

GROUND FISH ADVISORY SUBPANEL REPORT ON PACIFIC WHITING UTILIZATION  
– FINAL ACTION

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 [Analytical Document for Pacific Whiting Utilization- Final Action](#). The GAP wishes to acknowledge and thank the authors for their hard work in providing very useful information and analyses to inform final Council action, as well as the information contained in the [draft analysis](#) presented to the Council at the September 2021 meeting.

The GAP believes that the information contained in the Analytical Document, combined with the adopted Purpose and Need statement, meets the requirements for the Council to make an informed decision for selecting a Final Preferred Alternative (FPA) for the four elements contained in the analysis. The GAP recommends that the Council adopt as its Final Preferred Alternatives the Preliminary Preferred Alternatives [adopted in September 2021](#) (highlighted in bold). Note that a small modification has been made to Alternative 1 under the Whiting Season Start Date to address administrative deadlines (see discussion below).

1. Whiting Season Start Date (for all whiting sectors)

- Status Quo: May 15
- **Alternative 1: May 1, move all administrative deadlines associated with season start date to 45 days prior to the season start date.**

2. Mothership (MS) Processor Obligation

- Status Quo: MS processor obligation made by November 30 through MS-catcher vessel (CV) endorsed limited entry permit renewal.
- **Alternative 1: Remove MS processor obligation from regulation.**

3. MS Processor Cap

- Status Quo: 45 percent
- Alternative 1: 65 percent
- Alternative 2: 85 percent
- **Alternative 3: Remove MS processor cap from regulation.**

4. MS Processor & Catcher-Processor (CP) Permit Transfer

- Status Quo: A vessel cannot be registered to a MS permit and a CP permit in the same calendar year.
- **Alternative 1: A vessel can be registered to a MS permit and a CP permit in the same calendar year.**

i. Sub-option A: A vessel can switch between the MS sector and CP sector up to two times during the calendar year through permit transfer.

ii. Sub-option B: A vessel can switch between the MS sector and CP sector up to four times during the calendar year through permit transfer.

**iii. Sub-option C: Unlimited transfers.**

## **GAP RATIONALE FOR SUPPORT OF THE FPAs**

The GAP notes that the FPAs being recommended reflect years of hard work between each of the whiting sectors to achieve industry-wide agreement as a means to facilitate Council action. The GAP thanks the participants from each of the sectors for the years of work they have put into this issue. An important outcome of this action will be to improve flexibility within the MS sector to support increasing harvest and utilization. This will provide increased economic benefit to harvesters and processors. In addition to incorporating by reference the rationale contained in the [GAP's September 2021 statement](#) on this agenda item, the GAP would like to specifically highlight the following as the primary points of consideration that have occurred since September.

### 1. Whiting Season Start Date

Moving the start of the whiting season to May 1 for all whiting sectors will provide significant improvements in MS sector utilization because it would allow an additional 15 days for whiting operations and maintain parity in season structure for all whiting sectors. As highlighted in the staff presentation, there are several administrative deadlines for the whiting cooperatives associated with the season start date outside of the annual cooperative applications and Salmon Mitigation Plans as currently listed. National Marine Fisheries Service (NMFS) and Council staff suggest moving all of these deadlines to 45 days prior to the new season start date (i.e., March 17th) for consistency. The GAP supports this change as is reflected in the revised Alternative 1 in our report.

Additionally, as clearly detailed in the analytical document, changing the season start date to May 1 is unlikely to increase Chinook salmon incidental catch in all sectors above the whiting fishery bycatch threshold of 11,000 fish. Moreover, overall impacts are likely to be well within those described in the 2017 Biological Opinion and consistent with management measures that govern incidental salmon harvest in the groundfish fisheries. It is also important to highlight, as described in the analysis, that projected Chinook impacts are precautionary (i.e., biased high) and based on projections where the at-sea sectors maximize effort beginning on May 1, when it is more likely that effort at the start of the season will follow the typical pattern of vessels entering the fishery over the course of the first two weeks, not all at once.

### 2. MS Obligation

The GAP recommends removal of the MS processor obligation deadline and selection of Alternative 1 at the FPA. The analysis outlines the origin of this requirement when Amendment 20 was developed and the stated reason of providing some certainty to both the MS processing companies and the MS CVs when annually organizing the Whiting MS 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 MS 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 best handled through private arrangements between CVs 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.

### 3. MS Processor Cap

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 cooperative whiting amounts. 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. 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 CV was prevented from delivering to a MS processor that had capped out. The GAP appreciates staff clarification that removing the MS processor cap from regulation will not result in excessive shares in violation of Magnuson-Stevens Act National Standard 4 since this change will not affect the *opportunity* to participate in the fishery.

### 4. MS Processor & CP Permit Transfer

Since the pool of available at-sea whiting processors is limited to the current MS and CP participants, the most likely entrant to the MS sector (if a traditional MS vessel is not able to participate) would be a vessel that participates as a CP (via registration to a MS permit). This recommended change would allow a vessel that had been a CP to enter the MS sector by becoming registered to a MS permit in the same calendar year and allow a vessel that had been registered to a MS permit to enter the CP sector by becoming registered to a CP permit in the same calendar year. Permit transferability would provide a means to increase availability of MS platforms available to take deliveries from CVs, thereby increasing MS sector utilization, while maintaining the sector structure (shoreside, MS, and CP) that is foundational to the non-tribal whiting fishery.

Allowing an unlimited number of transfers provides the fleet with the most flexibility to support increased MS sector utilization. Over time the number of participants in the MS and CP sector can change (within the closed class of each sector) because of shipyard schedules, other operational necessities, and 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 and participate as a CP. Thus, a transfer limitation could be counterproductive to the purpose of the action.

Regarding the question of whether MS and CP permits can be simultaneously registered to one vessel ("stacked"), the GAP suggests the Council consider the merits of allowing this to occur. While the GAP does not have a strong opinion on whether MS and CP permits can be registered simultaneously to one vessel, we highlight that simultaneous registration appears consistent with the purpose and need of this action because it would ease administrative constraints that hinder

utilization in the MS sector. While operational aspects of switching between CP and MS modes could constrain the utility of stacked permits (for example, because of the time it takes to change crew and deck configurations), the added flexibility could be beneficial in more swiftly getting MS platforms on the grounds for MS CV deliveries and would reduce the administrative burden on industry and NMFS because permit transfers would be reduced.

## **Summary of GAP recommendations**

In summary, the GAP recommends the Council adopt the following alternatives as the FPAs:

1. Whiting Season Start Date (for all whiting sectors)
  - Alternative 1: May 1, move all administrative deadlines associated with season start date to 45 days prior to the season start date.
2. MS Processor Obligation
  - Alternative 1: Remove MS processor obligation from regulation.
3. MS Processor Cap
  - Alternative 3: Remove MS processor cap from regulation.
4. MS Processor & CP Permit Transfer.
  - Alternative 1: A vessel can be registered to a MS permit and a CP permit in the same calendar year.
    - iii. Sub-option C: Unlimited transfers.

PFMC  
03/09/22