

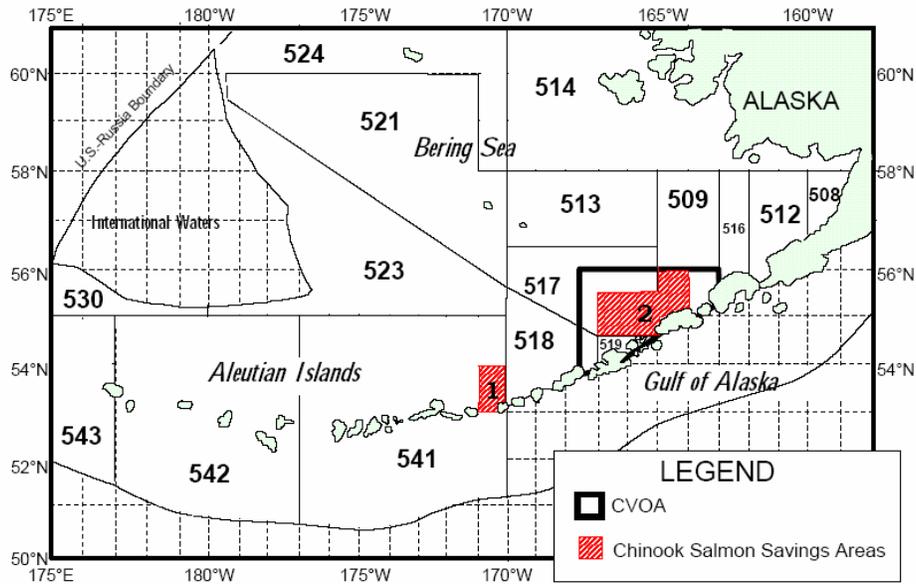
INITIAL REVIEW DRAFT

ENVIRONMENTAL ASSESSMENT / REGULATORY IMPACT REVIEW / INITIAL REGULATORY FLEXIBILITY ANALYSIS

for

Modifying existing Chinook and chum salmon savings areas

Proposed **AMENDMENT 84** to the Fishery Management Plan for Groundfish of the Bering Sea and Aleutian Islands Management Area



May 23, 2005

Prepared by staff of the
North Pacific Fishery Management Council
605 W. 4th Avenue, suite 306
Anchorage, AK 99501
(907) 271-2809

[THIS PAGE INTENTIONALLY LEFT BLANK]

EXECUTIVE SUMMARY

In the mid-1990s, the Council and NOAA Fisheries implemented regulations to control the bycatch of chum salmon and Chinook salmon taken in the BSAI trawl fisheries. These regulations established closure areas in areas and at times when salmon bycatch had been highest based on historical observer data. Information from the fishing fleet indicates that bycatch may have been exacerbated by the current regulatory closure regulations, as much higher salmon bycatch rates were reportedly encountered outside of the closure areas. Some of these bycaught salmon include Chinook and chum stocks of concern in western Alaska. Further, the closure areas impose increased costs on the pollock fleet and processors. To address this immediate problem, the Council will examine and consider other means to control salmon bycatch that have the potential to be more flexible and adaptive, but still meet Council intent to minimize impacts to the salmon in the eastern Bering Sea.

This analysis considers the following alternatives to address the problem identified above.

Alternative 1 Status Quo

Alternative 1 maintains the existing regulatory measures for Chinook and Chum salmon savings area closures.

Alternative 2 Eliminate the regulatory salmon savings area closures

Under Alternative 2, the catch limits for the Bering Sea subarea trawl Chinook and BSAI trawl chum salmon would be eliminated, and would no longer trigger savings area closures. The annual closure of the Chum Salmon Savings Area would also be eliminated. Salmon would remain a prohibited species under this (and all) alternatives.

Alternative 3 Suspend the regulatory salmon savings area closures and allow pollock cooperatives and CDQ groups to utilize their voluntary rolling hot spot closure system to avoid salmon bycatch

Under Alternative 3, the catch limits for the Bering Sea subarea trawl Chinook and BSAI trawl chum salmon would be suspended, and would no longer trigger savings area closures. The annual closure of the Chum Salmon Savings Area would also be suspended. The suspension will go into effect so long as the pollock cooperatives and CDQ groups have in place an effective salmon bycatch voluntary rolling “hot spot” (VRHS) closure system to avoid salmon bycatch.

Suboption: Reimpose regulatory salmon savings closures if reported non-compliance with agreement merits expedited action

Under this suboption, the Council may recommend re-imposition of the regulatory salmon savings area closures on an expedited basis if the situation merits this recommendation. The Inter Cooperative Agreement (ICA) managers will report to the Council immediately if there is non-participation or non-compliance without effective enforcement action under the VRHS system. In that event, the Council may recommend re-imposition of the regulatory salmon savings area closures on an expedited basis. If the regulatory closure area system is reinstated, it is the Council’s intent that the closure areas be based on the most recent information available and if the analysis of Amendment Package B’s Alternative 1 supports the approach, with regular adjustments.

Environmental Assessment

Alternative 1

The fishery performance analysis indicates that salmon bycatch may be higher outside the savings areas than inside. However, evidence indicates that the amount of salmon caught incidentally in the groundfish fisheries represents a low overall proportion of salmon abundance and harvest in the directed salmon fisheries (commercial, subsistence, and recreational). The results of an ongoing ESA consultation on ESA-listed Chinook salmon are as yet unknown.

The *Final Alaska Groundfish Fisheries Programmatic Supplemental Environmental Impact Statement* (NMFS 2004b) and the *Final Environmental Impact Statement for Essential Fish Habitat Identification and Conservation in Alaska* (NMFS 2005) have both concluded that there are no significant adverse impacts on the physical and biological environment or the ecosystem from the current groundfish management regime. As a result, Alternative 1 is found to have no significant impacts on these components. The socioeconomic and economic impacts are discussed under the Regulatory Impact Review heading, below.

Alternative 2

Although salmon bycatch may increase under this alternative, as constraints on bycatch in the groundfish fisheries are removed, it is unlikely that this alternative will result in bycatch levels that will present a threat to the sustainability of salmon stocks. Results of the ongoing ESA consultation on listed salmon stocks are as yet unknown.

No significant impact on the pollock stock is anticipated, as harvest levels will continue as under Alternative 1, and as the pollock fishery has a low incidental catch rate of groundfish and other fish stocks, and an extensive monitoring program to ensure accurate catch accounting, neither is a significant impact anticipated on these stocks. Interactions with habitat, marine mammals, and seabirds may decrease under this alternatives, as vessels may pursue a lower catch per unit effort for pollock, being unconstrained by salmon bycatch. To the extent this occurs, this may benefit habitat, marine mammals, and seabirds, however the change is unlikely to be detected at a population level. This action has no discernable impacts on the ecosystem. Socioeconomic and economic impacts are discussed under the Regulatory Impact Review heading, below.

Alternative 3

Salmon bycatch is expected to decrease under this alternative, given the flexible system provided by dynamic hot spot management of the pollock fleet. Evidence indicates that the amount of salmon current caught incidentally in the groundfish fisheries represents a low overall proportion of salmon abundance and harvest in the directed salmon fisheries (commercial, subsistence, and recreational). The results of an ongoing ESA consultation on ESA-listed Chinook salmon are as yet unknown.

As with Alternative 2, no significant impact on pollock or other fish stocks is anticipated under this alternative. Impacts on pollock catch per unit effort cannot be predicted, but to the extent that it differs from the status quo, this may benefit or disadvantage habitat, marine mammals, and seabirds. Any change is likely to be small, however, and not discernable at a population level, therefore no significant impacts would result from this alternative. As with Alternative 2, this action has no discernable impacts on the ecosystem. Socioeconomic and economic impacts are discussed under the Regulatory Impact Review heading, below

Alternative 3 Suboption

Implementation of the suboption has no impact other than for the Council to alert the pollock fishery participants of its intent to take remedial measures if this alternative is not effective at controlling salmon bycatch. The Council may, at any time, with the appropriate scientific and analytical support for its decisionmaking, take action to change its bycatch management measures.

Regulatory Impact Review

The analysis of alternatives presented in the RIR has shown that Alternative 1, the status quo, has resulted in dramatic increases in salmon bycatch in the Bering Sea pollock trawl fishery in recent years. This translates into foregone salmon value, assuming full terminal harvest of salmon bycatch, of nearly \$1 million for Chinook and more than \$250 thousand for chum in 2003. These values greatly overstate the actual harvest that might have occurred if salmon bycatch had not been taken in the Bering Sea pollock trawl fishery.

Unfortunately, it is not possible to accurately estimate actual harvest value. However, the dramatic increases in salmon bycatch under the status quo likely translate into increases in forgone value and decreased benefits of bycatch reduction. The status quo also bears some risk of future restrictions on the Bering Sea pollock trawl fleet as a result of exceeding the ESA Chinook incidental take permit cap.

Alternative 1 also imposes increased operational costs on the trawl fleet when the salmon savings areas are closed and may adversely affect vessel safety. The closures are also having a detrimental effect on product quality for the CV fleet. The decreased quality appears to have reduced product grade, eliminated fillet production in some cases, and increased shoreside processing facility costs. Alternative 1 also results in some management and enforcement costs to administer the closures and monitor vessel locations.

Alternative 2 would eliminate the salmon savings closure areas altogether. The result would likely be reduced operational costs, improved vessel safety, improved product quality, and reduced management and enforcement costs. However, in the absence of any bycatch reduction measures this alternative may result in further increase in salmon bycatch in the Bering Sea pollock trawl fishery. Were that to occur, the foregone value of such bycatch would increase and the associated benefits of bycatch reduction would decrease, possibly dramatically. This could also result in the Bering Sea pollock trawl fleet significantly exceeding the ESA Chinook incidental take permit cap.

Alternative 3 eliminates the BSAI salmon savings area closures but replaces them with a dynamic system of rolling hot spot closures and creates incentives for individual vessels to reduce salmon bycatch by penalizing the worst offenders. This alternative would likely reduce operational costs, improve vessel safety, and improve product quality. Alternative 3 also has the potential to reduce salmon bycatch more than the status quo management measures. If that potential were realized, Alternative 3 would reduce foregone value of salmon bycatch and increase the overall benefits of bycatch reduction. Alternative 3 also provides some mitigation possibilities for Western Alaska fishing organizations.

Alternative 3 would reduce management and enforcement costs for government agencies by transferring much of that cost to industry. However, the industry has volunteered to bear this cost in hopes of reducing operational costs associated with the status quo while at the same time attempting to reduce salmon bycatch. If bycatch is not reduced under alternative 3 and the Bering Sea pollock trawl fleet continues to exceed the ESA Chinook incidental take permit cap, unknown restrictions on the fleet could result. Perhaps the greatest benefit of this suboption is that it increases the incentive for industry to reduce salmon bycatch rates.

Initial Regulatory Flexibility Analysis

The analysis presented in the Initial Regulatory Flexibility Analysis indicates that, in 2003, there were perhaps as many as 116 small trawl CVs in the BSAI and 3 small trawl CPs. NMFS AKR records indicate that 112 BSAI CVs were members of AFA cooperatives; all of these are large entities. Thus, four of the BSAI small trawl CVs and 3 small trawl CPs appear to qualify as “small entities” once AFA affiliation is taken into consideration.

Table of Contents

EXECUTIVE SUMMARY	1
Table of Contents	v
List of Figures and Tables	ix
CHAPTER 1 PURPOSE AND NEED FOR ACTION	1
1.1 Purpose and Need.....	1
1.2 Next steps in the process	2
CHAPTER 2 DESCRIPTION OF ALTERNATIVES.....	3
2.1 Alternative 1: Status Quo.....	3
2.2 Alternative 2: Eliminate the regulatory salmon savings area closures	3
2.3 Alternative 3: Suspend the regulatory salmon savings area closures and allow pollock cooperatives and CDQ groups to utilize their voluntary rolling hot spot closure system to avoid salmon bycatch	3
2.3.1 Suboption: Reimpose regulatory salmon savings closures if reported non-compliance with agreement merits expedited action.....	3
2.4 Alternatives considered but eliminated from this analysis	3
CHAPTER 3 AFFECTED ENVIRONMENT	6
3.1 Salmon Bycatch in the BSAI Groundfish Fisheries	6
3.2 Management Measures to Control Salmon Bycatch in the BSAI Groundfish Fisheries	8
3.3 Chinook Salmon Stocks	10
3.4 'Other Salmon' Stocks	12
3.5 Stock origins of salmon caught incidentally in BSAI groundfish trawl fisheries	14
3.6 Pollock Fishery	16
3.7 Interactions with Threatened and Endangered Species.....	19
3.7.1 ESA-listed Pacific Salmon and Steelhead	19
3.7.2 ESA-listed Seabirds	20
3.7.3 ESA-listed Marine Mammals.....	20
3.8 Ecosystem Considerations	21

CHAPTER 4 ENVIRONMENTAL IMPACTS	23
4.1 Alternative 1.....	23
4.1.1 Methodology for data analysis	23
4.1.2 Fishery Performance with respect to Chinook Salmon Bycatch.....	23
4.1.3 Fishery Performance with respect to Chum Salmon Bycatch	29
4.1.4 Status Quo Voluntary Rolling Hot Spot System.....	33
4.1.5 Impacts on Chinook and Chum Salmon Stocks	34
4.1.6 Impacts on groundfish stocks	35
4.1.7 Impacts on threatened or endangered species	35
4.1.8 Impacts on the ecosystem	36
4.1.9 Socio-economic impacts	36
4.2 Alternative 2.....	36
4.2.1 Methodology for data analysis	36
4.2.2 Impacts on Chinook salmon:.....	37
4.2.3 Impacts on chum salmon	38
4.2.4 Impacts on groundfish stocks	39
4.2.5 Impacts on threatened or endangered species	39
4.2.6 Impacts on the ecosystem	40
4.2.7 Socio-economic impacts	40
4.3 Alternative 3.....	40
4.3.1 Description of Inter Cooperative Agreement.....	40
4.3.2 Methodology for impact analysis	49
4.3.3 Impacts on Chinook salmon:.....	49
4.3.4 Impacts on chum salmon	51
4.3.5 Impacts on groundfish stocks	52
4.3.6 Impacts on threatened or endangered species	52
4.3.7 Impacts on the ecosystem	53
4.3.8 Socio-economic impacts	53
4.3.9 Sub-option: Re-impose expedited closures	53
4.4 Cumulative Impacts	54
4.4.1 Past and Present Actions.....	55
4.4.2 Reasonably Foreseeable Future Actions.....	56
4.4.3 Summary of Cumulative Effects.....	58
CHAPTER 5 REGULATORY IMPACT REVIEW	60
5.1 Introduction.....	60
5.2 What is a Regulatory Impact Review?.....	60
5.3 Statutory Authority	60

5.4	Purpose and Need for Action	61
5.4.1	Market failure rationale	61
5.5	Alternatives Considered	62
5.5.1	Alternative 1: No action	62
5.5.2	Alternative 2: Eliminate the Regulatory Salmon Savings Area Closures	62
5.5.3	Alternative 3: Suspend the Regulatory Salmon Savings Area Closures and Allow Pollock Cooperatives and CDQ groups to Utilize Their Voluntary Rolling Hot Spot Closure System to Avoid Salmon Bycatch.	62
5.5.4	Suboption to Alternative 3: Re-impose Regulatory Salmon Savings Area Closures if Reported Non-compliance with Agreement Merits Expedited Action.	62
5.6	Analysis of the Alternatives	62
5.6.1	Alternative 1	63
5.6.2	Alternative 2	66
5.6.3	Alternative 3	67
5.6.4	Alternative 3: Suboption:	69
5.7	Summary of Analysis of Alternatives	69
5.8	Summary of the Significance Criteria	70
CHAPTER 6 INITIAL REGULATORY FLEXIBILITY ANALYSIS		71
6.1	Introduction	71
6.2	The Purpose of an IRFA	71
6.3	What is required in an IRFA?	72
6.4	What is a small entity?	72
6.5	Reason for considering the action	74
6.6	Objectives of, and legal basis for, the proposed action.	74
6.7	Number and description of small entities regulated by the proposed action	74
6.8	Impacts on Regulated Small Entities	79
6.9	Recordkeeping and reporting requirements	80
6.10	Federal rules that may duplicate, overlap, or conflict with proposed action	80
6.11	Description of significant alternatives	81
CHAPTER 7 CONSISTENCY WITH APPLICABLE LAW AND POLICY		82
7.1	Magnuson-Stevens Act	82

7.1.1	National Standards	82
7.1.2	Section 303(a)(9) – Fisheries Impact Statement	82
7.2	Marine Mammal Protection Act	82
7.3	Coastal Zone Management Act	82
7.4	BSAI Groundfish FMP management policy	82
CHAPTER 8 CONSULTATION AND PREPARERS		84
8.1	List of Persons and Agencies Consulted	84
8.2	List of Preparers	84
CHAPTER 9 REFERENCES		85
APPENDIX 1: NOAA FISHERIES REGULATORY CLOSURES		87
APPENDIX 2: INTER COOPERATIVE AGREEMENT PREFERRED ALTERNATIVE		92
APPENDIX 3: SEA STATE CLOSURES AND EXAMPLE WEEKLY ANNOUNCEMENT REPORTS		102
	Chinook Examples	102
	Chum Examples	108
SUPPLEMENTAL FIGURES		end of document
APPENDIX 4: OVERVIEW OF FISHERY BYCATCH OF CHINOOK AND CHUM SALMON, BY WEEK		
NOTE:	This appendix is not included with the document. It is available on the Council website, https://www.fakr.noaa.gov/npfmc , and reference copies will be available at the June Council meeting, June 1-9, 2005, in Girdwood, Alaska.	

List of Figures and Tables

Figure 3-1	2004 BSAI “other salmon” bycatch, and groundfish catch in the pollock trawl fishery, by week	7
Figure 3-2	2004 BSAI Chinook salmon bycatch, and groundfish catch in the pollock trawl fishery, by week	8
Figure 3-3	Chinook Salmon Savings Area and Catcher Vessel Operational Area (CVOA)	9
Figure 3-4	Chum Salmon Savings Area and Catcher Vessel Operational Area (CVOA)	10
Figure 3-5	Historical Catch of Chinook Salmon in Alaska by area, 1900-2003	12
Figure 3-6	Historical Catch of Chum Salmon in Alaska by area, 1900-2003	14
Figure 4-1	2002 BSAI Chinook salmon bycatch, and groundfish catch in the pollock trawl fishery, by week	24
Figure 4-2	2003 BSAI Chinook salmon bycatch, and groundfish catch in the pollock trawl fishery, by week	25
Figure 4-3	2004 BSAI Chinook salmon bycatch, and groundfish catch in the pollock trawl fishery, by week	25
Figure 4-4	2005 BSAI Chinook salmon bycatch, and groundfish catch in the pollock trawl fishery, by week, preliminary data through April 9, 2005	26
Figure 4-5	2002 BSAI “other salmon” bycatch, and groundfish catch in the pollock trawl fishery, by week	30
Figure 4-6	2003 BSAI “other salmon” bycatch, and groundfish catch in the pollock trawl fishery, by week	31
Figure 4-7	2004 BSAI “other salmon” bycatch, and groundfish catch in the pollock trawl fishery, by week	31
Figure 4-8	Example Chinook closure from February 2005	44
Figure 4-9	Example closure imposed in February 2004 for Chinook	44
Table 1-1	BSAI Salmon Bycatch	1
Table 3-1	Contribution of the pollock pelagic trawl target fishery to salmon bycatch, 1998-2003	6
Table 3-2	Bycatch of salmon species comprising the 'other salmon' management category, 2001-2005, in numbers of fish	7
Table 3-3	Total minimum run estimates (number of fish) of chum salmon and Chinook salmon in western Alaska, 1980-2000. Run estimates include commercial, subsistence, sport, and personal use catch plus escapement estimates if available ^a	12
Table 3-4	Chinook salmon bycatch in the BSAI groundfish fisheries as a proportion of total State of Alaska commercial Chinook salmon harvest	15
Table 3-5	Pollock catch in the pollock pelagic trawl target fishery, 2003	16
Table 3-6	Incidental catch in the pollock pelagic trawl target fishery, 2003, as a proportion of total catch in the BSAI groundfish fisheries	17
Table 3-7	Companies/Vessels harvesting CDQ pollock	19
Table 4-1	Overall Chinook bycatch for all BSAI groundfish fisheries, 2002-2005	24
Table 4-2	Overall other salmon bycatch for all BSAI groundfish fisheries, 2002-2005	29
Table 4-3	“Other salmon” bycatch in the trawl groundfish fisheries, in 1000s of fish	52
Table 5-1	Foregone Value of Salmon Bycatch in BSAI Pollock Trawl Fisheries (1000s)	64
Table 6-1	Number of vessels that caught or caught and processed less than \$3.5 million ex-vessel value or product value of groundfish by area, vessel type and gear, 1998-2003.	76
Table 6-2	Number of vessels that caught or caught and processed more than \$3.5 million ex-vessel value or product value of groundfish by area, vessel type and gear, 1998-2003.	77
Table 6-3	Average revenue of vessels that caught or caught and processed less than \$3.5 million ex-vessel value or product value of groundfish by area, vessel type and gear, 1998-2003. (\$ millions)	78

Table 6-4 Average revenue of vessels that caught or caught and processed more than \$3.5 million ex-vessel value or product value of groundfish by area, vessel type and gear, 1998-2003. (\$ millions)..... 79

Chapter 1 Purpose and Need for Action

This Environmental Assessment/Regulatory Impact Review/Initial Regulatory Flexibility Analysis (EA/RIR/IRFA) evaluates an amendment to the Federal Fishery Management Plan for Groundfish of the Bering Sea and Aleutian Islands Management Area (BSAI Groundfish FMP). The proposed action addresses alternative measures to control the incidental catch of salmon species in the Bering Sea pollock trawl fisheries. The proposed measures would repeal or suspend the existing Chinook and Chum Salmon Savings Areas as implemented under Amendments 21b, 35 and 58 to the BSAI Groundfish FMP.

Actions taken to amend fishery management plans must meet the requirements of Federal laws and regulations. These include the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), the National Environmental Policy Act (NEPA), the Endangered Species Act (ESA), the Marine Mammal Protection Act (MMPA), Executive Order (E.O.) 12866 and the Regulatory Flexibility Act (RFA).

NEPA, E.O. 12866, and the RFA require a description of the purpose and need for the proposed action, as well as a description of alternative actions which may address the problem. The purpose and need for this action is addressed in Section 1.1 of this document, below. Chapter 2 describes the alternatives considered for analysis as well as alternatives considered but not carried forward. Chapter 3 describes the affected environment. Chapter 4 discusses the biological and environmental impacts of the alternatives, as required by NEPA, as well as impacts on endangered species and marine mammals. Chapter 5 contains a Regulatory Impact Review (RIR) which evaluates the economic impacts of the alternatives. Chapter 6 contains the Initial Regulatory Flexibility Analysis (IRFA) as required under the RFA. Chapter 7 addresses the consistency of the proposed action with other applicable law and policy.

1.1 Purpose and Need

The Magnuson-Stevens Act emphasizes the importance of minimizing bycatch, to the extent practicable, in order to achieve sustainable fisheries. To address this issue, the Council has amended the BSAI Groundfish FMP several times to limit the bycatch of salmon in the groundfish fisheries, through catch limits and time and area closures. Recently, Chinook and chum bycatch have been elevated well above the regulatory limits, causing areas of the fishing grounds to close to directed pollock fishing (Table 1-1). The fleet has consequently been displaced into other parts of the management area.

Table 1-1 BSAI Salmon Bycatch

Year	Chinook	Chum
1990-2001 average	37,819	69,332
2002	36,385	81,470
2003	54,911	197,091
2004	62,493	465,650

Evidence from the “A” season fishery in 2005 indicates that Chinook bycatch is again elevated. According to the NOAA Fisheries catch accounting data, as of May 14, 2005, 26,305 Chinook had been taken in the non-CDQ pollock pelagic trawl fishery, representing approximately 98% of the available 26,825 permitted in regulations. The CDQ pollock fishery has taken an additional 1,299 Chinook, representing approximately 60% of the available permitted in regulations.

The Council has approved the following problem statement for this action:

In the mid-1990s, the Council and NOAA Fisheries implemented regulations to control the bycatch of chum salmon and Chinook salmon taken in the BSAI trawl fisheries. These regulations established closure areas in areas and at times when salmon bycatch had been highest based on historical observer data. Information from the fishing fleet indicates that bycatch may have been exacerbated by the current regulatory closure regulations, as much higher salmon bycatch rates were reportedly encountered outside of the closure areas. Some of these bycaught salmon include Chinook and chum stocks of concern in western Alaska. Further, the closure areas impose increased costs on the pollock fleet and processors. To address this immediate problem, the Council will examine and consider other means to control salmon bycatch that have the potential to be more flexible and adaptive, but still meet Council intent to minimize impacts to the salmon in the eastern Bering Sea.

1.2 Next steps in the process

This action is scheduled for initial review at the June 2005 Council meeting. At that time the Council will review the document and determine if it may be released for public review. The Council may also choose at that time to identify a preliminary preferred alternative in order to better inform the public. This action is currently scheduled for final action at the October 2005 meeting. While this timing does not allow for regulations resulting from this action to be in place in time for the 2006 specification process, it would allow for regulations changes to go into effect prior to the annual closure of the Chum Salmon Savings Area on August 1, 2006.

Chapter 2 Description of Alternatives

This EA/RIR/IRFA evaluates three alternatives for managing salmon bycatch in the BSAI trawl fisheries. The alternatives are described below.

2.1 Alternative 1: Status Quo

Alternative 1 maintains the existing regulatory measures for Chinook Salmon Savings Area and Chum Salmon Savings Area closures. The savings areas are described in Section 3.2.

2.2 Alternative 2: Eliminate the regulatory salmon savings area closures

Under Alternative 2, the catch limits for the Bering Sea subarea trawl Chinook and BSAI trawl chum salmon would be eliminated, and would no longer trigger savings area closures. The annual closure of the Chum Salmon Savings Area would also be eliminated. Salmon would remain a prohibited species under this (and all) alternatives.

2.3 Alternative 3: Suspend the regulatory salmon savings area closures and allow pollock cooperatives and CDQ groups to utilize their voluntary rolling hot spot closure system to avoid salmon bycatch

Under Alternative 3, the catch limits for the Bering Sea subarea trawl Chinook and BSAI trawl chum salmon would be suspended, and would no longer trigger savings area closures. The annual closure of the Chum Salmon Savings Area would also be suspended. The suspension will go into effect so long as the pollock cooperatives and CDQ groups have in place an effective salmon bycatch voluntary rolling “hot spot” (VRHS) closure system to avoid salmon bycatch.

A full discussion of the VRHS closure system, the Inter Cooperative Agreement (ICA), and how the fleet would be organized within this system, is contained in Section 4.3.1.

2.3.1 Suboption: Reimpose regulatory salmon savings closures if reported non-compliance with agreement merits expedited action

Under this suboption, the Council may recommend re-imposition of the regulatory salmon savings area closures on an expedited basis if the situation merits this recommendation. The ICA managers will report to the Council immediately if there is non-participation or non-compliance without effective enforcement action under the VRHS system. In that event, the Council may recommend re-imposition of the regulatory salmon savings area closures on an expedited basis. If the regulatory closure area system is reinstated, it is the Council’s intent that the closure areas be based on the most recent information available and if the analysis of Amendment Package B’s Alternative 1 supports the approach, with regular adjustments.

2.4 Alternatives considered but eliminated from this analysis

Alternatives which have been considered by the Council for salmon bycatch management measures include new regulatory salmon savings area closures based upon updated information, and vessel bycatch

accountability programs. In February 2005, the Council moved to bifurcate the analytical package which contained these alternatives such that the amendment package considered in this analysis might move forward on a faster track given the necessary time lag that would be required to analyze new closures and develop a vessel bycatch accountability program. In April 2005, the Council further moved that analysis of the two amendment packages, proposed Amendment 84 (this analysis) and Amendment Package B (described below) be initiated simultaneously, understanding that the analysis of Amendment Package B would not be available for review by the Council until 2006.

The following problem statement and alternatives have been adopted by the Council for Amendment Package B.

Problem Statement for Amendment Package B

The Council and NOAA Fisheries have initiated analysis of a voluntary rolling hotspot (VRHS) alternative to regulatory salmon savings area closures. Concurrent with that analysis and possible implementation, development will continue on the alternatives that could be implemented if the VRHS approach does not achieve the desired bycatch reduction.

Two possible scenarios under which the VRHS system could produce unsatisfactory results are (1) breach of the Inter Cooperative Agreement (i.e., one or more vessels fail to participate in the VRHS system, or there are substantial violations of VRHS closures that are not effectively halted through penalties or other measures); or (2) compliance what the VRHS system is good, but the VRHS system fails to achieve the Council's desired level of salmon bycatch reduction. In the first scenario, the Council may ask NOAA Fisheries to reinstate, on an expedited basis, the regulatory salmon savings area closure system that is based on the best information available. In the second scenario, the Council intends to consider implementation of an alternative regulatory system from Package B, or consider and evaluate NOAA Fisheries hot spot management authority as an option for salmon bycatch management.

Alternatives to be Analyzed in Amendment Package B

Alternative 1: Establish new regulatory salmon savings area closures taking into account the most recent available salmon bycatch data. This analysis should be completed first and be updated regularly so that it can be implemented on an expedited basis if necessary.

Suboption A: Adjust the Chinook and non-Chinook regulatory closure areas annually based on the most current bycatch data available, such as the 2-3 year rolling average of bycatch rates by species and area.

Suboption B: Adjust the Chinook and non-Chinook regulatory closure areas once, inseason, based on the best bycatch information available.

Alternative 2: Develop a regulatory individual vessel salmon bycatch accountability program.

Suboption A: managed at the individual level

Suboption B: managed at the cooperative level

Suboption 1 (to both alternatives): Develop an individual vessel accountability program that may be implemented if, after 3 years, it is determined the pollock cooperatives' "hot zone" closure system has not reduced salmon bycatch.

Suboption 2 (to both alternatives): Analyze the need and implementation strategy of an appropriate cap to meet requirements of National Standard 9.

The Council made additional requests for information to be included in the analysis and provided guidance regarding a research program. These additions and the Council motion are available on the Council website at: http://www.fakr.noaa.gov/npfmc/current_issues/motions/salmonbycatch405.pdf.

Given that these alternatives are going to be analyzed in a separate analysis, they are not evaluated under proposed Amendment 84.

Chapter 3 Affected Environment

This section provides background information on salmon bycatch in the BSAI groundfish fisheries (Section 3.1), management measures to control salmon bycatch (Section 3.2), Chinook and ‘other salmon’ stocks and the origin of salmon stocks caught in the groundfish fisheries (Sections 3.3, 3.4, and 3.5), the pollock fishery (Section 3.6), interactions of the fishery with threatened or endangered species (Section 3.7), and ecosystem considerations (Section 3.8).

3.1 Salmon Bycatch in the BSAI Groundfish Fisheries

Salmon are taken incidentally as bycatch in the BSAI trawl fisheries, especially in the pollock pelagic trawl fishery. Nearly all salmon taken as bycatch is Chinook salmon and chum salmon. Table 3-1 illustrates the bycatch of salmon in the pollock pelagic trawl target fishery as a percentage of total bycatch of salmon in the groundfish fisheries. The pollock fishery caught about 85% of Chinook salmon in 2002-2003. In 2003, approximately 8% of Chinook salmon was caught in the Pacific cod trawl target fishery, about 2% in the Atka mackerel fishery, and the remainder in flatfish trawl target fisheries (Hiatt et al. 2004).

Table 3-1 Contribution of the pollock pelagic trawl target fishery to salmon bycatch, 1998-2003

Species	Year	Pollock pelagic trawl target fishery (1000s of fish)	All groundfish fisheries (1000s of fish)	Percent of salmon caught in the pollock pelagic trawl target fishery
Chinook salmon	1998	44.5	50.0	89%
	1999	10.2	12.4	82%
	2000	4.1	7.1	58%
	2001	30.1	37.9	79%
	2002	34.2	39.6	86%
	2003	46.3	55.0	84%
“Other salmon”	1998	46.6	51.2	91%
	1999	44.2	46.6	95%
	2000	56.6	57.6	98%
	2001	52.8	57.3	92%
	2002	78.6	80.7	97%
	2003	190.9	194.7	98%

Source: Hiatt et al. 2004, 2002, 2000.

In both 2002 and 2003, about 97% of the ‘other salmon’ bycatch occurred in the pollock trawl fishery. An overall 140% increase of ‘other salmon’ catch occurred between 2002 and 2003. However, part of the difference in bycatch of ‘other salmon’ bycatch between 2002 and 2003 could be a result of the change to the a new catch accounting system (Hiatt and Terry 2004).

Chum salmon are included in the “other salmon” category for reporting, and on average over 95% of all “other salmon” are comprised of chum salmon (ADF&G 1995). Recent data from 2001-2004 has also shown that by species, chum make up over 98% of the salmon in the “other salmon” category (Table 3-2).

Table 3-2 Bycatch of salmon species comprising the 'other salmon' management category, 2001-2005, in numbers of fish

Year	Sockeye	Coho	Pink	Chum	Total	% Chum
2001	178	584	12	51,152	51,926	98.5
2002	1	143	45	66,975	67,164	99.7
2003	24	111	106	139,421	139,662	99.8
2004	13	135	135	363,019	363,302	99.9
2005*	0	222	2	658	882	74.6
Total	216	1,195	300	621,225	622,936	99.7

*catch data through March 2005

Source: NOAA Fisheries Catch Accounting (note these data are preliminary)

The majority of chum salmon bycatch occurs later in the year during the pollock “B” season (Figure 3-1), while Chinook is taken as bycatch in both the “A” and “B” seasons (Figure 3-2).

Figure 3-1 2004 BSAI “other salmon” bycatch, and groundfish catch in the pollock trawl fishery, by week

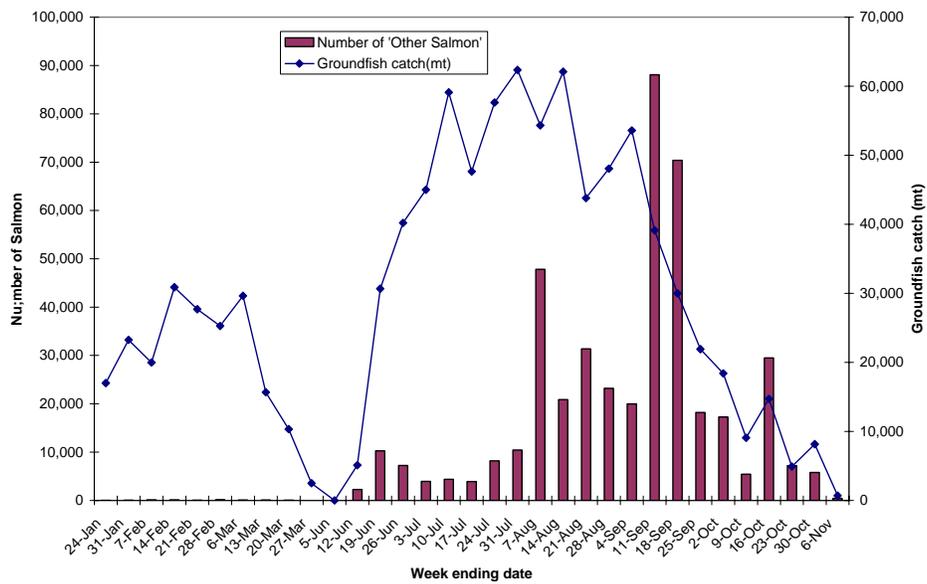
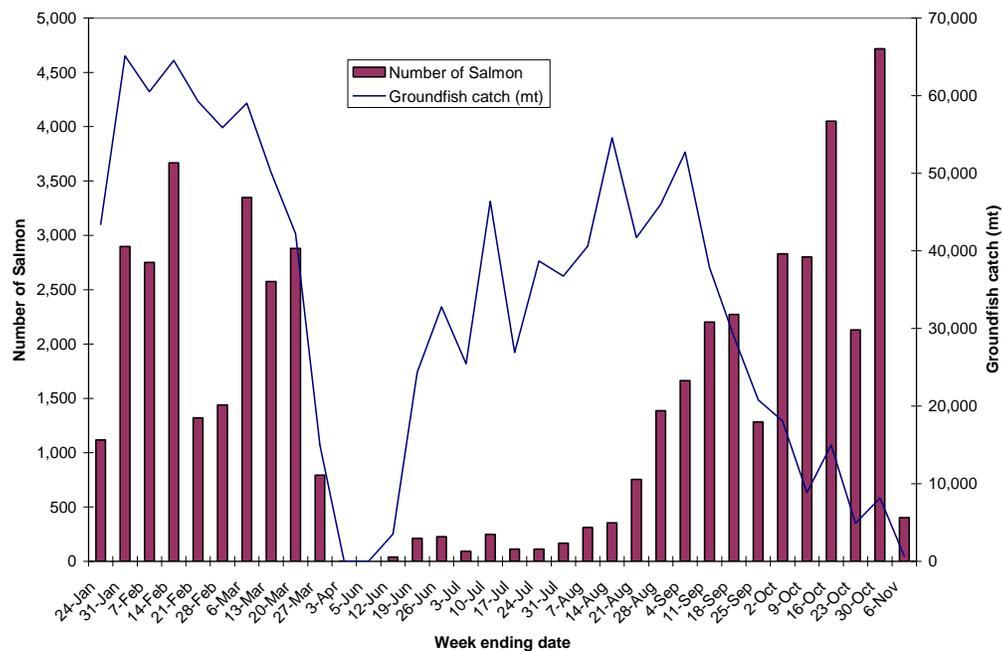


Figure 3-2 2004 BSAI Chinook salmon bycatch, and groundfish catch in the pollock trawl fishery, by week

The survival rate of discarded salmon is thought to approach zero (Hiatt and Terry 2004).

3.2 Management Measures to Control Salmon Bycatch in the BSAI Groundfish Fisheries

The BSAI Groundfish FMP specifies trigger limits for catch of chum and Chinook salmon by the directed pollock fishery. When these limits are reached, the FMP authorizes regulatory measures to close specific areas to directed fishing for pollock.

For Chinook salmon, the Chinook Salmon Savings Areas were established under BSAI Amendment 21b (ADF&G 1995) and revised under BSAI Amendment 58 (NMFS 1999) (Figure 3-3). These areas close to pollock trawling if 29,000¹ Chinook salmon are taken. The timing of the closure depends upon when the limit is reached:

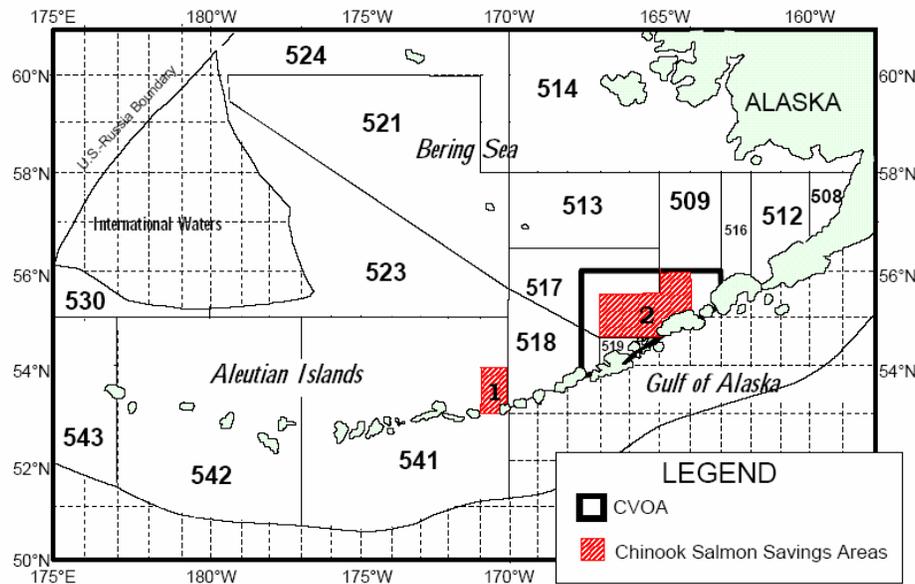
1. If the limit is triggered before April 15, the areas close immediately through April 15. After April 15, the areas re-open, but are again closed from September 1-December 31.
2. If the limit is reached after April 15, but before September 1, the areas would close on September 1 through the end of the year.
3. If the limit is reached after September 1, the areas close immediately through the end of the year.

The Chinook Salmon Savings Areas were further modified under Amendment 82, which allocated the Aleutian Islands subarea pollock harvest to the Aleut Corporation. The amendment also established a separate Aleutian Islands subarea Chinook PSC limit, of 700 fish, the attainment of which by the Aleutian Islands pollock fishery will close the Chinook Salmon Savings Area 1 (Figure 3-3) to the directed fishery

¹ This number is inclusive of the allocation to CDQ groups. Non-CDQ Chinook salmon limit is 26,825.

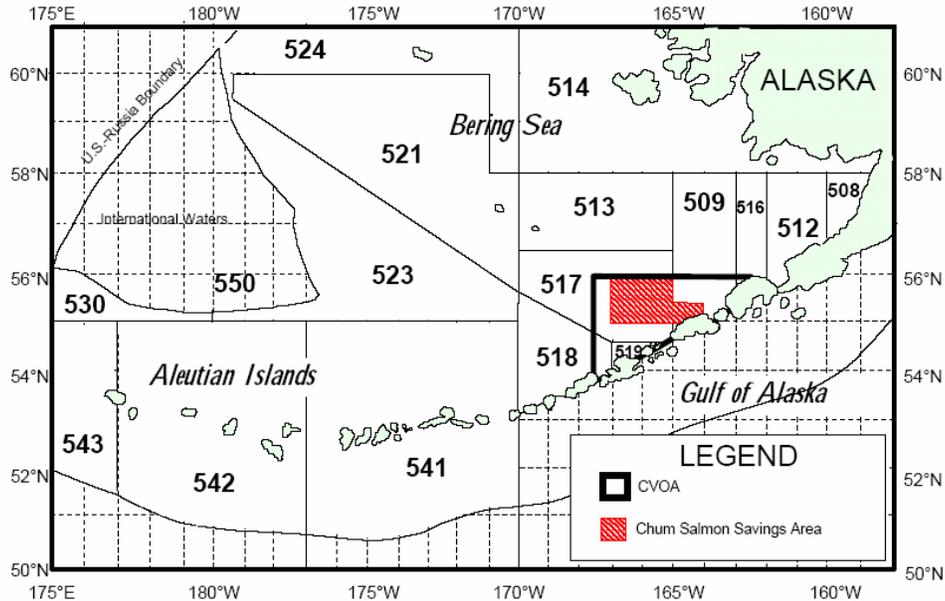
for pollock in the Aleutian Islands. The Aleutian Islands Chinook PSC limit and closure area is unaffected by this action.

Figure 3-3 Chinook Salmon Savings Area and Catcher Vessel Operational Area (CVOA)



For Chum salmon, the Chum Salmon Savings Area was established in 1994 by emergency rule, and then formalized in the BSAI Groundfish FMP in 1995 under Amendment 35 (ADF&G 1995) (Figure 3-4). This area is closed to all trawling from August 1 through August 31. Additionally, if 42,000² ‘other’ salmon are caught in the Catcher Vessel Operational Area (CVOA) during the period August 15-October 14, the area remains closed. As catcher processors are prohibited from fishing in the CVOA during the ‘B’ season, unless they are participating in a CDQ fishery, only catcher vessels and CDQ fisheries are affected by the PSC limit.

² This number is inclusive of the allocation to CDQ groups. Non-CDQ ‘other salmon’ limit is 38,850.

Figure 3-4 Chum Salmon Savings Area and Catcher Vessel Operational Area (CVOA)

Since their establishment, the Chinook Salmon Savings Areas have been triggered only in 2003 and 2004. Prior to 2003, the trigger limit of Chinook salmon bycatch was not reached. In 2003, the area closed to directed trawl fishing for non-CDQ pollock on September 1 with the closure remaining in effect until the end of the calendar year. In 2004, the Chinook Salmon Savings Areas closed to directed trawl fishing for non-CDQ pollock on September 5 through the end of the year.

As specified in the regulations, the Chum Salmon Savings Area closes annually from August 1-31, and again if the trigger limit is reached by the directed pollock fishery. Since the establishment of the savings area in 1995, the bycatch of 'other salmon' has triggered an additional closure in 2002, 2003, and 2004. In 2002, the Chum Salmon Savings Area closed to directed trawl fishing for non-CDQ pollock between September 21 and October 14. In 2003, the area was closed between September 24 and October 14; and in 2004, the Chum Salmon Savings Area closed to directed trawl fishing for non-CDQ pollock on September 14 and remained closed through October 14.

3.3 Chinook Salmon Stocks

The information in this section is extracted from Delaney (1994). Other information on Chinook salmon may be found at the Alaska Department of Fish and Game (ADF&G) website, <http://www.cf.adfg.state.ak.us/geninfo/finfish/salmon/salmhome.php>.

The Chinook salmon (*Oncorhynchus tshawytscha*) is the largest of all Pacific salmon, with weights of individual fish commonly exceeding 30 pounds. In North America, Chinook salmon range from the Monterey Bay area of California to the Chukchi Sea area of Alaska. In Alaska, it is abundant from the southeastern panhandle to the Yukon River. Major populations return to the Yukon, Kuskokwim, Nushagak, Susitna, Kenai, Copper, Alsek, Taku, and Stikine rivers. Important runs also occur in many smaller streams.

Like all species of Pacific salmon, Chinook salmon are anadromous. They hatch in fresh water, spend part of their life in the ocean, and then spawn in fresh water. All Chinooks die after spawning. Chinook salmon may become sexually mature from their second through seventh year, and as a result, fish in any spawning run may vary greatly in size. For example, a mature 3-year-old will probably weigh less than 4 pounds, while a mature 7-year-old may exceed 50 pounds. Females tend to be older than males at maturity. In many spawning runs, males outnumber females in all but the 6- and 7-year age groups. Small Chinooks that mature after spending only one winter in the ocean are commonly referred to as "jacks" and are usually males. Alaska streams normally receive a single run of Chinook salmon in the period from May through July.

Chinook salmon migrate through coastal areas as juveniles and returning adults; however, immature Chinook salmon undergo extensive migrations and can be found inshore and offshore throughout the North Pacific and Bering Sea. In summer, Chinook salmon concentrate around the Aleutian Islands and in the western Gulf of Alaska (Eggers 2004).

Juvenile Chinooks in fresh water feed on plankton, then later eat insects. In the ocean, they eat a variety of organisms including herring, pilchard, sandlance, squid, and crustaceans. Salmon grow rapidly in the ocean and often double their weight during a single summer season.

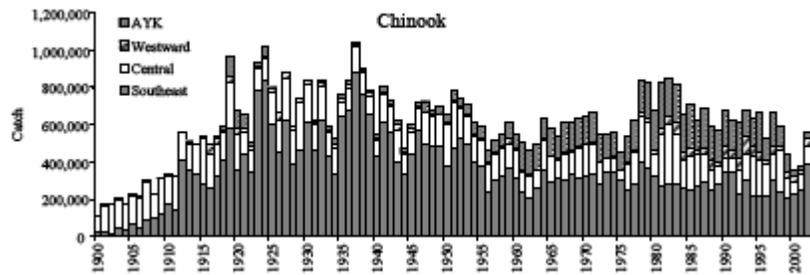
North Pacific Chinook salmon are the subject of commercial, subsistence, and recreational fisheries. The majority of the Alaska commercial catch is made in Southeast, Bristol Bay, and the Arctic-Yukon-Kuskokwim areas. Fish taken commercially average about 18 pounds. The majority of the catch is made with troll gear and gillnets. Approximately 90 percent of the subsistence harvest is taken in the Yukon and Kuskokwim rivers.

The Chinook salmon is perhaps the most highly prized sport fish in Alaska and is extensively fished by anglers in the Southeast and Cook Inlet areas. The sport fishing harvest of Chinook salmon is over 76,000 annually, with Cook Inlet and adjacent watersheds contributing over half of the catch.

Unlike "other salmon" species, Chinook salmon rear in inshore marine waters and are, therefore, available to commercial and sport fishers all year. Catches of Chinook salmon in Southeast Alaska are regulated by quotas set under the Pacific Salmon Treaty. In other regions of Alaska, Chinook salmon fisheries are also closely managed to ensure stocks of Chinook salmon are not overharvested.

Directed commercial Chinook salmon fisheries occur in the Yukon River, Nushagak District, Copper River, and the Southeast Alaska Troll fishery. In all other areas chinook are taken incidentally and mainly in the early portions of the sockeye salmon fisheries. Catches in the Southeast Alaska troll fishery have been declining in recent years due to U.S./Canada treaty restrictions and declining abundance of chinook salmon in British Columbia and the Pacific Northwest. Chinook salmon catches have been moderate to high in most regions over the last 20 years (Figure 3-5). Chinook salmon production for many stocks in the Yukon River has been declining in recent years. These stocks have been classified as stocks of concern (Eggers 2004).

Figure 3-5 Historical Catch of Chinook Salmon in Alaska by area, 1900-2003



Source: Eggers 2004

Minimum run estimates for Chinook salmon are provided in Table 3-3.

Table 3-3 Total minimum run estimates (number of fish) of chum salmon and Chinook salmon in western Alaska, 1980-2000. Run estimates include commercial, subsistence, sport, and personal use catch plus escapement estimates if available^a.

Year	Chum	Chinook
1980	9,508,189	^b
1981	9,846,452	^b
1982	5,831,092	828,827
1983	6,613,306	859,578
1984	9,045,035	620,088
1985	7,736,404	650,884
1986	7,446,330	476,393
1987	7,192,637	574,037
1988	9,706,599	498,619
1989	7,494,325	511,362
1990	5,185,707	536,699
1991	6,810,977	522,983
1992	5,331,200	556,947
1993	3,869,983	601,789
1994	6,231,791	704,798
1995	8,323,800	674,555
1996	6,809,532	501,758
1997	3,639,176	611,377
1998	3,713,143	531,029
1999	^b	391,533
2000	^b	282,309

^aData provided by D. Eggers, Alaska Department of Fish and Game, Juneau.

^bData not available.

3.4 'Other Salmon' Stocks

Five species of salmon occur in Alaskan waters. The remaining four species, after Chinook, are managed together in the 'other salmon' management category. The category includes chum salmon (*Oncorhynchus keta*), sockeye salmon (*Oncorhynchus nerka*), coho salmon (*Oncorhynchus kisutch* (Walbaum)), and pink

salmon (*Oncorhynchus gorbuscha*). As chum salmon represent over 95% of 'other salmon' caught as bycatch in the groundfish fisheries, this section will focus on chum salmon.

The information in this section is extracted from Bukliss (1994). Other information on Chum salmon may be found at the Alaska Department of Fish and Game (ADF&G) website, <http://www.cf.adfg.state.ak.us/geninfo/finfish/salmon/salmhome.php>.

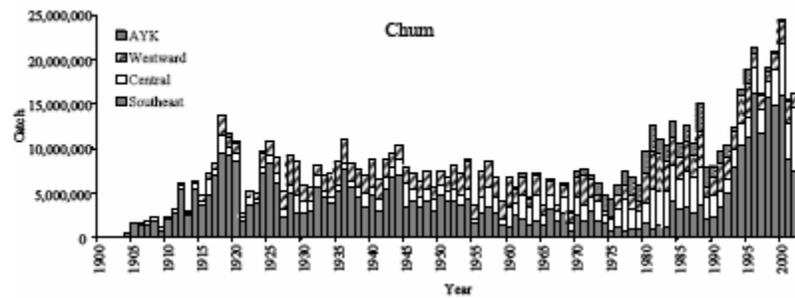
Chum salmon have the widest distribution of any of the Pacific salmon. They range south to the Sacramento River in California and the island of Kyushu in the Sea of Japan. In the north they range east in the Arctic Ocean to the Mackenzie River in Canada and west to the Lena River in Siberia.

Chum salmon often spawn in small side channels and other areas of large rivers where upwelling springs provide excellent conditions for egg survival. They also spawn in many of the same places as do pink salmon, i.e., small streams and intertidal zones. Some chum in the Yukon River travel over 2,000 miles to spawn in the Yukon Territory.

Chum do not have a period of freshwater residence after emergence of the fry as do Chinook, coho, and sockeye salmon. Chum fry feed on small insects in the stream and estuary before forming into schools in salt water where their diet usually consists of zooplankton. By fall they move out into the Bering Sea and Gulf of Alaska where they spend one or more of the winters of their 3- to 6-year lives. In southeastern Alaska most chum salmon mature at 4 years of age, although there is considerable variation in age at maturity between streams. There is also a higher percentage of chums in the northern areas of the state. Chum vary in size from 4 to over 30 pounds, but usually range from 7 to 18 pounds, with females usually smaller than males.

Chum salmon are the most abundant commercially harvested salmon species in arctic, northwestern, and Interior Alaska, but are of relatively less importance in other areas of the state. There they are known locally as "dog salmon" and are a traditional source of dried fish for winter use. Sport fishers generally capture chum salmon incidental to fishing for other Pacific salmon in either fresh or salt water. After entering fresh water, chums are most often prepared as a smoked product. In the commercial fishery, most chum are caught by purse seines and drift gillnets, but fishwheels and set gillnets harvest a portion of the catch. In many areas they have been harvested incidental to the catch of pink salmon. The development of markets for fresh and frozen chum in Japan and northern Europe has increased their demand.

Chum salmon are generally caught incidental to other species and catches may not be good indicators of abundance. In recent years chum salmon catch in many areas has been depressed by low prices (Figure 3-6). Directed chum salmon fisheries occur in Arctic-Yukon-Kuskokwim area and on hatchery runs in Prince William Sound and Southeast Alaska. Chum salmon runs to Arctic-Yukon-Kuskokwim rivers have been declining in recent years (Figure 3-6). Chum salmon in the Yukon River and in some areas of Norton Sound have been classified as stocks of concern (Eggers 2004).

Figure 3-6 Historical Catch of Chum Salmon in Alaska by area, 1900-2003

Source: Eggers 2004

Minimum run estimates for chum salmon are provided in Table 3-3, on page 12.

3.5 Stock origins of salmon caught incidentally in BSAI groundfish trawl fisheries

A historical overview of salmon bycatch in Alaska groundfish fisheries is provided by Witherell et al. (2002). The origin of salmon taken as bycatch in the Bering Sea includes rivers in western Alaska, Southcentral and Southeast Alaska, Asia, British Columbia and Washington (Witherell et al. 2002). Recent studies in the Bering Sea have looked at the origin and distribution of chum salmon (Urawa et al. 2004; Moongeun et al. 2004). Genetic stock identification (GSI) with allozyme variation was used to determine the stock origin of chum salmon caught by a trawl research vessel operating in the central Bering Sea from late August to mid September 2002 (Urawa et al. 2004). Results indicated that the estimated stock composition for maturing chum salmon was 70% Japanese, 10% Russian and 20% North American stocks, while immature fish were estimated as 54% Japanese, 33% Russian, and 13% North American (Urawa et al. 2004). Stock composition of North American fish was identified for Northwest Alaska, Yukon, Alaskan Peninsula/Kodiak, Susitna River, Prince William Sound, Southeast Alaska/Northern British Columbia and Southern British Columbia/Washington State. Of these the majority of mature chum salmon for North America stocks came from Southern BC/Washington State and Alaska Peninsula/Kodiak (Urawa et al. 2004). For immature chum salmon, the largest contribution for North American stocks came from Southeast Alaska/Northern BC, followed by Alaska Peninsula/Kodiak and Southern BC/Washington State.

While absolute population effects on Alaskan chum salmon stocks are unknown, using the range of percentages for North American chum origin from Urawa et al. 2004 as described above (13% -20% depending upon the age of the salmon), a rough estimate of percent origin of incidentally caught chum salmon in the BSAI may be estimated. For example, in 2003, ~197,100 'other' salmon were caught as bycatch in all BSAI groundfish fisheries (Table 1-1). Depending on whether these fish were immature chum or maturing chum, this would indicate that somewhere between 25,600 and 39,400 were of North American origin (assuming that these represent predominantly chum salmon). This range would represent the contribution from the aggregate North American stocks. As described above, stock composition for North American fish includes Northwest Alaska, Yukon, Alaskan Peninsula/Kodiak, Susitna River, Prince William Sound, Southeast Alaska/Northern British Columbia and Southern British Columbia/Washington State, with the relative contribution by area varying according to the relative age of the fish.

Additional information on the stock origin of salmon in the Bering Sea is available through the High Seas Salmon Research Program at the University of Washington. The High Seas Salmon Research Program of the University of Washington routinely tags and monitors Pacific salmon species. The Coded Wire Tag

(CWT) information may not accurately represent the true distribution of hatchery caught salmon however as much of the CWT tagging occurs within the British Columbia hatcheries and thus most of the CWT recovered come from those same hatcheries. CWT tagging does occur in some Alaskan hatcheries, but is currently limited to Southcentral and Southeast Alaska, specifically in Cook Inlet, Prince William Sound, other Kenai region hatcheries as well as in hatcheries in Southeast Alaska (Johnson, 2004). Tagging operations on hatcheries on the Yukon River were in operation in the past but ceased in the 1990's. No tagging occurs for chum salmon in Alaska. The 2003 program report for the High Seas Salmon Research Program details additional data on west coast salmon tag recoveries (Myers et al. 2004). In 2003, 124 tags were recovered in the eastern Bering Sea and GOA. Of these tags, 103 were recovered in groundfish trawl fisheries while 21 were recovered by U.S. and Japanese research vessels. Tagging results in the Bering Sea showed the presence primarily of Yukon River Chinook salmon in the eastern Bering Sea though actual recovered tags were limited (and tagging in recent years from the Yukon River has ceased). Columbia River Basin and Oregon Chinook salmon were also recovered in the eastern Bering Sea though the majority of the tagged recoveries of these salmon occur in the GOA.

A study completed in 2003 estimated age and stock composition of Chinook salmon in the 1997-1999 BSAI groundfish fishery bycatch samples from the NOAA Fisheries observer program database (Myers et al. 2004). Results indicated that bycatch samples were dominated by younger (age 1.2) fish in summer and older (age 1.3 and 1.4) fish in winter (Myers et al. 2004). The stock structure was dominated by western Alaskan stocks, with the estimated stock composition of 56% Western Alaska, 31% Central Alaska, 8% Southeast Alaska-British Columbia and 5% Russia.

Using these percentages of stock origin, estimates of Chinook salmon bycatch by State of Alaska region are determined in Table 3-4, using BSAI groundfish Chinook salmon bycatch data from 2002 through 2004. For purposes of comparison, these estimates are compared with the total statewide commercial harvest by each region and a percentage of the commercial harvest by region then calculated. It should be noted however, that this would represent an overestimate of the total impact of this bycatch on salmon stocks by region as the commercial harvest makes up a small percentage of the minimum run estimates. These minimum run estimates include commercial, subsistence, sport, personal use catch plus escapement estimates when available. For example, data available in 2000 (Table 3-3) estimated the minimum run of Chinook in number of fish in western Alaska as 282,309. The commercial harvest for western Alaska for 2000 was 50,000, making up roughly 18% of the total minimum run estimate.

Table 3-4 Chinook salmon bycatch in the BSAI groundfish fisheries as a proportion of total State of Alaska commercial Chinook salmon harvest

Year	Total Statewide Commerical Harvest (animals)	Western Alaska (56%)		Central Alaska (31%)		Southeast Alaska and British Columbia (8%)	
		Estimated Number of Bycatch from groundfish fisheries (animals)	Percent of Commerical Harvest	Estimated Number of Bycatch from groundfish fisheries (animals)	Percent of Commerical Harvest	Estimated Number of Bycatch from groundfish fisheries (animals)	Percent of Commerical Harvest
2002	584,000	20,376	3.49%	11,279	1.93%	2,911	0.50%
2003	634,000	30,750	4.85%	17,022	2.68%	4,393	0.69%
2004	791,000	34,996	4.42%	19,373	2.45%	4,999	0.63%

As indicated in Myers et al. (2004), the origin of salmon differs by season. In the winter, age-1.4 western Alaskan Chinook were primarily from the subregions of the Yukon and Kuskokwim. In the fall, results indicated that age-1.2 western Alaskan Chinook were from subregions of the Kuskokwim and Bristol Bay with a large component of Cook Inlet Chinook salmon stocks as well.

The proportions of western Alaskan subregional stocks (Yukon, Kuskokwim and Bristol Bay) appear to vary considerably with factors such as brood year, time and area (Myers et al. 2004). Yukon River Chinook are often the dominant stock in winter while Bristol Bay, Cook Inlet and other Gulf of Alaska stocks are often the dominant stocks in the eastern BSAI in the fall (Myers et al. 2004). Additional studies from high seas tagging results as well as scale pattern analyses from Japanese driftnet fishery in the Bering Sea indicate that in the summer immature western Alaskan Chinook are distributed further west in the Bering Sea than other North American stocks.

3.6 Pollock Fishery

A detailed description of the pollock fishery can be found in the *Alaska Groundfish Fisheries Final Programmatic Supplemental Environmental Impact Statement* (Groundfish PSEIS; NMFS 2004b). A brief summary of relevant characteristics of the pollock fishery is included below.

In 1998, Congress passed the American Fisheries Act (AFA), which limited the number of harvesting and processing vessels allowed to participate in the Bering Sea pollock fishery. The AFA also modified specific allocations of the Bering Sea pollock quota as follows: 10 percent to the western Alaska CDQ program, with the remainder allocated 50 percent to the inshore sector, 40 percent to the offshore sector and 10 percent to the mothership sector. Also included in the AFA was the establishment of the authority and mechanisms by which the pollock fleet can form fishing cooperatives. Finally, the AFA raised the standards for catch measurement and monitoring in the Bering Sea pollock fishery.

Incidental Catch

The pollock pelagic trawl fishery has a very low level of non-pollock catch. Table 3-5 illustrates that over 99% of groundfish caught in the fishery are pollock. Table 3-6 lists the species that were caught incidentally in the pollock fishery in 2003, both groundfish species and prohibited species. By weight, Pacific cod is the most substantial groundfish species that is incidentally caught, although when considered as a percentage of the overall groundfish catch, the pollock fishery incidentally catches over 10% of the flathead sole harvest. In terms of prohibited species, the pollock fishery catches the majority of salmon and herring bycatch of the groundfish fisheries.

Table 3-5 Pollock catch in the pollock pelagic trawl target fishery, 2003

Catch of pollock (mt)	Total catch (mt)	Pollock as percent of total catch
1,440,300	1,453,000	99.1%

Source: Hiatt et al. 2004; note, figures rounded to 100s

Table 3-6 Incidental catch in the pollock pelagic trawl target fishery, 2003, as a proportion of total catch in the BSAI groundfish fisheries

Catch of non-pollock groundfish			Catch of prohibited species		
Species	(mt)	Pollock target fishery incidental catch as percent of total catch	Species	No. of animals (unless noted)	Pollock target fishery incidental catch as percent of total catch
Pacific cod	5,800	2.8%	Chinook	46,300	84%
flathead sole	1,600	11.3%	“other salmon”	190,900	98%
rock sole	1,300	3.6%	halibut	96.6 mt	2.4%
rockfish	800	3.0%	herring	13.8 mt	94%
arrowtooth flounder	600	4.5%	red king crab	100	<1%
Atka mackerel	400	<1%	other king crab	0	<1%
other flatfish	200	1.6%	bairdi crab	800	<1%
yellowfin sole	100	<1%	other tanner crab	800	<1%
Other groundfish	1,800	6.2%			

Source: Hiatt et al. 2004; note, figures rounded to 100s

Monitoring of the pollock fishery

Regulations implemented under AFA require every haul observed on AFA Catcher Processors and motherships, which necessitates each vessel to carry two NOAA Fisheries observers at all times they are fishing for groundfish in the BSAI. AFA Catcher Processors and Mothership must weigh all catch on NOAA Fisheries-approved scales. All AFA Catcher Vessels and Catcher Processors that engage in directed fishing for pollock in the BSAI are also required to install and operative a NOAA Fisheries-approved vessel monitoring system (VMS). NOAA Fisheries also requires that AFA Catcher Processors to have NOAA Fisheries approved observer sampling stations. Finally, no mixing of catch or hauls.

Fishing patterns

The pattern of the pollock pelagic trawl target fishery is to focus on a winter, spawning aggregation fishery (the “A” season) with an opening on January 20th. The first season generally extends into the middle of March. Since the closure of the Bogoslof management district to directed pollock fishing in 1992, the “A” season pollock fishery on the eastern Bering Sea shelf has been concentrated primarily north and west of Unimak Island. Depending on ice conditions and fish distribution, there has also been effort along the 100 m contour (and deeper) between Unimak Island and the Pribilof Islands. This pattern has varied somewhat during the period 2002-2004. In particular, the 2003 winter fishery was distributed further north than in previous years. This may be due to the warm conditions and anecdotal reports that roe developed earlier than usual (Ianelli et al. 2004).

After 1992, the “B” season, which opens in mid June, the fishery has been conducted to a much greater extent west of 170° W. longitude than it had been prior to 1992 (Ianelli et al. 2004). This shift was due to the implementation of the CVOA (Catcher Vessel Operational Area) in 1992 and also the geographic distribution of pollock by size. The pattern in the past few years shows consistent concentrations of catch around the Unimak Island area and along the 100 m depth contour to the northwest of the Pribilof Islands.

Steller sea lion conservation measures

In response to continuing concerns over the possible impacts groundfish fisheries may have on rebuilding populations of Steller sea lions, the Council and NOAA Fisheries made changes to the pollock fishery in the BSAI. These have been designed to reduce the possibility of competitive interactions with Steller sea lions. For the pollock fisheries, comparisons of seasonal fishery catch and pollock biomass distributions (from surveys) by area in the eastern Bering Sea led to the conclusion that the pollock fishery had disproportionately high seasonal harvest rates within critical habitat that *could* lead to reduced sea lion

prey densities. Consequently, the management measures were designed to redistribute the fishery both temporally and spatially according to pollock biomass distributions. The underlying assumption in this approach was that the independently derived area-wide and annual exploitation rate for pollock would not reduce local prey densities for sea lions. Work continues on evaluating the effectiveness of these measures and the potential for adverse fishery and Steller sea lion (or other marine mammal) interactions. These are presented in the ecosystem considerations section below. Three types of measures were implemented in the pollock fisheries:

- Pollock fishery exclusion zones around sea lion rookery or haulout sites,
- Phased-in reductions in the seasonal proportions of TAC that can be taken from critical habitat, and
- Additional seasonal TAC releases to disperse the fishery in time (Ianelli et al. 2004).

Disentangling the specific changes in the temporal and spatial dispersion of the eastern Bering Sea pollock fishery resulting from the sea lion management measures from those resulting from implementation of the AFA is difficult. The reduction of the capacity of the catcher/processor fleet resulting from the AFA reduced the rate at which the catcher/processor sector (allocated 36% of the eastern Bering Sea pollock TAC) caught pollock beginning in 1999, and the fleet as a whole in 2000. Because of some of its provisions, the AFA gave the industry the ability to respond efficiently to changes mandated for sea lion conservation that otherwise could have been more disruptive to the industry.

In 2000, further reductions in seasonal pollock catches from BSAI sea lion critical habitat were realized by closing the entire Aleutian Islands region to pollock fishing and by phased-in reductions in the proportions of seasonal TAC that could be caught from the SCA, an area which overlaps considerably with sea lion critical habitat. In 1998, over 22,000 mt of pollock were caught in the Aleutian Island regions, with over 17,000 mt caught in Aleutian Islands critical habitat. In June 2004, the Council approved a management program for the AI pollock fishery starting in 2005 in order to comply with the 2004 Consolidated Appropriations Act. The Act required the Council to allocate pollock TAC to the Aleut Corporation for a directed pollock fishery in the Aleutian Islands. Only vessels less than 60 ft in length or AFA vessels can fish in this fishery, and only with permission from the Aleut Corporation.

Participants in the Pollock Fishery

A description of the two vessel sectors participating in the directed fishery for pollock in the eastern Bering Sea is included below.

AFA Trawl Catcher Processors

This sector includes vessels that are listed by name in the AFA as eligible to target Bering Sea pollock in the directed fishery. These large factory trawlers have the processing equipment to produce surimi and/or fillets from pollock, Pacific cod, and other groundfish. The large size of these vessels also provides room for equipment to produce fishmeal, minced product, and other product forms. The size of these vessels enables them to operate in the Bering Sea during poor weather. However, they now operate in a pollock cooperative under AFA, which, along with the resulting quasi-property rights, allows them to modify operations in terms of when they fish and what they process to account for changing weather, markets, and management restrictions. The number of catcher/processors in this sector has decreased as a result of a combination of excess capacity, reduced quotas for the offshore sector, and the decommissioning of vessels under the AFA. Pollock is the primary species harvested by this sector, but Pacific cod are also targeted by the AFA trawl catcher/processors and some AFA trawl catcher/processors have produced surimi from yellowfin sole.

AFA Trawl Catcher Vessels

This sector includes all trawl catcher vessels that are issued an AFA permit making them eligible to target Bering Sea pollock. The majority of these vessels rely almost exclusively on pollock harvested in the Bering Sea. Some of these vessels also participate in the summer Pacific whiting fishery off the coasts of Oregon and Washington. In addition, some vessels in this category may tender salmon or undergo maintenance in June and July if they are not engaged in the whiting fishery. The bimodal distribution of groundfish activity of most of the vessels in this sector is a function of the two primary regulatory seasons for pollock—the roe season in the winter and spring and the non-roe season in the summer and fall. Because of the sector’s reliance on the pollock resource, the BS FMP subarea is clearly the most important fishing area. While nearly all of the groundfish harvested by the larger vessels is delivered to shoreside processors, many of the smaller vessels deliver their catch to motherships or catcher/processors. The number of vessels in this sector has declined as a result of the removal of less efficient vessels. Pollock is clearly the most important fishery for the sector, accounting for nearly all of the retained groundfish landings. Pacific cod has been the second most important species in terms of volume.

CDQ Pollock Fishery

CDQ pollock is typically harvested by vessels whose owners contract with CDQ groups, deliver to processors associated with CDQ groups, or are partially owned by CDQ groups. Harvest vessels are typically AFA qualified and participate in the Bering Sea pollock fishery cooperatives. During 2003, CDQ pollock was harvested by the vessels/companies listed in Table 3-7. They represent three of the AFA catcher/processor companies, Trident Seafoods and Aleutian Spray, Inc. through the Golden Dawn harvests, and the harvest fleet of one of the three AFA motherships.

Table 3-7 Companies/Vessels harvesting CDQ pollock

CDQ Group	Pollock Harvesters
Aleutian Pribilof Islands Community Development Assoc.	Golden Dawn ¹ (25% owned by APICDA)
Bristol Bay Economic Development Corp.	Arctic Fjord (20% owned by BBEDC)
Central Bering Sea Fishermen’s Assoc.	American Seafoods (unknown ownership by CBSFA)
Coastal Villages Fishermen’s Assoc.	American Seafoods (38.95% owned by CVFA)
Norton Sound Economic Development Assoc.	Glacier Fish Company (50% owned by NSEDA)
Yukon Delta Fisheries Development Assoc.	Golden Alaska ² (about 20% owned by YDFDA)

¹The Golden Dawn is also part owned by Aleutian Spray, Inc and Trident Seafoods, Inc.

²Catcher vessels in the Golden Alaska fleet actually harvest the CDQ pollock.

Sources: NPFMC, 2002 and CDQ reports from 3rd quarter of 2003.

Note: The ownership data information should be considered estimates, since some of the data have not been updated from 2002 reports.

3.7 Interactions with Threatened and Endangered Species

Species listed under the Endangered Species Act that occur in Alaskan waters include Pacific salmon and steelhead, seabirds, and marine mammals. All of these species interact with the directed pollock pelagic trawl fishery to some extent, and are discussed in the following sections.

3.7.1 ESA-listed Pacific Salmon and Steelhead

Although none of the Alaskan salmon stocks are listed as threatened or endangered under ESA, there are twelve stocks of Pacific salmon and steelhead that are so listed in the Pacific Northwest. These stocks are Snake river fall Chinook, Snake River spring/summer Chinook, Puget Sound Chinook, Upper Columbia

river spring Chinook, Upper Willamette River Chinook, Lower Columbia river Chinook, Upper Columbia river steelhead, Upper Willamette River steelhead, Middle Columbia river steelhead, Lower Columbia river steelhead, and Snake river Basin steelhead. These stocks are thought to range into Alaska waters.

NOAA Fisheries initiated formal consultations for these twelve endangered species units in 1999. A Biological Opinion was issued on December 22, 1999, and contained a determination that the Alaska groundfish fisheries are not likely to jeopardize the continued existence of Pacific salmon and steelhead. No critical habitat has been designated for these species within Alaska waters. The opinion was accompanied by an Incidental Take Statement that states that the catch of listed fish will be limited specifically by the measures proposed to limit the total bycatch of Chinook salmon. Bycatch should be minimized to the extent possible and in any case should not exceed 55,000 Chinook per year in the BSAI fisheries or 40,000 Chinook salmon per year in the GOA fisheries. In 2000, a Biological Opinion was issued on the BSAI Groundfish FMP (NMFS 2000), which reaffirmed the finding of the previous opinion, and also the accompanying Incidental Take Statement.

There is an on-going ESA consultation for Chinook salmon in the BSAI given that the approved Incidental Take Statement, as described above, was exceeded in 2004. The results of this consultation are not yet known and are expected to take into the summer of 2005 before an indication of the results of the consultation are available from the Agency.

NOAA Fisheries has conducted a coded wire tag study on surrogate stocks of ESA-listed salmon for the Upper Willamette and Lower Columbia rivers nearly annually since 1984. For all the years data have been collected, no more than 3 tagged fish in a year was estimated to be taken in the BSAI groundfish fisheries²¹.

3.7.2 ESA-listed Seabirds

Three seabird species are listed under the ESA and occur in Alaskan waters: short-tailed albatross, spectacled eider, and Steller's eider. A Biological Opinion was completed for the BSAI and GOA Groundfish FMP TAC specifications in September 2003. The US Fish and Wildlife Service concluded that the BSAI and GOA groundfish fisheries are not likely to adversely affect either the spectacled eider or the Steller's eider, or to destroy or adversely modify the critical habitat that has been proposed for each of these species. Neither are the fisheries likely to jeopardize the continued existence of the short-tailed albatross. An incidental take statement included with the Biological Opinion sets a take limit of two short-tailed albatross for the trawl fisheries, upon exceeding which consultation must be reinitiated.

Further information on interactions between the groundfish fisheries and seabirds may be found in the Groundfish PSEIS (NMFS 2004b).

3.7.3 ESA-listed Marine Mammals

ESA-listed Steller sea lions and ESA-listed great whales occur in the BSAI management area. Direct and indirect interactions between marine mammals and the groundfish fisheries occur due to the overlap in the size and species of groundfish that are at once important marine mammal prey and fishery resources.

²¹Adrian Celewycz, NOAA Fisheries, Auke Bay Lab, Personal Communication regarding the Coded Wire Tag database, November 14, 2002.

The Steller sea lion inhabits many of the shoreline areas of the Bering Sea and Aleutian Islands, using these habitats as seasonal rookeries and year-round haulouts. The Steller sea lion has been listed as threatened under the ESA since 1990. In 1997 the population was split into two stocks or Distinct Population Segments based on genetic and demographic dissimilarities, the western and eastern stocks. Because of a pattern of continued decline in the western distinct population segment, it was listed as endangered on May 5, 1997 [62 FR 30772] while the eastern distinct population segment remained under threatened status. This population segment inhabits an area of Alaska approximately from Prince William Sound westward to the end of the Aleutian Island chain and into Russian waters.

Throughout the 1990s, particularly after critical habitat was designated, various closures of feeding areas around rookeries and haulouts, and some offshore foraging areas, were designated to limit commercial harvest of pollock, Pacific cod, and Atka mackerel, which are important components of the western distinct population segment of Steller sea lions' diet. In 2001 a Biological Opinion was released that provided protection measures that would not jeopardize the continued existence of the wSSL nor adversely modify its critical habitat; that opinion was supplemented in 2003, and after court challenge, these protection measures remain in effect today.

Several species of whales use the Bering Sea as summer feeding grounds and then to return to seasonal wintering and calving areas further south. Of these whales, the endangered North Pacific right whale is perhaps of most concern given its very small known population size. This whale moves through the Aleutian Island region annually to occupy feeding habitat in the eastern Bering Sea; it is very rare, and only up to 25 individuals have been seen annually in recent surveys.

The directed pollock fishery in the BSAI has a very minor direct take of all marine mammals, which is likely to have a very minor contribution to total mortality, and is interpreted to be safe in the *Stock Assessment and Fishery Evaluation* report (Ianelli et al. 2004).

Further information on interactions between the groundfish fisheries and marine mammals may be found in the Groundfish PSEIS (NMFS 2004b).

3.8 Ecosystem Considerations

Ecosystems are populations (consisting of single species) and communities (consisting of two or more species) of interacting organisms and their physical environment that form a functional unit with a characteristic trophic structure (food web) and material cycles (movement of mass and energy among groups).

Three natural processes underlie changes in population structure of species in marine ecosystems: competition, predation, and environmental disturbance. Natural variations in recruitment, survivorship, and growth of fish stocks are consequences of these processes. Human activities, such as commercial fisheries, can also influence the structure and function of marine ecosystems. Fishing may affect ecosystems by altering energy flows, changing predator-prey relationships and community structure, introducing foreign species, affecting trophic or functional diversity, altering genetic diversity, altering habitat, and damaging benthic organisms or communities.

An assessment of the ecosystem trends in the BSAI management area was undertaken by Livingston et al. in 1999. The study showed a stable trophic level of catch and stable populations overall. The trophic level of the Bering Sea harvest has risen slightly since the early 1950s and appears to have stabilized as of 1994.

Further information on the ecosystem may be found in the Ecosystems Considerations appendix to the *Stock Assessment and Fisheries Evaluation* report (NPFMC 2004) and the Groundfish PSEIS (NMFS 2004b).

Chapter 4 Environmental Impacts

This section discusses the potential impacts of management under each of the proposed alternatives. Specific details with respect to the performance of the fishery under Alternative 1 (Section 4.1), Alternative 2 (Section 4.2) and Alternative 3 (Section 4.3) are noted in each section. Impacts are focused primarily on the effect on the bycatch of Chinook and chum salmon in the pollock trawl fisheries. Additional impacts are noted for groundfish stocks, threatened and endangered species, ecosystem impacts, and socio-economic impacts.

4.1 Alternative 1

Alternative 1 is the status quo alternative. Under this alternative management measures for Chinook and chum salmon savings area regulatory closures as currently applied would remain in effect. These measures have been described in Section 3.2.

4.1.1 Methodology for data analysis

Data from the North Pacific Groundfish Observer program was utilized summarize the weekly and annual overall bycatch numbers and to depict the spatial location of incidental take of Chinook and “other salmon” within the pollock trawl fisheries between 1998-2005 (2005 data is preliminary). The observed locations of the pollock fishery were depicted by the latitude and longitude of the haul retrieval position to allow for display in a Geographical Information System (GIS).

The GIS spatial analysis displays the location of salmon bycatch as a numeric rate of salmon per metric ton of observed total groundfish. The pollock fishery was separated by year for the study period. The data were categorized by an ArcGIS9.0 function of natural breaks to display the salmon bycatch in four groups representing differing degrees of bycatch concentrations (ESRI 2002). This method identifies breakpoints between groups using a statistical formula (Jenks optimization) that minimizes the sum of the variance within each of the groups (ESRI 2002). This method was selected since bycatch does not have a normal distribution. Once this rate was calculated for each year, the data were separated by CDQ and AFA Cooperative sectors and displayed on a weekly basis. Since the weekly bycatch rates differ from each other, the annual bycatch rate was applied to each week ending date, to keep the scale of bycatch consistent within a year.

4.1.2 Fishery Performance with respect to Chinook Salmon Bycatch

Fishery performance for the period 2002 to 2005 is evaluated in two ways: 1) an overview of the absolute bycatch numbers by year, target fishery and by season; and 2) an overview of the spatial and temporal nature of the salmon bycatch in the directed pollock fishery (non-CDQ trawl fleet and CDQ trawl fleet).

4.1.2.1 Overview of seasonal Chinook bycatch in the pollock trawl fishery

As described in Section 3.1, Chinook bycatch in the BSAI trawl fisheries has been increasing in recent years. Table 4-1 shows overall Chinook numbers for all groundfish fisheries for 2002 – 2005 (data for 2005 is preliminary through March 26) as compared to a long term average for Chinook bycatch from 1990-2001.

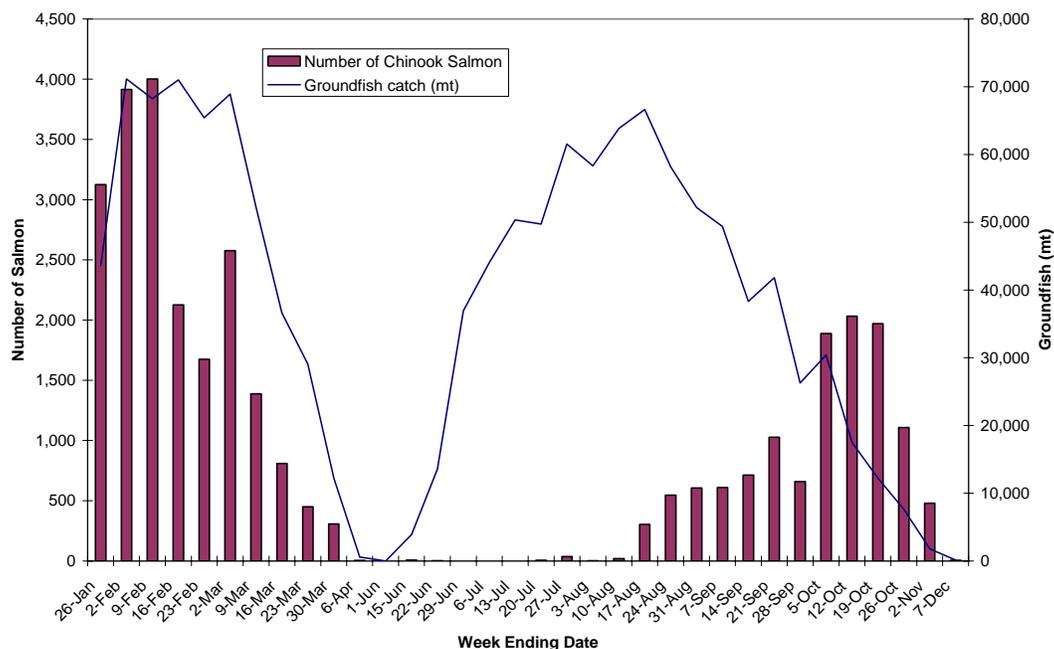
Table 4-1 Overall Chinook bycatch for all BSAI groundfish fisheries, 2002-2005

Years	Chinook salmon bycatch all BSAI groundfish fisheries(numbers of fish)
1990-2001 (average)	37,819
2002	36,385
2003	54,911
2004	62,493
2005*	26,305

*data through 5/14/05

Annual numbers for 2002 were close to the long-term average from 1990-2001. However since that time Chinook numbers for the groundfish fisheries have been much higher and increasing annually. As described in Table 3-1, on page 6, the majority of Chinook bycatch derives from the directed pollock trawl fishery. Bycatch in the directed pollock fishery generally follows a predictably seasonal pattern with high bycatch throughout the “A” season, low bycatch in the beginning of the “B” season and higher bycatch towards the latter part of the “B” season. Bycatch by week over the course of each year from 2002-2004 (and “A” season 2005) are shown in the following figures with the associated catch of pollock in order to determine the highest weeks for bycatch by numbers as well as to give an indication of the relative rate of bycatch according to the associated pollock catch.

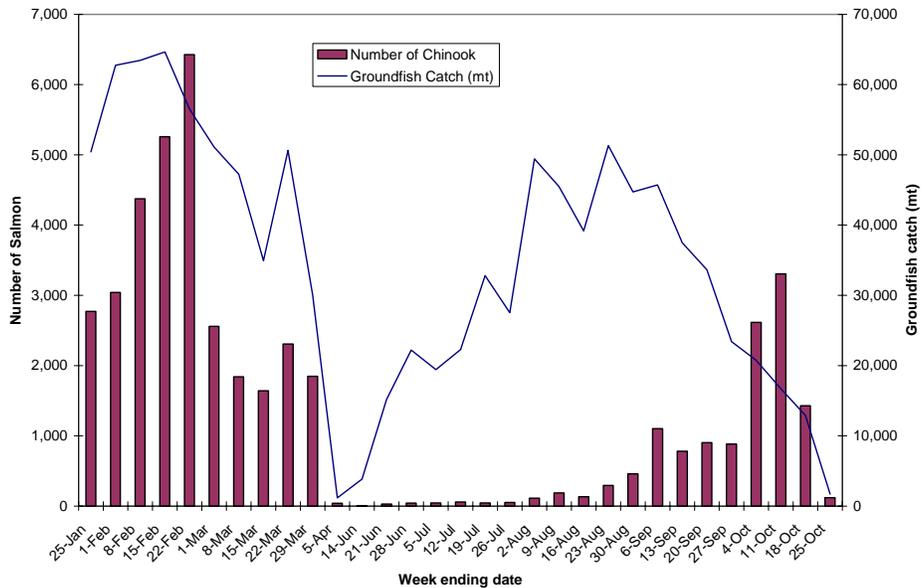
In 2002, Chinook bycatch in the pollock fishery was highest in the early part of the “A” season and remained high through mid-March (Figure 4-1). The Chinook closure was not triggered in the “A” season. In the “B” season, bycatch did not increase until late in August and was highest for the “B” season in early to middle of October. The annual closure for the Chum Salmon Savings Area occurred from August 1-31, and this area closed again from September 21st to October 14th. The Chinook SSA closure was not triggered in the “B” season.

Figure 4-1 2002 BSAI Chinook salmon bycatch, and groundfish catch in the pollock trawl fishery, by week

In 2003, a similar pattern was observed with high bycatch in the “A” season then decreasing to low amounts through August (Figure 4-2). The Chinook closure was not triggered in the “A” season. In the

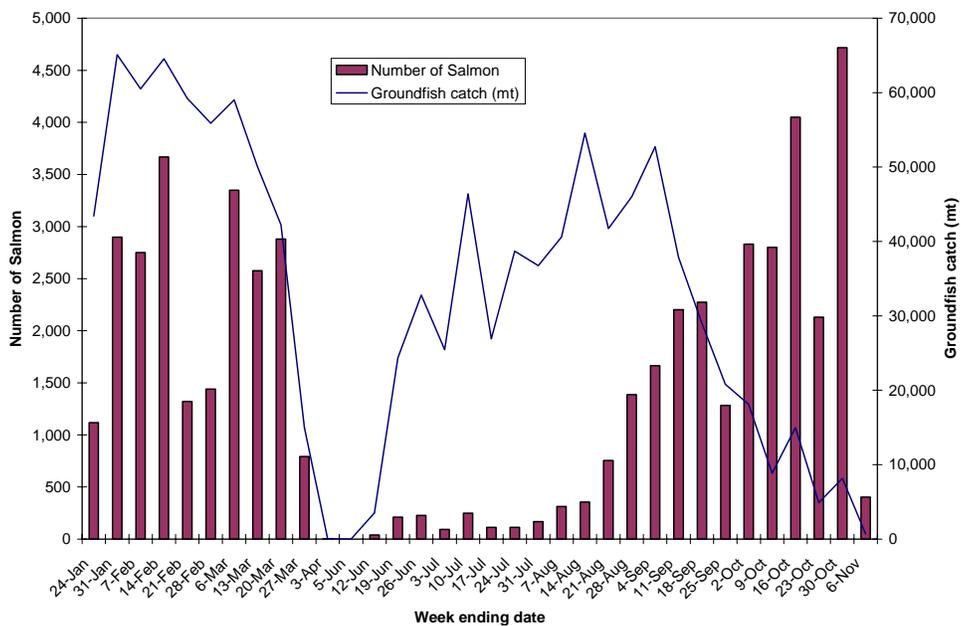
“B” season, the Chinook Salmon Savings Area closed on September 1st until the end of the year, and the Chum Salmon Savings Area closed from September 23rd to October 14th. Highest numbers by week in the “B” season for Chinook bycatch in 2003 are seen in early October.

Figure 4-2 2003 BSAI Chinook salmon bycatch, and groundfish catch in the pollock trawl fishery, by week



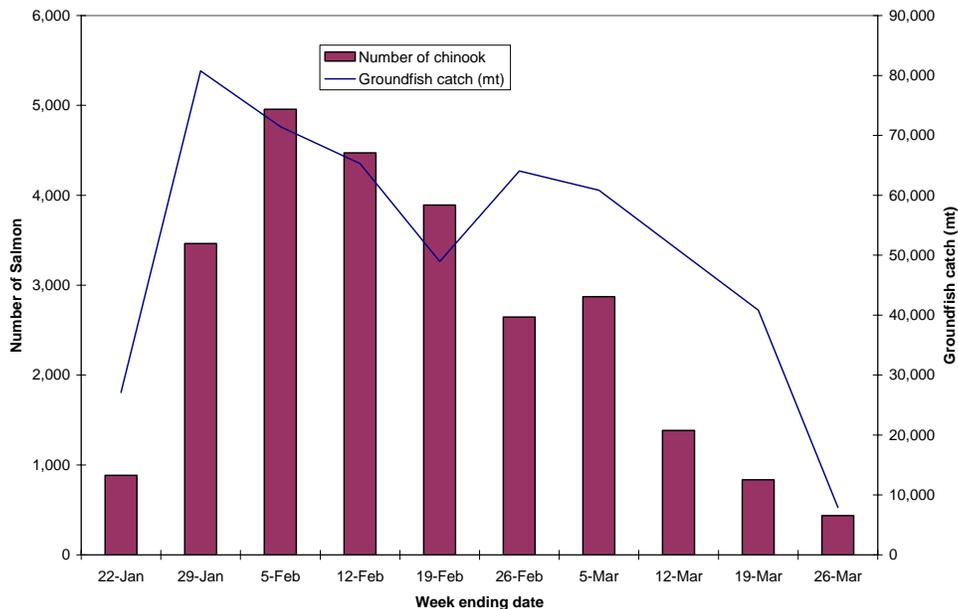
In 2004, a similar pattern is again observed (Figure 4-3). The Chinook closure was not triggered in the “A” season. In the “B” season, the Chinook Salmon Savings Area closed on September 5th through the end of the year while the Chum Salmon Savings Area closed September 14th through October 14th. Highest bycatch amounts by week for 2004 are in early to late October.

Figure 4-3 2004 BSAI Chinook salmon bycatch, and groundfish catch in the pollock trawl fishery, by week



In 2005, bycatch of salmon was again predictably high throughout the “A” season (data available through March 30th 2005; Figure 4-4) The highest time period for bycatch was the week ending February 12, 2005. The Chinook closure was not triggered in the “A” season.

Figure 4-4 2005 BSAI Chinook salmon bycatch, and groundfish catch in the pollock trawl fishery, by week, preliminary data through April 9, 2005



4.1.2.2 Spatial and temporal overview of bycatch since 2002³

Figures S-1 through S-6 show the bycatch rate in number of salmon per metric ton of groundfish for selected weeks in 2002 through 2004, “A” and “B” season (except in 2005 where data is through March 31st 2005). An overview is provided below of the fishery and the spatial and temporal nature of Chinook bycatch by year for this time period. Where weeks are mentioned without accompanying figures, those figures are included in Appendix 4 where a thorough overview of the spatial extent of bycatch by week is provided. Where regulatory closures were instituted for Chinook (2003 and 2004) and chum salmon (2002, 2003 and 2004), a comparison is made between non-CDQ fleet which is subject to the closures and the rates from CDQ vessels fishing inside of the closure. CDQ data are not available for all time periods analyzed.

2002

The “A” season opened on January 20th, and from the opening through the week ending February 2nd, the fleet was concentrated in the area north of Unimak Island. Bycatch rates during this period were in the lowest category of the range used in this analysis for comparison of relative magnitude of rates. The highest rates for this time period were located in the northern portion of the Chinook Salmon Savings Area (Chinook SSA) The Chinook SSA was open throughout 2002.

By the week of February 9th (Figure S-1a), the fleet moved slightly further north. Here the highest rates were found within the Chinook SSA continuing through the following week (Figure S-1b). By late February to early March fishing effort continued north of Unimak Island and toward the Pribilofs. Again

³ Figure referenced with an ‘S’ in this section are attached at end of the document

the highest rates during this period are located with the Chinook SSA and towards the Pribilofs (Figure S-1 c).

By late March through early April the fishery is dispersed with some higher rates north west of Unimak Island in the Chinook SSA before dropping down to low rates and dispersed effort in early April at the end of the “A” season (Figure S-1 d).

The early “B” season in July showed disperse effort and low bycatch rates. Bycatch rates are low through early August, with disperse effort north of Unimak Island and to the north west of the Pribilofs. Through August (Figure S-2 a) and into early September fishing is more concentrated to the north west of Unimak, while bycatch rates remain consistently low. Note that the Chum Salmon Savings Area closed from August 1-31st, forcing the fleet to fish outside of this area. Overall Chinook bycatch remained low during this period.

Mid-to late September the fleet is concentrated in the southern portion of the Chinook SSA (Figure S-2 b). Highest bycatch rates in this period are varied, appearing both inside and outside the Chinook SSA area and southeast of the Pribilofs. The Chum Salmon Savings Area (Chum SSA) closed on September 21st through October 14th. Bycatch rates for Chinook are the highest for the “B” season at this time (Figures S-2 c, d, e). By late September to early October, the highest bycatch rates are concentrated to the north of Unimak Island in the Chinook SSA and south of the Pribilofs. Following the reopening of the Chum SSA in mid-October through early November, the highest rates are again both within the Chinook SSA and nearshore to the west of Unimak Island (Figures S-2 f, g).

In general rates for 2002 tend to be concentrated both in “A” and “B” seasons within and to the south of the area delineated by the Chinook SSA as well as south of the Pribilofs. The regulatory closure was not triggered in 2002 for Chinook. Annual bycatch numbers for Chinook in 2002 for all groundfish fisheries were 36,385, close to the long-term average (1990-2000) of 37,819. Of this number, 34,200 were taken in the directed pollock fishery. While Chinook SSAs were not triggered in 2002, the fleet responded to chum closures in August and September by moving into available areas which may have had higher Chinook bycatch.

2003

As discussed under methodology for this analysis, the scale is internally consistent within years but varies between years, thus the scale for bycatch rates for Chinook in 2003 are displayed with a similar color range but are notably much higher than the ranges used for 2002. Bycatch rates were higher in this temporal period leading to a higher overall scale for Chinook bycatch numbers per metric ton of groundfish.

From the start of the fishery on January 20th, the fleet remained concentrated north of Unimak Island with consistent bycatch rates for this period. By mid-February, a portion of the fleet moved north and west and encountered much higher bycatch rates in those areas (Figure S-3 a, b). By late March, the highest rates were within the Chinook SSA, along the fringes of the Chinook SSA and west of the Pribilofs (Figure S-3 c). The regulatory closure was not triggered in the “A” season in 2003 so the Chinook SSA remained open during this period.

Early “B” season showed disperse fishing throughout June and July and low bycatch rates. The annual chum closures moved the fleet outside the Chum Salmon Savings Area from August 1-31. By mid-to late-August, bycatch rates are higher, with the highest rates in the areas far northwest of the Pribilofs (Figure S-4 a, b). The Chinook SSA regulatory closure was triggered on September 1 through the remainder of the fishing year (December 31st) thus all fishing for the non-CDQ fleet from September 1 on was outside

of the Chinook SSA region. Higher rates are seen to the north west of the Pribilofs with lower rates within the Chinook SSA (Figure S-4 c). The week ending September 13th (Figure S-4 d) shows lower rates inside of the Chinook SSA than to the north and outside of it and much lower rates than are seen west of the Pribilofs. This is even more pronounced the following week with highest rates observed to the west of the closure and north and south of it (Figure S-4 e).

The Chum closure was also triggered on September 24th and remained closed until October 14th. The fleet thus responded to both closures. The CDQ fleet is eligible to fish with the savings areas until the CDQ triggers for each species are exceeded by the fleet. The fleet had not exceeded its CDQ trigger in 2003 thus they were eligible to fish during this time period. A comparison of rates inside and outside of the Chinook SSAs during this period allow for some understanding of the impact of the closure. This comparison is complicated by the fact that the Chum closure is also triggered during this time period and the fleet must respond to both closures. The fleet was only able to fish outside of the Chum annual closure and prior to the Chinook trigger on September 1 for 24 hours (noon on August 31 to noon on September 1). Data are aggregated by week so that 24 hour period is not available for analysis but we are able to evaluate the relative changes in bycatch rates by week in comparison to CDQ rates when available. CDQ rates inside the closure showed lower rates than cooperative bycatch rates outside the closure (Figure S-4 f).

Late September through early October showed highest rates along the edges of the Chinook SSA and outside of it to the west and northwest and towards the Pribilofs (S-4 g, h). For the week ending October 11, the highest rates are again outside of the closure to the east. Some higher rates are located inside of the closure but the vast majority are along the fringes and outside of the closure. The difference between rates inside and outside are more pronounced with a smaller range of bycatch rates shown. The Chum SSA reopened partway through the following week, with data from the week ending October 18th showing higher rates outside of the Chinook SSA than inside for the period this was fished, although no CDQ data is available during the actual closure (Figure S-4 i).

In general for 2003 the closure became more complicated for the fleet with the Chinook closure following the annual Chum closure by 24 hours, then 3 weeks later the Chum closure was re-imposed for an additional 3 week period. There is more evidence of higher bycatch rates located outside of the Chinook SSA than was apparent in 2002, possibly due to the forced movement of the fleet in responding to the combined closures.

2004

Bycatch rates in 2004 for Chinook are shown in Figure S-5. Here the scale of the bycatch rate is lower than in 2003. The "A" season fishery was again concentrated to the north of Unimak island, with highest bycatch rates for late January to early February to the north of Unimak Island and along the southern edge of the Chinook SSA (S-5 a) and toward the Pribilofs. Mid-February rates are highest south of the Pribilofs with scattered high rates around and to the north and east of the Chinook SSA (Figure S-5b). Early March, lower rates are observed within the Chinook SSA area with higher rates observed south and southeast of the Pribilofs and south east of the Chinook SSA (Figure S-5c) By the end of March lower rates are observed near the Pribilofs and higher rates observed within the Chinook SSA (Figure S-5d). No Chinook savings area closures were triggered in the 2004 A season.

Early "B" season (June through early August) the fishery is dispersed and the highest rates are found generally outside of the Chinook SSA. Again the Chum Salmon Savings Area closes from August 1-31 and the fleet must move outside of it. Rates are shown on a smaller scale here to highlight differences. Throughout late August (Figure S-6a) and into early September (Figure S-6b), the highest rates are to the north of the Chinook SSA and within the Chum SSA area and west of the Pribilofs, with rates inside the

Chinook SSA generally lower (Figure S-6b). The Chinook SSA closure was triggered on September 5th and the area closed for the remainder of the year. The Chum Salmon Savings Area likewise closed on September 14th through October 14th. There were approximately 6 days (from noon August 31 to noon September 5) that the fleet was able to fish without closures. After September 5 the fleet first had the Chinook closure then on the 14th the combination of both Chinook and Chum closures.

By the week of September 11, the Chinook SSA is now closed, and the highest rates are along the south east edge of the Chinook SSA (north of Unimak), to the north west of the Chinook SSA and to the south and west of the Pribilofs (Figure S-6 c). The following week lower rates are observed near the closure area with higher rates observed outside (Figure S-6 d). For the remainder of the “B” season, highest rates are found in late September (following the Chum closure September 14th) where lower CDQ rates are observed inside of the Chinook SSA when closed in contrast to higher rates outside of the closure area (Figure S-6e). In early October, Chum SSA remains closed, and higher rates are observed nearshore (south of the closed area) and to the south of the Pribilofs (Figure S-6 f, g). Here the bycatch rate scale no longer shown on a smaller scale (as with the previous figures). High rates are located nearshore, south of the Chinook SSA as well as to the west and north west of the Pribilofs. During this time period both Chum and Chinook SSAs are closed and the fleet is forced to operate outside of both areas. Mid to late October, with the Chinook area still closed but the Chum SSA now open, highest rates are observed north, south and west of the Chinook SSA and to the west and far northwest of the Pribilofs (Figure S-6 h, i).

4.1.3 Fishery Performance with respect to Chum Salmon Bycatch

As with Chinook bycatch, fishery performance for the period 2002 to 2004 is evaluated in two ways: 1) an overview of the annual bycatch numbers by year, target fishery and by season; and 2) an overview of the spatial and temporal nature of the chum salmon bycatch in the directed pollock fishery (non-CDQ trawl fleet and CDQ trawl fleet).

4.1.3.1 Overview of chum bycatch in the pollock trawl fishery

As described in Section 3.2, “other salmon” bycatch in the BSAI trawl fisheries has been increasing in recent years. Table 4-2 shows overall “other salmon” numbers for all groundfish fisheries for 2002 – 2004 as compared to a long term average for “other salmon” bycatch from 1990-2001.

Table 4-2 Overall other salmon bycatch for all BSAI groundfish fisheries, 2002-2005

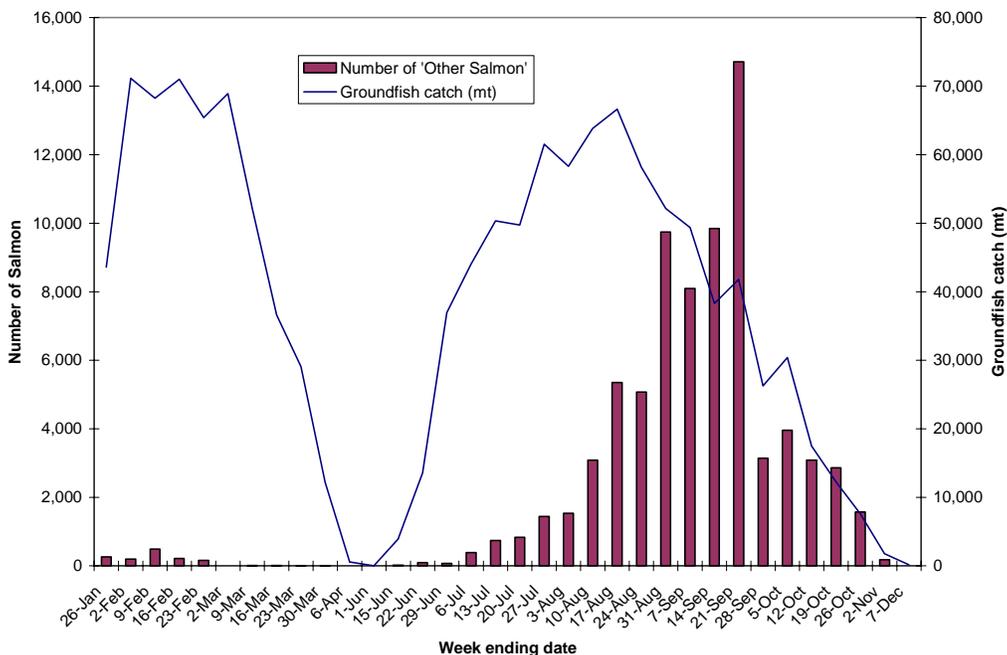
Years	“Other salmon” bycatch all BSAI groundfish fisheries (numbers of fish)
1990-2001 (average)	69,332
2002	81,470
2003	197,091
2004	465,650

Annual numbers for 2002 were elevated as compared to the long-term average from 1990-2001. However since that time “other salmon” bycatch numbers for the groundfish fisheries are significantly higher and increasing annually. As described in Table 3-1, on page 6, the majority of “other salmon” bycatch is made up of chum salmon and this bycatch derives predominantly from the directed pollock trawl fishery. Bycatch in the directed pollock fishery generally follows a predictably seasonal pattern with high bycatch throughout the “B” season only. Bycatch by week over the course of each year from 2002-2004 are shown in the following figures with the associated catch of pollock in order to determine the highest

weeks for bycatch by numbers as well as give an indication of the relative rate of bycatch according to the associated pollock catch.

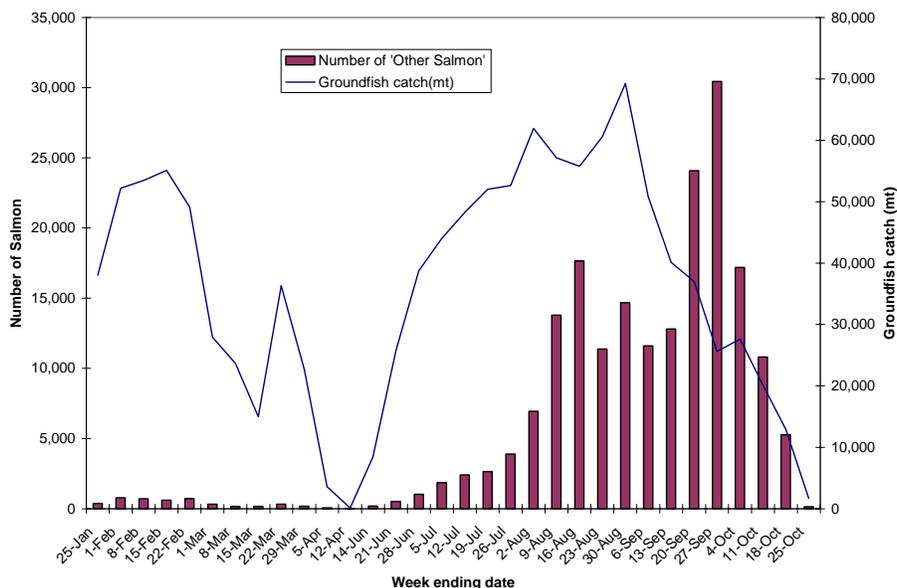
Generally, other salmon bycatch follows a predictably seasonal pattern with high bycatch throughout the “B” season. In 2002, Chum bycatch in the pollock fishery was highest in mid-to-late September (Figure 4-5). The annual closure for the Chum Salmon Savings Area occurred from August 1-31, and this area closed again from September 21st to October 14th. No additional Chinook closures were triggered in 2002.

Figure 4-5 2002 BSAI “other salmon” bycatch, and groundfish catch in the pollock trawl fishery, by week



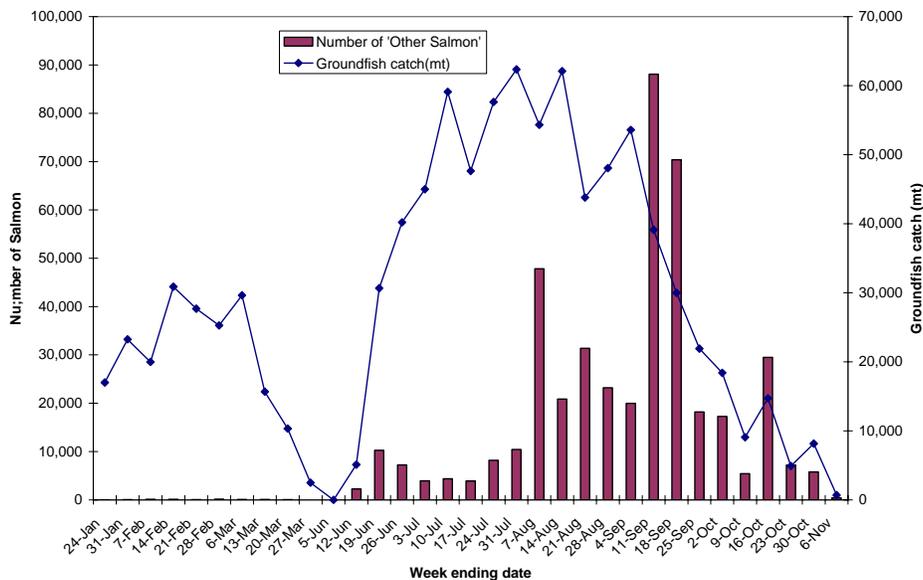
In 2003, a similar pattern was observed with high bycatch in the “B” season (Figure 4-6). The Chinook Salmon Savings Area closed on September 1st to the end of the year, and the Chum Salmon Savings Area closed from August 1-31 and again from September 24th to October 14th.

Figure 4-6 2003 BSAI “other salmon” bycatch, and groundfish catch in the pollock trawl fishery, by week



In 2004, a similar pattern is again observed (Figure 4-7). In the “B” season, the Chinook Salmon Savings Area closed on September 5th through the end of the year while the Chum Salmon Savings Area closed annually from August 1-31 and again from September 14 through October 14.

Figure 4-7 2004 BSAI “other salmon” bycatch, and groundfish catch in the pollock trawl fishery, by week



4.1.3.2 Spatial and temporal overview of bycatch since 2002:

Figures S-7 through S-9 show the bycatch rate in number of salmon per metric ton of groundfish for 2002 through 2004 “B” seasons where chum bycatch is highest. An overview is provided below of the fishery and the spatial and temporal nature of chum bycatch by year. Where weeks are mentioned without accompanying figures, those figures are included in Appendix 4 where a thorough overview of the spatial extent of bycatch by week is provided. Annual regulatory closures and additional Chum and Chinook

SSA closures when triggered in the fall are shown with comparison with CDQ rates where possible in order to compare rates outside of the Chum and Chinook SSAs with rates from CDQ vessels fishing inside of the closure.

2002

Low bycatch rates are observed through the end of July (Figure 4-5). Late July to early August the fishery is dispersed along the continental shelf with generally low bycatch rates. Some higher rates are found concentrated north of the Chum Salmon Savings Area for the week ending August 3.

The Chum SSA closed per annual regulations from August 1-31. During this time period highest rates were found scattered along the southern and periphery of the Chum SSA and to the north west and south east of the Pribilofs (Figure S-7a). No CDQ data were available from fishing within the Chum SSA so there was no comparison possible with rates outside of the closure for this time period.

The annual closure ended at noon on August 31st, thus data from the week of September 7th are available for vessels fishing both inside and outside of the Chum SSA. Highest rates for this week are found within the Chum SSA with both CDQ rates and non-CDQ rates (Figure S-7b). By mid to late September higher rates are found along the southern edge of the Chum SSA, to the north east of Chum SSA (Figure S-7 c,d).

The closure was triggered and the Chum SSA again closed from September 21st-October 14th (see Appendix 1 for notices of closures). Here the closure includes both CDQ and non-CDQ vessels. The highest rates during this period and through the remainder of the “B” season were found primarily south of the Chum SSA and also towards the Pribilofs (Figure S-7 d,e). Following the reopening of the closure on October 14th, fishing inside Chum SSA yielded lower bycatch rates than rates outside of it had been in previous weeks (Figure S-7 f). No additional Chinook closures occurred in 2002.

2003

Bycatch for 2003 are shown in Figure S-8. General bycatch rates in 2003 were higher than the previous year, thus the relative scale range on the following figures is adjusted accordingly, though the relative color scheme of high to low rates remains the same.

Some data was available for rates during the “A” season to early “B” season, and these data show predictably low rates through mid-July. Higher rates begin to appear mid-July through early August. Rates in these areas are still low in comparison to the remainder of the “B” season (Figure 4-6, on page 31).

The annual closure was imposed from August 1-31. No CDQ data is available within the closure during this time period. Highest rates in this period are located south of the Chum SSA closure and north west of the Pribilofs (Figure S-8 a,b). In September when the area re-opened, highest rates were found both within and to the south of the Chum SSA as well as in the north west quadrant of the Bering Sea management area (Figure S-8 c). The fleet was only able to fish outside of the Chum annual closure and prior to the triggered Chinook SSA closure (on September 1) for 24 hours (noon on August 31 to noon on September 1). Data are aggregated by week so that 24 hour period is not available for analysis but we are able to evaluate the relative changes in bycatch rates by week in comparison to CDQ rates when available.

The Chum SSA closure was again triggered on September 24 through noon on October 14th. The closure applied to only non-CDQ vessels. The fleet is now responding to closures of both the Chum SSA and the

Chinook SSA and is constrained accordingly. Following the additional closure, highest rates are found concentrated to the west of the Chum SSA, to the south of the Chum SSA (Figure S-8 d). Early October, the highest rates are observed nearshore (west of Unimak Island) and to the south east of the Pribilofs (Figure S-8 e). As the Chum SSA re-opens, rates inside the area closure are low (Figure S-8 f) and rates remains low throughout the rest of the season (Figure S-8 g)

2004

Figure S-9 shows bycatch rates for the 2004 fishery. The scale of bycatch rates for this time period is lower than the relative scale in 2003. The relative color scheme remains the same as for previous years.

“A” season data again showed low bycatch rates through March. By June higher rates are seen south of the Pribilofs but are still low in comparison to rates observed later in the “B” season. This pattern remains the same through June and July, with higher rates to the northwest of the Chum SSA and near the Pribilofs.

The annual closure is again triggered August 1-31. During this time period highest bycatch rates are seen to the west of the Chum SSA in early August and to the north and west by late August (Figure S-9 a).

There were approximately 6 days (from noon August 31 to noon September 5) that the fleet was able to fish without either Chum or Chinook closures. The first week in September shows decreases rates of chum bycatch with fishing concentrated primarily within the Chum SSA (Figure S-9 b). After September 5 the fleet first had the Chinook closure then on the 14th the combination of both Chinook and Chum closures. The week of September 11, lower rates are generally observed within the Chum SSA with higher rates found nearshore and to the west of the Chum SSA (Figure S-9 c). The following week the chum closure was triggered on September 14th with the Chum SSA closing to non-CDQ fishing with trawl gear from September 14th -October 14th.

Following the additional closure, fishing was concentrated outside of the Chum SSA with the highest rates observed to the west and south (Figure S-9 d). Late September showed fishing concentrated near the Chum SSA with the highest rates to the northwest of the Chum SSA and south of the Pribilofs (Figure S-9 e). Early October the rates rose even higher, and are still observed concentrated to the north west of the Chum SSA (outside of the CVOA) and south of the Chinook SSA (Figure S-9 f).

The week of October 16th (including 2 open days of the Chum SSA) showed some lower rates inside the Chum SSA and higher rates to the northwest of the Chum SSA (Figure S-9 g). Effort was dispersed with lower rates continuing low and variable through the end of the “B” season (Figure S-9 h).

4.1.4 Status Quo Voluntary Rolling Hot Spot System

The AFA cooperatives have been operating under an inter cooperative bycatch management agreement since 2001 (for chum salmon) and 2003 (for Chinook salmon). This agreement is a voluntary legal association of pollock cooperatives whereby a binding agreement is signed between members to supply bycatch information to Sea State Inc and abide by regulations set out in the Inter Cooperative Agreement each year. Under this agreement, in addition to being subject to regulatory closures where applicable, the cooperatives participate in voluntary rolling hot spot closures by week for cooperatives whose bycatch rates placed them into tiers subject to closures. More information on the tier structure for the VRHS system is described under Alternative 3 as the current preferred alternative is structured based on the current ICA (with modifications as explained under Section 4.3.1). The current agreement does not

include the CDQ groups. Vessels fishing CDQ quota are subject only to regulatory closures if triggered for CDQ rates.

In 2000, the inshore cooperatives designed a verbal agreement for a hot spot location program which tracked bycatch by cooperatives and included a seasonal “Dirty 20” list. A Chinook agreement was designed for the 2002 “A” season. This agreement did not include closures but contained advisory and voluntary avoidance information with hot spots identified by Sea State. In 2002, the “B” season included a hot spot closure system for chum salmon for all cooperatives. The 2003 “A” season included a hotspot closure agreement for Chinook. This agreement was not extended to the “B” season for Chinook. In 2003 the chum salmon agreement was continued in the “B” season. In 2004, the “A” season hot spot closure system was utilized for Chinook while in the 2004 “B” season hot spot closures were instituted for chum salmon management and “core” closures were utilized for Chinook bycatch management (John Gruver, pers. communication).

For Chinook salmon, the “A” season agreements utilized in 2003 and 2004 included a “stand-down” period whereby bycatch accounting, tier determination and hot spot closures were not instituted until 40% of the trigger limit for the non-CDQ pollock trawl fleet were taken. In the “B” season, (2004 only) core closures were closures applied to the entire fleet based upon the fleet exceeding a target bycatch rate in specified areas (determined by Sea State).

For Chum salmon since 2002 hot spot closures have been used to manage fleet bycatch according to specified bycatch tier levels (more information on the general structure of the tiers and ICA is described in Section 4.3.1). However, bycatch management under this agreement for both Chinook and chum salmon was tied to the regulatory closures. Once these closures were triggered, the non-CDQ fleet was barred from fishing inside the closures as described in Sections 4.1.2 and 4.1.3. Outside of the closed areas, the fleet continued to abide by the voluntary closure system and was moved out of additional areas according to the provisions of the weekly closures. Without this agreement the fleet could have continued to take increased amounts of Chinook and chum salmon bycatch with no additional penalty (save the triggering of the closures as described above). The fact that the fleet continued to move away from hot spots indicated that additional salmon (both Chinook and chum) would have been incidentally caught in the absence of adherence to this agreement and bycatch in these years could have been substantially larger.

It was estimated that given the chum salmon bycatch rate prior to regulatory closure in 2004 (of ~0.1 salmon per mt of groundfish), that up to 250,000 “other salmon” were caught due to the necessity of moving the fleet outside of the regulatory closure areas and into regions where bycatch rates were higher (Karl Haflinger, pers. communication). This was estimated by multiplying the pollock caught by the catcher vessel fleet from July 25th to October 1st (218,734 mt) by the expected bycatch rate prior to closures, equaling 21,873 salmon. This is the number anticipated to be caught if bycatch rates had remained similar to those prior to the closure (K. Haflinger, pers. communication). Instead the actual bycatch of salmon over this time period was 276,041. The actual number of salmon estimated to be avoided is difficult to calculate as we lack the ability to hindcast the true bycatch rate in the absence of the regulatory closures.

4.1.5 Impacts on Chinook and Chum Salmon Stocks

Fishery performance and salmon bycatch information under Alternative 1 is discussed in Sections 4.1.2 and 4.1.3 of this document. Information in these sections indicates that imposing the savings area closures for Chinook and chum salmon, especially in years where both areas are triggered, may in fact increase the

pollock fishery's bycatch rates of those species, compared to what bycatch rates would have been in the areas closed.

The potential impact of the numbers of incidentally caught salmon in recent years on the stocks of Alaskan origin may be evaluated using the information in Section 3.5 of this document, beginning on page 14, which provides an assessment of the stock origin of salmon caught in the pollock fishery. The section includes estimates of the number of salmon of western Alaskan origin caught in the pollock fishery, based on data from 2002 to 2004.

Given the relatively low numbers of salmon which are presumed to be originating from western Alaskan stocks of both Chinook and chum, there is not considered to be a significant impact posed to these stocks despite the increased numbers of bycaught salmon in recent years. However, there is an on-going ESA consultation for Chinook salmon in the BSAI given that the approved Incidental Take Statement (ITS) as described in Section 3.7.1 was exceeded in 2004. The results of this consultation are not yet known and are expected to take into the summer of 2005 before an indication of the results of the consultation are available from the Agency.

4.1.6 Impacts on groundfish stocks

The pollock fishery, as discussed in Section 3.6, is a relatively clean fishery with low incidental catch of other target and non-target groundfish stocks. Under this alternative, the pollock fishery is forced to move out of certain fishing grounds due to regulatory closures. As a result, the fishery may move to grounds that have a lower catch per unit effort (CPUE) for pollock, and higher salmon bycatch rates. The fleet behavior for the years 2002-2004 with respect to Chinook and chum salmon bycatch has been discussed in Sections 4.1.2 and 4.1.3.

CPUE data for pollock inside and outside of the closed areas are not available, nor is the comparative rate of incidental catch of other groundfish species. Incidental catch species in the pollock fishery are listed in Table 3-6, on page 17. However, the pollock fishery is closely monitored with an extensive fishery observer program. Pollock and other groundfish species that are caught in the fishery are counted against each species' total allowable catch (TAC). These harvest quotas are set at acceptable biological levels, and are monitored by NOAA Fisheries inseason management to ensure that the catch of all groundfish species does not exceed acceptable levels. A detailed analysis of the groundfish fisheries as currently managed was conducted in the Groundfish PSEIS, and updated in the annual Environmental Assessment on the TAC specifications (NMFS 2004a). These analyses concluded that the groundfish fisheries do not have a significant impact on groundfish stocks.

4.1.7 Impacts on threatened or endangered species

As discussed in Section 3.7, Section 7 consultations have been undertaken for species that are listed under the Endangered Species Act and present in the BSAI management area, with respect to the impact of the Federal groundfish fisheries. In some instances, such as with the western stock of the Steller sea lion, the consultation has resulted in reasonable and prudent alternative recommendations that have been put in place in the groundfish fisheries to mitigate any potential impact of the fisheries on the species. For ESA-listed Pacific salmon, the studies have indicated that very few of these salmon are caught in the BSAI groundfish fisheries. In all cases, the consultations have concluded that the action of the fisheries is unlikely to result in jeopardy or adverse modification of critical habitat for the species.

The Groundfish PSEIS found that the current management regime is effective at providing protection to ESA-listed seabirds and marine mammals, and that current fishing has no adverse impacts on these species. Direct and indirect interactions of marine mammals and seabirds with the primary target fisheries are few, and are not likely to create a population-level impact on these species. Alternative 1 is not considered to have a significant impact on threatened and endangered species.

4.1.8 Impacts on the ecosystem

An evaluation of the effects of the pollock fishery on the ecosystem is undertaken annually in the *Stock Assessment and Fishery Evaluation* report. Ianelli et al. (2004) do not consider the fishery to have an adverse effect on the ecosystem. Three areas are cited as possible concerns. The fishery's concentration in space and time has been distributed to protect Steller sea lions, but this may have resulted in increased impacts to fur seals. The fishery's contribution to discards and offal production is evaluated to be improving, but data is limited. Data is also lacking for understanding fishery effects on age-at-maturity and fecundity.

Based on the analysis in the Groundfish PSEIS (NMFS 2004b) and the annual TAC-setting EA (NMFS 2004a), the ecosystem impacts of Alternative 1 are determined not to be significant.

4.1.9 Socio-economic impacts

A detailed analysis of Alternative 1 is presented in Section 5.6.1, as part of the analysis in the Regulatory Impact Review. The analysis has shown that Alternative 1, the status quo, has resulted in dramatic increases in salmon bycatch in the Bering Sea pollock trawl fishery in recent years. This translates into foregone salmon value, assuming full terminal harvest of salmon bycatch, of nearly \$1 million for Chinook and more than \$250 thousand for chum in 2003. These values greatly overstate the actual harvest that might have occurred if salmon bycatch had not been taken in the Bering Sea pollock trawl fishery.

Unfortunately, it is not possible to accurately estimate actual harvest value. However, the dramatic increases in salmon bycatch under the status quo likely translate into increases in forgone value and decreased benefits of bycatch reduction. The status quo also bears some risk of future restrictions on the Bering Sea pollock trawl fleet as a result of exceeding the ESA Chinook incidental take permit cap.

Alternative 1 also imposes increased operational costs on the trawl fleet when the salmon savings areas are closed and may adversely affect vessel safety. The closures are also having a detrimental effect on product quality for the CV fleet. The decreased quality appears to have reduced product grade, eliminated fillet production in some cases, and increased shoreside processing facility costs. Alternative 1 also results in some management and enforcement costs to administer the closures and monitor vessel locations.

4.2 Alternative 2

4.2.1 Methodology for data analysis

Analysis of Alternative 2 is largely qualitative given the inability of the analysts to predict how the fleet may operate in the absence of regulatory constraints and the resultant impacts upon salmon stocks, groundfish stocks, threatened and endangered species, ecosystem effects and socio-economic impacts.

Discussion is drawn largely from previous amendment analyses for these closures, namely Amendments 21b, 35 and 58 (ADF&G 1995a; ADF&G 1995b; NMFS 1999). However it should be clearly understood that the underlying situation in both salmon population as well as fleet behavior has changed dramatically since the time period of these previous analyses. Notably among these changes is the implementation of the American Fisheries Act as described in Section 3.6.

The reduction of the capacity of the catcher/processor fleet resulting from the AFA reduced the rate at which the catcher/processor sector (allocated 36% of the eastern Bering Sea pollock TAC) caught pollock beginning in 1999, and the fleet as a whole in 2000. Disentangling the specific changes in the temporal and spatial dispersion of the eastern Bering Sea pollock fishery resulting from the sea lion management measures (implemented during that time period) from those resulting from implementation of the AFA is difficult. However the relative timing and behavior of the fishery has changed since the implementation of the management measures for regulatory closures for Chinook and chum bycatch management, and this should be taken into consideration in any discussion the impact of then eliminating these measures.

4.2.2 Impacts on Chinook salmon:

Under Alternative 2 existing regulatory closures for Chinook in the Bering Sea, triggered by bycatch number limits, would be repealed. There would be no cap on the number of Chinook salmon taken as bycatch nor any closures to move the fleet out of areas determined as hot spots for Chinook bycatch. Chinook salmon would remain as a prohibited species and as such would still be discarded at sea or retained for donation to food banks as is currently done in the fishery.

Prior to the establishment of the current Chinook Salmon Savings Area closures under Amendment 21b to the BSAI groundfish FMP (and the revised areas and trigger limits for these closures under Amendment 58), Chinook bycatch in the BSAI domestic trawl fisheries was not managed by either PSC limits or by time and area closures. The analysis for Amendment 21b stated that “in the absence of a Chinook salmon bycatch management program, future annual bycatch amounts are not constrained, and significant increases in bycatch could impact Chinook salmon escapement in Western Alaska River systems, several of which experienced low escapement in the last decade” (ADF&G 1995a).

The pollock fleet as described in section 3.6 has excellent observer coverage and there is no anticipated change to this level of monitoring. Thus, this actual numbers of Chinook salmon taken as bycatch in this fishery will be known with fairly high precision.

Currently the fleet shifts and relocates in an attempt to avoid areas of high Chinook bycatch over the course of the “A” and “B” seasons. It is anticipated that under this alternative CPUE in the pollock fleet would be maximized. The incentive to move away from a high bycatch location would be removed under this alternative as the pollock fleet would have no reason to do other than maximize their CPUE. In this scenario the bycatch numbers for Chinook salmon would be expected to increase under this alternative. The population effects of this bycatch increase as well as the relative magnitude of the increase are unknown.

However, while bycatch numbers are expected to increase under this alternative by removing the incentive to carefully constrain the bycatch of Chinook salmon, shifts in fishing patterns in response to the removal of regulatory closures may ameliorate the potentially increase in bycatch. The discussion of the fishery performance in recent years under section 4.1.2.2 indicated that high bycatch rates for Chinook have been observed in the vicinity of the Pribilofs in recent years. It is presumed that the fleet moves into these areas when they are constrained by regulatory closures in other, potentially more desirable fishing locations closer to port. If fishing patterns changed under this alternative and many vessels opted not to fish in the vicinity of the Pribilofs, it is anticipated that some of the high bycatch areas for Chinook

salmon taken in recent years from those areas would decrease. Some areas near the Pribilofs had been included in the original Chinook Salmon Savings Area closures under amendment 21b but revised closures initiated under amendment 58 removed areas in the Pribilof region due to inconsistent bycatch rates during the period utilized in the analysis (NMFS 1999).

As discussed above in section 4.2.1, the implementation of the AFA as well as the Steller Sea Lion management measures have changed the fishing practices in the eastern Bering Sea pollock fleet considerably since the Chinook Salmon Savings Area closures were instituted. It is difficult to evaluate how the fleet would respond under the removal of these regulatory closures under this alternative. It is anticipated that overall numbers of Chinook salmon bycatch would either remain consistent or, if existing measures have effectively controlled some of the overall bycatch, that these numbers would increase under this alternative. However, given the relatively small impact the overall numbers of incidentally caught Chinook salmon in the BSAI Pollock trawl fishery are presumed to have as compared to the overall population of Chinook salmon returns to rivers in western Alaska and elsewhere, the impacts to Chinook salmon under this alternative are not considered to be significant.

However, as discussed in section 3.7.1, the current ESA Chinook incidental take cap for the BSAI trawl fishery is set at 54,000 Chinook salmon. This cap was exceeded under status quo management in 2004 and has triggered an ESA section seven consultation. Under Alternative 2, there is the risk that, in the absence of any salmon bycatch reduction measures, future bycatch in excess of the ESA cap could result in the imposition of restrictions on the BSAI trawl fleet under the ESA. It is unknown what the result of this consultation would be or how future incidental take caps for this fishery may be redefined following the results of the current consultation.

4.2.3 Impacts on chum salmon

Under alternative 2 existing Chum Salmon Savings area regulatory closures (“other” salmon) triggered by bycatch number limits would be repealed. There would be no cap on the number of other salmon taken as bycatch nor any closures to move the fleet out of areas determined as hot spots for other salmon bycatch. Salmon would remain as a prohibited species and as such would still be discarded at sea or retained for donation to food banks as is currently done in the fishery.

The pollock fleet as described in 3.6 has excellent observer coverage and there is no anticipated change to this levels of monitoring. Thus, this actual numbers of other salmon taken as bycatch in this fishery will be known with fairly high precision.

Currently the fleet shifts and relocated in an attempt to avoid areas of high salmon bycatch over the course of the “A” and (for other salmon particularly) “B” seasons. The incentive to move away from a high bycatch location would be removed under this alternative as the pollock fleet would have no reason to do other than maximize their CPUE. In this scenario the bycatch numbers for other salmon would be expected to increase under this alternative. The population effects of this bycatch increase as well as the relative magnitude of the increase are unknown.

The Chum Salmon Savings Area was initiated under amendment 35 to the BSAI groundfish FMP (ADF&G 1995) following concerns raised regarding uncontrolled bycatch in the trawl fisheries and the potential relationship between bycatch in trawl fisheries and poor returns to Western Alaska river system for Chum salmon in 1993 (ADF&G 1995). At that time, bycatch of ‘other’ salmon in the BSAI trawl fisheries had risen dramatically from previous years and in 1993 was approximately 245,000 in the BSAI management area. In this analysis it was stated that “if no regulatory means of controlling excessive future bycatch interceptions is in place, a large number of “other” salmon could, once again, be

incidentally caught during the pollock “B” season in future years because of the coincidence of time and area management actions which are currently in place”. (ADF&G 1995b). Again as noted in section 4.2.1, since this time the nature of the pollock fishery has changed dramatically with both the implementation of the AFA and the regulations for time and area closures for Steller sea lion management measures.

However as discussed in sections 3.1 and 4.1, ‘other’ salmon bycatch has risen dramatically in the BSAI trawl fisheries in recent years, with overall bycatch in 2004 over 360,000 salmon (of these nearly all are chum salmon). The current fleet is constrained in movement by the Chum Salmon Savings Area annual and triggered closures, as well as the interaction between Chum and Chinook closures. At times the fleet has moved away from evidence of high Chinook bycatch rates to avoid triggering a closure and into a high Chum bycatch area (John Gruver, personal communication). It is possible that the removal of the savings area closures under this alternative would alleviate some of these concerns and decrease the bycatch from forced fleet movement.

Given that the time and area closures currently in regulations would be entirely removed under this alternative, it is likely that with no incentive for the fleet to move away from high bycatch areas, bycatch of ‘other’ salmon under this alternative would either remain the same or, as is more likely, increase. Estimates of the predominantly Asian origin of these salmon and the low percentage of North American stocks contained in the bycatch (section 3.5) indicate that there is not presumed to be a significant effect on the viability of chum salmon species (or other species in the ‘other’ salmon reporting category) as a result of this alternative. Unlike the situation as described in the previous section for Chinook salmon, there are no current ESA listings or on-going consultations for species contained in the ‘other’ salmon category.

4.2.4 Impacts on groundfish stocks

Alternative 2 would repeal the salmon savings areas. CPUE of pollock is likely to increase under this alternative, as the cooperatives are no longer restrained by salmon bycatch caps and can maximize CPUE. Incidental catch rates of other groundfish species may vary under the alternative, as fishing patterns no longer need to respond to savings area closures. Incidental catch rates inside and outside of the savings areas are unknown, however, incidental catch is low in the pollock fishery, as discussed in Section 3.6.

As described under Alternative 1, close monitoring of the pollock fishery, through the fishery observer program and other reporting mechanisms, should allow for accurate accounting of pollock and other groundfish species catch. Harvest of these species will be counted against each species’ total allowable catch (TAC). As a result, catch of all groundfish species is not likely to exceed acceptable levels under this alternative. Therefore, the impact on groundfish stocks is determined not to be significant.

4.2.5 Impacts on threatened or endangered species

Under this alternative, savings areas are repealed. The pollock fishery is likely to maximize its CPUE under this alternative, as salmon bycatch limits are no longer constraining to the fishery. As a result, the fishery is likely to reduce interactions with marine mammals and seabirds, as the harvest is achieved more efficiently. It is unknown to what extent the fishery may be able to decrease its fishing effort, however any change is unlikely to create an impact on marine mammals and seabirds that would be discernable at an ecosystem level. As a result, impacts of the alternative on these species are not significant.

Section 3.7.1 cites studies that indicate that there is a low presence of ESA-listed Pacific salmon in the BSAI management area. However, to the extent that salmon bycatch increases under this alternative, it is possible that catch of ESA-listed Pacific salmon would also increase. Because of the low abundance of ESA-listed Pacific salmon caught in the BSAI groundfish fisheries, the effects of Alternative 2 are not likely to jeopardize the sustainability of these species, so the impacts of the alternative are determined not to be significant.

4.2.6 Impacts on the ecosystem

Alternative 2 repeals the savings areas, and may result in an increase in salmon bycatch by the pollock fishery, as catch limits are no longer constraining on the fishery. Although this is likely to impact the commercial salmon fisheries, the groundfish bycatch is taken into account in the State of Alaska's salmon management. The pollock fishery's extensive observer program should allow for accurate accounting of the levels of salmon bycatch. In other respects, the alternative may result in benefits for some ecosystem components, as the fishery is allowed to operate more efficiently and reduce interactions with ecosystem components. Alternative 2 is unlikely to produce population-level impacts for marine species, or changes to community- or ecosystem-level attributes beyond the range of natural variability for the system. As a result, the impacts at an ecosystem level are not considered to be significant.

4.2.7 Socio-economic impacts

A detailed analysis of Alternative 2 is presented in Section 5.6.2, as part of the analysis in the Regulatory Impact Review. Alternative 2 would eliminate the salmon savings closure areas altogether. The result would likely be reduced operational costs, improved vessel safety, improved product quality, and reduced management and enforcement costs. However, in the absence of any bycatch reduction measures this alternative may result in further increase in salmon bycatch in the Bering Sea pollock trawl fishery. Were that to occur, the foregone value of such bycatch would increase and the associate benefits of bycatch reduction would decrease, possibly dramatically. This could also result in the Bering Sea pollock trawl fleet significantly exceeding the ESA Chinook incidental take permit cap.

4.3 Alternative 3

4.3.1 Description of Inter Cooperative Agreement

The Inter Cooperative Agreement (ICA) is a salmon bycatch management agreement with all of the AFA pollock cooperatives and the CDQ groups. The agreement is similar to previous inter cooperative bycatch management agreements between the AFA cooperatives (see Section 4.1.4 for further detail) but has been modified to include the CDQ groups as well as other specific modifications pertaining to the necessary changes for management of the ICA under a system where there are no regulatory closures. The ICA is included in full in Appendix 2.

Members of the ICA include the following AFA cooperatives: Pollock Conservation Cooperative (PCC), the High Seas Catchers Cooperative (High Seas), the Mothership Fleet Cooperative (MFC) and the Inshore Coops (Akutan Catcher Vessel Association, Arctic Enterprise Association, Northern Victor Fleet Cooperative, Peter Pan Fleet Cooperative, Unalaska Fleet Cooperative, Unisea fleet cooperative and Westward Fleet Cooperative) and all CDQ groups. Additional members to the Inter Cooperative Agreement are two western Alaskan groups who have an interest in the sustainability of the salmon resource. These groups, the Bering Sea Fishermen's Association (BSFA) and the Yukon River Drainage

Association (YR DFA) have participated in meetings for refining the ICA and will have 3rd party status for compliance purposes under the agreement (see Section 4.3.1.4 for more information).

The purpose of the ICA is to use alternative measures to reduce unnecessary incidental catch of chum and Chinook salmon. The agreement is a private, contractual agreement between the interested parties. Parties to the agreement agree to all tenants of the contract and agree to abide by the structure of the ICA. All parties agree to retain Sea State, Inc (Sea State) to provide the data gathering, analysis, fleet monitoring and reporting services necessary to implement the bycatch management program under the agreement.

The ICA is structured based upon a cooperatives' bycatch rate as compared with a pre-determined "Base Rate". Once the Base Rate is determined (see Section 4.3.1.1), all provisions for fleet behavior, closures and enforcement are based upon the proportion of the cooperative's rate to the Base Rate. Tier assignments (Section 4.3.1.2) are calculated from the cooperatives' proportional bycatch rate to the Base Rate with higher tiers corresponding to higher bycatch rates. These tiers then determine how access to specific areas will be determined following designation of "hot spot" closures. These areas are then to be avoided by cooperatives in higher tiers.

4.3.1.1 Base Rate: calculation

The structure of the ICA is based upon cooperatives' bycatch rates in comparison with a calculated Base Rate established prior to the start of the season. The Base Rate is initially calculated based upon the previous seasons' bycatch experience. Under the revised ICA for Chinook, the Base Rate would be initially established as equal to the previous year's overall "A" season Chinook bycatch rate by members of the agreement. The rate is calculated by dividing the members' previous "A" season's total Chinook bycatch by the members' previous "A" season's total pollock harvest.

An acceptable range (lower and higher limits) of 0.04 to 0.06 is established to constrain the variability of the Base Rate. If initial Base Rate calculations are below 0.04, the Base Rate will be established at 0.04. Likewise if the initial calculation yields a Base Rate above 0.06, the Base Rate will be established as 0.06. This range is based upon a combination of previous year's bycatch Base Rate values and negotiations within the IC members. The upper limit is intended as a precautionary measure to ensure that bycatch is constrained while the lower limit is intended to protect against immediate and excessive closures if a normal bycatch year is preceded by an excessively low year. This range is only applicable to the initial starting Base Rate (not the in-season adjustment). For comparison, the Base Rate utilized under the agreement for fishing in 2005 was established at 0.05.

In-season adjustment to the Chinook Base Rate will occur on February 14th. This recalculation will be the members' total "A" season salmon bycatch to date divided by the members' total "A" season pollock harvest to date. The recalculated rate will be implemented on the following Thursday's announcement for closures that will be implemented the following Friday. The recalculated Base Rate will be the rate utilized for management for the remainder of the "A" season. This rate is not constrained to any range.

For the "B" season for Chinook, the Base Rate will be set at 0.05 for the 2006 and 2007 seasons based upon Base Rate calculations under the previous ICA for 2004 and 2005. This number is initially established for those years based on previous experience with "B" season bycatch rates and typical closure needs. There is no inseason adjustment for the "B" season Base Rate for Chinook. Beginning in 2008, the Base Rate will be the previous "B" season bycatch rate based on the members' fall Chinook bycatch. The Base Rate calculation is established this way due to the regulatory closures enacted in the previous years which have complicated an average bycatch calculation similar to the "A" season.

However, in the absence of the complicating factor from regulatory closures in the “B” season, two years worth of experience (2006 and 2007) should allow for a more applicable calculation in 2008.

For chum salmon, the “B” season initial Base Rate will be established at 0.19. This is based upon a roughly 80% of the 2003 season average and is established such that no unnecessary closures would be enacted in periods of low abundance.

An inseason adjustment will occur on September 1st. This adjustment will recalculate the Base Rate according to the average bycatch by members over the previous three week period (August 10-31). It seems likely that the inseason adjustment will raise the Base Rate substantially at this time, given that bycatch rates in recent years have tended to increase during the time period included in the re-adjustment (Figures 4-5, 4-6, 4-7).

4.3.1.2 Tier assignment based upon Base Rate

Once the Base Rate is established, cooperatives are placed into “tiers” based upon their percentage performance with respect to the base rate⁴. Tier status is determined by a coop’s “rolling two week” average bycatch rate. Closures are determined by Sea State based upon spatial information on “hot spot” bycatch areas.

Tier Assignment rates

- i. Tier 1 – cooperatives with bycatch rates less than 75% of Base Rate.
- ii. Tier 2 – cooperatives with bycatch rates equal to or greater than 75% of the Base Rate and equal to or less than 125% of the Base Rate.
- iii. Tier 3 – cooperatives with bycatch rates greater than 125% of the Base Rate.

4.3.1.3 Impacts of assignment to tier

Cooperatives are subject to savings closures based upon their tier assignments. Cooperatives assigned to Tier 1 are not constrained by savings closures. Cooperatives assigned to Tier 2 are subject to savings closures for 4 days; Friday at 6:00 pm to Tuesday at 6:00 pm. Cooperatives assigned to Tier 3 are subject to savings closures for 7 days; Friday at 6:00 pm to the following Friday at 6:00 pm.

Closures are determined by Sea State based upon spatial information on “hot spot” bycatch areas. Closure areas are rolling and are determined by Sea State based upon the bycatch rate within specified areas.

For “A” season Chinook, salmon savings area closures will begin on January 30th. This allows for 10 days of bycatch information since the start of the season on January 20th. All salmon bycatch by the members from the season opening date through January 29th will count toward the cooperatives’ tier status.

Beginning on January 30th, the salmon savings area closures for “A” season Chinook will be implemented under the following criteria:

1. Aside from the January 30th initial Savings Closures, Savings Closures are based on the salmon bycatch and pollock harvest for the four to seven day period, depending on data quality, immediately preceding each closure announcement.

⁴ For Chinook in “A” season and Chum in “B” season only. There are no tier assignments made under this alternative for “B” season Chinook.

2. Chinook bycatch in an area must exceed the Base Rate in order for the area to be eligible for a Savings Closure.
3. Pollock harvest in a potential Savings Closure area must be a minimum of 2% of the total fleet pollock harvest for the same time period in order to be eligible as a Savings Closure.
4. Current Savings Closures are exempt from the 2% minimum harvest rule described in item 3, above, and may continue as a Savings Closure if surrounding bycatch conditions indicate there has likely been no change in bycatch conditions for the area.
5. The Bering Sea is managed as a single region however Savings Closures west of 168° west longitude may not exceed 500 sq. miles in area.
6. Total Savings Closure area (east and west of 168° W. longitude) may be up to, but not exceed, 1000 sq. miles.
7. There may be up to two Savings Closure areas west of 168° W. longitude and two Savings Closure areas east of 168° W. longitude.
8. Closure areas will be described by a series of latitude and longitude coordinates and will be shaped as Sea State deems appropriate.

The 2% minimum harvest rule (described in item 3, above) is enacted in order to balance the need to focus upon concentrated fishing in high bycatch areas with the need to avoid rapidly closing down regions based upon a single bad tow. This also allows for more specified "surgical" closures in hot spot areas. One to two factory trawlers fishing in a specified location can easily achieve this 2% harvest threshold (John Gruver, pers. communication).

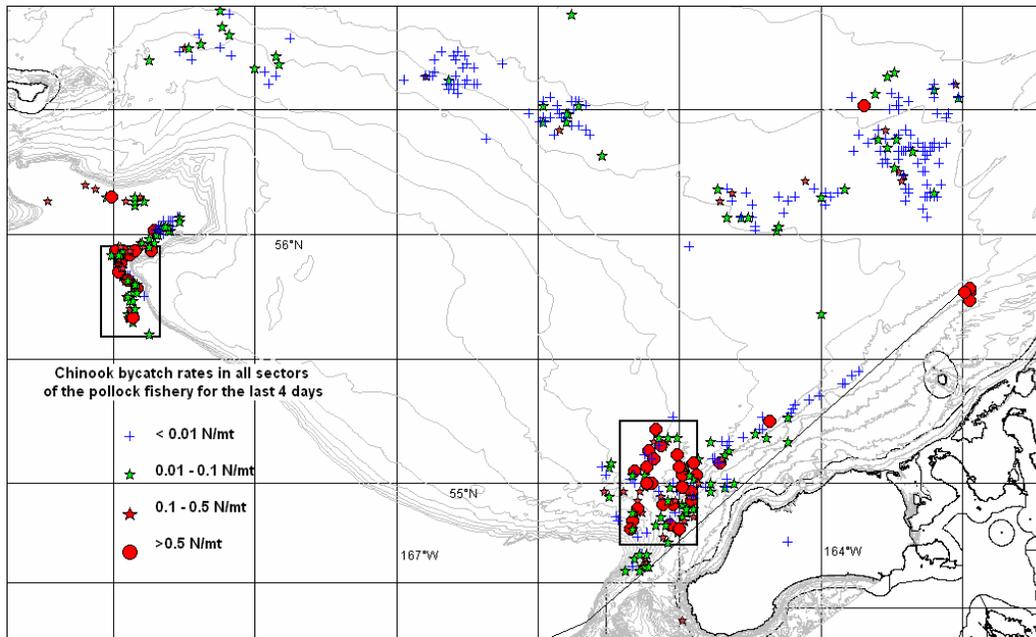
The split in the Bering Sea at 168° W. longitude (Eastern and Western Regions) is done in order to allow for discreet closures in smaller areas (or larger closures in larger areas) while still allowing for fishing opportunities. It is noted that larger closures may be necessary in the eastern region in order to more effectively move the fleet, while smaller, more discreet closures in the western region tend to be more effective while allowing for fishing opportunities.

Closure areas for Chinook may be up to 1000 square miles for Chinook. Bycatch for a specified area must be over the Base Rate for the area to be eligible as a Savings Closure area. Up to two Savings Closures may be established at any one time. Penalties for violating the closures are enacted in the form of liquidated damages which increase with repeat offenses.

An example of how closures are determined and specified on a weekly basis is provided below. As described above, closures may be up to 1000 square miles for Chinook, with up to two closures each to the east and west of 168° W. longitude.

Closure areas need not be large or regularly shaped. The area of the closure is intended to bracket the highest observed bycatch areas while allowing for maximum fishing opportunities. Figure 4-8 illustrates example closures for Chinook.

Figure 4-8 Example Chinook closure from February 2005



In Figure 4-8, two rectangular areas are closed totaling an area of approximately 900 square miles. The bycatch rates in these areas were approximately 0.150 and 0.143 salmon per mt of groundfish. In this example two cooperatives were restricted from fishing in the closed areas based on their tier assignments.

Figure 4-9 Example closure imposed in February 2004 for Chinook

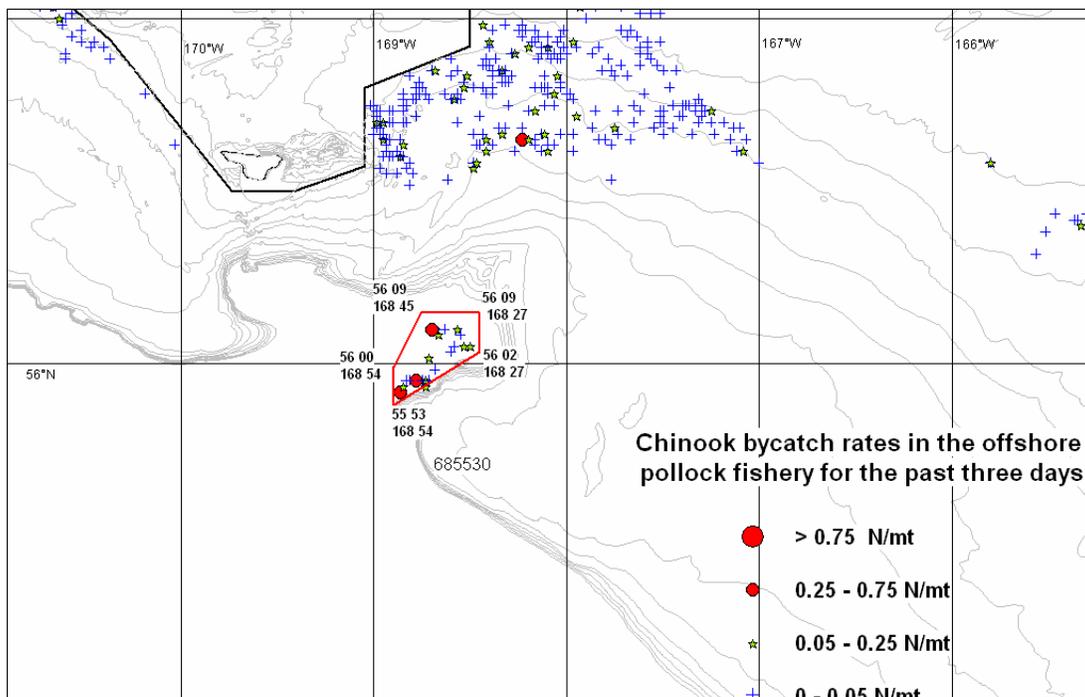


Figure 4-9 shows an irregularly shaped closure from February of 2004. Here the closure brackets the high bycatch area located near the mushroom area. The closure is an irregularly shaped polygon of

approximately 150 square miles. The average calculated bycatch rate in this area was 0.096 salmon per mt of groundfish. In this example all cooperatives were in Tier 1 and thus no cooperatives were closed out of this area. However, while no cooperatives were prohibited from fishing in the area delineated, the fleet often avoids these areas regardless so as not to raise their bycatch rates and cause the cooperative to elevate its tier level in the next round of tier calculation the following week (K. Haflinger, pers. communication).

More information on these closures and the specified example is provided in Appendix 3.

For “B” season, closures are determined according to the following criteria:

1. Savings Closures are based on the salmon bycatch and pollock harvest for the four to seven day period, depending on data quality, immediately preceding each closure announcement.
2. Salmon bycatch in an area must exceed the chinook and/or chum salmon Base Rate in order for the area to be eligible for a Savings Closure.
3. Pollock harvest in a potential Savings Closure area must be a minimum of 2% of the total fleet pollock harvest for the same time period in order to be eligible as a Savings Closure.
4. Current Savings Closures are exempt from the 5% minimum harvest rule described in item 3, above, and may continue as a Savings Closure if surrounding bycatch conditions indicate there has likely been no change in bycatch conditions for the area.
5. The Bering Sea will managed as 2 regions during the “B” season; a region east of 168° W. longitude (the Eastern Region) and a region west of 168° W. longitude (the Western Region).
6. Total Savings Closure area.
 - i. Chum salmon
 - a. The Eastern Region Savings Closures may cover up to 3000 sq. miles.
 - b. The Western Region Savings Closures may cover up to 1000 sq. miles.
 - ii. Chinook Salmon
 - c. The Eastern region Savings Closure may cover up to 500 sq. miles.
 - d. The Western Region Savings Closure may cover up to 500 Sq. miles
7. There may be up to two Savings Closure areas at any one time within each region.
8. Within a single region Savings Closures must be either a chum closure or a chinook closure, but not both. In the event Base Rates for both chum and chinook are exceeded within a region during a week, the Savings Closure within that region shall be a chinook closure. In this case, Sea State will issue a non-binding avoidance recommendation for the area of high chum bycatch.
9. Closure areas will be described by a series of latitude and longitude coordinates and will be shaped as Sea State deems appropriate.

For Chinook salmon during the “B” season there are no tier assignments made based upon the Base Rate. Instead, all closures that are instituted based on weekly rolling hot spots apply to all cooperatives. Thus these closures represent core closures for the entire fleet. The areas will change based upon existing bycatch management (rolling hot spots) but will apply to all vessels and all cooperatives throughout the entire “B” season. Core closures are instituted in the “B” season for Chinook for two reasons: 1) Chinook bycatch tends to increase by week in the “B” season and thus the “backward looking” system of imposing tier assignments and closures based on previous week’s bycatch rates is not adequately responsive to changing conditions in the fishery, and 2) the fishery is spread out over a larger area in the “B” season and conditions tend to change more rapidly than in the “A” season. These core closures suggested for the “B” season, are to apply unilaterally to all cooperatives.

For the “B” season, after June 10th bycatch information will be supplied to the fleet as chum and Chinook salmon bycatch begin to show up in the Fishery. Savings Closures will begin once an area with bycatch over the initial Base Rate is identified.

In cases where Chinook and chum rates are both over the Base Rate, the savings closure in that region will be a Chinook closure. This is due to the elevated conservation concerns with respect to western Alaskan Chinook stocks. The assumption is that based on available data, the Chinook species are more likely to be of western Alaskan origin, while it is presumed that a higher proportion of chum salmon are primarily of Asian origin.

4.3.1.4 Monitoring and enforcement considerations

Monitoring and enforcement of the bycatch agreement is done by Sea State using the Base Rate as a trigger for Savings Area closures and determining the Tier Assignment of the vessel.

Sea State will report announcements to the members on Thursdays (weekly announcements) and Mondays (Savings closures updates). Examples of closure announcements are found in Appendix 3. The Thursday announcements are effective at 6:00 pm on Friday and include the following:

1. Season update on pollock harvest and salmon bycatch by sector and in total for each species.
2. Each coop’s updated rolling 2-week bycatch rate for chum salmon and the associated tier status, closure start and stop times and dates for each region, and number of closure days in each region.
3. Savings Closures - coordinates and map with species notation.
4. Bycatch rates for each statistical area fished for each species
5. Updated “Dirty Twenty Lists” for each species.

Monday updates are effective at 6:00 pm Tuesday and include the following:

1. Season update on pollock harvest and salmon bycatch by sector and in total for each species.
2. Updated Savings Closures - coordinates and map with species notations
3. Bycatch rates for each stat area fished for each species.
4. Tier status reminder (where applicable).

“Dirty Twenty Lists” refer to lists which are published and made available to all members and include the 20 vessels with the highest Chinook (or chum) bycatch rates (over the Base Rate). Lists are published by highest rate by week, highest rate for the past 2 weeks, and highest rates for the season-to-date (see Appendix 3 for examples of “Dirty Twenty lists”). Only vessels with bycatch rates over the base rate appear on the list. Only vessels with more than 500 mt of groundfish catch are included in the season-to-date list. The season-to-date list is based on appearances on the weekly list. Accumulative points are assigned to vessels as they appear on the weekly list. Vessels in the number 1 slot on the weekly list receive 20 points, those in the number 2 slot receive 19 points and so on. The vessel’s points are totaled each week and the vessels with the 20 highest scores appear on the seasonal “Dirty Twenty list”. A vessel must have harvested over 500 mt of pollock before being eligible for the seasonal list.

Sea State will also provide additional hot-spot avoidance notices, outside of the savings closures, to the cooperatives as they occur throughout the season.

Many other considerations have been included under the Inter Cooperative Agreement in order to the member cooperative and CDQ groups to function under the AFA. See Appendix 2 for more details on additional provisions under the ICA.

The effectiveness of the bycatch management program under this alternative through the ICA is dependant upon gathering, analyzing and disseminating accurate Chinook and chum bycatch data rapidly. This is accomplished by a requirement under the agreement for all members' vessels to exercise all commercially reasonable efforts to report to Sea State within 24 hours the location of, estimated pollock tonnage of, and estimated number of Chinook and chum salmon in each trawl tow.

PCC may satisfy its obligation under this Section 3.a of the agreement by arranging to have its members' vessels' observer reports concerning Chinook bycatch transmitted to Sea State. MFC and High Seas may satisfy their obligations under this Section by arranging to have the pollock amounts and Chinook salmon counts for their members' vessels reported to Sea State by the observers on the processing vessels to which their members' vessels deliver. The Inshore Cooperatives shall arrange for their vessels to report the crew's best estimate of the amount of pollock and the number of Chinook salmon in the tow when reporting its location. Each Inshore Coop shall develop its own methods and means to accurately calculate (when feasible) or estimate the amount of pollock and the number of salmon contained in each tow by its members' vessels, and to rapidly and accurately report that information to Sea State.

Given that a Vessel Monitoring System (VMS) is the most efficient means for reporting tow-by-tow data to Sea State, the Inshore Cooperatives have agreed to encourage their members to use the VMS system to do so. However, it has been acknowledged by all of the cooperatives that in certain circumstances, it may be difficult to achieve accurate, reliable reporting through the VMS system, and that for vessels with relatively small pollock allocations, the cost of acquiring, installing and operating the VMS data transmission system may be higher than reasonable. Therefore, reporting bycatch information via the VMS system is not required.

Sea State will from time to time announce a Chinook or chum bycatch rate that will trigger an incident reporting requirement. Each cooperative shall require its members' vessels to notify their cooperative manager (if applicable), the intercooperative manager and, if feasible, Sea State as soon as possible of any tow with a Chinook (or chum) salmon bycatch rate that the crew estimates to be equal to or greater than the incident reporting rate threshold.

Enforcement of the agreement is accomplished through legal agreements between all members. There are two tiers of legal agreements. The top tier is an agreement among the 10 Bering Sea pollock cooperatives that sets forth the Voluntary Rolling Hot Spot system terms and conditions (the Inter Cooperative Agreement). The second tier comprises the membership agreements of all 10 cooperatives. The terms and conditions of the Inter Cooperative Agreement are described above (and included in Appendix 2). The terms and conditions of the cooperative membership agreements that are specifically related to enforcement of the VRHS system are as follows:

- A. Each member acknowledges that its vessel's operations are governed by the Inter Cooperative Agreement, and agrees to comply with its terms, as they may be amended from time to time.
- B. Each member authorizes the Board of Directors of its cooperative to take all actions and execute all documents necessary to give effect to the Inter Cooperative Agreement.
- C. Each member authorizes the Board of Directors of its cooperative to enforce the Inter Cooperative Agreement, and if the Board fails to do so within 30 days of receiving notice from Sea State that a cooperative member may have failed to comply with the Agreement, each member authorizes each of the Boards of Directors of each other pollock cooperative, each of the CDQ groups, Bering Sea Fishermen's Association and Yukon River Drainage Fishermen's

Association to individually or collectively take legal action to enforce the Inter Cooperative Agreement.

- D. Each member releases to Sea State its VMS tracking data, its vessel log books and its plotter data for purposes of determining its compliance with the Inter Cooperative Agreement, and agrees that in the event Sea State concludes that its vessel may have violated a hot spot closure, Sea State may deliver any and all of such data to the Boards of Directors, the CDQ groups, BSFA and YR DFA for purposes of enforcing the Agreement.
- E. Each member agrees that the information contained in the records identified in item D, above, shall be presumed accurate absent a clear and compelling demonstration otherwise, and shall be presumed sufficient to determine its compliance with the Inter Cooperative Agreement.
- F. Each member agrees that damages for violating the Inter Cooperative Agreement shall apply on a strict liability basis, regardless of a member's lack of knowledge of the violation or intent to violate the agreement.
- G. Each member agrees that actual damages for violating the agreement would be difficult to calculate, and therefore agrees to pay an amount per tow made in violation of the Intercooperative Agreement as the Board of Directors establishes from time to time as liquidated damages. Each member agrees to modify its skipper contracts to make its skipper(s) fully responsible for the liquidated damages that are assessed in connection with a breach of the agreement. Further, each member agrees that in the event a skipper fails to assume such assignment of liability, or in the event such assumption is deemed invalid, the member shall be liable for the full amount of such liquidated damages.
- H. The current penalties for Savings Closure violations are \$10,000 for the first violation in a year, \$15,000 for a second violation in the same year as the first, and \$20,000 for a third and subsequent violations in a year.
- I. Each member agrees that in connection with any action taken to enforce the Inter-coop Agreement, the prevailing party shall be entitled to the costs and fees it incurs in connection with such action, including attorneys' fees.
- J. Each member agrees that in addition to legal remedies, the Board of Directors of each cooperative, each of the CDQ groups, BSFA and YR DFA shall be entitled to injunctive relief in connection with the second and subsequent violations of the Inter-coop Agreement.

Penalties for savings closure violations as described in item H above will be designated for a research foundation (actual foundation to be determined). Any penalty money collected under the agreement will be contributed to this research foundation and specified for use in salmon stock identification research.

An important aspect of this agreement is the inclusion of the western Alaskan groups (YR DFA and BSFA) for compliance purposes of this agreement. Under the agreement as listed above, there are three primary means by which these groups are included in the ability to monitor and enforce the agreement. These are listed in items C, D and J, above. They have the legal ability to individually or collectively take legal action to enforce the agreement (item C). These groups also participate in the ability to request and obtain data from Sea State in cases where a violation of the cooperative agreement has occurred (item D). And finally, these groups are included in the ability to seek injunctive relief in the case of a violation of the agreement (item J).

4.3.1.5 Annual Performance Review

In order to respond to the request for an annual performance review by the Council, the inter-cooperative would produce a report to the Council which would contain the following:

1. Number of salmon taken by species and season
2. Estimate number of salmon avoided as demonstrated by the movement of fishing effort away from salmon hot-spots.
3. A compliance/enforcement report which will include the results of an internal compliance audit and an external compliance audit if one has been done.
4. List of each vessels number of appearances on the weekly dirty 20 lists for both salmon species
5. Acknowledgement that the Agreement term has been extended for another year (maintaining the 3 year lifespan) and report any changes to the Agreement that were made at the time of the renewal.

While calculating the number of salmon avoided cannot be done with absolute precision, an estimate will be provided for purposes of comparison with number of salmon caught by the fleet under the new system. This will be accomplished by calculating the number of salmon that the fleet would have caught in each “hot spot” had that area remained open for the time period of the voluntary hot spot closure. This is based upon the bycatch rate just prior to enactment of the closure and multiplied out by the cooperative’s vessels restricted from the area for the time period of the closure according to their individual tier classification.

4.3.2 Methodology for impact analysis

Given that this program is being proposed under this alternative and is not in effect now, methodology by which to evaluate the impacts of the program are qualitative in nature. The basis for comparison by which to evaluate how the fishery may perform under this alternative and the related impacts thereof is by the performance of the fishery under the current inter-cooperative agreement. While substantial changes have been made to the existing agreement in order to operate in the absence of regulatory closures, the basis mechanism by which hot spot management occurs remains similar.

The impact analysis discussion is focused primarily on the relative bycatch of Chinook and chum salmon.

4.3.3 Impacts on Chinook salmon:

Hot spot management has the potential to reduce incidental take of Chinook salmon stocks in the pollock fishery especially when this management is not constrained by the current system of regulatory closures. Examples of the enactment of closures based upon cooperative bycatch rates and their relative tier level (for 2004 and 2005) under the previous Inter Cooperative Agreement were shown in Sections 4.3.1.1 and 4.3.1.2.

The hot spot closure system for salmon under the previous agreement was first utilized in the 2003 “A” season. The closure system for Chinook in the “B” season was not begun until 2004, where core closures were utilized for that season. The agreement has since been modified according to the details as listed for improved bycatch management. It is difficult therefore to use data from the previous years to judge absolutely the efficacy of the system. Not only was it not utilized consistently over both “A” and “B” seasons, but the inclusion in the past of the stand-down period may have complicated the ability of the ICA in the past to effectively reduce Chinook bycatch. Modifications to the agreement were made to specifically address improved bycatch reduction. An additional complication in evaluating the previous bycatch cooperative agreement’s performance as a measure of the future performance, is the fact that in the past this has been complicated by the necessity to adhere to the regulatory closures. The necessary movement of the fleet away from regulatory closures has complicated the ability of the ICA to effectively move the fleet to areas of lower bycatch.

An important modification of the revised ICA under alternative three is the removal of the stand-down period for Chinook. In previous years the ICA for the “A” season for Chinook included a stand down provision whereby 40% of the Chinook limit had to be taken prior to the initiation by Sea State of any hot spot closures. This stand-down provision was included regardless of what observed bycatch rates were, nor the tier levels of the cooperatives.

Under the revised agreement for Alternative 3, there is no stand down period. Bycatch accounting by cooperative occurs as soon as the fishery opens for the “A” season, and the first notice of closures (as described in Section 4.3.1) will transpire on January 30th. This will incorporate incidental catch in the fishery from the first day of the opening. This is anticipated to greatly increase the ability of management to move the fleet away from high bycatch areas.

In the past several years it has taken until approximately the second week in February to reach this 40% limit. For example, in 2003, this number was reached at the end of the reporting week of February 15 (15,441) for comparison, the previous week’s total was 10,184. In 2004, the 40% was reached during the week ending February 14 (12,150), while in 2005 it was reached at the end of the week of February 12 (11,496).

Core closures in the “B” season are another major modification to the ICA under Alternative 3 than the way the agreement was managed in the past. Under core closures, hot spot closures for Chinook in the “B” season apply to all vessels in all cooperatives regardless of their bycatch rate or the tier structure within which the cooperatives fall. In this way the hot spots are closed to all fishing for pollock. The closures still rotate weekly, but are applicable to everyone. If tiers were utilized, the concern is that given the more dispersed fishery, most if not all boats would be in Tier 1 and thus the closures would not affect the fleet. While areas under core closures are closed to the entire fleet, alternative fishing grounds are available and the fleet still retains sufficient fishing opportunities.

Core closures are not considered at this point in the “A” season due to the high value of the fishery (roe fishery) and the potential that imposing core closures would then cause a disincentive to utilize experimental means of avoiding salmon such as with salmon excluder devices on the trawl nets. Fishing is more spatially and temporally spread out in the “B” season thus core closures can be used without excessive economic impacts on the fleet. However in the “A” season fishing is in smaller spatial regions and of a shorter temporal nature and core closures would cause economic hardship on the fleet and reduce the relative value of the fishery.

Management of the hot spots and fishery behavior under Alternative 3 is tied to the Base Rate calculation. How this rate is calculated is the critical aspect in how the closures are enacted and which cooperatives are impacted. The Base Rate calculation is described in Section 4.3.1.1. The range of acceptable base rates were agreed upon by the members of the ICA and are generally based upon historical bycatch rates. In order to establish the Base Rate according to present conditions, the inseason adjustment was added to the agreement (as different from the agreement in the previous years). Thus if salmon bycatch (and presumably abundance) is high, the Base Rate will be adjusted inseason to accommodate this while if it is low it will also be readjusted to accommodate that fact.

Once concern may be the ability of the fleet to inflate the Base Rate arbitrarily and thus avoid the enactment of closures by staying below an artificially high rate. The ability to inflate the Base Rate deliberately would likely require the cooperation of all of the cooperatives or at the very least a large majority of them. The Base Rate is calculated as an average of the entire fleet’s bycatch, thus all of the incidentally caught salmon divided by all of the pollock caught to date. It is extremely unlikely that a widespread “conspiracy” could be arranged in order to artificially raise the Base Rate such that every

cooperative remained in tier 1 all season. If such a conspiracy were organized it is more likely that cooperatives would not comply and in their own self-interest retain clean fishing to ensure that they would remain in tier 1 regardless of the behavior of the other cooperatives.

Under alternative 3, bycatch rates for Chinook salmon are anticipated to decrease with the potential for more flexible and responsive fleet management by the ICA under this alternative. Hot spot management has shown indications that it could represent a more dynamic real-time tool for managing rapidly changing and largely unpredictable situations such as with Chinook salmon bycatch in the BSAI pollock fishery. Therefore it is anticipated that Chinook bycatch will decrease under this alternative. Given the relatively small impact the current overall numbers of incidentally caught Chinook salmon in the BSAI Pollock trawl fishery to the overall population of Chinook salmon returns to rivers in western Alaska and elsewhere, and the possibility that under alternative 3 these will decrease, Alternative 3 is not considered to result in a significant impact to Chinook salmon stocks.

As with the discussion under Alternative 2, under alternative 3 if bycatch is not reduced substantially, there is still the risk that future bycatch in excess of the ESA cap could result in the imposition of restrictions on the BSAI trawl fleet under the ESA. It is unknown what the result of this consultation would be or how future incidental take caps for this fishery may be redefined following the results of the current consultation.

4.3.4 Impacts on chum salmon

Information as listed above for potential impacts on Chinook salmon apply equally for impacts to ‘other’ (chum) salmon. For ‘other’ salmon, hot spot management is applied in the ‘B’ season when bycatch is predictably highest. Hot spot management has the potential to reduce incidental take of chum salmon stocks in the pollock fishery, especially when this management is not constrained by the current system of regulatory closures. Examples of the enactment of closures based upon cooperative bycatch rates and their relative tier level (for 2004 and 2005) under the previous Inter Cooperative Agreement were shown in Sections 4.3.1.1 and 4.3.1.2. The in-season adjustment as described under 4.3.1.1 has the potential to provide additional protection to chum salmon stocks by possibly elevating the Base Rate at that time and forcing the fleet out of additional high bycatch areas.

The prohibited species limit for “other salmon” currently applies to all BSAI groundfish trawl fisheries, not just the pollock fishery. This alternative suspends the trigger limit for “other salmon”, and as a result the non-pollock trawl fisheries will consequently no longer be constrained in their catch of “other salmon”.

Table 4-3 illustrates the bycatch of “other salmon” in the trawl groundfish fisheries. Between 1998 and 2003, the pollock pelagic trawl fishery caught between 91 and 98% of all “other salmon” bycatch. Salmon bycatch by other trawl groundfish target fisheries ranged between 1000 and 4700 fish annually, during the same period. These fisheries are unlikely to have high salmon bycatch as they are bottom-trawl fisheries rather than mid-water fisheries. Bycatch may increase as the “other salmon” constraint is lifted and the fisheries no longer need to avoid salmon bycatch, but any increase is unlikely to represent a significant portion of the overall “other salmon” bycatch.

Table 4-3 “Other salmon” bycatch in the trawl groundfish fisheries, in 1000s of fish

Year	Pollock pelagic	Pollock bottom	Pacific cod	Flatfish targets	Rockfish	Atka mackerel	All longline targets	Total for all BSAI fisheries	Total for all trawl, excluding pollock pelagic
1998	46.6	3.2	.5	.4	.0	.5	.1	51.2	4.7
1999	44.2	.7	.0	1.1	.1	.5	.0	46.6	2.3
2000	56.6	.3	.1	.3	.0	.3	.0	57.6	1.0
2001	52.8	1.0	1.5	1.4	.2	.3	.1	57.4	4.4
2002	78.6	.4	.9	.6	.0	.0	.1	80.8	1.9
2003	190.9	1.8	1.0	.7	.0	.3	.0	194.7	3.8

Source: Hiatt et al. 2000, 2002, 2004; note: figures rounded to 100s.

Under alternative 3, bycatch rates for other salmon are anticipated to decrease with the potential for more flexible and responsive fleet management by the ICA under this alternative. Hot spot management has shown indications that it could represent a more dynamic real-time tool for managing rapidly changing and largely unpredictable situations such as with ‘other’ salmon bycatch in the BSAI pollock fishery. Therefore it is anticipated that ‘other’ salmon bycatch will decrease under this alternative. Given the relatively small impact the current overall numbers of incidentally caught chum salmon in the BSAI Pollock trawl fishery to the overall population of chum salmon returns to rivers in western Alaska and elsewhere, and the possibility that bycatch may decrease, Alternative 3 is not considered to result in a significant impact to chum salmon stocks.

4.3.5 Impacts on groundfish stocks

Alternative 3 would suspend the salmon savings areas, and instead allow the pollock cooperatives and CDQ groups to avoid salmon bycatch using their voluntary rolling hot spot closure system. CPUE of pollock is likely to increase under this alternative, as the cooperatives have increased flexibility to maximize CPUE. Incidental catch rates of other groundfish species may vary under the alternative, as fishing patterns change to respond to hot spot closures. Incidental catch rates inside and outside of the savings areas are unknown, however, incidental catch is low in the pollock fishery, as discussed in Section 3.6.

As described under Alternative 1, close monitoring of the pollock fishery, through the fishery observer program and other reporting mechanisms, should allow for accurate accounting of pollock and other groundfish species catch. Harvest of these species will be counted against each species’ total allowable catch (TAC). As a result, catch of all groundfish species is not likely to exceed acceptable levels under this alternative. Therefore, the impact on groundfish stocks is determined not to be significant.

4.3.6 Impacts on threatened or endangered species

Although fishing patterns may change under the alternative, as the pollock fishery is no longer mandatorily forbidden to fish in the established savings areas, the changes due to the alternative are unlikely to result in a significant change in the interaction between the fisheries and threatened or endangered species. To the extent that CPUE for pollock can be diminished under this alternative, by increasing the flexibility of the cooperatives to avoid salmon bycatch, interactions with seabirds and marine mammals should also decrease as the vessels spend less time catching their allocations. As discussed in Section 3.7, studies have indicated that very few ESA-listed Pacific salmon are caught in the BSAI groundfish fisheries. As a result, Alternative 3 is not considered to result in a significant impact to threatened or endangered species.

4.3.7 Impacts on the ecosystem

Alternative 3 is not likely to result in changes to the pollock fishery that are discernable at an ecosystem level. Under this alternative, the savings areas will be suspended, and a more flexible closure system will be put in place to avoid salmon bycatch. This may result in a decrease in salmon bycatch, and possibly a decrease in fishing effort as the cooperatives are able to catch pollock more efficiently. Reduced interactions between the pollock fishery and other components of the ecosystem may provide some benefit to the ecosystem, however the scale of these changes would be small. As a result, the ecosystem impacts of Alternative 3 are determined not to be significant.

4.3.8 Socio-economic impacts

A detailed analysis of Alternative 3 is presented in Section 5.6.3, as part of the analysis in the Regulatory Impact Review. Alternative 3 eliminates the BSAI salmon savings area closures but replaces them with a dynamic system of rolling hot spot closures and creates incentives for individual vessels to reduce salmon bycatch by penalizing the worst offenders. This alternative would likely reduce operational costs, improve vessel safety, and improve product quality. Alternative 3 also have the potential to reduce salmon bycatch more than the status quo management measures. If that potential were realized, Alternative 3 would reduce foregone value of salmon bycatch and increase the overall benefits of bycatch reduction. Alternative 3 also provides some mitigation possibilities for Western Alaska fishing organizations.

Alternative 3 would reduce management and enforcement costs for government agencies by transferring much of that cost to industry. However, the industry has volunteered to bear this cost in hopes of reducing operational costs associated with the status quo while at the same time attempting to reduce salmon bycatch. If bycatch is not reduced under alternative 3 and the Bering Sea pollock trawl fleet continues to exceed the ESA Chinook incidental take permit cap, unknown restrictions on the fleet could result.

4.3.9 Sub-option: Re-impose expedited closures

The suboption would re-impose a closure system of salmon savings areas which would be closed to directed pollock fishing once salmon bycatch limits were triggered. The salmon savings areas would not be the same as those currently in regulation, but instead would be based on the best available science regarding areas and timing of salmon abundance.

Although there are no specific criteria under which the Council would impose the suboption, it is likely that the Council would re-impose savings areas for one of two reasons. First the suboption would come into effect if salmon bycatch is not controlled under the Alternative 3 voluntary rolling hot spot closure system, and continues in the pollock fishery at current levels, regardless of the suspension of the savings areas. Secondly, the suboption might be reimposed if certain vessels are not complying with the ICA, and are not respecting the hotspot closures instituted by Sea State.

4.3.9.1 Regulatory constraints on expedited action

The ability of the Council to impose savings areas on an expedited basis may be constrained by regulatory requirements. Notice and comment rules for any change in regulation must follow the guidelines of the

Administrative Procedures Act (APA). General guidance from NOAA Fisheries has indicated that prior notice and comment (i.e., proposed and final rulemaking) for any change in regulations, including a reactivation of the Salmon Savings Areas, would be at best a 5-6 month process *following* the preparation of Council analyses and relevant decision-making (i.e., an EA/RIR/IRFA subject to initial and final review by the Council). Realistically, depending on other priorities of the Council and NOAA Fisheries, this may take considerably longer.

The APA contains provisions for a case-by-case waiver of prior notice and comment, in which case an action would effectively go directly to a final rule. In order for the waiver to be granted, the criteria to be met would be similar to those required for undertaking an emergency rule. This “good cause” exemption requires that it be established that the comment and notice period would be unnecessary, impracticable, or contrary to public interest.

4.3.9.2 Impacts of the suboption

The conditions that are likely to prompt the Council to implement the suboption, i.e., increased salmon bycatch either from non-compliant vessels or because the VRHS system is ineffective, are likely to provide the basis for a good cause exemption. These conditions would apply both if the Council adopts the suboption, but also if the Council decided at any time, as it has the authority to do, to initiate an action to reimpose savings areas on the pollock fishery.

The suboption does not allow the Council to reinstate the savings areas that are in regulation under Alternative 1, unless they are based on the best available science. Instead, the suboption would allow the Council at any point to call for the re-imposition of savings areas to be triggered by exceeding salmon bycatch cap. At that time, the Council would initiate an analysis to determine the geographic bounds and appropriate timing of salmon savings areas. This analysis would form the basis of the Council’s decision, and the Council’s action would then go through NOAA Fisheries rulemaking (and perhaps qualify for the good cause exemption) and be implemented. In the interest of expediency, and in anticipation of such a need, the Council has, under Amendment Package B (Section 2.4) initiated just such an analysis of alternative savings areas.

As a result, the suboption does not afford the Council any additional expediency. The Council may, at any time, decide to initiate an analysis to review the pollock fishery’s salmon bycatch, and to impose salmon savings areas to control that bycatch. The conditions likely to cause the Council to impose the suboption or initiate an analysis of savings areas regardless of the suboption would both be equally likely to merit the APA’s “good cause” exemption.

The sole impact of the suboption is to serve as a public announcement to the pollock fishery, that should the voluntary rolling hot spot closure system not be effective, the Council may re-impose savings areas. As the location and timing of said savings areas are not specified under the suboption, they would need to be defined and analyzed at the point that the Council chooses to implement the provisions of the suboption.

4.4 Cumulative Impacts

Analysis of the potential cumulative effects of a proposed action and its alternatives is a requirement of NEPA. Cumulative effects are those combined effects on the quality of the human environment that result from the incremental impact of the proposed action when added to other past, present, and reasonably foreseeable future actions, regardless of what Federal or non-Federal agency or person undertakes such other actions (40 CFR 1508.7, 1508.25(a), and 1508.25(c)). Cumulative impacts can result from

individually minor but collectively significant actions taking place over a period of time. The concept behind cumulative effects analysis is to capture the total effects of many actions over time that would be missed by evaluating each action individually. At the same time, the CEQ guidelines recognize that it is not practical to analyze the cumulative effects of an action on the universe but to focus on those effects that are truly meaningful.

The 2004 Final Alaska Groundfish Fisheries Programmatic Supplemental Environmental Impact Statement (Groundfish PSEIS; NMFS 2004b) assesses the potential direct and indirect effects of groundfish FMP policy alternatives in combination with other factors that affect physical, biological and socioeconomic resource components of the BSAI and GOA environment. To the extent practicable, this analysis incorporates the cumulative effects analysis of the Groundfish PSEIS, including the persistent effects of past actions and the effects of reasonable foreseeable future actions.

Beyond the cumulative impacts analysis documented in the Groundfish PSEIS, no additional past, present, or reasonably foreseeable cumulative negative impacts on the natural and physical environment (including fish stocks, essential fish habitat, ESA-listed species, marine mammals, seabirds, or marine ecosystems) except for Pacific salmon have been identified that would accrue from the proposed action. Cumulatively significant negative impacts on these resources are not anticipated with the proposed action because no negative direct or indirect effects on the resources have been identified.

There may be effects on the Bering Sea pollock fishery participants and on salmon stocks, and thus on the salmon fisheries and fishery-dependent communities, as a result of the proposed action in combination with other actions. These effects are discussed below.

4.4.1 Past and Present Actions

This section describes the effects of the BSAI Groundfish FMP and its amendments and other pertinent external factors that could contribute to potential cumulative impacts on the Bering Sea pollock fishery participants and salmon stocks. Past actions are evaluated to determine whether there are lingering effects that may still result in synergistic or incremental impacts when combined with the proposed action.

Pollock Fishery

The Groundfish PSEIS noted that the availability and consistency of data limits the ability to analyze the effects of past actions on the economic condition of selected sectors of the Alaska groundfish fishery. According to the Groundfish PSEIS, analyses are also limited by the difficulty of delineating the cause-and-effect relationships between multiple factors and the resultant economic effects. Many factors substantially affect the economic status of the Alaska groundfish fishery. Changes in markets, biological conditions and fishery management regulations can result in changes in the revenues and operating costs of firms participating in the fisheries as well as changes in fleet size and composition. Isolating the effects of a single factor is seldom possible. Nonetheless, this analysis has identified a number of actions that have contributed to the current economic status of the Bering Sea pollock fishery participants.

The mid- to late-1980s saw increased restrictions on the domestic groundfish fishery, due primarily to problems with incidental catches of non-target species. In 1983, the BSAI Groundfish FMP established a prohibited species catch policy for domestic fisheries and defined prohibited species to include crab, halibut, herring, crab, and salmon. In 1987, the Council established bycatch limitation zones for prohibited species and established limits on the amounts of PSC that could be taken. The salmon bycatch measures affecting the Bering Sea pollock fishery are discussed in Section 3.2.

A sequence of Steller sea lion protection measures that began in the 1990s limited the pollock harvests of the fleet. The measures closed some of the best fishing grounds for this target species, thereby adversely affecting the sector.

In 1998, Congress passed the American Fisheries Act (AFA), which limited the number of harvesting and processing vessels allowed to participate in the Bering Sea pollock fishery. The AFA also modified specific allocations of the Bering Sea pollock quota as follows: 10 percent to the western Alaska CDQ program, with the remainder allocated 50 percent to the inshore sector, 40 percent to the offshore sector and 10 percent to the mothership sector. Also included in the AFA was the establishment of the authority and mechanisms by which the pollock fleet can form fishing cooperatives. Finally, the AFA raised the standards for catch measurement and monitoring in the Bering Sea pollock fishery.

Disentangling the specific changes in the temporal and spatial dispersion of the eastern Bering Sea pollock fishery resulting from the sea lion management measures from those resulting from implementation of the AFA is difficult. The reduction of the capacity of the catcher/processor fleet resulting from the AFA reduced the rate at which the catcher/processor sector (allocated 36% of the eastern Bering Sea pollock TAC) caught pollock beginning in 1999, and the fleet as a whole in 2000. Because of some of its provisions, the AFA gave the industry the ability to respond efficiently to changes mandated for sea lion conservation that otherwise could have been more disruptive to the industry.

Salmon

The Groundfish PSEIS describes the past and present impacts on salmon stocks. Salmon catch in the groundfish fisheries (where, as a prohibited species, all salmon must be returned to the sea immediately), the commercial salmon fisheries, subsistence and sport fisheries, contributes to salmon mortality. Additionally, the health of the stocks is affected by competition from salmon mariculture and climatic variability.

The importance of commercial, subsistence, and recreational salmon harvests, both in terms of economic and cultural value, is discussed in Chapter 5.

4.4.2 Reasonably Foreseeable Future Actions

As discussed previously, a cumulative effects assessment should also identify reasonably foreseeable future events that are relevant to the proposed action, and should look at the incremental effect the proposed action might have if those reasonably foreseeable events occur. The focus must be on actions that are likely to occur or probable, rather than those that are merely possible. To identify actions within the purview of NOAA Fisheries and the Council that are sufficiently likely to occur (as opposed to “highly speculative” actions), this analysis examined authorized planning documents recently issued by the Council.

Pollock Fishery

Three reasonably foreseeable management actions relevant to this analysis were identified—the allocation of BSAI Pacific cod, protection of EFH in the Bering Sea, and a recent proposal by the Alaska Board of Fisheries to modify pollock closures for Steller sea lion protection in State waters.

The Groundfish PSEIS describes several factors external to the fishery management regime that have influenced the costs and revenues of harvesting sectors in the Alaska groundfish fishery and may continue to do so. These factors include foreign fishing, product prices, vessel fuel costs and market forces beyond

the region that affect the costs of insurance, labor, and so forth. While these external factors could have significant economic impacts on the participants in the Bering Sea pollock fishery in the future, a discussion of what those effects would be speculative.

Bering Sea/Aleutian Islands Pacific Cod Allocations

The Council is considering revising current allocations of BSAI Pacific cod among trawl, jig, and fixed gear that were implemented in 1997 (BSAI Groundfish FMP Amendment 46). The basis for determining sector allocations will be catch history as well as consideration of socio-economic factors. Sectors for which catch history will be calculated are as follows: AFA Trawl CPs; Non-AFA Trawl CPs; AFA Trawl Catcher Vessels; Non-AFA Trawl Catcher Vessels; Longline CPs; Longline Catcher Vessels $\geq 60'$; Pot CPs; Pot Catcher Vessels $\geq 60'$; Fixed Gear Catcher Vessels $<60'$; and Jig Catcher Vessels.

In the event that the BSAI Pacific cod ABC/TAC is apportioned between the BS and the AI management areas, the Council is also considering establishing a protocol that would continue to maintain the benefits of sector allocations and minimize competition among gear groups; recognize differences in dependence among gear groups and sectors that fish for Pacific cod in the BS and AI; and ensure that the distribution of harvest remains consistent with biomass distribution and associated harvest strategy.

Anticipated Effects

Allocations adjusted to better reflect historic use by sectors will reduce uncertainty and provide stability for participants in the BSAI Pacific cod fishery who have made significant investments and have a long-term dependence on the resource.

Measures to Minimize Fishing Effects on Bering Sea Essential Fish Habitat

As noted in the discussion of past and present actions, the Council took action in February 2005 to conserve EFH in the AI and GOA from potential adverse effects of fishing. At that time, the Council also took action to initiate an expanded analysis of alternatives to minimize the effects of fishing on EFH in the Bering Sea, and conduct an assessment of gear modification that tiers off of the EFH FEIS. The analysis will include the existing alternative in the EFH FEIS, an alternative to leave the rolling closure area open, and options to the closed areas south of Nunivak Island and north of the Bogoslof Area, as well as other alternatives to be developed.

Anticipated Effects

Measures to minimize the effects of fishing in the Bering Sea could have a negative economic effect on certain harvesting sectors in the Alaska groundfish fishery, including the participants in the Bering Sea pollock fishery, by reducing the harvest of target species and/or increasing operating costs. Because specific measures have not yet been identified and their effects evaluated, the economic impacts are uncertain.

Aleutian Islands Pollock Fishery in State Waters

In November 2002, the Alaska Board of Fisheries adopted the same Steller sea lion protection measures for the State parallel groundfish fisheries in the AI as were established for Federal fisheries. However, in March 2005, the Alaska Board of Fisheries considered a proposal to revise pollock closures for Steller sea lion protection in State waters of the Aleutian Islands from 170° to 180° W. longitude, in State waters of the Western Gulf of Alaska from 157° to 163° W. longitude, and in the Cook Inlet Management Area between 149° and 150° W. longitude to allow harvesting of pollock. The State would not actively manage the harvests in the pollock fisheries in State waters; rather, ADF&G would treat these fisheries similar to

other parallel fisheries through the annually issued global emergency order—the Federal government would manage harvests against Federally-established TACs and allocations, open and close seasons, establish gear restrictions, etc.

The Alaska Board of Fisheries has deferred this proposal to the October 2005 work session of the Board for further action. In addition, the Board intends to refer the proposal to the Board/Council joint protocol committee for discussion and coordination with the NPFMC.

Anticipated Effects

An alteration of the pollock closures in State waters to allow harvesting of pollock may trigger the need to conduct a formal re-consultation under section 7 of the Endangered Species Act. The outcome of a consultation is uncertain, but a “jeopardy opinion” could result in additional fishing restrictions on certain harvesting sectors in the Alaska groundfish fishery, including participants in the Bering Sea pollock fishery.

Salmon

The Alaska Board of Fisheries is charged with setting policy and direct for the management of the state’s fishery resources including salmon. The Board of Fisheries’ main role is to conserve and develop the fishery resources of the state. This involves setting seasons, bag limits, methods and means for the state’s subsistence, commercial, sport, guided sport. The board is also charged with making allocative decisions. The Board of Fisheries meets four to six times per year in communities around the state to consider proposed changes to fisheries regulations around the state. The board uses the biological and socioeconomic information provided by the Alaska Department of Fish and Game, public comment received from people inside and outside of the state, and guidance from the Alaska Department of Public Safety and Alaska Department of Law when creating regulations that are sound and enforceable. The board considers changes to regulations on a region-based schedule that occurs every three years. The fisheries include subsistence, sport, guided sport, personal use, and commercial. A call for proposals for the Alaska Peninsula/Aleutian Island areas as well as the Arctic-Yukon-Kuskokwim Areas was in 2003/3004. The next time proposals for these areas may be submitted is 2006/2007.

Currently, there appears to be no impending future regulatory or management action for salmon that would likely impact the proposed action under this amendment.

4.4.3 Summary of Cumulative Effects

The analysis of past actions affecting the Bering Sea pollock fishery participants and salmon stocks show that since the mid-to late-1980s saw increased restrictions, due primarily to problems with incidental catches of non-target species. A sequence of Steller sea lion protection measures limited the pollock harvest by closing some of the more productive fishing grounds, thereby adversely affecting the sector. Congress, in 1998, passed the American Fisheries Act, which restricted access to the Bering Sea pollock fishery and allocated Bering Sea pollock between different components of the pollock fleet and the western Alaska CDQ program. The AFA also authorized the development of fishing cooperatives among the pollock fleet. Finally, the AFA raised the standards for catch measurement and monitoring for the Bering Sea pollock fishery.

In recent years, the Bering Sea pollock fishery participants could incorporate Pacific cod allocations into their cooperatives, but at the same time could face some additional fishing restrictions. The Council is considering revising the current allocations of BSAI Pacific cod among trawl, jig, and fixed gear that

were implemented in 1997. These allocations are expected to reduce uncertainty and provide stability for participants in the BSAI Pacific cod fishery, which includes participants from the Bering Sea pollock fishery. In February 2005, the Council took action to conserve EFH in the AI and GOA from potential adverse affects of fishing. These measures could have a negative economic effect on participants in the Bering Sea pollock fishery, by reducing the harvest of target species and/or increasing operating costs. Finally, the Alaska Board of Fisheries in March 2005 are considering a proposal to revise pollock closures for Steller sea lion protection in State waters for the Aleutian Islands, in State waters of the Western Gulf of Alaska, and in the Cook Inlet Management Area to allow harvesting of pollock. This action could trigger the need to conduct a formal re-consultation under section 7 of the Endangered Species Act. The outcome of consultation is uncertain, but a “jeopardy opinion” could result in additional fishing restrictions on the Bering Sea pollock fishery.

With the possible exception of the BSAI Pacific cod allocations, the reasonably foreseeable future actions cited above may have some negative effects (to some degree) on the economic performance of the Bering Sea pollock fishery participants. The cumulative effects of all actions—past, present, and future—are toward an increasingly restrictive regulatory environment resulting in lower harvests and gross revenues and/or higher operating costs.

Chapter 5 Regulatory Impact Review

5.1 Introduction

This Regulatory Impact Review (RIR) examines the costs and benefits of a proposed regulatory amendment to change salmon bycatch reduction measures in the Bering Sea and Aleutian Islands (BSAI) area. The proposed changes include eliminating Chinook and chum salmon savings areas and/or implementing an industry operated and funded “voluntary rolling hot spot” management system in their place.

5.2 What is a Regulatory Impact Review?

The preparation of an RIR is required under Presidential Executive Order (E.O.) 12866 (58 *FR* 51735: October 4, 1993). The requirements for all regulatory actions specified in E.O. 12866 are summarized in the following Statement from the E.O.:

In deciding whether and how to regulate, agencies should assess all costs and benefits of available regulatory alternatives, including the alternative of not regulating. Costs and Benefits shall be understood to include both quantifiable measures (to the fullest extent that these can be usefully estimated) and qualitative measures of costs and benefits that are difficult to quantify, but nonetheless essential to consider. Further, in choosing among alternative regulatory approaches agencies should select those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity), unless a statute requires another regulatory approach.

E.O. 12866 requires that the Office of Management and Budget (OMB) review proposed regulatory programs that are considered to be “significant.” A “significant regulatory action” is one that is likely to:

- Have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, local or tribal governments or communities;
- Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;
- Materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or
- Raise novel legal or policy issues arising out of legal mandates, the President’s priorities, or the principles set forth in this Executive Order.

5.3 Statutory Authority

Under the Magnuson-Stevens Act, the United States has exclusive fishery management authority over all marine fishery resources found within the exclusive economic zone (EEZ). The management of these marine resources is vested in the Secretary of Commerce (Secretary) and in the Regional Fishery Management Councils. The groundfish fisheries in the EEZ off Alaska are managed under the Fishery Management Plan (FMP) for Groundfish of the BSAI.

Statutory authority for measures designed to reduce bycatch is specifically addressed in Sec. 600.350 of the Magnuson-Stevens Act. That section establishes National Standard 9—Bycatch, which directs the Councils to minimize bycatch and to minimize mortality of bycatch when it cannot be avoided. Additional discussion of National Standard 9 and other provisions of the Magnuson-Stevens Act and consistency with applicable law and policy are presented in Chapter 7 of this EA/RIR/IRFA.

5.4 Purpose and Need for Action

To comply with bycatch provisions of the Magnuson-Stevens Act, the Council amended the BSAI Groundfish FMP several times to enact and modify savings area closures (see Section 3.2) based upon the best available information at that time. Recently, Chinook and chum bycatch have been elevated well above the regulatory closure limits and the fleet has been displaced into other regions when the salmon savings areas have closed. Alternative measures are being sought to reduce salmon bycatch at this time.

5.4.1 Market failure rationale

The OMB guidelines for analysis under E.O. 12866 state that

in order to establish the need for the proposed action, the analysis should discuss whether the problem constitutes a significant market failure. If the problem does not constitute a market failure, the analysis should provide an alternative demonstration of compelling public need, such as improving governmental processes or addressing distributional concerns. If the proposed action is a result of a statutory or judicial directive, that should be so stated.⁵

Groundfish that are the target of the BSAI trawl fisheries and the salmon bycatch these fisheries take are both common property resources. However, both are subject to systems of stock and allocation management. These management systems include forms of ownership of access and/or harvest allocation privileges. Trawl vessels operating in the BSAI Groundfish fisheries do not have ownership or access privileges to salmon. Similarly, salmon harvesters operating in the waters of and off Alaska do not have ownership or access privileges to groundfish.

Bycatch of salmon in the BSAI trawl fisheries reduces the common property pool of the salmon resource. Such reductions may reduce the targeted catch, and thereby the revenue, of salmon harvesters who have ownership of salmon access privileges (e.g. Alaska Limited Entry permits). This may, over time, reduce the value of salmon access ownership privileges. The market, however, has no mechanism by which groundfish harvesters compensate salmon harvesters for such losses. Thus bycatch reduction measures are imposed to reduce, to the extent practicable, this market failure. The goal of the action considered in the RIR is to improve salmon bycatch reduction in the BSAI trawl fisheries and thereby to further mitigate the effects of market failure.

⁵ Memorandum from Jacob Lew, OMB director, March 22, 2000. “Guidelines to Standardize Measures of Costs and Benefits and the Format of Accounting Statements” Section 1.

5.5 Alternatives Considered

The alternatives under consideration are discussed in detail in Chapter 2 of this EA/RIR/IRFA. That discussion also considers alternatives that have been considered but have been eliminated from the current analysis (Section 2.4).

5.5.1 Alternative 1: No action

Alternative 1 maintains the existing regulatory measures for Chinook and Chum salmon savings area closures as described in section 3.2.

5.5.2 Alternative 2: Eliminate the Regulatory Salmon Savings Area Closures

Under Alternative 2, the catch limits for the Bering Sea subarea trawl Chinook and BSAI trawl chum salmon would be eliminated, and would no longer trigger savings area closures. The annual closure of the Chum Salmon Savings Area would also be eliminated. Salmon would remain a prohibited species under this (and all) alternatives.

5.5.3 Alternative 3: Suspend the Regulatory Salmon Savings Area Closures and Allow Pollock Cooperatives and CDQ groups to Utilize Their Voluntary Rolling Hot Spot Closure System to Avoid Salmon Bycatch.

Under Alternative 3, the catch limits for the Bering Sea subarea trawl Chinook and BSAI trawl chum salmon would be suspended, and would no longer trigger savings area closures. The annual closure of the Chum Salmon Savings Area would also be suspended. The suspension will go into effect so long as the pollock cooperatives and CDQ groups have in place an effective salmon bycatch voluntary rolling “hot spot” (VRHS) closure system to avoid salmon bycatch.

A full discussion of the VRHS closure system, the Inter Cooperative Agreement (ICA), and how the fleet would be organized within this system, is contained in Section 4.3.1.

5.5.4 Suboption to Alternative 3: Re-impose Regulatory Salmon Savings Area Closures if Reported Non-compliance with Agreement Merits Expedited Action.

Under this suboption, the Council may recommend re-imposition of the regulatory salmon savings area closures on an expedited basis if the situation merits this recommendation. The ICA managers will report to the Council immediately if there is non-participation or non-compliance without effective enforcement action under the VRHS system. In that event, the Council may recommend re-imposition of the regulatory salmon savings area closures on an expedited basis. If the regulatory closure area system is reinstated, it is the Council’s intent that the closure areas be based on the most recent information available and if the analysis of Amendment Package B’s Alternative 1 supports the approach, with regular adjustments.

5.6 Analysis of the Alternatives

This analysis of Alternatives addresses the potential costs and benefit of the alternatives on the BSAI trawl pollock fishery. Section 3.6 of this EA/RIR/IRFA provides a brief summary of relevant characteristics of the fishery. A detailed description of the fishery can be found in the *Alaska Groundfish*

Fisheries Final Programmatic Supplemental Environmental Impact Statement (Groundfish PSEIS; NMFS 2004b) Sections 3.1-3.5 of this EA/RIR/IRFA present the necessary background to this analysis of alternatives and will not be repeated here.

5.6.1 Alternative 1

Alternative 1 is the no-action alternative (status quo). This alternative is the baseline alternative against which the costs and benefits for action alternatives have been estimated. This alternative would leave the existing Chinook and chum salmon bycatch reduction measures in place in the BSAI trawl fisheries.

Foregone Value of Bycatch

The origin of salmon⁶ taken as bycatch in the Bering Sea includes rivers in western Alaska, Southcentral and Southeast Alaska, Asia, British Columbia and Washington (Witherell et al. 2002). Recent genetic stock studies in the Bering Sea have looked at the origin and distribution of chum salmon (Urawa et al. 2004; Moongeun et al. 2004). Results indicated that the estimated stock composition for maturing chum salmon was 70% Japanese, 10% Russian and 20% North American stocks, while immature fish were estimated as 54% Japanese, 33% Russian, and 13% North American (Urawa et al. 2004). Stock composition of North American fish was identified for Northwest Alaska, Yukon, Alaskan Peninsula/Kodiak, Susitna River, Prince William Sound, Southeast Alaska/Northern British Columbia and Southern British Columbia/Washington State. Of these the majority of mature chum salmon for North America stocks came from Southern BC/Washington State and Alaska Peninsula/Kodiak (Urawa et al. 2004). For immature chum salmon, the largest contribution for North American stocks came from Southeast Alaska/Northern BC, followed by Alaska Peninsula/Kodiak and Southern BC/Washington State.

A study completed in 2003 estimated age and stock composition of Chinook salmon in the 1997-1999 BSAI groundfish fishery bycatch samples from the NMFS observer program database (Myers et al. 2004). Results indicated that bycatch samples were dominated by younger (age 1.2) fish in summer and older (age 1.3 and 1.4) fish in winter (Myers et al. 2004). The stock structure was dominated by western Alaskan stocks, with the estimated stock composition of 56% Western Alaska, 31% Central Alaska, 8% Southeast Alaska-British Columbia and 5% Russia. In the winter, age-1.4 western Alaskan Chinook were primarily from the subregions of the Yukon and Kuskokwim. In the fall, results indicated that age-1.2 western Alaskan Chinook were from subregions of the Kuskokwim and Bristol Bay with a large component of Cook Inlet Chinook salmon stocks as well (Myers et al. 2004).

Evaluating the foregone potential commercial and/or subsistence value of salmon bycatch is problematic. Information on the natal origin of salmon bycatch (see above) indicates a wide distribution of natal origin, both within and outside of Alaska. Further, the proportion that would survive to reach their natal streams, were they not captured as bycatch, is not completely known. The proportion of salmon bycatch that might escape to spawning grounds (i.e. not be harvested) is also not known. Given these uncertainties, it is difficult to determine where these salmon might have been caught and how many might have been caught in commercial or subsistence fisheries. Therefore, it is difficult to determine what price, or subsistence value, they might bring and what market they might enter.

In order to provide some estimate of potentially foregone value, this analysis presents a worst-case scenario of assuming all salmon would reach Alaska natal streams and be harvested. Given the wide distribution of natal streams of origin within Alaska, statewide average weight and statewide average price has been used to estimate foregone value. These estimates are shown in Table 5-1.

⁶ Section 3.5 provides much greater detail on salmon stock origin.

Table 5-1 Foregone Value of Salmon Bycatch in BSAI Pollock Trawl Fisheries (1000s).

Year	Chinook Bycatch	Chinook lbs.	Chinook Value	Other Bycatch	Other lbs.	Other Value
1999	10.2	174.2	\$340	44.2	396.5	\$71
2000	4.1	69.0	\$115	56.6	502.6	\$136
2001	30.1	522.5	\$894	52.8	441.9	\$150
2002	34.2	562.9	\$760	78.6	676.7	\$129
2003	46.3	752.4	\$986	190.9	1328.7	\$252

Sources: Table 3.1 and price and weight data from <http://www.cf.adfg.state.ak.us/geninfo/finfish/salmon/salmhome.php>

Table 5-1 shows that the potentially foregone value of salmon bycatch has increased dramatically over the past several years. Chinook value increased from \$115 thousand in 2000 to nearly \$1 million in 2003. Chum value nearly doubled from \$136 thousand to \$252 thousand during the same time period. These estimates greatly overstate the actual harvest that might have occurred if salmon bycatch had not been taken in the Bering Sea pollock trawl fishery.

Operational costs

The current geographical boundaries of the BSAI Chinook and chum salmon savings areas are depicted in Figures 3-3 and 3-4 of this EA/RIR/IRFA. A review of the closure areas and distribution of fishing effort shows that they are large areas that lie between the primary port of Dutch Harbor and the fishing grounds utilized by the fleet when these areas are closed. A further consideration is that these areas can be closed simultaneously.

When the savings areas are closed fishing effort is sometimes pushed to the distant (from Dutch Harbor) edges of the closure area. As a result, Catcher Vessels (CVs) and Catcher processors (CPs) must travel a considerably longer distance from port to fish and must avoid the large closure areas. If they are actively fishing at the time of a closure they must relocate outside of the area. This increases their operational costs of fuel consumption, crew accommodation (food etc.) and opportunity costs of time spent in travel mode rather than in fishing mode.

These operational cost increases are likely more severely felt by the CVs as they must return to port to offload their catch to shoreside processors frequently. CPs face similar operational cost increases for relocation of fishing effort. However, they are not required to return to port as frequently as CVs.

Vessel Safety

Although large and highly capable vessels prosecute the BSAI trawl fishery, much of the fishery is conducted during the fall and winter months when the Bering Sea can be extremely rough and the salmon savings areas closures can occur. The closures can force fishing effort to the distant edges of the closure areas, potentially exposing vessels to more difficult conditions and longer run times to seek shelter in port if conditions are extremely bad. Under such conditions, there is heightened potential for crew injury and vessel damage. These impacts would be most likely felt by CVs operating in the Catcher Vessel Operational Area (CVOA).

Quality

Longer run times to port during salmon savings area closures translate into quality reductions for product delivered by CVs to dockside. Groundfish must be processed within a relatively short period of time after

harvest. Assuming groundfish catch rates remain similar outside the closure areas as those within the closure areas, the added time from harvest to processing would be the increased running time from the distant edges of the closure areas to port. If, however, groundfish catch rates are lower outside of the closure area, then additional fishing time will be required to fill the hold. The result would be longer times from harvest to processing for the first fish caught on the trip. This impact would be worse in times of bad weather.

Increased time of harvest and running time can lead to reductions in quality. Reduced quality can, in turn, result in reduced ex-vessel price, increased processing costs, reduced yield, elimination of high valued product forms, and reduced final product value. These effects translate into revenue reductions for vessels and processing plants as well as cost increases for processing plants. One processor in the region has reported a dramatic reduction in grade and value of surimi and the inability to process fillets due to low quality during the times when the salmon savings area closures are in effect.⁷

Management and Enforcement Costs

Management and enforcement of the BSAI Chinook and chum salmon savings area closures bears some administrative costs. Such costs include staff time and resources needed to monitor bycatch and issue closure notices as needed. All vessels in the affected fleet are 100% observed and are required to operate Vessel Monitoring Systems (VMS) that automatically detect whether they violate a closure area. Enforcement costs are thus minimized, unless a suspected violation results in investigative costs.

Endangered Species Act, Section 7 Consultation

Under the status quo alternative, the 2004 trawl fishery exceeded the current Endangered Species Act (ESA) incidental take permit cap of 54,000 Chinook salmon. This triggered an ESA Section 7 Consultation that is ongoing. The outcome of the consultation is not yet determined. Thus, potential changes to the incidental take permit and/or restrictions on the Bering Sea pollock trawl fishery resulting from the consultation are not known. However, there is a risk, under the status quo, that the incidental take permit cap could be exceeded again in 2005 and perhaps in future years. This would result in further ESA Section 7 consultations. Thus, the need to protect ESA listed Columbia/Snake river salmonids may necessitate future restrictions on the BSAI trawl fishery. The type and magnitude of any such restrictions are unknown at this time. Thus, costs associated with such actions cannot be presently defined. However, the risk of such actions warrants consideration here.

Bycatch Reduction Benefits

The BSAI chum and Chinook salmon savings areas were enacted to reduce salmon bycatch in the trawl fisheries. The salmon savings areas were developed to incorporate the areas with the highest salmon bycatch rates observed at the time, and during the times of the year, when salmon were found to be in greatest abundance in the areas. While it is not possible to predict reductions in salmon bycatch brought about by these closures, it is likely that some reduction in bycatch has been realized through these closures over the past several years. Such reductions in bycatch translate into benefits to commercial, subsistence, and possibly even recreational harvesters in the areas of natal origin of the salmon bycatch. In recent years, however, a dramatic increase in BSAI trawl bycatch of Chinook and chum salmon has occurred. Table 5-1 above documents the foregone value of that bycatch as a "cost" associated with the status quo alternative. There may be several explanations for this dramatic salmon bycatch increase. It is possible that ocean abundance of salmon in the BSAI has increased. However, it is also possible that the

⁷ Dr. Greg Peters, Alyeska Seafoods Corp. via Personal Communication with John Gruver on May 18, 2005.

boundaries and timing of salmon area closures are no longer as effective as they once may have been. Data on bycatch rates (see section 4.1) show that salmon bycatch rates for the portion of the trawl fleet operating outside the closure areas is sometimes higher than observed for the Community Development Quota (CDQ) trawl fleet operating inside the closure areas. This suggests that the benefits of the existing system of salmon bycatch reduction measures may be in decline and the system may not be working as well as in the past.

5.6.2 Alternative 2

Alternative 2 eliminates the BSAI Chinook and chum salmon savings areas and their associated bycatch reduction measures. However, Alternative 2 does not replace these measures with other salmon bycatch reduction measures in the Bering Sea pollock trawl fishery. The result, assuming the current bycatch reduction measures have been in any way successful, would be higher rates of Chinook and chum salmon bycatch in this fishery. Thus, the benefits associated with bycatch reduction under the status quo (Alternative 1) discussed above may be lost under this alternative.

Many of the costs identified under the status quo alternative would be eliminated under Alternative 2. With elimination of the savings areas, and associated closures, the industry would be able to fish in a much greater area of the Bering Sea and would not bear the costs of avoiding the areas. This would likely result in reduced operational costs for both CPs and CVs, reduced CV trip costs, potentially improved vessel safety, improved quality of CV harvest, associated reductions in shoreside processing costs and improved revenue for CVs and shoreside plants. Management and enforcement costs associated with the closure areas would be eliminated. However, observer coverage would presumably remain the same. These effects are essentially the opposite of what is occurring under the status quo for these cost categories.

Not all costs associated with the status quo would be expected to decrease under alternative 2. The costs associated with foregone salmon harvests in the commercial and subsistence salmon fisheries in and off Alaska would be expected to increase if salmon bycatch increases. It is not possible to predict the magnitude of such increases. Nor is it possible to accurately predict what proportion of salmon bycatch would eventually be caught in commercial and/or subsistence fisheries in and off Alaska were it not captured in the BSAI trawl fisheries. Thus, it is not possible to quantify the potentially foregone commercial and subsistence salmon value associated with increased bycatch under this alternative.

Another “cost” that may be expected to increase under this alternative, as compared to the status quo, is the risk of future restrictions being placed on the BSAI trawl fisheries if Chinook salmon bycatch continues to exceed the Chinook salmon incidental take cap under the Endangered Species Act (ESA). The current ESA Chinook incidental take cap is set at 54,000 Chinook salmon. This cap was exceeded under status quo management in 2004 and has triggered an ESA section seven consultation.

Under Alternative 2, there is the risk that, in the absence of any salmon bycatch reduction measures, future bycatch in excess of the ESA cap could result in the imposition of restrictions on the BSAI trawl fleet under the ESA. The cost to industry of such actions cannot be predicted but there is clearly a risk that such costs could be incurred, should Alternative 2 be adopted, the ESA Chinook cap is exceeded again in the future, and ESA section 7 consultation finds that restrictions are necessary.

5.6.3 Alternative 3

Alternative 3 would eliminate the current suite of salmon bycatch reduction measures in the Bering Sea pollock trawl fishery and replace it with an industry operated “voluntary rolling hot spot”(VRHS) management system. The proposed system is quite complex and is centered on a contractual legal agreement between the members of the American Fisheries Act (AFA) Cooperatives. A full discussion of the VRHS closure system, the Inter Cooperative Agreement that implements it (ICA), and how the fleet would be organized within this system is contained in Section 4.3. Several key elements are important to mention here.

The ICA is structured based upon a coops’ bycatch rate as compared with a pre-determined “Base Rate”. Once the Base Rate is determined all provisions for fleet behavior, closures and enforcement are based upon the proportion of the coops rate to the Base Rate. Tier assignments are calculated from the coops’ proportional bycatch rate to the Base Rate with higher tiers corresponding to higher bycatch rates. These tiers then determine how access to specific areas will be determined following designation of “hot spot” closures. These areas are to be avoided by coops in higher tiers.

Foregone Value of Bycatch

The discussion of foregone value of bycatch presented for the status quo (Alternative 1) provides a worst-case scenario estimate of the foregone value occurring under current salmon bycatch reduction measures. A comparison of this alternative with the status quo would require an estimate of bycatch levels expected to occur under the VRHS system. However, the VRHS system incorporates several variables that are not presently known and/or will change during the fishing year. These include the base rate, tier assignment, as well as the size and location of rolling closure areas. Further, the VRHS does not appear to contain a provision to restrict salmon bycatch to a defined cumulative level via either an intended level (soft cap) or a mandated level (hard cap). Thus, it is not possible to determine whether foregone value of bycatch would be expected to increase, decrease, or stay the same under this alternative as compared to the status quo.

The VRHS system does, however, attempt to more effectively reduce bycatch by restricting vessels that have the greatest bycatch rates while not restricting lower tier vessels to the same extent. This change essentially replaces a strict “command and control” restriction that applies to all vessels regardless of their bycatch rates with a variable system that creates incentives to reduce salmon bycatch. Restrictions are imposed on those vessels that have the highest bycatch rates thereby creating the potential to reduce bycatch more effectively by “penalizing” the worst offenders. The system also has the potential to more effectively reduce bycatch because closures are dynamic and change with observed incidences of high bycatch. This contrasts with the static closures of the status quo that were developed based on historic bycatch rates. These static closures may not currently be as effective at reducing bycatch as dynamic closures

The ICA and VRHS also create the potential for some level of mitigation of foregone commercial and/or subsistence value for Western Alaska communities. The ICA includes the Bering Sea Fishermen’s Association and the Yukon River Delta Fishermen’s Association as third party participants. These groups are given some ability to enforce the provision of the ICA on its participants via legal action (see section 4.3). As such, the ICA provides some mitigation potential to these groups and thereby to the Western Alaska communities their members reside in.

In theory, this system may be more effective at reducing bycatch than the strict “command and control” system imposed under the status quo. Thus, this system has the potential to be a more effective bycatch reduction tool than the status quo management system, while at the same time likely reducing overall

costs to industry. Thus, the value of foregone commercial and/or subsistence harvest of salmon bycatch may decrease under this alternative.

Management and Enforcement Costs

This alternative would transfer all salmon bycatch management and enforcement responsibilities, and associated costs, to the AFA pollock cooperatives and their designated contractor “Sea State.” Given the variable and unknown nature of many key parts of the VRHS (base rate, tier assignment, closure size and location) it is not possible to quantify the cost to industry of this system. However, it must be noted that the industry has volunteered to bear this cost in hopes of reducing operational costs associated with the status quo while at the same time attempting to reduce salmon bycatch. It is also important to note that many of the participants in the new VRHS are currently participating in a “hot spot” system and will not likely bear additional expense.

Operational costs

The removal of large salmon savings area closures and their replacement by more discrete VRHS closures is likely to reduce operational costs. The vessels with the highest bycatch rates will be restricted from “hot spots” and these closure areas will be dynamic. The result will be that vessels with low bycatch rates will be allowed access to productive fishing grounds that would likely be closed under the status quo. For this reason, operational costs for such vessels, and the fleet overall, are likely to be reduced under this alternative as compared to the status quo.

Vessel Safety

The removal of large salmon savings area closures and their replacement by more discrete VRHS closures is likely to improve vessel safety by allowing fishing closer to port. Vessel safety is likely to improve under this alternative as compared to the status quo.

Quality

The removal of large salmon savings area closures and their replacement by more discrete VRHS closures is likely to improve product quality for the CV fleet and for shoreside processors. The hot spot closures likely will not apply to all CVs and will allow fishing closer to port. Run times to and from the fishing ground are likely to be reduced. The fleet will also have greater flexibility to locate concentrations of groundfish in areas that are closed under the status quo, thereby reducing time spent fishing. The result of these changes is that the CV fleet will likely be able to deliver fish to shoreside processors more quickly. This, in turn, will likely improve ex-vessel revenue, improve final product quality and associated revenue, and reduce shoreside processing costs.

Endangered Species Act, Section 7 Consultation

A “cost” that may be expected to increase under this alternative, as compared to the status quo, is the risk of future restrictions being placed on the BSAI trawl fisheries if Chinook salmon bycatch continues to exceed the Chinook salmon incidental take cap under the Endangered Species Act (ESA). The current ESA Chinook incidental take cap is set at 54,000 Chinook salmon. This cap was exceeded under status quo management in 2004 and has triggered an ESA section seven consultation.

Under Alternative 3, there is the risk that, future bycatch in excess of the ESA cap could result in the imposition of restrictions on the BSAI trawl fleet under the ESA. The cost to industry of such actions

cannot be predicted but there is clearly a risk that such costs could be incurred, should Alternative 3 be adopted, the ESA Chinook cap is exceeded again in the future, and ESA section 7 consultation finds that restrictions are necessary.

Bycatch Reduction Benefits

Data on bycatch rates (see section 4.1) show that salmon bycatch rates for the portion of the trawl fleet operating outside the status quo closure areas is sometimes higher than observed for the Community Development Quota (CDQ) trawl fleet operating inside the status quo closure areas. This suggests that the benefits of the existing system of salmon bycatch reduction measures may be in decline and the system may not be working as well as in the past.

The VRHS system essentially replaces the strict “command and control” restriction of the status quo with a variable system that creates incentives to reduce salmon bycatch. Thus, this alternative has the potential to more effectively reduce salmon bycatch, and associated benefits of such reductions, in the BSAI AFA pollock trawl fishery.

5.6.4 Alternative 3: Suboption:

This sub-option could result in reversion to the present status quo, where attainment of salmon bycatch limits trigger closure of salmon savings areas. However, salmon savings areas would be amended based on new information. As a result, this suboption, may improve bycatch reduction, and associated benefits, versus the status quo. However, the suboption may impose similar operational cost increases and quality reductions on the industry as the status quo closures presently do. Perhaps the greatest benefit of this suboption is that it increases the incentive for industry to reduce salmon bycatch rates under the voluntary rolling hot spot closure system.

5.7 Summary of Analysis of Alternatives

Alternative 1, the status quo, has resulted in dramatic increases in salmon bycatch in the Bering Sea pollock trawl fishery in recent years. This translates into foregone salmon value, assuming full terminal harvest of salmon bycatch, of nearly \$1 million for Chinook and more than \$250 thousand for chum in 2003. These values greatly overstate the actual harvest that might have occurred if salmon bycatch had not been taken in the Bering Sea pollock trawl fishery. Unfortunately, it is not possible to accurately estimate actual harvest value. However, the dramatic increases in salmon bycatch under the status quo likely translate into increases in forgone value and decreased benefits of bycatch reduction. The status quo also bears some risk of future restrictions on the Bering Sea pollock trawl fleet as a result of exceeding the ESA Chinook incidental take permit cap.

Alternative 1 also imposes increased operational costs on the trawl fleet when the salmon savings areas are closed and may adversely affect vessel safety. The closures are also having a detrimental effect on product quality for the CV fleet. The decreased quality appears to have reduced product grade, eliminated fillet production in some cases, and increased shoreside processing facility costs. Alternative 1 also results in some management and enforcement costs to administer the closures and monitor vessel locations.

Alternative 2 would eliminate the salmon savings closure areas altogether. The result would likely be reduced operational costs, improved vessel safety, improved product quality, and reduced management and enforcement costs. However, in the absence of any bycatch reduction measures this alternative may result in further increase in salmon bycatch in the Bering Sea pollock trawl fishery. Were that to occur,

the foregone value of such bycatch would increase and the associate benefits of bycatch reduction would decrease, possibly dramatically. This could also result in the Bering Sea pollock trawl fleet significantly exceeding the ESA Chinook incidental take permit cap.

Alternative 3 eliminates the BSAI salmon savings area closures but replaces them with a dynamic system of rolling hot spot closures and creates incentives for individual vessels to reduce salmon bycatch by penalizing the worst offenders. This alternative would likely reduce operational costs, improve vessel safety, and improve product quality. Alternative 3 also have the potential to reduce salmon bycatch more than the status quo management measures. If that potential were realized, Alternative 3 would reduce foregone value of salmon bycatch and increase the overall benefits of bycatch reduction. Alternative 3 also provides some mitigation possibilities for Western Alaska fishing organizations.

Alternative 3 would reduce management and enforcement costs for government agencies by transferring much of that cost to industry. However, the industry has volunteered to bear this cost in hopes of reducing operational costs associated with the status quo while at the same time attempting to reduce salmon bycatch. If bycatch is not reduced under alternative 3 and the BSAI pollock trawl fleet continues to exceed the ESA Chinook incidental take permit cap, unknown restrictions on the fleet could result. The suboption to Alternative 3 increases the incentive for industry to realize bycatch reductions under the alternative.

5.8 Summary of the Significance Criteria

A “significant regulatory action” under E.O. 12866 means any action that is likely to result in a rule that will:

- Have an annual effect on the economy of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities;
- Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;
- Materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights and obligations of recipients thereof; or
- Raise novel legal or policy issues arising out of legal mandates, the President’s priorities, or the principles set forth in the executive order.

Although the available data do not allow a specific calculation of the net effect on operational revenues or costs, the analysis contained in this RIR has demonstrated that the action alternatives affecting the Bering Sea pollock trawl fishery likely reduce operational costs but may impose some management costs on industry. Given that industry has volunteered to undertake the proposed action, it is likely that industry expects that action to result in positive net benefits.

Based upon the best available information, these actions do not appear to have the potential to produce an annual effect on the economy of \$100 million or more, or “adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities.” The action proposed in Alternatives 2 and 3 would not be expected to meet or exceed the threshold for a “significant” action (as that term is defined in E.O. 12866), either individually or when taken together in any combination as Alternative 2.

Chapter 6 Initial Regulatory Flexibility Analysis

6.1 Introduction

This Initial Regulatory Flexibility Analysis (IRFA) evaluates the impacts, on small entities, of Alternatives designed to reduce salmon bycatch in the groundfish trawl fisheries in the Bering Sea and Aleutian Islands off Alaska.

This IRFA addresses the statutory requirements of the Regulatory Flexibility Act (RFA) of 1980, as amended by the Small Business Regulatory Enforcement Fairness Act (SBREFA) of 1996 (5 U.S.C. 601-612).

6.2 The Purpose of an IRFA

The Regulatory Flexibility Act (RFA), first enacted in 1980, was designed to place the burden on the government to review all regulations to ensure that, while accomplishing their intended purposes, they do not unduly inhibit the ability of small entities to compete. The RFA recognizes that the size of a business, unit of government, or nonprofit organization frequently has a bearing on its ability to comply with a Federal regulation. Major goals of the RFA are: (1) to increase agency awareness and understanding of the impact of their regulations on small business, (2) to require that agencies communicate and explain their findings to the public, and (3) to encourage agencies to use flexibility and to provide regulatory relief to small entities. The RFA emphasizes predicting impacts on small entities as a group distinct from other entities and on the consideration of alternatives that may minimize the impacts while still achieving the stated objective of the action.

On March 29, 1996, President Clinton signed the Small Business Regulatory Enforcement Fairness Act. Among other things, the new law amended the RFA to allow judicial review of an agency's compliance with the RFA. The 1996 amendments also updated the requirements for a final regulatory flexibility analysis, including a description of the steps an agency must take to minimize the significant economic impact on small entities. Finally, the 1996 amendments expanded the authority of the Chief Counsel for Advocacy of the Small Business Administration (SBA) to file *amicus* briefs in court proceedings involving an agency's violation of the RFA.

In determining the scope, or 'universe', of the entities to be considered in an IRFA, NMFS generally includes only those entities that can reasonably be expected to be directly regulated by the proposed action. If the effects of the rule fall primarily on a distinct segment, or portion thereof, of the industry (e.g., user group, gear type, geographic area), that segment would be considered the universe for the purpose of this analysis. NMFS interprets the intent of the RFA to address negative economic impacts, not beneficial impacts, and thus such a focus exists in analyses that are designed to address RFA compliance.

Data on cost structure, affiliation, and operational procedures and strategies in the fishing sectors subject to the proposed regulatory action are insufficient, at present, to permit preparation of a "factual basis" upon which to certify that the preferred alternative does not have the potential to result in "significant adverse impacts on a substantial number of small entities" (as those terms are defined under RFA).

Because, based on all available information, it is not possible to ‘certify’ this outcome, should the proposed action be adopted, a formal IRFA has been prepared and is included in this package for Secretarial review.

6.3 What is required in an IRFA?

Under 5 U.S.C., Section 603(b) of the RFA, each IRFA is required to contain:

- A description of the reasons why action by the agency is being considered;
- A succinct statement of the objectives of, and the legal basis for, the proposed rule;
- A description of and, where feasible, an estimate of the number of small entities to which the proposed rule will apply (including a profile of the industry divided into industry segments, if appropriate);
- A description of the projected reporting, record keeping and other compliance requirements of the proposed rule, including an estimate of the classes of small entities that will be subject to the requirement and the type of professional skills necessary for preparation of the report or record;
- An identification, to the extent practicable, of all relevant Federal rules that may duplicate, overlap or conflict with the proposed rule;
- A description of any significant alternatives to the proposed rule that accomplish the stated objectives of the proposed action, consistent with applicable statutes, and that would minimize any significant economic impact of the proposed rule on small entities. Consistent with the stated objectives of applicable statutes, the analysis shall discuss significant alternatives, such as:
 1. The establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities;
 2. The clarification, consolidation, or simplification of compliance and reporting requirements under the rule for such small entities;
 3. The use of performance rather than design standards;
 4. An exemption from coverage of the rule, or any part thereof, for such small entities.

6.4 What is a small entity?

The RFA recognizes and defines three kinds of small entities: (1) small businesses, (2) small non-profit organizations, and (3) small government jurisdictions.

Small business. Section 601(3) of the RFA defines a ‘small business’ as having the same meaning as ‘small business concern’, which is defined under Section 3 of the Small Business Act. ‘Small business’ or ‘small business concern’ includes any firm that is independently owned and operated and not dominant in its field of operation. The SBA has further defined a “small business concern” as one “organized for profit, with a place of business located in the United States, and which operates primarily within the United States or which makes a significant contribution to the U.S. economy through payment of taxes or use of American products, materials or labor... A small business concern may be in the legal form of an individual proprietorship, partnership, limited liability company, corporation, joint venture, association, trust or cooperative, except that where the firm is a joint venture there can be no more than 49 percent participation by foreign business entities in the joint venture.”

The SBA has established size criteria for all major industry sectors in the United States, including fish harvesting and fish processing businesses. A business involved in fish harvesting is a small business if it is independently owned and operated and not dominant in its field of operation (including its affiliates) and if it has combined annual receipts not in excess of \$3.5 million for all its affiliated operations worldwide. A seafood processor is a small business if it is independently owned and operated, not dominant in its field of operation, and employs 500 or fewer persons on a full-time, part-time, temporary, or other basis, at all its affiliated operations worldwide. A business involved in both the harvesting and processing of seafood products is a small business if it meets the \$3.5 million criterion for fish harvesting operations. Finally, a wholesale business servicing the fishing industry is a small business if it employs 100 or fewer persons on a full-time, part-time, temporary, or other basis, at all its affiliated operations worldwide.

The SBA has established “principles of affiliation” to determine whether a business concern is “independently owned and operated.” In general, business concerns are affiliates of each other when one concern controls or has the power to control the other, or a third party controls or has the power to control both. The SBA considers factors such as ownership, management, previous relationships with or ties to another concern, and contractual relationships, in determining whether affiliation exists. Individuals or firms that have identical or substantially identical business or economic interests, such as family members, persons with common investments, or firms that are economically dependent through contractual or other relationships, are treated as one party with such interests aggregated when measuring the size of the concern in question. The SBA counts the receipts or employees of the concern whose size is at issue and those of all its domestic and foreign affiliates, regardless of whether the affiliates are organized for profit, in determining the concern’s size. However, business concerns owned and controlled by Indian Tribes, Alaska Regional or Village Corporations organized pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601), Native Hawaiian Organizations, or Community Development Corporations authorized by 42 U.S.C. 9805 are not considered affiliates of such entities, or with other concerns owned by these entities solely because of their common ownership.

Affiliation may be based on stock ownership when, (1) a person is an affiliate of a concern if the person owns or controls, or has the power to control 50 percent or more of its voting stock, or a block of stock which affords control because it is large compared to other outstanding blocks of stock, or (2) if two or more persons each owns, controls or has the power to control less than 50 percent of the voting stock of a concern, with minority holdings that are equal or approximately equal in size, but the aggregate of these minority holdings is large as compared with any other stock holding, each such person is presumed to be an affiliate of the concern.

Affiliation may be based on common management or joint venture arrangements. Affiliation arises where one or more officers, directors, or general partners, controls the board of directors and/or the management of another concern. Parties to a joint venture also may be affiliates. A contractor and subcontractor are treated as joint venturers if the ostensible subcontractor will perform primary and vital requirements of a contract or if the prime contractor is unusually reliant upon the ostensible subcontractor. All requirements of the contract are considered in reviewing such relationship, including contract management, technical responsibilities, and the percentage of subcontracted work.

Small organizations. The RFA defines “small organizations” as any not-for-profit enterprise that is independently owned and operated and is not dominant in its field.

Small governmental jurisdictions. The RFA defines small governmental jurisdictions as governments of cities, counties, towns, townships, villages, school districts, or special districts with populations of fewer than 50,000.

6.5 Reason for considering the action

To comply with bycatch provisions of the Magnuson-Stevens Act, the Council amended the BSAI Groundfish FMP several times to enact and modify savings area closures (see section 3.2) based upon the best available information at that time. Recently, Chinook and chum bycatch have been elevated well above the regulatory closure limits and the fleet has been displaced into other regions when the salmon savings areas have closed. Alternative measures are being sought to reduce salmon bycatch at this time. Detailed descriptions of each alternative analyzed in this EA/RIR/IRFA can be found in Section 2.0.

6.6 Objectives of, and legal basis for, the proposed action.

Under the Magnuson-Stevens Act, the United States has exclusive fishery management authority over all marine fishery resources found within the exclusive economic zone (EEZ). The management of these marine resources is vested in the Secretary of Commerce (Secretary) and in the Regional Fishery Management Councils. The groundfish fisheries in the EEZ off Alaska are managed under the Fishery Management Plan (FMP) for Groundfish of the BSAI.

Statutory authority for measures designed to reduce bycatch is specifically addressed in Sec. 600.350 of the Magnuson-Stevens Act. That section establishes National Standard 9—Bycatch, which directs the Councils to minimize bycatch and to minimize mortality of bycatch when it cannot be avoided. Additional discussion of National Standard 9 of the Magnuson-Stevens Act and other applicable law are presented in Chapter 7.0 of this EA/RIR/IRFA.

The objectives of the proposed action are to reduce salmon bycatch in the Bering Sea pollock trawl fishery and to minimize the cost imposed on industry of management measures designed to reduce salmon bycatch.

6.7 Number and description of small entities regulated by the proposed action

The entities directly regulated by this action are those entities that harvest groundfish in the EEZ of the BSAI using trawl gear. These entities include the groundfish catcher vessels and groundfish catcher/processor vessels active in the area.

Fishing vessels, both catcher vessels (CVs) and catcher/processors (CPs), are small if their total gross receipts, from all their activities combined, are less than \$3.5 million in a year. Table 6-1 provides estimates of the numbers of catcher vessels and catcher/processors with less than \$3.5 million in gross revenues from groundfish fishing in the BSAI. These estimates overstate the numbers of small entities (and conversely, understate the numbers of large entities) for two reasons.

First, these estimates include only groundfish revenues earned from activity in the EEZ off Alaska. Since many of these vessels are also active in non-groundfish fisheries in the EEZ off of Alaska, in fisheries within Alaskan waters, and off the West Coast of the U.S., the reported groundfish revenues understate the total gross receipts for many of the vessels.

Second, as described in Section 6.4, the RFA requires a consideration of affiliations between entities for the purpose of assessing if an entity is small. The estimates in Table 6-1 and Table 6-2 do not take account of affiliations between entities. There is not a strict one-to-one correspondence between vessels and entities; many persons and firms are known to have ownership interests in more than one vessel, and

many of these vessels with different ownership, are otherwise affiliated with each other. The AFA pollock cooperatives in the BSAI are an important type of affiliation. One hundred and twelve of the BSAI CVs, and 21 CPs, were members of AFA coops in 2004, and therefore, “affiliated” for RFA purposes with the other operations in their respective co-op fleets (lists of American Fisheries Act CV and CP permits in 2004, accessed at <http://www.fakr.noaa.gov/ram/afa.htm> on November 5, 2004). indicates that, in 2003, there were perhaps as many as 116 small trawl CVs in the BSAI and 3 small trawl CPs. NMFS AKR records, cited above, indicate that 112 BSAI CVs were members of AFA cooperatives; all of these are large entities. Thus, four of the BSAI small trawl vessels appear to qualify as “small entities” once AFA affiliation is taken into consideration.

Table 6-2 indicates that, in 2003, there were perhaps as many as 6 large trawl CVs in the BSAI. These vessels belonged to the seven inshore cooperatives, in 2004 (AKR website cited above). Thus, for the purposes of the RFA, there were seven large CV entities, controlling 112 vessels. Table 6.2 shows that 37 large trawl CPs operated in the BSAI in 2004. Twenty-one CPs were issued AFA permits in 2004 (NMFS AKR website cited above). All of these are considered to be large entities for an RFA analysis.

Table 6-3 and Table 6-4 provide estimates of average gross revenues from groundfish production in the BSAI for small and for large CVs and CPs. Small CV trawlers in the BSAI had average revenue of \$1.19 million in 2004. Large CV trawlers in the BSAI had average revenue of \$4.43 million in 2004. Catcher/processors carry the equipment and personnel they need to process the fish that they themselves catch. In some cases CPs will also process fish harvested for them by CVs and transferred to them at sea. Small BSAI trawl CPs grossed revenue data is restricted due to confidentiality. Large BSAI trawl CPs had average gross revenue of \$17 million in 2004.

Table 6-1 Number of vessels that caught or caught and processed less than \$3.5 million ex-vessel value or product value of groundfish by area, vessel type and gear, 1998-2003.

	Gulf of Alaska			Bering Sea and Aleutian			All Alaska		
	Catcher Vessels	Catcher process	Total	Catcher Vessels	Catcher process	Total	Catcher Vessels	Catcher process	Total
1998									
All gear	973	21	994	243	41	284	1,052	41	1,093
Hook and line	708	15	723	75	29	104	726	29	755
Pot	188	1	189	70	7	77	231	7	238
Trawl	170	5	175	115	7	122	207	7	214
1999									
All gear	980	29	1,009	271	31	302	1,087	34	1,121
Hook and line	699	17	716	67	19	86	720	22	742
Pot	231	10	241	88	11	99	281	11	292
Trawl	159	3	162	123	4	127	203	4	207
2000									
All gear	987	16	1,003	269	30	299	1,134	32	1,166
Hook and line	716	8	724	79	17	96	746	18	764
Pot	252	5	257	88	10	98	302	11	313
Trawl	125	3	128	108	5	113	199	6	205
2001									
All gear	852	21	873	279	43	322	1,012	44	1,056
Hook and line	650	15	665	92	31	123	681	31	712
Pot	154	4	158	74	7	81	212	9	221
Trawl	119	4	123	117	6	123	195	7	202
2002									
All gear	781	20	801	247	32	279	909	33	942
Hook and line	619	13	632	78	24	102	633	24	657
Pot	127	4	131	59	5	64	169	6	175
Trawl	107	3	110	114	3	117	182	3	185
2003									
All gear	803	13	816	262	18	280	945	21	966
Hook and line	655	9	664	73	12	85	678	14	692
Pot	137	1	138	83	3	86	197	3	200
Trawl	93	3	96	116	3	119	163	4	167

Note: Includes only vessels that fished part of federal TACs.

Source: CFEC fish tickets, weekly processor reports, NMFS permits, Commercial Operators Annual Report (COAR), ADFG intent-to-operate listings. National Marine Fisheries Service, P.O. Box 15700, Seattle, WA 98115-0070.

Table 6-2 Number of vessels that caught or caught and processed more than \$3.5 million ex-vessel value or product value of groundfish by area, vessel type and gear, 1998-2003.

	Gulf of Alaska		Bering Sea and Aleutian			All Alaska		
	Catcher process	Total	Catcher Vessels	Catcher process	Total	Catcher Vessels	Catcher process	Total
1998								
All gear	26	26	0	58	58	0	58	58
Hook and line	7	7	0	14	14	0	14	14
Pot	0	0	0	1	1	0	1	1
Trawl	19	19	0	44	44	0	44	44
1999								
All gear	29	29	1	57	58	1	57	58
Hook and line	13	13	0	22	22	0	22	22
Pot	1	1	0	3	3	0	3	3
Trawl	15	15	1	36	37	1	36	37
2000								
All gear	28	28	4	58	62	4	58	62
Hook and line	13	13	0	26	26	0	26	26
Pot	0	0	0	2	2	0	2	2
Trawl	15	15	4	34	38	4	34	38
2001								
All gear	19	19	6	47	53	6	47	53
Hook and line	5	5	0	14	14	0	14	14
Trawl	14	14	6	33	39	6	33	39
2002								
All gear	23	23	10	54	64	10	54	64
Hook and line	10	10	0	18	18	0	18	18
Trawl	13	13	10	36	46	10	36	46
2003								
All gear	34	34	6	65	71	6	65	71
Hook and line	16	16	0	28	28	0	28	28
Pot	0	0	5	0	5	5	0	5
Trawl	18	18	6	37	43	6	37	43

Note: Includes only vessels that fished part of federal TACs.

Source: CFEC fish tickets, weekly processor reports, NMFS permits, Commercial Operators Annual Report (COAR), ADFG intent-to-operate listings. National Marine Fisheries Service, P.O. Box 15700, Seattle, WA 98115-0070.

Table 6-3 Average revenue of vessels that caught or caught and processed less than \$3.5 million ex-vessel value or product value of groundfish by area, vessel type and gear, 1998-2003. (\$ millions)

	Gulf of Alaska			Bering Sea & Aleutians			All Alaska		
	Catcher Vessels	Catcher process	Total	Catcher Vessels	Catcher process	Total	Catcher Vessels	Catcher process	Total
1998									
All gear	.15	1.77	.18	.44	1.63	.61	.16	1.63	.22
Hook and line	.08	1.59	.11	.18	1.57	.57	.08	1.57	.13
Pot	.11	-	.12	.24	.84	.29	.15	.84	.17
Trawl	.52	2.40	.57	.77	2.58	.88	.54	2.58	.61
1999									
All gear	.20	1.44	.23	.58	1.51	.68	.21	1.38	.25
Hook and line	.09	1.48	.12	.18	1.79	.53	.09	1.55	.13
Pot	.17	1.23	.21	.16	1.16	.27	.16	1.16	.20
Trawl	.77	-	.79	1.10	1.59	1.12	.79	1.59	.80
2000									
All gear	.16	1.33	.18	.67	1.34	.74	.24	1.34	.27
Hook and line	.11	1.24	.12	.23	1.60	.47	.10	1.53	.14
Pot	.16	1.03	.18	.16	.48	.19	.17	.62	.18
Trawl	.57	-	.61	1.40	1.72	1.41	.92	1.83	.95
2001									
All gear	.14	1.76	.18	.58	1.76	.74	.23	1.77	.30
Hook and line	.10	1.82	.14	.17	1.91	.61	.09	1.91	.17
Pot	.12	1.73	.16	.13	.86	.19	.12	1.17	.16
Trawl	.48	1.80	.52	1.18	1.93	1.22	.83	1.95	.87
2002									
All gear	.15	1.70	.18	.65	1.81	.78	.24	1.76	.30
Hook and line	.10	1.89	.14	.19	1.96	.61	.10	1.96	.17
Pot	.15	.38	.16	.18	.62	.22	.14	.52	.15
Trawl	.45	-	.51	1.18	-	1.22	.83	-	.86
2003									
All gear	.17	1.53	.19	.65	1.74	.72	.26	1.65	.29
Hook and line	.12	1.55	.14	.23	2.17	.50	.12	1.91	.15
Pot	.16	-	.16	.28	-	.30	.19	-	.20
Trawl	.57	-	.61	1.19	-	1.19	.93	1.45	.95

Notes: Includes only vessels that fished part of federal TACs. Categories with fewer than four vessels are not reported. Averages are obtained by adding the total revenues, across all areas and gear types, of all the vessels in the category, and dividing that sum by the number of vessels in the category.

Source: CFEC fish tickets, weekly processor reports, NMFS permits, commercial operators annual report (COAR), ADFG intent-to-operate listings. National Marine Fisheries Service, P.O. Box 15700, Seattle, WA 98115-0070.

Table 6-4 Average revenue of vessels that caught or caught and processed more than \$3.5 million ex-vessel value or product value of groundfish by area, vessel type and gear, 1998-2003. (\$ millions)

	Gulf of Alaska		Bering Sea & Aleutians			All Alaska		
	Catcher process	Total	Catcher Vessels	Catcher process	Total	Catcher Vessels	Catcher process	Total
1998								
All gear	6.41	6.41	-	8.64	8.64	-	8.64	8.64
Hook and line	4.46	4.46	-	4.51	4.51	-	4.51	4.51
Trawl	7.12	7.12	-	9.95	9.95	-	9.95	9.95
1999								
All gear	5.53	5.53	-	10.09	10.00	-	10.09	10.00
Hook and line	4.69	4.69	-	4.70	4.70	-	4.70	4.70
Trawl	6.36	6.36	-	13.23	13.00	-	13.23	13.00
2000								
All gear	6.57	6.57	4.66	10.72	10.33	4.66	10.72	10.33
Hook and line	4.82	4.82	-	5.09	5.09	-	5.09	5.09
Trawl	8.09	8.09	4.66	14.87	13.80	4.66	14.87	13.80
2001								
All gear	7.54	7.54	4.99	13.02	12.11	4.99	13.02	12.11
Hook and line	4.97	4.97	-	4.66	4.66	-	4.66	4.66
Trawl	8.45	8.45	4.99	16.57	14.78	4.99	16.57	14.78
2002								
All gear	6.96	6.96	4.91	12.76	11.54	4.91	12.76	11.54
Hook and line	4.28	4.28	-	4.25	4.25	-	4.25	4.25
Trawl	9.03	9.03	4.91	17.02	14.39	4.91	17.02	14.39
2003								
All gear	6.47	6.47	4.43	11.62	11.01	4.43	11.62	11.01
Hook and line	4.50	4.50	-	4.54	4.54	-	4.54	4.54
Pot	-	-	4.62	-	4.62	4.62	-	4.62
Trawl	8.21	8.21	4.43	16.98	15.23	4.43	16.98	15.23

Notes: Includes only vessels that fished part of federal TACs. Categories with fewer than four vessels are not reported. Averages are obtained by adding the total revenues, across all areas and gear types, of all the vessels in the category, and dividing that sum by the number of vessels in the category.

Source: CFEC fish tickets, weekly processor reports, NMFS permits, commercial operators annual report (COAR), ADFG intent-to-operate listings. National Marine Fisheries Service, P.O. Box 15700, Seattle, WA 98115-0070.

6.8 Impacts on Regulated Small Entities

Though there are very few small entities affected by this action, the impact on regulated small entities of both action alternatives are generally positive. The analysis of alternatives is presented in the RIR and the summary of effects is re-presented here. These effects will apply to all entities, large and small, operating in the Bering Sea pollock trawl fishery.

Alternative 1, the status quo, has resulted in dramatic increases in salmon bycatch in the Bering Sea pollock trawl fishery in recent years. This translates into foregone salmon value, assuming full terminal harvest of salmon bycatch, of nearly \$1 million for Chinook and more than \$250 thousand for chum in 2003. These values greatly overstate the actual harvest that might have occurred if salmon bycatch had not been taken in the Bering Sea pollock trawl fishery. Unfortunately, it is not possible to accurately estimate actual harvest value. However, the dramatic increases in salmon bycatch under the status quo likely translate into increases in forgone value and decreased benefits of bycatch reduction. The status

quo also bears some risk of future restrictions on the Bering Sea pollock trawl fleet as a result of exceeding the ESA Chinook incidental take permit cap.

Alternative 1 also imposes increased operational costs on the trawl fleet when the salmon savings areas are closed and may adversely affect vessel safety. The closures are also having a detrimental effect on product quality for the CV fleet. The decreased quality appears to have reduced product grade, eliminated fillet production in some cases, and increased shoreside processing facility costs. Alternative 1 also results in some management and enforcement costs to administer the closures and monitor vessel locations.

Alternative 2 would eliminate the salmon savings closure areas altogether. The result would likely be reduced operational costs, improved vessel safety, improved product quality, and reduced management and enforcement costs. However, in the absence of any bycatch reduction measures this alternative may result in further increase in salmon bycatch in the Bering Sea pollock trawl fishery. Were that to occur, the foregone value of such bycatch would increase and the associate benefits of bycatch reduction would decrease, possibly dramatically. This could also result in the Bering Sea pollock trawl fleet significantly exceeding the ESA Chinook incidental take permit cap.

Alternative 3 eliminates the BSAI salmon savings area closures but replaces them with a dynamic system of rolling hot spot closures and creates incentives for individual vessels to reduce salmon bycatch by penalizing the worst offenders. This alternative would likely reduce operational costs, improve vessel safety, and improve product quality. Alternative 3 also have the potential to reduce salmon bycatch more than the status quo management measures. If that potential were realized, Alternative 3 would reduce foregone value of salmon bycatch and increase the overall benefits of bycatch reduction. Alternative 3 also provides some mitigation possibilities for Western Alaska fishing organizations.

Alternative 3 would reduce management and enforcement costs for government agencies by transferring much of that cost to industry. However, the industry has volunteered to bear this cost in hopes of reducing operational costs associated with the status quo while at the same time attempting to reduce salmon bycatch. If bycatch is not reduced under alternative 3 and the BSAI pollock trawl fleet continues to exceed the ESA Chinook incidental take permit cap, unknown restrictions on the fleet could result. The suboption to Alternative 3 increases the incentive for industry to realize bycatch reductions under the alternative.

6.9 Recordkeeping and reporting requirements

Depending on the Alternative chosen, the subsequent proposed regulation may impose new recordkeeping or reporting requirements on the regulated small entities. This would be true for Alternative 3, which eliminates existing salmon bycatch prevention measures and replaces them with an industry funded and operated Voluntary Rolling Hot Spot (VRHS) closure system. Under the VRHS, vessels will be required to report bycatch and position data to an industry hired contractor. These activities could conceivably increase recordkeeping and reporting requirements for regulated small entities. However, the industry has volunteered to develop and participate in this system.

6.10 Federal rules that may duplicate, overlap, or conflict with proposed action

This analysis did identify Section 7 consultation under the Endangered Species act as a potential risk of future restrictions on the Bering Sea pollock trawl fishery. A consultation is ongoing at this time and the potential for future consultations has been considered in the analysis presented in the RIR.

6.11 Description of significant alternatives

Alternatives which have been considered by the Council for salmon bycatch management measures include new regulatory salmon savings area closures based upon updated information, and vessel bycatch accountability programs. In February 2005, the Council moved to bifurcate the analytical package which contained these alternatives such that the amendment package considered in this analysis might move forward on a faster track given the time lag in analyzing new closures and developing a vessel bycatch accountability program. In April 2005, the Council further moved that analysis of the two amendment packages, proposed Amendment 84 (this analysis) and Amendment Package B (described in section 2.4 of the EA) be initiated simultaneously, understanding that the analysis of Amendment Package B would take into 2006 before it was available for review by the Council.

Chapter 7 Consistency with Applicable Law and Policy

7.1 Magnuson-Stevens Act

7.1.1 National Standards

The Council's overarching mandate to guide it in managing bycatch is National Standard 9 which states:

Conservation and management measures shall, to the extent practicable, A) minimize bycatch and B) to the extent bycatch cannot be avoided, minimize the mortality of such bycatch

This amendment package is being considered to relieve the pollock pelagic trawl fishery of the requirement to fish outside of salmon savings areas as specified in regulations, when in fact fishing outside those areas may result in higher salmon bycatch. As a result, the proposed action is in accordance with the Council's mandate under National Standard 9.

7.1.2 Section 303(a)(9) – Fisheries Impact Statement

Section 303(a)(9) of the Magnuson-Stevens Act requires that any plan or amendment include a fishery impact statement which shall assess and describe the likely effects, if any, of the conservation and management measures on a) participants in the fisheries and fishing communities affected by the plan or amendment; and b) participants in the fisheries conducted in adjacent areas under the authority of another Council, after consultation with such Council and representatives of those participants taking into account potential impacts on the participants in the fisheries, as well as participants in adjacent fisheries.

The alternative actions considered in this analysis are described in Chapter 2 of this document. The impacts of these actions on participants in the fisheries and fishing communities are evaluated in the Regulatory Impact Review, Chapter 5.

7.2 Marine Mammal Protection Act

The alternatives analyzed in this action are not likely to result in any significant impacts to marine mammals.

7.3 Coastal Zone Management Act

This action is consistent with the Coastal Zone Management Act.

7.4 BSAI Groundfish FMP management policy

The Council proactively revised their BSAI Groundfish FMP (following action on the Groundfish PSEIS in 2004) and selected several policy-level objectives which reflect the Council's direction in the management of bycatch. These objectives are the following (from the BSAI Groundfish FMP):

Manage Incidental Catch and Reduce Bycatch and Waste:

14. Continue and improve current incidental catch and bycatch management program.
15. Develop incentive programs for bycatch reduction including the development of mechanisms to facilitate the formation of bycatch pools, vessel bycatch allowances, or other bycatch incentive systems.
16. Encourage research programs to evaluate current population estimates for non-target species with a view to setting appropriate bycatch limits, as information becomes available.
17. Continue program to reduce discards by developing management measures that encourage the use of gear and fishing techniques that reduce bycatch which includes economic discards.
18. Continue to manage incidental catch and bycatch through seasonal distribution of total allowable catch and geographical gear restrictions.
19. Continue to account for bycatch mortality in total allowable catch accounting and improve the accuracy of mortality assessments for target, prohibited species catch, and non-commercial species.
20. Control the bycatch of prohibited species through prohibited species catch limits or other appropriate measures.
21. Reduce waste to biologically and socially acceptable levels.

Further direction is provided by the Council's groundfish policy workplan under the general priority of "Bycatch Reduction" where item "c" states: "explore incentive-based bycatch reduction programs".

Suspending or eliminating the closure and relying upon the industry's incentive-based bycatch reduction program certainly fits under both the Council's approved policy workplan as well as several of the Council's objectives for managing incidental catch and reducing bycatch and waste.

Chapter 8 Consultation and Preparers

8.1 List of Persons and Agencies Consulted

NPFMC: David Witherell

NOAA Fisheries: David Ackley
Mary Furuness
Sue Salveson

NOAA GC: Jon Pollard

United Catcher Boats: Brent Paine, John Gruver

Sea State: Karl Haflinger

Mundt & McGregor: Joe Sullivan

8.2 List of Preparers

NPFMC: Diana Stram, project lead
Cathy Coon
Diana Evans
Jon McCracken

NOAA Fisheries: Scott Miller

Chapter 9 References

- [ADF&G] Alaska Department of Fish and Game. 1995a. Environmental Assessment/Regulatory Impact Review/Initial Regulatory Flexibility Assessment for Proposed Alternatives to Limit Chinook Salmon Bycatch in the Bering Sea Trawl Fisheries: Amendment 21b. Prepared by staffs of the Alaska Department of Fish and Game and the Alaska Commercial Fisheries Entry Commission. Juneau, AK.
- [ADF&G] Alaska Department of Fish and Game. 1995a. Environmental Assessment/Regulatory Impact Review/Initial Regulatory Flexibility Assessment for Proposed Alternatives to Reduce Chum Salmon Bycatch in the Bering Sea Trawl Fisheries: Amendment 35. Prepared by staffs of the Alaska Department of Fish and Game, The National Marine Fisheries Service and the North Pacific Fishery Management Council. Juneau, AK.
- Bukliss, L. 1994. Chum Salmon. <http://www.adfg.state.ak.us/pubs/notebook/fish/chum.php>
- Delaney, K. 1994. Chinook Salmon. <http://www.adfg.state.ak.us/pubs/notebook/fish/chinook.php>
- Eggers, D. 2004. "Historical Trends in Alaskan Salmon." In J. Boldt, ed., Ecosystem Considerations for 2005. North Pacific Fishery Management Council. 605 W 4th Ave, Suite 306, Anchorage, AK 99501. November 2004. pp. 131-137.
- ESRI. 2002. ARC/INFO – Geographic information systems program. Environmental Systems Research Institute, Inc. Redlands, CA.
- Hiatt, T. and J. Terry. 2004. "Time Trends in Bycatch of Prohibited Species. In J. Boldt, ed., Ecosystem Considerations for 2005. North Pacific Fishery Management Council. 605 W 4th Ave, Suite 306, Anchorage, AK 99501. November 2004. pp. 225-6.
- Hiatt, T., R. Felthoven, and J. Terry. 2000. Stock Assessment and Fishery Evaluation Report for the Groundfish Fisheries of the Gulf of Alaska and Bering Sea/Aleutian Island Area: Economic Status of the Groundfish Fisheries off Alaska, 1999. North Pacific Fishery Management Council. 605 W 4th Ave, Suite 306, Anchorage, AK 99501. November 2001. 99 pp.
- Hiatt, T., R. Felthoven, and J. Terry. 2002. Stock Assessment and Fishery Evaluation Report for the Groundfish Fisheries of the Gulf of Alaska and Bering Sea/Aleutian Island Area: Economic Status of the Groundfish Fisheries off Alaska, 2001. North Pacific Fishery Management Council. 605 W 4th Ave, Suite 306, Anchorage, AK 99501. November 2002. 120 pp.
- Hiatt, T., R. Felthoven, C. Seung, and J. Terry. 2004. Stock Assessment and Fishery Evaluation Report for the Groundfish Fisheries of the Gulf of Alaska and Bering Sea/Aleutian Island Area: Economic Status of the Groundfish Fisheries off Alaska. North Pacific Fishery Management Council. 605 W 4th Ave, Suite 306, Anchorage, AK 99501. November 2004. 132 pp.
- Ianelli, J., S. Barbeaux, G. Walters, T. Honkalehto, and N. Williamson. 2004. Eastern Bering Sea Walleye Pollock Stock Assessment. In Stock Assessment and Fishery Evaluation Report for the Groundfish Resources of the Bering Sea/Aleutian Island Regions. North Pacific Fishery Management Council. 605 W 4th Ave, Suite 306, Anchorage, AK 99501. November 2004. pp. 37-126.
- Johnson, J. K. 2004. Regional Overview of Coded Wire Tagging of Anadromous Salmon and Steelhead in North America. Regional Mark Processing Center, Pacific States Marine Fisheries Commission, 205 SE Spokane Street, Suite 100, Portland, OR 97202-6413.

- Moongeun, Y., V. Brykov, N. Varnavskaya, L.W. Seeb, S. Urawa, and S. Abe. 2004. Mitochondrial DNA analysis of genetic variation in the Pacific Rim populations of chum salmon. (NPAFC Doc. 792) 25 p. Graduate School of Fisheries Sciences, Hokkaido University, 3-1-1 Minato, Hakodate 041-8611, Japan.
- Myers, K., R.V. Walker, N.D. Davis and J.L. Armstrong. 2004. High Seas Salmon Research Program, 2003. SAFS-UW-0402, School of Aquatic and Fishery Sciences, University of Washington, Seattle. 93p.
- NMFS. 1999. Environmental Assessment/Regulatory Impact Review/Initial Regulatory Flexibility Assessment for An Amendment to Further Reduce Chinook Salmon Bycatch in Groundfish Trawl Fisheries of the Bering Sea and Aleutian Islands Area. NMFS, Alaska Regional Office, P.O. Box 21668, Juneau, AK .99802.
- NMFS. 2000. ESA Section 7 Consultation Biological Opinion and Incidental Take Statement. Activities Considered: Authorization of Bering Sea/Aleutian Islands groundfish fisheries based on the Fishery Management Plan for the Bering Sea/Aleutian Islands Groundfish and Authorization of the Gulf of Alaska groundfish fisheries based on the Fishery Management Plan for Groundfish of the Gulf of Alaska. November 30, 2000. NMFS Alaska Region. P.O. Box 21668. Juneau, Alaska. 99802. Also available at http://www.nmfs.noaa.gov/steller/fmp_sec07-NOV30_2000_FINAL.pdf.
- NMFS. 2004. Final Programmatic Supplemental Environmental Impact Statement for the Alaska Groundfish Fisheries. NMFS Alaska Region, P.O.Box 21668, Juneau, Alaska 99802-1668. pp. 7000.
- NPFMC. 2002. AFA Report to Congress. Impacts of the American Fisheries Act. http://www.fakr.noaa.gov/npfmc/summary_reports/AFACongress202.pdf
- NPFMC. 2004. Ecosystem Considerations for 2005. North Pacific Fishery Management Council. 605 W 4th Ave, Suite 306, Anchorage, AK 99501. November 2004. 260 pp.
- Urawa, S., M. Kawana, G. Anma, Y. Kamaei, T. Shoji, M. Fukuwaka, K. M. Munk, K. W. Meyers, and E. V. Farley, Jr. 2000. Geographic origin of high-seas chum salmon determined by genetic and thermal otolith markers. North Pacific Anadromous Fish Commission Bulletin 2:283-290.
- Urawa, S., T. Azumaya, P. Crane and L. Seeb. 2004. Origin and distribution of chum salmon in the Bering Sea during the early fall of 2002: estimates by allozyme analysis. (NPAFC Doc. 794) 11p. National Salmon Resources Center, Toyohira-ku, Sapporo 062-0922, Japan.
- Witherell, D, D. Ackley, and C. Coon. 2002. An overview of salmon bycatch in Alaska groundfish fisheries. Alaska Fishery Research Bulletin (9)1:53-64.

Appendix 1: NOAA Fisheries Regulatory Closures

INFORMATION BULLETIN 04-74
Sustainable Fisheries Division
907-586-7228

September 2, 2004
9:30 a.m.

NMFS PROHIBITS DIRECTED FISHING FOR NON-CDQ POLLOCK WITH TRAWL GEAR IN THE CHINOOK SALMON SAVINGS AREAS OF THE BERING SEA AND ALEUTIAN ISLANDS MANAGEMENT AREA

The National Marine Fisheries Service (NMFS) is prohibiting directed fishing for non-Community Development Quota (CDQ) pollock with trawl gear in the Chinook Salmon Savings Areas of the Bering Sea and Aleutian Islands management area (BSAI) effective 12 noon, Alaska local time (Alt.), September 5, 2004, through 12 midnight, A.l.t., December 31, 2004, according to James W. Balsiger, Administrator, Alaska Region, NMFS.

This action is necessary because the 2004 non-CDQ limit of chinook salmon caught by vessels using trawl gear while directed fishing for pollock in the BSAI has been reached and is issued pursuant to 50 CFR 679.21(e)(7)(viii).

The Chinook Salmon Savings Areas are areas defined as the following portions of the BSAI:

(1) The area defined by straight lines connecting the following coordinates in the order listed:

54 degrees 00' N. lat., 171 degrees 00' W. long.
54 degrees 00' N. lat., 170 degrees 00' W. long.
53 degrees 00' N. lat., 170 degrees 00' W. long.
53 degrees 00' N. lat., 171 degrees 00' W. long.
54 degrees 00' N. lat., 171 degrees 00' W. long.

(2) The area defined by straight lines connecting the following coordinates in the order listed:

56 degrees 00' N. lat., 165 degrees 00' W. long.
56 degrees 00' N. lat., 164 degrees 00' W. long.
55 degrees 00' N. lat., 164 degrees 00' W. long.
55 degrees 00' N. lat., 165 degrees 00' W. long.
54 degrees 30' N. lat., 165 degrees 00' W. long.
54 degrees 30' N. lat., 167 degrees 00' W. long.
55 degrees 30' N. lat., 167 degrees 00' W. long.
55 degrees 30' N. lat., 165 degrees 00' W. long.
56 degrees 00' N. lat., 165 degrees 00' W. long.

This information bulletin only provides notice of a regulatory change. For the purposes of complying with the regulatory change, you are advised to see the actual text in the Code of Federal Regulations.

INFORMATION BULLETIN 04-82
Sustainable Fisheries Division
907-586-7228

September 13, 2004
10:00 a.m.

**NMFS PROHIBITS FISHING WITH NON-CDQ TRAWL GEAR
IN THE CHUM SALMON SAVINGS AREA
OF THE BERING SEA AND ALEUTIAN ISLANDS MANAGEMENT AREA**

The National Marine Fisheries Service (NMFS) is prohibiting fishing with non-Community Development Quota (CDQ) trawl gear in the Chum Salmon Savings Area (CSSA) of the Bering Sea and Aleutian Islands management area effective 12 noon, Alaska local time (Alt.), September 14, 2004, through 12 noon, A.l.t., October 14, 2004, according to James W. Balsiger, Administrator, Alaska Region, NMFS.

This action is necessary because the 2004 non-CDQ limit of non-chinook salmon for vessels using trawl gear in the Catcher Vessel Operation Area has been reached and is issued pursuant to 50 CFR 679.21(e)(7)(vii).

The CSSA is an area defined as that portion of the Bering Sea Subarea described by straight lines connecting the following coordinates in the order listed:

56 degrees 00' N. lat. 167 degrees 00' W. long.
56 degrees 00' N. lat. 165 degrees 00' W. long.
55 degrees 30' N. lat. 165 degrees 00' W. long.
55 degrees 30' N. lat. 164 degrees 00' W. long.
55 degrees 00' N. lat. 164 degrees 00' W. long.
55 degrees 00' N. lat. 167 degrees 00' W. long.
56 degrees 00' N. lat. 167 degrees 00' W. long.

This information bulletin only provides notice of a regulatory change. For the purposes of complying with the regulatory change, you are advised to see the actual text in the Code of Federal Regulations.

INFORMATION BULLETIN 03-64
Sustainable Fisheries Division
907-586-7228

August 1, 2003
11:30 a.m.

NMFS PROHIBITS DIRECTED FISHING FOR NON-CDQ POLLOCK WITH TRAWL GEAR IN THE CHINOOK SALMON SAVINGS AREAS OF THE BERING SEA AND ALEUTIAN ISLANDS MANAGEMENT AREA

The National Marine Fisheries Service (NMFS) is prohibiting directed fishing for non-Community Development Quota (CDQ) pollock with trawl gear in the Chinook Salmon Savings Areas of the Bering Sea and Aleutian Islands management area (BSAI) effective 12 noon, Alaska local time (A.l.t.), September 1, 2003, through 12 midnight, A.l.t., December 31, 2003, according to James W. Balsiger, Administrator, Alaska Region, NMFS.

This action is necessary to prevent exceeding the 2003 non-CDQ limit of chinook salmon caught by vessels using trawl gear while directed fishing for pollock in the BSAI, and is issued pursuant to 50 CFR 679.21(e)(7)(viii).

The Chinook Salmon Savings Areas are areas defined as the following portions of the BSAI:

(1) The area defined by straight lines connecting the following coordinates in the order listed:

54 degrees 00' N. lat., 171 degrees 00' W. long.
54 degrees 00' N. lat., 170 degrees 00' W. long.
53 degrees 00' N. lat., 170 degrees 00' W. long.
53 degrees 00' N. lat., 171 degrees 00' W. long.
54 degrees 00' N. lat., 171 degrees 00' W. long.

(2) The area defined by straight lines connecting the following coordinates in the order listed:

56 degrees 00' N. lat., 165 degrees 00' W. long.
56 degrees 00' N. lat., 164 degrees 00' W. long.
55 degrees 00' N. lat., 164 degrees 00' W. long.
55 degrees 00' N. lat., 165 degrees 00' W. long.
54 degrees 30' N. lat., 165 degrees 00' W. long.
54 degrees 30' N. lat., 167 degrees 00' W. long.
55 degrees 30' N. lat., 167 degrees 00' W. long.
55 degrees 30' N. lat., 165 degrees 00' W. long.
56 degrees 00' N. lat., 165 degrees 00' W. long.

This information bulletin only provides notice of a regulatory change. For the purposes of complying with the regulatory change, you are advised to see the actual text in the Code of Federal Regulations.

INFORMATION BULLETIN 03-79
Sustainable Fisheries Division
907-586-7228

September 23, 2003
9:30 a.m.

NMFS PROHIBITS FISHING WITH TRAWL GEAR IN THE CHUM SALMON SAVINGS AREA OF THE BERING SEA AND ALEUTIAN ISLANDS MANAGEMENT AREA

The National Marine Fisheries Service (NMFS) is prohibiting fishing with trawl gear in the Chum Salmon Savings Area (CSSA) of the Bering Sea and Aleutian Islands management area effective 12 noon, Alaska local time (Alt.), September 24, 2003, through 12 noon, A.l.t., October 14, 2003, according to James W. Balsiger, Administrator, Alaska Region, NMFS.

This action is necessary to prevent exceeding the 2003 limit of non-chinook salmon caught by vessels using trawl gear in the Catcher Vessel Operation Area and is issued pursuant to 50 CFR 679.21(e)(7)(vii).

The CSSA is an area defined as that portion of the Bering Sea Subarea described by straight lines connecting the following coordinates in the order listed:

56 degrees 00' N. lat. 167 degrees 00' W. long.
56 degrees 00' N. lat. 165 degrees 00' W. long.
55 degrees 30' N. lat. 165 degrees 00' W. long.
55 degrees 30' N. lat. 164 degrees 00' W. long.
55 degrees 00' N. lat. 164 degrees 00' W. long.
55 degrees 00' N. lat. 167 degrees 00' W. long.
56 degrees 00' N. lat. 167 degrees 00' W. long.

This does not apply to vessels fishing for Community Development Quota.

This information bulletin only provides notice of a regulatory change. For the purposes of complying with the regulatory change, you are advised to see the actual text in the Code of Federal Regulations.

INFORMATION BULLETIN 02-78
Sustainable Fisheries Division
907-586-7228

September 19, 2002
9:45 A.M.

NMFS PROHIBITS FISHING WITH TRAWL GEAR IN THE CHUM SALMON SAVINGS AREA OF THE BERING SEA AND ALEUTIAN ISLANDS MANAGEMENT AREA

The National Marine Fisheries Service (NMFS) is prohibiting fishing with trawl gear in the Chum Salmon Savings Area (CSSA) of the Bering Sea and Aleutian Islands management area (BSAI) effective 12 noon, Alaska local time (Alt.), September 21, 2002, through 12 noon, Alt., October 14, 2002, according to James W. Balsiger, Administrator, Alaska Region, NMFS.

This action is prevent exceeding the 2002 limit of non-chinook salmon caught by vessels using trawl gear in the CVOA and is issued pursuant to 50 CFR 679.21(e)(7)(vii).

The CSSA is an area defined as that portion of the Bering Sea Subarea described by straight lines connecting the following coordinates in the order listed:

- 56 degrees 00' N. lat. 167 degrees 00' W. long.
- 56 degrees 00' N. lat. 165 degrees 00' W. long.
- 55 degrees 30' N. lat. 165 degrees 00' W. long.
- 55 degrees 30' N. lat. 164 degrees 00' W. long.
- 55 degrees 00' N. lat. 164 degrees 00' W. long.
- 55 degrees 00' N. lat. 167 degrees 00' W. long.
- 56 degrees 00' N. lat. 167 degrees 00' W. long.

This information bulletin only provides notice of a regulatory change. For the purposes of complying with the regulatory change, you are advised to see the actual text in the Code of Federal Regulations.

Appendix 2: Inter Cooperative Agreement Preferred Alternative

Preferred Alternative as Developed by the AFA Pollock Cooperatives

May 5, 2005

I. Members to the Agreement (the “Members”).

- High Seas Catchers Cooperative
- Inshore Catcher Vessel Cooperatives
 - Akutan Catcher Vessel Association
 - Arctic Enterprise Association
 - Northern Victor Fleet Cooperative
 - Peter Pan Fleet Cooperative
 - Unalaska Fleet Cooperative
 - UniSea Fleet Cooperative
 - Westward Fleet Cooperative
- Mothership Fleet Cooperative
- Pollock Conservation Cooperative
- Community Development Quota Groups

II. Purpose of Agreement - The purpose of this Agreement is to implement a private, contractual inter-cooperative program to reduce salmon bycatch in the 2006, 2007, and 2008 Bering Sea pollock AFA and CDQ fisheries (the “Fishery”). Each party to this Agreement agrees to exercise all commercially reasonable efforts to achieve that purpose.

III. Data Monitoring and Agreement Management – The Members will retain Sea State to provide data gathering, analysis, fleet monitoring, and reporting services necessary to implement the bycatch management program contemplated under this agreement. Management of the Agreement will be the responsibility of United Catcher Boats Association via their Intercooperative Manager. (Individual cooperative agreement addendums will be drafted to protect Sea State and UCB from legal action).

IV. “A” Season Management – The Members agree during the 2006, 2007, and 2008 “A” Seasons chinook salmon bycatch in the Fishery shall be managed on an inter-cooperative basis as follows.

- B. Chinook Base Rate – Each “A” season’s initial Base Rate will be equal to the previous year’s overall “A” season chinook bycatch rate by the Members to this Agreement. The rate is calculated by dividing the Members’ previous “A” season’s total chinook bycatch by the Members’ previous “A” season’s total pollock harvest. Initial Base Rate calculations below .04 will set the starting Base Rate at .04 and initial Base Rate calculations above .06 will set the starting Base Rate at .06.
- C. In-Season Base Rate adjustment – On February 14th a Base Rate recalculation will be made. The recalculation will be the Members’ total “A” season salmon bycatch to date divided by the Members’ total “A” season pollock harvest to date. The recalculated rate will be

implemented on the following Thursday's announcement for closures occurring on the following Friday and thereafter for the remainder of the "A" season.

****A lower limit (floor) may be applied to the in-season recalculation pending an analysis by Sea State. The intention is to limit setting the in-season adjustment to impracticable levels in low salmon abundance years. At some point bycatch incidents no longer identify "hotspots". ****

- D. "A" Season Savings Closures will begin on January 30th, allowing 10 days of bycatch information from the start of the season. All salmon bycatch by the Members from the season opening date forward through Jan. 29th will be account towards each coop's tier status.
- E. Savings Closures – Beginning Jan. 30th salmon Savings Closures will be implemented under the following criteria.
1. Aside from the Jan.30th initial Savings Closures as described in IV. C. above, Savings Closures are based on the salmon bycatch and pollock harvest for the four to seven day period, depending on data quality, immediately preceding each closure announcement.
 2. Chinook bycatch in an area must exceed the Base Rate in order for the area to be eligible for a Savings Closure.
 3. Pollock harvest in a potential Savings Closure area must, during the data gathering period described in section IV.D.1., above, be a minimum of 2% of the total fleet pollock harvest for the same time period in order to be eligible as a Savings Closure.
 4. Current Savings Closures are exempt from the 2% minimum harvest rule described in item 3, above, and may continue as a Savings Closure if surrounding bycatch conditions indicate there has likely been no change in bycatch conditions for the area.
 5. The Bering Sea is managed as a single region however Savings Closures west of 168° west longitude may not exceed 500 sq. miles in area.
 6. Total Savings Closure area (east and west of 168° west longitude) may be up to, but not exceed, 1000 sq. miles.
 7. There may be up to two Savings Closure areas west of 168° and two Savings Closure areas east of 168°.
 8. Closure areas will be described by a series of latitude and longitude coordinates and will be shaped as Sea State deems appropriate.
- F. Tier Structure
1. Tier status is determined by a coop's "rolling two week" bycatch rate.
 2. Tier Assignments
 - i. Tier 1 – coops with bycatch rates less than 75% of Base Rate.
 - ii. Tier 2 – coops with bycatch rates equal to or greater than 75% of the Base Rate and equal to or less than 125% of the Base Rate.
 - iii. Tier 3 – coops with bycatch rates greater than 125% of the Base Rate.
 3. Coops assigned to Tier 1 are not constrained by Savings Closures
 4. Coops assigned to Tier 2 are subject to Savings Closures for 4 Days; Friday at 6:00 pm to Tuesday at 6:00 pm.
 5. Coops assigned to Tier 3 are subject to Savings Closures for 7 days, Friday at 6:00 pm to the following Friday at 6:00 pm
- G. Sources for Salmon bycatch information will be the NMFS Observer and E-Log data bases.
- H. Sea State Reports

1. Announcements will be distributed to the Members on Thursdays (Weekly announcement) and Mondays (Savings Closure update)
 2. Thursday announcements are effective at 6:00 pm on Friday and Monday updates effective at 6:00 pm Tuesday.
 - i. Thursday announcements include:
 - a. Season update on pollock harvest and salmon bycatch by sector and in total.
 - b. Each coop's updated rolling 2 week bycatch rate, associated tier status, closure start and stop times and dates, and number of closure days.
 - c. Savings Closures - coordinates and map.
 - d. Bycatch rates for each stat area fished.
 - e. Updated Dirty Twenty Lists.
 - ii. Monday announcements include:
 - a. Season update on pollock harvest and salmon bycatch by sector and in total.
 - b. Updated Savings Closures - coordinates and map
 - c. Bycatch rates for each stat area fished.
 - d. Tier status reminder.
- I. Dirty Twenty Lists
1. Weekly list – 20 vessels with the highest chinook salmon bycatch rates for the previous week. Only vessels with bycatch rates over the base rate appear on the list.
 2. Two week list – 20 vessels with the highest chinook salmon bycatch rates for the previous 2 weeks. Only vessels with bycatch rates over the base rate appear on the list.
 3. Season list – 20 vessels with the highest season-to-date bycatch performance; the list is based on appearances on the weekly list. Accumulative points are assigned to vessels as they appear on the weekly list. Vessels in the number 1 slot on the weekly list receives 20 points, number 2 slot gets 19 points and so on. Each vessel's points are totaled weekly and the vessels with the 20 highest scores appear on the seasonal Dirty 20 list. A vessel must have harvested over 500 mt of pollock before being eligible for the seasonal list.
- J. Sea State will provide additional hot-spot advisory notices, outside of the Savings Closures, to the coops as they occur throughout the season.
- V. **“B” Season Management** - the parties agree during the 2006, 2007, and 2008 “B” seasons chinook and chum salmon bycatch in the Fishery shall be managed on an inter-cooperative basis as follows.
- B. Base Rates
1. Chum Salmon – The “B” season initial Base Rate will be .19 with an in-season adjustment on Sept. 1 to the Members' fleet bycatch rate of the previous 3 weeks. (August 10th – 31st).

2. Chinook Salmon – The “B” season Base Rate will be .05 for the 2006 and 2007 “B” seasons. Beginning in 2008 the Base Rate will be the previous “B” season bycatch rate based on the Members’ fall chinook bycatch.

****Sea State will use data from the 2006 and 2007 Fisheries to determine the best range of dates for defining the “fall chinook bycatch” Base Rate calculation time frame.****

- C. Season Start-up – After June 10th bycatch information will be supplied to the fleet as chum and chinook salmon bycatch begin to show up in the Fishery. Savings Closures will begin once an area with bycatch over the initial Base Rate is identified.
- D. Savings Closures
 1. Savings Closures are based on the salmon bycatch and pollock harvest for the four to seven day period, depending on data quality, immediately preceding each closure announcement.
 2. Salmon bycatch in an area must exceed the chinook and/or chum salmon Base Rate in order for the area to be eligible for a Savings Closure.
 3. Pollock harvest in a potential Savings Closure area must, during the data gathering period described in section V.C.1., above, be a minimum of 2% of the total fleet pollock harvest for the same time period in order to be eligible as a Savings Closure.
 4. Current Savings Closures are exempt from the 5% minimum harvest rule described in item 3, above, and may continue as a Savings Closure if surrounding bycatch conditions indicate there has likely been no change in bycatch conditions for the area.
 5. The Bering Sea will be managed as 2 regions during the “B” season; a region east of 168° West longitude (the Eastern Region) and a region west of 168° West longitude (the Western Region).
 6. Total Savings Closure area.
 - i. Chum salmon
 - a. The Eastern Region Savings Closures may cover up to 3000 sq. miles.
 - b. The Western Region Savings Closures may cover up to 1000 sq. miles.
 - ii. Chinook Salmon
 - a. The Eastern region Savings Closure may cover up to 500 sq. miles.
 - b. The Western Region Savings Closure may cover up to 500 Sq. miles.
 7. There may be up to two Savings Closure areas at any one time within each region.
 8. Within a single region Savings Closures must be either a chum closure or a chinook closure, but not both. In the event Base Rates for both chum and chinook are exceeded within a region during a week, the Savings Closure within that region shall be a chinook closure. In this case, Sea State will issue a non-binding avoidance recommendation for the area of high chum bycatch.
 9. Closure areas will be described by a series of latitude and longitude coordinates and will be shaped as Sea State deems appropriate.
- E. Chum salmon Savings Closure Area Access – Tier System
 1. Tier status is determined by a coop’s “rolling two week” bycatch rate.
 2. Tier Assignments
 - i. Tier 1 – coops with bycatch rates less than 75% of Base Rate.

- ii. Tier 2 – coops with bycatch rates equal to or greater than 75% of the Base Rate and equal to or less than 125% of the Base Rate.
 - iii. Tier 3 – coops with bycatch rates greater than 125% of the Base Rate.
 - 3. Coops assigned to Tier 1 are not constrained by Savings Closures
 - 4. Coops assigned to Tier 2 are subject to Savings Closures for 4 Days; Friday at 6:00 pm to Tuesday at 6:00 pm.
 - 5. Coops assigned to Tier 3 are subject to Savings Closures for 7 days, Friday at 6:00 pm to the following Friday at 6:00 pm

- F. Chinook salmon Savings Closure Access – During “B” season chinook Savings Closures are closed to fishing by all cooperatives (a.k.a. “Core Closures”).

- G. Sources for Salmon bycatch information will be the NMFS Observer and E-Log data bases.

- H. Sea State Reports
 - 1. Announcements will be distributed to the Members on Thursdays (Weekly announcement) and Mondays (Savings Closure update).
 - 2. Thursday announcements are effective at 6:00 pm on Friday and Monday updates effective at 6:00 pm Tuesday.
 - i. Thursday announcements include:
 - a. Season update on pollock harvest and salmon bycatch by sector and in total for each species.
 - b. Each coop’s updated rolling 2 week bycatch rate for chum salmon and the associated tier status, closure start and stop times and dates for each region, and number of closure days in each region.
 - c. Savings Closures - coordinates and map with species notation.
 - d. Bycatch rates for each stat area fished for each species
 - e. Updated Dirty Twenty Lists for each species.
 - ii. Monday announcements include:
 - a. Season update on pollock harvest and salmon bycatch by sector and in total for each species.
 - b. Updated Savings Closures - coordinates and map with species notations
 - c. Bycatch rates for each stat area fished for each species.
 - d. Chum salmon tier status reminder.

- I. Dirty Twenty Lists – one set for each species.
 - 1. Weekly list – 20 vessels with the highest chinook salmon bycatch rates for the previous week. Only vessels with bycatch rates over the base rate appear on the list.
 - 2. Two week list – 20 vessels with the highest chinook salmon bycatch rates for the previous 2 weeks. Only vessels with bycatch rates over the base rate appear on the list.
 - 3. Season list – 20 vessels with the highest season-to-date bycatch performance based on appearances on the weekly list. Accumulative points are assigned to vessels as they appear on the weekly list. Vessels in the number 1 slot on the weekly list receives 20 points, number 2 slot gets 19 points and so on. The vessel’s points are totaled each week and the vessels with the 20 highest scores appear on the seasonal

Dirty 20 list. A vessel must have harvested over 500 mt of pollock before being eligible for the seasonal list.

- K. Sea State will provide additional hot-spot advisory notices, outside of the Savings Closures, to the coops as they occur throughout the season.

VI. Inshore Vessels Landing to a Non-Associated Processor. (Same as written in the 2005 Agreement.)

- A. If a member's vessel will be delivering to a Non-affiliated Processor under an Amendment 69 charter arrangement, prior to commencing the first fishing trip under such arrangement, the member shall execute and deliver to the Authorized Representative of the Coop into which it is being chartered (the "Charter Coop") and to the intercoop manager an adherence agreement under which such member agrees to comply with all of the applicable terms and conditions of the Charter Coop's Membership Agreement, and grants such Charter Coop authority to impose penalties as appropriate for any failure to comply with such terms and conditions. The member shall notify the intercoop manager of each delivery made in whole or in part under an Amendment 69 charter within two (2) days of making such delivery. All salmon taken as bycatch under an Amendment 69 charter shall be counted as Charter Coop bycatch, and the vessel shall be subject to the salmon Savings Area closures applicable to the Charter Coop in connection with each fishing trip made under an Amendment 69 charter.
- B. If a member's vessel delivers to a Non-affiliated Processor from the member's Coop's ten percent (10%) "free market" allocation, such deliveries shall be subject to all of the terms and conditions of the member's Coop's Membership Agreement. All salmon taken as bycatch in connection with such deliveries shall be counted as the member's Coop's bycatch, and the vessel shall be subject to the salmon Savings Area closures applicable to the member's Coop in connection with all such deliveries.
- C. If a member's vessel delivers to a Non-Affiliated processor fish harvested both under an Amendment 69 charter and from the member's Coop's free market allocation during a single fishing trip (such trip being a "Split Trip"), the member shall comply with the terms and conditions of the Membership Agreements of both the member's Coop and the Charter Coop, and, without limitation, shall comply with the more restrictive of the Savings Area closures applicable to each of such Coops. All salmon bycatch taken during a Split Trip shall be allocated between the member's Coop and the Charter Coop in proportion to the amount of pollock taken under each such Coop's allocation during each such trip."

VII. Data Gathering and Reporting - The Coops acknowledge that the effectiveness of the bycatch management program set forth in Sections III, IV, and V, above, depends on gathering, analyzing and disseminating accurate chinook salmon bycatch data rapidly. The Coops therefore agree as follows.

- A. Each Coop shall require its members' vessels to exercise all commercially reasonable efforts to report to Sea State within 24 hours the location of, estimated pollock tonnage of and estimated number of chinook salmon in each trawl tow. PCC may satisfy its obligation under this section 3.a by arranging to have its members' vessels' observer reports concerning chinook bycatch transmitted to Sea State. MFC and High Seas may

satisfy their obligations under this Section by arranging to have the pollock amounts and chinook salmon counts for their members' vessels reported to Sea State by the observers on the processing vessels to which their members' vessels deliver. The Inshore Coops shall arrange for their vessels to report the crew's best estimate of the amount of pollock and the number of chinook salmon in the tow when reporting its location. Each Inshore Coop shall develop its own methods and means to accurately calculate (when feasible) or estimate the amount of pollock and the number of salmon contained in each tow by its members' vessels, and to rapidly and accurately report that information to Sea State.

- B. The Inshore Coops acknowledge that the Vessel Monitoring System ("VMS") is the most efficient means for reporting tow-by-tow data to Sea State, and the Inshore Coops therefore agree to encourage their members to use the VMS system to do so. However, the Coops all acknowledge that in certain circumstances, it may be difficult to achieve accurate, reliable reporting through the VMS system, and that for vessels with relatively small pollock allocations, the cost of acquiring, installing and operating the VMS data transmission system may be higher than reasonable. Therefore, reporting bycatch information via the VMS system is not required.
- C. Sea State will from time to time announce a chinook or chum bycatch rate that will trigger an incident reporting requirement. Each Coop shall require its members' vessels to notify their coop manager (if applicable), the intercooperative manager and, if feasible, Sea State as soon as possible of any tow with a chinook salmon bycatch rate that the crew estimates to be equal to or greater than the incident reporting rate threshold.

VIII. Savings Area Closure Enforcement – This portion of the Agreement is implemented through two tiers of legal agreements. The top tier is an agreement among the 10 BS/AI pollock cooperatives that sets forth the Voluntary Rolling Hot Spot (VRHS) system terms and conditions (the "Inter-coop Agreement"). The second tier comprises the membership agreements of all 10 cooperatives. The terms and conditions of the Inter-coop Agreement are described in Section I through VII. above. The terms and conditions of the cooperative membership agreements that are specifically related to enforcement of the VRHS system are as follows:

- A. Each member acknowledges that its vessel's operations are governed by the Inter-coop Agreement, and agrees to comply with its terms, as they may be amended from time to time.
- B. Each member authorizes the Board of Directors of its cooperative to take all actions and execute all documents necessary to give effect to the Inter-coop Agreement.
- C. Each member authorizes the Board of Directors of its cooperative to enforce the Inter-coop Agreement, and if the Board fails to do so within 30 days of receiving notice from Sea State that a cooperative member may have failed to comply with the Agreement, each member authorizes each of the Boards of Directors of each other pollock cooperative, each of the CDQ groups, Bering Sea Fishermen's Association ("BSFA") and Yukon River Drainage Fishermen's Association ("YRDFA") to individually or collectively take legal action to enforce the Inter-coop Agreement.
- D. Each member releases to Sea State its VMS tacking data, its vessel log books and its plotter data for purposes of determining its compliance with the Inter-coop Agreement, and agrees that in the event Sea State concludes that its vessel may have violated a hot

spot closure, Sea State may deliver any and all of such data to the Boards of Directors, the CDQ groups, BSFA and YRDFA for purposes of enforcing the Agreement.

- E. Each member agrees that the information contained in the records identified in D., above, shall be presumed accurate absent a clear and compelling demonstration otherwise, and shall be presumed sufficient to determine its compliance with the Interco-op Agreement.
 - F. Each member agrees that damages for violating the Interco-op Agreement shall apply on a strict liability basis, regardless of a member's lack of knowledge of the violation or intent to violate the agreement.
 - G. Each member agrees that actual damages for violating the agreement would be difficult to calculate, and therefore agrees to pay an amount per tow made in violation of the Intercoop Agreement as the Board of Directors establishes from time to time as liquidated damages. Each member agrees to modify its skipper contracts to make its skipper(s) fully responsible for the liquidated damages that are assessed in connection with a breach of the agreement. Further, each member agrees that in the event a skipper fails to assume such assignment of liability, or in the event such assumption is deemed invalid, the member shall be liable for the full amount of such liquidated damages.
 - H. The current penalties for Savings Closure violations are \$10,000.00 for the first violation in a year, \$15,000.00 for a second violation in the same year as the first, and \$20,000.00 for a third and subsequent violations in a year.
 - I. Each member agrees that in connection with any action taken to enforce the Intercoop Agreement, the prevailing party shall be entitled to the costs and fees it incurs in connection with such action, including attorneys' fees.
 - J. Each member agrees that in addition to legal remedies, the Board of Directors of each cooperative, each of the CDQ groups, BSFA and YRDFA shall be entitled to injunctive relief in connection with the second and subsequent violations of the Intercoop Agreement.
- IX. Annual Report to the NPFMC.** At the end of each year a report will be made to the North Pacific Fisheries Management Council by the members of the Inter-cooperative Salmon Management Agreement which will address the following:
- 1. Number of salmon taken in the year by species
 - 2. Estimate number of salmon bycatch avoided as demonstrated by the movement of fishing effort away from salmon hot-spots.
 - 3. A compliance / enforcement report which will include the results of an internal compliance audit and an external compliance audit if one has been done.
 - 4. List of each AFA vessels' number of appearances on the weekly dirty 20 list for both salmon species.
 - 5. Acknowledge that the Agreement term has been extended for another year (maintaining the 3 year lifespan) and report any changes to the Agreement that were made at the time of the renewal.

- X. **Term** - Three year agreement (2006 – 2008). The 3 year span of the Agreement will be maintained by an annual renewal. The annual renewal will allow “fine-tuning” of the Agreement.
- XI. Miscellaneous. (This section will be consistent with previous Agreements.)

Entered into as of the date first set forth above.

MOTHERSHIP FLEET COOPERATIVE

By _____
Its _____

AKUTAN CATCHER VESSEL ASSOCIATION

By _____
Its _____

ARCTIC ENTERPRISE ASSOCIATION

By _____
Its _____

NORTHERN VICTOR FLEET COOPERATIVE

By _____
Its _____

PETER PAN FLEET COOPERATIVE

By _____
Its _____

UNALASKA FLEET COOPERATIVE

By _____
Its _____

HIGH SEAS CATCHERS COOPERATIVE

By _____

POLLOCK CONSERVATION COOPERATIVE

By _____
Its _____

Its _____

ALEUTIAN PRIBILOF ISLAND COMMUNITY
DEVELOPMENT ASSOCIATION

By _____
Its _____

BRISTOL BAY ECONOMIC DEVELOPMENT
CORPORATION

By _____
Its _____

CENTRAL BERING SEA FISHERMAN'S
ASSOCIATION

By _____
Its _____

COASTAL VILLAGES REGION FUND

By _____
Its _____

NORTON SOUND ECONOMIC
DEVELOPMENT CORPORATION

By _____
Its _____

YUKON DELTA FISHERIES DEVELOPMENT
ASSOCIATION

By _____
Its _____

Appendix 3: Sea State Closures and Example Weekly Announcement Reports

Chinook Examples



P.O. Box 74, Vashon, WA 98070

Ph: (206)463-7370

Fax: (206)463-7371

Email: karl@seastateinc.com

February 17, 2005

Re: IC Salmon closure

Overall catch and bycatch by sector (no cdq)

Sector	Pollock (mt)	Chinook (N)	Chinook rate (N/mt)
Shoreside	120,400	7,274	0.060
C/P	109,861	6,348	0.057
Motherships	30,210	1,302	0.042
Total	260,471	14,924	0.057

The chinook numbers keep climbing. Hopefully these closures (yes, there are some this time, and yes some coops are definitely in Tiers 2 and 3) will throttle it back some. We have split the closures between the two areas with the highest rates (685530 and 655430) because there is certainly no statistically significant difference between their rates (.150 and .143 respectively). The total closure area amounts to a bit over 900 sq nm, and while we have kept them rectangular, they aren't perfect subsets of stat areas. The closure down near the horseshoe in particular straddles four ADFG stat areas.

Closure boundaries:

Area1: 54 45N to 55 15N
164 52W to 165 25W

Area2: 55 35N to 55 57N
168 40W to 169 05W

WEEKLY SALMON BYCATCH UPDATE - For Week Ending 2/17/05					
Coop	Bycatch Rate	Coop Tier Status	Savings Closure Start Date (1800 Hrs.)	Savings Closure End Date (1800 Hrs.)	Number of Closure Days
Akutan Coop	0.089	3	2/18/2005	2/25/2005	7
Arctic Coop	0.043	1	NA	NA	0
Mothership Coop	0.049	1	NA	NA	0
North Victor Coop	0.082	2	2/18/2005	2/22/2005	4
Peter Pan Coop	0.059	2	2/18/2005	2/22/2005	4
Pick Cons. Coop	0.073	2	2/18/2005	2/22/2005	4
Unalaska Coop	0.091	3	2/18/2005	2/25/2005	7
UniSea Coop	0.045	1	NA	NA	0
Westward Coop	0.089	3	2/18/2005	2/25/2005	7

Tier 1: Less than .050 salmon per mt. Not affected by closures

Tier 2: Greater than .050 but less than .084 salmon per mt. Subject to 4-day closure

Tier 3: Greater than .084 salmon per mt. Subject to 7-day closure

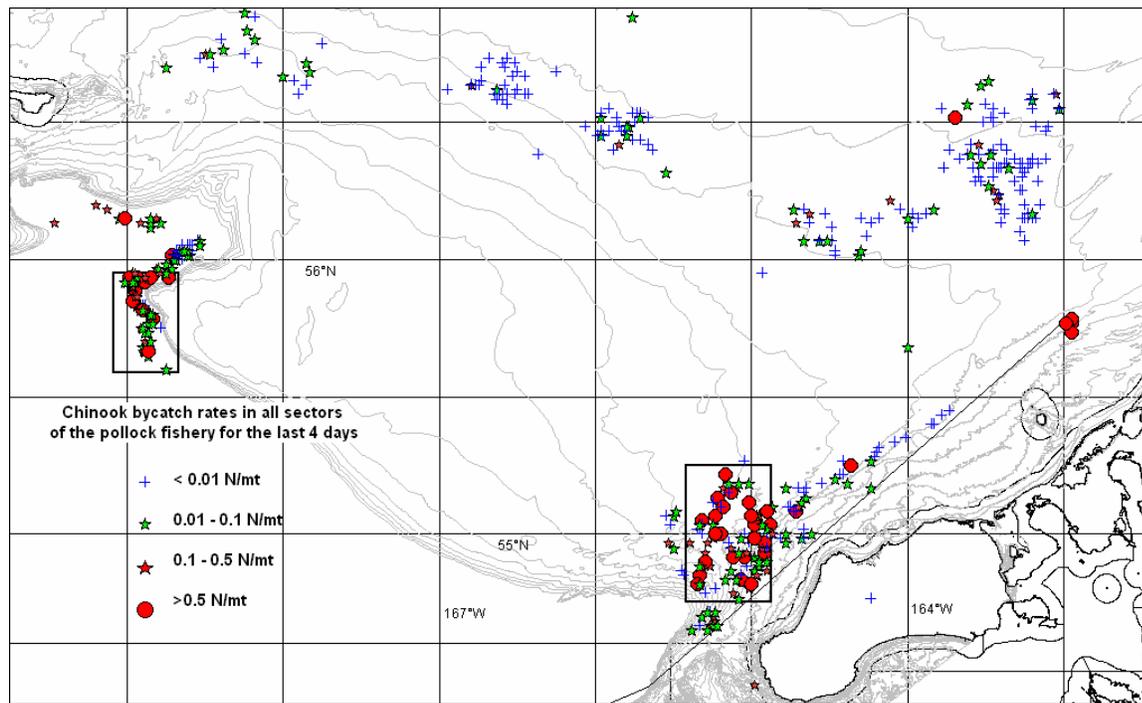
Bycatch rates by area for week ending 2/17/05			
Stat Area	Rate	Stat Area	Rate
685530	0.150	635530	0.030
655430	0.143	645600	0.029
695600	0.140	685600	0.024
655530	0.140	645530	0.020
655501	0.140	635630	0.020
645434	0.079	635600	0.013
645501	0.076	675630	0.010
695530	0.040	655630	0.010
685630	0.040	665630	0.000
665600	0.037	635504	0.000
655600	0.030		

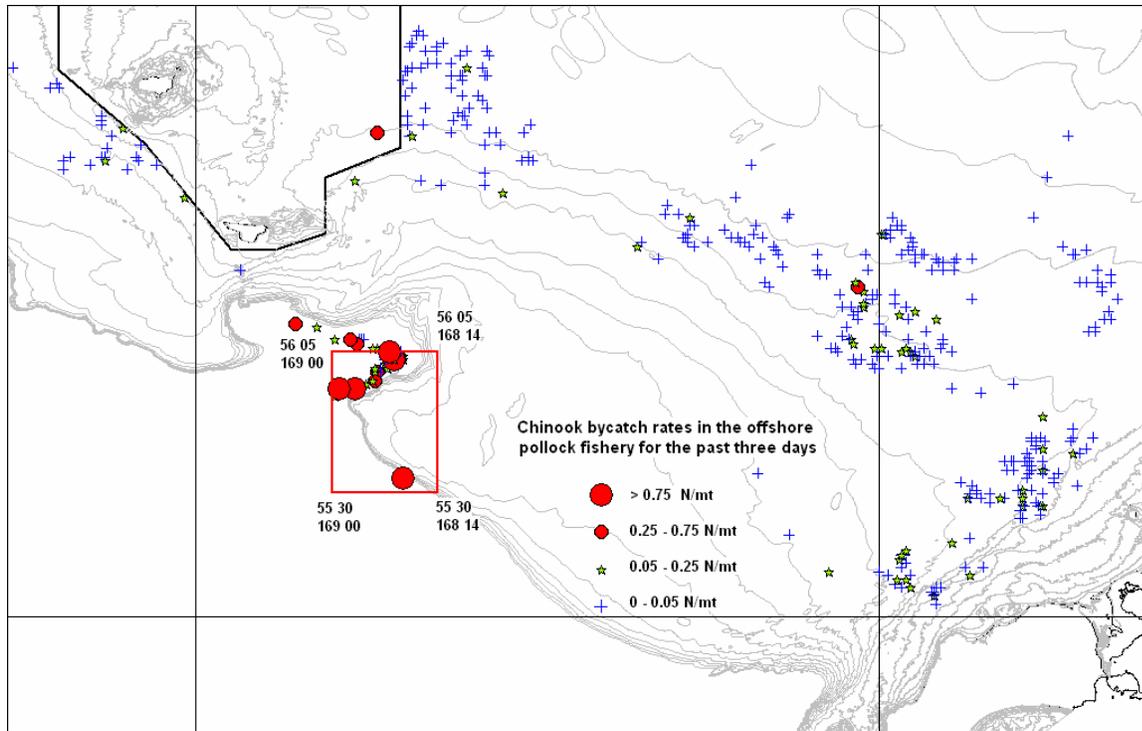
Dirty 20 Lists:
Past two weeks

Vessel	Chinook Rate N/mt
1	0.235
2	0.145
3	0.141
4	0.138
5	0.138
6	0.136
7	0.134
8	0.131
9	0.118
10	0.116
11	0.113
12	0.112
13	0.106
14	0.105
15	0.101
16	0.101
17	0.101
18	0.100
19	0.099
20	0.099

Weekly

Vessel	Chinook Rate N/mt
1	0.359
2	0.184
3	0.160
4	0.155
5	0.153
6	0.151
7	0.150
8	0.146
9	0.145
10	0.143
11	0.138
12	0.136
13	0.136
14	0.135
15	0.126
16	0.125
17	0.118
18	0.117
19	0.115
20	0.114







 P.O. Box 74, Vashon, WA 98070

Ph: (206)463-7370
 Fax: (206)463-7371
 Email: karl@seastateinc.com

March 9, 2004

Re: IC Salmon mid-week update

There has been a significant movement of salmon onto the shelf in the last few days. It shows in the catcher-processor and mothership data, but I don't think we have received much shoreside information yet that indicates the increased rates. I expect that to change by Thursday, which is the next time we announce new closures. I wouldn't be surprised to find that we have cooperatives out of Tier 1 by then, which would mean that we would have coops affected by closures announced Thursday.

These Tuesday announcements can be confusing. On Thursday we evaluate tier levels and list the start and end dates for which closures are in effect for the various coops. We also describe the initial closure areas on Thursday. On Tuesday we can change those areas, but the closure dates remain the same.

Right now it looks as though the mushroom and another area along the shelf edge just west of the mushroom would close. I don't think anyone is left fishing those areas, so the closure would be made mainly to prevent anyone moving back in. I have looked at other areas of the map and see surprisingly high, and relatively uniform rates in three different areas where boats have been fishing up on the shelf. Right now I don't think I could decide between them if I were trying to figure out which area to close, although the central circle with a rate of .038 obviously doesn't make much sense to close. It may be that by Thursday the situation will change and some area of the shelf will look like it should be closed. (So stay tuned).

Regards,

Karl

Sector	Pollock (mt)	Chinook (N)	Chinook rate (N/mt)
Shoreside	199,519	7,431	0.037
C/P	158,217	5,967	0.037
Motherships	47,277	1,447	0.030
Total	405,013	14,845	0.037

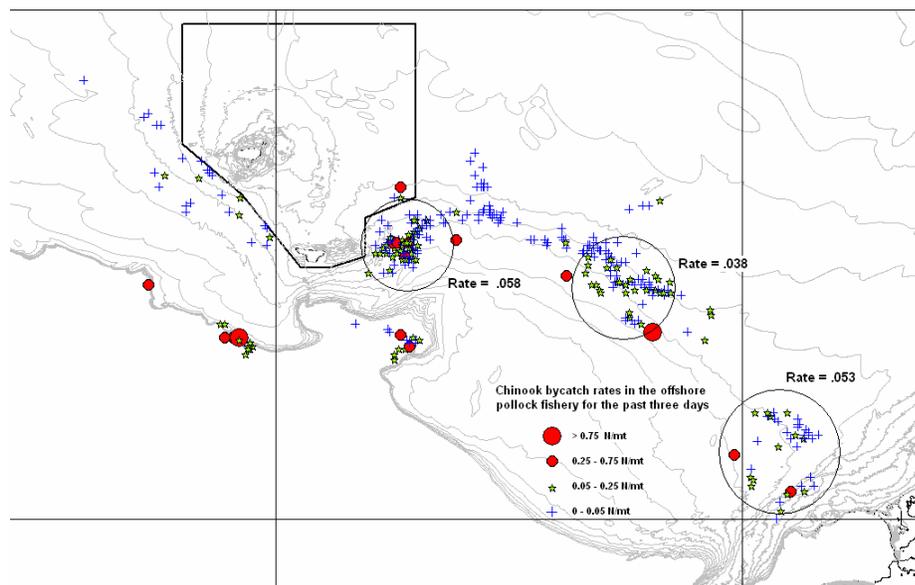
WEEKLY SALMON BYCATCH UPDATE - For 3/9/04					
Coop	Bycatch Rate	Coop Tier Status	Savings Closure Start Date (1800 Hrs.)	Savings Closure End Date (1800 Hrs.)	Number of Closure Days
Akutan Coop	0.032	1	NA	NA	0
Arctic Coop	0.016	1	NA	NA	0
Mothership Coop	0.040	1	NA	NA	0
North Victor Coop	0.027	1	NA	NA	0
Peter Pan Coop	0.024	1	NA	NA	0
Pick Cons. Coop	0.051	2	NA	NA	0
Unalaska Coop	0.023	1	NA	NA	0
UniSea Coop	0.028	1	NA	NA	0
Westward Coop	0.031	1	NA	NA	0

Tier 1: Less than .050 salmon per mt. Not affected by closures

Tier 2: Greater than .050 but less than .084 salmon per mt. Subject to 4-day closure

Tier 3: Greater than .084 salmon per mt. Subject to 7-day closure

Bycatch rates by area for 3/9/04			
Stat Area	Rate	Stat Area	Rate
705600	0.160	655600	0.030
685600	0.110	645434	0.030
685630	0.064	705701	0.010
645500	0.060	665630	0.010
665600	0.052	715700	0.000
645530	0.044	675700	0.000
645501	0.040	675630	0.000
705630	0.035		



Chum Examples

 P.O. Box 74, Vashon, WA 98070

Ph: (206)463-7370

Fax: (206)463-7371

Email: karl@seastateinc.com

July 15, 2004

Re: IC Salmon closure

Although chinook bycatch continues to dribble in, there are no areas that are over the threshold necessary to trigger a chinook closure. There appear to be high numbers of chums in a relatively small part of the western area, so for this week we are closing parts of 2 stat areas, but an overall area that is less than a single stat area. The bycatch rate on chums in the box that we are closing is about .32 salmon per mt. At this point only the motherships are in Tier 3. Peter Pan and PCC are in Tier 2 and must observe 4 day closures.

Regards,

Karl

Overall catch and bycatch by sector (no cdq)

Sector	Pollock (mt)	Chinook (N)	Chinook rate (N/mt)	other salmon (N)	other salmon rate (N/mt)
Shoreside	76,362	158	0.002	3,074	0.040
C/P	112,254	665	0.006	24,864	0.221
Motherships	13,482	56	0.004	1,699	0.126
Total	202,097	879	0.004	29,638	0.147

WEEKLY SALMON BYCATCH UPDATE - For Week Ending 7/15/04					
Coop	Bycatch Rate	Coop Tier Status	Savings Closure Start Date (1800 Hrs.)	Savings Closure End Date (1800 Hrs.)	Number of Closure Days
Akutan Coop	0.017	1	N/A	N/A	0
Arctic Coop	0.023	1	N/A	N/A	0
Mothership Coop	0.138	3	7/16/2004	7/23/2004	7
North. Victor Coop	0.033	1	N/A	N/A	0
Peter Pan Coop	0.056	2	7/16/2004	7/20/2004	4
Pick Cons. Coop	0.085	2	7/16/2004	7/20/2004	4
Unalaska Coop	N/A	1	N/A	N/A	0
UniSea Coop	0.037	1	N/A	N/A	0
Westward Coop	0.041	1	N/A	N/A	0

Tier 1: Less than .054 salmon per mt

Tier 2: Greater than .054 but less than .090 salmon per mt

Tier 3: Greater than .090 salmon per mt

Western Region Closure Area

55 50N to 56 12N

168 00W to 168 20W

Bycatch rates by area through 7/15/04			
Stat Area	Rate	Stat Area	Rate
685530	0.291	675630	0.028
685600	0.136	675530	0.024
635600	0.112	665500	0.022
685630	0.105	655409	0.018
675600	0.073	655430	0.006
675500	0.039	665430	0.004
665530	0.031	685500	0.000

Dirty 20 Lists

All Season

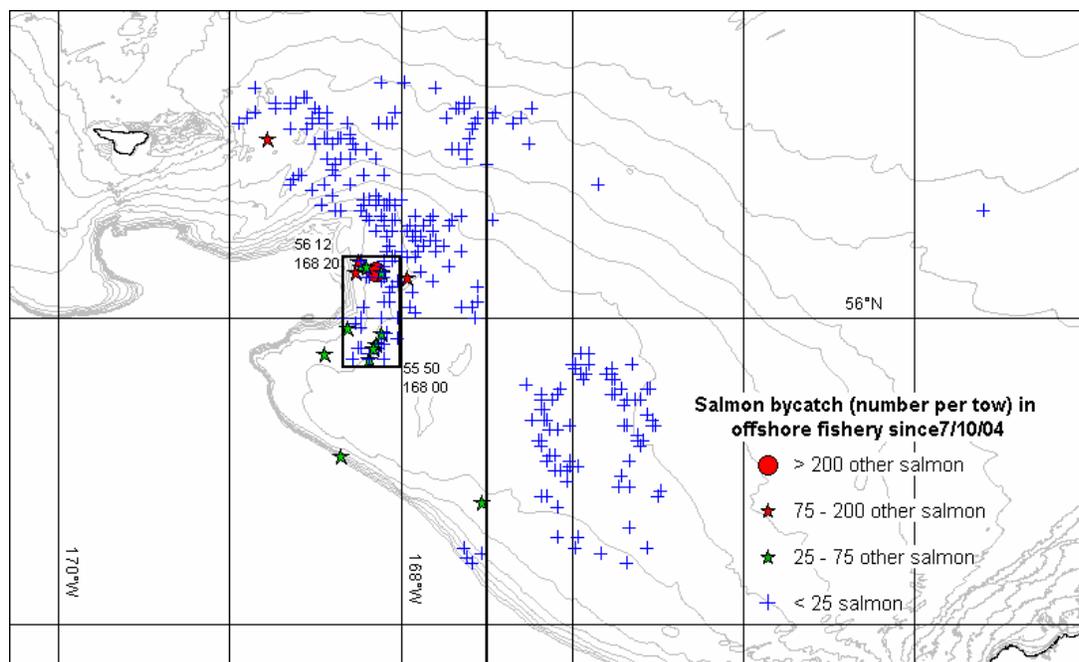
Vessel	Other Salmon Rate
1	0.460
2	0.392
3	0.372
4	0.270
5	0.265
6	0.240
7	0.220
8	0.217
9	0.200
10	0.175
11	0.153
12	0.145
13	0.131
14	0.126
15	0.121
16	0.107
17	0.103
18	0.097
19	0.093
20	0.080

Past two weeks

Vessel	Other Salmon Rate
1	0.313
2	0.194
3	0.175
4	0.171
5	0.131
6	0.121
7	0.109
8	0.108
9	0.107
10	0.103
11	0.097
12	0.081
13	0.080
14	0.073
15	0.072
16	0.071
17	0.070
18	0.063
19	0.058
20	0.056

Weekly

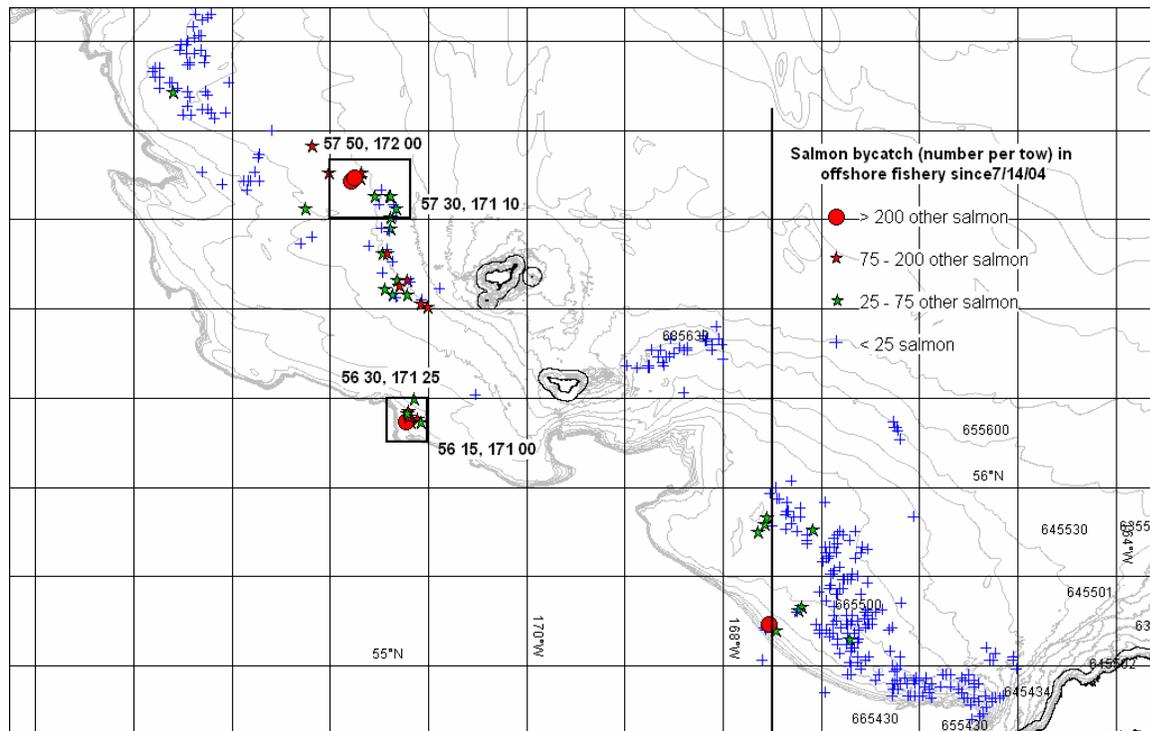
Vessel	Other Salmon Rate
1	0.518
2	0.290
3	0.261
4	0.233
5	0.175
6	0.153
7	0.120
8	0.115
9	0.113
10	0.104
11	0.096
12	0.080
13	0.073
14	0.071
15	0.064
16	0.062
17	0.054
18	
19	
20	



Western Region Closure Areas:

Area 1: 56 15N to 56 30N
171 00W to 171 25W

Area 2: 57 30N to 57 50N
171 10W to 172 00W



Bycatch rates by area through 7/22/04			
Stat Area	Rate	Stat Area	Rate
715600	0.869	665500	0.051
715730	0.639	745830	0.042
715700	0.512	735830	0.042
675500	0.441	735800	0.036
715630	0.382	685630	0.024
725730	0.298	655409	0.019
675530	0.183	655430	0.013
655500	0.085	635600	0.006
665530	0.058		
665430	0.058		



 P.O. Box 74, Vashon, WA 98070

Ph: (206)463-7370
 Fax: (206)463-7371
 Email: karl@seastateinc.com

July 29, 2004

Re: IC Salmon closure

Overall catch and bycatch by sector (no cdq)

Sector	Pollock (mt)	Chinook (N)	Chinook rate (N/mt)	Other Salmon (N)	Other salmon rate (N/mt)
Shoreside	128,488	235	0.002	5,281	0.041
C/P	162,632	751	0.005	33,263	0.204
Motherships	22,999	90	0.004	2,476	0.107
Total	314,120	1,077	0.003	41,020	0.131

Bycatch continues to be high out west of the Pribilofs. We are closing the entire stat area 725630 as it clearly had the worst hauls in the last 7 days (even the last 2 days). In the eastern bycatch management region we have had a couple of deliveries from west of 166 that result in parts of 665430 and 665500 being closed. The south part of 665500 will also close for a month on August 1st as it is part of the chum savings area, but 665430 is outside the chum savings area and will be fair game for Tier 2 coops after 1800 hrs on August 3rd. Of course, it will not close at all to Tier 1 coops.

It looks like we again have very clean fishing up in the chum savings area, and certainly some very dirty fishing outside the savings area. I have my fingers crossed that the areas south of the 55 line stay relatively chum-free for awhile. It may be that the large numbers of chums up by the Pribilofs indicate a shift in their main area of abundance, at least for this year. That would be good news for the shoreside fleet, although small consolation to the factory trawlers.

-Karl

WEEKLY SALMON BYCATCH UPDATE - For Week Ending 7/29/04					
Coop	Bycatch Rate	Coop Tier Status	Savings Closure Start Date (1800 Hrs.)	Savings Closure End Date (1800 Hrs.)	Number of Closure Days
Akutan Coop	0.029	1	N/A	N/A	0
Arctic Coop	0.037	1	N/A	N/A	0
Mothership Coop	0.084	2	7/30/2004	8/3/2004	4
North. Victor Coop	0.035	1	N/A	N/A	0
Peter Pan Coop	0.018	1	N/A	N/A	0
Pick Cons. Coop	0.167	3	7/30/2004	8/6/2004	7
Unalaska Coop	0.037	1	N/A	N/A	0
UniSea Coop	0.086	2	7/30/2004	8/3/2004	4
Westward Coop	0.030	1	N/A	N/A	0

Tier 1: Less than .054 salmon per mt

Tier 2: Greater than .054 but less than .090 salmon per mt

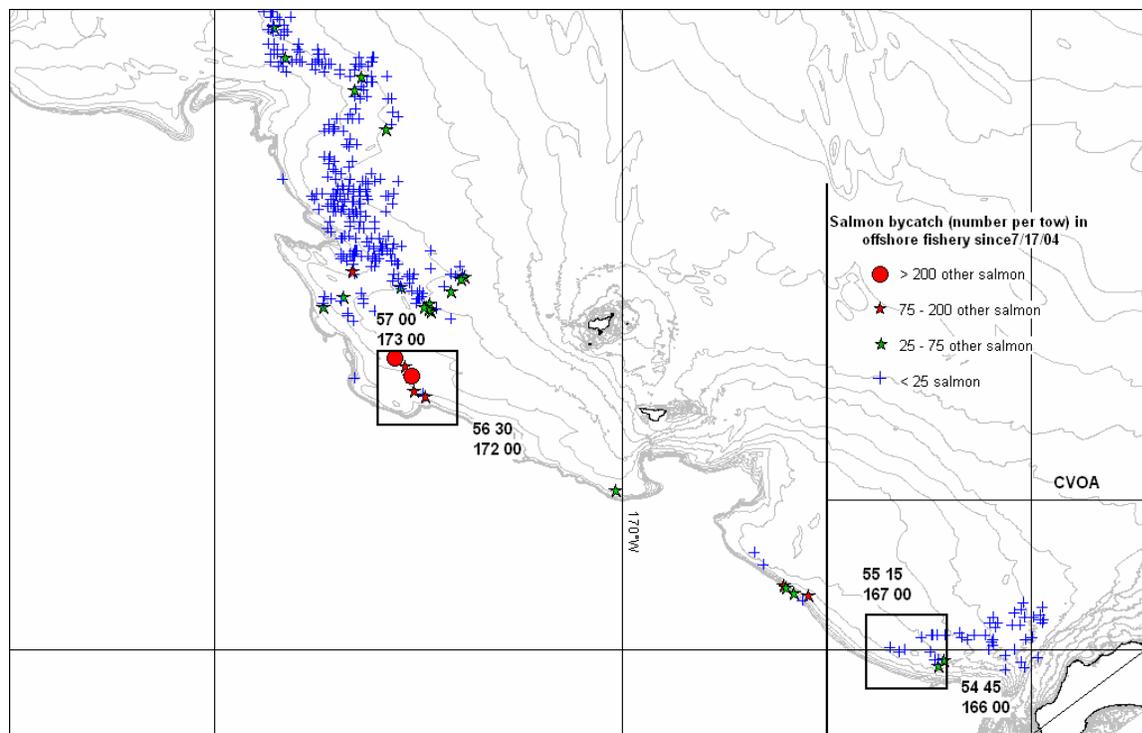
Tier 3: Greater than .090 salmon per mt

Western Region Closure Areas – 725630:

Coordinates: 56 30N – 57 00N
172 00W – 173 00W

Eastern Region Closure – north half of 665530 and south half of 665500:

Coordinates: 54 45 – 55 15
166 00W – 167 00W



Bycatch rates by area through 7/29/04			
Stat Area	Rate	Stat Area	Rate
725630	1.476	725730	0.058
685500	0.515	735800	0.047
675500	0.475	745830	0.043
715700	0.425	655500	0.042
715730	0.290	735730	0.038
665500	0.268	735830	0.037
665430	0.164	645501	0.035
735700	0.135	725830	0.035
725700	0.116	655430	0.030
725800	0.108	645434	0.020
735900	0.082	655530	0.018
685530	0.081	655409	0.003
745900	0.079	745800	0.000
645500	0.064		