



Agenda Item G.2.b

Public Comments

June 2016

F/V Jeanette Marrie, Inc.
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North Bend, OR 97459
silva@hughes.net

June 19, 2016

Ms. Dorothy Lowman
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, OR 97220

RE: Agenda Item G.2, Amendment 21 At-Sea Allocation Revisions

Dear Madame Chair and Council Members:

I am the owner/operator of F/V Jeanette Marrie home ported in Charleston Oregon. I have been in the fishing industry for 35 years. I was involved in the Joint Ventures of the past, both Russian and Polish. I also fished in the shore side whiting fishery before the IFQ came in to effect. I currently participate in the shorebased IFQ program. Once the quota shares were issued, I realized that I did not receive adequate quota of certain species to be able to utilize my Pacific Whiting allocation. I knew that if I had a "lightning strike" during the whiting fishery, I would be unable to catch my whiting quota. Therefore, I decided to lease my whiting and widow quota pounds to other vessels that had adequate quota of constraining species to utilize their whiting.

The majority of the shorebased IFQ sector businesses are individually owned, most of which are family owned. We make our own decisions on what to do with our QP. Some of the QP are not always transferred and some are not utilized by the vessel owner. We do not tell each other what do to with each other's QP. To take DRB and POP from the sector that is doing the worst and move it to the sector that is doing the best does not make sense. Therefore, I oppose this proposal.

I have read all the G.2 Agenda Item documents multiple times to familiarize myself with the issue so I can understand it and make sense out of it and hopefully be able to provide a

reasonable comment to be considered by the Council. I have also read all the letters submitted thus far by members, board directors and managers from the at-sea sector. Their POP and DRB proposal has caught the shorebased IFQ sector participants by surprise. We found out about this proposal on June 17th due to the fact there is not a lot of information being sent out to us in a timely manner. We have small businesses that do not have board members, attorneys, managers or lobbyists to go to every Council meeting on behalf of every small business owner, and to keep us regularly updated on every proposal that is brought forward for consideration.

The data that the Council has received on DRB and POP implies that the shorebased IFQ sector has more available DRB and POP than the at-sea sector. The proposal in front of you today would move 22.1mt of darkblotched allocation in both 2017-18 and 17.6mt of 2017-18 POP allocation from the shorebased trawl sector to the at-sea mothership and catcher processor sectors. This would require an FMP plan amendment, which in my mind is a pretty big ask considering most shorebased IFQ fishery participants are not aware of the potential impact on their businesses.

The decrease in DRB and POP for 2017 and 2018 in the shorebased IFQ sector will directly affect my business, my crewmembers and their families along with the businesses I deal with in our communities. I have calculated that my DRB quota pounds will decrease by 5% in 2017 and 2018. My POP will decrease by 14% in 2017 and 17% in 2018 if the Council passes the at-sea sector proposal. That might not seem like a big decrease to you but it is to me especially if widow, canary and yellowtail ACLs are going to be significantly higher in years to come. I will need my DRB and POP to utilize those species.

I would like to address the issue of leftover DRB and POP in the shorebased IFQ vessel accounts. We have rules, regulations and gear modifications that we abide by. We also changed our fishing habits to fish "clean" so there would be no "lightning strikes" of choke species that would cause a potential coastwise shut down of the entire shorebased sector or one's own business. This is where individual accountability takes place. We all take responsibility for our own actions. We do not hoard our QP. We retain our QP just in case we have a "lightning strike" and don't have extra funds to lease them. It is our insurance policy. We also communicate with each other when there is DRB or POP or some other bycatch in an area where someone might be fishing on a productive fishing grounds. We too have to move from one fishing ground to another to avoid "lightning strikes". This means more time on the water and more fuel to burn with less fish being caught and less money being made. The shorebased sector also avoids the RCAs. We are not allowed to fish in the RCAs. We understand there are going to be some changes to the RCAs, but there will still be RCAs to avoid. So, if we could fish in the RCAs for example there would NOT be much of (if any) DRB and POP QPs leftover. If the Council agrees to the set-asides or new allocations and move DRB and POP from the shorebased IFQ sector to the at-sea sectors, this would defeat the purpose of the RCAs.

The impact of G.2 Agenda Item on the shorebased sector does not seem clear. What happens to the set-asides if the two at-sea sectors do not utilize all of it? Would these set-asides be moved back to the shorebased sector at the end of the whiting season? The shorebased sector

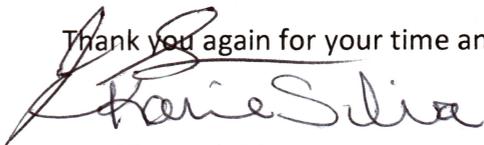
has to lease DRB, POP, Canary, and Widow if they need to make up a deficit or to continue fishing for target species. There are times when that is not possible because we might not have the extra funds needed. So if this were the case or if there were no DRB and POP to be leased at all, would the set-asides be used to help the shorebased sector participants? Or the set-asides would be used only to help the at-sea sector?

We need to minimize costs and avoid duplications, where practicable. It seems to me, with all due respect, that if the Council agrees to the at-sea sector proposal it would create more regulatory workload burden. It could cripple the shorebased sector, in one way or another. There will be less DRB and POP to lease, which will lead to much HIGHER QP lease prices. With our currently very low utilization rates of target species, the at-sea sector proposal would push these rates even lower and put additional economic burden on already struggling vessel owners, crewmembers and their families and the businesses in our communities like the fuel dock, where we purchase our supplies for vessel maintenance and grocery stores. Having said this, I'm not sure what the impact of this proposal would do to the shorebased sector so I ask the Council to take No Action until further analysis is done and until every IFQ permit holder is properly notified. We need to come up with a fair and equitable plan that will benefit both the at-sea and shorebased sectors.

I understand the urgency of the at-sea sector and understand fully well where they are coming from. I also had to make decisions on how to or what to do to survive in the whiting fishery. I have gear, refrigeration system, a head rope sounder and everything else needed to prosecute the whiting fishery that I am unable to use. I took a huge loss and I lost thousands of dollars. Maybe the at-sea sector could practice cleaner fishing by not fishing at night when the DRB come off the bottom to feed.

Again, I would like to let the Council know that I oppose the at-sea sector proposal and ask that the Council take NO ACTION at this time until further analysis is done and all QS holders are notified so they are able to gather information to help them understand the impact of this proposal would have on their businesses. I hope the shorebased sector and the at-sea sector will be able to work together and come up with a plan that all three sectors will benefit from.

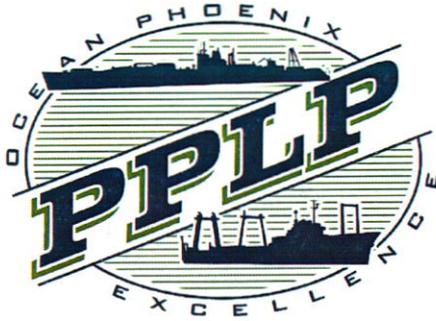
Thank you again for your time and consideration,



Jon Silva, President

Karie Silva

F/V Jeanette Marrie, Inc.



Phoenix Processor Limited Partnership

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June 25, 2016

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

Re: Amendment 21 At-Sea Sector Allocation Revisions

Dear Chair Lowman and Members of the Pacific Fishery Management Council:

I am writing today on behalf of Phoenix Processor Limited Partnership (PPLP), which owns and operates two of the motherships that participate in the Mothership Cooperative Program in the rationalized Pacific whiting fishery. Many of the partners in PPLP also own and operate catcher vessels active in the MS Coop Program and in the Shorebased IFQ Program. Our comments address Agenda Item G.2 regarding within-trawl allocations of darkblotched rockfish and Pacific ocean perch (POP) under Amendment 21 and potential FMP amendment changes that would affect PPLP and the catcher vessels that deliver product to PPLP.

PPLP urges the Council to reaffirm its preliminary preferred alternative of increased darkblotched rockfish and POP amounts available to the at-sea whiting sectors, managed as set asides.

Amendment 21 to the Pacific Coast Groundfish Fishery Management Plan (Groundfish FMP) established how darkblotched rockfish and POP would be allocated between the trawl sectors. At its April 2009 meeting, the Council took final action to arrive at the current within-trawl allocation in the Groundfish FMP, which specifies the allocation to the whiting fisheries with the remainder allocated to the shoreside non-whiting fishery.¹ Prior to making its decision the Council tasked the Groundfish Allocation Committee (GAC) with considering the needs of the different sectors. The GAC noted that the value of the whiting fishery comes from attaining whiting quotas and not in the bycatch, and recognized that bycatch limits specified as formal allocations, which are less flexibly managed than set-asides, are more likely to constrain future whiting fisheries and reduce the overall benefit to the fishery and the

¹ April 2009 Council Meeting, Agenda Item F.3.d., Meeting Minutes at page 30 (Motion 16).

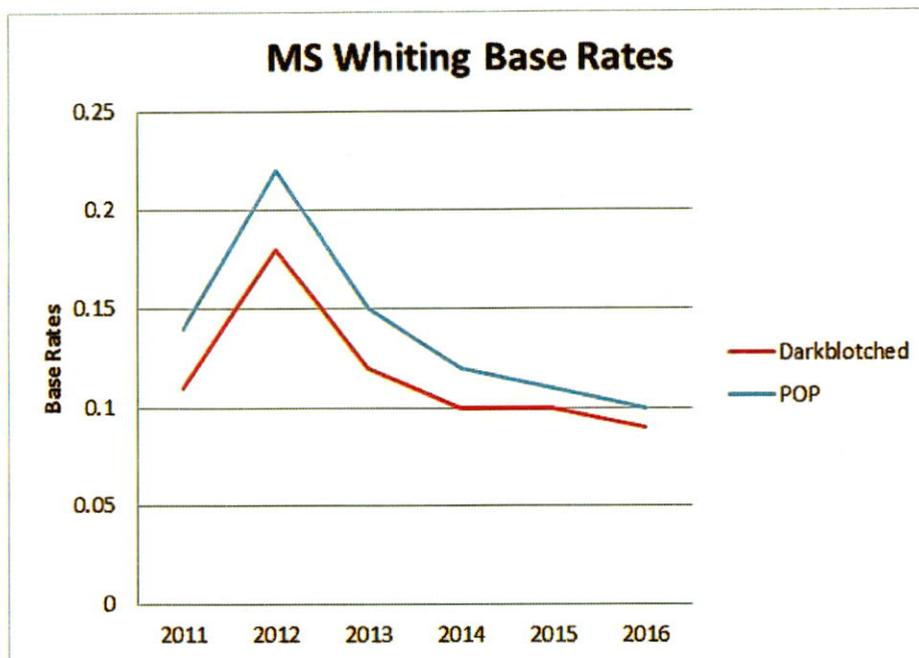
nation.² Further, the GAC acknowledged the interannual variability of bycatch observed in the fishery, and the lack of precision in projecting these amounts. Accordingly, the Council recommended bycatch amounts it believed were high enough to not constrain at-sea whiting fisheries.

Bycatch formulas determined in 2009 are no longer sufficient to allow the effective and full harvest of whiting in the at-sea fisheries. The Council's rationale for Amendment 21 remains valid; however, the allocation needs to be adjusted to provide relief to the at-sea whiting fisheries.

At the time Amendment 21 was decided, it was not known how a mothership coop program would operate and how set asides would be able to be managed in a coop structure. Since then, the Council has had five years of data demonstrating the ability of the Whiting Mothership Coop (WMC) to use sector-wide bycatch management tools to minimize bycatch.

One key tool employed by the WMC to minimize bycatch is the use of "base rates" to define rules on when a mothership fleet must move from productive fishing grounds to areas where they can expect to reduce bycatch. Base rates are established by the WMC based on the proportion of the bycatch available to the amount of whiting quota. Over the last five years, the WMC has been managing to lower and lower base rates on darkblotched rockfish and POP due to increasing whiting quotas while rockfish allocations have not increased (*see* Fig. 1)

Figure 1 – Base Rates in Whiting Mothership Cooperative

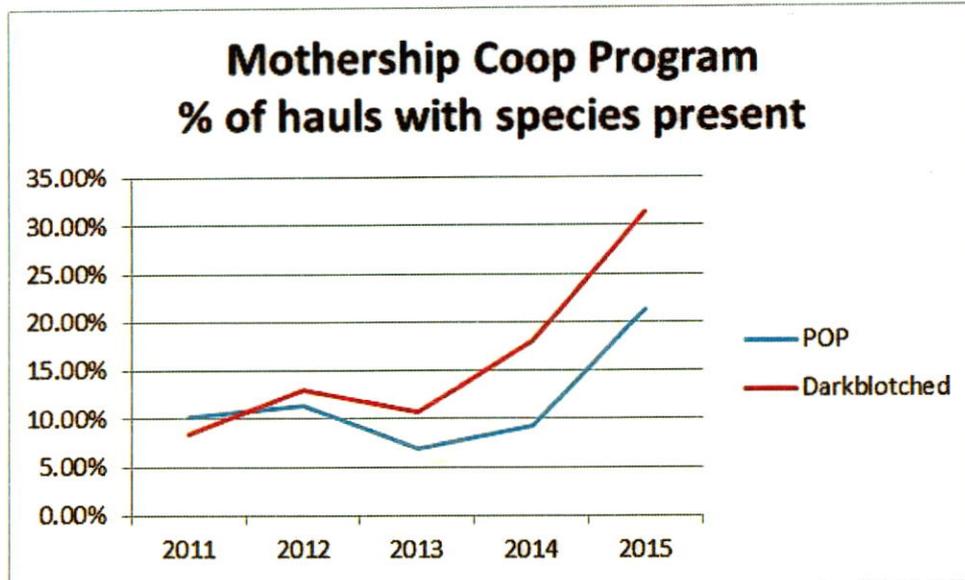


Meanwhile, despite reduced base rates and unchanging rockfish allocations, whiting skippers are reporting more and more encounters of darkblotched rockfish and POP on the whiting grounds. Given the very low bycatch allocations when compared to the record-high whiting TAC, almost any encounter whatsoever of these species triggers fleet movements. When test tows in new areas to which the fleets

² April 2009 Council Meeting, Agenda Item F.3.b., GAC Report at page 3.

relocate encounter more bycatch, more moves are triggered. Data from the At-Sea Hake Observer Program corroborates that darkblotched rockfish and POP bycatch occur in more and more tows each year in the mothership coop program (see Fig. 2).

Figure 2 - Rockfish Bycatch Encounters as Percentage of All Tows



Source: Data Request Response, FRAM/NWFSC (A-SHOP)

In a classic case of the rebuilding paradox exacerbated by the too-low allocations under Amendment 21, at-sea whiting fishermen spend more and more time running from bycatch and despite their efforts to avoid it, find it nearly wherever they go. The at-sea whiting fisheries are being disrupted and at risk of not attaining full harvest of the whiting quota despite there being no identified conservation concern for darkblotched rockfish and POP as total catch has been significantly below ACLs.

The WMC has proven effective at managing set asides to avoid conservation concerns. As one example, when NMFS identified a potential conservation concern over roughey rockfish, a constituent species in the minor slope rockfish complex, the WMC responded rapidly to improve monitoring of this subcomponent, enact movement rules to avoid excessive harvest, and prevent conservation concerns from impacting target fisheries. Similarly, in 2014, when the mothership sector exceeded its allocation of darkblotched rockfish due to a sudden series of simultaneous “lightning strikes” the WMC immediately ceased fishing and did not resume until after the Council and NMFS made emergency adjustments to the at-sea sector allocations. These examples illustrate the responsiveness of coop management to conservation concerns under either a set aside or an allocation.

This five year history under rationalization supports a Council and NMFS action to make a temporary adjustment to Amendment 21 to change the amount and nature of the darkblotched rockfish and POP available to the at-sea sectors. When Amendment 21 was adopted, NMFS acknowledged that adjustments might need to be made to long term allocations and committed to complete a five year review

for the purpose of making such long term adjustments. The temporary adjustment considered under Agenda Item G.2 would provide relief until this long term adjustment could be fully analyzed.

It is also clear that management of low allocations to the at-sea whiting sectors is an inefficient use of limited agency resources. Despite the absence of a conservation concern, substantial amount of time and energy was expended by both the Council and NMFS in 2014 to provide additional bycatch to the at-sea whiting fisheries because it required an in-season change to an allocation rather than managing a set aside. This lack of management flexibility when managing to an overly constraining allocation rather than a set aside hampers the ability of the Council and NMFS to attend to other priorities, such as the trawl rationalization five year review itself.

There is precedent for taking temporary action to provide relief until a more comprehensive solution can be designed. For instance, Amendment 15 provided for whiting permits to prevent destabilization of the whiting fishery while the Council grappled with trawl rationalization under Amendment 20. A similar destabilization exists here where insufficient bycatch availability threatens the viability of the at-sea whiting sectors while the timeline for the five year review and agency workload constraints pushes longer term solutions far into the future.

In closing, we request the Council reaffirm its preliminary preferred alternative from the April 2016 meeting supporting increased darkblotched rockfish and POP bycatch available as a set aside for the at-sea whiting trawl sectors.

Sincerely,

A handwritten signature in black ink, appearing to read 'James Mize', with a long horizontal flourish extending to the right.

James Mize
Director of Government Affairs
Premier Pacific Seafoods, Inc.
(On Behalf of Phoenix Processor Limited Partnership)