

GROUND FISH ADVISORY SUBPANEL REPORT ON PACIFIC WHITING UTILIZATION IN THE AT-SEA SECTORS

The Groundfish Advisory Subpanel (GAP) received an overview of this agenda item from Mr. Brett Wiedoff and Ms. Jessi Doerpinghaus, Pacific Fishery Management Council (Council) staff, and a presentation of the [Draft Analytical Document for Pacific Whiting in the At-Sea sectors](#). This information was also provided at the August 31, 2021, Groundfish Management Team (GMT) pre-Council webinar meeting to provide stakeholders and advisory body members an opportunity to hear a detailed presentation prior to the Council meeting. The GAP wishes to acknowledge and thank the authors for their hard work in providing very useful information and analysis that is contained in the analytical document for this meeting, as well as the information contained in the [Scoping Document](#) presented to the Council at the March 2021 meeting.

I. GAP RECOMMENDATIONS

The GAP believes that the analytical information contained in the Draft Analytical Document, combined with the Purpose and Need statement that was adopted at the March 2021 Council meeting, meets the requirements for the Council to make an informed decision for selecting a Preliminary Preferred Alternative (PPA) for the four elements contained in the analysis. The GAP urges the Council to take the following actions at this meeting:

- Specify that the analytical document is complete and does not require additional work;
- Adopt the range of alternatives from the March 2021 Council meeting;
- Establish PPAs for each of the four alternatives recommended by the GAP; and
- Maintain current schedule for Final Action at the March 2022 Council meeting.

Range of Alternatives

The GAP recommends that the Council continue to support the following range of alternatives for analysis and select its Preliminary Preferred Alternatives at this meeting (highlighted in bold text):

1. Whiting Season Start Date (for all whiting sectors)
 - Status Quo: May 15
 - **Alternative 1: May 1, annual cooperative applications and Salmon Mitigation Plans due 45 days prior to the season start date.**
2. Mothership Processor Obligation
 - Status Quo: Mothership processor obligation made by November 30 through mothershipcatcher vessel endorsed limited entry permit renewal.
 - **Alternative 1: Remove mothership processor obligation from regulation.**

3. Mothership Processor Cap
 - Status Quo: 45%
 - Alternative 1: 65%
 - Alternative 2: 85%
 - **Alternative 3: Remove mothership processor cap from regulation.**
4. Mothership Processor & Catcher-Processor Permit Transfer.
 - Status Quo: A vessel cannot be registered to a mothership permit and a catcher-processor permit in the same calendar year.
 - Alternative 1: A vessel can be registered to a mothership permit and a catcher-processor permit in the same calendar year.
 - i.* Sub-option A: A vessel can switch between the mothership sector and catcher/processor sector up to two times during the calendar year through permit transfer.
 - ii.* Sub-option B: A vessel can switch between the mothership sector and catcher/processor sector up to four times during the calendar year through permit transfer.
 - iii.* **Sub-option C: Unlimited transfers.**

II. GAP RATIONALE FOR SUPPORT OF THE PPAs

a. Whiting Season Start Date

The GAP urges the Council to **select Alternative 1, May 1, as its PPA** for a new whiting fishery start date. As discussed in the analytical document, moving the start of the whiting season to a May 1 date could provide significant improvements in mothership sector utilization because it would allow an additional 15 days for whiting operations. It would also have benefits for the catcher/processor and shoreside sectors, and the GAP recommends retaining a common start date for all three whiting sectors.

One of the primary benefits of moving the start date to May 1 is that it would provide additional days to harvest whiting between the Alaskan Eastern Bering Sea pollock seasons. Most at-sea processors (motherships and catcher/processors) and some catcher vessels (CVs) head north to Alaska in January for the pollock A-season, then return to the West Coast in March or April and again head north in June or July for pollock B-season, and then return to the West Coast in September or October for fall hake and/or winter shipyard work. By moving the whiting season start date to May 1, the at-sea processors and trawl CVs will be back from the Bering Sea pollock A season fishery and be able to start fishing for whiting on May 1. This will provide an additional 15 days to participate in the whiting fishery.

The analysis points out that there is evidence to suggest that fishing in early May may exhibit high effort and catch, and thus achieve the Problem Statement objective of increased utilization of the whiting fishery. Table 5 on page 18 of the analysis indicates a possible increase in harvest value of \$16 million. Table 4 on page 18 predicts an increase in total catch attainment by the Mothership Sector of 21 percent on average for initial allocations and 19 percent for post-reapportionment.

The GAP appreciates the efforts of staff and the use of a simulation-based model to estimate the potential impact of harvesting whiting in the first two weeks of May on West Coast salmon stocks. The projections in the analysis conclude that the whiting sectors would likely stay within the 11,000 Chinook salmon threshold. The analysis indicates that Chinook bycatch with the additional two weeks of fishing for the entire whiting fishery (tribal & non-tribal, all three sectors) are between 4,178 and 7,550 Chinook salmon with a middle value of 6,098 per year (page 25). These estimates are well below the whiting bycatch threshold of 11,000 fish.

The GAP notes that the estimated range of Chinook bycatch and the composition of stocks expected to be caught with the additional two weeks of fishing in May result in an estimated Chinook bycatch amount that is the same as the acceptable amount examined in the 2017 Chinook salmon Endangered Species Act (ESA) Biological Opinion (BiOp) and that the overall impacts are likely to be within those described in the 2017 BiOp and the approved management measures that govern incidental salmon harvest in the groundfish fisheries.

The whiting sector will continue to employ its salmon minimization tools and management measures, including salmon mitigation plans (SMPs), block area closures, co-op ‘move along’ tools and real-time bycatch reporting to the trawl fleet (‘hot-spot’ reporting).

Overall, the GAP supports the May 1 season start date change as one of the most impactful elements of this amendment package.

b. Mothership (MS) Obligation

The GAP urges the Council to remove the mothership processor obligation deadline **and select Alternative 1 at its PPA**. The analysis outlines the origin of this requirement when Amendment 20 was developed and the stated reason of providing some certainty to both the mothership processing companies and the mothership catcher vessel harvesting companies when annually organizing the Whiting Mothership Cooperative harvest and business plans for an upcoming fishing year.

As the Amendment 20 catch share program has matured over the past decade, participants believe this obligation deadline requirement of November 1 of a previous year really has no benefit to either the MS processing companies or to the MS CV fleet owners. Rather, it could limit the flexibility of a CV wanting to deliver to another MS vessel or company if it had obligated to a different company.

As noted in the analysis, the whiting MS CVs currently obligate their catch through private agreements, and indirectly within the Whiting Mothership Cooperative Agreement. The processor obligation is a unique feature of this fishery that does not occur in other fisheries, and the GAP agrees that this could instead be handled through private arrangements between catcher vessels and processors.

There also is a NMFS cost saving benefit with the elimination of the MS processor obligation in that NMFS would not need to track the annual obligations of the MS CVs, nor receive the annual obligation applications from the CV owners.

It is worth noting that in testimony to the GAP, the processing companies that hold all six of the current MS processing permits, as well as representatives of the MS CV fleet, all support removal of this obligation provision in the MS Catch Share program.

c. MS Processor Cap

Similar to the discussion on the Mothership Obligation item in this package, the GAP believes that the MS Processor Cap is an artifact of the original concerns expressed in the development of Amendment 20 and that time has shown this cap is irrelevant, and perhaps an archaic measure. The GAP urges the Council **select Alternative 3 at its PPA (no processing cap)** and remove the limit on the amount of whiting a MS processor can process in a given year.

The original intent of the 45 percent processing cap expressed at the time of the Amendment 20 discussions was to ensure that at least three MS processing companies participate in the fishery so the MS CV fleet had multiple markets to choose from to deliver their co-op whiting amounts. As presented in the analysis, and in public testimony to the GAP from representatives from the MS processing and harvesting sector, removing the current 45 percent cap on processing by an individual MS company will provide flexibility when conditions of the fishery might warrant that one of the current MS processing companies will process more than 45 percent of the sector's harvest amount.

The processor cap is a unique feature to the mothership sector and does not apply to other sectors. While the original intent was to ensure that at least three entities participate, in reality the cap does nothing to ensure participation. However, it could serve to limit participation if a catcher vessel was prevented from delivering to a mothership processor that had capped out. Ownership among mothership processors has also changed since the start of the trawl rationalization program.

The GAP appreciates the discussion in the analysis found on pages 38 and 39 on excessive shares as this is a requirement under Magnuson-Stevens Act National Standard 4. The GAP believes that the removal of a processing cap for MS processors will not result in one MS processing company having an excessive share of the sector. Note that the other two whiting sectors do not have a processing limit and this lack of a processing limit has not resulted in one company in those sectors acquiring an excessive share status. In addition, other accumulation limits remain in place, such as the 20 percent ownership limit and the 30 percent harvest limit.

d. Mothership Processor & Catcher/Processor Permit Transfer

The GAP recommends that the Council adopt **Sub-Option C, unlimited transfers as its PPA**.

Currently, a vessel cannot be registered as a mothership and a catcher/processor in the same calendar year. Through the trawl rationalization program development, this prohibition was intended to keep the sectors separated and not create potentially unfair advantages. Since the pool of available at-sea hake processors is limited to the current mothership and catcher/processor participants, the most likely entrant to the mothership sector if a traditional mothership vessel is not able to participate would be a vessel that participates as a catcher/processor (through registration to a mothership permit).

The analysis points out that the action alternative as written would both allow a vessel that had been a catcher/processor to enter the mothership sector by becoming registered to a mothership permit in the same calendar year and allow a vessel that had been a mothership permit to enter the catcher/processor sector by becoming registered to a catcher/processor permit in the same calendar year. The GAP supports this provision.

Allowing an unlimited number of transfers provides the fleet with the most flexibility to support increased mothership sector utilization. Whereas a permit transfer limitation would likely deter a vessel from entering (or exiting) a sector if there was no way to return to that sector at a later date. The GAP is unclear what purpose or goal limiting the number of transfer serves.

Assuming the Council moves forward with this action, an overarching outcome of this MS utilization action is to facilitate fleet flexibility to support increasing the utilization in the MS sector. The GAP thinks it is counterproductive to create regulatory boxes that provide no discernable benefit to the purpose and need of the action and limits fleet flexibility. Additionally, over time the number of participants in the MS and CP sector can change as well as the whiting total allowable catch. In some years it is likely that a limitation on transfers would result in a vessel not entering the MS sector as that vessel would not be able to exit the sector. Thus, a transfer limitation could be counterproductive to the purpose of the action. Therefore, the GAP supports unlimited transfers as the PPA.

PFMC
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