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Agenda Item G.3.a  
Supplemental NMFS Presentation 2  
June 2021

# G.3 Supplemental NMFS Report 2

PMFC Meeting  
June 26, 2021

By Melissa Hooper, NMFS

# Council Info Request

- 1) Refined and vetted cost information table that will allow Council to compare:
  - a) Observer costs;
  - b) EFP costs (**PSMFC cost for video review**);
  - c) Third party [EM service provider] review costs (with a range of 3rd party providers); and,
  - d) NMFS costs for 2022 and projected annual costs, to the best of their ability, beyond so that we have a sense of the decrease in costs that they have indicated are likely.
- **2) Cost per sea-day for each gear type.**
- March 2021 Supplemental [NMFS Report 8](#)



# Council Info Request

- 3) A copy of the completed video protocols that are used by EM Providers to make their cost estimates.
  - [Final 2021-2022 EM Program Manual](#)
- 4) An overview of any actions or changes made to the preliminary analysis to reduce the expense of the audit shop.
  - March 2021 [NMFS Report 8](#)
  - Q #4 and 5 November 2019 Supplemental [NMFS Report 5](#)
- 7) Business rules – in order to estimate costs, we need to know what triggers 100% review and how often that is expected to happen.



# Council Info Request

- 5) An update on service provider application process – do they have everything they need to provide cost estimates to potential clients?
- 6) Any other information or issues that NMFS feels would be beneficial for the Council to know.
- 8) Confidentiality and fed records – [are there] unknowns that have cost implications? Give update on policy updates from May policy.



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# Council Info Request

- Provider responses:
  - How many vessels will the provider work with and how much video will be reviewed based on vessel performance? → PSMFC working on individual pass/fail reports for EFP vessels.
  - Information on how summary and raw EM data would be transmitted to NMFS. → This was provided and is also available in the final EM Program Manual.
  - No cost implications from EM Info Law PD and no additional information needed from NMFS.



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# Council Info Request

- 9) Streamlining of sorting requirements – seems like this has stalled, looking for an update there.
  - PSMFC facilitated meeting in May 2020
  - EDF, Saltwater Inc, AKFSC, F/V Cape Windy machine vision project – March 2021 [written update](#).
  - FlyWire EM EFP with some west coast bottom trawl, whiting, and fixed gear vessels.
    - Currently under review. Federal Register Notice to publish in July with 30 day comment period.
    - Additional EM service providers or vessels will be able to apply.
    - Fishing expected to begin late summer 2021.



<b>Table 1</b>	<b>Third Party Provider</b>		<b>PSMFC</b>
<b>Annual Costs (Per Vessel)</b>	<b>Average</b>	<b>Median</b>	
EM unit and installation (new vessels)	\$2,366	\$2,439	
Program costs (current vessels)	\$4,956	\$5,150.00	
<b>Video Review Costs (Per Sea Day)</b>			
Bottom trawl	\$165	\$172	\$214
Midwater trawl	\$74	\$69	\$89
Fixed gear	\$161	\$165	\$179



Total Industry Costs (Per Sea Day)	EM - Third Party Provider		PSMFC		Observer	EM EFP
	Average	Median	Average	Median	Average 2015-2019 EDC	
New vessels (incl. equipment and installation)						
Bottom trawl	\$342	\$356	\$392	\$398	\$537	\$181
Midwater trawl	\$142	\$140	\$158	\$160	\$510	\$146
Fixed gear	\$390	\$402	\$407	\$416	\$499	\$198
Current vessels (not incl. equipment and installation)						
Bottom trawl	\$285	\$297	\$334	\$339	\$537	\$124
Midwater trawl	\$120	\$117	\$136	\$137	\$510	\$124
Fixed gear	\$316	\$326	\$333	\$339	\$499	\$124



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# Extra Slides



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March 2021	Observer	EFP	Third Party (Mean)	Third Party (Median)
<b>NMFS Costs</b>				
WCR	N/A	\$202,345	\$202,345	\$202,345
NWFSC	\$366,000		\$378,000	\$378,000
PSMFC	N/A	\$435,000	N/A	N/A
Recovered via cost recovery	-\$190,630		-\$210,286	-\$210,286
<b>NMFS Subtotal</b>	<b>\$175,370</b>	<b>\$637,345</b>	<b>\$370,059</b>	<b>\$370,059</b>
<b>Industry Costs</b>				
Observer sea days	\$1,362,900	N/A	N/A	N/A
Equipment, field services	N/A	\$481,500	\$334,808	\$317,483
Video review, storage, reporting	N/A	N/A	\$253,307	\$229,752
Cost recovery	\$190,630		\$210,286	\$210,286
<b>Industry Subtotal</b>	<b>\$1,553,530</b>	<b>\$481,500</b>	<b>\$798,401</b>	<b>\$757,521</b>
<b>Program Total</b>	<b>\$1,728,900</b>	<b>\$1,118,845</b>	<b>\$1,168,460</b>	<b>\$1,127,580</b>

# Cost Recovery Fees

Sector	Share of EM Costs	NMFS EM Costs	Pre-EM Fee	Post-EM Fee	Difference	Cost Difference
Shorebased IFQ	75%	\$435,259	2.88%	3% (3.67%)	0.12% (0.79%)	\$65,754.44
Mothership	25%	\$145,086	0.29%	1.54%	1.25%	\$144,531.79

[From March 2021 Supplemental NMFS Report 8](#)



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# Assumptions Used by Providers – EM EFP Effort Metrics

2019-2020 Average	Bottom Trawl	Midwater Trawl	Fixed Gear
# of vessels	10	30	8
# trips	169	1,322	99
# hauls	944	3,563	1,131
# sea days	412	3,215	256
# review minutes	68,320	43,978	31,836
Average review hours per haul	1.21	0.21	0.46
Average review hours per sea day	2.81	0.23	2.03



# Assumptions Used by Providers – PSMFC

## Estimated Hours

Per Sea Day at Review Rate of 100%

	Description	Midwater Trawl	Pot	Bottom Trawl
<b>Review Time Variable Hours</b>	Review of video	0.27	2.42	3.27
<b>Review Time Fixed Hours</b>	Other review work (tracking, reporting, correspondence with vessels, general staff time)	0.88	0.88	0.88
<b>Admin Hours</b>	Program management, QAQC, database maintenance, providing hard drives, etc.	0.62	0.62	0.62
<b>TOTAL PER SEA DAY</b>		1.78	3.93	4.78
<b>TOTAL FLEET ESTIMATE</b>		5,717	1,003	1,969



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