DRAFT SUMMARY MINUTES
Groundfish Allocation Committee
Pacific Fishery Management Council
Red Lion Hotel on the River
Jantzen Beach – Portland
Glisan Room
909 N. Hayden Island Drive
Portland, OR 97217
(503) 283-4466

October 18-19, 2006

WEDNESDAY, OCTOBER 18, 2006 – 8:30 A.M.

Members Present:
Mr. Donald Hansen, Dana Wharf Sport Fishing, Pacific Fishery Management Council Chairman
Mr. Phil Anderson, Washington Department of Fish and Wildlife
Mr. Curt Melcher, Oregon Department of Fish and Wildlife
Ms. Marija Vojkovich, California Department of Fish and Game
Mr. Frank Lockhart, National Marine Fisheries Service Northwest Regional Office

Advisors Present:
Ms. Eileen Cooney, National Oceanic and Atmospheric Administration General Counsel
Ms. Michele Longo-Eder, Limited Entry Fixed Gear Representative
Mr. Pete Leipzig, Limited Entry Non-Whiting Representative
Mr. Jan Jacobs, Limited Entry Whiting Trawl Representative
Mr. Tom Ghio, Open Access Representative
Ms. Heather Mann, Processor Representative
Mr. Bob Osborn, Recreational Representative

Others Present:
Mr. Mark Cedergreen, Westport Charter Association, Council member
Mr. Rod Moore, West Coast Seafood Processors Association, Council member
Mr. Dale Myer, Arctic Storm Inc., Council member
Mr. Bob Alverson, Fishing Vessel Owner’s Association
Mr. Steve Bodnar, Coos Bay Trawlers Association and Bandon Submarine Cable Committee
Mr. Brad Pettinger, Oregon Trawl Commission
Mr. Kenyon Hensel, GAP member
Mr. Peter Huhtula, Pacific Marine Conservation Council
Ms. Megan Mackey, Pacific Marine Conservation Council
Mr. Bill James, California nearshore commercial fisherman
Mr. Richard Carroll, Ocean Gold Seafoods
Mr. Craig Cross, Aleutian Spray Fisheries
Mr. Robert Jones, Northwest Indian Fisheries Commission, GMT member
Dr. Patty Burke, Oregon Department of Fish and Wildlife
A. Call to Order

1. Roll Call, Introductions, Announcements, and Opening Remarks

Mr. Hansen called the meeting to order at 0840. A round of introductions was made. Dr. McIsaac stated some Groundfish Allocation Committee (Committee) members wanted to leave early tomorrow. Therefore, this meeting needs to proceed as expeditiously as possible. He mentioned that Dr. Hogarth and the White House are paying attention to this process and are encouraging progress without delay.

2. Goals and Objectives of this Meeting

Dr. McIsaac explained there will be an intersector allocation agenda item on the November Council meeting agenda. This process is linked to the Trawl Individual Quota (TIQ) program development initiative, but this process supports other Council activities as well. There will be two separate environmental impact statements (EISs) analyzing trawl individual quota alternatives and intersector allocation alternatives, which need to proceed in synchrony.

3. Agenda Overview

Mr. DeVore provided the agenda overview.

4. Approve Agenda

The agenda was approved without modification.

B. Review of Past Intersector Allocation Actions

Mr. DeVore provided a document entitled, “Summary Points Concerning Intersector Allocation From Past Groundfish Allocation Committee Meetings”. These past meetings were convened in January, May, and November 2005. He briefly reviewed the key points from these meetings.
C. Review of Historical Catches by Fishing Sector

Dr. Waters provided summary tables of historical catches by fishing sector. Similar to tables presented at the November 2005 Committee meeting, these tables depicted 1995-2004 landings of species and complexes currently managed with optimum yields (OYs) by fishing sector (Table 1); percent of landed 1995-2004 catch by species and complex by fishing sector relative to annual total non-treaty landings (Table 2); the maximum, minimum, and average percent of annual landings in 1995-2004 by fishing sector (Table 3); 1995-2004 recreational groundfish catches by state and California regions north and south of Pt. Conception by species and complex (Table 4); and a compilation of notes of processes used and assumptions made to extract these data. He noted the data errors discovered at the November 2005 Committee meeting were corrected as follows: 1) incorrectly reported Marine Recreational Fishery Statistical Survey (MRFSS) catches for the Washington recreational fishery were updated using WDFW Ocean Sampling Program estimates (all recreational catches in these tables were reviewed and approved by the GMT), and 2) unassigned sector catches that were apparently made under historical limited entry trawl limits by vessels not associated with a limited entry trawl permit were largely assigned to appropriate sectors. On this last correction, about 25,000 mt of groundfish landings in 1995-1999 could not originally be assigned to a sector. It was discovered that about 20,000 mt of these landings were made by Canadian vessels in Canadian waters and landed in the Washington ports of Blaine and Bellingham, but misassigned in PacFIN to Washington catch areas. These records were corrected in PacFIN and were removed from the tables presented by Dr. Waters. An additional 4,000 mt were assigned to sectors based on a closer examination of the historical permits database. The remaining 4% of uncertain sector landings were not resolved and therefore not assigned to any one sector. He noted that all catches using open access gears made by vessels with a limited entry trawl permit were assigned to the limited entry trawl sector. Otherwise, these open access landings were assigned to either the directed or incidental open access sectors depending whether the majority of fish in the landings were groundfish or non-groundfish species.

Ms. Longo-Eder asked about the confidence in species composition in these landings, particularly in the earlier years. She noted the earlier landings were not sorted to the species level but landed in broader mixed species market categories. She particularly wanted to know how one could then determine trawl-dominant species in these earlier landings. Dr. Waters replied that PacFIN uses annual port sampling data to determine the species composition in broader market category landings. These landings are reported in PacFIN as “nominal” landings by species and assumed to be correct in these tables. Otherwise, landings were reported only to the species complex level.

Mr. Saelens asked how groundfish landings in the pink shrimp fishery were assigned to a sector. Dr. Waters replied if the pink shrimp landings were made by vessels with a limited entry trawl permit, they were assigned to the limited entry trawl sector. Otherwise, these landings were assigned to the shoreside incidental open access sector. Mr. DeVore further explained this was consistent with the allocation rules specified in the FMP where catches made using open access gears by vessels with limited entry permits count against the limited entry allocations associated with that permit.

Mr. Anderson referred to Table 2 and noted there has been a significant change in the treaty/non-treaty shares for certain species since 1995. He requested and Dr. Waters agreed to provide an analysis of the proportion of treaty/non-treaty species’ shares by year since 1995. The Committee then discussed the issue of harvest set-asides for tribal fisheries. This has been an
annual decision-making process for all shared groundfish species except sablefish and Pacific whiting, where formal treaty/non-treaty allocations are in place. The Committee thought reviewing the change in treaty/non-treaty shares of species’ catch over time would help inform future treaty fishery needs and what the set-aside should be.

Ms. Mann referred to Table 3 asked why widow rockfish was not characterized as a trawl-dominant species. Mr. DeVore explained the time series of widow rockfish landings failed to meet the Committee’s criterion of at least 90% of non-treaty landings in the limited entry trawl sector every year in the time series to be considered a trawl-dominant species.

Ms. Vojkovich referred to Table 4 and asked if California recreational catches of bocaccio can be stratified north and south of 40°10’ N latitude given that the stock is only considered overfished south of 40°10’ N latitude. Dr. Waters said that post-stratifying California recreational catches north and south of 40°10’ N latitude is problematic given that RecFIN only reports catches north and south of 34°27’ N latitude. Mr. DeVore explained it was safe to assume all California recreational catches of bocaccio occurred south of 40°10’ N latitude. Survey and catch data indicate there is a non-continuous distribution of bocaccio coastwide with concentrations south of 40°10’ N latitude and in waters off northern Washington. Given that, the Committee requested future landings data be labeled north and south of 40°10’ N latitude to avoid confusion.

Mr. Hensel suggested the uncertainty of California recreational MRFSS estimates in 2003, especially for black rockfish, should compel the Committee to avoid using 2003 data in the analysis.

Ms. Longo-Eder requested the inclusion of recent discard mortality estimates in the analysis. She further requested these data be updated with 2005 total catch estimates. Mr. DeVore explained the 2005 discard mortality estimates were not yet available, but anticipated they would be available in time for the analysis.

D. Develop Intersector Allocation Alternatives for Analysis

Mr. DeVore recommended that intersector allocation alternatives should be structured such that there is appropriate contrast in the analysis. At this stage, Committee members should not necessarily reject alternatives they do not like. It is more appropriate to analyze a broad enough range of alternatives to understand why some alternatives should be rejected after the analysis is done. He also provided a draft scoping document for this process that gives background information on existing allocations and other elements that should be considered when developing alternatives. Council staff intends to release the scoping document after the November Council meeting to better solicit focused public comment on intersector allocation alternatives and analysis. The scoping document will contain the preliminary intersector allocation alternatives for analysis decided at the November Council meeting as well as the relevant catch histories and other data tables provided at this stage in the process (i.e., Tables 1-4 presented at this meeting).
1. Key Questions for Framing Alternatives

Mr. DeVore explained the following key questions were posed to better enable the Committee and ultimately the Council to develop intersector allocation alternatives for analysis. The answers to these questions could potentially limit the range of species recommended for formal allocations in this process and better direct the analytical and decision-making process.

a. Should Sablefish Allocations Be Revisited?

b. Should Pacific Whiting Allocations Be Revisited?

c. Should Nearshore Species’ Allocation Decisions Be Deferred to the States?

d. Should Flatfish Species, Other Than Pacific Sanddabs and Starry Flounder, Be Allocated Primarily to the Trawl Sector?

e. Should There Be Set-Asides Allocated to Buffer Against Sector Catch Overages?

f. Should the Intersector Allocation Process Be A Multi-Stage One Starting With a Trawl/Non-Trawl Allocation Decision?

2. Consider Trawl/Non-Trawl Allocations

3. Consider Set-Asides for Tribal, Research, and Incidental Non-Groundfish Fisheries

4. Consider Commercial Non-Trawl/Recreational Allocations

The Committee first considered the question regarding sablefish allocations. Ms. Longo-Eder expressed the belief that FMP Amendment 18 goals (to minimize bycatch) almost mandate revisiting sablefish allocations. She said it was important to look at the bycatch implications to develop a non-status quo alternative for sablefish allocation. Ms. Vojkovich said her first thought was not to revisit sablefish allocation if it is already done. She thought it might be more efficient to explore the gear switching issue in the TIQ process. Mr. Melcher agreed and said revisiting sablefish allocation would not let the intersector allocation process proceed as expeditiously as we want. Mr. Anderson also did not support revisiting sablefish or Pacific whiting allocations and agreed with Ms. Vojkovich that sablefish bycatch dynamics should be explored in the TIQ process. Ms. Mann agreed with Mr. Anderson and Mr. Melcher and stated she did not want to see this process delayed since that would lead to a delay in other processes as well, such as TIQ program development. Mr. Jacobs agreed with Mr. Anderson’s comment recommending against revisiting whiting allocation. He hasn’t heard from any trawl sector asking to revisit whiting allocations. There is an existing rollover mechanism in place that addresses inseason re-allocation of quota if one sector doesn’t reach its whiting allocation. Mr. Lockhart agreed with Committee members’ comments regarding sablefish and whiting allocation. He could not think of a reason or an alternative that would require revisiting either of these allocations. Mr. Leipzig stated the TIQ program will better address the sablefish bycatch issue. Mr. Ghio, speaking on behalf of the open access sector, argued for revisiting sablefish allocations. Ms. Longo-Eder agreed and believed there was a possibility the TIQ program may not be implemented and therefore, another alternative should be considered. She did not believe current sablefish management was meeting the national standard for bycatch reduction. The Council should not avoid this allocation issue simply because it was a difficult topic. Mr. Alverson put the current sablefish allocation in a historical context. Originally, the Council had decided a limited entry trawl:limited entry fixed gear allocation of 52:48. However, due to the important Dover sole/thornyheads/sablefish fishery and the co-occurrence rates of Dover sole and sablefish, the Council ultimately decided a 58:42 allocation. Currently, bycatch rates by gear type in the West Coast Groundfish Observer Program do not support this allocation. Mr. Pettinger countered the higher sablefish allocation to limited entry trawl may be even more important in the upcoming 2007-2008 management period with the higher Dover sole OY.
Finally, returning to the whiting allocation issue, Mr. Myer said revisiting that allocation would destabilize the whiting fishery. **The Committee decided not to revisit either sablefish or Pacific whiting allocations in the intersector allocation process.**

The committee then discussed whether to consider allocations of nearshore groundfish species. Mr. DeVore explained the current management process has the Council deciding federal OYs for nearshore species and complexes. However, after catch sharing of black rockfish between California and Oregon is decided in the Council process, California and Oregon nearshore FMPs and management processes allocate commercial and recreational opportunities. Furthermore, nearshore commercial fisheries in California and Oregon are essentially limited entry in that opportunities are controlled through state permits. Washington policy is not to allow nearshore commercial fisheries in state waters; therefore, nearshore allocation issues are moot in Washington. Ms. Vojkovich said that the California nearshore FMP calls for the state to seek delegation of management authority for nearshore species in the Council process. However, the state is no longer pursuing this initiative so strongly due to a lack of resources. Nevertheless, CDFG still wants to use the California Fish and Game Commission process to allocate nearshore species between recreational and commercial sectors and therefore supports continuance of status management of nearshore species. Mr. Anderson and Mr. Melcher also supported status quo nearshore species management for Washington and Oregon as well. Ms. Cooney asked how status quo management might affect development of a TIQ program and used black rockfish management as an example. Committee members said if status quo management was ultimately decided for black rockfish and other nearshore species, then the Council would still need a set-aside yield of those species to account for incidental bycatch in other sectors not directly managed under a state FMP. **The Committee decided to continue status quo management of nearshore groundfish species and not pursue a federal allocation scheme for these species in the intersector allocation process.**

The Committee then discussed the question of whether to allocate flatfish species, other than Pacific sanddabs and starry flounder, primarily to the limited entry trawl sector. Mr. DeVore reviewed recommendations and discussions from past Committee meetings where flatfish species, other than Pacific sanddabs and starry flounder, were identified as trawl-dominant species based on the criterion that ≥90% of landings were made in that sector every year during 1995-2004. The Committee generally thought that, if these species were allocated primarily to the trawl sector, a set-aside of yield to other sectors would have to be made to accommodate incidental bycatch. Committee members also discussed recent investigations by fishermen testing pot and trap gear to target flatfish species. Advocates and advisors for the open access and limited entry fixed gear sectors wanted the Committee to consider potential new target opportunities for flatfish using fixed gears. Mr. Anderson recommended against making a quick decision on these species and advocated for a systematic examination of all managed flatfish species when deciding intersector alternatives for analysis. He also recommended starry flounder catches made in West Coast bays and estuaries be accounted for in EIS analyses, but not catches made in freshwater, the Straits of Juan de Fuca, or Puget Sound. Dr. Waters explained the catch data for starry flounder in Tables 1-4 provided at this meeting met those criteria. Ms. Vojkovich and Mr. Melcher agreed with Mr. Anderson’s comments and the Committee decided to formally consider flatfish species’ allocations in the intersector allocation process.

The Committee then discussed the question of whether to consider set-asides to buffer against sector catch overages. Ms. Ashcraft shared the GMT perspective to consider set-asides to accommodate the incidental catch for overfished species only. There is a need to protect sector
overages within the trawl sectors and between trawl and non-trawl sectors to keep one sector’s
overage from pre-empting fishing opportunities for other sectors. Currently, there is uncertainty
in sector bycatch rates for overfished species. There will continue to be uncertainty in bycatch
projections for these species caught in the limited entry trawl fishery once a TIQ program is
implemented because the mandate of 100% observer coverage may cause changes in fishing
behavior. Therefore, for the first few years of a TIQ program, if it is implemented, there may be
a need for a bycatch buffer of overfished species within the trawl sectors. Mr. Leipzig said that
reasoning made sense but recommended against a fixed percentage for all the overfished species.
Some thought this mechanism presumed an allocation of overfished species is made. Ms.
Ashcraft stated there are a number of ways to manage overfished species. The GMT wasn’t
necessarily proposing an overfished species’ allocation or set-aside, but that allocations or
management measures could be designed to take less than the OY for overfished species. Mr.
Anderson was not particularly in favor of a buffer or set-aside for overfished species, but
preferred managing for the uncertainty in bycatch through precautionary management. Mr.
Melcher said he was not prepared to make a decision today on this issue. Mr. Lockhart asked if
the decision today was whether to determine how overfished species’ management is analyzed in
this EIS. He did not want to make that decision today, but wanted to see these concepts explored
in the EIS. Ms. Ashcraft stated the goal with managing overfished species is to maintain
management flexibility, particularly at the beginning of a newly-implemented TIQ program. Ms.
Mann said the flexibility appears to be on the side of management, not with the fishermen.
There are already too many buffers and precautions in the current management regime. She
asked whether buffers would come off an overfished species’ OY or ABC and Mr. DeVore
explained the FMP and Council rebuilding plans mandate management of total mortality to the
OY. Given that, Ms. Mann thought the concept of managing overfished species using buffers
could lead to a race for fish. Ms. Cooney explained management under an IQ system is
inherently different since species are parsed out with formal allocations. Current management is
more flexible in that unused yield to accommodate incidental bycatch of overfished species can
be used to cover fishery needs in season. She recommended against implementing an IQ system
with specified buffers for all species. Instead, use a buffer system for some species and some
sectors if necessary. Mr. Leipzig said he thought buffers were used as a protection against one
sector’s catch overages from pre-empting another sector’s fishing opportunities. This isn’t an IQ
issue. Ms. Longo-Eder suggested the intersector allocation EIS explore buffer management
concepts for overfished species only. Some sectors may need such a system for managing take
of overfished species and others may not. Mr. Hensel expressed his sector’s (open access)
concern that, under an IQ system, there is a danger of fishing right up to or over a sector cap on
an overfished species, which could cause closure in a non-IQ fishery managed using a buffer.
Mr. Moore recommended sector allocations not be dependent on buffers. Ms. Culver said the
GMT has recommended including the use of a buffer in an alternative for analysis. Currently,
answers are not available for all these questions and therefore buffer management needs to be
further explored in an EIS analysis. Ms. Cooney said, in the current management regime, many
healthy species are managed to their acceptable biological catch (ABC; i.e., the OY=ABC). The
Committee may want to consider managing with buffers for these species as well. Mr. Myer
said the North Pacific Fishery Management Council has established reserves for species
managed in Alaska fisheries. In many cases, these reserves are localized and specified for a
certain time period. They are released back to the fishery at a specified time period if they are
not used. Mr. Pettinger argued that under an IQ system, personal accountability of bycatch and
the market will result in responsible bycatch management. Mr. Lockhart said we want to design
a management system that avoids one sector’s overage affecting another sector’s fishing
opportunity. A buffer could be a tool to protect against this. He thought the tool should be
applied to managing overfished species only. Dr. McIsaac summarized the discussion by stating
there should be a mechanism explored in the EIS analysis for creating a buffer on a species by species basis, if necessary, and that this mechanism should be limited to managing overfished species only. That is, there should be no hard allocation of a buffer made at this point. For many overfished species, there are few fish to work with and parsing out this small yield by vessel in an IQ program creates a strong possibility for overages. Mr. Anderson said intersector interactions are different under an IQ program than under the current management regime. The Committee agreed buffer management needs to be further explored in the intersector allocation EIS analysis.

The Committee then discussed whether the intersector allocation process should be a multi-stage one starting with a trawl/non-trawl allocation decision. The process could then continue with decision steps for allocating species within non-trawl sectors without compromising implementation of a TIQ program. The discussion was extended to the other issues on today’s agenda regarding trawl/non-trawl allocations, set-asides, and non-trawl/recreational allocations.

Ms. Mann asked whether there would be different EISs for these different stages in the intersector allocation process. Mr. Leipzig asked if this would also involve separate FMP amendments. The answer was not necessarily, but depending on the timing of these decision steps, separate NEPA analyses could be tiered off the first EIS. Dr. McIsaac had a different view; his perspective being that this was a decisional separation on a shorter term. He contemplates one EIS and FMP amendment for the entire intersector allocation process. Mr. Anderson was also not confident that allocations to other sectors wouldn’t come into play when deciding trawl allocations. Ms. Longo-Eder remarked that open access and tribal allocations have come off the top of the OY for some species before deciding limited entry allocations. Mr. Leipzig suggested aggregating sector allocations to four non-treaty sectors: limited entry trawl, limited entry fixed gear, open access, and recreational. At a minimum, this process needs to identify those species that should be considered in a within-trawl allocation analysis contemplated in the TIQ EIS. Ms. Longo-Eder agreed with Mr. Leipzig’s comments. Mr. Anderson suggested the intersector allocation alternatives could be structured such that data and analyses are aggregated to the four sectors Mr. Leipzig recommended, with one alternative breaking down the allocation analysis into the sector components. Within these alternatives, analyze the maximum, minimum, and average shares of trawl landings in the 1995-2004 period. He is also interested in analysis of an alternative that does not allocate overfished species. Mr. Leipzig said the Council already removed the TIQ option that did not allocate overfished species within the trawl sector. (However, the Council did decide if an overfished species allocation is made to the trawl sector and a TIQ program is implemented, then TIQ shares will be decided for that species.) Ms. Cooney reminded the Committee of its past decision to consider a sliding scale allocation framework for overfished species. Mr. Anderson asked, given the idea to review allocations every five years, do we really need a more complicated sliding scale allocation framework. Dr. McIsaac requested a clarification on the maximum, minimum, and average trawl sharing alternatives and whether there was an implicit assumption that the other sectors’ percentages would be proportionally modified according to how trawl shares are structured. The Committee said yes. Mr. Ghio said the alternatives need to consider a finer regional stratification than currently exists. Ms. Longo-Eder said she didn’t support any alternative starting with any sector’s maximum percentage. There was some general thought to structure alternatives such that a range of species options that are allocated in this process be ranged as follows: species of trawl importance, all species, all but overfished species, and just overfished species. Mr. Anderson suggested using 2004 catch data to build a base relationship in the analysis and then build a broader range from there. Using data as old as 1995 in the analysis may not make sense since the 1995 fishery does not address current management challenges.
Ms. Ashcraft noted the GMT has used annual catch averages weighting recent years more heavily than older years in some analyses. In 2004, management actions were affected by sector catches. Mr. Anderson said the analysis should use the most recent year available in the data (2004) and try to understand whether using sector catch shares from that year is appropriate or not; and if not, explain in the analysis why not. Ms. Ashcraft also stated the currently available data in Tables 1-4 presents a mix of landed catch and total catch by sector. That is, with full retention requirements in the whiting fishery, it is total catch, while the other commercial sector catches are all landed catch without a discard mortality estimate provided. The recreational catch data available in these tables are also total catch. She recommended using 2003-2005 data in the analysis where discard estimates are available for all sectors. Mr. Anderson agreed with that recommendation. Mr. DeVore recommended Committee members review the draft scoping document tonight and consider the other elements/issues in that document before revisiting how to structure alternatives for analysis tomorrow. With that, Mr. Hansen adjourned the meeting for the day.

THURSDAY, OCTOBER 19, 2006

Members Present:
Mr. Donald Hansen, Dana Wharf Sport Fishing, Pacific Fishery Management Council Chairman
Mr. Phil Anderson, Washington Department of Fish and Wildlife
Mr. Curt Melcher, Oregon Department of Fish and Wildlife
Ms. Marija Vojkovich, California Department of Fish and Game
Mr. Frank Lockhart, National Marine Fisheries Service Northwest Regional Office

Advisors Present:
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Others Present:
Mr. Mark Cedergreen, Westport Charter Association, Council member
Mr. Rod Moore, West Coast Seafood Processors Association, Council member
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Mr. Kenyon Hensel, GAP member
Mr. Peter Huhtula, Pacific Marine Conservation Council
Mr. Bill James, California nearshore commercial fisherman
Mr. Richard Carroll, Ocean Gold Seafoods
Mr. Robert Jones, Northwest Indian Fisheries Commission, GMT member
Dr. Patty Burke, Oregon Department of Fish and Wildlife
Ms. Michele Culver, Washington Department of Fish and Wildlife, GMT member
Mr. Brian Culver, Washington Department of Fish and Wildlife, GMT member
Ms. Gway Kirchner, Oregon Department of Fish and Wildlife
Ms. Kelly Ames, Oregon Department of Fish and Wildlife, GMT member
Mr. Mark Saelens, Oregon Department of Fish and Wildlife, GMT member
Ms. Susan Ashcraft, California Department of Fish and Game, GMT member
Ms. Vicki Nomura, National Oceanic and Atmospheric Administration Office of Law Enforcement
Dr. Ed Waters, Pacific Fishery Management Council Consultant
Dr. Donald McIsaac, Executive Director Pacific Fishery Management Council
Ms. Laura Bozzi, Pacific Fishery Management Council Staff
Mr. Jim Seger, Pacific Fishery Management Council Staff
Mr. John DeVore, Pacific Fishery Management Council Staff
Mr. Hansen called the meeting to order at 0845.

D. Develop Intersector Allocation Alternatives for Analysis (continued)

5. Consider Structure of Intersector Allocation Alternatives
6. Other Recommendations for the Council in November
7. Decide the Workload Priority for the Intersector Allocation Process

The Committee continued their discussion on how to structure intersector allocation alternatives for analysis. Ms. Vojkovich asked about research set-asides. Noting that set-asides for research take are not a straight percentage of the OY for each species, is this really an allocation issue. Mr. DeVore said it is not an allocation issue largely because the Council does not have authority and control over research activities. However, in the analysis, we need the best estimate/projection of research take to set aside to better understand what amount of yield remains to consider for allocation. Ms. Vojkovich asked how this process would consider tribal take and set-asides. Ms. Cooney explained tribal allocations are separately negotiated in a government to government, often court-mediated process. Only some species currently have formal tribal allocations (i.e., sablefish and Pacific whiting), but more formal allocations for other species may be needed in the future. Finally, the discussion ensued on how to treat incidental groundfish bycatch in non-groundfish fisheries in this EIS analysis. Much like research and tribal fishery set-asides, we need to use the best projection of groundfish take in non-groundfish fisheries, take that catch off the top, and analyze allocations of the remaining yield.

Mr. Osborn brought up the previously addressed problem of the mix of landed and total catch estimates in Tables 1-3. Mr. DeVore explained the 2003-04 discard mortality estimates for the other sectors can be provided to produce a table of total catch estimates for all sectors for those years. Ms. Longo-Eder remarked she liked the new table produced this morning which shows the entire time series of landings for the limited entry trawl sector on one page. She requested similar tables for the other sectors as well.

The Committee began to develop intersector allocation alternatives by discussing and deciding the features that would define an alternative. Committee members were asked to decide alternatives for: 1) species to be allocated in this process, 2) the number of fishing sectors and how they are aggregated, and 3) the variation in allocation percentages or the basis for determining allocation percentages (i.e., what base years or other criteria should be used for structuring alternatives). The table appended at the end of these minutes entitled, “List of Potential Intersector Allocation Alternative Features” depicts the product of these discussions, which are captured in the following text. Those features highlighted in that table are recommended features for constructing intersector allocation alternatives, while those features that are crossed out are not recommended by the Committee. Committee members also suggested the set-asides be explicit in the list of features. Mr. Ghio requested an option that had a finer geographic stratification than is currently used in management.

Species with Allocations

The first “species assemblage” considered for an alternative was species important to the TIQ program. This would be a mix of trawl-dominant species and the primary target species for the limited entry trawl program. There was discussion on how to treat any species not allocated to
the limited entry trawl sector. Would they be treated like a prohibited species and, if so, what would happen if they are caught? There was collective agreement that allocating quota share under a TIQ program for such species that are rarely caught did not make sense. Ms. Vojkovich suggested using the list of trawl-dominant species, but Mr. Leipzig said there are other species that may be important to a TIQ program that are not trawl-dominant. Mr. Seger said the GMT has discussed how to treat such species in a TIQ program.

Mr. Anderson proposed three alternatives for analysis: 1) status quo, 2) status quo plus all other species (i.e., all FMP species other than sablefish, whiting, and nearshore species), and 3) status quo plus all but the overfished species. He remarked it was too difficult to determine which species are trawl-dominant and what species are important to the trawl fishery. Ms. Cooney asked about the alternative of status quo plus all species important to both commercial and recreational sectors. Mr. DeVore said the range between status quo and alternative 2 (status quo plus all other species) covers this. Ms. Vojkovich asked how allocation effects would be analyzed for species that comprise a complex. Mr. DeVore said the analysis will investigate impacts at the species level, but allocations would be made at the complex level.

Mr. Anderson noted that research set-asides would be taken off the top in the analysis and in any eventual allocation scheme. However, other than the formal tribal allocations for sablefish and whiting, there would be unspecific tribal set-asides for the other species. He wants to make all the status quo set-asides explicit in the list of features and in the analysis. Ms. Cooney asked if incidental open access impacts are considered a set-aside and Mr. DeVore said yes, the best projections of species impacts would be taken off the top before allocation alternatives are analyzed. Ms. Culver said the list of features and analyses should note whether EFPs are part of research or explicit allocations to any one sector.

Further discussions affirmed that selecting these species groups doesn’t assume what kind of allocation scheme will be attached to the species and whether these could be different for different species. At this point, the Committee is only choosing the range of species to which some sort of allocation may be applied. The Committee opted for Mr. Anderson’s proposal to analyze: 1) status quo, 2) status quo plus all other species, and 3) status quo plus all but the overfished species.

Sectors

The two options for sector assemblages were considered by the Committee: 1) the ten sector option (LE trawl non-whiting, LE trawl motherships, LE trawl catcher-processors, LE trawl shoreside, LEFG- line gears, LEFG- pots/traps, directed OA, incidental OA, recreational, tribal); and 2) the five sector option (LE trawl, LEFG, OA, recreational, tribal). For both options, it was noted that tribal allocations, if considered, would be considered using a separate process. Therefore, it would be more accurate to characterize these options as the “nine sector” and “four sector” options, both of which exclude the tribal sector in analyses (except potential set-asides for tribal fisheries would be taken off the top).

Ms. Mann proposed analyzing only the “four sector” option and the rest of the Committee agreed.
Variation in Allocation Percentages

There were six options (plus status quo) presented to the Committee for their consideration: 1) 2004 sector catch percentages, 2) 2003-04 sector catch percentages, 3) 1995-2004 sector catch percentages, 4) 2007-08 allocations, 5) trawl best case percentages (using the 1995-2004 catch time series), and 6) non-trawl best case percentages (using the 1995-2004 catch time series). It was noted that options 1, 2, and 4 used total catch estimates, while options 3, 5, and 6 used (mostly) landed catch estimates.

Mr. Leipzig suggested deleting option 1 (2004 sector percentages) since it was not much different than option 2 (2003-04 sector percentages). He also recommended deleting options 5 and 6 (trawl and non-trawl best case percentages) since they are too extreme. He asked if option 4 (2007-08 allocations) meant the annual specifications shares in the EIS and therefore would be a mix of formal allocations (i.e., for sablefish and whiting) and projected impacts and Mr. DeVore confirmed that. Ms. Vojkovich proposed deleting option 4 and remarked she always had a problem with using the bycatch scorecard for allocation purposes. Ms. Mann expressed concern that option 2 (2003-04 sector percentages) did not capture the significant shifts in sector percentages that have occurred. Mr. Anderson proposed retaining option 4 (2007-08 allocations) because it reflects the most recent Council decisions and the current status of the resource. Mr. Melcher agreed and remarked the Council went through months of discussions to determine 2007-08 management measures, which can also be considered de facto “allocation” decisions. Mr. Jacobs supported analyzing options 2, 3, and 4. Mr. Leipzig cautioned the Committee about using option 4 since the “allocations” are estimated results of impact projection models. Ms. Longo-Eder was opposed to analyzing options that only use historical landings as a basis for allocation. If the TIQ program is not implemented with a gear-switching strategy in place, then she is concerned that discard issues will not be adequately considered. She proposed an option that relates bycatch by gear type. In that option, allocation to gear types that are more selective (i.e., less bycatch) would be favored. Mr. DeVore stated that bycatch rates over time are also a product of the regulations (i.e., there would be less discard with higher trip limits). Mr. Lockhart said he understood the concept, but was not sure how to structure alternatives to analyze this. He thought, as long as the analysis explored discard/bycatch effects by gear type, then a particular “bycatch reduction” alternative does not need to be decided right now. Mr. Anderson noted the Groundfish Strategic Plan has an objective to reward sectors/fisheries that are more selective. He proposed analyzing one option using a total catch time series and another option using a landed catch time series to investigate discard effects. Ms. Longo-Eder agreed. Ms. Vojkovich asked how one would develop an allocation scheme that provides an incentive to switch to more selective gears. Mr. Lockhart recommended adding language to the effect that the “Council intends to fully consider the role of bycatch in making its decisions”. Mr. Bodnar suggested the concept of revisiting the allocation decision after a TIQ program is implemented in order to give the trawl sector time to reduce discards through a market-based TIQ system. Mr. Anderson questioned the utility of analyzing option 3 (1995-2004 sector percentages). Sector shares in the earlier years of that time series are not meaningful now since that was an entirely different management regime. Mr. Lockhart remarked there are some constituents that believe the older management regime was better. Keeping these earlier years in the analysis allows for discussions about this. Mr. Anderson proposed analyzing option 4 (2007-08 allocations) for overfished species only. He was also supportive of an alternative that rewards bycatch reduction. Ms. Vojkovich and Mr. Melcher were in agreement with Mr. Lockhart on the recommendation to analyze an alternative with the longer catch history time series (i.e., option 3). Mr. Melcher said he was supportive of a bycatch reduction alternative, but was uncertain how to craft such an alternative. There was discussion of modifying option 3 (1995-2004 sector
percentages) to only display a time series of landed catches for all sectors. Ms. Longo-Eder proposed adding 2005 catch data to options 2 and 3. Mr. DeVore said that discard mortality estimates for 2005 fisheries are not yet available, but are anticipated in time for the analysis. The Committee agreed to add 2005 catch data to those two options. Ms. Mann was opposed to using the bycatch scorecard for allocations since it punishes sectors that have worked hard to reduce bycatch.

There was some discussion on whether to analyze catch time series and allocation alternatives using weighted averages of annual catch tonnages or weighted averages of annual sector share percentages. It was generally agreed to normalize the time series of annual sector share percentages to avoid the effect of an aberrant year when one sector took a significantly high amount of any one species.

Returning to how to structure a “bycatch reduction” alternative, Mr. DeVore recommended modifying alternative 2 (2003-05 sector percentages) by analyzing sector shares using a total catch time series (option 2A) and also analyzing sector shares using a landed catch time series (option 2B). Comparing and contrasting the two results should expose the effect of differential bycatch/discard rates by sector. Mr. Jacobs noted that different sectors are observed at-sea at different rates resulting in less certainty in the discard estimate for some sectors. He assumed that would be part of the analysis and Mr. DeVore confirmed that it would be.

Mr. Ghio agreed to set aside his recommendation to structure an alternative with a finer geographic stratification than used currently.

The Committee agreed to analyze the following options: 1) option 2A (2003-05 total catch sector percentages), 2) option 2B (2003-05 landed catch sector percentages), option 3 (1995-2005 sector percentages), and option 4 (2007-08 allocations).
Hypothetical Alternatives

Mr. Lockhart said it may be possible to select among the permutations of all the option features so that there are less than eight alternatives (status quo would make nine). However, that could be decided at the November Council meeting. Mr. DeVore proposed Council staff could propose a range of strawman alternatives *(note: the alternatives appended at the end of this document represent the full range of nine alternatives, including status quo, that could be developed using all the recommended feature options)*. Dr. McIsaac said all the material presented at this meeting will be available in the November briefing book. Ms. Cooney said it needs to be pointed out that **there can be a different basis for allocating overfished and non-overfished species.** Mr. Anderson asked when selective flatfish trawls were first mandated in the north; this dramatically changed canary rockfish sector shares. Mr. DeVore said selective flatfish trawl were first implemented in 2005. Mr. Anderson also did not want to lose the concept of trawl-dominant species and the possibility of using that species grouping as a basis for allocation. Ms. Vojkovich expressed concern about how to analyze annual sector shares when some sectors exceeded their allocation or an OY in some years. Mr. DeVore said normalizing the annual sector shares over time would reduce the weight given in the analysis of an aberrantly large catch in any one sector. However, he agreed this should be considered in any allocation decision based on the use of historical catch data. Mr. Melcher pointed out that using 2007-08 allocations (option 4) is an alternative based on what the Council intended to happen versus what actually happened.

Briefing Book Requests

The Committee requested tables similar to Table 2B for the briefing book where each of the four sectors catch histories (1995-2004) are shown on one page. They also wanted a column added to these tables showing the ten-year average catch for that sector. They also requested a table showing the 1995-2004 catch history of tribal catches as a percentage of the OY for each species. When asked if the draft scoping document should be included in the briefing book, the Committee said no and that these minutes would suffice to convey the current direction and recommendations of the Committee.

Note: all of these requested tables and materials were provided in the briefing book for the November 2006 Council meeting.

**E. Next Meeting**

The next Committee meeting is scheduled for December 12-14 to discuss TIQ alternatives and issues. A meeting venue has not been finally decided except that it is likely to occur in Seattle due to NMFS travel restrictions.

**F. Other Issues?**

There were no other issues identified for discussion.

ADJOURN

PFMC
10/25/06
January 2005 Meeting

**Consideration of Intersector Allocations**

- An intersector allocation process should proceed regardless of the progress in developing a TIQ program.
- Initial analyses of intersector allocations should be done using the following sectors: limited entry trawl, limited entry fixed gear, open access, recreational, and tribal.
- The groundfish FMP species noted in Table 1 should be the focus of intersector allocations. Some yield should be set aside to accommodate incidental bycatch in sectors not noted in Table 1.
- Landings by sector in the years 1988, 1994, 1998, and 2004 should be reviewed to analyze intersector allocations needed to support a TIQ program.
- TIQ advisors to the Allocation Committee should solicit feedback from their constituents on relevant intersector allocation and TIQ program issues.
- The processes to decide intersector allocations and develop a TIQ program should maintain a five-year outlook when shaping the future of the groundfish fishery.

**Elements of an Allocation Decision**

- Allocations based on a percentage of the OY make the most sense for target species, while a sliding scale structure (the allocation percentage by sector varies with biomass) for allocating overfished species is recommended.
- Allocations of some target species, especially target species that are predominant in a single sector, should be of longer duration than allocations of more constraining species, such as the overfished species.
- Allocation decisions should be reviewed at least every five years.

**Interactions Between Limited Entry Trawl and Open Access**

- An Allocation Committee recommendation is needed by the June Council meeting.

**Effects of Overages or Underages in One Sector on Other Sectors**

- A matrix indicating MSA constraints on allowing overages by species should be developed for the next Allocation Committee meeting.

May 2005 Meeting

**Intersector Allocation**

- Committee members requested the following data runs and analyses prior to developing preliminary intersector allocation alternatives:
  - Footnote key management events affecting sector catches in these data extracts.
Stratify species/catch data by the species and complexes currently managed with OYs.

Provide the proportion of non-tribal catches by sector by year during 1995-2004.

Summarize maximum and minimum catch proportions for each sector during 1995-2004.

Identify ±10% of the lowest trawl catch proportions during 1995-2004.

Identify all open access/limited entry allocations in the current management regime.

Regionally stratify catches by state or region for fisheries with regional OYs/harvest guidelines.

Provide an MPA/MLPA timeline of events.

Provide the specifications table from the recent FR notice of biennial regulations.

Provide landed catch trends for key species and complexes important for intersector allocation.

• Scoping for an intersector allocation environmental impact statement should be delayed until preliminary alternatives are developed at the next Committee meeting.

November 2005 Meeting

Intersector Allocation

• Consider using catch histories from the 1995-2004 period for within-trawl (non-whiting trawl, shoreside whiting, catch-processor, and mothership sectors) allocations.

• Intersector allocation alternatives may be determined by using the maximum or minimum percent of landings relative to non-tribal landings in 1995-2004.

• Correct the erroneous Washington recreational landings data that were derived from MRFSS rather than WDFW’s Ocean Sampling Program.

• Attempt to assign unspecified 1995-2004 landings to the ten sectors (e.g., resolve apparent LE trawl landings not associated with an LE permit).

• Use a minimum 90% of total non-tribal landings in the trawl sector, excluding overfished species, to define trawl-dominant species and structure as an alternative for analysis (90% allocation to trawl and 10% allocation to non-trawl plus research).

• According to these criteria and the landings data presented, the following species would be defined as trawl-dominant: Pacific cod, Pacific whiting, shortbelly rockfish, splitnose rockfish, longspine thornyheads (N of Pt. Conception), yellowtail rockfish (Eureka and north areas) redstripe rockfish, sharpchin rockfish, yellowmouth rockfish, bank rockfish, Dover sole, English sole, petrale sole, and arrowtooth flounder.

• Two overfished species, Pacific ocean perch and darkblotched rockfish, were also noted to be trawl-dominant.

• May want to consider Pacific sanddabs (although this was identified as an important recreational species in CA) and Other Flatfish in the trawl-dominant category.

• Structure another alternative for analysis using average proportion of total non-tribal landings in 1995-2004 occurring in the trawl sector.

• Assume status quo management of stock complexes and also address individual species needs within the complex in the initial analysis.

• As part of analysis, focus on percent landings across years when determining incidental catch needs for non-trawl sectors (intent to set aside enough incidental catch to protect these sectors).
List of Potential Intersector Allocation Alternative Features  
(NOTE: highlighted rows recommended by the Committee; crossed-out rows eliminated)

<table>
<thead>
<tr>
<th>Species w/ Allocations</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>SQ</td>
<td>Sablefish, whiting, state alloc for NS spp.</td>
</tr>
<tr>
<td>1</td>
<td>SQ + trawl IQ spp. (trawl-dominant spp, DTS, + other important spp)</td>
</tr>
<tr>
<td>2</td>
<td>SQ + all other spp.</td>
</tr>
<tr>
<td>3</td>
<td>SQ + just overfished spp.</td>
</tr>
<tr>
<td>4</td>
<td>SQ + all but overfished spp.</td>
</tr>
<tr>
<td>5</td>
<td>SQ + spp. important to comm sectors</td>
</tr>
<tr>
<td>6</td>
<td>SQ + spp. important to both comm &amp; rec sectors</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sectors</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>9* as in Table 1</td>
</tr>
<tr>
<td>2</td>
<td>4 (LE twl, LEFG, OA, Rec)*</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Variation in Alloc. Percentage</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>SQ</td>
<td>Fixed in FMP for sablefish and whiting; State-specified for NS spp.; Determined ea. cycle for all other spp.</td>
</tr>
<tr>
<td>1</td>
<td>2004 sector total impact percentages</td>
</tr>
<tr>
<td>2a</td>
<td>2003-05 avg. sector total catch impact percentages</td>
</tr>
<tr>
<td>2b</td>
<td>2003-05 avg. sector landed catch impact percentages</td>
</tr>
<tr>
<td>3</td>
<td>1995-2005 avg. sector percentages (normalize by annual %s)</td>
</tr>
<tr>
<td>4</td>
<td>2007-08 total impact allocations</td>
</tr>
<tr>
<td>5</td>
<td>Trawl best case percentages</td>
</tr>
<tr>
<td>6</td>
<td>Non-trawl best case percentages</td>
</tr>
<tr>
<td>7</td>
<td>Bycatch strategic allocation?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Geographic Stratification</th>
<th></th>
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</thead>
<tbody>
<tr>
<td>SQ</td>
<td>As in Table 1 (regions depicted as used in status quo management of OYs)</td>
</tr>
<tr>
<td>1</td>
<td>Ghio To Explain</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Set-Asides</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>*Tribal Catches, Research, EFPs, Incidental OA</td>
</tr>
</tbody>
</table>
Preliminary Intersector Allocation Alternatives Recommended by the Groundfish Allocation Committee in October 2006.

<table>
<thead>
<tr>
<th>Feature</th>
<th>Status Quo</th>
<th>Alt. 1</th>
<th>Alt. 2</th>
<th>Alt. 3</th>
<th>Alt. 4</th>
<th>Alt. 5</th>
<th>Alt. 6</th>
<th>Alt. 7</th>
<th>Alt. 8</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Species with Allocations a/</strong></td>
<td>Sablefish, Pacific whiting, and all nearshore species allocated by the states</td>
<td>Status quo plus all other species</td>
<td>Status quo plus all other species</td>
<td>Status quo plus all other species</td>
<td>Status quo plus all other species</td>
<td>Status quo plus all but overfished species</td>
<td>Status quo plus all but overfished species</td>
<td>Status quo plus all but overfished species</td>
<td>Status quo plus all but overfished species</td>
</tr>
<tr>
<td><strong>Sectors with Allocations b/</strong></td>
<td>Status quo described in scoping information document</td>
<td>LE trawl, LE fixed gear, open access, recreational</td>
<td>LE trawl, LE fixed gear, open access, recreational</td>
<td>LE trawl, LE fixed gear, open access, recreational</td>
<td>LE trawl, LE fixed gear, open access, recreational</td>
<td>LE trawl, LE fixed gear, open access, recreational</td>
<td>LE trawl, LE fixed gear, open access, recreational</td>
<td>LE trawl, LE fixed gear, open access, recreational</td>
<td>LE trawl, LE fixed gear, open access, recreational</td>
</tr>
<tr>
<td><strong>Variation in Allocation Percentages (Analytical Basis for an Allocation Scheme)</strong></td>
<td>Status quo described in scoping information document</td>
<td>2003-05 sector total catch percentages (option 2A)</td>
<td>2003-05 sector total landed catch percentages (option 2B)</td>
<td>1995-2005 sector total catch percentages (option 3)</td>
<td>2007-08 allocations (option 4)</td>
<td>2003-05 sector total catch percentages (option 2A)</td>
<td>2003-05 sector total landed catch percentages (option 2B)</td>
<td>1995-2005 sector total catch percentages (option 3)</td>
<td>2007-08 allocations (option 4)</td>
</tr>
<tr>
<td><strong>Set-Asides</strong></td>
<td>Set-asides will be determined for projected research catches, EFPs, incidental open access catches, and tribal catches.</td>
<td></td>
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</tr>
</tbody>
</table>

a/ Under any alternative, there may be different allocation schemes decided for overfished versus non-overfished groundfish species.
b/ Tribal allocations may be considered in a separate process (see October Groundfish Allocation Committee minutes for details). Projected tribal catches by species will be considered as set-asides in the analysis of intersector allocation alternatives.