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REPORT FROM THE PACIFIC FISHERY MANAGEMENT COUNCIL MEETING June 10 - 16, 2015

GROUNDFISH MANAGEMENT

Permit Stacking Cost Recovery Report

The Magnuson-Stevens Fishery Conservation and Management Act (MSA) requires NOAA's National Marine Fisheries Service (NMFS) to collect fees to recover the costs directly related to the management, data collection, and enforcement of a limited access privilege program (LAPP) (16 U.S.C. 1854(d)(2)), also called "cost recovery". Amendment 14 to the Pacific Coast Groundfish Fishery Management Plan (FMP) introduced a Permit Stacking Program to the limited entry, fixed gear primary sablefish fishery off Washington, Oregon, and California. This Permit Stacking Program is a type of individual fishing quota (IFQ) program under the MSA and therefore falls under the MSA requirements for cost recovery. In accordance with the Magnuson-Stevens Act, NMFS collects mandatory fees of up to three percent of the ex-vessel value of an IFQ program, to recover the incremental costs directly related to the program. Incremental costs means those net costs that would not have been incurred but for the implementation of the IFQ program.

The Council and advisory bodies received a NMFS Report that reviewed the incremental costs associated with the Permit Stacking Program to evaluate if the annual sablefish permit application fee that is currently in place is recovering these costs. The report identified the divisions within NMFS that were most likely to incur these costs: The West Coast Region (WCR), Northwest Fisheries Science Center (NWFS), Office of Law Enforcement (OLE), Northwest Section of the Office of General Counsel (General Counsel), and, through NMFS' grants, the Pacific States Marine Fisheries Commission (PSMFC). Each of these entities was asked to provide an estimate of any costs associated with the Permit Stacking Program that could be considered incremental. The review concluded that most of the divisions within NMFS that work on the Sablefish Permit Stacking Program generate no incremental costs. The WCR does generate costs through incremental tasks, but a large part of these are recovered through the current sablefish permit fees. There are some additional recoverable costs within the WCR but these are minimal at this time.

The Council accepted the report, and determined that at present, the governmental costs for the limited entry fixed gear permit stacking sector are not sufficient to warrant the implementation of a cost recovery program for that sector.

Salmon Endangered Species Act (ESA) Reconsultation Update

The Council endorsed NMFS' proposal to convene a workshop in mid-August in order to brief stakeholders on the development of the biological opinion for ESA-listed Chinook salmon stocks caught in the Pacific coast groundfish fishery, and to obtain input from stakeholders on realistic bycatch estimates in existing and future groundfish fisheries, and potential measures to reduce Chinook salmon bycatch. NMFS will report on workshop outcomes at the September Council

Meeting. This information will help the Council to develop proposed incidental catch levels for various groundfish fisheries to be evaluated through the reinitiated NMFS ESA section 7 consultation with regard to their jeopardizing listed salmon stocks' existence.

Non Salmon ESA Report

The Council took the following action in response to recommendations of the Groundfish ESA Workgroup:

- Requested that the United States Fish and Wildlife Service reinitiate ESA section 7 consultation for eulachon, or modify the current Incidental Take Statement to develop a take estimate that accounts for the increase in eulachon abundance and includes the shorebased hake, bottom trawl, and at-sea fishery sectors.
- Requested that NMFS reinitiate ESA section 7 consultation for short-tailed albatross to incorporate new information on population status and fishery takes.
- Tasked the Scientific and Statistical Committee (SSC) with review of methods to estimate rare event bycatch in the absence of 100 percent observer coverage.
- Began the process to implement a logbook requirement for all commercial groundfish fisheries, especially for those fisheries with low observer coverage rates.

Specifications Process for 2017 - 2018 Fisheries

The Council adopted a harvest specifications and management measures process and schedule, with final action on the following tasks scheduled for the June, 2016 Council meeting:

- Corrections to the Final Preferred Alternatives (FPA) for harvest specifications, if needed.
- Final exempted fishing permits for 2017-18.
- FPA for allocations.
- FPA for management measures.
- A prioritized list of management measures to be analyzed outside of the harvest specifications and management measures process (i.e., omnibus prioritization exercise).

The process and schedule is dependent on deadlines being met all along the way in order to meet the January 1, 2017 implementation deadline. Even with efficiencies that may have been created under Amendment 24, and with the Tiered analysis in place, the potential analysis of management measures coming out of the Groundfish Endangered Species Workgroup Report, and the Council's reconsideration of the ecosystem component designation for big skate or possibly a broader consideration for all skates, will likely create substantial additional analysis that will need to be conducted over the winter. In addition, the preliminary results of the canary rockfish stock assessment indicate the stock is rebuilt. Canary is caught in all sectors and thus a rebuilt declaration could mean adjustments to the two-year allocations and associated management measures (e.g., trip limits, bag limits, closed areas, etc.) across all groundfish fisheries.

Due to these factors, the January 1, 2017 fishing year start date will likely become threatened (as has happened in prior years). Some Council members recognized the schedule is not realistic but the Council chose to adopt the plan as is and scheduled a contingency plan discussion at the September Council Meeting.

Groundfish Essential Fish Habitat (EFH) and Rockfish Conservation Area (RCA) Update

In December 2010, the Council initiated a review of Pacific Coast groundfish EFH. Groundfish EFH was most recently designated in 2005, as part of Amendment 19 to the Groundfish Fishery Management Plan (FMP). The current EFH review was completed in March 2014, at which time the Council determined that new and newly-available information warranted consideration of changes to the existing components of groundfish EFH.

Representatives from the groundfish trawl fishery and conservation groups are working on a 'collaborative proposal' to recommend removal of the Trawl RCA and adjusted/enhanced EFH areas on a coastwide basis. The Council received an update from the collaborative group; the group will continue coastwide outreach meetings and intends to submit a proposed alternative for the advance September Briefing Book.

In addition, the Council adopted guidance that any EFH action alternatives being developed, proposed, or adopted, are subject to change based on government-to-government consultations between NOAA and an affected tribe or tribes.

Inseason Adjustments

The Council considered the most recent information regarding ongoing fisheries and recommended the following trip limit changes:

1. Limited entry fixed gear fishery north of 36° N. latitude: increase the sablefish trip limits to 1,125 lbs/week not to exceed 3,375 lbs/2 months for periods four through six beginning as soon as possible in period four.
2. Open access fishery north of 36° N. latitude: increase the sablefish trip limits to 350 lbs/day, or one landing per week up to 1,600 lbs, not to exceed 3,200 lbs/2 months for periods four through six beginning as soon as possible in period four.
3. Open access fishery between 40°10' N latitude and 34°27' N latitude: increase the minor shelf rockfish complex, shortbelly, widow, and chillipepper trip limit to 500 lb/2 months for periods four through six.
4. Limited entry fixed gear fishery south of 40° 10' N. latitude: increase the blackgill rockfish sub-limit to 1,600 lb/2 months for periods four through six beginning as soon as possible in period four.
5. Open access fishery south of 40° 10' N. latitude: increase the blackgill rockfish sub-limit to 550 lb/2 months for periods four through six beginning as soon as possible in period four.
6. Limited entry fixed gear/open access fishery: increase the California scorpionfish trip limits to 1,500 lb/2 months for periods four through six beginning as soon as possible in period four.
7. For black rockfish between 40° 10' N. latitude and 42° N. latitude: decrease the trip limit to 6,000 lb/2 months beginning at the start of the next bi-monthly period (either July 1 or September 1)

The Council adopted a 50% discard mortality rate for big skate caught as bycatch with trawl gear, and big skate trip limits of 35,000 lb/2 months for periods four through six.

Final Stock Assessments and Catch Reports

The Council adopted new update assessments for chilipepper rockfish, petrale sole, and sablefish as recommended by the Scientific and Statistical Committee (SSC). The new assessments for canary rockfish and petrale sole indicate both stocks are now rebuilt in advance of the target year specified in their respective rebuilding plans. These new assessments and catch reports will be integrated into the biennial specifications for 2017-2018 and beyond.

Chilipepper Rockfish

The most recent full assessment of chilipepper rockfish was conducted in 2007. The current assessment represents the first update of that 2007 assessment. The assessment update estimates a depletion in 2015 of 64% of the unfished level.

Petrале Sole

The most recent full assessment of petrale sole was conducted in 2013; therefore, this update includes only two years of additional data. The assessment update estimates a depletion in 2015 of 30.8%. The ten year projections, assuming that the annual catch limits (ACL's) are attained, predict that the relative depletion will range between 28 and 30% of the unfished level. Since the SSC has previously recommended that a stock can be declared rebuilt based on an assessment update, the SSC recommended that petrale sole be declared rebuilt.

Sablefish

The last full assessment of sablefish was in 2011. The assessment update estimates a depletion in 2015 of 34.5% of the unfished level.

The Council adopted new full assessments for canary rockfish and darkblotched rockfish.

Canary Rockfish

A 1999 stock assessment showed the stock had declined to 6.6% of unfished biomass in the northern area (Columbia and U.S. Vancouver management areas) and in the southern area (Conception, Monterey, and Eureka areas). The stock was declared overfished in January 2000.

A coastwide 2002 canary rockfish assessment estimated stock depletion to be 7.9% at the start of 2002. A canary rockfish rebuilding plan was adopted in 2003 under Groundfish Fishery Management Plan (FMP) Amendment 16-2 based on the results of the 2002 rebuilding analysis. The rebuilding plan established a target rebuilding year of 2074.

A full canary rockfish assessment was done in 2005 indicating a stock depletion of 9.0% at the start of 2005. The 2005 canary rebuilding analysis was used to inform the revised canary rebuilding plan adopted under Amendment 16-4, which specified a target rebuilding year of 2063.

The 2007 canary assessment estimated relative depletion level was 32.4% at the start of 2007. This was a significant departure from the previous assessment and largely driven by a higher assumed steepness ($h = 0.51$) relative to past assessments. The 2007 assessment was unable to estimate steepness as had been done in the 2005 assessment, largely because the 2007 assessment treated the triennial bottom trawl survey as two separate indices due to

changes between the 1992 and 1995 surveys in the seasonal timing. The 2007 canary rebuilding analysis predicted the stock would rebuild 42 years earlier (2021) than the originally estimated rebuilding schedule (2063). Amendment 16-4 was modified specifying a target rebuilding year of 2021.

The 2009 canary assessment, an update of the 2007 assessment, estimated stock depletion at 23.7% at the start of 2009. This change in stock status was due to a lower estimate of initial, unfished biomass (B₀) largely attributable to the inclusion of revised historical California catches from a formal reconstruction of 1916-1980 California catch data. The 2009 canary rebuilding analysis predicted the stock would not rebuild to the target year of 2021 with at least a 50% probability even in the absence of fishing-related mortality starting in 2011 (TF=0). The rebuilding plan was revised by changing the target to rebuild the stock to 2027; the revised rebuilding plan was implemented in 2011.

Another update assessment was prepared in 2011, which estimated stock depletion was 23.2% at the start of 2011. This change in stock status was due to a lower estimate of initial, unfished biomass (B₀) largely attributable to the inclusion of revised historical Oregon catches from a formal reconstruction of Oregon catch data. For the period 2000-2011, the spawning biomass was estimated to have increased from 11.2% to 23.2% of the unfished biomass level. The 2011 canary rebuilding analysis predicted the stock would not rebuild to the target year of 2027 with at least a 50% probability. The rebuilding plan was revised slightly by changing the target to rebuild the stock to 2030; the revised rebuilding plan was implemented in 2013.

The 2015 assessment estimated stock status to be at 55.5% depletion in 2015, which represents a substantial improvement in status from previous canary rockfish assessments. The primary factors driving the improvement in stock status are the use of a higher steepness value (0.773), the reduction in harvest due to the rebuilding plan, and above average recruitments in 2001-2003, and in 2007 and 2010. The relatively strong effect of steepness on estimated stock status is a reason for concern about the reliability of model results, since steepness is a relatively uncertain parameter value. However it should be noted that even a relatively low steepness of 0.6 (e.g., the low state of nature in the steepness decision table) results in a biomass estimate above the rebuilding target.

The SSC endorsed the use of the 2015 canary rockfish assessment as the best scientific information available for status determination and management as a category 1 assessment. The canary rockfish spawning stock biomass is estimated to be above the Baseline Maximum Sustainable Yield (BMSY) proxy of B₄₀% (40% of unfished biomass), and has therefore achieved the rebuilding target.

Darkblotched Rockfish

The first full assessment of the darkblotched rockfish stock was conducted in 2000, which estimated stock depletion at 14–31 percent of its unfished level, depending on assumptions regarding the historic catch of darkblotched rockfish in the foreign fishery from 1965-1978. The base model assumed 10% of foreign catch was comprised of darkblotched, leading to the conclusion that the spawning stock biomass was at 22% of its unfished level. NMFS declared darkblotched rockfish to be overfished in 2001 based on these results.

The base model estimate for 2015 spawning depletion is 39% (the rebuilding target is 40%). Several factors were identified as being responsible for the slower than expected rebuilding of darkblotched rockfish, which were projected to be rebuilt by 2015. The model results were very sensitive to the addition of the 2014 Northwest Fisheries Science Center (NWFSC) survey age composition data, which showed strong recruitment but reduced numbers of older mature fish. Furthermore, biomass index in the NWFSC survey for darkblotched rockfish has shown a slight downward trend during 2003-2014, with consistent drops in 2013, and again in 2014.

Blackgill and Slope Rockfish Quota Share Allocation

Amendment 21 to the Groundfish Fishery Management Plan was approved in 2010 and establishes long-term (not) allocations between the Trawl and Non-Trawl sectors of the groundfish fishery. Under status quo, blackgill rockfish are managed as part of the Slope Rockfish complex, meaning that in establishing harvest guidelines (HG) or annual catch limits (ACLs), the Amendment-21 allocation for slope rockfish (63% trawl: 37% non-trawl) is applied. This allocation was based on the years 2003-2005 and included all slope rockfish south of 40°10' N latitude.

The Council has undertaken a process to:

1. Remove blackgill rockfish from the Slope Rockfish complex south of 40°10' N lat. to allow more refined and conservative management of this stock.
2. Make sector allocations of southern blackgill rockfish, and reallocate the remaining Slope Rockfish complex south of 40°10' N lat. between sectors.
3. Allocate quota share (QS) of blackgill rockfish, and reallocate QS of the remaining Slope Rockfish complex south of 40°10' N lat. to permittees in the limited entry trawl individual fishing quota fishery (IFQ) for those permits with southern Slope Rockfish quota.

At the April 2015 meeting, the Council adopted a range of blackgill and Slope Rockfish inter-sector allocation alternatives, and QS [re]allocation alternatives recommended by the groundfish advisory subpanel (GAP) for detailed analysis.

Leading up to the implementation of the Trawl Rationalization Program, the Council anticipated and planned for several reallocation scenarios that might occur after initial allocation. The Council established, and NMFS approved and implemented, a reallocation process for a species group subdivision (50 CFR 660.140 (c)(3)(vii)(B)) that would reallocate the new IFQ species to the current QS permit owner in an amount equal to the base species group. For example, under this regulation, a QS permit owner who held 1% of minor slope rockfish south of 40° 10' N. latitude at the time of blackgill reallocation would receive 1% of blackgill rockfish. This decision was intended to simplify reallocation and recognize existing quota share holdings in a dynamic fishery with changing participation. Unfortunately, the preliminary draft analytical document (April Briefing Book) and the alternatives chosen by the Council (April Meeting) failed to recognize the existence of this process, and instead proposed several reallocation alternatives to QS permit owners based on limited entry permit history.

Pryor to the June meeting, NMFS pointed out several issues with the alternatives already adopted for analysis. Those are:

- Reallocating blackgill to QS permit owners using the methods in the proposed alternatives would be extremely challenging given that QS trading began in 2014.
- The effect on quota market share caused by using anything other than the method existing in regulation will need to be thoroughly considered and addressed. Those who have purchased Minor Slope QS since QS trading started may not own a limited entry permit. In addition, the purchaser would have made their purchase thinking that the minor slope QS included blackgill and that they would receive any future allocation if blackgill was pulled out of the complex based on a reallocation process for IFQ species subdivision that *already exists* in the Groundfish FMP and regulation that was not acknowledged in the Council discussion at the April Council meeting.
- The effect on market stability and confidence will need to be thoroughly considered for reallocation alternatives that use methods other than the current regulations. In other words, it is important to consider the effect of potentially undercutting confidence among QS permit owners that the shares they hold are actually theirs into the future and limit their ability to value their asset.

The Council decided to remove the alternatives for reallocating limited entry trawl minor slope rockfish/blackgill rockfish south of 40° 10' N. latitude quota shares from detailed analysis. The action maintains the existing quota share allocation process for a species group subdivision.

HIGHLY MIGRATORY SPECIES MANAGEMENT

Final Approval of Resubmitted Exempted Fishing Permit (EFP) Application

At the March 2015 meeting The Council requested revisions to the Alliance of Communities for Sustainable Fisheries application to address concerns with fishing un-modified Drift Gillnet (DGN) gear in the Pacific Leatherback Conservation Area (PLCA).

The Council recommended that NMFS issue an EFP to the Alliance of Communities for Sustainable Fisheries based on their resubmitted application with the following changes to the application:

1. No more than two large mesh drift gillnet vessels could fish under the EFP.
2. The EFP shall be conducted with 100% human observer coverage.
3. One leatherback sea turtle mortality or injury as determined by the onboard observer would terminate the EFP. Similar caps would be applied to other protected species and striped marlin.
4. The EFP applicants will consult with scientists about current ocean climate conditions that are thought to be favorable for identification of optimal time/area locations to conduct test fishery operations. This would involve the use of near-real-time oceanographic data to predict general times and areas where target catch rates are expected to be high relative to bycatch rates, especially of protected species.
5. The EFP applicants will collect data on catch and bycatch, gear deployment, and ocean conditions.

6. Pacific leatherback turtle critical habitat along the US west coast is a recognized sensitive area during leatherback migration and fishing in the area will be prohibited.
7. NMFS will review available data and information to determine any areas of consistently high presence of ESA listed or other protected species in order to aid the applicants in selecting fishing areas.

Swordfish Management and Monitoring Plan Hardcaps

The Council adopted additional alternatives and directed the Highly Migratory Species Management Team (HMSMT) to analyze them for Council final action in September 2015.

These alternatives would be variations on the current hard cap alternatives 4 and 5, where a two-year average of takes of high priority protected species would be counted against the hard caps in those alternatives. The two-year period for counting takes against the caps would be aligned with the two-year biennial management period, or would be a rolling period where takes in the current fishing season and the previous fishing season would be counted against the caps.

The Council also directed the HMSMT to further develop the Swordfish Fishery Management and Monitoring Plan and to continue investigating optimal levels of observer coverage to detect rare event bycatch while considering the costs of observer coverage. The Council also expressed interest in obtaining more detail on alternatives that include performance standards for finfish bycatch.

ADMINISTRATIVE

Membership Appointments and Council Operating Procedures (COP)

The Council elected Ms. Dorothy Lowman, Chair, and Mr. Herb Pollard, Vice Chair, of the Pacific Fishery Management Council for the 2015-2016 terms.

The Council appointed Mr. David Crabbe to represent the Council on the Pacific Offshore Cetacean Take Reduction Team.

While not available at this meeting, the U.S. Commerce Department announced on June 19 the appointment of 30 new and returning members to the eight regional fishery management councils that partner with NOAA Fisheries to manage ocean fish stocks. The new and reappointed council members begin their three-year terms on August 11.

Pacific Council appointments were as follows:

Obligatory Seats: David M. Crabbe (California), Dorothy M. Lowman (Oregon), Joseph Y. Oatman (Tribal)

At-large Seats: William "Buzz" Brizendine, II (California), Philip M. Anderson (Washington)

Future Council Meeting Agenda and Workload Planning

The next meeting of the Pacific Fishery Management Council is scheduled for September 9 - 16 2015 in Sacramento, California. The Preliminary Proposed Agenda represents the agenda expectations for the September 2015 Council meeting and includes among other things:

Salmon

1. Methodology Review
2. Sacramento Winter Chinook Update

Ecosystem

1. Unmanaged Forage Fish Regulation Deeming
2. FEP Initiative Scoping; Indicators & Climate Shift

Highly Migratory Species

1. Update on International Activities
2. Swordfish Management Plan & Hardcaps
3. Scoping Amendment 4; Authorizing Shallow Set Longline Fishery Outside EEZ

Groundfish

1. Midwater Sport Regs PPA
2. Gear Changes ROA
3. Adopt Final Stock Assessments
4. Electronic Monitoring Regulations & EFP Update
5. Review Process & Schedule & Initial Actions for Setting 2017-18 Specifications
6. ESA Salmon Reinitiation of Consultation Recommendations
7. Flow Scale Regulations Deeming
8. EFH & RCA ROA
9. Consideration of Inseason Adjustments
10. Blackgill/Slope Rockfish Intersector Allocation PPA

Administrative

1. Membership Appointments & COPs
2. Future Council Meeting Agenda and Workload Planning

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*The Power of Being First With
Innovation*