

Biological Effects of Trawl Rationalization

- Increases in amount of catch of certain species
- Increased catch accounting
- Ecosystem level effects
- Changes to habitat

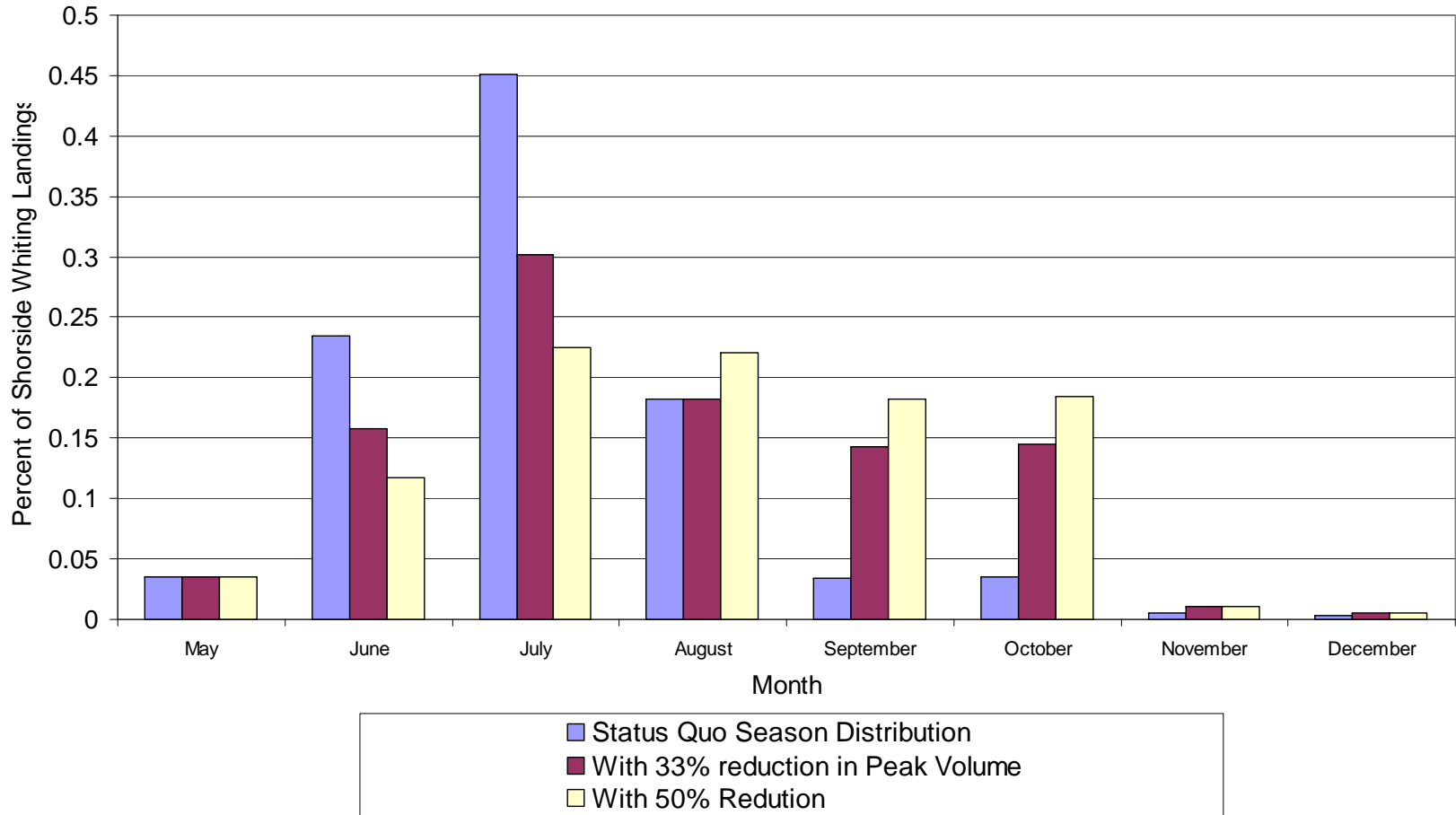
Analysis Shows Several Expected Effects of Rationalization

- Fleet consolidation in shoreside whiting, mothership whiting, and non-whiting sector
- Change in season length in SS and MS whiting
- Potential for increased harvest of non-whiting groundfish
- Consolidation of processing capital in shoreside whiting and mothership whiting fishery
- Potential for changes in negotiation power between harvesters and processors
- Potential for geographic shifts in fishery and delivery patterns in non-whiting sector
- Risks to quota holders from coverage of low OY or low allocation species with IFQ

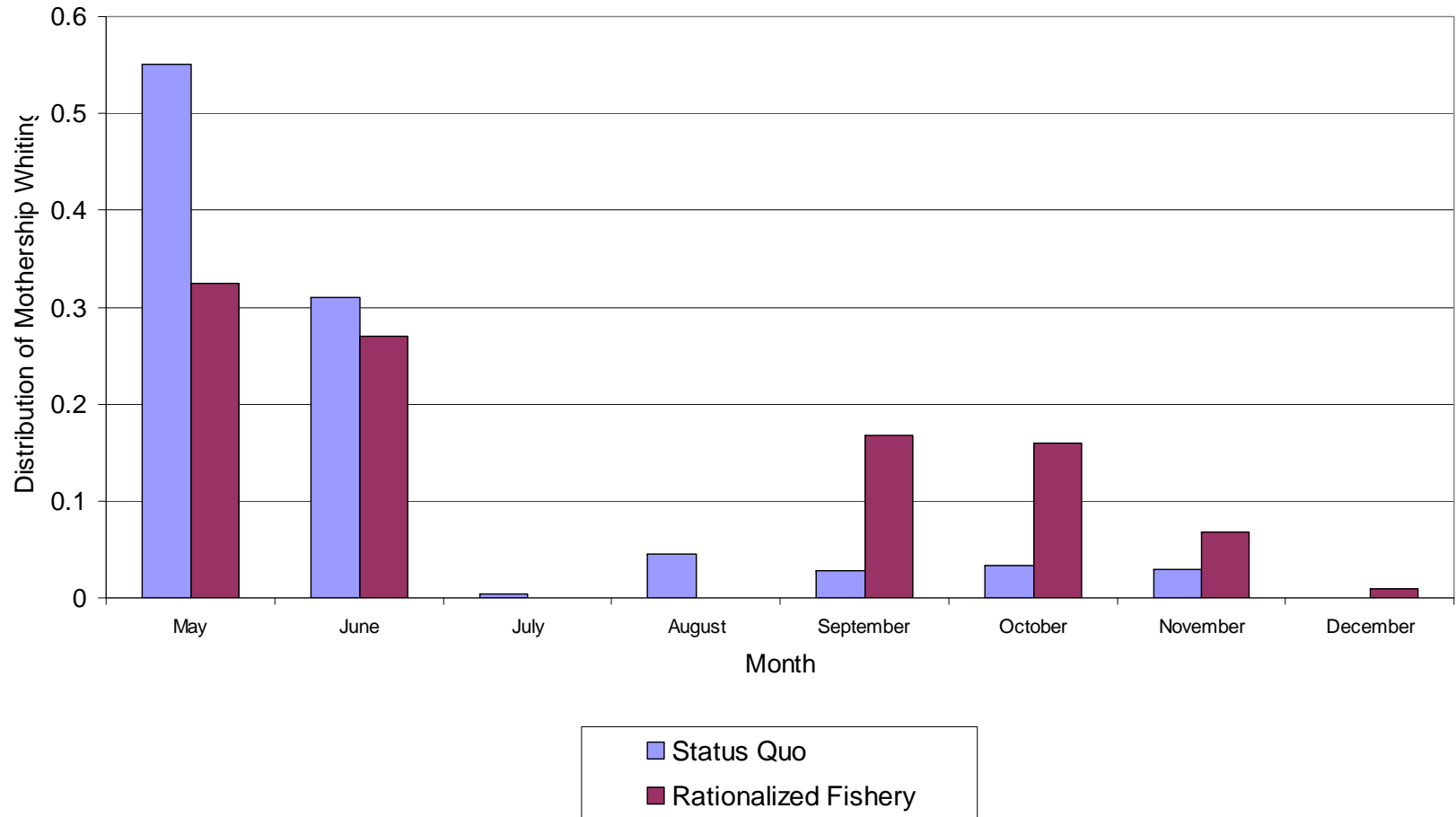
Fleet Consolidation

- Non-whiting: from 100-120 to 40-60 vessels
 - Expected to decrease harvesting costs by several million dollars.
- Shoreside whiting: from 37 – 23 vessels
- Mothership whiting: from 20 – 14 vessels

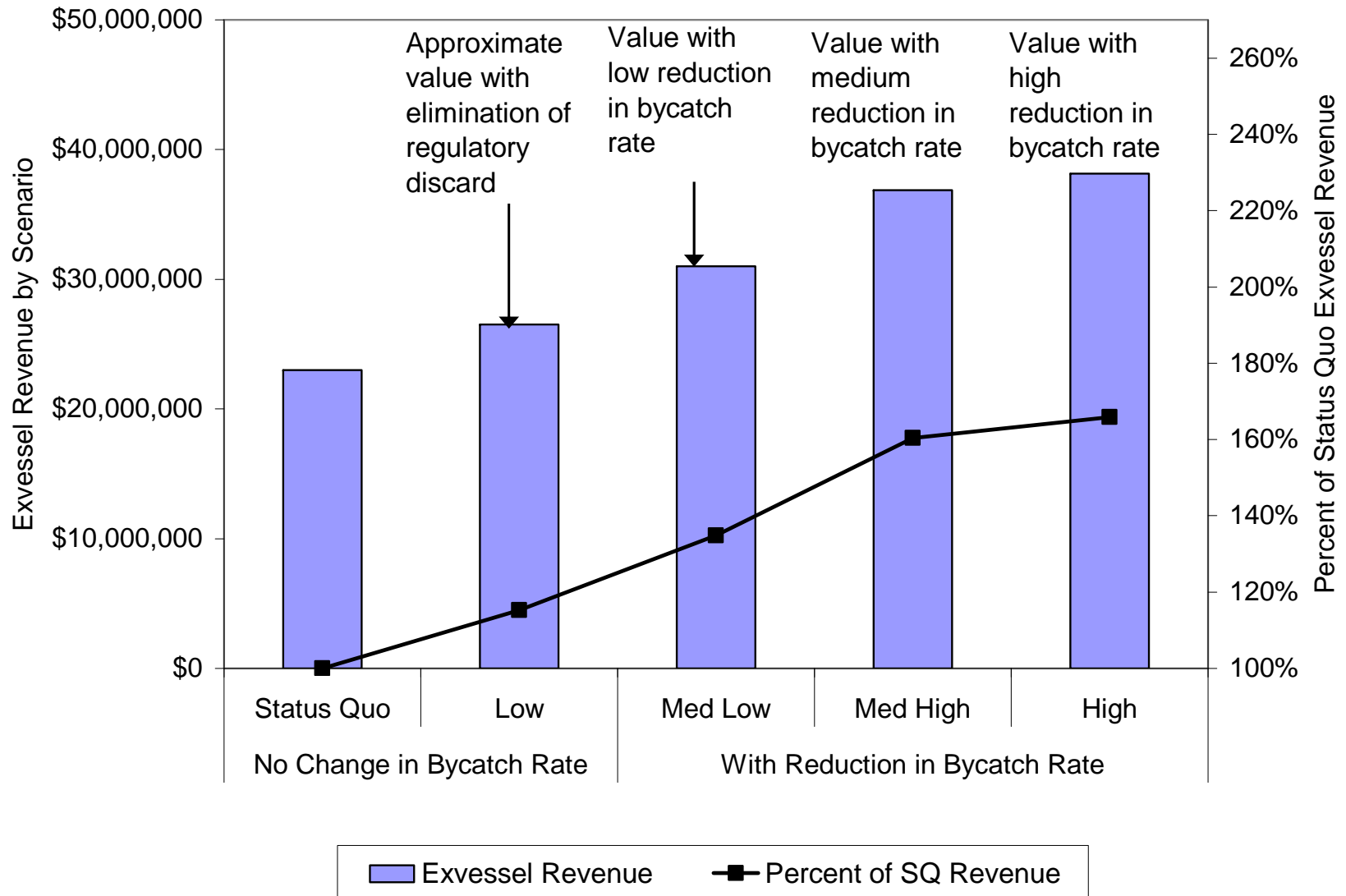
Timing and Distribution of SS Whiting Fishery



Timing and Distribution of MS Whiting Fishery



Increased Harvest and Gross Revenue in Non-Whiting



Processor Consolidation

- Shoreside whiting: need for processing capital may decline by 30 – 50%
- Mothership whiting: need for processing capital may decline by 40%
- Non-whiting: utilization of processing capital may increase by 12 – 35%

Exvessel Prices

- Appears exvessel prices in shoreside whiting sector have the potential to change more than in other sectors
 - Switch from a “race for fish” to rationalization
 - Little vertical integration relative to other sectors
- Exvessel prices may change in non-whiting to some degree, though not to the same degree as shoreside whiting
 - Not moving from a “race for fish” condition
- May be cases where prices in mothership sector change.
 - Vertical integration and BSAI pollock relationships may temper this effect.

Geographic shifts in fishing and delivery location

Port	Fleet Efficiency Score	Bycatch Dependent Area Score	Shorebased Infrastructure	Initial Allocation of Grndfish	Score
BELLINGHAM	?	--	++	+	
NEAH BAY	-	--	--	-	-
WESTPORT	-	+	+	-	
ASTORIA	+	+	++	++	+
NEWPORT	+	-	++	+	
CHARLESTON (COOS BAY)	+	+	++	+	+
BROOKINGS	+	+	-	+	
CRESCENT CITY	-	+	+	-	
EUREKA	+	+	+	+	+
FORT BRAGG	-	+	+	+	
SAN FRANCISCO	-	-	++	+	
MOSS LANDING	-	--	+	+	
PRINCETON/HALF MOON BAY	-	--	+	+	
MORRO BAY	?	+	-	-	

Risks from Low OY or Low Allocation Species

- May constrain harvest activity and place a large burden on individuals if such species are encountered
- Many of these stocks do not have a conservation concern
 - Nearshore groundfish
 - Flatfish in whiting sectors

Share of Trawl Landings North and South of 40-10

1994-2003

	<u>All Permits</u>	<u>Non-buyback</u>	<u>2004-2006</u>
Sablefish			
North of 40-10	82.34%	80.78%	86.96%
South of 40-10	17.66%	19.22%	13.04%
Shortspine Thornyheads			
North of 40-10	72.77%	68.26%	71.39%
South of 40-10	27.23%	31.74%	28.61%
Longspine Thornyheads			
North of 40-10	75.39%	71.10%	54.37%
South of 40-10	24.61%	28.90%	45.63%
Dover Sole			
North of 40-10	71.73%	66.82%	81.92%
South of 40-10	28.27%	33.18%	18.08%
Petrale Sole			
North of 40-10	81.99%	77.26%	86.08%
South of 40-10	18.01%	22.74%	13.92%
Other Flatfish			
North of 40-10	56.25%	44.66%	77.02%
South of 40-10	43.75%	55.34%	22.98%