Fixed Gear Sablefish
Permit Stacking
(September 2000)

Key Concepts from Strategic Plan
• Capacity Reduction
• Profitable and Flexible Operations
• Efficient and Effective Management
• Stable and Enforceable Regulations

Today’s Presentation
• Review Identified Objectives
• Review Provisions and Major Impacts
• Some Possible Council Actions
  □ Confirm Objectives
  □ Modify Provisions. In particular evaluate
    o Owner-on-board provisions
    o Ownership limit
  □ Approve for Public Review
    (Must be approved for public review at this meeting if program is to be in place for 2001)
Implied Objectives

- Rationalize, promote efficiency
- Maintain benefits for fishing communities
- Prevent excessive concentration of ownership
- Mitigate reallocation effects of recent policies
- Promote equity
- Resolve onshore-offshore allocation (preserve 100% onsh)
- Promote safety
- Improve product quality and value
- Avoid substantial new disruptive effects
- Transition to IFQ program with multimonth season

Overhead Revisited
(avoiding the IFQ classification)

Possible harvest = cum limits * permits

Overhead
Prov-1. Basic Stacking
Prov-5. Season Length

(Capacity as a function of the time available to catch)

9 Day Season

7-8 Day Season

Prov-1. Basic Stacking
Prov-5. Season Length

6 Month Season
Prov-3. Stacking Limit

4% = Roughly 180,000 pounds
27 Tier-1; 43 Tier-2; 94 Tier 3
(Limit on number of permits per vessel but not on ownership)

<table>
<thead>
<tr>
<th>StackingLimit</th>
<th>Min Ves</th>
<th>Max Hvst (Extended Season (3 Tier-1))</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>82</td>
<td>129,600</td>
</tr>
<tr>
<td>3</td>
<td>55</td>
<td>194,400</td>
</tr>
<tr>
<td>4</td>
<td>41</td>
<td>259,200</td>
</tr>
<tr>
<td>4 (no Tier 1)</td>
<td>44</td>
<td>194,400</td>
</tr>
<tr>
<td>5 (no Tier 1)</td>
<td>38</td>
<td>194,400</td>
</tr>
</tbody>
</table>

(Limit on number of permits per vessel but not on ownership)
Prov-2. Gear Usage

Option 2a

Option 2b

(Trawl Permits Not Downsized)

Option 2c

Prov-4. Combination of Stacked Permits
(Prov-8. Non-sablefish Cum Limits)

4a. Permits can be unstacked
Prov-4. Combination of Stacked Permits
(Prov-8. Non-sablefish Cum Limits)

4b. Permits can NOT be unstacked

Prov-4. Combination of Stacked Permits
(Prov-8. Non-sablefish Cum Limits)

4c. Permits can NOT be unstacked,
transferable tier endrsmnts
Prov 6. No At-Sea Processing

Establishes allocation based on current of at-sea processing (none).
- Prevents allocation controversy from developing
- Ensures benefits flow through communities where landings occur
- May prevent more efficient modes of harvest and processing
- Does not prevent at-sea H&G

Prov 7. Owner-on-Board

- Grandfather provisions
  - Must own vessel (AK = 20%) => No Leasing
  - Can acquire additional permits
  - Ceases with change in identity of corp or partnership (addition of new members). Does not cease on trade of public stocks.
- AK Provisions
  - If corp or partnership owns, must designate fishing master on annual basis
  - Complete ownership info must be submitted annually (multiple levels).
  - Resource intensive exercise (public and private).
  - Can only be sold to initial recipient or IFQ qualified crew (150 days)
Ownership Limits AK

- Alaska Ownership Provisions
- Any percent ownership of a block constitutes ownership of the entire block (2 block limit)
- Percent cap: If a person owns part of two corporations:
  - Percent of A Corp * QS of A Corp +
  - Percent of B Corp * QS of B Corp
- Phantom financing is accepted, most financing is by financial institutions
- Sale contract and amount paid must be provided

Prov 9. DTLs for Vessels Without Sablefish Endorsements

- Limited entry vessels without sablefish endorsements CANNOT their DTLs fish during the primary sablefish fishery
- Open access vessels CAN fish their DTLs during the primary sablefish fishery
- If Limited entry vessels are prohibited from fishing their DTLs during an extended primary season (Option 5a) the bulk of their fishing opportunity will be eliminated.
Time Line

- Sept 2000 - Adopt for public review at this meeting
- Nov 2000 - Public hearing and final action
- June 2001 - Regulations finalized
- July 2001 - Abbreviated stacking declaration and limit setting process (reduced Council consultation or alternative consultation process). Season
- Mid-August 2001 – Season starts
- October 31 2001 – Season ends (if IQ moratorium lifted)

Possible Council Actions

☐ Confirm Objectives
☐ Modify Provisions, as necessary
   In particular evaluate council direction on
   o Owner-on-board provisions
   o Ownership limit
☐ Approve for Public Review
   (Must be approved for public review at this meeting if program is to be in place for 2001)