



March 17, 2015

Ms. Dorothy M. Lowman, Chair
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, Oregon 97220-1384

Dear Ms. Lowman and Pacific Fishery Management Council Members,

I am writing on behalf of the Morro Bay Community Quota Fund Board of Directors regarding proposed Agenda Item E.6. Widow Rockfish Reallocation and Divestiture Issues. As you will recall, Board Secretary/Treasurer Rick Algert and I appeared before you at the November 2014 Pacific Fishery Management Council (PFMC) Meeting to introduce the Morro Bay Community Quota Fund (MBCQF) as well as speak in favor of making a decision on the proposed reallocation of widow rockfish.

The MBCQF entered into an agreement with The Nature Conservancy (TNC) to purchase an array of groundfish species in 2014 in order to begin operation of the Quota Fund as well as aid the Nature Conservancy in implementing their divestiture plan that, when complete, will allow TNC to move their quota share holdings below the Trawl IFQ Program Accumulation Limits for both individual species and species in aggregate. Due to the current moratorium on the transfer of widow rockfish quota share, the Quota Fund cannot finalize that transaction and is essentially "in limbo" regarding that species.

The MBCQF urges the PFMC to move forward on this issue so that we may finalize our transaction with The Nature Conservancy. We would strongly suggest that you take action to lift the moratorium on widow rockfish quota share trading and proceed with the existing allocation which would allow all parties to move forward. However, if the Council determines that some reallocation plan will take place, we provide the following points for consideration, prior to making a final decision:

1. While the widow rockfish quota share has not been traded (due to moratorium), the permits with the history have been traded. This issue will impact and make difficult any reallocation formulas.
2. Consider extending both the widow rockfish species control limit divestiture deadline and the aggregate non-whiting control limit divestiture deadline for *at least* 12 months following the completion of any reallocation of widow rockfish. Any changes in the widow allocation will affect our aggregate holdings and having different deadlines would not be helpful and likely make the issue even more complicated.

In closing, please understand that as a significant owner of quota share, the Morro Bay Community Quota Fund as well as our fishing community is anxious to have resolution to this issue. We strong urge you to move forward, lift the moratorium and proceed with the existing allocations. Thank you for the opportunity to provide these comments and we will be in attendance at the April 2015 meeting and look forward to further discussion on this issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrea K. Lueker". The signature is fluid and cursive, with the first name "Andrea" being the most prominent part.

Andrea K. Lueker
Executive Director