North Pacific Fishery Management Council

Eric A. Olson, Chairman Chris Oliver, Executive Director



605 W. 4th Avenue, Suite 306 Anchorage, AK 99501-2252

Fax (907) 271-2817

Telephone (907) 271-2809

Visit our website: http://www.alaskafisheries.noaa.gov/npfmc

APPROVED

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MINUTES

212th Plenary Session North Pacific Fishery Management Council Benson Hotel, Portland, OR

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ATTACHMENTS

- 1. Public Attendance Register
- 2. Time Log
- 3. AP Minutes
- 4. SSC Minutes
- 5. C-4(a) Crab ROFR Motion
- 6. Ecosystem Committee Minutes
- 7. Newsletter

The North Pacific Fishery Management Council met in Portland, Oregon, in February 2013. The following Council, SSC and AP members, and NPFMC staff attended the meetings

Council Members

Eric Olson, Chair Dave Hanson
John Henderschedt, Vice Chair Roy Hyder
Jim Balsiger/Glenn Merrill Dan Hull
Cora Campbell/Nicole Kimball Bill Tweit

Sam Cotten CAPT Phil Thorne/LT Tony Kenne

Craig Cross Duncan Fields

NPFMC Staff

Gail Bendixen Steve MacLean
Sam Cunningham Jon McCracken
Jane DiCosimo Chris Oliver
Diana Evans Maria Shawback
Mark Fina Diana Stram
Peggy Kircher David Witherell

Scientific and Statistical Committee

The SSC met from February 4-6 at the Hilton Hotel, Anchorage AK.

Members present were:

Pat Livingston, Chair Robert Clark, Vice Chair Jennifer Burns

NOAA Fisheries—AFSC Alaska Department of Fish and Game University of Alaska Anchorage

Alison Dauble Sherri Dressel Anne Hollowed
Oregon Dept. of Fish and Wildlife Alaska Department of Fish and Game NOAA Fisheries—AFSC

George Hunt Gordon Kruse Seth Macinko

University of Washington University of Alaska Fairbanks University of Rhode Island

Steve Martell Franz Mueter Jim Murphy

International Pacific Halibut Commission University of Alaska Fairbanks University of Alaska Anchorage

Lew QueiroloTerry QuinnFarron WallaceNOAA Fisheries—Alaska RegionUniversity of Alaska FairbanksNOAA Fisheries—AFSC

Members absent were:

Kate Reedy-Maschner Vacant Vacant

Idaho State University Pocatello Wash. Dept. of Fish and Wildlife US Fish and Wildlife Service

NPFMC Minutes 2 February 2013

Advisory Panel

The AP met from February 5-9, at the Hilton Hotel, Anchorage, Alaska.

Kurt Cochran John Gruver Joel Peterson Theresa Peterson John Crowley Mitch Kilborn Jerry Downing Alexus Kwachka Ed Poulsen Tom Enlow Craig Lowenberg Neil Rodriguez Tim Evers Brian Lynch Lori Swanson Jeff Farvour Chuck McCallum Anne Vanderhoeven

Becca Robbins-Gisclair Andy Mezirow Ernie Weiss

Appendix I contains the public sign in register and a time log of Council proceedings, including those providing reports and public comment during the meeting.

A. CALL TO ORDER

Chairman Eric Olson called the meeting to order at approximately 8:06 am on Wednesday, February 6, at approximately 8:04 am.

Mr. Bill Tweit participated in the entire meeting in place of Phil Anderson, WDF Director.

AGENDA: The agenda was approved.

B. REPORTS

The Council received the following reports: Executive Director's Report (B-1); NMFS Management Report (B-2); ADF&G Report (B-3); NOAA Enforcement Report (B-4); USCG Report (B-5); USFWS report (B-6); IPHC report(B-7), and Protected Species Report (B-8).

Executive Director's Report:

Chris Oliver reviewed his written report. He highlighted various committees' agendas, and noted that although the Enforcement Committee did not meet during this Council meeting, the Council can send a letter with its enforcement priorities for NOAA's Office of Law Enforcement. Mr. Oliver reviewed and outlined an upcoming public workshop regarding stock structure/spatial management. The Council briefly discussed future processes and had comments regarding the purpose and goals of the workshop.

Mr. Oliver also reviewed upcoming meetings and events that will be happening during the Council meeting.

NMFS Management Report

Glenn Merrill briefed the Council on the status of FMP amendments and clarified status of reviews with Council members. Fan Tsao provided an overview on the Deep Sea Coral and Sponge Ecosystem plan. Mary Furuness gave the in-season management report, and Dr. Steve Ignell gave an update on current Alaska Fisheries Science Center projects and funding.

ADF&G Report

Karla Bush (ADF&G) provided the Council with a review of the State fisheries of interest to the Council and answered general questions from the Council Members.

NOAA Enforcement Report

Mr. Oliver noted that the Council will return to its normal enforcement report format at the April 2013 meeting, and introduced NOAA's new Special Agent in Charge, Matt Brown. Mr. Brown noted the enforcement priorities are mainly status quo for the upcoming year, and that there is a future staffing plan in place. He noted that increased staffing will allow for more officers at the docks as well as education and outreach.

USCG Report

RADM Ostebo introduced Lt. Tony Kenne who reported on USCG activities from over October and November, 2012 and provided a written report. Lt. Kenne provided a short briefing on the AI Risk Assessment Project.

USF&W Report

Doug McBride submitted a written report.

IPHC Report

Dr. Ian Stewart and Dr. Bruce Leaman of the IPHC addressed the Council and provided an update on the future directions the Commission is taking in regard to advisory structure and the makeup of various committees. Dr. Stewart updated the Council on stock assessments and the decision making process. Dr. Leaman outlined various issues the Commission is discussing, including regulations the Council is considering regarding sport halibut charter fisheries, and stated that it endorses the Catch Sharing Plan in areas 2C and 3A. He noted that regulations stay in place until superseded. Dr. Leaman noted the Commission will be examining different ways of assessing the stock, and will keep the Council updated. Dr. Leaman and Dr. Stewart answered questions from the Council members.

Protected Species Report

Steve MacLean introduced Melanie Brown (NMFS) who gave an update on the progress of the Steller sea lion mitigation measures EIS. Ms. Brown reviewed the comparison of Council recommended alternatives and draft SSL protections measures EIS alternatives. She answered questions from the Council, and there was brief discussion regarding rationale for some alternatives. Ms. Lindeman reminded the Council that the EIS is part of pending litigation and remains a high priority.

Steve MacLean reported on other items in the protected species report. He noted that litigation on polar bears and critical habitat has been remanded to USF&W, and highlighted sections of the court decision relative to critical habitat. He also noted that 43 species of deep water corals are still pending listing on the endangered list. Mr. MacLean discussed the rest of the items in his written report and answered general questions from the Council.

Ecosystem Committee Report

Diana Evans and Stephanie Madsen gave an update on the Ecosystem Committee meeting that was held earlier in the week. Copies of the minutes of that meeting are included as ATTACHMENT 5. Ms. Evans reviewed the Committee's recommendations on EFH consultation on Norton Sound gold mining and deep sea coral and sponge issues.

Public comment was taken on all B items.

COUNCIL DISCUSSION/ACTION

Mr. Tweit followed up on an alternative that NMFS outlined, specifically requesting considering a metering system to gauge the effort and level of fishing in area 543, as requested by the Mitigation Committee. There was discussion regarding metering effort, and it was generally agreed that NMFS is aware of the different factors that make an alternative, and Ms. Brown noted that there are features in the alternative that come together to make the option protective of sea lions while still allowing fishing to happen. She can take the Committee's recommendation into consideration.

Mr. Hull requested to discuss an Observer Advisory Committee meeting prior to the April Council meeting to review the outline of the electronic monitoring strategic plan and as heard in public testimony to assess a different deployment design for observer coverage.

Mr. Tweit requested during staff tasking to revisit recommendations from the ecosystem committee regarding EFH consultation and the draft workplan concept proposed by the Ecosystem Committee.

Mr. Oliver reviewed USCG legislation and noted that the Council may want to weigh in on enforcement priorities. He also noted the Council may want to comment or make recommendations on the proposed stock structure workshop, and nominate someone to the AOOS board.

It was generally agreed that those items would be discussed during staff tasking.

Mr. Fields noted that the Council may not need to address the AFA Amendment 80 vessel issue until the industry can address it with the respective legislative bodies.

Mr. Tweit also requested to have the Council consider nominations to the IPHC strategy advisory board.

C-1 Habitat Issues

C-1 (a) Final Action on HAPC Skate Egg Concentration Sites

BACKGROUND:

Habitat Areas of Particular Concern (HAPC) are geographic sites of special importance within the distribution of Essential Fish Habitat (EFH) for the Council's managed species that may require additional protection from fishing activity and adverse fishing effects. HAPCs must be rare and may be ecologically important, sensitive to human disturbance, or stressed by development activities. The Council has a formalized process within its Fishery Management Plans for selecting HAPCs, and periodically selects habitat priority types and issues a request for proposals (RFP).

In 2010, the Council issued an RFP for skate nursery sites (areas of skate egg concentrations) in conjunction with completion of its EFH five-year review. The Council selected a HAPC proposal from the Alaska Fisheries Science Center for further analysis. At its February, April, and June 2012 meetings, the Council made initial reviews of an analysis of alternatives and options to identify and conserve six areas of skate egg concentration as HAPCs in the eastern Bering Sea. The Council refined its alternatives based on the recommendations of the Enforcement Committee, AP, SSC and public comment. In June, the Council identified Alternative 2 (with options a, d, and e) its preliminary preferred alternative.

David Witherell reviewed the analysis and the alternatives and answered questions from the Council. Lori Swanson gave the AP report, and the SSC report was given earlier. Public comment was taken.

COUNCIL DISCUSSION/ACTION

Mr. Tweit moved that the Council select Alternative 2: Identifying all 6 areas as HAPC, with options A, D, and E for final action. Option A be modified to read that NMFS would monitor HAPCs for changes in egg density and other potential effects of fishing. Additionally, the Council deems proposed regulations that clearly and directly flow from the provisions of this motion to be

necessary and appropriate in accordance with section 303(c), and therefore the Council authorizes the Executive Director and the Chairman to review the draft proposed regulations when provided by NMFS to ensure that the proposed regulations to be submitted to the Secretary under section 303(c) are consistent with these instructions. The motion was seconded by Mr. Dersham.

Mr. Tweit spoke to his motion, noting that there are two parts to this motion: do the areas fit HAPC, and if they do, than at what level of protection do they need? He stated that the areas do fit the description of HAPCs, and the Council may decide rarity is no longer present and the designation can be revisited at a later date, but now the criteria fit what the Council has decided what HAPCs are. The level of protection is left up to Council. Fishing effects remain largely unknown, and there is no information that current fishing is having adverse impacts on skate populations. However, it is important that the Council keep monitoring in effect, and also monitor population trends.

Mr. Tweit emphasized the Council has the tools necessary to take further action, but presently, reducing or closing fishing would have significant costs to industry and to enforcement resources. He noted that at this time the analysis does not provide information to state what cost to industry that implementation of these tools may cause, and he requested industry update the Council about these costs.

Mr. Henderschedt noted his support of the motion and the value of designations as part of NMFS consultation on other federally permitted projects. He stated his concern regarding the known interaction between fishing gear and the animals in these sites, and that the research should be "what is the importance of fishing impacts on the species," rather than the rarity issue.

Mr. Fields had questions of monitoring, and noted that he will be supporting the motion to the degree which industry will support the action. He stated that this is an appropriate first step in protection of skates, and the species appears to be healthy, despite fishing activity in these areas. Mr. Fields is comfortable designating these areas, with NMFS monitoring, research in these areas, and other Council action at a future date.

Mr. Cross noted that the motion answers many of the issues that are in the problem statement, and he supports the motion.

Mr. Tweit noted that he chose the form of deeming in the motion because the Council is familiar with this issue and the package gives a clear indication of what the regulations will be. Relying on the Chairman and Executive Director's review of the regulations is appropriate in this case. The Chairman can alert the Council of any issues which may require more attention.

The motion passed unanimously by roll call vote.

C-1 (b) Bristol Bay Red King Crab EFH

BACKGROUND:

During the Council's 5-year review of essential fish habitat (EFH) provisions in April 2010, a consideration was raised by the Crab Plan Team with respect to the analysis evaluating fishing effects on crab stocks. To respond to these issues, the Council initiated a discussion paper to further examine the Crab Plan Team's concerns.

This discussion paper was originally presented to the Council in April 2011, and a revised version presented again in February 2012. The focus of the papers included a discussion of the importance of

southwestern Bristol Bay for red king crab populations, particularly an area southwest of Amak Island, and whether and how trawl fisheries in that area may be impacting the crab habitat. It was proposed that eggs released here have greater chance of survival through larval and juvenile life history stages due to oceanographic currents in this area and that the extent of the Bering Sea cold pool affects the distribution of ovigerous females and subsequently, the location of larval release.

Given the potential redistribution of crab in the area southwest of Amak Island due to temperature changes, the Council also requested that the discussion paper look at the efficacy of existing red king crab protection areas, such as the Red King Crab Savings Area and the Nearshore Bristol Bay Trawl Closure, to see whether these closed areas are still providing both habitat and bycatch protection to red king crab.

The objective of the revised discussion paper is to update on the status of analyses to address these two discrete red king crab issues. The paper provides an update on the timing of research that has now been funded to address the importance of southwestern Bristol Bay as red king crab habitat, and its sensitivity to environmental variables. The second issue, regarding the efficacy of existing red king crab closure areas, is a much larger task than originally anticipated, and will involve considerable staff time by the Alaska Fisheries Science Center. A summary of the work to date is provided in the paper, along with some discussion of possible objectives that may be achieved through this type of evaluation. Staff is requesting feedback from the Council as to the priority of the closure efficacy work.

Diana Evans gave the staff report on this agenda item and reviewed the discussion paper. Stephanie Madsen and Ms. Evans gave the Ecosystem Committee Report on this agenda item. Lori Swanson gave the AP report on this agenda item. The SSC gave its report. Public comment was taken.

COUNCIL DISCUSSION/ACTION

Mr. Tweit noted that both the Ecosystem Committee and the AP considered C-1b and C2a together, suggested the Council discuss this agenda item after C2 has been presented. It was generally agreed that taking up action at this point might be difficult before C2a is discussed, and the Council would postpone action until the next agenda item.

C-2 (a) Crab Bycatch Limits in BSAI Groundfish Fisheries

In conjunction with taking action to meet annual catch limit (ACL) requirements in 2010, the Council initiated an analysis of PSC limits and bycatch management measures for the ten BSAI crab stocks under the Crab FMP. Since 2011, BSAI crab stocks now have annually-specified overfishing limits (OFLs) and Acceptable Biological Catch (ABC) levels. Total allowable catch (TAC) levels (and GHLs for the Norton Sound red king crab stock and Pribilof Islands golden king crab stock) are established exclusively by the State. All catch accrues towards the ABC (or ACL). Additional bycatch outside of the directed crab fisheries occurs in the BSAI groundfish fisheries. Total catch from all sources may not exceed the ACL, thus currently the State must annually assume anticipated levels of bycatch for each stock in order to set TAC or GHL at a level where the total catch from directed and non-directed sources will not exceed the ACL. As noted in the accountability measures for the ACL requirements under Amendment 38, if an ACL is exceeded, the TAC or GHL in the following year will be reduced in order to prevent against exceeding the ACL concurrently. Thus all accountability measures associated with exceeding an ACL are currently borne solely on the directed crab fishery regardless of what caused the overage.

Per Council request the Crab Plan Team reviewed and made recommendations on the previous set of alternatives and these alternatives were then revised to their current form by the Council in October 2011. A discussion paper has been prepared which reviews existing measures for trawl and pot bycatch management in the BSAI groundfish fisheries as well as trends in bycatch by stock. The paper also provides the Council some staff suggestions for moving forward with the analysis should the Council still wish to initiate crab bycatch management measures for all stocks in the BSAI. As currently formulated with the options for various area closures and the application broadly across all crab stocks and all BSAI groundfish fisheries, this would be a massively complex analysis. As such, it would be very difficult to estimate relative impacts and costs with so many variables considered in the same analysis. If the intent of the Council in pursuing this is to provide guidance to the State of Alaska in establishing appropriate buffers beneath the ABC for groundfish bycatch in order to establish appropriate TAC levels, the current alternative set may be overly complex for achieving that objective.

Diana Stram provided the staff report on this agenda item. The AP gave its report and public comment was taken. The SSC did not address this issue.

COUNCIL DISCUSSON/ACTION

Ms. Campbell moved, which was seconded, to request an expanded discussion paper to evaluate the existing fixed and triggered closure areas for Bristol Bay red king crab, Bering Sea Tanner, Bering Sea snow crab, and St. Matthew blue king crab, including information on recent stock distribution and the distribution and amount of PSC in the trawl and fixed gear groundfish fisheries. Elements to include:

- Proportion of PSC by trawl and fixed gear fisheries inside and outside of the closure areas.
- A more detailed history of the closures to help identify the fraction of historical fisheries that occurred in these areas as well as their crab PSC.

With regard to ACLs and TAC setting, the Council recognizes that while the State of Alaska is primarily responsible for management of the crab fisheries, they do not manage the groundfish fisheries in the EEZ and have limited ability to project crab bycatch mortality in those fisheries. The Council recommends that the BSAI Groundfish Plan Team and the State work together, such that the BSAI Groundfish Plan Team would provide estimates of crab bycatch mortality in the groundfish fisheries, to help reduce the uncertainty in the estimates used by the State during TAC setting.

Commissioner Campbell spoke to her motion, stating that with the cooperation of the Groundfish plan team, the State of Alaska could get a better understanding to estimate what the bycatch could be in the year ahead, and could use that estimate in the TAC-setting process. She also noted that with respect to consideration of PSC limits, she focused on 4 key stocks, including an evaluation of whether or not the existing closures are effective or may need updating. She stated she is asking for an extended discussion paper rather than an analysis, but recognizing that this still represents a significant workload, she does not consider it to be on a fast track.

Mr. Henderschedt noted, and Ms. Campbell confirmed, that ongoing scientific work and innovative potential in the design of triggered closures would be accommodated in the discussion paper.

Mr. Tweit commented that fixed closures exhibited different distributional patterns under different environmental regimes, and that it would take time to develop appropriate environmental triggers and adaptive management proposals to incorporate in the discussion paper. Ms. Campbell noted that the

motion is intended to include this information to the extent possible and to help with the challenge of adaptive management in the face of changing environmental conditions.

It was generally agreed conservation priorities should be addressed as necessary, and should not be held up pending completion of work. Mr. Henderschedt also confirmed that collaboration with industry and industry data can take place within this framework, even without the formal council committee recommended by the AP.

The motion passed without objection.

C-2 (b) BSAI Flatfish Specifications Flexibility

BACKGROUND

At this meeting, the Council is scheduled for initial review of an analysis for a proposed action that would allocate the ABC surplus (the difference between acceptable biological catch (ABC) and total allowable catch (TAC)) for flathead sole, rock sole, and/or yellowfin sole, among the Amendment 80 cooperatives and CDQ groups, using the same formulas that are used in the annual harvest specifications process. These entities would be able to exchange their yellowfin sole, flathead sole, and/or rock sole quota share for an equivalent amount of their allocation of the ABC surplus for these species. The approach is intended to increase the opportunity for maximizing the harvest of these species, while ensuring that the overall 2 million mt BSAI optimum yield, and ABCs for each individual species, are not exceeded. The analysis also includes options to restrict flexibility in the exchange of yellowfin sole, if the analysis shows that there is a potential negative impact of the approach on users of yellowfin sole in the BSAI trawl limited access sector.

Diana Evans reviewed the RIR and discussed the alternatives and options and answered questions from the Council members. The AP gave its report, and the SSC had given its report earlier. Public comment was taken.

COUNCIL DISCUSSION/ACTION

Mr. Henderschedt moved, which was seconded, to include an additional alternative-

For flathead sole, rock sole, and yellowfin sole, the council shall annually establish a *harvest limit* that is equal to ABC or reduced from ABC for social, economic, or ecological considerations and allocate the *harvest limit surplus* (the difference between the *harvest limit* and TAC) for flathead sole, rock sole, and yellowfin sole...as written in Alt. 2, replacing *ABC surplus* with *harvest limit surplus*.

Mr. Henderschedt spoke to the motion, noting the utility of the tool in achieveing OY for these flatfish species in the constraints within the 2mmt cap, and that the analysis contains options that would mitigate potential impacts on the non-Amendment 80 sector.

He noted that Alternative 2 creates flexibility to allow a better context for setting TACs in December every year, and a fishery that can be responsive to changing environmental conditions. But the Council also has responsibility to respond to social, economic and ecological fluctuations, and as Alternative 2 is structured, there is no ability for the Council to establish any limit to harvest above TAC but below ABC, if and when that is appropriate.

Mr. Henderschedt clarified when making this motion, he expects that the default harvest limit would still equal ABC. However, the new alternative would establish a mechanism to allow the Council to address concerns that are unseen. The process of establishing a harvest limit surplus is described in the motion, and the Council would establish a record-building process during annual TAC setting with respect to this issue.

There was brief discussion on timing of final action, and the **motion passed unanimously.**

Agenda C-2(c) Freezer Longline GOA Cod Sideboards

BACKGROUND

At the June 2012 meeting, the Council reviewed a discussion paper on the impacts of removing GOA Pacific cod sideboard limits applicable to freezer longliners that were created under the crab rationalization program. When originally implemented, the sideboard limits created by the crab program were aggregated at the inshore and offshore level, and were shared by all gear types. As part of the GOA Pacific cod sector splits (Amendment 83) implemented in 2012, these Pacific cod sideboard limits were disaggregated to create sector limits, which essentially eliminated the sideboard fishery for those freezer longline vessels restricted by the limits. At the June meeting, the Council approved a problem statement and approved two alternatives for analysis.

Jon McCracken gave the staff report on this agenda item. The AP gave its report, the SSC had given its report earlier, and public comment was taken.

COUNCIL DISCUSSION/ACTION

Mr. Cross moved, which was seconded, that the Council have staff add to the analysis comments from the AP and SSC as practicable. The document should be sent out for public review and final action, with the following change:

Include in Alternative 2: Relieve sideboard limits on the effected LLPs and FFPs when all GOA FLL endorsed LLP holders notify NMFS of an agreement to remove sideboards. The LLP holders would have three years to provide notification to NMFS.

Mr. Cross spoke to the motion, and stated the analysis is complete, the issue is clear, and that there are a few vessels that may be impacted, and his motion addresses that, along with a three year notification period. He stated that is enough time to negotiate an agreement.

Mr. Fields noted that this process is what is needed, and supports the motion. There was brief discussion regarding what starts the three year period. Mr. Fields moved to amend the motion to read that the 3 years would begin at the effective date of the rule. The motion was seconded by Mr. Tweit, and the amendment passed unanimously.

Discussion continued generally regarding private agreements between permit holders.

Mr. Henderschedt moved to add a suboption under Alternative 2 that substituted "suspended" instead of "relieve" the sideboard limits. The motion was seconded. Mr. Henderschedt noted he is offering this motion because the Council is treading on new ground and relying on private agreements to achieve policy objectives. Examining the differences between "relieving" and "suspending," would allow the Council to make more informed decisions. There was discussion regarding the operations of a cooperative, and its ability to make long-term agreements and business plan. Mr. Henderschedt

confirmed that the motion is not trying to undermine the value of an agreement, but the challenge is that a private agreement is supporting a regulatory action. Mr. Cross noted that he would prefer not to include this substitute motion, and stated that it would provide a better incentive if a solution that is permanent can be reached.

Ms. Campbell noted suspending sideboard limits allows for constant re-negotiation. The Council should consider something less than a one-time option. There was discussion regarding the durability of an agreement relative to disposition of sideboard limits. Mr. Henderschedt offered an amendment because it highlights the differences and flexibility of the Council in responding to those differences.

Maura Sullivan from NOAA GC noted that this is a new approach, and while there are no legal issues at this point, there may be as the package is analyzed. Mr. Henderschedt stated that the introduction of a new alternative will be more analytical work. Mr. Fields noted that the Council staff interacts with the NMFS GC throughout the analysis.

Mr. Cotten stated his support of the amendment and that it is a minor part of analysis and would like to see variations on conditions. **The amendment passed with Mr. Cross objecting.**

Ms. Campbell voiced her concern that the Council may be taking action even if there is not an agreement between parties. She noted that the Council may be introducing complexity before making the parties reach an agreement prior to Council action.

The amended main motion passes with no objection.

C-2 (d) AFA Vessel Replacement GOA Sideboards

BAKGROUND

On October 12, 2010, the Coast Guard Authorization Act of 2010 was signed into law. Section 602 of the Coast Guard Act addresses the replacement and removal of vessels eligible to participate in the Bering Sea pollock fishery under the American Fisheries Act (AFA). An analysis was prepared and presented at the October 2012 Council meeting to clarify AFA vessel replacement provisions of the Coast Guard Act and to prevent AFA vessels that are replaced or rebuilt from increasing fishing effort beyond historical catch levels in the Gulf of Alaska. At that meeting, the Council requested the analysis be revised per SSC comments and brought back to the Council for initial review.

Jon McCracken gave the staff report on this agenda item, and reviewed the alternatives and options. The AP gave its report, and the SSC did not address this issue. Public comment was taken.

COUNCIL DISCUSSION/ACTION

Mr. Cross moved, which was seconded, that the Council would have staff add to the analysis comments from the AP and SSC as practicable. The Council would pick alternative 2 as the preferred alternative. The vessel removal provision would be included in the preferred alternative.

The option below is not part of the PPA, but should be changed in the analysis.

Option 2.4 may not exceed the MLOA specified on the LLP for the vessel to be replaced or rebuilt at the time the coast guard act was approved (October 15, 2010).

Mr. Cross spoke to his motion, stating that issues in the problem statement are now addressed in the PPA; the relationships of LLPs and how they are affected by vessel rebuilding. He noted that the original intent of sideboards are still in place, and the options in the analysis may create inequities that were not there before. He noted that the options may take a lot of effort and re-writing to be clear, and still not achieve the original objective of the Council outlined in the problem statement.

Mr. Cotten stated that it may be premature select a PPA at this time. Mr. Henderschedt noted his support of the motion, and noted that it is important to identify PPAs when the Council might identify a direction that will warrant more focus and to further inform future comments from public. Specific to this issue, he noted that NMFS has been able to define their language on sideboards in GOA, and can now identify their interpretation which is now Alternative 2, status quo. Sideboards in GOA are unaffected by language in Alt 2. Function and form is not affected in those sideboards, and he does not feel it is appropriate to explore other options which focus more on individual vessel level considerations. Rather, Mr. Hendersheedt noted that the Council should ensure existing sideboards remain as part of the rebuilding language.

Mr. Fields noted he will support the motion, and although he was concerned initially with the identification of a PPA, he is persuaded that it may make sense to identify a PPA at this time, knowing that doing so does not prohibit the Council from selecting other options.

The motion passed by roll call vote 10/1 with Mr. Cotten objecting.

C-3 (a) CGOA Trawl Economic Data Collection

BACKGROUND

Because the Council is considering developing a catch share plan for the Central Gulf of Alaska trawl fishery, it has also expressed an interest in developing a fast-tracked data collection program that can be implemented before fishing begins under the proposed catch share program. Implementation of data collection before the catch share program implemented would provide the Council, analysts, and the public better historical information to assess the impacts of the proposed amendment.

The Council will need to define the scope of this data collection proposal. It is assumed that the data collection program would apply to harvesters and processors that catch or process groundfish harvested with trawl gear from the Central gulf. The program could be expanded to include participants that only fish in the Western gulf area as well. Extending the program to the Western gulf may not be a substantial burden, if the collection program is limited. It may also be prudent to extend the program to the Western gulf if the Council anticipates that harvests from that area could be included in a catch share program in the future.

The most efficient means of fast tracking the program would be to draw from other programs that currently collect data. These issues are described in the short discussion paper developed for this action item. The Council will need to affirm that this approach meets the intended goals. The Council could then choose to task staff with an analysis of the regulatory impacts of this action. Development of the surveys and limited modifications of the Amendment 80 EDR to account for GOA activity will likely require consultation with industry on specific issues regarding their ability to breakout proposed data elements by area, fishery, gear type, or month.

Darrell Brannan gave the staff report on this agenda item and answered questions from the Council. The AP gave its report, and the SSC had given its report earlier. Public comment was taken.

COUNCIL DISCUSSION/ACTION

Mr. Henderschedt moved, which was seconded, the following, to be applied to C and W GOA:

Move forward with analysis of an economic data collection program for the GOA trawl sector outlined as follows: Economic data pre-catch shares for the GOA trawl inshore sector to understand the effects of a GOA trawl catch share program for the following economic indicators (see table below):

<u>Harvesters</u> (trawl fisheries as specified)

- 1. Crew compensation
- 2. Captain compensation
- 3. Investment in gear
- 4. Effects on fuel consumption and costs
- 5. Effects on observer costs

Processors (all fisheries)

- 1. Number of labor hours
- 2. Total processing labor payments
- 3. Number of processing employees
- 4. Number of non-processing employees

Community (all fisheries processor usage)

- 1. Water usage
- 2. Electrical usage

Catcher Processor

Collect data on catcher processers based on current Am 80 EDR and modify as necessary to collect information relevant to the GOA.

Harvester, Processor and Community Data will be collected by a third party organization, such as PSMFC, that is not subject to the Freedom of Information Act. The third party organization will aggregate the data for each sector for release to NMFS and/or the NPFMC.

HARVESTERS			
Data Type	Data Element	Fishery/Area/Gear	Catcher Vessels
	Payments to crew	GOA Trawl	Annual
	Payments to captain	GOA Trawl	Annual
Crew and Crew Payments	Crew license number/CFEC permit number (Data available from other sources besides individual vessel operations?)	Trawl	Annual
	Gear purchases	Trawl	Annual
Cooks	Fuel used – gallons	GOA Trawl	Annual
Costs	Fuel used – cost	GOA Trawl	Annual
	Observer costs	GOA Trawl	Annual
PROCESSORS			
Data Type	Data Element	Fishery/Area/Gear	Shoreplants & Floating

			Processors
	Man-hours	All	Monthly
Processing Labor	Total processing labor payments	All	Monthly
	Processing employees	All	By month or quarter
	Payments to foremen, managers,	All	Annual
Other labor	and other non-processing		
	employees at plant		
COMMUNITIES			
Utilities	Electric	All	Monthly
Otilities	Water All		Monthly

Include a checkbox to ask that if the skipper moves fishing location because of Chinook or halibut PSC.

Mr. Henderschedt spoke to the motion stating that it represents a reasonable attempt at establishing baseline economic data which will be useful in evaluating a catch share program should it be implemented in the future. He noted there are still questions regarding the usefulness of a few things (gear purchase, cost of fuel, observer costs, and bycatch information) but that information should be included in an analysis. Additionally he acknowledged development of reasonable proxy of residency of employees should remain in the scope of work.

Mr. Henderschedt clarified there would be two checkboxes: one for halibut and one for Chinook PSC.

Mr. Fields questioned the residency component, and how to integrate it into the data collection. It was agreed that further discussion of that component would be reviewed later in the analysis. Mr. Fields also noted that E GOA or Yakutat were not considered, and it was noted that the catch information is not split.

Mr. Fields moved to amend the motion to state that the Council is considering trawl GOA data collection program. The motion was seconded by Mr. Cotten. Mr. Tweit noted that the motion was to evaluate what the management framework would have on harvesters, processors, and communities. After brief discussion, Mr. Fields withdrew his amendment, with the concurrence of the second, pending discussion on state fisheries in federal waters.

Mr. Cotten moved to add a check box to ask if the vessel employed an excluder device. The amendment was seconded by Mr. Fields. There was no objection to the amendment.

Mr. Hull moved to amend to ask the analyst to explore ways to report active participation, and it was seconded by Mr. Cotten. Mr. Hull noted that a comment brought forward in public testimony requested clarity of whoever provides the license on the fish ticket be the vessel owner. Mr. Hull would like to see information of the current participation, and what changes are important to explore. Mr. Henderschedt noted that the Council needs to then define active participation. There was discussion regarding active participation, and if exploration of this issue would impede the analysis. The motion failed 5/6, with Campbell, Cotten, Fields, Hull, and Olson voting in favor.

Mr. Merrill pointed out the motion did not include a problem statement or purpose and needs statement, and moved the following to amend, which was seconded:

The Council is interested in developing a data collection program that can be established prior to the implementation of a trawl catch share program in the GOA. This fast-tracked data collection would provide the Council and analysts with relevant baseline information that can be used to

assess the impacts of a catch share program on affected harvesters, processors, and communities in the GOA.

In developing a data collection program that can be implemented quickly, efficiently, and with minimal burden on participating stakeholders, the Council intends to prioritize the collection of information that is relevant, reliable, and for which existing data sources do not exist. Given the potential for implementation of catch shares in both the Central and Western GOA, the scope of the analysis should include participants in both management areas.

Alt. 1. No action.

Alt. 2. Implement a fast-track program to collect economic baseline data for the WGOA and CGOA trawl harvesting and processing sectors.

Mr. Merrill spoke to his motion, and that the alternatives are straightforward, and as with other programs there is a range within that action alternative that can encompass various ways to collect the data. **The amendment passes without objection.**

Mr. Fields moved to amend to say Gulf of Alaska, not CGOA or WGOA, in trawl, harvesting and processing sectors. The motion was seconded. Mr. Fields would like to encompass the entire GOA for data collection. There was discussion regarding the necessity of having other fisheries participate in a program where there is not a management need, and questions to staff regarding reporting requirements. The amendment failed 3/8, with Fields, Campbell, and Cotten voting in favor.

Mr. Fields spoke to the main motion, and noted that he will be voting against the main motion, and that it sets a poor precedent that the Council will not even collect basic information on ownership and relationship information regarding participation on board.

Mr. Henderschedt noted the motion is not foreclosing on the Council's ability to consider active participation in the future, and is simply choosing or establishing one tool for collecting one baseline data, with the goal of minimization of burden on the fishery and capturing some data before management of implementation of the system.

The motion passed with Mr. Fields objecting.

C-3 (b) GOA Trawl Issues

BACKGROUND

Recently, the Council has advanced a number of actions to reduce the use of prohibited species catch (PSC) in Gulf of Alaska fisheries. At its June 2011 meeting, the Council introduced Chinook PSC limits in the Gulf pollock fisheries. In addition, the Council took action at its June 2012 meeting to reduce halibut PSC available to trawl and longline fisheries in the Central and Western Gulf. The Council is also considering an action to extend similar Chinook PSC limits to non-pollock groundfish fisheries in the Gulf. While this series of actions reflects the Council's commitment to reduce prohibited species catch in the Gulf fisheries, participants in these fisheries are concerned that the current management structure limits their ability to collectively reduce PSC usage.

At its June 2012 meeting, the Council received a paper to help focus its development of a management program. The Council received an additional discussion paper at their October 2012 meeting. In response to the papers and public testimony, the Council developed a purpose and need statement and

also identified goals and objectives for this action at their October 2012 meeting. The Council then requested that its staff develop a discussion paper outlining MSA requirements and limitations regarding the development of a catch share plan, and describe various catch share options used in other fisheries that might meet the Council's goals and objectives for this program.

Further, the Council asked interested members of industry and the public to be prepared to provide input on the scope and structure of a Central gulf trawl catch share program at this meeting. Public and industry input is expected to provide focus for the program's development, so that effective management tools can be implemented that also meet the Council's goals and objectives.

Elements and options for the proposed program that are developed as a result of public input and the discussion paper are expected to define the management tools that allow industry to more effectively utilize available PSC, create incentives for the minimization of bycatch, and create vessel level accountability for the Central Gulf of Alaska trawl groundfish fishery. If the Council is provided sufficient information to develop potential elements and options at this meeting, it may wish to develop a timeline for reviewing the analytical development of those components.

(b) Review WGOA issues and discuss next steps

At the December meeting, the Council received testimony from participants in the Western Gulf trawl fishery requesting that the trawl fishery in that management area be included in any catch share program considered for the Gulf of Alaska trawl fisheries. In response, the Council requested that participants in the Western Gulf trawl fisheries present their positions concerning possible inclusion of the Western Gulf trawl fisheries in such a program at this meeting. Those who support inclusion of those fisheries in the catch share program are asked to present the Council with elements and options appropriate for the Western Gulf fisheries. Specific elements should be developed for the Western Gulf to recognize the different fishery, regional, and community interests.

Darrell Brannan gave the staff report on this agenda item and answered questions from the Council. The AP gave its report, and the SSC did not address this issue. Public comment was heard.

COUNCIL DISCUSSION/ACTION

Commissioner Campbell moved to modify the purpose and need statement for this action as follows; deletions are stricken and additions are underlined.

Purpose and Need Statement:

Management of Central Gulf of Alaska (GOA) groundfish trawl fisheries has grown increasingly complicated in recent years due to the implementation of measures to protect Steller sea lions and reduced Pacific halibut and Chinook salmon Prohibited Species Catch (PSC) limits under variable annual total allowable catch (TACs) limits for target groundfish species. These changes complicate effective management of target and non-target resources, and can have significant adverse social and economic impacts on harvesters, processors, and fishery-dependent GOA coastal communities.

The current management tools in the GOA Groundfish Fishery Management Plan (FMP) do not provide the Central GOA trawl fleet with the ability to effectively address these challenges, especially with regard to the fleet's ability to best reduce and utilize PSC. As such, the Council has determined that consideration of a new management regime for the Central GOA trawl fisheries is warranted.

The purpose of the proposed action is to create a new management structure which allocates allowable harvest to individuals, cooperatives, or other entities, which will eliminate mitigate the impacts of a derby-style race for fish. It is expected to improve stock conservation by creating vessel-level and/or cooperative-level incentives to eliminate wasteful fishing practices, provide mechanisms to control and reduce bycatch, and create accountability measures when utilizing PSC, target, and secondary species. It will also have the added benefit of reducing the incentive to fish during unsafe conditions and improving operational efficiencies.

The Council recognizes that Central GOA harvesters, processors, and communities all have a stake in the groundfish trawl fisheries. The new program shall be designed to provide tools for the effective management and reduction of PSC and bycatch, and promote increased utilization of both target and secondary species harvested in the GOA. The program is also expected to increase the flexibility and economic efficiency of the Central GOA groundfish trawl fisheries and support the continued direct and indirect participation of the coastal communities that are dependent upon those fisheries. These management measures shall could apply to those species, or groups of species, harvested by trawl gear in the Central GOA, as well as to PSC. This program will not modify the overall management of other sectors in the GOA, or the Central GOA rockfish program, which already operates under a catch share system.

The Council adopts a control date of March 1, 2013, for the Western Gulf of Alaska trawl fishery. Any catch history after this date may not be credited in any allocation system when designing a future fishery management system for the Western Gulf of Alaska trawl fishery.

The Council recommends an expanded discussion paper focused on the following elements and how they would relate to a GOA trawl catch share program:

- 1. Expanded discussion of state waters management, including options for addressing expansion into state waters which may result from a catch share program that applies to federal waters.
- 2. Potential benefits and detriments of limited duration quota allocations. This should include the identification of possible bycatch performance incentives upon which to base ongoing quota allocation, and exploration of non-monetary auction options.
- 3. Expand the discussion of community protections to include the mechanics and applicability of Community Fisheries Associations and other alternative measures (e.g., port of landing requirements, regionalization) to the GOA trawl fisheries.
- 4. Information on the number of trawl participants by area in the GOA, including the amount of landings by groundfish species, PSC use, landings by community, and participation in GOA trawl fisheries relative to other fisheries. Include information on the number of trawl licenses that are also endorsed for Pacific cod pot gear in the WG and/or CG.

Mr. Hull seconded the motion.

Ms. Campbell spoke to the changes in the problem statement, noting that CGOA was changed to GOA for clarity that the Council is not pre-disposing a decision on whether or not include WGOA. The public has expressed interest in possibly including the WGOA as the Council moves forward. She noted also included was a proposed control date to address speculative entry.

Ms. Campbell took points from public testimony, as well as from the advisory panel and attempted to include elements that will determine what direction the Council should go for future program design. She wanted to try and include elements that will be helpful and informative in a Council decision. Ms. Campbell also noted the agenda item title change to "GOA trawl bycatch management program," as the program and original focus was intended to address trawl PSC in the GOA.

Ms. Campbell answered questions of clarifications from Council, specifically in relation to the auction option and broad bycatch performance incentives.

Mr. Fields moved to amend to add at the end of item number 2... "and bycatch performance incentives, which can encourage bycatch avoidance at all times throughout the fishery." The amendment was seconded.

Mr. Fields noted that there is importance for having bycatch allocation that encourages and motivates bycatch avoidance. There is a relation between the auction paradigm, and other kinds of bycatch avoidance that would serve to motivate bycatch avoidance in the fisheries.

Mr. Henderschedt noted he supports the intent, but the extent to which incentives can be crafted through regulation and accomplished through private agreements. **The amendment passed without objection.**

Mr. Cotten noted his support for the motion, and acknowledges the Council may include the entire GOA in the future. Mr. Hull noted there are diverse interests, as evidenced by public testimony. He remains hopeful that the Council can come together with consensus what a program should look like in the absence of a broader framework. He also wanted to inform the public that as the Council moves forward with the next draft, it would be helpful for stakeholders to know what a program should look like in the future.

Mr. Henderschedt supported prior remarks. He noted that although the Council has received public comment, and AP recommendations, it has not been able to send clear signals as to how the Council continues to move in developing purpose and needs, and elements and options. A roadmap needs to be crafted in order to move forward.

Mr. Fields supports taking more time and being careful to develop a broad information base before moving forward on these complex issues. He noted that item number 3 gives stakeholders that have advocated for this approach an avenue to provide information to analysts to weigh and consider what may come forward. He remained appreciative of the Council's willingness to work through complex issues that will ensure a better result.

Mr. Olsen noted his support of the motion, and that the motion represents a next logical next step. The four items will allow the Council to get a better understanding of the issue.

The amended main motion passed without objection.

Mr. Henderschedt noted that the Council recommended a control date for WGOA trawl and may want to consider a processor control date in the future. He stated that speculative entry in fishery is destabling to harvesting sector, and similar behavior in processing sector can have same results. Council is interested in avoiding destablilization and will discourage speculative entry into any sector.

C-4(a) BSAI Crab Issues: Right of First Refusal

BACKGROUND

Under the crab rationalization program, a community that meets certain thresholds for historical processing received rights of first refusal on transfers of processing shares derived from processing that occurred in that community. Over the course of several meetings, the Council has considered actions to

amend the rights of first refusal to make those rights more effective. In addition, the Council has expressed concern that the Aleutia Corporation, the holder of rights of first refusal on behalf of Aleutians East Borough, was not informed of a transfer of Bristol Bay red king crab processor shares on which it held a right of first refusal and what thereby denied the ability to exercise that right. To address this concern, the Council has requested the analysis of an action that would provide Aleutia Corporation with an allocation of processor shares approximately equal to the amount of shares included in the transfer.

Mark Fina gave the staff report on this agenda item and answered questions from the Council. The AP gave its report, the SSC had given its report earlier, and public comment was taken.

COUNCIL DISCUSSION/ACTION

Mr. Cotten moved, which was seconded, to adopt the BSAI Crab Community Provisions, Right of First Refusal (ROFR) revisions for final action, selecting the following alternatives as its preferred alternative:

Action 1: Increase a right holding entity's time to exercise the right and perform as required.

<u>Alternative 2</u>: Increase an entity's time to exercise the right from 60 to 90 days, and increase the time to perform under the contract from 120 to 150 days.

Action 2: Increase community protections by removing or modifying the (two) ROFR lapse provisions.

<u>Provision 1, Alternative 2</u>: Remove the provision under which a ROFR lapses if IPQ are used outside the community for a period of 3 years.

<u>Provision 2, Alternative 3</u>: In the event a community entity fails to exercise the right on a transfer of PQS, the purchaser of the PQS shall name a new eligible community as ROFR holder.

Action 4: Require community approval for IPQ subject to the right to be processed outside the subject community.

<u>Alternative 2:</u> Require community approval for IPQ subject to the right to be processed outside the subject community.

Action 5: Require additional notices to right holders and NMFS

Require the following notices from PQS holders:

- 1) To the right holder, a prior notice of all transfers of IPQ or PQS that are subject to the right (regardless of whether the PQS holder believes the right applies to the transfer) (as a required contract provision);
- 2) To NMFS as a part of any application to transfer PQS subject to the right to any party other than the right holder, either:
 - a. A certification of the transferor of the PQS that the right holder was provided with 90 days notice of the right and did not exercise the right during that period (in which case the PQS may transfer and the right will no longer apply); or
 - b. A certification of the new PQS holder and the right holder that a contract has been entered establishing the right with respect to the new PQS holder or that the right holder has elected to waive the right with respect to the new holder.

To the right holder annually, the location of use of IPQ that are subject to a right and whether the IPQ were used by the PQS holder (as a required contract provision).

4) To NMFS, as part of the annual application for IPQ, certification of a current ROFR agreement in place with the community entity.

Action 6: - Issuance of PQS to Aleutia

Alternative 2 - Bristol Bay red king crab PQS shall be allocated to Aleutia Corporation in an amount that would result in that corporation receiving 0.55 percent of the PQS in that fishery. This allocation would be made exclusively from newly issued PQS.

The Council has adopted the following purpose and need statement for this action:

At least one PQS transfer is believed to have occurred without the right holder (Aleutia Corporation) being informed of the transaction, denying that right holder of the ability to exercise its right of first refusal to acquire PQS as intended by the program. This lack of notice allowed the transfer of PQS to a party other than the right holder and the movement of the processing to another community. Providing that right holder with a direct allocation of PQS could mitigate the negative impacts arising from that transaction. In addition, providing for notice of the location of use of IPQ and transfers of PQS to right holders could prevent similar circumstances from arising in the future and make the right more effective in protecting communities' historical interests in processing and ensure that community entities are better able to assert their interests as provided for by the right.

Mr. Cotten spoke to his motion noting that the reason to remove action 3 is cumbersome, expensive, and not useful. He noted that it would be appropriate to consider action 3 if the Council wasn't going to consider action 4. There may be concerns with Action 4, but the program has been in place for several years, and there may be some assurance things will remain stable. There are concerns from the communities as to who decides whether PQS would move. He noted there are no reasons to not work with communities to move quota, and the motion allows the communities to be recognized.

He also stated the system has been successful for processors, but not CQE communities. Mr. Cotten noted that Action 4 gives authority over processing.

There were questions of clarification, and discussion regarding the communities' ability to invest in the industry by purchasing quota.

Mr. Fields moved to bifurcate action 6 from the main motion, and it was seconded by Mr. Hull. Mr. Fields noted that this would be appropriate to bifurcate from the main motion, because it's a discrete motion related to ROFR provisions. The motion passed unanimously.

Mr. Fields moved a substitute motion: that the Council will take no action today on action 6, but that Alternative 2 in action item 6 to be modified with the following insertion:

On line 2, after the word "receiving," the words "up to" 0.55% should be added And to identify alternative 2 as the Council's preferred action.

Mr. Fields pointed out there has been significant discussion, and it merits additional analysis. The Council should continue to encourage private negotiations and resolution outside the Council process. Should the negotiations not be successful, the Council fully intends to go back and find resolution.

There were questions of timeline and tasking. Mr. Tweit was concerned with newly issued PQS and options available. Mr. Henderschedt noted his opposition to the motion, and stated the Council should not be considered a "court of last resort" when a system fails in supporting a policy, and the Council should preserve the role as policy makers rather than judges.

Mr. Merrill moved to amend, which was seconded, to add another alternative that would provide Aleutia ROFR for BBRKC of 0.55% of the south region PQS pool before other ROFR holders. Mr. Merrill spoke to his motion noting he is trying to be responsive to concerns, and is trying to provide an opportunity to have Aleutia to have the first opportunity of ROFR.

Mr. Olson noted that this may put Aleutia ahead of another community which may be disenfranchised. Mr. Cotten noted there may be other ways to address this issue. Mr. Tweit noted the Council is not an administrative hearing process. The amendment failed 2/8, with Cotten and Merrill voting in favor.

Mr. Tweit moved to amend to strike the designation of "preferred alternative." The motion was seconded by Mr. Dersham. Mr. Tweit noted that there has not been a debate yet on a preferred alternative, and the motion would allow the Council to have the discussion. Mr. Henderschedt pointed out that the Council's preferred action is "no action."

The amendment passed 9/2, with Mr. Fields and Mr. Cotten voting against the motion.

The original bifurcated motion passed 10/1 with Mr. Henderschedt in opposition.

Actions 1-5

Mr. Henderschedt moved to bifurcate actions 1, 2 and 5 separately from 3 and 4. Mr. Cross seconded the motion. Mr. Henderschedt spoke to his motion, noting that actions 1, 2, and 5 are the least controversial. All three actions are tweaks or improvements that attempt to improve implementation while keeping underlying policy of the ROFR system, therefore actions 1, 2 and 5 are all addressing crab rationalization at similar level. The motion passed without objection.

Mr. Henderschedt moved to keep actions 1, 2, and 5 as written.

Tweit moved to amend on provision 2, Alternative 3: instead of "a new" say "either the originator or the receiving" eligible community as ROFR holder. The motion was seconded by Mr. Cotten. He noted he is trying to be clear that this is not creating a third class of ROFR holders. The motion passed without objection.

Mr. Tweit also moved to amend to add that the Council deems proposed regulations that clearly and directly flow from the provisions of this motion to be necessary and appropriate in accordance with section 303(c), and therefore the Council authorizes the Executive Director and the Chairman to review the draft proposed regulations when provided by NMFS to ensure that the proposed regulations to be submitted to the Secretary under section 303(c) are consistent with these instructions. The motion was seconded. Mr. Tweit noted that the Council can have the Executive Director and Chairman to review the rule, and let the Council know if there is a problem that would need to be addressed. He also noted that scheduling would be addressed during staff tasking. The amendment passed without objection.

Mr. Fields spoke to the amended motion, and noted that action items 1, 2 and 5 address specific concerns, time allocated for notice, when or if ROFRs should lapse, and additional notice that should be given. He stated these are appropriate responses that should be taken at this time. **Motion passed unanimously by roll call vote.**

Mr. Henderschedt moved a substitute motion, which was seconded: Under Action 3, Alternative 1, no action; and Action 4, Alternative 1, no action. Mr. Henderschedt noted that the analysis points out all the alternatives pose extreme administrative challenges and questions remain as to the feasibility at an

operational level. Additionally, there are problems in rulemaking and enforcement. He also noted in actions 3 and 4 the Council runs the risk of changing the intent, balance, and outcome of community protections.

Mr. Henderschedt stated the ROFR program has been successful, through the fact it hasn't been used. Therefore, it is appropriate to maintain status quo and support the balance of power between processors and communities.

Mr. Cotten noted this is a policy call, and concerns that exist about balance are at mitigated by what has happened to date. It does strengthens the communities and the ROFR program gives them decision in maintaining their economic requirements. Mr. Fields noted his agreement with Mr. Cotten, and is not supportive of the motion.

Mr. Tweit noted that by the Council choosing status quo, it doesn't preclude continued work outside the Council process. Action 4, Alternative 2, has results that have not been fully explored.

Mr. Cross stated his agreement with Mr. Tweit, and said he does not have enough information to consider the alternatives to go forward for final action, so he will be voting with status quo. Mr. Cotten noted the Communities need to have a stronger part than they have had in the past.

Mr. Merrill noted that throughout the document there are costs associated with trying to administer the costs of action 3, and Action 4 needs more analysis.

The substitute motion passed 7/4, with Campbell, Cotten, Olson, and Fields voting in opposition. A final motion is provided in these minutes as Attachment 5.

C-4 (b) Active participation analysis

BACKGROUND

Under the crab rationalization program, owner quota shares (QS), which makes up approximately 97 per cent of the QS pool, may be acquired and held by an individual (or an entity owned in part by an individual) who has demonstrated 150 days of sea time in U.S. commercial fisheries. On receiving staff's review of the first five years of the crab program, the Council elected to consider an action that would require on going crab fishery participation on the part of persons wishing to acquire and hold owner QS. At that time, the Council identified alternatives for analysis and directed staff to prepare an analysis of those alternatives for initial review.

Mark Fina gave the staff report on this agenda item and answered questions from the Council. The AP gave its report, and public comment was taken.

COUNCIL DISCUSSION/ACTION

Mr. Cross moved, which was seconded, that the Council intends to take no further action on the amendment package. Mr. Cross noted that this issue is so intertwined with crew issues and the ability of coops to address them would be a better first option. Mr. Cotten noted there has been concern expressed that surveys do not give a full picture of the participation.

Mr. Fields stated his opposition and that the Bering Sea crab program represents a policy of how to create catch share programs. He disagrees with the policy choice, and the people who receive the benefits of a

public resource should actively participate in the harvest of that resource. He cannot support a motion that allows people to receive benefits without any personal involvement or financial risk in the fishery. **The motion passed with Mr. Fields objecting.**

C-4 (c) BSAI Crab Cooperative Provisions for Crew

Shortly after the implementation of the crab program, the Council expressed a concern that the leasing of quota under the program may have detrimental effects on crab fishery participants. Specifically, the Council is concerned that a segment of the quota holders in the fishery have little or no involvement in crab fishery operations leading to the development of an environment in which a substantial portion of the interests in the fisheries are held as passive investments. As a result, a share of the quota interests in the fisheries may be unavailable for persons who active fish (either through vessel ownership or as crew). The Council is also concerned that high lease rates of quota may harm participants in the fisheries by diminishing returns on investments in vessels and pay to crew. To consider the development of a response to these concerns, the Council requested staff to prepare a discussion paper examining requirements for cooperative agreements to address problems arising from the leasing environment in the fisheries. The Council specifically requested that the paper examine the use of cooperative agreements to implement measures to 1) create share acquisition opportunities for crew and other active participants, 2) establish a limit on lease rates, 3) establish a limit on the amount of leases payments that may be charged to crew, and 4) establish crew compensation standards.

Mark Fina gave the staff report on this agenda item and answered questions from the Council. The AP gave its report, and public comment was taken.

COUNCIL DISCUSSION/ACTION

Mr. Cross moved, which was seconded, that each of the BSAI Crab Rationalization cooperatives voluntarily provides an annual report detailing measures the cooperatives are taking to facilitate the transfer of quota share to active participants and crew members, and available measures which affect high lease rates and crew compensation. The annual reports should convey to the Council the effectiveness of the measures implemented through the cooperatives, the estimated level of member participation in any voluntary measures, and include supporting information and data.

Mr. Cross stated the active participation and crew compensation issues are intertwined and can be addressed within cooperative structures that the Council can review annually. Coops have worked in other areas and are proactive when addressing issues. The administrative burden that has been highlighted throughout the document can be relieved by allowing coops to ease administrative workload. The coops need to show progress on the annual reports before the Council makes regulations to do so.

Laruen Smoker from NOAA GC spoke to the legal aspects of reporting, and noted that the Paperwork Reduction Act may be triggered. Additionally, she noted that by using the words "voluntarily" submitting information may have different implications. After brief discussion, it was generally agreed that NOAA GC would review any decisions the Council made in regards to this issue.

Mr. Fields moved to amend the motion to say "quota share to active participants, including crew members, and vessel owners." It was seconded by Mr. Cotten. Mr. Fields noted it was a technical correction. The amendment passed with no objection.

Mr. Balsiger spoke to the amended main motion, and noted his support is not because it will be easier for NMFS, but because the reports that the Council will receive from the coops will be easily trackable and the progress can be monitored. Mr. Fields supported the motion, and will track current staff analyses and encourage members for greater participation in the surveys through the coops. Discussion regarding implementation for reports ensued.

Mr. Fields moved to amend to request reports from the coops at the October meeting each year. The amendment passed without objection.

The amended main motion passed without objection.

D-1 Definition of Sport Fishing Guide Services

In April 2012, the Council received a report from the Office of Law Enforcement highlighting a fishing practice in Area 2C that allows anglers to circumvent guided (charter) daily bag and size limits and allows operators to provide sport fishing guide services without the required Charter Halibut Limited Access Permit (CHLAP) for the Pacific halibut charter sector. The regulations defining charter anglers and operators is important for tracking and managing halibut harvest, particularly in Area 2C, because charter anglers are subject to more restrictive daily bag limits than unguided anglers. Specifically, halibut fishing activities are subject to charter fishery restrictions under Federal regulations only if a guide is "onboard the vessel" with the charter angler and is providing "sport fishing guide services." Beginning in 2011, law enforcement staff observed and received anecdotal reports of businesses offering "unguided" halibut fishing to anglers, where guides provide assistance to anglers for compensation from adjacent vessels or shore, presumably to circumvent the Federal regulations that limit charter halibut anglers. The State definition of "sport fishing guide services" does not require the guide to be aboard the vessel with clients.

Based on this information, the Council requested a discussion paper to review the different Federal and State definitions of a charter guide in order to determine if the current Federal regulatory definitions used to determine charter fishing are consistent with its intent for management of the charter halibut harvests.

Jane DiCosimo gave the staff report on this agenda item. The AP gave its report, and public comment was taken.

COUNCIL DISCUSSION/ACTION

Mr. Dersham made the following motion, which was seconded: The Council approves the following problem statement and alternatives for analysis.

The Council has received information highlighting halibut fishing practices in Area 2C that allow anglers to circumvent guided daily bag and size limits, and allows operators to provide sport fishing guide services without required Charter Halibut Permits (CHPs) for the Pacific halibut charter sector. It may be necessary to revise and clarify federal definitions of terms including 'sport fishing guide services', 'compensation', and 'assistance', to meet Council intent to define guided halibut fishing. The current loopholes not only affect the CHP program but, as long as differential bag and size limits exist in Area 2C, and if they expand to Area 3A in the future, have the potential to increase the overall removals of halibut and affect other sectors that use the halibut resource.

Alternative 1. No action

- Alternative 2. Revise and clarify the federal definition of sport fishing guide services.
 - Option 1. Revise the definition to remove the language "by being onboard a vessel with such person".
 - Option 2. Define 'compensation' within the definition of sport fishing guide services.
 - Suboption 1. The definition of 'compensation' would be aligned with the proposed State of Alaska definition, if the proposed state definition is amended to replace "actual" daily expenses with "reasonable" daily expenses.
 - Option 3. Define 'assistance' within the definition of sport fishing guide services.
 - Suboption 1. Examples of assistance include, but are not limited to, providing a handheld GPS unit containing coordinates for halibut fishing locations.

Mr. Dersham spoke to his motion, noting that the intent is to work with the State of Alaska to align all regulations regarding sport fishing guide services for Pacific halibut. He stated all appropriate federal regulations will be reviewed for consistency and unintended consequences. He noted the motion is not intended to increase halibut permits, or increase the number of charter halibut permits initially issued under the charter halibut limited access program.

Although the discussion paper focused on logbook data, boat rentals may be reviewed for estimating the extent of activity. Mr. Dersham noted he would like to make sure boat rentals are not exploiting loopholes that allow them to guide people without the anglers subject to bag limit from 2C and may have in 3A. Mr. Fields supported the motion, noting that it is comprehensive. **The motion passed without objection.**

D-2 Staff Tasking

Chris Oliver reviewed items the Council needed to address, and briefly outlined the schedule for the April and June meetings. He reviewed a priority tasking sheet along with the three meeting outlook and status of "Items for Future Meetings." The AP gave its report, and public comment was taken. There was brief discussion regarding other items that may need consideration.

The minutes of the December 2012 meeting were approved unanimously.

Enforcement Committee

Mr. Hyder discussed enforcement priorities from the Enforcement Committee minutes and NMFS' Office of Law Enforcement priorities, and stated the Council should send a letter supporting the priorities of the Council's partners. Education and outreach is an ongoing effort that is applied to all the fisheries. Mr. Tweit noted a letter is a good opportunity to reiterate our concern with staffing shortfalls in NOAA OLE.

Observer Advisory Committee

Mr. Hull recommended to schedule an OAC meeting prior to the April Council meeting to: 1. Receive an update on the implementation to the observer program, 2. to review the EM strategic plan that the AFSC has developed, and provide comments to the Council. Additionally, he suggested the AFSC review the FVOA's proposal to implement a deployment plan based on vessels that account for the greatest extent of harvest for any sector. He asked that the AFSC evaluate the proposal, and consider incorporating the proposal as part of the April report to the Council if it meets the Council's objectives of data collection and incorporated cost effectiveness. He reminded the Council they have expressed

support for the 2013 EM pilot project and the EM strategic plan review in June. There was discussion regarding timeline to address other observer issues. It was generally agreed the June meeting would be appropriate for the Committee to provide comment on other issues.

Scallop Fishery

Mr. Cotten moved to send a letter to the Alaska Legislature to provide extension of the limited entry program support for the Weathervane scallop fishery. He noted that the Council has received public comment regarding this issue, and has sent letters of support before. It is important for the Council to comment on the importance of the program. The motion passed without objection.

Ecosystem Committee

Mr. Olson noted that Bill Tweit will be the Chairman of the Ecosystem Committee, and thanked Ms. Madsen for her work. He noted ecosystem management should be integrated into the fully array of management activities.

Mr. Tweit moved, which was seconded, the following next steps:

There is an opportunity for the Council to better utilize the Ecosystem Committee, both in addressing immediate issues of the day, and by taking a longer term view for how the Council could take a leadership role in the continuing evolution of EBM. This has been discussed at recent Committee meetings, and is reflected in their minutes from this meeting

In order to best take advantage of this opportunity the Council:

- 1. Will identify from time to time issues that require immediate attention and refer them to the Ecosystem Committee. In the near term those issues could include EFH consultations, conservation of deep sea corals, marine canyons, or emerging ESA issues such as right whales
- 2. Tasks the Committee to continue work on further refinement and implementation of the Aleutian Island FEP.
- 3. Tasks the Committee to consider longer term EBM approaches and opportunities. Examples could include further work with respect to the Arctic FMP and changing conditions in the Arctic, refining approaches to EBM and integrating science into management decisions in a practical manner appropriate to North Pacific fisheries, or refining concepts of adaptive management and monitoring to ensure that management measures are meeting goals over time.

The Council will schedule a report from the Committee and discussion by the Council at an upcoming meeting. The Council is requesting the Committee develop a proposed workplan for Council adoption and implementation of longer-term EBM approaches as part of its report.

Mr. Tweit noted that most of the rationale comes from the discussion in the Ecosystem Committee minutes. The motion outlines the kinds of tasks the Council should be taking in implementing ecosystem management into management decisions. Rather than just single-species management, challenges can be addressed from an ecosystem-based approach. He noted there has been a shift in thinking of how fisheries management can benefit and be informed from ecosystem science.

Dr. Balsiger noted his support of the motion. Part of the Committee's task is to work collectively with inter-agency task forces on the Arctic and other programs and keep the Council informed, and this motion gives direction. **Motion passed without objection.**

Mr. Tweit also requested the Committee work with ADF&G staff to receive a briefing regarding the EFH consultation on Nome gold mining issues, and then reconsider whether their recommendation s to the Council continue to be appropriate.

Crew Provisions

Mr. Fields noted that the Council had discussed drafting a letter to the coops to inform them of the Council's direction regarding crew provision, and he believes the coops will be responsive to that.

Right of First Refusal

Mr. Fields noted that there are many ideas as to how to proceed. He moved, which was seconded to request the current ROFR workgroup, or a subdivision of that workgroup, to develop new ROFR options and report back to the Council at a subsequent meeting.

Mr. Fields spoke to the motion, noting concern, and the current motion encourages stakeholders to work on solutions and report back as to progress. He is not advocating one group over another, but subgroups may be useful.

Mr. Cotten stated the motion is not strong enough and doesn't advocate a certain issue; however, it does give assurance that any groups work product will be received seriously. He will be supporting the issue.

Mr. Tweit emphasized that practical issues need to be discussed: a solution be enforceable, administratively feasible, and workable.

The motion passed unanimously.

Mr. Cotten spoke to the timing on Action 6, and it was generally agreed timing would be left to the parties involved as to when they are ready to report back to the Council.

Gulf of Alaska

Chinook PSC

Mr. Henderschedt stated the Council's time is best spent when it is ready to take final action on a complete analysis, including implementation and enforcement aspects. He noted that while the GOA Chinook analysis is currently scheduled for April, the Council is not likely to have a complete analysis then and he would prefer to postpone final action. Mr. Fields noted his agreement, and preferred to wait for a more complete package. Mr. Tweit noted that choosing to back off is a tough decision in terms of priorities, but until there is a clear path regarding monitoring and enforcement, he recommends the Council postpone. The issue remains a very high priority, and a clear conservation issue.

There was brief discussion and it was generally agreed that scheduling in April is too soon and final action would be no earlier than June.

GOA PSC management package, Economic Data Collection

Mr. Henderschedt noted as time is available, the Council should move forward on EDC. In regard to the broader PSC management, he stated that he would prefer to develop a strawman or decision tree of how to move through the process of scoping, to inform both the public and Council, and to be in agreement. The strawman would outline at what point start to transition from discussion papers to range of alternatives. Mr. Henderschedt remains cautious to not overburden the staff, but notes there is a lot of

experience within the Council in developing elaborate and involved programs. He hopes to have something to discuss in April.

Discussion continued regarding staff timing and resources. Mr. Oliver noted that staff can begin, but there are more parts to the issue which will not be ready for April and wanted to notice public. Mr. Henderschedt noted his preference would be to only discuss process. Mr. Fields noted this is a specific issue, but should work in connection with the larger overall package. Mr. Olson noted the process discussion is very important. Ms. Campbell noted her concurrence with Mr. Henderschedt, and is concerned about the ability to confine the discussion to process only.

BSAI Halibut PSC

Mr. Cotten would like to address the BSAI Halibut PSC issue that is currently on hold. He noted that we have new information regarding halibut migrations, and in response to public comment, that it would be appropriate at this point to put it into the queue for a review as quickly as possible. It was generally agreed that it would be scheduled at the earliest opportunity. Mr. Hull noted his agreement with Mr. Cotten, and hoped that the June (2012) discussion paper would be the basis for discussion, and give time for different groups to approach solutions.

Mr. Henderschedt highlighted the Council's expanded discussion paper from this meeting which looks at incentives and avoidance tools. Information in conjunction with other information may be the best way not only to talk about cap numbers but how to minimize bycatch. It may also discuss how to meet NS 9 and ensure objectives in managing bycatch, and create incentives to avoid bycatch at all times. The tools are the same, and discussion will send a message to industry to take stock in coop agreements. The Council can then take up discussion and how many tons of halibut to be representing in caps and what tools are in place to minimize bycatch.

Mr. Fields noted his agreement, and has serious concerns about the health of the halibut stock. In the same way the Council responded to Chinook stocks in the BSAI, the Council should appreciate the need for absolute reduction in bycatch, while working with industry and exploring all options possible. The Council should have discussions regarding cooperative tools, other management possibilities and overall amount of bycatch occurring.

Mr. Tweit cautioned about staff timing and tasking, but agreed with the importance of the issue. He noted the Council can continue discussions with the industry about what they can do within the cooperative structure. Mr. Fields suggested a committee to address these issues.

Dr. Balsiger stated bycatch, and halibut bycatch in particular, will be issues that the Council will continue to face and cannot ignore. He did state that the scientific information and the way the bycatch is viewed is significantly different this year. The IPHC may have new information that will aid in the Council's decision making and may have implications for bycatch limits.

Mr. Olson stated that the path forward will include updating the current discussion paper with new information and work with other agency partners and the State of Alaska to develop next steps.

Amendment 80 Cooperatives

Mr. Tweit requested as part of the April reports that the Amendment 80 coops provide an update on efforts to determine release rate of halibut.

Definition of a fishing guide

Mr. Dersham noted that he would leave the scheduling to the Chairman, but activities that are taking place in 2C may spread to 3A later in the year. Additionally, because the June meeting will be in Juneau, it may be an appropriate time to take final action.

Greenland Turbot

Mr. Fields noted that public testimony relative to Greenland turbot stated that the groups involved can resolve their issues, and that the Council should continue to track it, but remains hopeful that they can resolve the issue. Mr. Tweit requested that the groups report on the 2013 fishing plan and progress of a resolution.

CQE/IFQ Analysis

Mr. Tweit moved, which was seconded by Mr. Hyder, to schedule parallel with development of the CQE small block package an initial discussion of small block quota for the second generation as described in the Deep Sea Fishermen's Union letter. Mr. Tweit spoke to his motion, and noted that over time, issues of consolidation are viewed differently and that DSFU boats have indicated an interest in examining the issue of consolidation beyond CQE. There was brief discussion regarding the Committee process, and Mr. Hull noted there are a growing number of proposals the IFQ Committee will need to review, and a meeting has not been scheduled. It was generally agreed the Committee will schedule a Committee meeting to review and prioritize the IFQ proposals. Mr. Tweit withdrew the motion. Mr. Hyder, the second, concurred. Mr. Hyder emphasized the need to refine the committee process which may warrant extended discussion over time. Ms. Campbell noted the Council may want to consider scheduling and prioritizing the 5 pending IFQ amendments, and prioritize any new IFQ proposals that will come to the committee.

Mr. Olson announced staff appointments: North Pacific Fisheries Commission – Dan Hull; Alaska Ocean Observing System – Duncan Fields; PNCIAC – All members currently on the committee will be reappointed, with the addition of Mark Gleason; IPHC management committee member will be appointed at a later date.

Chairman Olson thanked everyone for the work in the past week, and the meeting adjourned at 11:40 am on February 11, 2013.

MEETING ATTENDEE SIGN-IN SHEET <u>February</u>, 20<u>13</u> N.P.F.M.C. MEETING

PLEASE REGISTER ATTENDANCE FOR MEETING RECORDS

PLEASE PRINT - THANK YOU!

NAME	AFFILIATION
HENRY MITCHELL	CURF
Todd Loomis	Ocean Peace, Inc
BRENT PAINK	UCB
Kris Norosz	Jercie Settrods
Michael LAKE	A I ASKANOBSERVERS
Matt Upter	US Sentosis
Molly Discharge	Acc
PAUL MACGREGOR	AT-SEA PROCESIORS ASSIM
Sorah Metton	Franklins Ash, LLC
The" MIKE SZYMANSKI	FFI
Simen Swetzer Ja	City of ST. Paul
Frank Rolfir	City of unalida
Genet Smother	FIS
GLENEN REED	PSPA
Greg Elwood	Aspine Cove Fisheries
Theresa Peterson	Amce
STOIAN I ANKOV	P/v Michelle Renee
VINCE D'SHEA	PSPA

MEETING ATTENDEE SIGN-IN SHEET Jebruary , 2013 N.P.F.M.C. MEETING

PLEASE REGISTER ATTENDANCE FOR MEETING RECORDS

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NAME	AFFILIATION
EMIL Christiansen	OLD HARBOR NATIVE CORP
BexH Szewart	PCC.
Jeff Stephane	UFMA
TERRY HAINES	CREWMANS ASSC.
AL CRATTY	010 HARBOR NATIVE CORP
Hoatur McCarty	McCluty & Assoc. Tunlay
Elary Gromoff	The Aleut Corp
Jake Sactosen	Jakr-Cooperate Exlan
Pat Hardina	Icile Sentouds, Fic
Matt Reimer	ISER UAA
JOE PLESIA	TRUGENT

NPFMC February 2013 Council meeting, Portland Oregon Time Log

February 6, 2013

Time on Tape	Time of Day	
0:00:00	8:05:16	Start Recording [8:05:16 AM]
0:00:06	8:05:24	Call to order
0:02:40	8:07:59	Chris Oliver, ED report
0:20:41	8:25:54	B-2 NMFS Management
0:20:49	8:27:16	Fan Tsao - Coral Strategic Plan
0:45:17	8:50:19	Glenn Merrill
0:54:17	8:59:20	Mary Furuness In season Management Report
1:10:15	9:15:06	Martin Loefflad
2:03:07	10:07:49	Low Audio Level
2:04:12	10:22:12	Science Center Funding Priorities
2:11:31	10:29:26	Dr. Steve Ignell
2:23:04	10:41:13	Lisa Lindeman, status of legal actions
2:26:02	10:43:53	Karla Bush, ADF&G report
2:35:31	10:53:18	Matt Brown, NOAA Enforcement
2:42:33	11:00:29	Capt Thorne, LT Tony Keene USCG Report
3:15:23	11:32:58	Tony Kenne Al Risk Assessment
3:28:21	11:46:10	Break for Lunch.
3:28:56	11:46:16	Stop Recording [11:46:16 AM]
3:28:56	13:05:21	Start Recording [1:05:21 PM]
3:28:58	13:05:37	Ian Stewart and Bruce Leman, IPHC
4:16:36	13:52:48	Steve MacLean
4:16:44	13:52:56	Melanie Brown, B-8
5:06:34	14:42:26	Ecosystem Committee Report
5:06:42	14:42:34	Stephanie Madsen, Diana Evans
5:23:59	14:59:54	Low Audio Level
5:25:32	15:18:29	SSC comments on B reports
5:27:11	15:20:04	Public comment
5:27:22	15:20:08	Bob Alverson
5:33:37	15:26:19	Brent Paine
5:43:11	15:35:51	Jackie Dragon
5:47:06	15:39:44	John Gauvin
6:03:04	15:55:36	Lenny Hertzog
6:07:27	15:59:57	Henry Mitchel
6:10:45	16:03:56	John Warrenchuk
6:30:57	16:23:22	Pat livingston - balance of SSC report
6:51:34	16:43:47	end for the day
6:51:44	16:43:53	Stop Recording [4:43:53 PM]
February 7, 20	13	
0:00:00	8:04:41	Start Recording [8:04:41 AM]
0:00:17	8:05:06	C-1 HAPC Skate Egg sites

	0:00:26	8:05:09	David Witherell
	0:22:45	8:27:24	Lori Swanson - C-1 (a)
	0:26:12	8:30:47	Paula Walker
	0:26:18	8:30:51	Public Commnet
	0:28:54	8:33:30	Jon Warrenchuck
	0:47:38	8:52:02	John Gauvin
	0:56:52	9:01:12	Henry Mitchell
	0:57:56	9:02:17	Stephanie Madsen
	1:03:34	9:07:51	Donna Parker
	1:46:06	9:50:12	Diana Evans, C-1 (b) BBRKC
	2:16:15	10:20:14	Ecosystem Report, Stephanie Madsen
	2:16:29	10:20:18	Lori Swanson, AP report
	2:19:23	10:23:10	Stephanie Madsen
	2:22:15	10:26:05	John Gauvin
	2:35:30	10:39:12	C-2 a Diana Stram
	3:11:48	11:15:19	C-2 (b) Flatfish Flex
	3:11:56	11:15:22	Diana Evans
	4:07:20	12:10:21	Break
	4:07:25	12:10:26	Stop Recording [0:10:26 PM]
	4:07:25	13:38:53	Start Recording [1:38:53 PM]
	4:22:52	13:54:17	Lori Swanson, C2B
	4:23:01	13:54:24	AP report
	4:24:05	13:55:29	Jason Anderson
	4:30:48	14:02:09	Stephanie Madsen
	4:31:24	14:02:46	John Warenchuck
	4:43:25	14:14:39	Bill Orr
	4:48:45	14:19:57	Brent Paine
	4:49:36	14:20:50	Matt Upton
	4:52:50	14:24:05	Todd Loomis, Everette Anderson
	5:19:26	14:50:35	C-2 (c) John McCracken
	5:20:56	14:52:01	Freezer Longline GOA Pcod sideboards
	5:47:41	15:18:35	AP report Lori Swanson
	5:52:20	15:23:09	Scott Hanson and Doug Wells
	5:59:49	15:30:38	Greg Elwood
	6:04:24	15:35:07	Joe Childers
	6:08:47	15:39:30	Jorg Schmeisser
	6:11:29	15:42:11	Kenny Down and Chad See
	6:22:36	15:53:11	Julie Miller
	6:25:42	15:56:17	Lando Echeveria
	6:59:24	16:29:45	Adjourn
	6:59:33	16:29:51	Stop Recording [4:29:51 PM]
_	February 8, 201	3	
	0:00:00	9:07:46	Start Recording [9:07:46 AM]
	0:00:02	9:07:51	Jon McCracken
	0:00:06	9:07:59	C-2 (d)
	1:17:29	10:47:10	AP report - Lori Swanson

1:22:34	10:51:38	Brent Paine
1:29:56	10:59:02	Julie Bonney
1:36:44	11:05:43	Pat Hardina
1:40:06	11:09:08	Don Ashley
1:41:01	14:20:50	C-3 (a) GOA Trawl issues
2:08:25	11:37:08	Stop Recording [11:37:08 AM]
2:08:25	14:20:12	Start Recording [2:20:12 PM]
2:09:03	14:20:53	Darrell Brannan
2:09:12	14:21:10	C-3 (a) GOA Trawl issues
2:31:07	14:42:57	AP report Becca Robbins Gisclair
2:41:52	14:53:32	Public Comment, Bob Kruger
2:47:05	14:58:39	Glenn Reed
2:52:38	15:04:18	Alexus Kwatchka
2:59:13	15:10:49	Teresa Peterson
3:18:17	15:29:42	Jule Bonney
3:18:24	15:29:46	George Hutchings
4:03:06	16:14:30	Low Audio Level
4:03:28	16:14:36	Stop Recording [4:14:36 PM]

February 9, 2013

0:00:00	8:32:19	Start Recording [8:32:19 AM]
0:00:05	8:32:28	Resume C-3a
0:00:10	8:32:33	council deliberations
0:11:43	8:44:00	Merrill Motion
0:49:59	9:22:23	C-3 (b) Darrell Brannan GOA Trawl catch shares
2:06:52	10:38:28	Becca Robbins Gisclair AP report
2:22:34	10:54:07	Public comment, Pat Branson and Denby Lloyd
2:39:31	11:10:49	Beth Stewart
2:58:37	11:29:50	Susan Robinson
3:03:35	11:34:43	Chuck McCallum
3:09:02	11:40:09	Ed Backus
3:26:42	11:57:49	Alexus Kwachka
3:31:30	12:02:24	Stop Recording [0:02:24 PM]
3:31:30	13:05:53	Start Recording [1:05:53 PM]
3:31:34	13:06:00	public comment continued
3:36:23	13:10:45	Sam MUtch
3:36:31	13:10:54	Bob Kruger
3:59:21	13:33:48	George hutchings
4:02:06	13:36:18	Sarah Melton
4:13:05	13:47:14	Paul Grundholdt
4:16:22	13:50:30	Theresa Peterson
4:32:59	14:07:01	Emil Christiansen
4:36:52	14:10:51	Mark Worley
4:46:21	14:20:16	Everette Anderson
4:51:49	14:25:40	Al Cratty
4:53:08	14:27:01	Jeremie Pikus
4:58:45	14:32:34	Craig Cross

4:58:51	14:32:42	Jeff Stephan
5:09:18	14:43:02	Brent Paine
5:38:37	15:12:10	Donna Parker
5:40:16	15:13:50	Freddie Christiansen
5:41:24	15:15:08	Julie Bonney
6:02:40	15:36:03	Glenn Reed
6:16:53	15:50:11	Terry Haines
6:23:39	15:56:59	Stanley Mack and Ernie weiss
6:41:47	16:14:54	Cora Motion
7:19:16	16:52:06	Stop Recording [4:52:06 PM]
February 10	, 2013	
0:00:00	8:03:42	Start Recording [8:03:42 AM]
0:00:02	8:03:47	Call to order
0:01:15	8:05:07	Mark Fina, C-4(a)
1:28:33	9:31:44	Lori Swanson, AP report
2:00:51	10:03:47	public comment
2:03:29	10:06:23	Joe Plesha
2:07:21	10:10:24	Simeon Swetzof and Mateo Paz Soldan
2:12:39	10:15:31	Heather McCarty
2:20:12	10:23:00	Steve Minor
2:34:35	10:37:23	Stanley Mack and Ernie Weiss
2:40:38	10:43:24	Pat Hardina
2:48:37	10:51:15	Everette Anderson
2:51:47	10:58:59	Karen Montoya and Duane Kapp
3:00:16	11:02:48	Frank Kelty
3:56:03	11:58:14	Motion, council discussion
3:56:11	11:58:17	Stop Recording [11:58:17 AM]
3:56:11	13:09:54	Start Recording [1:09:54 PM]
4:29:35	13:43:13	C-4 a deliberation
5:09:02	14:22:18	Mark Fina
5:09:04	14:22:39	C4(b) and (c)
5:56:04	15:09:05	Lori Swanson AP report
5:59:12	15:12:07	Mark Gleason
6:13:35	15:26:30	Jake Jacobsen and Joe Sullivan
6:27:34	15:40:18	Terry Haines
6:36:35	15:49:16	Ed Poulsen
6:44:42	15:57:19	Cross motion
7:12:58	16:25:27	Jane DiCosimo D-1
7:38:13	16:50:29	AP report
7:58:26	8:00:55	Stop Recording [8:00:55 AM]
February 11	2012	
i colualy 11	, 2013	

Time Log	February 2013 Council Meeting	ıσ

8:07:15

D-2 staff tasking

Start Recording [8:07:15 AM]

0:00:00

0:00:00

0:00:01	8:07:18	Chris Oliver
0:15:07	8:22:25	Lori Swanson, D-2 AP report
0:18:28	8:25:38	Public Comment
0:18:48	8:26:00	Simeon Swetzoff
0:29:22	8:38:07	Jim Stone
0:35:07	8:42:18	Shawn McManus and Brian Harber
0:47:34	8:54:34	Beth Stewart
0:54:48	9:01:52	Chad See
0:59:39	9:06:35	Karen Montoya
1:03:23	9:10:15	Lori Swanson
1:15:58	9:22:48	Frank Kelty and Mateo Paz Soldon
1:34:59	9:41:38	Sarah Melton
1:38:45	9:45:23	Terry Haines
2:17:20	10:23:49	Staff Tasking discussion - NOAA OLE letter
3:41:06	11:46:53	adjourn
3:41:13	11:46:59	Stop Recording [11:46:59 AM]

North Pacific Fishery Management Council

Eric A. Olson, Chairman Chris Oliver, Executive Director



605 W. 4th Avenue, Suite 306 Anchorage, AK 99501-2252

Fax (907) 271-2817

Telephone (907) 271-2809

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ADVISORY PANEL MINUTES North Pacific Fishery Management Council February 5-7, 2013 Portland, Oregon

The following members were present for all or part of the meetings (absent are stricken):

Kurt Cochran John Gruver Joel Peterson John Crowlev Mitch Kilborn Theresa Peterson Jerry Downing Alexus Kwachka Ed Poulsen Tom Enlow Craig Lowenberg Neil Rodriguez Tim Evers Brian Lynch Lori Swanson Chuck McCallum Jeff Farvour Anne Vanderhoeven Becca Robbins-Gisclair Andy Mezirow Ernie Weiss

Minutes of the December 2012 meeting were approved.

Election of Officers: The AP members elected Tom Enlow as Chair, Lori Swanson and Becca Robbins-Gisclair as Co-Vice Chair. *Motion passed 21/0*.

C-1(a) HAPC Skate Egg Concentration Sites – Final Action

The AP recommends that the Council select Alternative 2, which identifies all six areas of skate egg concentration as HAPC (noted in Table 1 on page 7 of the analysis) with Options A, D, and E for final action. Option A is modified to read: NMFS would monitor HAPCs for changes in egg density and other potential effects of fishing. *Motion passed 20/0 with 1 abstention*.

Rationale:

- The proposed sites appear to meet the definition of HAPC.
- There is no evidence that fishing impacts on these areas are more than minimal or more than temporary.
- Prioritizing these areas for research will provide greater understanding of how the sites are used.
- HAPC designation will create a 'flag' to be addressed prior to any other activities (e.g., laying cable) on these sites.

A motion to adopt the area and boundaries noted under Alternative 3 for Site 1 (Bering 1) and Site 5 (Zhemchug) and Option C failed 4/17.

<u>Minority Report</u>: A minority of the AP supported an amendment to select Alternative 3, option C for the Bering 1 and Zhemchug sites (Sites 1 and 5). The minority felt that the uncertainties around impacts of fishing on these areas of importance to skates necessitate a precautionary approach. Selecting these two areas protects a majority of the known sites in terms of egg case density, while minimizing economic impacts to relevant fisheries. These areas have been identified as particularly important to skates and deserve protection, not just designation. Signed by: Tim Evers, Becca Robbins-Gisclair, Andy Mezirow, Theresa Peterson,

C-1(b) Bristol Bay Red King Crab / C-2(a) BSAI Crab Bycatch

The Advisory Panel recommends that items C-1(b), Bristol Bay red king crab essential fish habitat and bycatch interactions with groundfish fisheries and C-2(a)(2) Crab Bycatch in the Bering Sea/Aleutian Islands Fisheries be combined and brought before the Council again as soon as possible but no more than 3 years in the future.

In the meantime, the AP recommends that a committee be formed consisting of fishing industry representatives with an emphasis on skippers. The committee should be supported by Council staff and appropriate Groundfish/Crab Plan Team members and/or other scientific experts. The purpose of the committee is to prepare for future Council action on this topic, provide communication between the sectors and scientists and identify any research gaps. *Motion passed 21/0*.

Rationale:

- Research regarding red king crab habitat is not yet ready and may take up to 3 years to be complete.
- The Council is currently burdened with many high priority items and creating a committee process to prepare for Council action will both allow the Council to focus on the current high priority issues in the short term and should reduce the Council load when this issue is brought back in 3 years' time.
- Combining these two topics would allow the Council to deal with all area closures and PSC issues between all sectors and PSC species in the Bering Sea in a holistic manner.
- Forming such a committee would help scientists to better understand where high concentrations of PSC species occur and where trawling is occurring, and consider the means available for trawlers to avoid bycatch hotspots that may be highly variable annually/seasonally.
- Industry input from committee members would improve upon observer data, which is not always at a granular enough level.
- The committee should address the issues identified in the C-2(a)(2) Crab Bycatch in the Bering Sea/Aleutian Islands Fisheries analysis regarding the lack of feedback between groundfish and crab FMPs, impacts this has to crab TAC setting, and potential industry solutions to address these issues.

C-2(b) BSAI Flatfish Specifications Flexibility

The AP recommends that the Council release the analysis for public review with the addition of an IRFA and expanded discussion of potential impacts on PSC. *Motion passed 21/0*.

Rationale:

- The analysis is ready for release for public review.
- An IRFA appears to be necessary to address CDQ entities.
- Additional information about possible changes to PSC will help inform final action.

C-2(c) GOA Pacific cod sideboards for FLL

The AP recommends the Council release the initial review analysis for public comment and final action. *Motion passed 13-7*.

Rationale:

- Moving this action forward addresses what was an unintended consequence of GOA pacific cod sector splits.
- It's not appropriate to include additional allocative measures within this analysis.

<u>Minority Report</u>: A minority of the AP moved to add a new Alternative 3 that would provide protection for the GOA-only freezer longline vessels. They felt that the current suite of alternatives lack any measures to mitigate potential impacts on vessels highly dependent on longlining in the CP sector in the CGOA and WGOA who are not members of the freezer longline coop, and mitigation measures should be considered as part of this action, not separately to ensure that no additional unintended consequences are created. These vessels actively participate in the GOA and do not have access to BSAI longline cod fisheries. As structured, the action provides benefits for coop members without addressing potential impacts on non-coop members. Signed by: Theresa Peterson, Becca Robbins-Gisclair, Jeff Farvour, Andy Mezirow, Chuck McCallum, Alexus Kwachka, and Ernie Weiss.

C-2(d) AFA Vessel Replacement GOA Sideboards

The AP recommends that the Council release this document for public review with an improved "compare and contrast" analysis on how the non-exempt/exempt AFA vessels are restricted in the Gulf of Alaska through existing AFA regulations, and also including in the analysis an examination of the effects of new Coast Guard safety regulations. Additionally, the AP recommends Option 2.4 be revised to read:

Option 2.4: May not exceed the MLOA LOA specified on the LLP FFP for the vessel to be replaced or rebuilt at the time the Coast Guard Act was approved (October 15, 2010).

Motion passed 21/0.

Rationale:

- The length recorded on the FFP is not verified by authorities.
- Using the MLOA and LLP is consistent with other options
- New Coast Guard requirements may affect how vessels are rebuilt or replaced.

C-3(a) CGOA Trawl Economic Data Collection

The AP recommends the Council move forward with analysis of an economic data collection program for the GOA trawl sector outlined as follows: Economic data pre-catch shares for the GOA trawl inshore sector to understand the effects of a GOA trawl catch share program for the following economic indicators (see table below):

Harvesters (trawl fisheries as specified)

- 1. Crew compensation
- 2. Captain compensation
- 3. Investment in gear
- 4. Effects on fuel consumption and costs
- 5. Effects on observer costs

Processors (all fisheries)

- 1. Number of labor hours
- 2. Total processing labor payments
- 3. Number of processing employees
- 4. Number of non-processing employees

Community (all fisheries processor usage)

- 1. Water usage
- 2. Electrical usage

Catcher Processor

Collect data on catcher processers based on current Am 80 EDR and modify as necessary to collect information relevant to the GOA.

Harvester, Processor and Community Data will be collected by a third party organization, such as PSMFC, that is not subject to the Freedom of Information Act. The third party organization will aggregate the data for each sector for release to NMFS and/or the NPFMC.

HARVESTERS					
Data Type	Data Element	Fishery/Area/Gear	Catcher Vessels		
	Payments to crew	GOA Trawl	Annual		
	Payments to captain	GOA Trawl	Annual		
Crew and Crew	Crew license number/CFEC permit	Trawl	Annual		
Payments	number (Data available from other				
	sources besides individual vessel				
	operations?)				
	Gear purchases	Trawl	Annual		
Conta	Fuel used – gallons	GOA Trawl	Annual		
Costs	Fuel used – cost	GOA Trawl	Annual		
	Observer costs	GOA Trawl	Annual		
PROCESSORS					
Data Type	Data Element	Fishery/Area/Gear	Shoreplants & Floating Processors		
	Man-hours	All	Monthly		
Processing Labor	Total processing labor payments	All	Monthly		
	Processing employees	All	By month or quarter		
	Payments to foremen, managers,	All	Annual		
Other labor	and other non-processing				
	employees at plant				
COMMUNITIES					
Utilities	Electric	All	Monthly		
Ounties	Water	All	Monthly		

Add a check box to the logbook if skippers move their fishing location because of Chinook salmon PSC. The logbook "check the box if you moved to avoid salmon" regulation for the Bering Sea is located at §679.5.

Motion passed 21/0.

Rationale:

- This represents concise data elements which can be expeditiously collected to establish a baseline before a catch share program is put into place.
- These data elements, at these levels, represents data which can be accurately reported by industry, avoiding a "garbage in/garbage out" approach.
- In designing this data collection program, we should apply lessons learned from other EDR programs.
- The intent of these data elements is to avoid duplicative reporting.
- Additional data collection can be designed as part of a catch share program once we know what that program looks like and what post-catch share information we may want to collect.

C-3(b) CGOA Trawl Catch Shares

The AP recommends that the Council request an expanded discussion paper which includes the following:

- 1. Expand discussion of state waters management and options for addressing this in a catch share program.
- 2. Explore potential mechanisms to ensure active participation by owners of vessels and harvesting privileges and applicability to various fisheries and sectors include data on current ownership/participation in discussion paper.
- 3. Potential benefits and detriments of limited duration quota allocations, such that it does not create a perpetual property right.
- 4. Identification of possible bycatch management measures (for halibut, Chinook salmon and Tanner crab).
- 5. Identification of possible performance metrics (e.g. bycatch control, active participation and low lease rates) upon which to base ongoing quota allocation.
- 6. Expanded discussion of provisions under MSA (16 U.S.C. §1853a(c)(3)) to provide for direct allocations to Community Fisheries Association(s) (CFAs).
- 7. Discussion of opportunities for gear conversions and applicability to various fisheries/species.
- 8. Include discussion of 2 pie split (harvester allocation to both harvesters and processors)
- 9. A review of PSC bycatch reduction programs that have been implemented in other rationalized fisheries.

Motion passed 20/0.

Rationale:

- The discussion paper does a good job of fleshing out many of the decision points in this action, but additional discussion of these few areas will better inform us about key decision points and options.
- A catch share program in the GOA will permanently change GOA fisheries, therefore it is important to get this right up front.
- An additional discussion paper phase will provide an opportunity for impacted stakeholders to participate at a Council meeting more easily accessible to Gulf communities.

The AP recommends that the Council request staff to review the following outline, one example of a catch share program that was brought forward by the public, for MSA compliance and completeness. We recommend that the Council consider this and additional stakeholder proposals at the next Council meeting.

1. INSHORE/CP SECTOR ALLOCATION

- I. Sector definitions
 - a. Inshore sector: Trawl C/V or C/P LLP licenses that did not process catch on board and onshore processors.
 - b. Catcher processors: Trawl C/P LLP license that processed its catch on board.
- II. Species Identification
 - a. Target Species
 - Allocations for the trawl CP and CV sectors for Western/Central Pacific cod (Amendment 83), CGOA rockfish program (Amendment 88) and GOA pollock (Amendment 23) are maintained with this fishery management plan.
 - b. Prohibited Species
 - c. Secondary Species
- III. Allocation method between sectors

2. INSHORE CATCH-SHARE PROGRAM ELEMENTS

- I. Co-op Formation Criteria/Rules
 - a. Co-op formation rules
 - Harvesters must be a member of a cooperative in association with a processor.
 - Allocations will be to the cooperative based on the history of the LLPs that belong to the cooperative.
 - Harvest of groundfish allocations and PSC will be managed by the cooperative.
 - Other (yet to be determined)
 - b. Co-op formation criteria
 - Define eligible harvesters and processors
 - c. Harvester-Processor association rules
 - Initial Co-op formation based on historical delivery patterns. Delivery patterns captured by specified qualifying years.
 - Delivery agreement with mechanisms to move:
 - o Open access?
 - o Leave behind time / amount?
 - d. Inshore Co-op Allocations
 - Target and Secondary Species

Establish history derived from landings made by LLPs:

Option 1: 2003-2008 (no drop) Option 2: 2008-2012 (no drop)

Option 3: 2003-2012 (Drop 0, 1, or 2 years)

- PSC

Pro rata based on all target species catches for the CV sector during the same qualifying years as selected for designated target and secondary species

- II. PSC Management and Incentives
 - a. 100% observer coverage
 - b. Gear conversion option by species
- III. Community Protection and Enhancement
 - a. Historical port of landing requirement
 - b. Consolidation caps & use restrictions
 - Harvesters
 - Processors
 - Cooperatives
 - c. Skipper/crew
 - d. Mechanisms to expand underutilized groundfish harvest
 - e. Mechanisms for entry
- IV. Sideboards
- V. Management and Oversight
 - a. Monitoring and enforcement
 - b. Program review and data collection

Motion passed 14/6 with 1 abstention

Rationale:

- Harvesters and processors have worked hard to respond to the Council's request and put this proposal forward.
- This represents one stakeholder proposal and should be considered along with additional proposals at the next Council meeting at which this agenda item is scheduled.
- Putting this proposal forward does not signify that this is the AP's preferred action.

<u>Minority Report</u>: A minority of the AP opposed this proposal. They believe the framework: (1) was developed without input the all stakeholders; (2) included premature details like qualifying years and other details that there has been no analysis to support; and (3) does not include the concerns expressed in written and public testimony on a wide variety of issues related to rationalization in the Gulf of Alaska. This minority appreciates the work that went into the framework but would prefer to see further discussion and analysis before putting forward one specific path for Catch Shares. Signed by: Jeff Farvour, Alexus Kwachka, Chuck McCallum, Andy Mezirow.

C-3(c) Western Gulf of Alaska Trawl Issues

The AP recommends the Council consider the following goals when crafting a purpose and need statement to address concerns in the WGOA trawl fisheries:

- 1. Provide effective controls of prohibited species catch and provide for balanced and sustainable fisheries and quality seafood products.
- 2. Maintain or increase target fishery landings and revenues to WGOA communities.
- 3. Maintain or increase employment opportunities for vessel crews, processing workers, and support industries.
- 4. Provide increased opportunities for value-added processing.
- 5. Maintain entry level opportunities for fishermen.
- 6. Maintain opportunities for processors to enter the fishery.
- 7. Minimize adverse economic impacts of consolidation of the harvesting or processing sectors.
- 8. Encourage local and active participation on harvesting vessels and use of fishing privileges.
- 9. Maintain the economic strength and vitality of all WGOA communities.
- 10. Recognize historic participation and dependence on WGOA fisheries.

The AP further recommends the Council adopt a control date of March 1, 2013. Any catch history after this date will not be considered in any allocation system when designing a future management system for the Gulf of Alaska.

Motion passed 20/0 with 1 abstention.

Rationale:

- Setting goals and objectives for the catch share program is a critical first step.
- Both the Aleutians East and Lake and Peninsula Boroughs have passed resolutions recommending these goals: this motion is responsive to the impacted community's concerns.
- Setting a control date is very important to preclude people from racing for history.

The AP recommends the Council initiate a discussion paper that brings forward the following proposal presented in public comment and revised by the AP. *Motion passed 16/5*.

Pollock Trawl Catch Share Plan

Participation Criteria: To be eligible, a vessel must have made at least 10 deliveries of trawl caught pollock in the directed Western Gulf pollock fishery between 2000–2012. Eligible vessels will have quota share issued based on landings in the directed pollock fishery between 2000–2012.

Option 1: Drop 0 years
Option 2: Drop 1 year
Option 3: Drop 2 years
Option 4: Drop 3 years

Vessel Size Categories: "A" shares shall be awarded to vessels <60' and "B" Shares shall be awarded to vessels >60'. "A" shares may not be bought, leased, or otherwise transferred or used on vessels >60'. "B" shares may be bought, leased, or transferred by any size vessel.

This provision provides for community stability and maintains the fleets based in Sand Point and King Cove.

Ownership Caps: No vessel may own more than:

Option 1: 5% Option 2: 8% Option 3: 10%

of the pollock quota. Grandfather Clause: Any vessel whose initial allocation exceeds the cap may fish all shares issued, but may not acquire additional shares.

Skipper Shares (**S Shares**): The purpose of this section is to recognize the role of hired skippers in this fishery and to provide a means of entry for new skippers. Skippers, as verified by *contracts with vessel owners or by fish tickets*, shall receive:

Option 1: 10% Option 2: 15% Option 3: 25%

of the quota share issued to qualified vessels. The total skipper share allowance for each vessel shall be divided between eligible skippers based on landings accrued by each skipper.

Skipper eligibility will be based on participation between 2008–2012.

Such shares are subject to all other transfer restrictions; Skipper shares may only be transferred to a person who does not own any A or B shares; and holders of Skipper shares must be on board when their shares are harvested and landed.

Community Protection Landing Requirements: All shares of trawl caught pollock must be processed in King Cove, Sand Point, Akutan, or Dutch Harbor in proportion to the average of landings in a community between:

Option 1: 2005–2012 Option 2: 2010–2012.

This provision keeps processing within the current communities, thereby protecting the existing plants without granting them processing rights, thus avoiding the need to set up ROFRs.

Cooperative Formation: Coops may be formed in order to manage individual vessel bycatch limits, gear requirements, and other measures that provide for the orderly harvest of the pollock TAC while staying below the bycatch allocation(s).

Pacific Cod Trawl Catch Share Plan

Participation Criteria: To be eligible, a vessel must have made at least 10 deliveries of trawl caught P. cod in the directed Western Gulf P. cod fishery between 2000–2012. Eligible vessels will have quota share issued based on landings in the directed P. cod fishery between 2000–2012:

Quota share will be based on the eligible vessels landings in its highest years within the qualifying period.

Option 1: Drop 0 years
Option 2: Drop 1 year
Option 3: Drop 2 years
Option 4: Drop 3 years

Vessel Size Categories: "A" shares shall be awarded to vessels <60' and "B" Shares shall be awarded to vessels >60'. "A" shares may not be bought, leased, or otherwise transferred or used on vessels >60'. "B" shares may be bought, leased, or transferred by any size vessel.

This provision provides for community stability and maintains the fleets based in Sand Point and King Cove.

Ownership Caps: No vessel may own more than:

Option 1: 2% Option 2: 25%

of the P. cod quota. Grandfather Clause: Any vessel whose initial allocation exceeds the cap may fish all shares issued, but may not acquire additional shares.

Skipper Shares (**S Shares**): The purpose of this section is to recognize the role of hired skippers in this fishery and to provide a means of entry for new skippers. Skippers, as verified by *contracts with vessel owners or by fish tickets*, shall receive:

Option 1: 10% Option 2: 15% Option 3: 25%

of the quota share issued to qualified vessels. The total skipper share allowance for each vessel shall be divided between eligible skippers based on landings accrued by each skipper.

Skipper eligibility will be based on participation between 2008–2012.

Such shares are subject to all transfer restrictions; Skipper shares may only be transferred to a person who does not own any A or B shares; and holders of Skipper shares must be on board when their shares are harvested and landed.

Owner-On-Board Provisions: We are not in favor of requiring "A" and "B" quota share holders to be onboard during fishing.

Community Protection Landing Requirements: All shares of trawl caught P. cod must be processed in King Cove, Sand Point, or Akutan in proportion to the average of landings in a community between:

Option 1: 2005–2012 Option 2: 2010–2012

This provision keeps processing within the current communities, thereby protecting the existing plants without granting them processing rights, thus avoiding the need to set up ROFRs.

Cooperative Formation: Coops may be formed in order to manage individual vessel bycatch limits, gear requirements, and other measures that provide for the orderly harvest of the P. cod while staying below the bycatch allocation(s).

Pacific Cod Pot Catcher Vessel Catch Share Plan

Participation Criteria: Eligible vessels will have quota share issued based on landings in the directed P. cod pot fishery between 2000–2012.

Quota Share will be based on the eligible vessel's landings in it highest _____ years.

Vessel Size Categories: "A" shares shall be awarded to vessels <60' and "B" shares shall be awarded to vessels >60'. "A" shares may not be bought, leased, or otherwise transferred or used on vessels >60'. However, "B" shares may be bought, leased or transferred by any size vessel.

This provision provides for community stability and maintains the fleets based in Sand Point and King Cove.

Skipper Shares (S Shares): The purpose of this section is to recognize the role of hired skippers in the fishery and to provide a means of entry for new skippers. Skippers, as verified by contracts with vessel owners or by fish tickets, shall receive:

Option 1: 10% Option 2: 15% Option 3: 25%

of the quota share issued to qualified vessels. Such shares are designated as "S" shares. If more than one skipper is eligible for a single vessel's skipper share allowance, the shares shall be divided between eligible skippers based on landings accrued by each skipper.

Skipper eligibility will be based on participation between 2008–2012.

Transfer Restrictions: Skipper shares may only be transferred to a person who does not own any A or B shares; and holders of Skipper share must be on board when their shares are harvested and landed.

Ownership Caps: No vessel may own more than _____% of the WGOA pot cod allocation. Grandfather clause: Any vessel whose initial allocation exceeds the cap may fish all shares issued, but may not acquire additional shares.

Community Protection Landing Requirements: All shares of WGOA pot cod must be processed in King Cove, Sand Point, or Akutan in proportion to the average of landings in a community between:

Option 1:	
Option 2:	

Owner-On-Board Provisions: We are not in favor of requiring quota share holders to be onboard during fishing.

Because the pot sector does not fall under any bycatch restrictions, there is no need to provide for cooperatives.

Motion passed 16/5.

Rationale:

- It's critical that the WGOA catch share program be implemented on the same timeframe as the CGOA catch share program.
- Forwarding this proposal now will begin the process of analysis and additional stakeholder proposals can be submitted the next time the Council takes this action up.

C-4(a) Final Action on BSAI Crab ROFR

The AP recommends the Council adopt the BSAI Crab Community Provisions, Right of First Refusal (ROFR) revisions for final action, selecting the following alternatives:

Action 1

<u>Alternative 2</u>: Increase an entity's time to exercise the right from 60 to 90 days, and increase the time to perform under the contract from 120 to 150 days.

Action 2

<u>Provision 1, Alternative 2</u>: Remove the provision under which a ROFR lapses if IPQ are used outside the community for a period of 3 years.

<u>Provision 2</u>, <u>Alternative 3</u>: In the event a community entity fails to exercise the right on a transfer of PQS, the purchaser of the PQS shall name a new eligible community as ROFR holder.

Action 3

Alternative 2: Apply the right to only the PQS.

a. The AP also recommends removing the following **bold/underlined** language within Action 3, Alternative 2: "The appraiser shall establish a price that represents the fair market value of the PQS, but may adjust the price to address any diminishment in value of other assets included in the PQS transaction subject to the right."

A motion to adopt Alternative 1 (status quo) under Action 3 failed 11/9. A motion to adopt Alternative 3 modified to read: crab related assets, under Action 3 failed 19/2.

Action 4

Alternative 2: Require community consent to move IPQ outside the community.

Action 5

<u>Alternative 2</u> – Require the 5 additional notices to right holders and to NMFS.

Action 6

The AP recommends that the Council take no action on Action 6 at this time but that it be brought back on its own at a future meeting if there is no private resolution. (Amendment passed 15-6)

Motion passed 21/0.

Rationale:

- Public testimony indicated that stakeholders seem to have reached consensus on many items including Action 1, Action 2 Provision 1, Action 4 and Action 5.
- This action will strengthen the Right-of-First-Refusal and offer real protections to crab communities.
- Final action is appropriate at this time after years of stakeholder and Council staff work on the crab community protections.

<u>Minority Report on Action 6 above</u>: A minority of the AP opposed the separation of Action 6 from the rest of the ROFR package, favoring moving the entire package together as final action at this time. Issuance of PQS to Aleutia is a reasonable solution to this issue that affirmatively acknowledges the eligible crab communities' right-of-first-refusal as a fundamental part of the BSAI crab rationalization program. Signed by: Tim Evers, Jeff Farvour, Becca Robbins-Gisclair, Chuck McCallum, Andy Mezirow, and Ernie Weiss.

D-1 Miscellaneous Issues

The AP recommends that the Council request staff to report back with a complete suite of proposed regulatory language necessary for consistency between federal regulations with the State definition of a "Fishing Guide" as proposed by the D-1 discussion paper. *Motion passed 19/0 with 1 abstention*.

Rationale:

- Making state and federal regulation consistent eliminates ambiguity in regulation and helps clarify what is considered guiding.
- Consistent state and federal regulations will simplify enforcement.
- Adopting the state definition for the charter fishery will reduce "leakage" from guided sector into partially guided sector

D-2 Staff Tasking

The AP recommends the Council initiate a discussion paper that may lead to creation of two stand-alone options as described below:

Option 1. Create new subsectors within the existing WGOA and CGOA Pacific cod HAL CP sectors.

Option 2. Establish sideboard limits for the WGOA and the CGOA for the HAL CP harvesters who are qualified to fish in BSAI and in the GOA.

Motion passed 17-3.

Rationale:

- This would provide options for addressing the concerns of the GOA FLLs who are not currently in the co-op.
- These 3 vessels who are not in the co-op are currently vulnerable, initiating a discussion paper with these options would investigate methods for providing protection to these vessels absent participation in a co-op.

<u>Minority Report</u>: A minority of the AP contend that addressing GOA HAL CP sector disputes can most adequately be handled through a cooperative structure. Signed by: Joel Peterson, Anne Vanderhoeven, Neil Rodriguez.

The AP recommends the Council reconsider the BSAI halibut bycatch paper discussion paper reviewed in June 2012. *Motion passed 21/0*.

Rationale:

- Current halibut stock status numbers are now available: biomass is continuing to go down and the overall state of the halibut resource is continuing to not look good.
- Directed halibut fishery catch limits in the Bering Sea were reduced significantly this year and commercial fishermen continue to raise concerns about bycatch.
- Given these factors, it is important to take a look at bycatch in the Bering Sea at this time.

The AP recommends the Council request that IFQ proposals go through the IFQ Implementation Committee. *Motion passed 20/1*.

Rationale:

• Channeling IFQ proposals through the IFQ committee will utilize the Council's formal process and will save time and resources for the Council by utilizing the committee to screen proposals.

DRAFT REPORT

of the

SCIENTIFIC AND STATISTICAL COMMITTEE

to the

NORTH PACIFIC FISHERY MANAGEMENT COUNCIL

February 4th – February 6th, 2013

The SSC met from February 4th through February 6th at the Benson Hotel, Portland OR.

Members present were:

Pat Livingston, Chair Robert Clark, Vice Chair Jennifer Burns

NOAA Fisheries—AFSC Alaska Department of Fish and Game University of Alaska Anchorage

Alison Dauble Sherri Dressel Anne Hollowed

Oregon Dept. of Fish and Wildlife Alaska Department of Fish and Game NOAA Fisheries—AFSC

George Hunt Gordon Kruse Seth Macinko

University of Washington University of Alaska Fairbanks University of Rhode Island

Steve Martell Franz Mueter Jim Murphy

International Pacific Halibut Commission University of Alaska Fairbanks University of Alaska Anchorage

Lew Queirolo Terry Quinn Farron Wallace

NOAA Fisheries—Alaska Region University of Alaska Fairbanks NOAA Fisheries—AFSC

Members absent were:

Kate Reedy-Maschner Vacant Vacant Vacant

Idaho State University Pocatello Wash. Dept. of Fish and Wildlife US Fish and Wildlife Service

SSC Nominations

The SSC reappointed Pat Livingston as chair and Robert Clark as vice chair. The SSC would also like to thank departing committee members Kathy Kuletz and Henry Cheng for their service and expertise on the SSC.

The SSC wishes to express our sincere appreciation to Dr. Mark Fina for his years of excellent and highly professional contributions to the fishery management process as a member of the Council staff. Mark's dedication to the furtherance of the Nation's, the Council's, and, especially, the SSC's efforts to meet the challenges of managing the living marine resources of the BSAI and GOA, has been invaluable. We wish him great success and happiness in his future endeavors.

Review of SSC procedures

The SSC reviewed its report policy and guidelines regarding review of SAFE documents. These SSC guidelines were last reviewed in June of 2007 and were in need of revision to reflect current practices of the committee. Minor changes were made to reflect new ACL requirements for crab and scallop as well as clarification of the timing and type of reviews conducted by the SSC. The revised report policy and SAFE review guidelines are in Appendices A and B, respectively.

B-2 NOAA Report on Deep Sea Coral Strategic Plan

The SSC received a presentation from Chris Rooper (NMFS-AFSC) on the first year of a three-year field research program in the Alaska region to increase understanding of the location, distribution, ecosystem role, and status of deep-sea coral and sponge habitats. These research studies were initiated by the Alaska Coral and Sponge Initiative (AKCSI; 2012-2014), sponsored by the NOAA Deep Sea Coral Research and

Technology Program (DSCRTP). This research will provide valuable data that will aid the Council process to better understand the location, distribution, ecosystem role, and status of deep-sea coral and sponge habitats. The objectives are consistent with the Council's Five-Year Research Priorities (Council Priorities).

Among the 10 research projects planned in this initiative, the SSC believes that the highest priority should be given to understanding the relationship between fish productivity and coral-sponge habitat. Although this will be very challenging, there are measures researchers could potentially evaluate including fecundity, recruitment, growth, and biochemical markers of diet. The SSC also encourages researchers to coordinate with projects outside of this research effort in both the BSAI and the GOA (ADF&G Aleutian Islands Golden King Crab pot survey and fishery observations, Bering Sea canyon researchers and ongoing GOA habitat mapping efforts). Researchers should also conduct power analyses to determine adequate sample sizes.

C-1 (b) Discussion paper: Bristol Bay red king crab essential fish habitat and bycatch interactions

Diana Evans (NPFMC) presented an overview of a discussion paper on Bristol Bay red king crab habitat issues. A discussion paper was originally presented to the SSC in April 2011 and a revised version was presented in February 2012. The discussion paper addresses two issues. First, it presents a short progress report on ongoing and planned research to determine the importance of an area southwest of Amak Island to the reproductive success of the Bristol Bay red king crab stock. Second, the paper reflects on the Council's request to re-evaluate the efficacy of existing groundfish fishery closures in Bristol Bay.

With regard to the first issue, research is being conducted to identify the distribution of ovigerous females through the use of pop-up satellite tags and to locate the distribution of juveniles by analyzing tows from industry-agency cooperative nearshore surveys. Additional research has been proposed to assess the connectivity of larval release and settlement sites through individual-based models of larval drift.

With regard to the second issue, staff proceeded with an evaluation of the efficacy of existing trawl closures to protect crab, but this task has proven to be much larger than originally anticipated. Staff have collected fish ticket data and crab PSC data from the groundfish fishery since 1991. Even though data from cold years prior to the 1976/1977 regime shift are important to evaluate the role of changing temperature on crab distributions, limited fisheries data are available. In addition, only a few years of preclosure (1995) data are available to compare crab PSC mortality before and after the closure. NMFS trawl survey data are available since the late 1960s, and changes in summertime distribution can be analyzed with respect to temperature and the distribution of the cold pool, but shifts in distributions between summer and winter confound the analysis. Given the complexity of the needed analyses, staff requested Council feedback on the priority of this analysis of the efficacy of existing trawl closures.

The SSC recommends that research into the importance of the Amak Island area to the stock is a higher priority than the analysis of the efficacy of existing trawl closures. This is recommended because there is concern that current trawl fisheries in the vicinity of Amak Island could be adversely affecting crab habitat and possibly stock productivity, whereas the existing trawl closure areas have not elicited a conservation concern. For the Amak Island analysis, the SSC recommends that a top priority should be to conduct a statistical analysis of performance measures that index potential impacts on red king crab distribution, habitat, growth or recruitment relative to fishing and environmental covariates, in particular temperature. In addition to analyses of PSC in existing flatfish trawl fisheries, the SSC notes that the area north of Amak Island was historically open to cod trawling; analysis of historical PSC from that fishery may be enlightening. Maps showing both directed fishing effort and crab PSC, provided in earlier discussion papers, should be updated and brought forward

in future versions of the discussion paper to assist the Council in deciding whether this research warrants some potential management action.

The SSC also recommends consideration be given to future research to identify nursery areas by sampling newly settled glaucothoe and age-1 crab and their habitats. The SSC supports the analysis of juveniles of size 19-28 mm carapace length (CL) from cooperative surveys, but notes that these crab are mostly age-2 king crab. Nursery areas may be more clearly defined by the location of settling glaucothoe (~1.7 mm CL) and age-1 (~9 mm CL) that depend critically upon structurally complex habitats. As king crab approach age-3, they begin to move out of these areas as they outgrow the hiding spaces afforded by these habitats. Thus, sampling of age-2 crab may not provide a good index of nursery habitats for the early benthic stages. In any case, only two stations yielded high catches of these juveniles in the two years of sampling, thus making it difficult to draw definitive conclusions.

The SSC supports an analysis of the existing trawl closures in place to protect Bristol Bay red king crab and their habitats. In general, analysis of the efficacy of Council actions to achieve their intended purposes is sound practice. However, it is always difficult to analyze the effects of a trawl closure, because, once enacted, trawl-based data are no longer collected within the closed area. To partially address this problem in year-round closure areas, PSC data from fixed gear and pelagic trawls could be analyzed for crab PSC rates inside and outside the closed areas. Also, a portion of area 516 closes seasonally and a portion of the Red King Crab Savings Area is opened in years when there is a directed crab fishery, so catches from those areas could also be examined. The SSC appreciates the difficulty of accessing usable data in cold years prior to 1977, but perhaps observations from more recent warm (through 2005) and cold years (since 2007) could provide some useful contrasts. Finally, an analysis should include a more detailed history of red king crab closures that help to identify the fraction of historical fisheries that occurred in these areas, as well as their crab PSC.

The SSC noted a few minor errors in the discussion paper. In the second paragraph of the introduction, it is indicated that eggs are released, but females carry their fertilized eggs until they hatch as larvae. Also, in the juvenile assessment section, the discussion paper proposes that the distribution of juveniles can be used as an index of larval hatching locations. However, the locations of juveniles are likely to be more indicative of nursery locations subsequent to pelagic larval drift. Rather, the distributions of ovigerous females are more likely to reflect hatching locations.

C-2 (b) Initial review BSAI Flatfish Specifications Flexibility

Diana Evans (NPFMC) presented a report on the Initial Draft RIR and RFAA. Jason Anderson (Alaska Seafood Coop.), Lori Swanson (Groundfish Forum), Jon Warrenchuk (Oceana), John Gauvin (Gauvin and Assoc.), and Simeon Swetzof, Jr. (self) gave public testimony.

This is the Initial Review draft of the RIR and RFAA for an action proposed to facilitate improved efficiency and more complete utilization of three flatfish TACs and ABC surpluses in the BSAI trawl fisheries, conducted by Amendment 80 and CDQ sectors. Yellowfin sole, rock sole, and flathead sole have historically been harvested at levels below, and sometimes far below, available TACs. The factors influencing this outcome include market demand, seasonality considerations, incidental and bycatch composition, Pacific halibut PSC and red king crab PSC constraints, and uncertainty as to availability of sufficient species-specific TAC when needed to support profitable operations. The proposed action would seek to provide greater flexibility to fleets targeting these species, by permitting "substitution" of quota amounts of one species, say flathead sole, for an equivalent quota amount of one of the other of these flatfish species, say yellowfin sole. In this way, the Amendment 80 fleet cooperatives and the CDQ sector may be better able to deal with the difficulties of these fisheries across the fishing year, and thus more closely achieve respective TAC amounts.

The action appears to be designed to resolve an "accounting" problem, in the sense that quota "accounts" of yellowfin, flathead, and rock sole are occasionally found to be out of balance with sector need. The issue of "balancing accounts" is driven by a desire to utilize more completely the available flatfish resource, while remaining strictly bounded by the 2 million metric ton OY cap and the respective flatfish ABCs. The current draft presents the Council's problem statement and suite of alternatives concisely, and provides empirical data and narrative information with which to compare the action alternative and options with the baseline. As an initial draft, some aspects of the analysis may require supplemental extension and elaboration, but this need is likely best evaluated after receipt of public comment.

The draft does contain one serious error in the RFA section that must be rectified before release for public review. The analyst correctly observed that the action alternative and options under consideration result in only "positive" economic impacts. The analyst also correctly characterizes the RFA criteria with which an agency may seek certification of a proposed action under SBA guidelines. The decision to certify is predicated upon one test, namely, "Does the proposed action have the potential to result in a significant adverse economic impact on a substantial number of small entities?" (emphasis added). The answer to this query appears to be 'no', thus justifying certification. However, the analysis does not base the decision to certify on this finding, but instead asserts that "The fisheries directly regulated through this proposed action are all contractually and operationally affiliated with each other through membership either in the Amendment 80 cooperatives or CDQ groups. Consequently, all impacted entities are considered "large entities" for the purpose of the RFA." This is erroneous. The RFA explicitly identified CDQ groups as "small not-for-profit" organizations for analytical purposes.

Had the analysis used the first explanation for the decision to certify, it appears likely a "factual basis" could have been prepared, based upon the absence of any adverse economic impacts. By grounding the certification on there being "no small entities" in the directly regulated universe of entities, the authors have introduced a factual error that should be corrected. **Once corrected, the SSC recommends that the draft document be released for initial public review and comment.**

In the next iteration, the SSC recommends inclusion of: (a) more detailed characterization of PSC performance; (b) consideration of implications of PSC avoidance incentives; and (c) description of PSC patterns on the basis of cold versus warm years, PSC avoidance performance by fishery area. For stock-status tracking, pre- and post-season TACs for each of the three flatfish species should be documented. Inclusion of a more expansive treatment of use of unspecified reserves, and additional discussion of changing fishing patterns should be considered.

The authors should also carefully review use of terminology (e.g., gross revenue, PSC, bycatch) to assure accurate and precise presentation.

C-2 (c) Initial review GOA Pacific cod sideboards for Freezer Longliners

The SSC received a presentation of the initial review draft from Jon McCracken (NPFMC). Public comment was provided by Joe Childers (non-sideboarded, non-member vessels), Chad See (Freezer Longline Coalition), and Kenny Down (Blue North Fisheries).

The document contains useful historical data that provide context for the proposed alternative, but the document would benefit from a more substantive analysis of these data. The SSC recognizes that recent changes in the relevant fisheries, the lack of economic data, and confidentiality restrictions present challenges for such an analysis. Even though there are still areas in which the analysis can be improved, the SSC recommends that the initial review draft be released to the public after the comments below are addressed, to the extent practical.

The SSC received public testimony that between 2005 and 2011, FLL-sideboarded vessels voluntarily elected to refrain from extending their operations in the GOA even though their sideboards were not fully utilized. Whether these vessels will continue to operate in the same manner in the future is unclear. The document would benefit from a discussion of the factors that could influence their decisions about operating in the GOA. It is reasonable to expect that FLL vessels might increase their GOA activity if it is in their economic interests to do so, as was demonstrated by the change in their GOA activity beginning in 2001. For example, the Council recently adopted an action that adjusts the MLOA in the Bering Sea to accommodate larger vessels. The improved operational efficiency of the newer vessels could fundamentally alter the opportunity costs of voluntarily standing down. If the improved operational efficiency results in the BS allocation being fully harvested at an earlier date, or the BS fishery closed sooner as a result of PSC limits, then shifting to the GOA may become more economically attractive. Even without newer or more efficient vessels, changes in stock abundance or prohibited species encounter rates may also result in an earlier closure of the BS fishery, leading to a stronger incentive to increase GOA activity.

Table 2-2 shows an increasing trend in GOA catch by the FLL vessels between 2005 and 2011. Whether this is the result of increased effort or increases in TAC is unclear and should be explored. A table showing the percent of GOA catch by the FLL vessels, relative to the GOA TAC, may be one way to shed light on this issue.

Discussion of the "dependency" of FLL vessels on the GOA Pacific cod fishery should be removed, and the analysis should simply focus on the percent of revenue generated from the GOA. Whether the 3% average gross revenue derived from GOA establishes dependency is subjective. For example, if the average were 2% instead of 3%, would these vessels no longer be dependent?

The average gross revenue figures in Table 2-2 only reflect the share of revenue from Pacific cod in the GOA versus the BSAI. To the extent practicable, the document should provide information about the share of revenue from all fisheries (not just BSAI Pacific cod), as compared to revenues from GOA Pacific cod. This will give us a sense for how dependent these vessels are on the GOA Pacific cod fishery.

The SSC received public testimony that at least one vessel derives as much as 25% of its profits from the GOA. The SSC encourages the analyst to review whether this figure is consistent with the estimated 3% average gross revenue (Table 2-2) derived from the GOA by the five vessels combined. Even though this is a comparison of average revenue across three to five vessels with the profits of a single vessel, these figures still appear to be inconsistent. Moreover, this issue highlights the ongoing concern of the SSC about the use of gross revenue, rather than profits, as a measure of the economic impacts.

On page vii, the document states that Table 2-1 shows that four of the six sideboarded vessels have been active in the BSAI snow crab fishery since 2001. As currently worded, this statement incorrectly implies that this activity has been ongoing since 2001, when in fact only one or two vessels have been active since 2005.

At the bottom of page vii, the statement that the relative percentage of GOA Pacific cod catch has "... varied little from year to year" should be revised. In absolute terms, the range of values in Table 2-2 is about one to five percentage points, but this also reflects a five-fold increase. In addition, both the catch and first wholesale gross value have increased by a factor of ten between 2005 and 2011.

On page viii, the document mentions that these vessels could lease some or all of their BSAI Pacific cod and expand activity in the GOA, but have not done so because of the relative abundance of fish in the BSAI compared to the GOA. While this may be a factor, a primary economic driving force behind this

decision is a comparison of the profitability of two alternatives: (1) potential price received from leasing BSAI Pacific cod, combined with the potential profits generated from fishing in the GOA, versus (2) continued fishing in the BSAI. This economic trade-off may be influenced by the relative abundance of fish in the BSAI and GOA, as well as other factors, such as operational costs.

In section 2.3, Potential Effects on Net Benefits to the Nation, the document acknowledges that there may be some efficiency advantages if these vessels are more efficient at harvesting than other vessels in the co-op, and also acknowledges that the proposed alternative could exacerbate the "race for fish." What should be added is that any increase in the race for fish imposes economic costs that erode efficiency gains (e.g., changes in fuel consumption or vessel modifications designed specifically as a result of the race for fish). This direct link between the race for fish and efficiency costs should be mentioned.

C-2 (d) Initial review AFA Vessel Replacement GOA Sideboards

The SSC received a presentation of the initial review draft from Jon McCracken (NPFMC). No public comment was provided.

In October of 2012, the SSC received a presentation of a draft analysis of a proposed action to modify the vessel replacement provisions under the AFA. The SSC noted at that time that the document presented a clear identification of the suite of alternatives under consideration by the Council to address the structural change made in the original AFA, by implementation of the Coast Guard Act (CGA). We further observed that the document laid out the elemental components that differ among the 'no action' alternative and the alternative strategies for treating the ambiguities that emerged from the CGA's imprecise or incomplete provisions in AFA modification rules. It was also noted in our review that the draft provided a good overview, statistically documenting the historical participation, catch, gross revenues, product outputs and forms, etc., from the BS and GOA fisheries, prosecuted by AFA vessels. All of these elements and attributes were good preparation for an analysis of expected economic, socioeconomic, and distributional outcomes of each action alternative, as compared to the baseline.

However, it was the SSC's judgment that this last critical step had not been undertaken in the document we received for review in October 2012. The SSC articulated the types of questions that should be considered in the analysis, such as "What purpose did the original AFA have in prohibiting vessel replacement, except in extreme cases of loss?" "What costs have emerged from these constraints?" "Have there been benefits to the fisheries, communities, participants from this limitation?" "What purpose did the CGA have in modifying these restrictive rules?" These suggestions were meant to emphasize the necessity of a thoughtful and thorough inventory of the economic benefits and costs, and any distributive implications that may reasonably be expected to emerge from the actions being considered.

The revisions in the current document reflect a serious effort by the analysts to address our concerns. The document builds upon the foundations present in the original draft, and makes an effort to take that next critical step to apply reasoned assumptions, empirical data, economic theory, and practical knowledge and experience to describe what these proposed changes to AFA vessel replacement rules may yield, if adopted. While still in need of further analytical refinement, and careful application of terminology (e.g., make clear that value estimates are 'gross', not 'net'), the document is a substantial improvement over the first version. After the following comments have been addressed to the extent practical, the draft should be released for public review, comment, and further development.

In the current document it is assumed that a vessel with no historical dependence on the GOA is unlikely to enter the fishery (e.g., page xiv "AFA vessels with little or no GOA groundfish history would likely discount the potential benefits of future GOA groundfish activity relative to the potential benefits gained

from a more efficient operation in the BSAI from using a larger vessel"). While this may be true in some circumstances, it is also possible that the improved operating efficiency resulting from vessel replacement may alter the economics, such that operating in both the BS and GOA becomes viable. The extent to which this would occur is difficult to discern, but should be acknowledged as a possible outcome. More generally, the document should acknowledge that there are economic linkages between the BSAI and GOA that could affect vessel replacement decisions, and the absence of historical dependence could be a function of factors that may change in the future, such as the characteristics of the present vessel (which could be replaced), or the relative abundance of fish in the BSAI and GOA.

Alternative 2, option 2.1 gives vessel owners the opportunity to increase vessel size, provided that they acquire a GOA license with an appropriate MLOA at the time the owner applies to NMFS for authorization to replace or rebuild. Once the vessel owner applies, this option to increase vessel size has been exercised, and no longer exists. Thus, unlike the other alternatives and options, the "option value" built into this alternative could influence the timing decision about when to replace a vessel.

In multiple places, the document uses the term "likelihood" to reflect the analyst's expectations, the term is not meant in a statistical sense. The revised document should either revise these statements to avoid potential confusion or simply provide a footnote at the start of the document making clear what the use of the term "likelihood" implies.

C-3 (a) Discussion paper GOA Trawl Economic Data Collection

The SSC received a presentation of the discussion document from Darrell Brannan (consultant to the NPFMC). Public comment was provided by Julie Bonney (Alaska Groundfish Data Bank).

The SSC is strongly supportive of the Council's efforts to develop an economic data collection program for the Central GOA, and supports consideration of its extension to the Western GOA, as well. Although the immediate policy issue at hand focuses on the Central GOA, it is conceivable that the Western GOA fishery may also be rationalized at some point in the foreseeable future, and these data would provide a solid baseline for evaluating alternatives and impacts. Moreover, even if the Western GOA is not rationalized, it is certainly possible that it may be affected by changes in the Central GOA. The SSC encourages the Council to move quickly with implementation of their EDR program, so that there are sufficient data to establish a pre-rationalization baseline that would be useful for subsequently evaluating impacts. However, expediting this action should not come at the expense of the long-run benefits of a comprehensive data collection program.

The basic framework described in the discussion document is a reasonable starting point for developing alternatives. As the analysis progresses, it would be fruitful to review previous EDR programs for lessons learned that could be incorporated in the GOA program. The CIE review of the crab EDR, for example, provides useful insights in this regard. The SSC supports developing a data collection program that is as broad as possible, without imposing excessive reporting requirements on industry. For each data element, careful attention should be paid to the level of aggregation that will yield reliable data that are reported consistently, across entities. Input should be solicited from industry, AFSC, Region, and Council staff. Whether this is best accomplished through direct communication with relevant parties or a working group should be considered.

If a rationalization program is implemented, the data collection program should include details about quota transactions, including both prices and quantities. Such data are useful for estimating economic benefits and costs, redistribution patterns, and price trend analyses that can also provide insights into the state of the fishery.

When developing the problem statement for the proposed action, the SSC recommends that the Council be clear about the goals and objectives of the data collection program, and encourages the Council to consider the value of these data, not only for evaluating the impacts of rationalization, but also for analyzing possible future Council actions that may impact this fishery.

While this proposed program focuses on economic data, the SSC notes that rationalization programs present the Council with a broad range of social issues that must be considered in addition to strict economic concerns. However, the proposed economic data collection program is not the appropriate mechanism to collect such social information.

C-4 (a) Final action BSAI Crab ROFR

Mark Fina (NPFMC) presented an overview of the revised draft analysis of proposed amendments to the Right of First Refusal (ROFR) provision in the BSAI crab rationalization program. Public testimony was received from Frank Kelty (City of Unalaska).

The SSC has previously commented on earlier versions of the analysis. The new draft contains an addition to the problem statement and a new proposed action. The SSC commends the analyst for addressing SSC concerns with earlier drafts, particularly the language used to portray tradeoffs between benefits to communities and benefits to firms holding processing shares. **The current draft provides the Council with a thorough consideration of the proposed actions and the tradeoffs involved.** The selection of any combination of actions is a policy call resting with the Council.

Appendix A.

Policy Regarding Preparation of the SSC Report February 2013

Report preparation is one of the most important duties of SSC members. The SSC report should reflect the discussions of the SSC, as a body, during the SSC meeting. The report serves multiple purposes: (1) a record of what transpired at the meeting, (2) scientific advice to the Council and to the public, and (3) the "institutional memory" of the development of SSC guidance regarding various issues. As such, it is important that the SSC report be clearly written, accurate, and transparent. The following guidelines are meant to assist in achieving these goals.

- 1. Before the meeting, the SSC Chair will assign individuals to lead various agenda items.
- 2. Each individual should carefully read the documents pertaining to their assigned agenda item(s), look for the key issues involved, and research previous SSC comments on the item.
- 3. Individuals assigned to agenda items should be prepared to take the lead at the meeting in asking questions and formulating SSC advice on those agenda items. Generally, there is a presentation by staff, followed by SSC questions, public testimony, and finally SSC discussion and formulation of advice.
- 4. At the conclusion of SSC discussion of each agenda item, the Chair will summarize the main points that constitute SSC advice. The lead SSC members should write these points down.
- 5. SSC members assigned to each particular agenda item should decide how to divide the task of writing the report. One person should assume the lead, assemble written submissions from coleads, and give the draft section to the SSC vice-chair.
- 6. The start of each agenda item in the SSC report should contain the agenda number, agenda title, and a list of staff members and the public who spoke before the SSC. After that, authors should provide a summary of any previous consideration(s) of this item, and address the key issues discussed by the SSC. For documents considered to be influential scientific information (ISI), according to the OMB Peer Review Bulletin, the SSC shall also characterize the nature of the public testimony in its report. The written recommendations and discussion should demonstrate the SSC's response to the public testimony. Typically, annual groundfish SAFE reports are the main ISI documents reviewed by the SSC.
- 7. The SSC report should provide an accurate description of the scientific discussion. Therefore, sufficient detail should be provided to reflect the range of opinions that were expressed.
- 8. Bold font should be used to highlight key statements that should be emphasized by the Chair when presenting the oral report to the Council. The report should be written with this aspect in mind. For example, detailed criticisms of methodology or results meant for the analysts should appear in separate paragraphs, so that the Chair can easily navigate through the reading of the report to the Council.
- 9. During the meeting, the SSC vice-chair will compile the draft report sections and print a hard copy for review by SSC members. All SSC members present are encouraged to read the draft sections of <u>all</u> agenda items and provide comments, questions, and clarifications. Comments should be constructive and clear. Ambiguous advice such as "Put something in about ...", "This is not clear to me", "This needs work..." should be avoided.
- 10. The written summary should not include changes of a substantive nature that were not discussed at the meeting.

- 11. In reviewing the report, SSC members may find statements that they think should be reconsidered for further SSC discussion. Such statements should be brought to the attention of the SSC Chair and, if warranted, can be discussed if the SSC is still in public session or, if no longer in public session, reconsideration will be scheduled for discussion at a subsequent SSC meeting.
- 12. The SSC Chair has responsibility for final editing of the SSC report and typically enlists available SSC members to help. The Chair may change or delete parts of the report for clarity, scientific logic, and accuracy of the SSC discussions.
- 13. The SSC Chair will send the draft report out to all members after the meeting, and members are encouraged to recommend final changes.

Appendix B.

Guidelines for SSC Review of Stock Assessment and Fishery Evaluation (SAFE) documents February 2013

Federal fisheries managers strive to use the best available scientific and commercial data and analyses when making regulatory decisions. Scientific peer review is a necessary process for ensuring the quality and integrity of scientific assessments that are used to determine acceptable biological catches (ABCs) (also called annual catch limits (ACLs)) and overfishing limits (OFLs). By conducting a stock assessment review, the NPFMC SSC helps NMFS and NPFMC fulfill their stewardship mission to manage and conserve our living marine resources in a scientifically sound manner.

The purpose of the review is to assess the scientific validity of the stock assessment, including the assumptions, methods, results and conclusions. Specific aspects of the review will vary, but may include: quality of the data collected or used for the assessment, appropriateness of the analyses, validity of the results and conclusions, and appropriateness of the scope of the assessment (e.g., whether all relevant data and information were considered).

The SSC reviews the stock assessment document, receives a verbal report from the stock assessment authors (if appropriate) and from the NPFMC plan team that reviewed the stock assessment, and takes public testimony (see "Policy Regarding Preparation of the SSC Report" for further details). The SSC shall then make the final determination regarding the Tier level of the assessment and set the ABC (ACL) and OFL for groundfish, crab, and scallops for each assessed stock or complex. Standard formulae exist for maximum permissible ABC and for OFL for each Tier level. Alternative procedures (e.g., stairstep, percentage reduction, or adjustments based on ecosystem considerations, or additional sources of uncertainty) may be used to arrive at final ABC recommendations at the SSC's discretion. Such procedures have been used in the past as precautionary measures. In its report, SSC recommendations regarding future research priorities and direction will also be made.

Typically two or more SSC members will be assigned as the lead reviewers for each stock or stock complex. These lead reviewers will be members that are not directly responsible for the production of the stock assessment or directly supervising the stock assessment author(s). The lead reviewers will lead the discussion on that particular assessment and will draft the portion of the SSC report dealing with that species. Recommendations may be directed to the stock assessment author, plan team, or Council and the report shall clearly explain to whom the SSC's recommendations are directed.

The October SSC meeting is generally when detailed examination of any new stock assessment models for groundfish (benchmark assessments) occur. For crab stocks, this occurs in June. More scrutiny should be given at this stage to methods of model construction, fitting, and new data sources used. Additional workshops or reviews may be recommended to resolve any outstanding technical questions in a proposed new assessment prior to implementation. CIE (Center for Independent Experts) reviews are also conducted on a rotating, or as needed basis, on stock assessments at the request of NMFS. The SSC will typically receive a presentation on the findings of the CIE panel. The groundfish stock assessments are reviewed for setting ABCs and OFLs at the December SSC meeting. For crab stocks, this occurs in June for stocks without surveys and in October for the rest. The SSC reviews the scallop SAFE in April.

The December meeting begins with a review of the Ecosystem Considerations Appendix of the SAFE to place the groundfish stock assessments within an ecosystem context. Also, the Economic SAFE is reviewed. Similar documents for crab and scallop will be reviewed when available.

In general, with respect to peer review panels, the NPFMC SSC has adopted the May 12, 2003 Policy of the National Academies with respect to Committee composition and balance and conflicts of interest for committees used in the development of reports:

(http://www.nationalacademies.org/coi/bi-coi_form-0.pdf).

Bering Sea and Aleutian Islands crab fisheries – C-4(a)-(c) Council motion – February 2013 North Pacific Fishery Management Council

C-4(a) – Modification of community provisions

Actions 1 through 5

The Council took final action, selecting a preferred alternative for five actions. The Council adopted the following purpose and need statement for these actions:

The Bering Sea/Aleutian Islands crab rationalization program recognizes the unique relationship between specific crab-dependent communities and their shore-based processors, and has addressed that codependence by establishing community "right of first refusal" agreements as a significant feature of the program. These right of first refusal agreements apply to the Processor Quota Shares initially issued within each community, and are entered into and held by Eligible Crab Community Organizations on behalf of each respective community.

To date, there have been several significant Processor Quota Share transactions, resulting in Eligible Crab Community Organizations now owning holding substantial portions of the PQS in each rationalized fishery. However, the ability of the right of first refusal to lapse may diminish the intent to protect community interests. Also, limiting the time period to exercise the right may conflict with the ability to exercise and perform under the right of first refusal. In addition, some communities, when exercising the right of first refusal may have no interest in purchasing assets located in another community and feel the right of first refusal contract should exclude any such requirement. Lastly, under the current structure, right holders and NOAA Fisheries have limited information concerning the transfer and use of PQS and IPQ subject to the right. Additional notices from PQS holders to right holders and NOAA Fisheries concerning the use of IPQ and transfer of PQS and IPQ would allow community entities to more effectively protect their interests through the rights of first refusal.

The Council selects as its preferred alternative the following:

Action 1: Increase a right holding entity's time to exercise the right and perform as required.

Alternative 2: Increase an entity's time to exercise the right and perform.

- 1) Require parties to rights of first refusal contracts to extend the period for exercising the right of first refusal from 60 days from receipt of the contract to 90 days from receipt of the contract.
- 2) Require parties to rights of first refusal contracts to extend the period for performing under the contract after exercising the right from 120 days from receipt of the contract to 150 days from receipt of the contract.

Action 2: Increase community protections by removing or modifying the (two) ROFR lapse provisions.

Provision 1

Alternative 2 – Remove provision under which ROFR lapses if IPQ are used outside the community.

Require parties to rights of first refusal contracts to remove the provision that rights lapse, if the IPQ are used outside the community for a period of three consecutive years

Provision 2

Alternative 3 – Allow PQS holder to identify the right holder, if a community entity fails to exercise the right on a transfer of PQS

If the right is triggered by a sale subject to the right, a new ROFR contract would be signed at the time of transfer, in which the PQS buyer names the community that gets the ROFR (either the original right holder or receiving right holder). The right holder must be an existing entity that was eligible to hold a ROFR at the time of the implementation of the program in the region in which the IPO must be landed.

Action 3: Apply the right to only PQS or PQS and assets in the subject community.

<u>Alternative 1 – status quo</u>

The right of first refusal applies to all assets included in a sale of PQS subject to the right, with the price determined by the sale contract.

Action 4: Require community approval for IPQ subject to the right to be processed outside the subject community.

<u>Alternative 1 – Status quo</u>

Intra-company transfers of PQS and IPQ outside the subject community are permitted without requiring the PQS holder to notify the community entity that holds the right.

Action 5: Require additional notices to right holders and NMFS

Require the following notices from PQS holders:

- 1) To the right holder, a prior notice of all transfers of IPQ or PQS that are subject to the right (regardless of whether the PQS holder believes the right applies to the transfer) (as a required contract provision);
- 2) To NMFS as a part of any application to transfer PQS subject to the right to any party other than the right holder, either:
 - a. A certification of the transferor of the PQS that the right holder was provided with 90 days notice of the right and did not exercise the right during that period (in which case the PQS may transfer and the right will no longer apply); or
 - b. A certification of the new PQS holder and the right holder that a contract has been entered establishing the right with respect to the new PQS holder or that the right holder has elected to waive the right with respect to the new holder.
- 3) To the right holder annually, the location of use of IPQ that are subject to a right and whether the IPQ were used by the PQS holder (as a required contract provision).
- 4) To NMFS, as part of the annual application for IPQ, certification of a current ROFR agreement in place with the community entity.

Action 6

The Council took no action on the sixth action at this meeting. The Council has adopted the following purpose and need statement for this action:

At least one PQS transfer is believed to have occurred without the right holder (Aleutia Corporation) being informed of the transaction, denying that right holder of the ability to

exercise its right of first refusal to acquire PQS as intended by the program. This lack of notice allowed the transfer of PQS to a party other than the right holder and the movement of the processing to another community. Providing that right holder with a direct allocation of PQS could mitigate the negative impacts arising from that transaction. In addition, providing for notice of the location of use of IPQ and transfers of PQS to right holders could prevent similar circumstances from arising in the future and make the right more effective in protecting communities' historical interests in processing and ensure that community entities are better able to assert their interests as provided for by the right.

Action 6: Issuance of newly created PQS to Aleutia Corporation

<u>Alternative 1 – Status quo</u> No further of issuance of PQS

Alternative 2 – Issuance of PQS to Aleutia

Bristol Bay red king crab PQS shall be allocated to Aleutia Corporation in an amount that would result in that corporation receiving up to 0.55 percent of the PQS in that fishery. This allocation would be made exclusively from newly issued PQS.

<u>C-4(b) – Active participation requirements</u>

The Council intends to take no further action on this amendment package.

C-4(c) – Discussion paper on cooperative provisions for crew

The Council requests that each of the BSAI crab rationalization cooperatives voluntarily provide an annual report detailing measures the cooperative is taking to facilitate the transfer of quota share to active participants ,including crew members and vessel owners, and available measures which affect high lease rates and crew compensation. The annual reports should convey to the Council the effectiveness of the measures implemented through the cooperatives and the estimated level of member participation in any voluntary measures and include supporting information and data. These reports are requested to be delivered for the October meeting each year.

Ecosystem Committee Minutes

February 5, 2013 8:30am – 1pm Parliament Room 3-4, Benson Hotel, Portland, OR

Committee: Stephanie Madsen, Jim Ayers, Dave Benton, David Fluharty, Steve Ignell, Jon Kurland, Diana Evans (staff)

Others attending included:Melanie Brown, Merrick Burden, Karla Busch, Nancy Dietz, Jackie Dragon, Matt Eagleton, Bob Foy, John Gauvin, John Hendershedt, John Hocevar, Tony Keene, Linda Kozak, Steve MacLean, Sarah Melton, Corey Niles, Chris Oliver, John Olson, Donna Parker, Chris Rooper, Julie Spiegel, Fan Tsao, Bill Tweit, Jon Warrenchuk, Ed Weiss, Stephani Zador

C-1(b) Bristol Bay Red King Crab Discussion Paper

The Committee received a presentation on the current draft of the discussion paper from Diana Evans and Dr Robert Foy. The paper provides an update on research that has been initiated to evaluate the importance of the area southwest of Amak Island as habitat for red king crab. The proposed research will yield results in 2014 to 2015, which will be reported to the Council when available. The Committee noted that one project, to develop models that predict post-larval settlement sites, is as yet, unfunded (it has been submitted to NPRB) and encourages Council support for this proposal. The other issue addressed in the discussion paper reports on the Council's request for staff to evaluate the efficacy of existing red king crab protection measures, given the changing distribution of the population. The Committee recognizes that the scope of this evaluation is larger than originally anticipated, and needs to involve input from additional AFSC and NOAA scientists with different types of expertise.

The Committee remains convinced that closure efficacy evaluation continues to be important, and the Committee recommends that the Council task the evaluation of protection measures for red king crab as a comprehensive package. The Committee supports the habitat research and model development that is being undertaken to address the Amak issue, and recommends that the Council maintain the linkage between this work and the evaluation of the efficacy of existing closures, as well as the reconsideration of red king crab PSC limits if that moves forward (currently tasked as a separate action). The Committee understands that this may mean some delay of the closure and PSC limit evaluations, given that the research is not expected to produce results until 2014 or 2015. To date, however, no conservation issues have been identified with respect to these evaluations that require immediate urgency. This longer timeframe may accommodate the ability of Council and agency staff to address the larger analytical scope involved in evaluating the closures, as described in the paper. Certainly, if the Crab Plan Team identifies a pressing conservation issue for red king crab, the timing of this analysis could be reconsidered by the Council.

One reason that the Committee supports further work on evaluating all aspects of red king crab protection measures is the opportunity this provides as a case study for developing adaptive management tools in the North Pacific. Given the changing distribution of crab in warm versus cold years, the habitat research and the re-evaluation of closures offer progressive opportunities to consider how environmental triggers can be incorporated directly into management. The Committee suggests that analytical work should proceed on multiple fronts, for example, investigating both climatic or other predictions that might form the basis of a trigger for additional regulatory action, as well as economic aspects of the best mechanism to change the behavior of the fleet, for the protection of red king crab.

EFH Consultation on Norton Sound Gold Mining

The Committee received a briefing on NMFS' EFH consultations with the Corps of Engineers Regulatory Division (COE) on Norton Sound mining activity, from Matt Eagleton and Dr Robert Foy. There are two issues that NMFS is concerned about. First, an exploratory permit has been issued for a large scale

commercial dredging operation in deeper (60 ft) water in Norton Sound, close to the 3nm State water boundary, and NMFS considers it likely that a follow-up permit will be at some point be requested to begin commercial dredging in this area. Second, the popularity of smaller scale, 'recreational' dredging has increased substantially, with many new permits being requested and issued by the COE. In the past, the COE has followed NMFS' and ADFG's advice, and included an EFH stipulation on these permits, which prevented dredging in waters deeper than 20 feet. A couple of years ago NMFS modified its advice and began recommending that the COE prohibit dredging in waters deeper than 30 feet. This stipulation was based on research indicating that while there is some evidence of structure forming organisms in shallower waters, natural disturbance in shallow habitats due to storms and ice scour is common and the scale of dredging operations was not considered to be sufficient to affect red king crab at the population level, although individual habitat areas could be damaged. In deeper waters (e.g., over 50 feet), the increase in presence and diversity of such benthic organisms presents more serious risks for damaging biogenic habitat for crab. The COE has, however, rejected NMFS' advice and determined that the EFH stipulation was based on assessing the impact of large scale dredging operations, and is not applicable to smaller, 'recreational' dredging gear. The COE has also not responded to NMFS' concerns for the agency to consider the cumulative impacts of the increase in the scale of mining activity resulting from the number of recreational permits that are being issued.

The Committee recommends that the Council take two actions to address these concerns. First, the Council could task the Crab Plan Team with reviewing this issue at their next meeting, and providing further input on the implications of mining activity for Norton Sound red king crab. Secondly, the Committee recommends that the Council exercise its authority, under Section 305 of the MSA, to comment directly to the COE on its concerns with respect to the permitting of commercial mining operations in waters deeper than 30 feet in Norton Sound, as well as the cumulative impacts of the increasing scale of recreational mining activity in the area. The letter could recommend to the COE that both of these issues be fully scoped out by the agency, as and when it considers permitting the commercial dredging operation further offshore, and that this scoping process should factor in to the decision of whether the appropriate analysis to support such a permit is an EA or an EIS. The Council could include a recommendation that the COE engage actively with communities around Norton Sound in their scoping, and also involve the Council. The Committee additionally recognizes the role of ADFG in these considerations, as partners in managing the crab fisheries. The Committee understands that ADFG biologists participated in a recent meeting organized by NMFS on this subject, supporting NMFS' concerns about disturbance in habitats deeper than 30 feet.

NOAA's Deep Sea Coral Strategic Plan

Fan Tsao provided a briefing on the NOAA Deep Sea Coral Strategic Plan, and the Deep Sea Coral Research and Technology Program based at headquarters. The plan highlights the MSA authorities that are available to Councils interested in protecting deep sea corals, and also models recommendations about managing bottom-tending gear impacts on the Council's 2005 closure areas established in the Aleutian Islands. The Committee was interested in the Program's project to develop a database of all known coral location records, and discussed the process for how external data, such as the recent Greenpeace data on the Bering Sea canyons, would be incorporated into the database alongside NOAA data. The Program also funds rotating fieldwork in the regions, currently including Alaska (see below).

Alaska Coral and Sponge Initiative - Report on first year of fieldwork

The Committee received a report from Dr Chris Rooper, of the NMFS Alaska Fisheries Science Center, on the Alaska Coral and Sponge Initiative (AKCSI) that was begun in FY2012. Fieldwork was conducted last year as part of NOAA's three-year field research program in the Alaska region for deep sea coral and sponges. Dr Rooper provided an update on the fieldwork that has occurred with respect to the ten projects that are included in the initiative, which include: developing a coral habitat map for the GOA and AI, and a

geologically interpreted substrate map for Alaska; investigations of Primnoa corals in the Gulf of Alaska; estimation of the effects of commercial fixed gear fishing on coral and sponge using underwater cameras; and measurements of oxygen and pH and increased collections of coral and sponge specimens from the summer bottom trawl surveys. The AKCSI is intended to result in management products that can be of utility to the Council, for example in the annual Ecosystem Assessment, the AI Fishery Ecosystem Plan, or the 2015 5-year EFH review.

In discussion with the Committee, Dr Rooper also provided some information on NMFS' parallel project to develop a discussion paper on Bering Sea canyons, responsive to the Council's request. While some AKCSI and other NMFS fieldwork has occurred in parts of the canyons, the AKCSI effort itself is not specifically focused on the canyons. The Committee asked whether the MSA authority is specific to deep sea corals (not sponges), although the Alaska research project focuses on both. Dr Rooper and Ms Tsao noted that this is correct, but due to the co-occurrence of sponges with corals, and the fact that they frequently serve a similar habitat function for fish species, it is expedient to include both groups in research efforts. The Committee thanked Dr Rooper for his continued updates, and looks forward to the results of the research.

Status of Petition to List 43 Coral Species under the ESA

Jon Kurland provided an update on the status of NMFS' response to the petition to list coral species under the ESA, and whether there is enough information to initiate a status review. The response has been prepared by the Alaska Region, and is currently in review at headquarters. Mr Kurland noted that he expects the response to be released fairly soon.

Aleutian Islands Risk Assessment

Lt Tony Kenne provided a brief overview of the Aleutian Islands risk assessment report as well as the current phase of the process, to identify practical measures to mitigate identified risks. The report focuses on traffic on the great circle route, which primarily transits through Unimak Pass. The Committee discussed how preparedness and response capability is being considered in the current phase, to address the vulnerability of AI fisheries and communities, and noted that there are fishery representatives on the risk assessment advisory panel. The Committee also noted that increases in shipping activity, a trend noted in the report, has been identified as a concern in the Council's AI FEP, and noted that it is important to continue tracking these issues.

Report on Ecosystem SAFE

The Committee received a presentation from Dr Stephani Zador on AFSC ecosystem efforts, now captured within the NOAA Integrated Ecosystem Assessment approach. Dr Zador reported on the Ecosystem SAFE, and specifically the development of the Aleutian Islands ecosystem assessment as part of the annual SAFE. The Committee was particularly interested in how the AI ecosystem assessment builds on work in the Council's AI FEP with respect to refining indicators and issues of concern, and discussed the considerable difference in the availability of information for the AI compared to the Bering Sea. The Committee appreciated the presentation, and intends to request more regular updates from Dr Zador in the future.

Ecosystem-based Management Planning

The Committee continued its discussions from previous meetings about how best to engage in a broader discussion about other ecosystem-based management approaches that may be applicable in the North Pacific. It was noted that the planned Committee workshop, to review best practices nationally or internationally, had been delayed. In part, this was because of two ongoing proceedings from which the Committee hopes to benefit, namely the national ecosystem discussions planned as part of the Managing Our Nation's Fisheries 3 conference in May 2013, and a report being developed by the NOAA Ecosystem Science and Management

Working Group on ecosystem-based fishery management best practices within NMFS. The Committee was scheduled to receive a briefing on the latter issue at this meeting, but due to technical difficulties with teleconferencing, Dr Fluharty was unable to provide this briefing to the Committee.

The Committee reflected on the Council's history of leadership with respect to ecosystem-based management, noting that many of the items discussed on their agenda at this meeting (e.g., coral protection, AI FEP) are representative of pioneering action taken by the Council, which has since been modeled in other parts of the nation. The Committee's discussion focused on the need to identify other available opportunities for the Council to continue that leadership in the future. The Committee sees the need to consider both advances in the concept of ecosystem-based management, and challenges to its implementation. Integrating ecosystem-based management with science needs, in a way that is relevant to overall management, is an ongoing issue of importance. There are also national-level discussions on EBM, to which the Council may want to react.

Some specific, strategic opportunities for the Council may be available through further refinement of the AI FEP, or continued work with respect to the Arctic FMP, and changing conditions in the Arctic. With respect to the Council's immediate workload, the Committee may also be of use as the Council considers action on Bering Sea canyons, or the implications of fishing interactions with deep sea corals (especially if the agency determines that a status review is merited) and perhaps other emerging ESA conflicts. As discussed above, the issue of red king crab protection, and consideration of adaptive management tools, is also a potential case study for linking developing environmental science with management action.

The Committee suggests that these types of discussions could feed into a long-term, strategic planning exercise for the Council. The Council might engage in this type of strategic planning through revisions to the PSEIS, depending on the outcome of the planned Supplemental Information Report, or through another mechanism. Either way, the Committee suggests that the Council task the Committee with developing a draft workplan of next steps for moving forward with these ecosystem issues, for consideration at the Council's October Council meeting.

Eric A. Olson Chairman Chris Oliver Executive Director

605 W 4th, Ste 306 Anchorage, AK 99501 (907) 271-2809 (907) 271-2817

www.alaskafisheries.noaa.gov

Election of Officers and new appointments

The Council's Advisory Panel unanimously re-elected Tom Enlow from Unisea as Chair and elected Lori Swanson and Becca Robbins-Gisclair as co-Vice Chairs. The Council's Scientific and Statistical Committee re-elected Pat Livingston as Chair and Bob Clark as Vice Chair. Chairman Olson announced the following two-year appointments to the Pacific Northwest Crab Industry Advisory Committee (PNCIAC): Keith Colbern, Lance Farr (Chair), Mark Gleason, Kevin Kaldestad, Garry M. Loncon, Steve Minor, Gary Painter, Kirk Peterson, Rob Rogers (Vice Chair), Vic Scheibert, Dale Schwarzmiller, Gary Stewart, Tom Suryan, Elizabeth Wiley, and Arni Thomson (non-voting Secretary).

Industry Thank You

The Council would like to thank the Midwater Trawlers Cooperative and the many generous industry cosponsors who contributed to the reception given during the Council meeting. Delicious seafood was enjoyed by all.

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GOA Trawl Bycatch Management

The Council reviewed a discussion paper and then initiated analysis of a focused data collection program that can be established prior to the implementation of a trawl bycatch management program in the GOA. The motion included a purpose and need statement that focused on collecting data to provide the Council and analysts with relevant baseline information for use in assessing the impacts of a catch share program on affected harvesters, processors, and communities in the GOA. The Council also indicated that the information collected should be relevant, reliable, and currently unavailable through other sources. Given the potential for implementation of catch shares in both the Central and Western GOA, the data collection effort will include participants in Federal trawl groundfish fisheries from both management areas.

The Council then took action by addressing the next step in developing a GOA trawl bycatch (PSC) management program. After reviewing a staff discussion paper focusing on the Magnuson-Stevens Act requirements for the development of a catch share program and taking public testimony, the Council revised their purpose and need statement to broaden the scope to include all Federal GOA trawl fisheries. A control date of March 1, 2013 was approved for the Western Gulf;

any catch history after this date may not be credited in any future allocation system developed for the Western Gulf of Alaska trawl fishery. Finally, the Council requested that staff bring back an expanded discussion paper(s) that focuses on the following four issues and how they would relate to a GOA trawl catch share program:

- Expanded discussion of state waters management, including options for addressing expansion into state waters which may result from a catch share program that applies to federal waters.
- Potential benefits and detriments of limited duration quota allocations. This should include the identification of possible bycatch performance incentives upon which to base ongoing quota allocation, and exploration of non-monetary auction options, and bycatch performance incentives that can encourage bycatch avoidance at all times throughout the fishery.
- Expand the discussion of community protections to include the mechanics and applicability of Community Fisheries Associations and other alternative measures (e.g, port of landing requirements, regionalization) to the GOA trawl fisheries
- Information on the number of trawl participants by area in the GOA, including the amount of landings by groundfish species, PSC use, landings by community, and participation in GOA trawl fisheries relative to other fisheries. Include information on the number of trawl licenses that are also endorsed for Pacific cod pot gear in the WG and/or CG.

Staff contact on this issue is Sam Cunningham.

FLL GOA Pacific Cod Sideboard

At this meeting, the Council reviewed an initial review analysis to remove GOA Pacific cod sideboards for the freezer longline (FLL) sector. These sideboard limits originated from the crab rationalization program. When implemented in 2005, the sideboard limits were aggregated at the inshore and offshore level, and were shared by all gear types. As part of the GOA Pacific cod sector splits (Amendment 83) implemented in 2012, the Pacific cod sideboards limits were disaggregated to create sector limits, which essentially eliminated the 6 sideboarded freezer longline vessels.

After reviewing the initial review draft, the Council released the document for public review once it has addressed the comments from the SSC to the extent practicable. The Council also added a new option under Alternative 2. The new option would permanently remove GOA Pacific cod sideboard limits for the affected FLL vessels and LLPs when all GOA FLL endorsed LLP holders reach an agreement to remove these sideboard limits and notified NMFS of this agreement. The notification of the agreement must be completed within 3 years of implementation of the rule. The Council also included a suboption that would suspend the sideboard limits rather permanently remove these limits. If, in the future, not all GOA endorsed LLP license holders agree on the removal of the GOA Pacific cod FLL sideboards limits, these sideboard limits would be reinstated. Staff contact is Jon McCracken.

Federal Definition AFA Vessel of Sport Fishing Guide Services

In April 2012, the Council received a report from the NOAA Office of Law Enforcement highlighting a fishing practice in Area 2C that may allow anglers to circumvent charter halibut daily bag and size limits and allow operators to provide sport fishing guide services without the required Charter Halibut Limited Access Permit (CHLAP) for the Pacific halibut charter sector. Beginning in 2011, law enforcement staff observed and received anecdotal reports of businesses offering "unguided" halibut fishing to anglers, where guides provide assistance to anglers for compensation from adjacent vessels or shore, presumably to circumvent the Federal regulations that limit charter halibut anglers. In general, State regulations require that charter logbooks be filed for harvests by anglers receiving guide services from adjacent vessels or shore, because the state definition of "sport fishing guide services" does not require the guide to be aboard the vessel with clients. This report corroborated previous public testimony about the use of fishing practices to circumvent charter halibut bag and size limits.

Based on the agency report, the Council requested a discussion paper to review the different Federal and State definitions of a charter guide in order to determine if the current Federal regulatory definitions used to determine charter fishing are consistent with its intent for management of the charter halibut harvests.

At its February 2013 meeting, the Council reviewed the interagency staff discussion paper and adopted a problem statement and alternatives and options for an analysis to revise Federal regulations to close this loophole. The Council adopted the No Action alternative for analysis, along with a second alternative to revise and clarify the federal definition of sport fishing guide services. The Council also adopted options to revise the definition to remove the language "by being onboard a vessel with such person;" and within the definition of sport fishing guide services define (a) compensation, and (b) assistance. The Council provided proposed language for consideration. The Council's motion is posted on the Council website. Contact Jane DiCosimo for more information.

Replacement and **GOA Sideboards**

The Council, at the February meeting, reviewed an analysis of allowing vessel replacement of American Fisheries Act (AFA) vessels. The purpose of this action is to clarify AFA vessel replacement provisions of the Coast Authorization Act of 2010 (Coast Guard Act) and to prevent AFA vessels that are replaced from increasing fishing effort beyond historical catch levels in the Gulf of Alaska.

At this meeting, the Council modified Option 2.4 to prohibit GOA exempt AFA vessels that are replaced or rebuilt from exceeding the MLOA specified on the GOA LLP at the time the Coast Guard Act was approved (October 15, 2010). The Council noted that the vessel length recorded on the Federal Fishing Permit is not verified by the Coast Guard, and using the MLOA on the LLP is consistent with other options. The Council also selected Alternative 2 as the preliminary preferred alternative. The vessel removal provision, which would extinguish the sideboard exemption, is also included in the preliminary preferred alternative. The purpose of selecting a preliminary preferred option at this time to indicate to the public the likely direction the Council may select at final action and provide for more focused public comments. Finally, the Council released the document for public review once it has addressed the comments from the SSC and AP to the extent practicable. Staff contact is Jon McCracken.

Upcoming Meetings

Scallop Plan Team: February 19-20 Kodiak

Crab Modeling workshop on AIGKC and NSRKC February 26 - March 1, Anchorage

Steller Sea Lion Mitigation Committee: March 21-22 in Anchorage, NPRB Board Room

Stock Structure Workshop: April 16 (tentative)

Crab Plan Team: April 30-May 3 in Anchorage:

September 17-20 in Seattle

Managing Our Nation's Fisheries: May 7-9 in

Washington DC

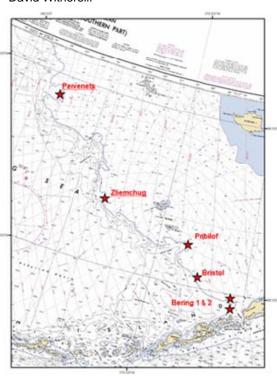
Groundfish Plan Teams: September 10-13;

November 18-22

HAPC Skate Egg Sites

Habitat Areas of Particular Concern (HAPC) are geographic sites of special importance within the distribution of essential fish habitat for the Council's managed species that may require additional protection from fishing activity and adverse fishing HAPCs must be rare and may be effects. ecologically important, sensitive to human disturbance, or stressed by development activities. In 2010, the Council decided that the skate nursery sites (areas of skate egg concentrations) should be considered and evaluated as HAPC.

At its February 2012 meeting, the Council took final action on this issue by selecting Alternative 2, which will amend the Groundfish, Crab, and Scallop FMPs to identify six areas of skate egg concentration as HAPCs in the eastern Bering Sea. The identification of these sites as a HAPC highlights the importance of this essential fish habitat for conservation and consultation on activities such as: drilling, dredging, laying cables, and dumping, as well as fishing activities. In addition, the Council identified several options as part of its preferred alternative: (1) a request that NMFS monitor the areas of skate concentration HAPCs for changes in egg density and other potential effects of fishing, (2) a recommendation that research and monitoring of skates be added to the research priority list, and (3) of housekeeping amendment approval standardize federal descriptions of Bering Sea habitat conservation measures. Staff contact is David Witherell.



International Group to Consider Best Practices for Trawl Fisheries

One of the most contentious issues in management of marine fisheries is the use of mobile bottom contact gears, trawls and dredges. About 25% of world fish catch comes from the use of these gears and catch from trawls is an important element in food security in much of the world. At present, a continental shelf area approximately equivalent to three times the area of Brazil is affected by mobile bottom contact gear. Trawls can dramatically transform sensitive benthic ecosystems, eliminating much of the associated emergent surface-dwelling flora and fauna especially on hard bottoms. Conversely, extensive studies have shown that there are fewer changes to less sensitive habitats, particularly in regions subject to frequent natural disturbance.

A working group of experts in ecology and fisheries management is being established to provide a scientific basis for evaluating policies on trawling. The group is currently requesting input from stakeholders to identify and prioritize the scientific knowledge needs that will help to focus and prioritize activities during the project. The goal is to identify the most pressing scientific needs in relation to our understanding of how towed bottom-fishing gears interact with the seabed and its biology, and the means to mitigate these effects. These scientific needs, if answered, would have a short or medium term positive impact on trawl fisheries (i.e. leading greater efficiency, increasing productivity, reducing impact on the environment, etc). For this information gathering task, interested parties may send e-mail to bob.mcconnaughey@noaa.gov for instructions and a copy of the questionnaire.

The full project will consist of 5 phases spread over the next two years. Additional details about the project and the study group are available at http://trawlingpractices.wordpress.com/.

Future NPFMC Meeting Dates and Locations

June 3-11, 2013, Juneau

September 30-Oct 8, 2013 Anchorage

December 9-17, 2013, Anchorage

February 2-10, 2014, Seattle

April 7-15, 2014, Anchorage

June 2-10, 2014, Nome

October 6-14, 2014 Anchorage

December 8-16, 2014, Anchorage

February 2-10, 2015, Seattle

Staff Tasking

During its Staff Tasking agenda item, the Council discussed several issues and took action on the following items (in addition to those noted elsewhere in the newsletter): (1) defined the role of the Ecosystem Committee in assisting the Council with ecosystem-based management approaches and opportunities; (2) requested a comment letter be sent in support of NOAA enforcement priorities noting continued concern with OLE staffing levels; (3) requested a letter be sent to the Alaska State Legislature in support of continuing the moratorium on vessels participating in the State water scallop fishery; (4) requested a letter be sent to the BSAI crab cooperatives regarding the Councils request that they voluntarily provide an annual report on measures they are taking to provide transfer of quota share to active participants, as well as lease rates and crew compensation; (5) requested that the ROFR workgroup develop new options for Actions 3 (PQS and/or other assets) and 4 (community consent) and report back when completed; (6) tasked staff to develop a draft flowchart, roadmap, or decision tree to help outline the process to develop alternatives for the GOA trawl bycatch management issue; (7) tasked staff to bring back the BSAI halibut PSC discussion paper in its current form, with updated data and a discussion of management tools, at the October meeting at the earliest, (8) requested that the Amendment 80 cooperatives report in April include a discussion of halibut release survival, and, (10) a request that the IFQ implementation committee review the proposal from the Deep Sea Fishermen's Union to increase block limits for 2nd generation fishermen, and discuss existing actions as well as new proposals.

BSAI Crab Issues

At its February meeting, the Council took final action on several provisions to modify rights of first refusal created to benefit community interests under the Bering Sea and Aleutian Islands crab rationalization program. The program allocates processing shares to processors based on their respective processing histories. To protect community interests, holders of most processor shares were required to enter agreements granting community designated entities a right of first refusal on certain transfers of those shares. Since implementation, community representatives and fishery participants have suggested that some aspects of the rights of first refusal may inhibit their effectiveness in protecting communities. To address these shortcomings, the Council took three actions. Under the first, time available for a community entity to exercise a right of first refusal from 60 days to 90 days, and the time for a community entity to perform under the contract from 120 days to 150 days. The second action included two provisions - the first removed a provision under which rights lapse, if a processor uses its share allocation outside the protected community for three consecutive years. The second provides for a new right of first refusal in the event a community fails to exercise the right, once it is triggered. Under this second provision, the processing share holder designates the community entity that will be the holder of the right. The third action of the Council provides for several notices from the processing share holder to the right holder and NOAA Fisheries. These notices are intended to ensure the rights have their intended effect by providing better information concerning the use of the processing shares and the status of the right.

The Council elected to maintain the status quo with respect to two other actions under consideration. Under the status quo, the rights of first refusal apply to all assets in a transaction that includes the subject processor shares. The Council considered (and rejected) alternatives that would have applied the right to either 1) the processor shares only or 2) the processor shares and assets based in the protected community. The second of these actions would have required community entity consent for any use of processor shares outside of the community that is protected by the right. Under the status quo, processor shares may be used in any location (subject to any applicable regional use restrictions). Although the Council took no action on these items, it suggested that it may be receptive to changes from the status quo, if stakeholders reached a consensus on appropriate measures.

The Council elected to take no action at this time on a sixth action, which would have allocated up to 0.55 percent of the Bristol Bay red king crab processing quota share pool to Aleutia Corporation (a right holding entity) to address a grievance concerning a right of first refusal that it formerly held on shares in that fishery. The Council urged the parties to that dispute to work to resolve their issues prior to further Council consideration of the matter at a future meeting.

The Council elected to take no further action concerning alternatives to define active participation requirements for vessel owner harvest shares. Currently, holders of those shares have no ongoing requirement to remain active in the fisheries as either vessel owners crewmembers. The Council also received a discussion paper concerning the development of cooperative measures to i) promote share acquisition by active participants, ii) address high quota lease rates, and iii) ensure reasonable crew compensation. Although the Council elected to take no regulatory action, it expressed concern with high lease rates, crew compensation, and the availability of quota shares to active participants in the fisheries. To that end, the Council passed a motion requesting that each cooperative in the program submit a voluntary report annually describing measures taken by the cooperative to facilitate share acquisitions by active participants and affecting high lease rates and crew compensation. The reports should describe effects of those measures, including the estimated level of member participation in any voluntary measures and supporting information and data. The motion suggests that these reports be provided at the Council's October meeting.



Good luck,
Mark Fina,
and
thank you.

NPFMC Staff July 2001 - February 2013

Bering Sea Flatfish Specifications Flexibility

The Council reviewed an initial draft analysis of a proposed action that would allocate the ABC surplus (the difference between acceptable biological catch (ABC) and total allowable catch (TAC) for flathead sole, rock sole, and/or yellowfin sole, among the Amendment 80 cooperatives and CDQ groups, using the same formulas that are used in the annual harvest specifications process. These entities would be able to exchange their flathead sole, rock sole, and/or yellowfin sole quota share for an equivalent amount of their allocation of the ABC surplus for these species.

The Council released the analysis for public review, following some minor revisions and the addition of a new alternative. The new alternative is similar to the current Alternative 2, except that instead of allocating the ABC surplus among the qualified entities, the Council would establish a harvest limit that could either be equal to ABC, or could be reduced from ABC for social, economic, or ecological considerations. The harvest limit surplus (the difference between the harvest limit and TAC) for the three flatfish species would then be allocated among the entities, according to existing formulas. The revised alternatives are posted on the Council website. Staff contact is Diana Evans.

Observer Program

The Council received an update from the Alaska Fisheries Science Center (AFSC) on implementation of the restructured program to date, in both trip and vessel selection pools, as well as progress with the 2013 electronic monitoring (EM) pilot project. The Council continued its support for the restructured program, as expressed in December, including the EM pilot project and the timeline that includes review of the draft EM strategic plan, the first year report, and consideration of potential regulatory changes to the program, at the June Council meeting.

The Council chose to schedule an Observer Advisory Committee meeting just prior to the April Council meeting, focused specifically on two of the reports that are scheduled for the Council in April:

- 1. Receive an update on the implementation of the Observer Program for the current year.
- Review the EM strategic plan outline that the AFSC develops, and provide comments and recommendations to the Council.

The Council also asked the AFSC to assess a proposal, submitted in public testimony, to implement a deployment plan essentially based on vessels that account for the greatest percentage of harvest for any sector. If the proposal appears consistent with the Council's objectives from December, of improving cost effectiveness while maintaining data collection needs, the agency should consider incorporating the proposal into April's analytical outline or framework for the first year program report.

NMFS continues to do outreach on the observer program, and materials are available on the NMFS observer webpage:

(http://www.alaskafisheries.noaa.gov/sustainablefisheries/observers/). Staff contact is Diana Evans.

Ecosystem Committee

The Council chair appointed Council member Bill Tweit to be the new chair of the Ecosystem Committee, as part of an effort to ensure that Council members are represented on all Council committees, while thanking Stephanie Madsen for her service. The Council also adopted a motion on the path forward for the Ecosystem Committee, both with respect to immediate Council issues and integration of ecosystem-based management approaches with fishery management in the longer term. The Council requests that the Committee develop a proposed workplan for the next year to two years, identifying opportunities for further work, both with respect to the integration of emerging science with management, ecosystem responding to changing environmental conditions, in order to allow the Council to continue its leadership the evolution of ecosystem-based management. The motion is available on the Council website.

The Council received a report from the Ecosystem Committee about NMFS' EFH consultations with the Corps of Engineers Regulatory Division on Norton Sound mining activity. The Council noted that the Committee had not had the benefit of hearing from ADFG staff working on these issues, and asked the Committee to get input from ADFG staff at a future meeting, to incorporate into the Committee's recommendation to the Council. Staff contact is Diana Evans.

Call for Proposals

NOAA's National Bycatch Reduction Engineering Program (BREP) should soon release a Request for Proposals for nonfederal researchers working with industry to identify fishing technologies to reduce bycatch. A competitive notice, pending final approval, will be soliciting projects up to a total of about \$2.5M. The review process will be similar to last year's notice and the approximate due date for Letters of Interest is early March, with full proposals due at the end of March (dates are dependent upon final publication date of the RFP). As federal researchers are excluded, the NMFS AFSC Conservation Engineering program cannot take a principal role on proposals, however they are willing to discuss how their department could help facilitate or collaborate on proposed projects. Contact Craig Rose (Craig.Rose@noaa.gov) at AFSC for more information.

BSAI crab protection issues: PSC limits and Bristol Bay red king crab closure areas

The Council considered two different discussion papers related to crab bycatch management and habitat protection in the BSAI groundfish fisheries. The first paper discussed issues related to Bristol Bay red king crab spawning and closure areas, while the second addressed alternatives for establishing PSC limits in the groundfish fishery for all ten of the BSAI crab stocks in the Crab FMP. After considering each issue separately, the Council moved to combine further discussion of these two topics. Discussion of each is summarized below; the combined Council motion is available on the Council website.

Bristol Bay red king crab habitat

The Council received an update on the timing of research to investigate the importance of an area southwest of Amak Island as red king crab habitat, and its sensitivity to environmental variables. This issue was raised as a potential concern during the 2010 EFH 5-year review, due to indications of increased trawling activity in this area, and recent shifts in the distribution of the red king crab spawning population. Research results will likely be available in 2014 or 2015, to inform a Council discussion of whether increased protection in this area is warranted.

The paper also provided an update on a related issue tasked by the Council, namely evaluating the continued efficacv permanent closures to groundfish trawling in Bristol Bay, instituted to protect red king crab, in light of changes in the distribution of the stock. The paper noted that the scope of this task is larger than originally anticipated, as a simple index to evaluate efficacy is not available, and evaluation needs to involve input from additional AFSC and NOAA scientists with different types of expertise. One of the next steps would be to conduct a statistical analysis of historical catch and

bycatch data, by month and gear type, and correlate any patterns of changing distribution with warm versus cold years. Another avenue is to investigate how adaptive management measures might be used to vary protection based on an environmental variable, temperature. The paper suggested that given the Council's concurrent effort to reevaluate PSC limits, it may be productive to evaluate protection measures for Bristol Bay red king crab comprehensively.

Crab bycatch limits in BSAI groundfish fisheries

The Council also received a discussion paper on current and proposed bycatch management measures in the groundfish fisheries for the ten BSAI crab stocks. In conjunction with taking action to meet annual catch limit (ACL) requirements in 2010, the Council initiated an analysis of PSC limits and bycatch management measures for the ten BSAI crab stocks under the Crab FMP. Since 2011, BSAI crab stocks have annually-specified overfishing limits (OFLs) and acceptable biological catch (ABC) levels. Total allowable catch (TAC) levels (and guideline harvest levels (GHLs) for the Norton Sound red king crab and Pribilof Islands golden king crab stocks) are established exclusively by the State. All catch accrues towards the ABC (or ACL). Additional bycatch outside of the directed crab fisheries occurs in the BSAI groundfish fisheries. Total catch from all sources may not exceed the ACL, thus currently the State must annually assume anticipated levels of bycatch for each stock in order to set TAC or GHL at a level where the total catch from directed and non-directed sources will not exceed the ACL. If an ACL is exceeded, the TAC or GHL in the following year would be reduced, in order to prevent exceeding the ACL concurrently. Thus all accountability measures associated with exceeding an ACL are currently borne solely by the directed crab fishery, regardless of what caused the overage.

The Council reviewed the discussion paper on existing measures for trawl and pot bycatch management in the BSAI groundfish fisheries, as well as trends in bycatch by stock, and the relative percentage of the crab stock ABC the current bycatch comprises. For most stocks, while variable

across years, groundfish bycatch represents a small (often <1%) component of the catch accruing towards the ABC. For those stocks for which the bycatch is more variable and/or stock status fluctuates dramatically (e.g., Bristol Bay red king crab, EBS Tanner crab, St. Matthew blue king crab), assumptions of bycatch needs in the groundfish fisheries becomes more problematic in setting a TAC level for the directed crab fishery. Staff noted to the Council that if the intent of pursuing this is to provide guidance to the State of Alaska in establishing appropriate buffers beneath the ABC for groundfish bycatch, to inform appropriate TAC levels, the current alternative set may be overly complex for achieving that objective.

Council action

Following discussion of the relative complexity of the PSC limit analysis and its objectives, as well as the scope and timing of Bristol Bay red king crab habitat research and analysis of existing closures, the Council focused an expanded discussion paper on four stocks: Bristol Bay red king crab, Bering sea Tanner crab, Bering Sea snow crab and St. Matthew blue king crab. The paper will include an historical evaluation of the existing closures for these stocks, for both permanent closures and those triggered by a PSC limit. Additionally, the paper will describe the stock and PSC (by groundfish gear type) distribution relative to these areas.

In discussing the motion, the Council affirmed their priority support for the continuing habitat research on Bristol Bay red king crab. The Council also welcomed consideration of adaptive management tools as this issue moves forward, including encouragement to industry to engage with the Crab Plan Team and crab scientists to develop innovative mechanisms to ensure crab protection.

The Council further recommended that the BSAI Groundfish Plan Team work together with the State to provide estimates of crab bycatch mortality in the respective groundfish fisheries by crab stock. This could help to reduce the uncertainty in projecting these estimates annually in TAC-setting, and assist the State in estimating an appropriate buffer level for groundfish bycatch, below the ACL. Staff contact is Diana Stram.

DRAFT NPFMC THREE-MEETING OUTLOOK - updated 2/15/13						
April 1-9, 2013 Anchorage, AK	June 3-11, 2013 Juneau, AK	Sept 30 - Oct 8, 2013 Anchorage, AK				
AFA Co-op Reports; ICA report: Action as necessary BSAI Chum Salmon Bycatch: Industry Progress Report Amendment 80 Co-op Reports: Action as necessary CGOA Rockfish Co-op Reports: Action as necessary Salmon Bycatch Genetics: Update	Observer Program: <i>Update; 3rd Party discussion paper</i> SSL EIS: <i>Progress Report</i>	Industry IPA report on BSAI chum salmon BSAI Crab Cooperative report on crew provisions (T)				
Observer Program: Report	GOA Trawl Bycatch Management: <i>Discussion Papers; roadmap</i> GOA Trawl Data Collection: <i>Initial Review</i>	GOA Trawl Bycatch Management: <i>action as necessary</i> GOA Trawl Data Collection: <i>Final Action</i>				
SSL EIS: <i>Initial Review, Select PPA</i> BS and AI P. cod ABC/TAC split: <i>Updated Discussion Paper</i> Retention of 4A halibut in BSAI sablefish pots: <i>Discussion Paper</i> BS Sablefish IFQ & non-IFQ specifications: <i>Discussion Paper</i>	H/S IFQ Disc papers (GOA sablefish pots, sablefish A-share caps) (T) Halibut compensated reallocation pool: Discussion Paper (T) Halibut/Sablefish IFQ Leasing prohibition: Disc. paper (T) Definition of fishing guide: Discussion Paper (T) GOA Chinook Bycatch non-pollock trawl fisheries: Final Action (T)	BSAI Halibut PSC: <i>Updated discussion paper (T)</i>				
Crab modeling report: SSC only	BSAI Crab: CPT report; OFL/ABC specifications for 4 stocks	BSAI Crab: CPT report; OFL/ABC specifications for 6 stocks				
Scallop SAFE and harvest specifications: <i>Review and Approve</i>	BS Canyons: Updated AFSC report; Fishing activities and management discussion paper (T)	Groundfish Harvest Specifications: <i>Adopt proposed specifications</i> EGOA skate fishery: <i>Discussion paper; PT recommendation</i>				
AFA Vessel Replacement GOA Sideboards: Final Action	GOA P cod sideboards for FLL: Final Action					
Round Island Transit: <i>Initial Review</i>	Round Island Transit: <i>Final Action (T)</i>					
BSAI Flatfish Specification Flexibility: Final Action	Grenadier management: Initial Review (T)	Grenadier management: Final Action (T)				
CQE Small Blocks: <i>Initial Review/Final Action</i> Research Priorities: SSC only Industry update on turbot fishery negotiations	Research Priorities	ITEMS BELOW FOR FUTURE MEETINGS BSAI Crab PSC numbers to weight: Discussion paper BSAI Crab bycatch limit evaluations: Expanded discussion paper Salmon EFH revisons: Initial Review ROFR Aleutia PQS: Final Action Greenland Turbot allocation: Initial Review Amendment 80 program 5-Year review (2014) MPA Nominations: Discuss and consider nominations				
AI - Aleutian Islands AFA - American Fisheries Act BiOp - Biological Opinion BSAI - Bering Sea and Aleutian Islands BKC - Blue King Crab BOF - Board of Fisheries CQE - Community Quota Entity CDQ - Community Development Quota EDR - Economic Data Reporting EFH - Essential Fish Habitat EFP - Exempted Fishing Permit EIS - Environmental Impact Statement FLL - Freezer longliners GOA - Gulf of Alaska	GKC - Golden King Crab GHL - Guideline Harvest Level HAPC - Habitat Areas of Particular Concern IFQ - Individual Fishing Quota IBQ - Individual Bycatch Quota MPA - Marine Protected Area PSEIS - Programmatic Suplemental Impact Statement PSC - Prohibited Species Catch RKC - Red King Crab ROFR - Right of First Refusal SSC - Scientific and Statistical Committee SAFE - Stock Assessment and Fishery Evaluation SSL - Steller Sea Lion TAC - Total Allowable Catch	Future Meeting Dates and Locations June 3-11, 2013, Juneau September 30-Oct 8, 2013 Anchorage December 9-17, 2013, Anchorage February 2-10, 2014, Seattle April 7-15, 2014, Anchorage June 2-10, 2014, Nome October 6-14, 2014 Anchorage December 8-16, 2014, Anchorage February 2-10, 2015, Seattle				