

Year End Report of The Fishing Company of Alaska

Offshore Rockfish Cooperative

Respectively submitted to:
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Section I INTRODUCTION

In Section 802 of the Consolidated Appropriations Act of 2004, the U.S. Congress included a directive to the Secretary of Commerce to establish, in consultation with the North Pacific Fishery Management Council (the Council), a pilot program for management of three primary rockfish species in the Central Gulf of Alaska (CGOA): Pacific Ocean perch (POP), northern rockfish (NR), and pelagic shelf rockfish fisheries (PSR).¹ The ensuing Rockfish Pilot Program (RPP) allowed for the formation of rockfish fishing cooperatives in the catcher vessel (CV) and catcher processor (CP) sectors, the latter of which requires at least two limited license permits (LLP's).

The Fishing Company of Alaska (FCA) Rockfish Cooperative was one of three offshore/catcher processor cooperatives formed first in 2007, 2008, 2009 and again in 2010 in accordance to Amendment 68 of the Fishery Management Plan for Groundfish of the Gulf of Alaska. During this 2010 fishing season the FCA cooperative performed quota transfers between both Gulf of Alaska Rockfish Best Use Cooperative and Trident Offshore Cooperative.

Each cooperative received an annual harvest share allocation based on the qualified harvest history of its members (combined vessel quota shares or QS). In addition to the allocation of primary rockfish species (POP, NR, PSR), catcher processor cooperatives also received allocations of secondary species, which included sablefish, thornyhead, shortraker, roughey rockfish and halibut PSC mortality. The catcher processor (CP) vessel co-ops did not receive allocations of Pacific cod. The CP cod was managed as a maximum retainable amount (MRA's in the CP sector) but was allocated shortraker and roughey rockfish. Allocations to both the inshore and catcher processor sectors were based on the average percentage of retained catch and halibut PSC mortality usage of these species in the target rockfish fisheries during the qualifying period. These allocations were distributed to the cooperative members based on the amount of primary rockfish that the cooperative member held.

Provisions in the RPP regulations allowed for only one-way transfers of CQ from a CP offshore co-op to a CV inshore co-op, and during the 2010 RPP season no such transfers were made.

This year (2010) marked the fourth year of the five year Rockfish Pilot Program and, in compliance with Amendment 68, this annual report is submitted to the Council as a summary of harvests, transfers and cooperative performance during the 2010 rockfish fishing season in the Central Gulf of Alaska (CGOA).

Section II COOPERATIVE MEMBERSHIP

The 2010 Fishing Company of Alaska Cooperative (FCA) consisted of three member vessels, AK Spirit (LLP #3043), AK Victory (LLP #2080) and AK Warrior (LLP # 2083), which actively fished during the RPP.

Member Licenses

Vessel Name	ADF&G	USCG	LLP
Alaska Spirit	59870	554913	3043
Alaska Victory	61083	569752	2080
Alaska Warrior	56965	590350	2083

Note:

Now that the regulation changes have been implemented to eliminate the 14 day stand-down provision, the FCA cooperative was able to co-op all three of the qualified FCA vessel licenses during the 2010 fishing season.

Section III COOPERATIVE MANAGEMENT-MONITORING

The Fishing Company of Alaska (FCA) cooperative was represented and managed by Capt. Bill McGill of Fishing Company of Alaska, Inc. in collaboration and coordination with the other offshore cooperatives, Gulf of Alaska Rockfish Best Use Cooperative, Trident Seafoods, Inc., the inshore inter-cooperative manager, Julie Bonney of the Alaska Groundfish Data Bank, and the National Marine Fisheries Service (in-season management).

FCA's 2010 cooperative harvesting strategy was to bring the entire allocation under one cooperative and manage the harvesting in the central GOA utilizing the AK Spirit, AK Victory and AK Warrior.

Based on its previous years fishing experience, FCA was able to develop an effective onboard catch monitoring program and employ fishing techniques that maximized harvest and minimized PSC bycatch without exceeding any species or PSC allocations. The ability to coordinate harvesting of relatively small TACs between the vessels proved to be a key factor in this program.

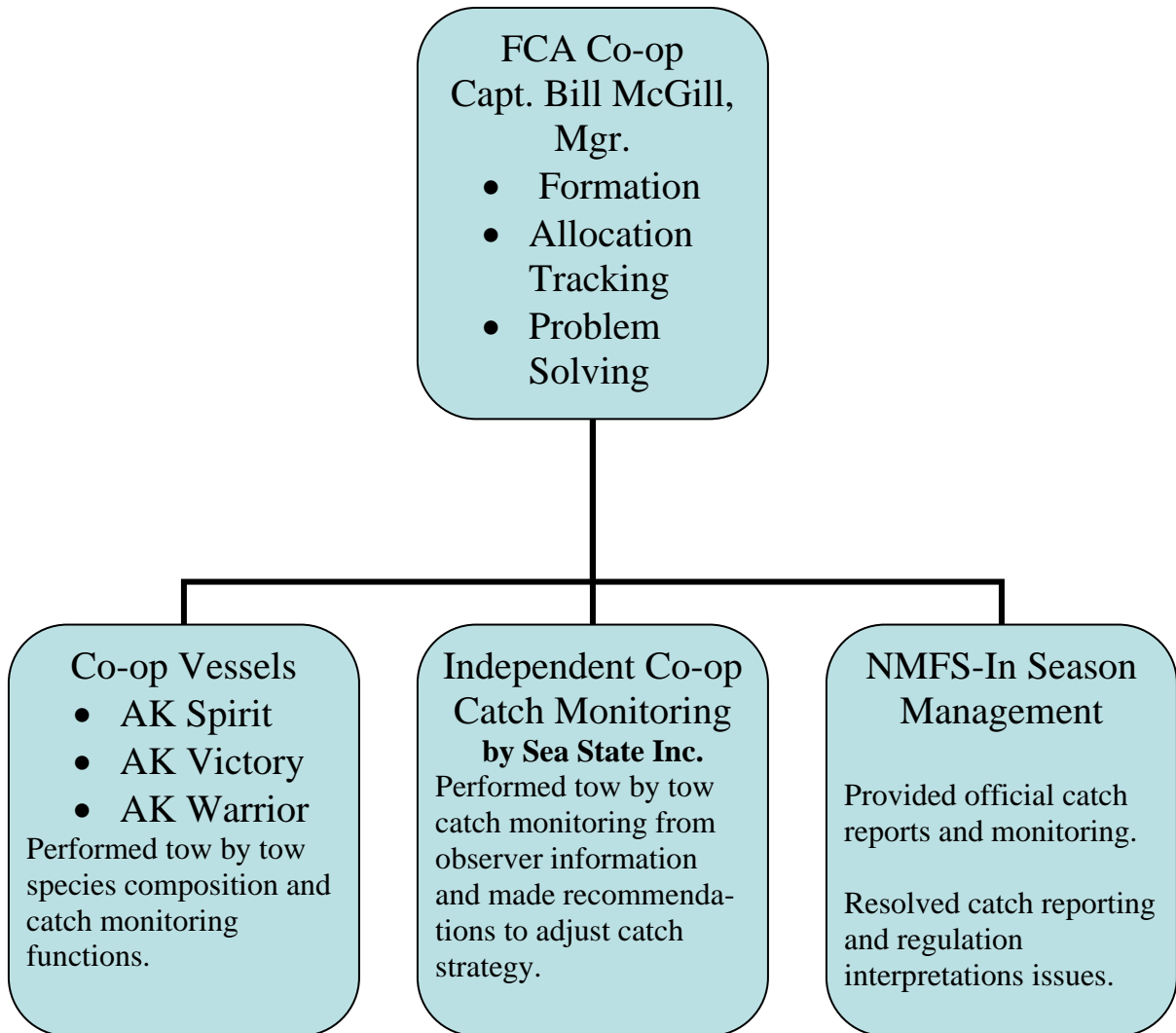
Figure 1 below shows the schematic outlining the co-op's operations and flow of information among the contributing parties.

Vessel Catch-Monitoring

All of FCA's co-op vessels were equipped with onboard catch monitoring systems that allowed them to compute and monitor catch on a tow by tow basis based on real time haul estimates, species composition and observer information. Each vessel's accounting was compared to catch reports compiled by an independent catch monitoring company, Sea State Inc., who utilized the most current official NMFS observer catch information. The comparative data was then transmitted to the vessels via the co-op manager and any discrepancies between the vessels catch estimates and those compiled by Sea State were immediately rectified.

In addition to the above, a third check of catch data accuracy was made when the co-op manager also compared the vessels and Sea State catch numbers with the NMFS co-op manager's official catch accounting in Juneau to ensure no species allocations were exceeded. While all of this may have seemed a little redundant, it gave all concerned confidence that over harvesting of CQ would not happen.

Figure 1. Schematic of Fishing Co. of Alaska Rockfish Cooperative Operations and Management.



Section IV CO-OP ALLOCATIONS, TRANSFERS and PERFORMANCE

FCA cooperative allocations and transfers for the 2010 season are summarized by species in Table 1.

The FCA cooperative did perform inter-cooperative transfers between the other two off shore cooperatives in an effort to maximize the offshore sectors total harvest and balance out accounts within the cooperative. The additional Gulf of Alaska Best Use Cooperative and removal of the 14 day stand-down provision improved the off shore sectors ability to operate under the program. It should be noted that while post delivery transfers are permissible between cooperatives, the ability to make these finite changes is complicated by the agency making after the fact adjustments to the account balances.

Table 1 Central Gulf of Alaska Allocations and Transfers IN and OUT of Cooperative by species.

NAME	FCA CQ Allocation	Transferred from the below coop	Transferred to the below coop	In Transfers	Out Transfers	Catch	CQ not harvested	Percent ¹ Harvested
Pacific Ocean Perch	2460.185		Gulf of Alaska Best Use Cooperative		100	2350.798	9.387	100%
Pelagic Shelf Rockfish	178.064		Gulf of Alaska Best Use Cooperative		55	124.642	-1.578	100%
Northern Rockfish	250.154		Gulf of Alaska Best Use Cooperative		89.8	156.76	3.594	99%
Sablefish	70.012	Gulf of Alaska Best Use Cooperative		2.010		72.022	0 Note: 2	100%
Shortraker Rockfish	35.234	Trident Offshore Cooperative	Gulf of Alaska Best Use Cooperative	18.768	51.2	1.756	1.046	97%
Rougheye Rockfish	183.201		Gulf of Alaska Best Use Cooperative		178.6	4.527	.074	100%
Thornyhead Rockfish	52.754		Gulf of Alaska Best Use Cooperative		40.4	11.348	1.006	98%
CGOA Halibut - PSC	39.134		Gulf of Alaska Best Use Cooperative		21.2	17.845	.089	100%

1 Percent is after adjusted transfers in/out of co-op.

2 The zero shown in this table was based on the transferring in of 2.01 mts on 9/8/10 from the Gulf Best Use Coop.

Section V WESTERN GULF OF ALASKA (WGOA) SIDEBOARDS

During the fourth year of the program, Fishing Company of Alaska chose to manage its single owner cooperative in a conservative manner; focusing on catch monitoring, individual vessel accountability and developing inter-cooperative transfer relationships between the two other cooperatives. All co-op vessels fished in the WGOA sideboard fishery. The Western GOA fishery competition (race for fish) has intensified as a result of the CGOA rockfish program. The last real race for fish in Gulf remains in the Western area where the fishing days have been reduced from one week, to 3 days and only two days during the 2010 fishing year. In all likelihood it may only be a one day fishery in 2011.

Table 2 Western GOA Sideboard Species

Species Group	Area	Sideboard Percentage	Total CP Sideboard Limit (mt)	FCA Co-op Sideboard Limit (mt)	FCA Catch (mt)	FCA Balance (mt)	FCA % Remaining
Northern Rockfish	WG	90.2	1,621	1462	605.649	856.351	41%
Pacific Ocean Perch	WG	83.5	2,269	1894	952.281	941.719	50%
Pelagic Shelf Rockfish	WG	91	411	374	147.756	263.244	60%

(*) The fishery closed on TAC after two days, so the coop vessels could not reach the limit.

Section VI CO-OP CENTRAL GOA PROHIBITED SPECIES CATCH (PSC)

The FCA co-op was allocated 39.134 mts of halibut PSC and only used 17.84 mts. Any unused halibut PSC automatically became available to the inshore sector on November 15th.

Section VII PROGRAM SIDEBOARDS

The Rockfish Pilot Program established sideboard limitations (not allocations) that limited LLP holders participating in the program from expanding their harvests in other fisheries. These sideboard limits applied only in July, historically the most active month for rockfish fishing.

All three of the FCA cooperative vessels participated in the Western Gulf co-op sideboard fisheries. The side board limits shown in Table 2, were not limiting on the FCA cooperative because the fishery was only open for 48 hours due to increased fishing effort by non-central Gulf of Alaska Rockfish participants (Amendment 80 vessels) and the CGOA Rockfish CPs.

Prior to the Rockfish Pilot Program being implemented, the offshore fleet was dispersed across the GOA during the month of July. Now when the Western Gulf opens on July 1st, the “race is on” and everyone will be attempting to establish new and more recent catch history. In 2011 we anticipate the fishery will likely only stay open for 24 hours.

Section VIII PENALTIES/CIVIL ACTIONS

There were no NMFS enforcement actions or other sanctions taken against the FCA cooperative.

Section IX SUMMARY COMMENTS

This fourth year of the program, from our perspective, best represented what can be accomplished under a rationalized rockfish program in that it had almost all the qualified CGOA offshore vessels participating in the program. It demonstrated the ability of the offshore sector to coordinate offshore harvesting to the maximum extent possible. The Trident offshore cooperative transferred its quota to the inshore sector for harvesting, while the other two offshore cooperatives worked to maximize the sectors harvest.

The most discouraging aspect of the program seems to be the side effect of the intensified race for fish in Western GOA. The lack of rationalization in Western GOA will continue to intensify the race for fish and limit the total benefits that could be obtained for the sector that harvests offshore rockfish in the GOA.