ (see charts in Figure 2):

- ~~1. Area around Chatham Strait defined as ADF&G groundfish statistical areas 345603 and 345534,~~
or
Sub option: Area around Chatham Strait south of a straight line at 56°17'25" N latitude between Point Harris and Port Armstrong, or other suitable line.

2. Area around Dixon Entrance defined as ADF&G groundfish statistical areas 325431 and 325401.

~~3. Area around Cross Sound, defined as ADF&G groundfish statistical area 365804, or
Sub option: Area around Cross Sound from a longitude line west of Inian Islands at 136°21'17" E
longitude, or other suitable line from the line extending from Pt. Wimbledon South through Inian
Islands to Pt. Lavinia.~~

B. Require standards of all hook-and-line vessels fishing in the EEZ as in Alternative 2.

Option 1: Eliminate Seabird Avoidance Plan (SAP) requirement.

Option 2: Weather Safety Standard: Use of seabird avoidance devices would be discretionary for vessels >26 and ≤55 ft LOA when winds exceed 30 knots.

~~Option 3: Require that a buoy bag be used on vessels >26 and ≤32 ft LOA fishing in the EEZ waters of Area 4E.~~

~~Sub option: All vessels >26 and ≤32 ft LOA fishing with hook and line gear in the EEZ waters of IPHC Area 4E would be exempt from seabird avoidance regulations.~~

Additionally, the AP recommends the Council identify the removal of seabird avoidance measures in 4E and potential subareas within as a trailing amendment to be reviewed upon staff's spatial analysis (i.e. kreiging of satellite telemetry data and incorporation of other pertinent data) for its consideration for use of mitigation measures within 4E to both protect endangered seabirds and reduce restrictions imposed on fishermen where they may not be applicable.

[A complete copy of the Advisory Panel minutes for this meeting is included as Appendix IV to these minutes.]

COUNCIL DISCUSSION/ACTION

Gerry Merrigan moved the following written motion:

Alternative 3. Revise seabird avoidance measure requirements as follows:

A.) Eliminate seabird avoidance gear requirements for all hook-and-line vessels fishing in Prince William Sound (NMFS Area 649), the state waters of Cook Inlet, and Southeast Alaska (NMFS Area 659) with the following exceptions in the inside waters areas of SE Alaska where hook-and-line vessels would be subject to the same seabird avoidance gear requirements and standards as when fishing in the EEZ.

- 1.) Area in lower Chatham Strait south of a straight line between Point Harris (latitude 56.17.25N) and Port Armstrong.**
- 2.) Area in Dixon Entrance defined as ADF&G groundfish statistical areas 325431 and 325401.**
- 3.) Area in Cross Sound, west of a straight line from Point Wimbledon extending south through the Inian Islands to Point Wimbledon extending south through the Inian Islands to Point Lavinia (136.21.17E).**

B.) Require standards of all hook-and-line vessels fishing in the EEZ as follows:

- 1.) Vessels >26 and ≤55 ft length overall (LOA) with masts, poles, or rigging using snap-on hook-and-line gear are required to deploy one streamer line while setting gear. Specifically, the streamer line must be a minimum of 45 m long and must be maintained with a minimum aerial extent of 20 m.**
- 2.) Vessels >26 and ≤55 ft LOA with masts, poles or rigging not using snap-on hook-and-line**

- gear (conventional gear) are required to deploy one streamer line while setting gear. Specifically, the streamer line must be a minimum of 90 m long and must be maintained with a minimum aerial extent of 40 m.
- 3.) Vessels >26 and <=55 ft LOA without masts, poles or rigging, and not capable of adding poles or davits to accommodate a streamer line (including bowpickers), must tow a buoy bag in such a way to deter birds from the sinking groundline, without fouling on the gear, while setting hook-and-line gear.
 - 4.) All vessels using hook-and-line gear in the EEZ formerly required to “*use one other device*” are no longer required to use a second seabird avoidance measure (adding weight, deploying a second streamer line or buoy bag or strategic offal discharge).
 - 5.) Eliminate the Seabird Avoidance Plan (SAP) requirement for all vessels.
 - 6.) Weather Safety Standard. Use of seabird avoidance devices would be discretionary for vessels >26’ to <=55’ LOA when winds exceed 30 knots.

Statement of Council Intent on Performance Standards in Seabird Avoidance Regulations for Vessels <=55’ LOA Using Hook-and-Line Gear

The intent of the performance standards is to ensure correct use of the seabird avoidance devices. The Council recognizes that it is likely that variation from the objective performance standards will occur in the normal course of fishing operations. The Council also recognizes that many of the objective performance standards may be measured subjectively by enforcement personnel and observers.

The Council recommends that enforcement personnel and observers work cooperatively with vessel operators to ensure compliance with the performance standards by using education and warnings (to the extent practicable) prior to issuing a citation or an affidavit attesting to non-compliance of performance standards. The Council recommends that enforcement and observers take the following into consideration in evaluation of compliance with performance standards:

- Given the context and setting, it is likely that minor variations from the objective performance standards may not warrant an enforcement action.
- More blatant, intentional, and egregious violations could justify an enforcement action.

These considerations for vessels are to apply to the weather standard rule, the performance standards for airborne streamer distance, and distance off the groundline.

Coordination with the State of Alaska: The Council would require that the State of Alaska Board of Fisheries consider modifying the current state regulations on seabird avoidance requirements to be consistent with the revisions adopted by the Council in this action.

Area 4E: Move the AP recommended language:

Identify the removal of seabird avoidance measures in 4E and potential subareas within as a trailing amendment to be reviewed upon staff’s spatial analysis (i.e. kreiging of satellite telemetry data and incorporation of other pertinent data) for its consideration for use of mitigation measures within 4E to both protect endangered seabirds and reduce restrictions imposed on fishermen where they may not be applicable.

The motion was seconded.

With regard to the “Statement of Council Intent” portion of the motion, it was noted that ultimately it is the responsibility of the agencies involved to determine whether or not it’s possible to follow through on those recommendations.

Bill Tweit moved to amend to delete A(1) [relating to the description of the lower Chatham Strait area] and insert Option 1 as shown in the Action Memo, Option 1 under Alternative 3: “In the area around Chatham Strait defined as ADF&G groundfish statistical areas 345603 and 345534.”

The motion was seconded by Roy Hyder. Mr. Tweit noted the SSC's observation that the rationale for the option proposed in the main motion is not very well justified as it doesn't represent a clear break in habitat.

Gerry Merrigan moved to amend the amendment to use a geographic point-to-point line: a south point at the entrance of Point Herbert on Baranof Island, extending eastward to the vicinity of the Troller Islands Explorer Basin. [Staff will determine the appropriate latitude and longitude designations.] The motion was seconded and failed, 6 to 5, with Bundy, Hoedel, Merrigan, Rasmuson and Salveson in favor. Mr. Merrigan explained that a geographical point-to-point line would make it easier for fishermen to determine whether they were inside or outside a specific area.

Mr. Tweit's amendment also failed, 8 to 3, with Hyder, Tweit and Salveson voting in favor.

The main motion carried unanimously.

C-4 Charter Halibut Management

ACTION REQUIRED

- (a) Review report on Area 2A catch sharing plan.
- (b) Initial Review of moratorium analysis.
- (c) Review work plan for regulatory amendment package (SSC only)

BACKGROUND

Area 2A catch sharing plan

In December 2006, the Council requested a report on how the Area 2A catch sharing plan operates and how the approach may be useful to managing the charter and commercial fisheries in Areas 2C and 3A. As a first step, the staffs from the North Pacific and Pacific Councils, Alaska and Northwest Regions, and States of Washington and Alaska are scheduled to meet just prior to the Council meeting. An update on that discussion will be provided by Council staff.

Moratorium Limited Entry Analysis

Previously, the Council adopted a control date of December 9, 2005 to limit entry into the charter halibut fisheries in Areas 2C (Southeast) and 3A (Southcentral). The Pacific halibut resource is fully utilized and harvest by the charter sector is demonstrating steady growth. To provide long term stability of the charter sector and lessen the need for regulatory adjustments, the Council is considering a permanent solution to allocations between the charter and commercial sectors. In the interim, to address allocation issues between the charter and commercial sectors, the former is operating under a guideline harvest level (GHL). Harvest data since 2004 indicate that the GHLs in Area 2C have been exceeded by as much as 40 percent and have been exceeded in Area 3A by 8 percent. As part of a suite of measures to control charter harvest, the Council is considering a moratorium on entry into the charter sector.

At this meeting, the Council will review the initial draft of an analysis that examines two alternatives to limit entry into the charter fisheries. One alternative would take no action (status quo). The second alternative would implement a moratorium on entry into the charter sector, as of December 9, 2005. Permits would be issued to persons based on minimum threshold levels of participation and certain eligible communities based on maximum threshold levels of charter halibut participation in those communities. Both types of entities would be subject to use caps. The analysis was distributed on January 19, 2007; an executive summary is attached as **Item C-4(b)**. A revised environmental assessment will be available at the meeting. If approved for public

review, the Council could take final action in March/April 2007. Limited entry permits would be issued for the 2009 season, at the earliest, due to the necessary rulemaking and application/appeals process.

Work plan for revised GHL analysis

In December 2006, the Council rescinded its April 2006 preferred alternative for a 5-fish annual charter halibut limit in Area 2C to reduce harvests after receiving a recommendation by NMFS to rescind its action based on high implementation costs. This action was initially selected due to a 22 percent overage of the 1.432 M pound GHL in that area in 2004. By 2006, harvests exceeded the Area 2C GHL by more than 40 percent. The Council requested that the previous analysis to reduce charter halibut harvests to the Area 2C GHL be augmented by adding a number of proposed management measures to the original analysis. Proposed measures follow. The intent is that these measures can be additive to achieve the needed level of harvest reduction.

- 1) 1 trip per vessel per day;
- 2) no retention of halibut catch by skippers and crew;
- 3) annual catch limits of: (i) 4 halibut, (ii) 5 halibut;
- 4) 1 fish bag limit for June, July, August, or entire season;
- 5) trophy size limit for second fish of: (i) 45 inches, (ii) 50 inches, (iii) 55 inches, or (iv) 60 inches;
- 6) season closure date of: (i) August 15, (ii) August 31, (iii) September 15;
- 7) day of the week closure (pick a specific day); and/or
- 8) minimum size limit of 32 inches.

Initial review of the draft analysis is scheduled for April 2007 and final action is scheduled for June 2007. Jane DiCosimo and Jonathan King (Northern Economics) will present the work plan for preparing the analysis to the SSC (attached as Item C-4(c)), in order to get their input prior to completing the analysis for AP and Council review.

Report of the Scientific and Statistical Committee

The SSC recommended against releasing the draft moratorium analysis for public review at this time, providing the analysts with recommendations for additional analysis and issues that should be addressed. Please see the SSC Minutes, Appendix II to these minutes, for the full set of comments and recommendations.

With regard to the workplan for a revised GHL analysis, the SSC pointed out comments made in reference to previous analyses for a proposed charter GHL or moratorium indicating that in the opinion of the SSC, most of the management measures being considered would not be effective in constraining and reducing sport halibut harvest. The SSC pointed out that the current workplan for analysis to limit IPHC Area 2C charter halibut harvests is similar to those provided in previous years; however, the SSC determined that the 2001 draft GHL analysis could serve as a good template for development of a new analysis. The SSC provided the analysts with recommendations and also recommended to the Council that it seriously consider extending the analysis to Area 3A.

Report of the Advisory Panel

The AP recommends the Council approve initial review of the moratorium analysis for final action in March 2007 with the following additions:

Issue 5: Include a sub-option for disallowing transfers of issued permits for individual vessels that qualified at trip levels less than 10, 15, or 20 trips as reported in the ADF&G logbook.

Issue 7: Include a sub-option on the maximum number of clients a vessel is endorsed to carry. Area 2C: 6, 10, or 15. Area 3A: 10, 15, 20, or 25.

Issue 10: Include a sub-option of 15 for minimum trips to qualify a vessel.

Issue 12: Include an option requiring use of the requested CQE permit in the community represented by the CQE. Use shall be defined as beginning and/or ending of the permit trip in the represented community.

The AP recognizes that the CQE provision is not addressed in the problem statement and may appear to contradict the goals of the moratorium. The AP recommends adding language to the problem statement clarifying the Council's intent for inclusion of the CQE provision in the moratorium program.

The AP recommends the following change in Issue 2: ***Permit would be designated for ~~either~~ Area 2C and/or Area 3A. If a business owner qualified for a permit in both areas, he would be issued a permit endorsed for ~~only one area of his choosing~~. both areas.***

COUNCIL DISCUSSION/ACTION

Regarding the Pacific Council's halibut catch sharing plan, Council staff will work with contacts within the Northwest Region to gather information and provide the Council with a discussion paper on the plan and how a similar plan might be devised for Alaska. In response to the misconception that changes can be made quickly and without the analysis process normally required for regulatory changes, John Lepore assured the Council that the Pacific Council does have to comply with the normal regulatory process. However, he pointed out that the scope of any analysis for changes may be more limited because the main issues were analyzed for the basis of the original plan.

Moratorium

Denby Lloyd moved to approve the recommendations of the Advisory Panel with the exception of the last portion regarding Issue 2, [relating to permit endorsements].

Mr. Lloyd moved the following additions:

- 1) The following be added to the end of the problem statement since the problem statement fails to address issue 12:
In so doing, however, the Council is also concerned with maintaining access to the halibut charter fishery by small, rural, coastal communities. To address this, the Council is considering establishing a separate program to allow these communities to enter the halibut charter fishery.
- 2) Under Issue 2, modify the language to read: *If a business owner qualified for a permit in both areas, he would be issued a separate permit for both areas.* Also, add a requirement that an operator could only fish 1 permit (area) on any trip.
- 3) Under Issue 12
 - delete the words "and the year prior to implementation" from the first sentence
 - add a provision that would require the CQE to identify the recipient of the permit prior to issuance.
 - delete the words "must be used in the first full season after receiving the permit or it will not be renewed."
 - Add 7 as an option for analysis for use caps for Area 3A.

- 4) Request staff work with the SSC to address significant issues raised in their minutes.

Additionally, the Council adopts the following as its preferred alternative:

Issue 1: Who can hold a permit?

Permits may be held by U.S. citizens or U.S. businesses with 75% U.S. ownership of the business. Businesses may receive multiple permits due to charter halibut activity by vessels reported by the business in ADF&G logbooks. Initial permit recipients may be grandfathered below the U.S. ownership level and above proposed use caps until any change in ownership of the business occurs.

Issue 2: Permit area designation

If a business owner qualifies for a permit(s) in both areas, the owner would receive a separate permit for each area. Only 1 permit could be used on any given trip.

Issue 3: Who would be issued a permit?

A licensed guide business operator

Issue 4: Application process

An applicant would be required to sign an affidavit attesting that all legal requirements were met.

Issue 5: Permit transfers

Allowed up to use caps.

Issue 6: Permit leasing

Do not allow leasing. .

Issue 7: Permit endorsement (allowed number of clients on board a permitted vessel)

Area 3A: Minimum endorsement 4, maximum endorsement 20

Area 2C: Minimum endorsement 4, maximum endorsement 8

Issue 8: Permit stacking

Allowed up to use caps

Issue 9: Evidence of participation

ADF&G logbook entry with bottomfish statistical area, rods, or boat hours.

Issue 10: Qualification period

Use option 10.1.

Minimum qualifying trips: 10 for both areas, with consideration of 15 for one or both areas depending upon the outcome of the requested AP analysis.

Issue 11: Use caps

5 for both areas.

Issue 12: Community provisions

- **Ability to apply for a permit: 10 or fewer active charter businesses terminating trips in the CQE community**
- **Use caps (# of free permits issued): 5 per community for both areas, with consideration of 7 in Area 3A depending upon recommended analysis**
- **Overall use caps (number of additional permits a community could buy): multiplier of 2 times the CQE requested permit use caps for each area**
- **Use provision: Must terminate a trip in the CQE community.**

The motion was seconded.

Dave Hanson moved to bifurcate the motion to address the ‘preferred alternative’ section separately. The motion was seconded by Bill Tweit and carried without objection.

The Council discussed and amended the first portion of the motion, to adopt AP recommendations, with additional changes as listed in the written motion.

Gerry Merrigan moved to amend the problem statement to clarify that the moratorium is to provide an interim measure of stability in the guided sport sector during the step-wise process toward a long-term solution. The motion was seconded and carried without objection.

During discussion, it was pointed out that the provisions in the motion are additional to current options and would not prevent the Council from choosing other options in the analysis when choosing final provisions.

Regarding clarification of implementation issues requested by staff, Mr. Tweit asked whether staff needed those clarifications within the context of the current action or at a later meeting. Ms. Kimball responded that staff would not need clarifications at this meeting, but some discussion may be helpful to the public.

John Lepore noted that there may be additional implementation issues needing clarification. Referring to the issue of interim permits mentioned on page 91 of the analysis, Mr. Lepore clarified that there is no legal requirement under the Administrative Procedures Act for NMFS to issue interim permits to applicants that have been denied. That would only occur when there is a continuing action and in this situation the Federal government was not the issuing body.

Gerry Merrigan moved to amend Issue 12, to delete the words “and the year of implementation” from the first sentence, and add an additional option for community eligibility: ‘. . .communities that have 5 or fewer, or 10 or fewer active charter businesses which terminated in the community in each of the years 2004 and 2005. The motion was seconded by Dave Benson.

During discussion that pointed out similarities in the main motion, Mr. Merrigan stated that his intent would be to retain the original options of looking at the years 2004 and 2005 and the first year of implementation, as well as what the main motion contains.

Mr. Lloyd pointed out that the reason he did not include the ‘year of prior to implementation’ is because that is not known and would be difficult to analyze.

The amendment failed, 8 to 3, with Benson, Bundy and Merrigan voting in favor.

Bill Tweit moved to amend to include an option under Issue 6 to require permit holders to authorize users, restrict authorization, and limit the number of permits a user could be authorized to use. The motion was seconded, but withdrawn after discussion clarifying that this could be handled administratively.

During discussion of the amendment, it was pointed out that Issue 6 currently does not allow leasing at all. This amendment would still not allow leasing but would determine the criteria that would allow a permit holder to designate who could use their permit under certain circumstances, such as breakdowns.

Mr. Lloyd explained that to address the issue of breakdowns and other reasons a permit holder may need to transfer the permit temporarily, the State would require that the moratorium permit be recorded in the vessel logbook, which the State will modify to include that requirement.

The final motion, as amended, carried without objection.

Council members noted that the motion included a recommendation that the SSC's comments be addressed to the extent possible, however, the Council felt that most of the comments were more relevant to the long-term solution.

Preliminary Preferred Alternative

During discussion of use caps and the grandfather provision for those already above the caps, the Council wished to make it very clear that an associated footnote explaining this provision in more detail should be prominently associated with the provision so that there is no misunderstanding regarding the continued exemption, or loss of it, upon the sale of a business.

Dave Benson moved to amend Issue 3, as follows: A ADF&G licensed fishing guide business operator. The motion was seconded and carried without objection.

Dave Hanson moved to add a suboption under Issue 8 (Permit Stacking), as follows: Those who are above the cap during 2004-05 could continue to fish with that number until such time as any type of transfer occurs, at which time it would revert back to the maximum cap. The motion was seconded by Dave Benson and carried without objection.

Mr. Lloyd requested that staff provide the Council with the number of vessels that had past performance above the maximum endorsement limits in the analysis so the Council will have the relevant information when taking final action.

Eric Olson moved to amend Issue 12: Amend the "Use Provision" to read" Must originate or terminate a trip in the CQE community. The motion was seconded and carried without objection.

Eric Olson moved to amend Issue 12, "Use caps (# of free permits issued)," as follows: Include additional option of 10 permits in Area 3A. The motion was seconded and carried with Bundy objecting.

Gerry Merrigan moved to amend Issue 12, "Use caps (# of free permits issued)," as follows: Include additional options for Area 2C of 4 or 5 permits. The motion was seconded and carried without objection.

The main motion, as amended, carried without objection.

Gerry Merrigan advised that, based on public comments and those from the SSC, he would like to provide notice to the public that the Council may consider initiating analysis of management measures for Area 3A at the next Council meeting, to either combine with the existing 2C analysis or taking them sequentially, based on Council discussions and staff input.

The Council also had a brief discussion of the recent actions by the IPHC to revise bag limits in the halibut charter fishery. Mr. Lloyd asked whether there is an opportunity to amend the action on the one-fish bag limit that might possibly achieve the same objective without being quite so onerous on the charter sector. Ms. Salvesson noted the Secretary will proceed to approve the commercial quotas but may defer a decision on the bag limits in order to have more time to assess the implications. However, if the Secretary should decide to approve an alternative approach, the normal rulemaking process would have to be initiated. NMFS will be discussing available options with ADF&G and report back to the Council at the next meeting.

C-5 Trawl LLP Recency

ACTION REQUIRED

Report on preliminary findings of the analysis.

BACKGROUND

This action is intended to address latent capacity by trawl CV LLPs and trawl CP LLPs in the BSAI and GOA groundfish fisheries.

As a part of the presentation concerning this action, the Staff will present a short discussion paper to the Council (Item C-5(a)) summarizing the various actions currently before the Council that are intended to modify the License Limitation Program (LLP). These include this action, the BS and AI split for Pacific cod (which includes options to revise Bering Sea and Aleutian Islands area endorsements on all licenses), and GOA Groundfish Management Issues (which could include options to remove latent LLPs from Gulf of Alaska fisheries). The paper is intended to advise the Council concerning potential coordination of these different actions.

Staff also will present a discussion paper concerning various aspects of the ongoing analysis of this action (Item C-5(b)). The presentation will be a progress report that describes preliminary findings of the analysis to date. Staff will focus on three specific areas in the presentation. First, NOAA Fisheries has expressed a concern that attributing catch to a license for any time prior to 2000 will complicate implementation of this action substantially. Due to this complication, NOAA Fisheries has suggested that the Council favor options that include catch history from 2000 forward. Second, preliminary results of the analysis showing the number of LLPs that would be excluded under the different alternative and option selections will be reviewed. Third, a short review of the potential economic effects of the alternatives will be presented.

The information presented at this meeting should allow the Council to begin consideration of their preferences for this proposed amendment, and provide the opportunity to revise the alternatives, based on available information.

Staff is still working to complete the Draft RIR/EA/IRFA for initial public review. We will initiate that review at the March/April meeting.

The Scientific and Statistical Committee did not address this agenda item.

Report of the Advisory Panel

The AP recommends the analysis move forward for public review with the following changes/additions:

Component 3 will exclude LLPs originally issued to vessels qualified under the AFA and LLPs assigned to an AFA vessel between January 1, 2002 and February 6, 2007, provided the exclusion only applies when the LLP is assigned to an AFA vessel.

Option 1. Exclude LLPs from qualifications in the BSAI and GOA

Option 2. Exclude LLPs from qualifications in the BSAI only

In Component 5, under each option, the following suboptions should be used:

- a. 250 mt
- b. 500 mt
- c. 1000 mt

Component 4.5

Option 1. Exempts LLPs from the landing requirement to retain their CGOA endorsements, and WGOA endorsement only for the purpose of harvesting sideboard species, if the LLP qualifies for the CGOA and rockfish pilot program.

COUNCIL DISCUSSION/ACTION

Denby Lloyd moved to request Council staff to develop a discussion paper to evaluate how the elimination of endorsements under this program will impact access to allocations and sideboard amounts under AFA, Amendment 80, and the rockfish pilot program. The motion was seconded.

Mr. Lloyd told the Council that he believes the Council needs to fully understand the interactions of LLP endorsements in the various fishery rationalization programs before it can begin to develop appropriate elements and options for an analysis. Mr. Lloyd said he did not think that the discussion paper would slow down the overall amendment package.

Ms. Madsen pointed out that the Council initiated at the last meeting a discussion paper on sideboards and suggested that staff determine whether there is a duplication of effort and if there is interplay between the two papers. Staff can determine whether they can be combined into one paper.

Bill Tweit moved to amend the current options in the analysis as follows:

A. Retain Component 5 within the trawl recency analysis.

B. Narrow the options within Component 5 as follows;

1. For Non-AFA vessels <60' to receive an AI trawl endorsement, consider landing thresholds in the AI parallel cod fishery between 2000 and 2005 of at least:

- a) 50 tons
- b) 250 tons
- c_ 500 tons

2. For non-AFA vessels >60' to receive an AI trawl endorsement consider landing thresholds of at least one landing in the AI parallel or State water cod fishery between 2000 and 2006 (or the most recent data available) plus landings in the BSAI cod fishery between 2000 and 2005 of at least:

- a. 500 tons
- b. 1,000 tons

The motion was seconded.

It was clarified that this motion refers to options for Council review and action in the current analysis, as outlined in the Council notebooks. Mr. Lloyd pointed out that if this motion carries it may complicate the analysis and he would like to have the discussion paper determine how this would affect his approach, the complexity, and other aspects of the analysis with regard to timing.

Mr. Tweit's motion carried, with one objection (Merrigan).

The main motion, as amended, carried without objection.

Sue Salveson moved to request that NMFS develop a discussion paper on the effect of the different alternatives for gear and area endorsements criteria on the LLP program, the process necessary to support the alternatives under consideration and preliminary assessment of implementation issues. The motion was seconded and carried without objection.

Bill Tweit moved to amend the problem statement, adding the following at the end of the second paragraph: "It is not the intent of this action to eliminate AFA vessels' access to BSAI pollock."

The motion was seconded and failed, 8 to 3, with Benson, Tweit and Salveson voting in favor. At least one Council member indicated that they would not feel comfortable voting to change the problem statement until the Council has reviewed the requested discussion papers.

For the record, Mr. Tweit noted that it would be helpful if the tables requested in the discussion papers/analyses would look at impacts by region and that it would be helpful to see regional distributional impacts within the fisheries under the Council's jurisdiction.

C-6 BS and AI Pacific Cod Split

ACTION REQUIRED

- (a) Review BS and AI split for Pacific cod discussion paper
- (b) Report on Pacific cod genetics study (SSC only)

BACKGROUND

BS and AI Cod Split

In October 2006, the Council requested staff continue to refine the discussion paper regarding apportionment of BSAI Pacific cod sector allocations between the BS and AI subareas, should the TAC be split in the future. The updated discussion paper is attached as Item C-6(a). Included in the updated discussion paper is 2004 and 2005 retained catch data and Pacific cod destined for fishmeal production. In addition, the paper includes a discussion of an option added in October that changes separate Bering Sea and Aleutian Islands LLP area endorsements into an area-wide endorsement for the Pacific cod fishery.

Pacific Cod Genetics

Approximately 4,200 samples from Pacific cod were obtained from eight geographic locations in waters of Washington, Alaska, and Japan. Greater stock discretion in Pacific cod has been shown than previously recognized. Strong genetic divergence between Asian and North American samples and the isolation-by-distance pattern exhibited by the latter group suggest restricted

spatial dispersal. Once more extensive geographic screening is complete, a more specific recommendation regarding harvesting or targeted research will be possible. A no-cost extension of this Sea Grant project has been granted until May 2007, which will enable processing at least two samples of potential relevance for evaluating stock structure within the BSAI: one taken from the western Aleutian Islands in 2005 and another from the Pribilof Islands that is planned for this spawning season. A proposed continuation of this project as a component of the Bering Sea Integrated Ecosystem Research Program, under development for submission to the North Pacific Research Board, would allow for more extensive, directed sampling within and between management regions. Supplemental samples from Pacific cod fisheries conducted in the Aleutian Islands and in Russian waters are also being sought. The full report is under Item C-6(b).

Report of the Scientific and Statistical Committee

The SSC addressed the issue of cod genetics, receiving two reports on cod stock structure. The SSC noted that the differences between the western Aleutians and the rest of Alaska suggest a possible stock boundary within the Aleutians rather than between the Aleutians and the eastern Bering Sea and agreed this would be consistent with the oceanography of the region. The SSC recommended that genetic samples from the western Aleutians be collected to determine the kinship of those fish, and that Alexei Orlov be contacted about recent genetic work on cod in Russian waters. The SSC also encouraged further study of differences in biological features among the eastern, central, and western Aleutians, taking into account of environmental and fishery influences in each region. While stock structure between the eastern Bering Sea and the Aleutians remains unresolved, future stock assessments should account for observed differences in size-at-age between regions.

Report of the Advisory Panel

The AP recognizes that until BSAI and GOA Pcod LLP issues are further developed and the universe of participants are identified, further analysis of the BSAI split scenarios is highly theoretical.

Additionally the effects of restructuring fisheries under AM80, AM85, cod stock biological data, and the impacts of further information through the SSL consultation process, have not yet been realized. The AP recommends Council direct staff to address points raised in public comment in the next release of the document.

Specifically, the AP requests the Council direct staff to:

1. Incorporate observer data for sectors where it is considered the best available information.
2. Address the effects of AM85 sector allocations. For example, the resulting loss of access to Pcod on the AM80 sectors' ability to prosecute BS and AI fisheries under various BSAI split options.

COUNCIL DISCUSSION/ACTION

During the staff report on the analysis, Ms. Salveson asked for clarification regarding the inclusion of fish meal data in the tables. Staff responded that Council has asked for this information in the past and that Council members may choose whether or not to use this information in making decisions.

Denby Lloyd suggested that, given AP recommendations and until the biological issues are more developed and SSC comments more thoroughly investigated, the Council may want to revisit this issue later. In the interim, the Council may want to pay attention to the possibility of an area split to be included in the discussions of the SSL Mitigation Committee.

Ed Rasmuson moved to postpone discussion of this issue until February 2008, pending additional information and guidance provided by the SSL Mitigation Committee. The motion was seconded by Denby Lloyd and carried without objection.

C-7 GOA P. Cod Sector Split/LLP Recency

ACTION REQUIRED

For Gulf Pacific cod sector splits

Develop Purpose and Need Statement and Alternatives for Analysis

For Gulf LLP recency action

Develop Purpose and Need Statement and Alternatives for Analysis

BACKGROUND

At its December 2006 meeting, the Council elected to defer any action on the Gulf rationalization program due to several factors, including the reauthorization of the Magnuson-Stevens Fishery Conservation Act (MSA) and a request from Alaska's newly elected governor. The Council expressed its intent to defer action, at least until regulations are developed implementing the revisions to the MSA. To address concerns expressed by participants in the Gulf fisheries during this hiatus, the Council tasked staff to develop a discussion paper exploring the goals, objectives, elements and options to divide the Gulf of Alaska Pacific cod fishery among various sectors. In addition, the Council requested staff to develop a discussion paper that would be used to initiate an action to identify latent licenses for removal from the non-trawl sector fisheries in the Gulf.

The first section of the attached discussion paper (Item C-7(a)) examines potential issues that could be identified in a purpose and need statement for the action to divide the Pacific cod in the Gulf among different sectors. The paper lists different options that could be included in analysis, which should address needs identified in the purpose and need statement. The options should specify the areas (i.e., Central Gulf and Western Gulf) and sector definitions (including possibly gear and operation type distinctions). Assuming that the Council wishes to define the allocations based on catch histories, years used to define that history will need to be specified. The Council may also wish to consider provisions that supplement allocations for some sectors to allow for growth and provisions that allow for full harvest, in the event a sector does not take its entire allocation (i.e. opening an allocation to other sectors or rollovers).

The second section of the paper discusses the LLP recency action, starting with a discussion of the purpose and need for the action. The paper goes on to discuss potential alternatives, including sectors to be included in the action, years used for defining recent participation, and catch or landing thresholds that could be applied. The Council should consider whether this action will be used to redefine the LLP sectors. Currently, the LLP qualifies vessels to participate in fisheries using either trawl or non-trawl gear (or both). Licenses carrying a catcher processor endorsement may operate as a catcher processor or catcher vessel, while licenses with a catcher vessel designation may only operate as a catcher vessel. The LLP also defines areas that a person may enter, in which any authorized gear or operation type may be used for any groundfish species (except sablefish). The Council could choose to further refine the system of designations and endorsements. For example, the Council could elect to subdivide the non-trawl designations, so that licenses with exclusively pot history would be permitted to fish only pot gear and licenses with exclusively longline history would be permitted to fish only longline gear.

The **Scientific and Statistical Committee** did not address this agenda item.

Report of the Advisory Panel

The AP recommends the Council place the GOA LLP license limitation program in a separate amendment package.

PURPOSE AND NEED GOA LLP license limitation program

The proposed amendment would apply threshold landings criteria to fixed gear fisheries in the WGOA and CGOA. The intent of the proposed amendment is to prevent latent fixed gear groundfish fishing capacity that has not been utilized in recent years, from future entry or re-entry into fisheries that are fully utilized.

The rationale for this action is concern over the impacts that possible future entry of latent effort would have on LLP holders that have exhibited participation in, and dependence on, the fixed gear groundfish fisheries. Fixed gear vessel owners who have made significant investments, have long catch histories, and are dependant on WGOA and CGOA groundfish resources need protection from those who have little or no recent history and who have the ability to increase their participation in the fisheries.

This requires prompt action to promote stability in the fixed gear sectors of the GOA groundfish fisheries until comprehensive rationalization can be completed.

It is extremely important that this proposed action is implemented concurrently with the GOA Pcod sector splits which are currently under consideration.

PURPOSE AND NEED GOA Sector Split for Pacific Cod

The Gulf of Alaska (GOA) Pacific cod resource is fully utilized. All gear sectors – jig, longline, pot, trawl, catcher vessels and catcher processors, are fully subscribed. The North Pacific Fisheries Management Council has been unable to complete a comprehensive rationalization management plan for the Central and Western GOA. The GOA Pacific cod fisheries have the largest number of participants of any Alaska groundfish fisheries.

The GOA Pacific cod TAC is not subdivided by gear type or between catcher vessels or catcher processor vessels. The result is that there is an intense race for fish between sectors and between harvesters within sectors.

Since the TAC is not divided by gear type, each sector is unable to develop an appropriate management regime for their sector. Also, when all sectors fish at the same time gear conflicts occur.

Competition for the GOA Pacific cod resource has increased for a variety of reasons, including increased market value of cod products, rationalization of other fisheries in the BSAI and GOA, increased participation by fishermen displaced from other fisheries, a reduced federal TAC due to the state waters cod fishery, and Stellar Sea Lion mitigation measures including the A/B seasonal split of the GOA Pacific cod TAC.

The purposes of the proposed action include elimination of the race for fish between sectors and provision of economic stability for the participants in the GOA Pacific cod fishery who have significant fishery investments and long-term dependence on the resource. Sector allocations will be based on historic dependence, catch history and other socio-economic factors. Allocating

Pacific cod amongst sectors will give the sectors additional flexibility to address management needs. Prompt action is needed to promote stability within the GOA cod fishery until comprehensive rationalization or other appropriate management measures can be put in place.

GOA Sector Split for Pacific Cod Components and Options

Component 1 – Area

Pacific cod sector split in CGOA & WGOA

Component 2 – Identify and define sectors

Trawl CP

Trawl CV

H&L CP

H&L CV

Pot CP

Pot CV

Jig

Optional vessel length subdivision for sectors:

- a) Pot CV sector: <60 ft and >=60 ft
- b) All CP sectors: <125 ft and >=125 ft

Component 3 – Qualifying catch

Option 1) For purposes of determining catch history, “catch” means retained legal catch. A sector’s catch history includes all retained legal catch from both the Federal fishery and parallel fishery in the CGOA and WGOA. This includes retained legal catch from both LLP and non-LLP vessels.

Option 2) For purposes of determining catch history, “catch” means retained legal catch excluding fish meal. A sector’s catch history includes all retained legal catch excluding fish meal from both the Federal fishery and parallel fishery in the CGOA and WGOA. This includes retained legal catch excluding fish meal from both LLP and non-LLP vessels.

Option 3) For purposes of determining catch history, “catch” means Pcod catch retained when the Pcod fishery is open for directed catch. A sector’s catch history includes all Pcod catch retained when the Pcod fishery is open for directed catch from both the Federal fishery and parallel fishery in the CGOA and WGOA. This includes retained legal catch when the Pcod fishery is open for directed catch from both LLP and non LLP vessels.

The analysis will also provide each sector’s catch history based on total catch (retained and discarded) where practicable.

Component 4 – Sector catch histories

The AP recommends the Council adopt the following option for determining catch histories:

Each sector is allowed to choose their best 5 or 7 years (as a percentage of TAC) from the years 1995-2005 to obtain an average % of TAC for that sector. The sector split would then be based on the relative comparison of these averages.

- Example 1. Trawl fleet has a 7 year average % of TAC of 65%
2. Pot fleet has a 7 year average % of TAC of 50%

3. Longline fleet has a 7 year average % of TAC of 25%
 4. Jig fleet has a 7 year average % of TAC of 15%
- Total % of TAC is 155%

Trawl sector split is 65/155 of annual TAC
Pot sector split is 50/155 of annual TAC
Longline sector split is 25/155 of annual TAC
Jig sector split is 15/155 of annual TAC

**Decrease the trawl allocation by the allocation to the CGOA rockfish pilot program (during the tenure of that program).

Component 5 – Allocation to Sectors: Allocations to sectors are to be based on catch history (Component 4) except for the jig sector.

Component 6—Allowing harvest of an allocation by other sectors
Trawl sector – when the trawl sectors reach their final allocation of halibut PSC for the year

1. CV trawl sector allocation available to other CV sectors
2. a. CP trawl sector allocation available to other CP sectors
- b. CP trawl sector allocation available to both CP and CV sectors (CV sector catch accounts to other CV sector allocations first before accounting to the CP sectors allocation)

Longline sector – when the longline sectors reach their final allocation of halibut PSC for the year

1. CV longline sector allocation available to other CV sectors
2. a. CP longline sector allocation available to other CP sectors
- b. CP longline sector allocation available to both CP and CV sectors (CV sector catch accounts to other CV sector allocations first before accounting to the CP sectors allocation)

COUNCIL DISCUSSION/ACTION

Denby Lloyd moved that the Council segregate the two issues—the sector split for Pacific cod from the LLP latency issue, for further discussion. Additionally, the Council would take no action on either issue at this meeting, but invite public comments for further refinement and amplification of the problem statements and elements and options for the next meeting. The motion was seconded.

Mr. Lloyd said that while the AP has provided fundamentals as a starting point, there are still a number of issues that need to be more fully fleshed out with industry input and further Council discussion. Regarding staff work, Mr. Lloyd said his direction would be for staff to provide an action memo for further clarification of the issues.

Sue Salvesson moved to amend to task staff to develop another refined problem statement based on the elements of the Advisory Panel motion, pulling together recommendations made during public comment in order for the Council and public to review and comment on. The motion was seconded and carried without objection.

The main motion carried, as amended, carried without objection.

Mr. Merrigan suggested that the Council newsletter should review the Council's discussion on this issue, perhaps outlining the Advisory Panel's recommendations. Staff indicated that it would be noted that the Council received the recommendations but took no action on them at this meeting.

C-8 VMS Requirements

ACTION REQUIRED:

Preliminary initial review of EA/RIR/ IRFA

BACKGROUND:

In December 2005, the Council initiated an analysis to increase the number of commercial fishing vessels operating in the EEZ off Alaska that are subject to requirements to carry a transmitting VMS. A VMS combines a global positioning system (GPS) and a radio, and sends periodic signals to overhead satellites so the location of the vessel carrying it can be tracked remotely.

The alternatives for analysis were developed over several meetings in 2006. The Council reviewed a preliminary draft analysis in October and requested additional information and analysis. A revised draft was distributed to you in mid-January. The executive summary is attached as Item C-8(a). Dr. Ben Muse (NMFS) will be on hand to present the results of this analysis.

Additionally a letter from Jeff Passer NOAA enforcement is attached for your review and consideration (Item C-8(b)).

Report of the Scientific and Statistical Committee

The SSC noted that the analysis addresses the concerns noted by the SSC in its October 2006 minutes. Additionally, the SSC stated that it is clear that extending the VMS requirement to small operators will be burdensome. For that reason the SSC thinks it is important to clearly identify the benefits of the requirement, or the compelling need for it, in the case of all affected vessel types.

Report of the Advisory Panel

Referencing the SSC minutes, public testimony, written comments and AP discussions, there is widespread concern regarding the disconnect between the problem statement and the comprehensive VMS coverage alternatives listed in the EA.

Therefore, the AP recommends that the Council suspend further action on VMS pending the NMFS developing a clear draft problem statement for the Council's consideration. The AP has struggled to match the current problem statement with the proposed alternatives.

The AP further recommends that if a clear and compelling problem statement is adopted by the Council, the amendment package be revised as follows:

1. An additional alternative be identified that would address data acquisition needs through non VMS methodology.
 1. Check in/check out requirements
 2. Expanded fish ticket and landing reports
 3. Revised logbook requirements

The AP further recommends that the analysis look at how issues identified in the problem statement apply to specific fisheries that this program is needed to cover, such as:

- A. Vessels participating in the Norton Sound red king crab fishery.
- B. Vessels fishing CDQ halibut delivering solely in Area 4E and sub-areas.

The AP recommends that expanded VMS programs be Federally funded.

Additionally, the AP would note that the current VMS standards requiring an active VMS for non-fishing activities -- like obtaining fuel, going hunting or moving the vessel in a boat yard -- impose an onerous burden on the fishing fleet and do not further the goals of the VMS program.

Report of the Enforcement Committee

The Committee reiterated its support for a universal VMS requirement for all vessels with an FFP solely based on the benefits for in-season management, enforcement and safety. However, the Committee noted that instances of exemptions may likely occur but any exemptions to VMS requirements should be clear from the start of a fishing year. The Committee also provided comments on portions of the analysis. Please see the Enforcement Committee minutes, Appendix V to these minutes.

COUNCIL DISCUSSION/ACTION

Stephanie Madsen requested that NOAA General Counsel provide information to the Council at a future meeting on a lawsuit regarding VMS regulations on the East Coast. She also asked whether the Coast Guard has authority to implement this type of regulation. LCDR Ragone responded that she did not believe the Coast Guard has that authority.

Gerry Merrigan moved to postpone action on this issue indefinitely. The motion was seconded.

Mr. Merrigan stated that he does not believe that a reasonable problem has been identified and that only one alternative, VMS, has been put forth. He suggested that NMFS and Enforcement should work on identifying problems in specific fisheries and provide possible solutions for those specific problems.

Ms. Salveson noted that she understood the recommendations of the AP and SSC to suggest that NMFS, Enforcement and the Coast Guard should reassess the problem statement to make it more focused and to assess the current alternatives relative to the problem statement and to explore other alternatives which don't involve VMS. She would prefer not to postpone without any direction for further work.

CDR Ragone moved a substitute motion:

The Council is aware of the concerns its Advisory Panel (AP) has about the ongoing analysis of its proposed vessel monitoring system (VMS) action. These include:

- **The AP's concern about a lack of clarity and detail in the problem statement;**
- **The AP's recommendation for an additional alternative providing for non-VMS methods to address the issues in the problem statement;**
- **And other concerns the AP has raised about the set of alternatives,**
 - 1. including the need for clarification of language that appears to require fishing vessels to carry transmitting VMS units when they are engaged in non-fishing activities,**
 - 2. and the AP's recommendation that expanded VMS programs be Federally funded.**

To address these concerns, the Council requests the following by its March-April 2007 meeting:

- The Enforcement Committee is directed to review the existing problem statement and recommend appropriate modifications to the Council. The Council desires a problem statement that is specific enough that it can determine the extent to which alternatives, including possible non-VMS alternatives, can address the problems.
- The Enforcement Committee is directed to review the existing set of alternatives and options in light of any changes it may recommend in the problem statement, and to recommend appropriate revisions to the Council. The Council desires the Enforcement Committee to take this opportunity to review the language of the alternatives and options for clarity and internal consistency. The Council desires the Committee to provide it with recommendations for non-VMS alternative(s) in addition to VMS alternative(s) for addressing the problem statement.
- Staff is directed to provide the Council with a discussion paper providing a survey of VMS programs used elsewhere in the U.S. This discussion paper should identify the problems addressed in each area, and the way different programs addressed these concerns in different areas. The discussion paper should describe issues related to state-federal relations, and the impacts of VMS programs on small fishing operations.

The Council notes that it would be useful for the analysis of a VMS alternative or option to identify specific management needs or potential problems in specific fisheries where VMS could be a useful tool in resolving problems identified in the problem statement.

The motion was seconded and failed, 7 to 4, with Benson Bundy, Tweit and Salveson voting in favor.

The main motion carried, 6 to 5, with Benson, Bundy, Hyder, Tweit and Salveson voting against.

D. FISHERY MANAGEMENT PLANS

D-1 Groundfish Management

ACTION REQUIRED

- (a) Initial review of Dark Rockfish management amendment package
- (b) Review summary of CIE report on rockfish (SSC only)
- (c) Review discussion paper on GOA arrowtooth MRA

BACKGROUND

(a) Dark rockfish EA/RIR/IRFA

An Environmental Assessment, Regulatory Impact Review and Initial Regulatory Flexibility Analysis (EA/RIR/IRFA) has been prepared which describes the proposed amendment to remove dark rockfish (*Sebastes ciliatus*) from the GOA and BSAI groundfish FMPs. This analysis was mailed to you on January 22nd. This species is currently contained in the pelagic shelf rockfish (PSR) assemblage in the GOA and in the other rockfish complex in the BSAI. It comprises a small proportion of the total biomass in each complex, is more often found in nearshore waters, and is caught in State fisheries. Removing this species from these FMPs would turn management for this species in both State and Federal waters over to the State of Alaska.

Two actions are analyzed in this document with two alternatives for each action: Action 1 refers to the GOA groundfish FMP. Under this action there are two alternatives: Alternative 1, to

continue managing dark rockfish within the larger pelagic shelf rockfish complex; and Alternative 2, to remove dark rockfish from the GOA FMP and turn over to the State of Alaska for management. Action 2 refers to the BSAI groundfish FMP. Under this action there are also two alternatives: Alternative 1, to continue managing dark rockfish within the other rockfish complex; and Alternative 2, to remove dark rockfish from the BSAI FMP and turn over to the State of Alaska for management.

There is limited impact in the Federal fishery of removing this species from either FMP. Dark rockfish comprise a small proportion of the total biomass in the GOA PSR assemblage, which is dominated by the target species, dusky rockfish. Impacts to other PSR stocks as well as other groundfish stocks are minimal due to the relatively minor contribution to the overall exploitable biomass from the dark rockfish stock. In the BSAI Dark rockfish makes up a very minor component of the total biomass in the other rockfish complex. This is not a target fishery, and retained catch is dominated by shortspine thornyhead rockfish and dusky rockfish. These two species make up the majority of the biomass in the complex.

Management of dark rockfish by the State is anticipated to be an improvement over Federal management within the PSR complex due to the State's ability to manage this stock as a single stock and on smaller management areas to protect against the potential for localized depletion. There are no anticipated impacts to marine mammals, seabirds, threatened or endangered species, habitat or the ecosystem.

This action is scheduled for initial review at this meeting. The executive summary of the analysis is attached as Item D-1(a)(1). A figure which was missing from the document (Figure 3-5(e)) is attached as Item D-1(a)(2) and a supplemental section for inclusion in the document is attached as Item D-1(a)(3).

(b) CIE Report on rockfish (SSC only)

A review of the rockfish assessments was conducted by the Center for Independent Experts (CIE) in June 2006. A summary report is attached as Item D-1(b)(1). Copies of reports by individual reviewers will be distributed to the SSC, and will be included in the reference books at the back of each meeting room. Comments on the CIE recommendations by the joint Groundfish Plan Teams were provided at the October 2006 meeting Item D-1(b)(2). At that time, the SSC decided to schedule its discussion of these reviews for the February 2007 meeting. A response by the NMFS Alaska Fisheries Science Center Rockfish Working Group is under Item D-1(b)(3).

(c) Discussion paper on GOA arrowtooth MRA

In October, 2006, the Council moved to evaluate a proposed change to the maximum retainable allowance (MRA) for the arrowtooth flounder target fishery in the GOA. This is the only fishery in the GOA where MRAs are set at zero for all species. The MRA was initially structured this way as there was limited targeting of arrowtooth flounder and measures put in place to prevent utilizing the arrowtooth fishery as a 'ballast' for retaining catch of other species. Since then, a fishery for arrowtooth flounder has developed in the GOA, but is still limited by the restrictive MRA. A discussion paper has been prepared by NMFS staff which evaluates proposed changes to the MRA for this fishery. This paper is attached as Item D-1(c). NMFS staff will be available to review this paper.

Report of the Scientific and Statistical Committee

Dark Rockfish Management

The SSC noted that one of its concerns identified in the April 2006 minutes was the extent to which dark rockfish is truly a nearshore species given the relatively high catches in the 2005 NMFS trawl survey in offshore waters near the Shumagin Islands. This uncertainty still exists. However, the SSC recommended that the initial draft be released for public review and comment after corrections and enhancements recommended by the SSC (see SSC Minutes, Appendix II to these minutes for the full set of recommendations).

Review of CIE Rockfish Report

This was an informational report for the SSC. The SSC stated that, on the whole, the review provides a strong endorsement of the current rockfish stock assessment approach, and stressed its support for the current process of having the stock assessment scientists make the ABC recommendations. Please see the SSC Minutes for full comments on this issue.

GOA Arrowtooth MRA

The SSC received an informational report from NMFS staff and noted that the trends reported may have important implications given the significance of arrowtooth flounder in the GOA ecosystem.

Report of the Advisory Panel

Dark Rockfish

The AP recommends the Council request staff incorporate the comments and recommendations of the SSC, and prepare the document for public review.

Arrowtooth MRA

The AP recommends the Council add to the analysis an option for a higher P. cod MRA (20%). An MRA higher than 5% would not be implemented until the P. cod sector splits are in place.

The AP recommends the Council move forward with an analysis of arrowtooth flounder MRA adjustments for initial review.

COUNCIL DISCUSSION/ACTION

Dark Rockfish

John Bundy moved to approve the recommendations of the Advisory Panel to incorporate the comments of the SSC and release the analysis for public review. The motion was seconded and carried without objection.

GOA Arrowtooth MRA

Roy Hyder moved to approve the recommendations of the Advisory Panel. The motion was seconded.

Sue Salvesson moved to amend to delete the AP recommendation to increase the Pacific cod MRA to 20%, and to move ahead with analysis of MRA adjustments relative to arrowtooth flounder as proposed by the Alaska Groundfish Data Bank, focusing in on the aggregate rockfish percentage at some level, looking at different options for some level at 5% or less. The motion was seconded and carried without objection.

The amended main motion carried without objection.

D-2(a) BSAI Crab Overfishing Definitions

ACTION REQUIRED

- (a) Initial review of BSAI crab overfishing definitions analysis

BACKGROUND

An Environmental Assessment (EA) has been prepared which evaluates proposed changes to the current overfishing definitions for BSAI crab stocks. The proposed action is to establish a set of overfishing levels (OFLs) that provide objective and measurable criteria for identifying when a BSAI crab fishery is overfished or when overfishing is occurring, in compliance with the Magnuson-Stevens Act. The BSAI crab FMP establishes a State/Federal cooperative management regime that defers crab fisheries management to the State of Alaska with Federal oversight. The Magnuson-Stevens Act requires that FMPs specify objective and measurable criteria for identifying when the fishery is overfished (with an analysis of how the criteria were determined and the relationship of the criteria to the reproductive potential of stock). The OFLs are a Category 1 measure in the FMP, and as such revisions to the OFLs require an FMP amendment.

Determinations of total allowable catches (TACs) and guideline harvest levels (GHLs) are a Category 2 management measure and are deferred to the State following the criteria in the FMP. Catch levels established by the State must be in compliance with OFLs established in the FMP to prevent overfishing. NMFS annually determines if catch levels exceed OFLs or if stocks are overfished or are approaching an overfished status. If either of these occurs, NMFS notifies the North Pacific Fishery Management Council (Council) and the Council has one year to develop an FMP amendment to end overfishing and the rebuild the stock.

The purpose of the proposed action is to establish status determination criteria in compliance with the Magnuson-Stevens Act and the national standard guidelines. The current OFLs were implemented under Amendment 7 to the FMP in 1998. In the environmental assessment (EA) for that amendment, the Crab Plan Team stated its intent to review the definitions after 5 years or when environmental conditions have changed such that revising the definitions may be necessary.

Three alternatives are analyzed in the document:

- Alternative 1: (Status Quo) Amendment 7 provided fixed values in the FMP for the status determination criteria: minimum stock size threshold (MSST), maximum sustainable yield (MSY), optimum yield (OY), and maximum fishing mortality threshold (MFMT) for the BSAI king and Tanner crab stocks.
- Alternative 2: Use a tier system and OFL setting process to annually set OFLs for each crab stock. The FMP amendment would specify the tier system and process by which stocks are assigned to tier levels, the OFLs are set, and the timing of the annual review process by the Crab Plan Team, Scientific and Statistical Committee, and Council. In June, the Council would adopt the final tier levels and OFLs for each stock. OFLs would be determined based upon model estimates prior to the summer survey because the Council would adopt the OFLs before the survey.

Alternative 3: Use a tier system and OFL setting process to annually set OFLs for each crab stock. The FMP amendment would specify the tier system and process by which stocks are assigned to tier levels, the OFLs are set, and the timing of the annual review process by the Crab Plan Team, Scientific and Statistical Committee, and Council. OFLs would be calculated after the survey data are available in late August. The Council would review the status of the stocks, the OFLs, and the TACs in October or December.

The analysis reviews the impacts on crab stocks, groundfish incidental catch limits for crab species, seabirds, marine mammals, threatened and endangered species and the economic impacts on participants in the crab fisheries. The executive summary of the EA is attached as Item D-2(a)(1). The full analysis was mailed to you on January 18th. The Crab Plan Team held a special meeting in on November 8, 2006 to provide comments to the analysts on the draft EA. The Crab Plan Team minutes from this meeting are attached as Item D-2(a)(2). The EA has been revised substantially since that meeting. This analysis is scheduled for initial review at this meeting.

Report of the Scientific and Statistical Committee

The SSC recommends that this EA does not go out for public review at this time. Rather, the document should be revised according to comments provided (see SSC Minutes, Appendix II to these minutes) and then reviewed at the June 2007 meeting for release to the public. Delaying until June allows for the Crab Plan Team to review the document at its May meeting. Because of the complexity of the overfishing issue, the SSC believes that the document must be clear in its presentation so that the public understands the alternatives being proposed, along with their limitations and advantages. The recommendations by the SSC concern mainly organization, clarification, and rationale, not analytical flaws. Nevertheless, until these clarifications are made, the SSC is unable to validate that the analyses constitute best scientific information available.

Report of the Advisory Panel

The Advisory Panel agreed with the SSC's comments on the EA and recommended that it not be released for public review at this time.

COUNCIL DISCUSSION/ACTION

Denby Lloyd moved to approve the recommendations of the AP: do not send the EA out for public review at this time; send the EA back to the Crab Plan Team along with the recommendations of the SSC. The motion was seconded by Ed Rasmuson and carried without objection.

D-2(b-d) BSAI Crab Processing/Use Caps/18-mo. Review

ACTION REQUIRED

- (b) Discussion paper on use cap exemption for Aleutian Islands custom processing**
- (c) Discussion paper on BSAI crab vessel use caps**
- (d) Proposed contents of the 18-month review**

BACKGROUND

Discussion paper on use cap exemption for Aleutian Islands custom processing

The recent reauthorization of the Magnuson Stevens Act (MSA) included a provision to exempt custom processing in the North region of the Bering Sea *C. opilio* fishery from processing use caps established under the crab rationalization program. At its December 2007 meeting, the Council heard public testimony requesting that this exemption be extended to include processing of West region shares in the Western Aleutian Islands golden king crab fishery and the Western Aleutian Island red king crab fishery. In response to that testimony, the Council requested staff to prepare the attached discussion paper (Item D-2(b)(1)) describing possible approaches to developing an amendment for this West region custom processing activity and the potential integration of such an amendment with any analysis that would be required to implement the Bering Sea *C. opilio* custom processing exemption included in the MSA reauthorization.

The paper suggests that the analysis of the proposed exemption for the Aleutian Islands fishery could be incorporated into the analysis of the parallel exemption for the Bering Sea *C. opilio* fishery that was included in the MSA. Combining the two analyses will save on staff resources, and could be used to ensure that the two exemptions are interpreted in a consistent manner.

Discussion paper on BSAI crab vessel use caps

At its October 2006 meeting, the Council staff presented a discussion paper concerning the potential elimination of the use cap exemption for vessels fishing cooperative allocations under the Bering Sea and Aleutian Islands crab rationalization program. Under the current program, vessels fishing cooperative allocations are exempt from use caps. The Council expressed concern that the rapid fleet consolidation that occurred under the program in its first year may have displaced crew and caused economic disruption for communities. The Council requested staff to examine a range of caps, from the same caps applicable to vessels fishing individual allocations to caps of 150 percent of the level applicable to vessels fishing individual allocations. The caps that apply to vessels fishing individual allocations are:

- 2.0% for BS *Opilio* crab
- 2.0% BB red king crab
- 2.0% BS *bairdi* crab
- 4.0% for Pribilof red and blue king crab
- 4.0% for St. Matthew blue king crab
- 20% for EAI (Dutch Harbor) brown king crab
- 20% for Adak (WAI) brown king crab
- 20% for Adak (WAI) red king crab west of 179° West longitude

After reviewing the discussion paper and hearing public testimony, the Council requested staff to revise the discussion paper for this meeting to include relevant additional information that was unavailable when the Council received the first draft. The attached revision (Item D-2(c)(1)) is updated to include information concerning the 2005-2006 seasons for Bering Sea *C. bairdi* and Aleutian Islands golden king crab. Additional information concerning crew from the economic data collection, which the Council suggested be included in the paper, is unavailable.

Proposed contents of the 18-month review

As a part of the rationalization program adopted for the Bering Sea and Aleutian Islands crab rationalization program, the Council developed a strategy for review of the program to ensure oversight of the effects of the program. As a part of that review, the Council requested an analysis to be delivered to the 18 months after implementation of the program. Specifically, the Council requested:

The analysis is to examine the effects of the 90/10 A share/B share split and the binding arbitration program on the distribution of benefits between harvesters and processors. After receiving the analysis, the Council will consider whether the A share/B share split and the arbitration program are having their intended effects and, if not, whether some other A share/B share split is appropriate. In addition, staff shall the prepare an analysis of the application of the 90/10 Class A/Class B split and regionalization to captain and crew shares (C shares) for consideration by the Council 18 months after fishing begins under the program. The analysis is to examine the landings patterns of C shares to determine whether the distribution of landings among processors and communities of C shares differs from the distribution of landings of the general harvest share pool. After receiving the analysis, the Council will consider whether to remove the 90/10 Class A/Class B split from C shares, which is scheduled to take effect three years after the beginning of fishing under the program.

The first issue to be examined in the review is the effects of the 90/10 A share/B share allocation and the binding arbitration system. To the extent feasible, the analysis will examine both the process and outcome of the arbitration system. The arbitration system functions annually with a market report and non-binding price formula developed in the preseason, followed by a system for binding proceedings, in the event parties cannot reach a negotiated price settlement. The ability of participants in the fishery to effectively navigate the process is critical to the fairness of the system. The procedure for selecting of analysts and arbitrators, preparing the market report and formula, and initiating and carrying out proceedings are all complex. Timing of the different aspects can add to the complexity of participants wishing to make use of the system. These different aspects of the system will be discussed in light of the experience of participants in the first two years of the program. Particular attention will be given to the arbitration standard, which is the basis for substantive findings in the non-binding price formula and binding arbitration proceedings. The effect of the 90/10 A share/B share allocation will also be considered, including both its potential to affect price negotiations and limit entry opportunities in the fisheries. Since less than two full seasons of fishing have been completed under the program, limited data are available for analysis. In addition, confidentiality protections limit the extent of any pricing information that may be released specific to any binding arbitration proceeding. Due to these limitations, the analysis is largely qualitative.

The second aspect of the program that will be analyzed is the landing pattern of C shares (shares available only to captains and crew) in comparison to A shares and B shares. This analysis is intended to assist the Council in determining whether application of the 90/10 A share/B share split to C shares (which is scheduled to occur after the third year of fishing under the program) is needed to ensure that landing patterns for those shares is similar to the landing pattern of A shares. The analysis will examine landing patterns in the first year of fishing to the extent permitted by confidentiality limitations, as well as examine reasons for any differences in landings patterns observed across share types.

Report of the Scientific and Statistical Committee

The SSC provided the following comments:

Custom Processing Cap Exemption

The MSA includes a provision to exempt custom processing in the northern Bering Sea from processing caps established under crab rationalization. This discussion paper is intended to help the Council structure a problem statement for consideration of a similar exemption for custom processing in the western Aleutian Islands. If the Council chooses to pursue an amendment analysis for this action, the SSC anticipates that the analysis would include quantitative estimates of the potential impacts (positive or negative) to communities that have historically engaged in fisheries that could be affected by this action.

We anticipate that this analysis will take advantage of information reported under the mandatory data collection program implemented in conjunction with crab rationalization. At a minimum, we anticipate that the analysis of options and alternatives will include estimates of differences in gross revenues, costs, and net revenues.

Cooperative Vessel Use Caps

The draft problem statement included in this analysis suggests that the proposed action is intended to mitigate potential adverse impacts of consolidation consequent to exempting cooperative fishing of IFQs from vessel use caps. The SSC notes that in order to isolate the extent to which consolidation is attributable to the exemption, it will be necessary to estimate the extent to which consolidation would have occurred had vessel use caps been in place, the extent to which consolidation is attributable to the arbitration structure, and the extent to which consolidation was influenced by depressed exvessel prices and elevated fuel costs. Failure to jointly determine the extent to which these other factors contributed to the scope of consolidation could lead to incorrect projections of the extent to which restrictions on cooperative fishing will mitigate perceived adverse impacts of consolidation. In addition, it is anticipated that the analysis will provide quantitative estimates of the magnitude of perceived negative impacts (numbers of full-time equivalent jobs, total crew payments, changes in net revenues to IFQ-holders who chose to fish cooperatively instead of individually, etc.).

Report of the Advisory Panel

Vessel Use Caps

The AP recommends the discussion paper on crab vessel use caps be updated and reviewed again for the 3-year review of the BSAI Crab Rationalization Program.

Custom Processing Cap Exemptions

The AP recommends the current discussion paper regarding the exemption of custom processing from crab processing caps be expanded to include Eastern golden king crab, St. Matthew blue crab, and Pribilof Islands blue king crab. Any such discussion should address the sustained participation in the fishery by fishing dependent coastal communities and the mitigation of economic harm to the communities.

18-Month Review

The AP recommends the following change to the 18 month review:

“The analysis is to examine the landings patterns of **B and C** shares to determine whether the distribution of landings among processors and communities of **B and C** shares differs from the distribution of landings of the general harvest share pool.”

The AP suggests the Council consider revision to the language in the Crab Rationalization Plan that requires “active participation” for eligibility to purchase “C” shares.

COUNCIL DISCUSSION/ACTION

Denby Lloyd moved the following:

Add to the analysis of the custom processing cap exemption for *C. opilio* in the North region, required by recent amendments to MSA, additional analysis of custom processing cap exemptions for:

- 1. golden king crab in the WAI**
- 2. red king crab in the WAI**
- 3. golden king crab in the EAI**
- 4. blue king crab in St. Matthew**
- 5. blue and red king crab in the Pribilof Islands**

The purpose and need for these possible actions should be articulated in terms of enhancing competition, allowing contingencies in case of processor breakdown, processing efficiencies, providing for complete harvest of TACs, and sustaining coastal communities.

Each option should be evaluated both with and without the provision of the exemption for processors “moored within a harbor or bay” in addition to processors located on shore.

The motion was seconded by Gerry Merrigan and carried without objection.

Eric Olson moved to approve the AP recommendations regarding additions and/or changes for the 18-month review of the BSAI Crab Rationalization Program. The motion was seconded by Ed Rasmuson and carried without objection..

Gerry Merrigan moved to approve the AP recommendations for the following change to the 18 month review:

“The analysis is to examine the landings patterns of B and C shares to determine whether the distribution of landings among processors and communities of B and C shares differs from the distribution of landings of the general harvest share pool.”

The motion was seconded and carried without objection.

Dave Benson moved to approve the AP recommendation that the Council consider revision to the language in the Crab Rationalization Plan that requires “active participation” for eligibility to purchase “C” shares. The motion was seconded by Gerry Merrigan and carried without objection.

Ed Rasmuson moved to send a letter to the appropriate parties to encourage the start-up of the Federal loan program so crew members can begin purchasing quota share. Additionally, the Council should enquire about the status of the 25% set-aside of IFQ fees. The motion was seconded and carried without objection.

Dave Benson brought up a minority report in the AP minutes that suggested that staff include in the 18-month review a discussion about the unintended consequences on the processing sector relative to tender costs and availability. Dr. Fina noted that it would be rather difficult to gather information and come to any conclusions, other than possibly calling around the State to try to determine how vessels are being used. He said that some industry groups are working on gathering similar information. The Council did not wish staff to pursue this information at this time.

D-3 Salmon Bycatch

ACTION REQUIRED

- (a) Update on BSAI Amendment 84
- (b) Review discussion paper on spatial analysis/interim caps and refine alternatives as necessary

BACKGROUND

(a) Update on Amendment 84

In October 2005, the Council took final action on Amendment 84, electing to exempt vessels participating in a voluntary rolling hot spot (VRHS) system from regulatory salmon savings area closures. Regulations to promulgate this exemption since then have been delayed due to concerns regarding inclusion of key operational components of the salmon bycatch reduction Inter-Cooperative Agreement (ICA). Specifically, during the course of Alaska Region review of Amendment 84, legal concerns arose with draft implementing regulations. These legal concerns focus on meeting minimum standards to ensure program integrity, while maintaining flexibility for the pollock fleet to dynamically adapt business practices to avoid salmon bycatch. Alaska Region and NOAA GC staffs have been working with industry, and have largely resolved these concerns. A proposed rule to implement Amendment 84 is currently being drafted and is expected to be published in the *Federal Register* in the near future.

As a short-term measure to evaluate the operational flexibility needed to efficiently reduce salmon bycatch under these key components, an exempted fishing permit (EFP) was issued for the 2007 season. The EFP will sunset in the event that regulations for Amendment 84 are in place prior to the end date of the EFP.

In conjunction with actions to implement Amendment 84 and implementation of the EFP, a supplemental Biological Opinion was completed which considered new information related to the effects of the BSAI groundfish fisheries on ESA listed salmonids. This consultation was reinitiated due to the BSAI groundfish fisheries exceeding the level of incidental take as specified in the November 30, 2000 Biological Opinion. NMFS concluded that the BSAI groundfish fisheries are not likely to jeopardize the continued existence of Lower Columbia River (LCR) Chinook or Upper Willamette River (UWR) Chinook and will either have no effect, or are not likely to adversely affect, other ESA listed salmon and steelhead species. NMFS concluded that the take of listed species of LCR and UWR Chinook salmon in BSAI groundfish fisheries is best characterized by the range of recent observations (rather than the specified incidental take indicator of 55,000 Chinook) and that in judging the fishery in future years the agency will use the range (36,000 to 87,500) to assess whether there have been significant increases in the take of listed Chinook. The supplemental Biological Opinion is attached as Item D-3(a)(1) and the 2006 annual report of salmon harvested in the Alaska groundfish fisheries as Item D-3(a)(2). This annual report fulfills one of the terms and conditions of the supplemental biological opinion described above.

(b) Review discussion paper/Refine alternatives

In December 2005, the Council revised the existing draft suite of alternatives for the next phase of the salmon bycatch analysis (currently referred to as Amendment 84B). This amendment package is intended to follow up on remaining measures that were not analyzed under Amendment 84. The current problem statement and draft suite of alternatives for these amendment packages are attached as Item D(3)(b)(1). In October, 2006 the Council indicated its intent to move forward with refining the alternatives for analysis under amendment package B-1. In doing so, the Council therefore tasked staff to prepare discussion paper summarizing information pertinent to salmon bycatch and with guidance from the SSC comments following the 2006 salmon bycatch workshop. This discussion paper is attached as Item D-3(b)(2). The

discussion paper provides the following information: pollock fishery and salmon bycatch patterns by species; patterns of spatial persistence in salmon bycatch from 2001-2006 by species; preliminary analysis of patterns in age/length of salmon bycatch by species; a discussion of alternatives for establishing trigger caps as catch limits by species; and a review of alternatives before the Council under the forthcoming bycatch reduction amendment analyses. The purpose of this paper is to provide information necessary to refine alternatives under amendment package B-1, including a process to evaluate new closure systems and trigger limits for salmon bycatch by species. The Council at this meeting may choose to refine these alternatives for analysis.

Report of the Scientific and Statistical Committee

The SSC last addressed this issue in October, 2006, and also in April, 2006 when we held a salmon bycatch workshop. One of our recommendations in October was to examine the spatial distribution of salmon catches on a relatively short time scale to look for consistent hotspots. The staff report provided this examination on a two-week basis, using salmon catch in relation to pollock tonnage as the metric displayed in map form for the eastern Bering Sea. The SSC suggests that the actual catch of salmon is possibly a more informative metric, and suggests inclusion of this in future analyses. A specific suggestion is to provide mapped data in a series of 3 columns, with pollock catch in column 1, salmon bycatch rates in column 2, and salmon catch in column 3, where rows are time steps.

The SSC notes that it may be worthwhile to graphically display maps using shorter time periods, such as one week; however, this approach to identifying hotspots is qualitative and fairly labor intensive. A more quantitative and powerful approach may be to conduct a spatial correlation analysis with varied time scales in the sense of an exploratory data analysis. A caveat to this approach is the limitation of the data, in that the analysis will be limited to those areas where fishing actually occurs. This constraint is exacerbated by the degree to which the pollock fleet has moved off of hotspots in compliance with the Voluntary Rolling Hot Spot (VRHS) closure system. There are likely to be other factors affecting pollock and salmon catch to be taken into consideration, including vessel and gear characteristics.

The SSC reiterates a prior recommendation to consider oceanographic conditions that may influence salmon bycatch rates. These conditions include surface and subsurface temperatures, as well as the location of fronts and eddies.

In regard to the alternatives for establishing trigger caps as catch limits by species, the SSC has no further insight to offer beyond that provided in prior minutes. Finally, the SSC notes that a second workshop on salmon bycatch scheduled for the March, 2007 meeting will address stock of origin issues that may be useful in setting specific trigger caps.

Report of the Advisory Panel

The AP recommends the Council move the amendment package forward for analysis including all of the components on page 12 of the discussion paper, and the exemption for participants in the VRHS system (as approved under amendment 84).

COUNCIL DISCUSSION/ACTION

In addition to the staff update on BSAI Amendment 84 and a review of the discussion paper on spatial analysis/interim caps, the Council also received a presentation from Karl Haflinger (SeaState) and Matt Macander (ABR, Inc.) on the audit of salmon zone compliance monitoring in the Bering Sea pollock fishery.

Eric Olson moved to appoint a workgroup to consider staff requests for direction for a timeline and analysis of Amendment package B-1 (noted on page 12 of the staff discussion paper, Agenda item D-3(b)(2) in the Council meeting notebook).

The motion was seconded and carried without objection.

During discussion of the motion it was requested that hard caps be included under the types of triggers to be considered, as well as area closures that are fixed in time rather than triggered.

Mr. Olson asked that the Council receive an update from the workgroup in March, with the June 2007 meeting as the target date for initial recommendations.

Mr. Tweit noted that the Council has received a letter from the Yukon River Panel regarding the salmon workshop and suggested that the Executive Director should reply, particularly since it is an international body. Mr. Oliver was instructed to do so.

D-4 Habitat Conservation

ACTION REQUIRED:

- a) Initial review of the analysis to adjust the AI Habitat Conservation Area.**
- b) Preliminary review of the analysis to conserve Bering Sea habitat.**

BACKGROUND:

The Council took action in February 2005 to conserve essential fish habitat (EFH) from potential adverse effects of fishing. EFH is defined as those waters and substrate necessary to fish for spawning, breeding, feeding, or growth to maturity. The EIS prepared for the action concluded that while fisheries do have long term effects on benthic habitat, these impacts were minimal and had no detrimental effects on fish populations. The Council adopted several new measures to minimize the effects of fishing on EFH in the Aleutian Islands and Gulf of Alaska.

The Aleutian Island Habitat Conservation Area (AIHCA) was adopted as part of a suite of conservation measures to minimize the adverse effects of fishing in the Aleutian Islands subarea. The AIHCA prohibits the use of non-pelagic trawl fishing gear in designated areas of the AI to reduce the effects of fishing on corals, sponges, and hard bottom habitats, while allowing most fishing areas that have been trawled repeatedly in the past remain open.

During the June 2006 meeting, fishery participants requested that the open area boundaries be slightly modified to allow fishing in areas historically fished and to prevent bottom trawling in areas that have not been repeatedly fished. One location near Agattu Strait had been historically fished and was included into the closure area. A second location near Buldir Island was included in the portions of the AIHCA open to bottom trawling but has some documented presence of corals and sponges. The proposed amendment would open the Agattu area and close the Buldir area. The Council made a preliminary review of the analysis in October. The analysis for initial review was mailed to you two weeks ago; the executive summary is attached as Item D-4(a)(i).

Bering Sea Habitat Conservation

The EFH EIS evaluated a suite of alternatives for the eastern Bering Sea (EBS). Based on that analysis, the Council determined that additional habitat protection measures in the EBS were not

needed right away, and that an expanded analysis of potential mitigations measures for the EBS should be conducted prior to taking action. In December 2005, the Council discussed alternatives to conserve habitat in the EBS and finalized a problem statement.

The Council intends to evaluate potential new fishery management measures to protect Essential Fish Habitat (EFH) in the Bering Sea. The analysis will tier off of the 2005 EFH Environmental Impact Statement and will consider as alternatives open and closed areas and gear modifications. The purpose of the analysis is to consider practicable and precautionary management measures to reduce the potential adverse effects of fishing on EFH and to support the continued productivity of managed fish species.

In December 2006, the Council reviewed three discussion papers regarding alternatives to minimize (to the extent practicable) the effects of fishing on EFH in the Bering Sea. The first paper addressed open area approaches that would include recent fishing effort distribution. The second paper reviewed recent research on gear modification in the Bering Sea to mitigate the effects of bottom trawl fisheries. The third paper reviewed scientific information regarding submarine canyon areas and skate nursery areas. The Council further refined alternatives and options for the analysis based on those items. The December Council motion is attached as item (Item D-4(b)(i)). Staff reformatted the alternatives and the options from the motion into a clear list of alternatives and options for analytical purposes.

A preliminary draft analysis on was mailed to you two weeks ago; the executive summary is attached as Item D-4(b)(ii). Initial review of the analysis is scheduled for the March meeting, with final action in June.

At this meeting, the Council may wish to modify the alternatives or suggest refinements to the analysis.

Report of the Scientific and Statistical Committee

Aleutian Islands Habitat Conservation Area

The SSC recommended that the document be released for public review after incorporating comments and any new information from upcoming VMS analyses and newly requested observer data. Please see the SSC Minutes, Appendix II to these minutes, for specific comments and recommendations for the analysis.

Bering Sea Habitat Conservation

The SSC noted that the goal of this action according to the problem statement is a precautionary effort “to reduce potential adverse effects of fishing on EFH and to support continued productivity of managed fish species”. Because this EA is tiered off the findings in the EFH EIS (including no significant or long-term impact of bottom trawling on habitat), and the range of alternatives do not change fishing rate, intensity, or decrease area fished, the EA should not find any significant habitat impacts due to bottom trawling. It follows that any significant impacts of this action would be economic or community based, not habitat based. Therefore, attainment of the action’s goal cannot likely be evaluated.

The SSC continued to say that the analysis in the EA assumes that fish stock distribution and fishing distribution will remain static into the future. However, much of the potential economic impact from this action depends on how and where fish stocks and fishers change their distributions in the future. These dynamics are not captured in the EA.

The SSC provided a considerable number of suggestions and recommendations for the analysis. Please see the SSC Minutes for the entire set of comments.

Report of the Advisory Panel

Aleutian Islands Habitat Conservation Area

The AP recommends the Council approve the Initial Review of the AI Habitat Conservation Area analysis, and proceed with the next draft.

Bering Sea Habitat Conservation Area

The AP recommends the Council ask staff to develop the Habitat Conservation EA/RIR/IRFA for review at the next Council meeting. Additionally, the AP recommends the Council continue to encourage meeting between residents of western Alaska communities, and the flatfish industry to address particular concerns regarding areas in proximity of the communities and traditional subsistence areas.

The AP requests the following changes to Alternative 3:

Alternative 3: Gear modifications. This alternative would require gear modifications for all non-pelagic trawl gear used in flatfish target fisheries. Specifically, this alternative would require discs on non-pelagic trawl sweeps to reduce seafloor contact and/or increase clearance between the sweep and substrate. A performance standard of at least 2.5 inches elevation of the sweep from the bottom would be required.

Option 1: Close the area south and west of St. Matthew island to bottom trawling to conserve blue king crab habitat.

Ask staff to present an option for closure to north and east to conserve blue king crab habitat

Option 2: Close an area in the vicinity of Etolin Strait, within the parameters defined at the December 2006 Council meeting (between 163° 30'W and 165°W, bounded by option 1 and option 1 suboption 1).

Option 3: Gear modifications and a Northern Bering Sea Research Area. The Northern Bering Sea Research Area would be established as the area north of St. Matthew Island to the St. Lawrence Islands. The area would be closed to fishing with bottom trawl gear. Future access to this area using bottom trawls could occur through an exempted fishing permit or research fishing. ~~Included in this research closure area is a St. Matthew Island crab habitat protection area using the boundaries around that island as defined by the Alternative 2 open area.~~

The AP recommends the Council request staff to provide options for a Northern Boundary around Etolin Strait.

The AP recommends the Council request staff to amplify the discussion on future effect of distribution of fish outside the open area.

Report of the Enforcement Committee

Aleutian Islands Habitat Conservation Area. The Committee requests the Council reaffirm their request to the State of Alaska that the State mirror the VMS requirements for vessels operating in the State waters within the AIHCA since state waters comprise a large percentage of this management area. The Board of Fish is scheduled to discuss this issue at its March meeting.

Bering Sea Habitat Conservation Area. The Committee notes that future comments will provide on open and closed areas as well as the gear modifications program as the analysis and its alternatives

become more defined. In general, the Committee endorsed the seabird avoidance gear approach to a gear modification program.

COUNCIL DISCUSSION/ACTION

[NOTE: Earl Krygier participated in this discussion for Denby Lloyd.]

Aleutian Islands Habitat Conservation

Earl Krygier moved to adopt the SSC and AP recommendation to approve for initial review the AI Habitat Conservation Area analysis, and proceed with the next draft, but incorporating the SSC recommendations. The motion was seconded by Ed Rasmuson and carried without objection.

Ms. Salveson noted that while the Council is closing an open area and opening a closed area, the intent is not to trade one for the other. In this case, the Council is re-opening the Aggatu area because fishing data support that decision, while Buldir is being closed because of erroneous prior information.

Regarding expectations from industry that NMFS will be developing a comprehensive research and monitoring plan for the Aleutian Islands, Ms. Salveson advised that the Alaska Fisheries Science Center would probably take the lead on such a initiative, and she will report back to the Council as soon as updated information is available. Ms. Madsen noted that other entities also will be looking at comprehensive ecosystem research needs, including projects funded by the North Pacific Research Board.

Bering Sea Habitat Conservation

Earl Krygier moved the following:

Adopt the SSC recommendation to restructure the alternatives in a manner to improve comparisons of the alternatives and options, and a clarification of the northern research area that develops a well-designed experiment as follows:

Both the AP and SSC recommended reorganizing the alternatives and options, so that different combinations of options could be chosen, and the effects clearly analyzed in the document. The following set of revised alternatives and options address these recommendations. Note that the major components are considered as alternatives, and the minor components are provided as options. These options can be chosen in any combination with any of the alternatives.

Alternative 1: Status quo. No additional measures would be taken to conserve benthic habitat.

Alternative 2: Open area approach. This alternative would prohibit non-pelagic trawling outside of a designated 'open area'. Non-pelagic trawling would be prohibited in the northernmost shelf area and the deepwater basin area of the Bering Sea. There is only one open area analyzed, which is based on the EFH EIS area, modified using non-pelagic trawl effort distribution data through 2005, as refined from Alternative 2 in the preliminary review draft.

The open area approach will contain the boundaries as negotiated by representatives of the coastal communities and the flatfish industry and represented in the open area approach.

Alternative 3: Gear modifications. This alternative would require gear modifications for all non-pelagic trawl gear used in flatfish target fisheries. Specifically, this alternative would require discs on non-pelagic trawl sweeps to reduce seafloor contact and/or increase clearance between the

sweep and substrate. A performance standard of at least 2.5 inches elevation of the sweep from the bottom would be required

The below options could be selected with any Alternative (s).

Option 1. *Close the area around Saint Matthew to non-pelagic trawling.* This area would be configured such that the area near St. Matthew Island is closed to conserve blue king crab habitat.

Option 2. *Close the area to non-pelagic trawling around Nunivak Island, Etolin Strait as in Option 3.* This area would be configured such that the area around Nunivak Island, Etolin Strait is closed to conserve nearshore habitats.

Suboption: *Close the area to non-pelagic trawling around St. Lawrence Island as in option 3.* This area would be configured such that the area is closed to conserve nearshore habitats.

Option 3. *Close an area to non-pelagic trawling around St. Lawrence Island and an area around Nunivak Island with the southern border extending along the nearshore portion of Etolin Strait and Kuskokwim Bay.* This area would be configured such that the area around St. Lawrence Island is closed to conserve nearshore habitats, and an area would be configured such that the area in southern Etolin Strait and Kuskokwim Bay is closed to conserve nearshore habitat and minimize potential interactions with community use and subsistence fisheries taking place in the nearshore areas. The boundaries of this closure area are being negotiated by representatives of the flatfish industry and coastal communities.

Option 4: *Northern Bering Sea Experimental Fishing Area* is described as the northern boundary line of the open area approach, stretching from the Russian border around the southern Blue king crab protection area of St. Matthew Island to and around the southern portion of Nunivak Island and across Kuskokwim Bay to Cape Newenham (the Northern boundary line under Alternative 2). The area would be closed to fishing with non-pelagic trawl gear. The Council requests the NOAA/NMFS Alaska Fisheries Science Center design an adaptive management experiment in the closed northern area described under this option to study the effects of non-pelagic trawling in previously untrawled areas. The study should include open and closed areas and appropriate monitoring to study fishing impacts on benthic communities and ecological process, particularly as this relates to juvenile snow crab. The adaptive management experiment design will include review by the SSC. NMFS will provide the draft adaptive management experiment design to the Council for review within 18 months following the Federal Register publication of the final rule for this action.

The intent of option 4 is to set aside a relatively untrawled area that may be used for non-pelagic trawl effects research.

The motion was seconded.

Gerry Merrigan moved to amend the motion to remove St. Lawrence Island from Option 3 and place it as a suboption. The motion was seconded by Dave Benson and carried without objection.

Mr. Merrigan noted that St. Lawrence Island has not been included previously and thinks that rather than being included with the other areas within the main option, that at this time it may be more appropriate to

include it as a suboption so the Council can decide whether or not to include it when choosing final options.

John Bundy moved to delete any reference to St. Lawrence Island from the motion. The motion was seconded and failed, 8 to 3, with Benson, Bundy and Tweit voting in favor. Mr. Bundy said that he could not see any immediate need to include St. Lawrence Island at this time.

The main motion, as amended, carried without objection. The Council instructed staff to take into consideration SSC comments and direction to the extent practicable.

Sue Salveson noted that NMFS has previously provided information to the Council on the nature and geography of canyons and information on the skate area nurseries and suggested that staff provide that information as an appendix to this analysis and provide a discussion outlining why the Council did not pursue those alternatives at that time. Ms. Madsen suggested that rather than attach the previous analysis as an appendix to the current analysis, the information be brought back to the Council for review in March, along with the rationale for the Council not acting on it when it was originally proposed. The Council would determine at that time whether the document should be included as an appendix to the current analysis. Council members agreed with this approach.

D-5 Staff Tasking

ACTION REQUIRED

- (a) **Review tasking and committees and provide direction.**
- (b) **Review progress on AI Fishery Ecosystem Plan.**

BACKGROUND

The list of Council committees is attached as Item D-5(a). Item D-5(b) is the three meeting outlook, and Item D-5(c) and Item D-5(d) are the summary of current projects, timelines, and tasking. In December, the Council initiated several new projects (GOA sector splits, GOA LLP latency and sideboards, crab economic data reporting protocols, AI crab custom processing caps) to the tasking list. The Council may wish to discuss tasking priorities to address these projects, as well as potential additions discussed at this meeting, given the resources necessary to complete existing priority projects.

I have attached several letters proposing new Council initiatives. The first is a letter from a person from Wheeler Creek on Admiralty Island seeking changes in the halibut subsistence regulations to allow him to obtain a subsistence halibut permit. The other two letters are from jig fishermen requesting the Council to establish a closure area to pot gear in the vicinity of Dutch Harbor. Because the proposed closure encompasses primarily State waters (see attached figure prepared by staff), the Council may wish to discuss this proposal with the Board of Fisheries during the joint NPFMC/BOF meeting in March.

Progress on AI Fishery Ecosystem Plan

The Council has initiated development of a Fishery Ecosystem Plan (FEP) for the Aleutian Islands, and has created a technical AI Ecosystem Team to assist Council staff in developing the FEP. The Team has begun drafting the FEP, and held a workshop on Jan 10-12, 2007, in Seattle. Item D-5 (e) is the report from this workshop. The Team identified key interactions in the Aleutian Islands ecosystem which will be the focus of the FEP, and paired indicators to these interactions. A list of Team members, and a revised table of contents is included in the workshop report.

The Team intends to provide an initial review draft of the FEP for the April 2007 meeting, with final review scheduled for June 2007. Representatives from the Team will consult with community members within and adjacent to the FEP area prior to the April Council meeting, to solicit input and feedback on the FEP.

The Ecosystem Committee is scheduled to review the Team's progress to date at their meeting on February 6, 2007. Their minutes will be available during the presentation of this agenda item.
Report of the Scientific and Statistical Committee

The SSC received a progress report from the AI Ecosystem Team, and provided additional comments on the proposed structure of a proposed Aleutian Islands Ecosystem Plan. Please see the SSC Minutes, Appendix II to these minutes, for those comments.

Report of the Advisory Panel

The AP recommends the Council look to resolving the issue of rural residents outside municipal boundaries not being able to obtain subsistence halibut permits.

COUNCIL DISCUSSION/ACTION

[NOTE: Earl Krygier participated in this discussion for Denby Lloyd.]

Diana Evans provided the Council with a review of the Ecosystem Committee report and recommendations on the AI FEP. The Committee suggested that the Council send a letter of appreciation to relevant agencies and supervisors for the investment of staff time and resources to the development of Fishery Ecosystem Plan for the Aleutian Islands. (See Appendix VI to these minutes for the complete Committee report.)

Chris Oliver reviewed proposed agenda items for the next three meetings, noting that a review of the Council's Statement of Organization, Practices and Procedures will be added to the March or June agenda.

Ecosystem Committee Recommendations

Sue Salveson moved to adopt the draft goals statement for the Aleutian Islands FEP as recommended by the Committee. The motion was seconded and carried without objection. The Chair and Executive Director will also draft and send a letter of thanks to the appropriate entities, as recommended by the Committee.

Crab IFQ Post Delivery Transfers

Earl Krygier moved to initiate a discussion paper to explore allowing post-delivery transfer of crab IFQ between cooperatives. The motion was seconded.

Dave Benson moved to amend to include the pilot rockfish program for the same consideration. The motion was seconded and carried without objection. The amended main motion carried without objection.

Subsistence Halibut Permits

Gerry Merrigan moved to approve the recommendation of the Advisory Panel to request staff to develop a brief paper on possible options to resolve the issue of rural residents outside municipal boundaries not being able to obtain subsistence halibut permits, by the June meeting if possible. The motion was seconded and carried without objection.

Tendering of pollock in Western Gulf

Earl Krygier moved to request staff to bring information previously developed on this issue back to the Council to determine whether the Council has enough information to move forward with an analysis. The motion was seconded and carried without objection. The Council requested this be added to the March agenda as an action item.

Miscellaneous Requests/Direction

Doug Hoedel asked that the staff discussion paper being prepared on Gulf of Alaska sideboards include a discussion on the issue of pollock being left in the water because of shifting fishing conditions, bycatch reduction programs, and rising fuel costs. Dr. Fina said that staff will include some discussion of this issue.

Committee Appointments

Chair Madsen announced the appointment of Lew Queirolo to the SSC, replacing Mark Hermann. Additionally, the following appointments were made to the Pacific Northwest Crab Industry Advisory Committee for 2-year terms: Steve Minor, Keith Colburn, Lance Farr, Phil Hanson, Kevin Kaldestad, Garry Loncon, Gary Painter, Rob Rogers, Vic Sheibert, Gary Stewart, Tom Suryan, and Arni Thomson as Secretary and no-voting member.

ADJOURNMENT

Council Chair Stephanie Madsen adjourned the meeting at approximately 4:24pm on Monday, February 12, 2007.

NOTE: Minutes prepared by Helen Allen, A-Typical Office Support Services, under contract to the NPFMC.

MINUTES

180th Plenary Session
North Pacific Fishery Management Council
February 7-12, 2007
Benson Hotel
Portland, Oregon

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APPENDICES:

- I. Public Attendance, Presenters, and Persons Giving Public Comment
- II. Draft Minutes of the Scientific and Statistical Committee
- III. Groundfish Management Workplan
- IV. Draft Minutes of the Advisory Panel
- V. Enforcement Committee Minutes
- VI. Ecosystem Committee Minutes