Proposal

The goal of this exempted fishing permit (EFP) is to demonstrate it is possible to harvest healthy stocks of Chilipepper Rockfish while avoiding other species deemed less healthy. This EFP would allow a limited number of **one** vessels (6) to take Chilipepper rockfish shoreward of the RCA boundary line using trolled hook and line gear known as “carpet runner” gear. At this time pursuing this underealized resource is economically unfeasible due to Chilipepper rockfish being considered part of the 200 pound bimonthly shelf rockfish limit. Allowing Chilipepper rockfish to be in a separate category and increasing the limit to 2000 pounds per month would make this a viable fishery. This would provide an alternative to replace lost fishing opportunities available to small vessels as a result of other closures. By allowing fishing with selective gear in the present RCA, the fishing would be done in the area where the targeted fish are found in the greatest numbers. There would be 100% retention of legal fish with only prohibited species being discarded. Trips would have 100% observer coverage to document and record the species caught.

Long Term Goal

The long term goal of this project is to provide access to Chilipepper rockfish stocks in the open access category fisherman. The monthly limits would be set by the biological abundance data. It is not known how many vessels would participate so the season may need adjustments to control the overall take.

Rationale:

1. The California Department of Fish and Game, in their regulations encourages experimental fishing methods (section 8606). This section allows new types of commercial fishing gear and methods in areas otherwise closed. Carpet runner gear allows for the use of existing salmon fishing machinery with limited expenditure for modifications.

2. The Chilipepper rockfish stock is healthy and harvest should be allowed if it is proven that non-target fish stocks can be avoided. A quote from a DFG document: [dfg.ca.gov/MRD/MLPA/response/shelf](http://dfg.ca.gov/MRD/MLPA/response/shelf) “A few shelf rockfish species such as Chilipepper and Yellowtail appear to be comparatively healthy; their allowable take has been set at levels below the potential yield to protect the weaker species that tend to be caught with them, such as Bocaccio and Canary”.

3. The fishing gear proposed can be set at a depth that is less likely to have contact non-target species such as Canary rockfish (further from the bottom). Cowcod and Yelloweye rockfish are not commonly found in the proposed fishing area. During
several salmon fishing trips within the RCA in 2005 the abundance of Chilipepper rockfish was noted. No Bocaccio rockfish were encountered with the trolled salmon gear during those trips.

4. Trolled gear, unlike trawl gear, has a relatively small catch capacity. The number of hooks used limits the catch in any one “set” so any contact with non-targeted species would be limited. The tows are much shorter in duration than trawl tows and the vessel can easily move to another fishing area if non-targeted species are encountered.

5. The fish caught by hook and line are handled much differently than trawl caught fish. Their superior appearance allows them to be more easily sold in the round for a higher price than trawl fish destined for the fillet market. The large ethnic communities in the San Francisco Bay area represent a consistently reliable market for this high quality round fish. A similar fish, Ocean Perch, are currently being imported from Canada to fill this market. Hook and line fishing seems to be a way of allowing a small harvest of a healthy resource for the most economic benefit to small vessel fishermen.

6. The limited availability of observers presents a challenge, however most vessels are already fishing in the groundfish fishery where observers are required. If the experimental fishing were done during the period the observer was already required to be aboard the vessel there would not be a net increase in observer coverage. The assumed higher catch rate fishing Chilipepper rockfish over nearshore fishing would allow the limit to be reached with fewer trips so it is possible the number of observer covered trips could actually be reduced.

6. This EFP will have 100% observer coverage with the cost of observers borne by the EFP participant.

7. This EFP will incorporate a standardized data collection and reporting format coordinated by the California Department of Fish and Game and the NMFS Northwest Fisheries Science Center.

Fishing Gear
The fishing gear would consist of the following elements: A vertical 3/32 diameter stainless steel cable attached to a 50 pound lead ball. A horizontal main line of 400 pound test monofilament line with crimped stops and swivels placed approximately every 30 inches. Attached to the swivel are an approximately 12 inches of 80 pound test monofilament line and an artificial shrimp fly. The main line would contain a maximum of 200 hooks. The main line is deployed and retrieved from a separate reel. The main line is overlayed with a piece of plastic carpet runner between wraps to prevent the hooks from tangling.
Fishing Technique
The vessel will motor through areas known to hold Chilipepper rockfish. Once a school of fish is located using depth sounder readings, a test line using a maximum of 6 hooks will be lowered to the indicated depth to determine the species of fish present. If other non-target species are found, a new location will be sought. If Chilipepper rockfish are present, the boat will be positioned to troll the gear through the school of fish at the depth noted by depth sounder readings. The hooks will be kept at least 10 fathoms from the bottom by noting the amount of main line extended.

Bycatch Caps

<table>
<thead>
<tr>
<th>Species</th>
<th>Per Vessel</th>
<th>Per Vessel</th>
<th>Annually</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2 mo. Period</td>
<td>Annually</td>
<td>All vessels</td>
</tr>
<tr>
<td>Widow/yellowtail</td>
<td>200</td>
<td>600</td>
<td>3600</td>
</tr>
<tr>
<td>Bocaccio</td>
<td>200</td>
<td>600</td>
<td>3600</td>
</tr>
<tr>
<td>Canary</td>
<td>20</td>
<td>40</td>
<td>240</td>
</tr>
<tr>
<td>Cowcod</td>
<td>1 fish</td>
<td>1 fish</td>
<td>6 fish</td>
</tr>
<tr>
<td>Yelloweye</td>
<td>1 fish</td>
<td>1 fish</td>
<td>6 fish</td>
</tr>
<tr>
<td><strong>Target species</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chilipepper</td>
<td>4000</td>
<td>16,000</td>
<td>96,000</td>
</tr>
</tbody>
</table>

| Bocaccio               | 1.6 mt     |
| Canary                 | 100 lbs    |
| Cowcod                 | 50 lbs     |
| **Yelloweye**          | 50 lbs     |

Applicant Information:

Applicants: Robert Kraencke  Jerry Pemberton
280 Dougane Ave.  426 Beach Street
San Jose, Ca. 95117  Half Moon Bay, Ca. 94019
Phone: 408-887-4567  Phone 650-619-0388

Vessel: Lady LeBlanc
F&G 49548

Fishing Area: Latitude 38° N lat. to 36°50’ N lat.
Depth 80 to 100 fm, *but no shallower than 80 fm*

Time Period: April – November for a 2 year period
Application for Issuance of an Exempted Fishing Permit to Replace Trawling with Fixed Gear Fishing off the Central California Coast

The Central California Sustainable Groundfish Fishery Plan

A. Date of application: November, 2006

Applicant Contacts: Rod Fujita, Environmental Defense (ED)
Chuck Cook, The Nature Conservancy (TNC)

C. Statement of purpose and goals of the experiment for which an EFP is needed, including a general description of the arrangements for the disposition of all species harvested under the EFP:

Goals:

1. To provide an experimental method to reduce the rate of bycatch of the traditional trawling fishing fleet of Morro Bay through gear switching to hook and line and traps. The project would test the effectiveness of this method in reducing the rate of bycatch and include well-defined and standardized data collection and dissemination to stakeholders.

2. To provide a pilot project for gear switching that would provide information and lessons to stakeholders in advance of a likely larger gear-switching effort associated with the transition of trawling permits to an ITQ system.

According to the Council’s November 2006 Situation Summary, the purpose of an EFP should be to “provide a process for testing innovative fishing gears and strategies to substantiate methods for prosecuting sustainable and risk-averse fishing opportunities”. This EFP would substantiate a method (leasing 7 trawl permits on condition of gear-switching to fixed gear) for prosecuting a sustainable and risk-averse fishing opportunity (by allowing participating fishermen to access productive, high value stocks with greatly reduced bycatch/discard and habitat damage relative to trawling, reducing risks of catching overfished species and of harming habitat).

Seven trawl permits have already been purchased by The Nature Conservancy (TNC) in the project area. The acquisition of these permits have created an opportunity for stakeholders to work together towards an innovative approach aimed at transforming this local fishery to more sustainable practices, while also proving information and lessons associated with this fishing management strategy. The project would also help this fishing community address large local economic losses that have resulted from the higher fuel costs, reduction in fish purchasers, federal trawl buyout, and other regulation and conservation measures.
This EFP would help increase fishing opportunity in the study area by allowing fishermen to use fixed gear to catch fish currently associated with trawl permit trip limits. The EFP will require 100% NMFS-certified observer coverage of participating vessels so to maximize the amount of data and information that can be gathered from the project. It is anticipated that a cost-sharing agreement between TNC/ED and participating fishermen will be established to pay for the observer coverage. TNC/ED will also work with the Council, Department of Fish and Game and other stakeholders to identify the most effective data gathering and dissemination system for this project.

This EFP is an element of the Central California Sustainable Groundfish Plan (attached). There is a direct nexus with the goals of this Plan and the goals of the PFMC and NOAA-Fisheries of the west coast groundfish Fishery Management Plan (FMP), such as:

- Prevent overfishing by managing for appropriate harvest levels and prevent any net loss of the habitat of living marine resources; specifically, by reducing discard mortality.
- Maximize the value of the groundfish resource as a whole.
- Achieve optimum yield of the overall groundfish fishery, promote year-round availability of quality seafood to the consumer, and promote recreational fishing opportunities.
- Minimize bycatch and waste.
- Protect Essential Fish Habitat.

The EFP will also fulfill several goals and guidelines articulated in the PFMC’s Groundfish Strategic Plan:

- Create incentives for fishing in ways that are consistent with management goals and objectives (p. 7).
- Licenses, endorsements, or quotas established through management or capacity reduction may be limited to specific areas through exclusive area registration and consider port landing requirements (p. 14).
- Implement an at-sea observer program (p. 14).

The study will apply to vessels fishing out of Morro Bay and Port San Luis, California, an area that has been especially impacted by capacity reduction. Preference for eligibility will be given to fishermen residing in San Luis Obispo.

Finally, we hope to show that implementation of gear-switching will prove more tractable on a smaller scale (San Luis Obispo County) than on the scale of the entire PFMC area of jurisdiction. The greatest constraint on fishing opportunity,
maximization of value, and the achievement of the other FMP and strategic plan goals for this fishery is the bycatch of depleted species. This also constitutes one of the most important conservation problems caused by this fishery.

The EFP will assist the PFMC in achieving the goals set forth in the FMP and strategic plan allowing participating fishermen to switch gears from trawling to fixed gear. This will reduce bycatch and discard. Lower bycatch and discard rates of depleted species should increase fishing opportunity on more productive species caught in the same habitats, thereby increasing yield and reducing waste.

Disposition of the species harvested under the EFP will be as follows:

- Species caught within the normal current trip limits may be retained and sold by the vessel.
- All rockfish caught while targeting shelf groundfish during the EFP must be retained and offloaded. Overages of rockfish must be surrendered.

D. Valid justification explaining why issuance of an EFP is warranted:

Since 1998, the PFMC has initiated rebuilding plans for several species that have been depleted below the minimum stock size threshold. Regulations such as small trip limits designed to protect these species and allow them to rebuild have resulted in severe constraints on fishing opportunity for more productive species, reducing overall yield and economic performance while at the same time creating incentives for discard, creating a major economic and conservation problem.

While the reduction of bycatch and discard is an overall goal for the west coast groundfish fishery, implementation of the many excellent recommendations for achieving it (bycatch caps, transferable bycatch allowances, high levels of observer coverage, closed areas) have been and will be limited by available financial resources. In the short term, this EFP should allow fishermen participants to reduce bycatch and discards and to access more fish, reducing threats to fishing infrastructure and livelihoods that have arisen from greatly reduced landings in recent years. This EFP will also allow the PFMC and NOAA-Fisheries to test the efficacy of this gear-switching approach on a smaller, more tractable scale, providing valuable data for broader application. If the benefits are substantial, the EFP may inspire other areas or groups of fishermen to proactively carry observers or video monitoring equipment in order to justify gear-switching, potentially extending the flexibility granted under this EFP to the rest of the fleet).

An additional justification for issuing this EFP is the crisis resulting from reduced trawl landings in Morro Bay. Landings in these ports must increase as soon as possible if fishing infrastructure and historic fishing heritage are to be preserved in the face of severe threats. Several fishermen in the study area once fished vertical hook and line gear, and reduced their fishing effort on rockfish in response to reduced rockfish trip limits and the RCAs. This EFP would allow these fishermen to demonstrate their ability to target rockfish with minimal bycatch and habitat impact.
Upon successful demonstration of this ability, they would be accorded greater access to the fish resources. Such fishing techniques will be critical for transitioning groundfish fisheries to lower volume, higher value fisheries. This transition will be essential for maintaining the economic and ecological health of the groundfishery.

E. **A statement of whether the proposed exempted fishing has broader significance than the applicant’s individual goals.**

We believe that the information collected during this experiment will have broader significance than our specific goals, and in fact will be applicable to fisheries throughout California and the West Coast.

- This EFP will greatly enhance observer coverage and may induce other vessels to carry observers if this is made a condition of gear-switching.

- Data on bycatch and discard reduction at the smaller scale of this EFP will indicate the potential for reduction fleet-wide as a result of gear-switching, providing both information vital for decision-making and inspiration for other fishermen and areas to reduce bycatch and discard proactively.

- Participants in project would agree to abide by smaller caps for critically overfished species, leaving a larger total fishing allocation of these species for the possible utilization of the larger trawl fleet.

F. **Vessels covered under the EFP:**

Fishermen eligible to apply for participation in the EFP will include those who reside in the project area of San Luis Obispo County (where TNC’s trawl permit acquisitions took place) and/or those who have historically fished out of ports in the project area. The eligible vessels and fishing methods will include a mix of hook/line and pot vessels.

Any EFP may be canceled and made available to another vessel if the permitted vessel: 1) does not follow the terms and conditions of the permit; 2) fails to follow federal or State fishing regulations; 3) does not prosecute the fishery using the bycatch reduction methods specified in the EFP; or 4) does not reasonably accommodate the observer or cooperate with the applicant.

A permitted vessel may withdraw once from the EFP program and resume participation the following month.

G. **A description of the species (target and incidental) to be harvested under the EFP and the amount(s) of such harvest necessary to conduct the experiment:**

The primary target species are slope rockfish and the DTS complex and perhaps some experimental trapping of flatfish.
The maximum allowed catch (cap) for target species will be tied directly to the trip limits already established for limited entry fixed gear. However, actual catches would count against the total trawl fleet allocation and individual limited entry trawl trip limits. Fishing participants would be subject to all established regulations, trip limits and other guidelines for limited entry fixed gear.

The program requires full retention of rockfish. All rockfish species will be landed and surrendered to enhance biological sampling and to document the actual rockfish mortality and discard rates, with catch thresholds in place for overfished rockfish species to ensure that take remains below allocated bycatch caps. The EFP thresholds for incidental take of overfished stocks will be applied as follows:

- Proposed total annual EFP catch thresholds for overfished species (for 7 trawl permits):
  - Boccacio: 1000 lbs
  - Cowcod: 250 lbs
  - Canary: 250 lbs

H. For each vessel covered by the EFP, the approximate time(s) and place(s) fishing will take place:

The test fishery will be conducted from April 2007 through April 2008, with the expectation that TNC/ED will apply for a one year renewal in April 2008. The EFP will be valid in those Pacific Ocean waters adjacent to the California coast between Point Conception and 36 degree latitude.

I. All participating vessels under the authority of the EFP:

- Must exclusively employ legal gear as specified in Federal Register 50 CFR Ch. VI (10–1–02 Edition) Subpart G—West Coast Groundfish Fisheries, 660.301 Purpose and scope.

- Must apply and submit a fishing plan for approval. Fishing plans must meet the following specifications:
  - Proposed gear type and practices to be used to prosecute fishery under the EFP permit
  - Commitment to carry an observer
  - Commitment to abide by the terms of the EFP, including bycatch, discard, and directed catch caps and habitat protection regulations
  - Commitment to land all fish caught under the authority of the EFP into the ports within the project area

J. Signature of the applicant: