

Exhibit F.1.a
Attachment 1
June 2004

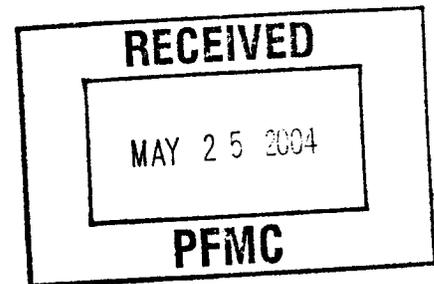


UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
Southwest Region
501 West Ocean Boulevard, Suite 4200
Long Beach, California 90802- 4213

MAY 18 2004

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Donald K. Hansen
Chairman
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 200
Portland, Oregon 97220-1384



Dear Mr. Hansen:

In preparation for the meeting of the Pacific Fishery Management Council (Council) in June, my staff and I have been giving some thought to the decisions the Council will need to make in coming months on the scope and timing of actions under the Coastal Pelagics Species Fishery Management Plan (FMP).

The Council has already decided that the sardine allocation process now in place has a fixed term; it is scheduled to end after the 2005 fishing year. I expect that the Council will affirm its intent to have the CPS management team analyze and evaluate the impacts and implications of extending the current system and of alternatives to the current system, considering both recent fishery information and any new information from recent research into the northern component of the sardine stocks. This is clearly the top priority for the team at this time.

However, I would ask that the Council also consider directing the team to look at some additional issues. First, I note that there will be a Stock Assessment Review Panel looking at the sardine and Pacific mackerel stock assessment methodologies and advising as to their scientific soundness and future use. In that context, I understand that an alternate stock assessment method for Pacific mackerel is being or has been developed. It may be that this would provide a basis for considering changes in the harvest guideline formula for Pacific mackerel or possibly even Pacific sardine. This might be considered in the next amendment.

Second, the Southwest Region (SWR) has received calls in recent months from California vessel owners expressing concern about the incompatibility of the State of California market squid limited entry program with the CPS finfish limited entry program under the FMP. I think both the management team and the advisors should take a fresh look at this issue and advise the Council if they believe that a change in the FMP would be a reasonable way to resolve any such issues. In addition, with respect to market squid, it appears that there is a need to address further the prospective use of the egg escapement value as a proxy for maximum sustainable yield and as a value for determining if the stock is overfished or is subject to overfishing (i.e., minimum stock size and maximum fishing mortality thresholds). Based on our most recent review for the annual National Marine Fisheries Service (NOAA Fisheries) Report to Congress on the status of

fish stocks, the current FMP language is ambiguous. I note in this context that NOAA Fisheries is considering amendments to the National Standard Guidelines, and any changes could affect the way in which this issue might be addressed. Nonetheless, it would be prudent to direct the team to consider this issue and to be prepared to advise the Council as to possible “fixes” once any changes to the guidelines have been proposed.

Third, as the SWR indicated in its March 2004 report to the Council, the FMP needs to be revised to address the bycatch provisions of the Magnuson-Stevens Fishery Conservation and Management Act more fully. The States of Oregon and Washington have had observers on vessels indicating there is not a bycatch problem to the north, but we have very little field information to the south. While port sampling suggests there is not a bycatch problem in the south, I believe that port sampling alone is insufficient to demonstrate with assurance that there is not a bycatch problem. Therefore, the SWR is planning to place observers on some CPS vessels operating out of Southern California in a pilot project intended to provide better information on the extent to which there is bycatch in the CPS fishery in that area. We would provide the results to the CPS management team to consider the need for additional field observations and possibly consider alternative ways to address any bycatch issues identified, as required by the Magnuson-Stevens Act.

Fourth, as indicated in a recent letter from Dr. William Hogarth, regional councils are being asked to review and assess the need for changes in essential fish habitat (EFH) designations under their fishery management plans. This would include the CPS FMP. It would seem prudent to have the team at least complete an initial reassessment in this next planning effort to determine if there are any major problems with the current EFH designations.

Having identified these additional issues for consideration, I also note that the last Environmental Impact Statement (EIS) for the CPS fisheries management program was prepared with Amendment 8, which established the CPS FMP. That occurred more than 5 years ago, and as you know, there have been major changes in the fishery since then. Therefore, I believe it is appropriate for the Council to initiate scoping to determine if a full EIS process is warranted for the next amendment to the CPS FMP. If scoping results in a conclusion to keep adjustment of the FMP to a moderate level, then an EIS may not be needed. However, only after scoping would the Council have a solid information base for that decision. If an EIS is warranted, then the SWR would do all we can to help design and carry out the process consistent with the principles and protocols of regulatory streamlining under the new Operational Guidelines.

In summary, I urge the Council to consider the full range of possible adjustments to the FMP and to engage in scoping to determine the scope of review and the manner in which to proceed. I appreciate all the hard work that goes into preparation of FMP amendments and associated documents, and look forward to working with the Council to assist in any way we can.

Sincerely,



for Rodney R. McInnis
Acting Regional Administrator