

The Wheel Watch

a newsletter of the

Fishing Vessel Owners' Association
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Thank you for your support!

Dear Members and Friends,

This newsletter will bring you up to date through the September Pacific Council and October North Pacific Council meetings, halibut and sablefish surveys, and market trends.

****NPFMC****

The North Pacific Fishery Management Council (NPFMC) took a number of actions affecting sablefish and halibut.

- The Council took final action on a new IFQ program for certain Pacific Cod Trawl vessels in the Bering Sea and Aleutians. This sector of the trawl fleet is allocated 382 MT of halibut bycatch annually. The Council voted to reduce this number by 25% or about 95 tons consisting mostly of juvenile halibut. This will be phased in over 2 years beginning when implemented. This could be implemented by 2023, but more likely 2024 due to the complexity of the program. Three council members voted against the 25% reduction as they supported a 20% reduction. These were Bill Tweit (WA), Steve Marx (OR), and Ann Vanderhoven (WA), however, all Council members supported the main motion. The program requires co-op participation by vessels and processors and much more. Be glad your program was first, as you could not replicate it, because everyone is too limited entry savvy.
- The Council refined the sablefish amendment package and schedule it for final action at its **April 4-12 meeting**. This was supposed to be finalized in December. They actually made element 4 into two options, which deals with the current 9" opening for pot configuration. They also added some pot limit options for West Yakutat and S.E. Outside. The following are the sablefish pot amendment options:

Alternative 2: Revise IFQ program regulations to address the following regulatory clarifications

Element 1: Clarify that "slinky pots" are a legal gear for the IFQ fishery **and CDQ fisheries**, and revise regulations to allow the use of biodegradable twine in the door latch or pot tunnel.

Element 2: Remove buoy configuration, radar reflector, and flagpole requirements in regulation but retain "LP" marking requirement.

Element 3: Authorize jig gear as a legal gear type for the harvest IFQ **and CDQ**.

Element 4: Revise the pot gear configuration requirements to remove the 9-inch maximum width of tunnel opening so it does not apply when vessel **begins a trip with** ~~has~~-unfished halibut IFQ onboard.

Option: Remove the 9-inch maximum width of the tunnel opening for vessels targeting IFQ sablefish.

Element 5: Pot Limits

Options 1: Change the Pot Limit for Western Yakutat and/or Southeast Outside to

Suboption a) 160 per vessel

Suboption ~~ab~~) 180 200 per vessel

Suboption ~~bc~~) 300 pots per vessel

Element 6: Gear Retrieval requirements

Options 1: Remove the gear retrieval requirement

Option 2: Modify the gear retrieval requirement to 7 days for all GOA areas

Suboption: 3 days in SEO

Thanks to Councilmember Kenny Down the following motion was passed by the Council.

When time, resources, and staff allow, direct staff to prepare and schedule for Council consideration a small sablefish release Initial Review document to be scheduled for an upcoming meeting.

You are likely disappointed the amendments for pot sablefish are not being taken up in December. The Council had some new emergencies including the failure of the King crab and Opolio crab stocks in the The Bering Sea. The Council will likely take up an emergency action to close additional grounds too hard on bottom trawlers to protect crabs in December. It was noted that the pollock fleet's nets are on the bottom 60% of the time. The Council will also take up for final action, the bycatch of halibut in the BSAI associated with the Ammend 80 fleet. Below is one of 4 alternatives being considered, this is the most aggressive. Currently, both the trawl and IPHC set line indexes are listed at low. This would result in a 40% reduction in the halibut CAP with this alternative.

Alternative 4: A 4X2 look-up table with PSC limits that range from current PSC limit to 45% below current limit. PSC limit is determined annually based on survey values from the most recent year available.

		EBS shelf trawl survey index (t)	
		Low < 150,000	High ≥ 150,000
IPHC setline survey index In Area 4ABCDE (WPUE)	High ≥ 11,000	1,396 mt (20% below current)	1,745 mt (current limit)
	Medium 8,000 – 10,999	1,222 mt (30% below current)	1,396 mt (20% below current)
	Low 6,000-7,999	1,047 mt (40% below current)	1,222 mt (30% below current)
	Very Low < 6,000	960 mt (45% below current)	1,047 mt (40% below current)

Options for Alternatives 2, 3 and 4:

Option 1: PSC limit is determined using a 3-year rolling average of survey index values instead of the most recent survey value.

Option 2: PSC limit varies no more than (suboptions: 10% or 15%) per year.

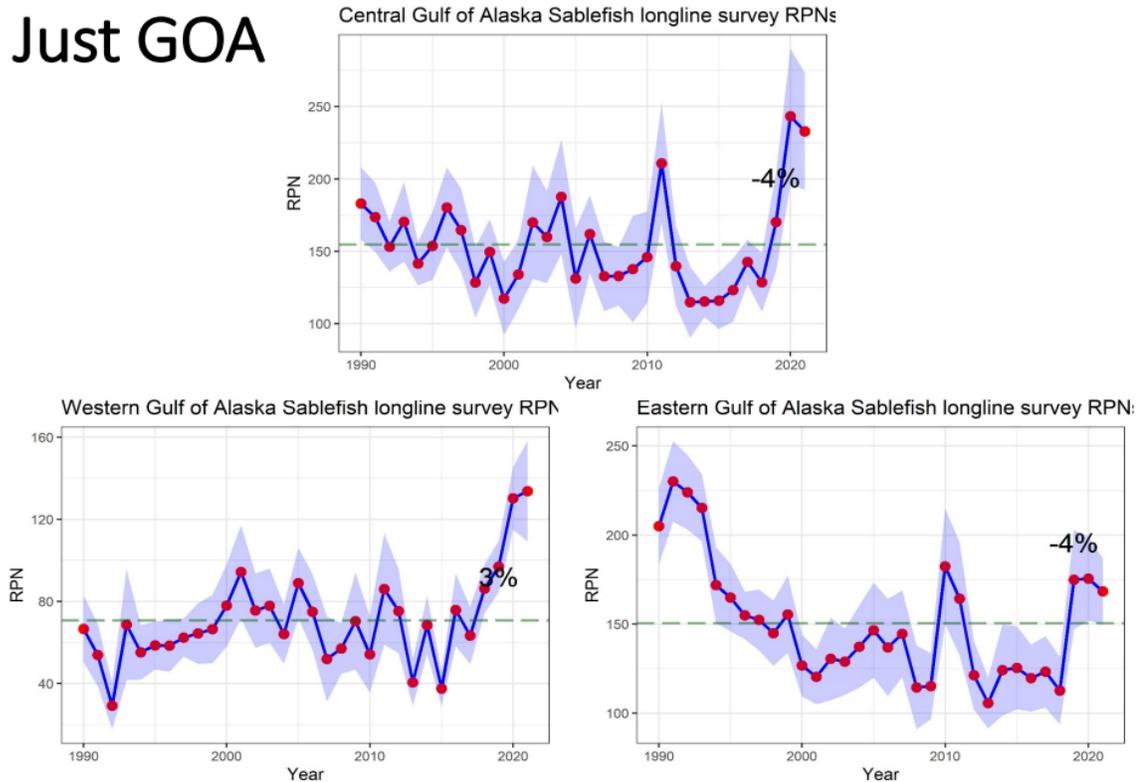
Option 3: Establish an annual limit of (suboptions: 80% or 90%) of the PSC limit generated by the look-up table. In 3 of 7 years, the A80 sector may exceed the annual limit up to the PSC limit generated by the look-up table. If the A80 sector has exceeded the annual limit in 3 of the past 7 years, then (suboptions: 80% or 90%) of the PSC limit generated by the look-up table is a hard cap for that year.

Option 4: (mutually exclusive with Options 2 and 3) PSC unused in one year may roll to the following year to increase the PSC limit generated by the lookup table up to 20%. Any PSC savings in excess of 20% would stay in the water.

Longline Survey for Sablefish

This summer's survey fished 615,690 hooks, caught 169,613 sablefish, tagged 6,156, tagged 315 shortspine thornyhead, recaptured 31 tagged sablefish (18-NOAA, 7 Canadian + 6- ADF & G).

Just GOA



Even though the survey showed a small decrease of 4% in the Central Gulf and S.E. Outside areas, the survey confirms a very real increase in biomass. This information will be integrated into the stock assessment and harvest recommendations will be available in November, before the plan team meeting in late November. With growth factors included I expect another increase in all sablefish areas of Alaska.

Sablefish release: The NMFS conducted a sablefish release experiment this spring using longline sablefish from inside S.E. Alaska.

No sablefish died during capture or while being held during the experiment, and none showed signs of disease. However, reflexes were affected.

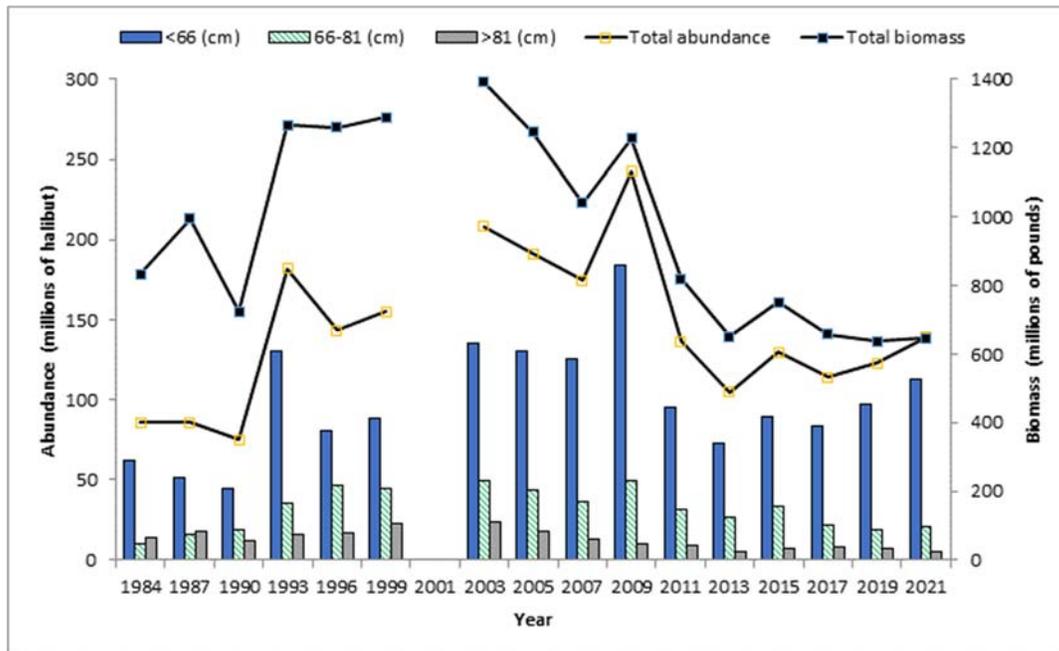
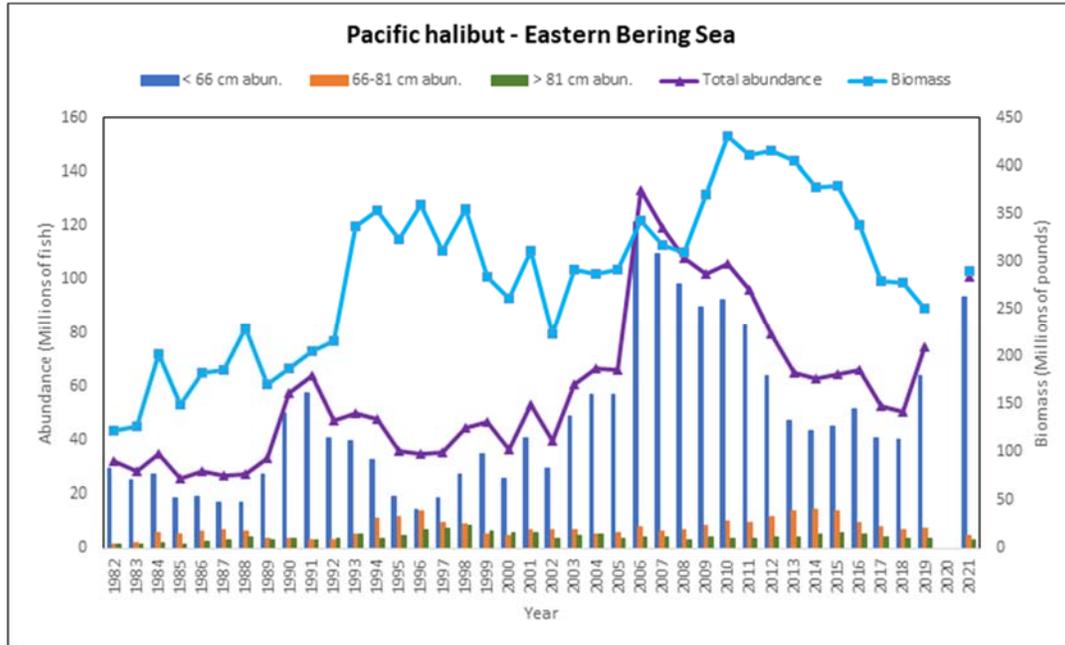
“Some of the reflexes were poor, especially just after capture. That could impair their ability to escape predators after release, such as whales that may be near the boat when sablefish are returned to sea,” Rodgveller explained.

This experiment will be part of the eventual analysis involving the release of small sablefish. None of the fish in the above experiment died from the release experiment, however, some may not have retained their full sensory protective

mechanisms such as hearing. Hearing was determined by thumping on the container that is holding the fish to see if they responded.

Halibut

National Marine Fishery Service conducted trawl surveys in the BSAI and GOA this year 2021. Some good news possibly. Below are abundance estimates of halibut from the surveys. After 12 years of decline in the BSAI a blip upward and a very slight increase in the GOA as well. I take this news as positive. The age of this fish have not been calculated as yet, they are likely a few years out from being 32 inches in length.



****Pacific Council****

Emergency Action

The Council voted to extend the tier sablefish fishery from October 31st to December 31st on an emergency action requested from FVOA. This would have applied to both pot and hooks and longline tired permits, had it not been for a threat from the Center for Biological Diversity (CBD). Since 2006, 5 humpback whales have been entangled in black cod pot gear; one was off Newport, OR and the others off California.

Apparently, NMFS failed to submit a population estimate on humpbacks and a takings estimate, which expired in September 4, 2016. The CBD wants the fishery closed until a new biological opinion that includes an incidental take statement for humpback whales is completed. The CBD wants the fishery to be closed unless rope-less or pop-up fishing gear is used.

Due to the threat to sue, NMFS will not extend the emergency rule to extend the tiered season for pot vessels. FVOA is working with NMFS to get some relief on this decision.

Gear Switching

Sablefish Gear Switching: The Council passed two motions that established three alternatives: Status quo (no action) and two alternatives. One action alternative would create gear-specific quota shares (trawl-only and any gear quota), and the second would establish gear-switching endorsements that would be placed on a vessel's limited entry permit. Vessels with permits that have gear switching endorsements would be able to do more gear switching than vessels without such endorsements. The Council is tentatively scheduled to receive a preliminary analysis on these alternatives at its March 2022 meeting, at which time there will be an opportunity to provide further guidance on the alternatives and development of the analysis.

The Council developed two new alternatives. Both are rather brutal. In brief, the first alternative limits gear switching to 29%. The ten year average is 33%. If you had quota pounds between Jan. 1, 2011 to Sept. 15, 2017 and fished them with fixed gear, you can continue to fish the quota pound (QP) with fixed gear. However, any quota acquired after Sept. 15, 2017 will be trawl only quota. The second alternative is based on the trawl permit and the pounds landed on that permit during the above dates. There may be additional requirements such as ownership of boat, quota, and trawl permit, and perhaps minimum landing of poundage. A review of these alternatives will be presented at the March meeting. A significant nuance of Alternative 2 is that if you own quota but leased someone else's trawl permit to catch your own quota, the person who owns the permit receives the fishing rights, not the quota owner or vessel owner.

Markets

Halibut

The market has been better than expected coming out of the 2020 pandemic. Retail sales were excellent during 2020 and that demand continued into 2021 along with post Pandemic restaurant demand. Additionally, due to the international problems in trade transportation, high end products such as tuna are not available, resulting in Pacific Halibut filling some of the demand as a high end product. This has resulted in additional demand.

Prices paid in Bellingham to FVOA vessels in early October, \$8.75 for 10-20; \$9.00 for 20-40 and \$9.25 for 40 and up. These are record prices. As of October, 82% of the quota is in. The season ends December 7th.

Individual Fishing Quota (IFQ) Allocations and Landings						
Area	Species	Vessel Landings	Total Catch Pounds	Allocation Pounds	--- TAC --- Remaining Pounds	Percent Landed
2C	halibut	1,101	2,939,697	3,530,000	590,303	83
3A	halibut	1,500	7,751,381	8,950,000	1,198,619	87
3B	halibut	201	2,042,006	2,560,000	517,994	80
4A	halibut	148	1,210,961	1,660,000	449,039	73
4B	halibut	36	583,746	984,000	400,254	59
4C/4D	halibut	124	731,658	885,600	153,942	83
Total		3,110	15,259,449	18,569,600	3,310,151	82

Sablefish

Sablefish is beginning to take Europe by storm. In a recent article from [The Economist](#), they stated:

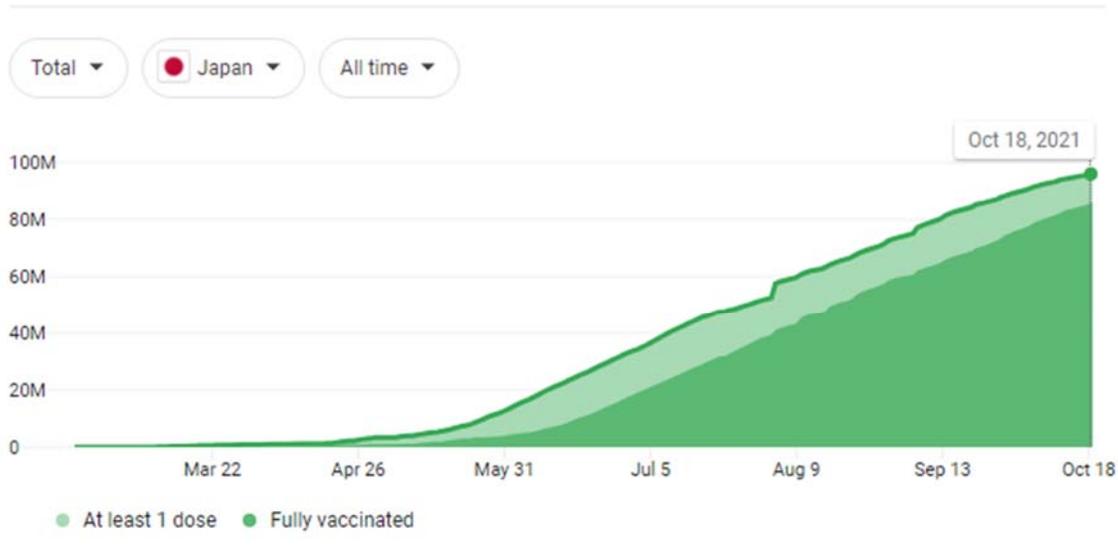
From Monte Carlo to Milan, no glamorous destination is complete without a Nobu. The chain of gourmand-luring Japanese-Peruvian restaurants has become a staple in practically every tourist hotspot. In each location, a well-off clientele stuff themselves with chunks of black cod soaked in miso and yellowfin tuna tartare while a DJ in expensive-looking spectacles plays unobtrusive house music.

Sablefish prices paid in Seward in early October were as follows: \$7.85 for 7lbs and up; \$6.10 for 5-7 lbs; \$4.25 for 4-5 lbs; \$3.20 for 3-4 lbs; \$2.50 for 2-3 lbs; and \$1.50 for 1-2 lbs, eastern dressed. Sixty percent of the quota is in with the season ending December 7th this year. We expect 75% of the potential quota to be landed from 2021. However, fall storms have significantly slowed up deliveries in late September and October.

Japan is still 65% of the sablefish market. Currently, 76% of the population in Japan has received at least one dose of the vaccine for COVID-19. This is excellent news for the opening

of the Japanese restaurant economy. This will help stimulate increased demand during this winter and spring of 2022.

Japan Vaccination Rates



This data shows how many people have received at least 1 dose of a vaccine. People who are fully vaccinated may have received more than 1 dose. - [About this data](#)

Individual Fishing Quota (IFQ) Allocations and Landings

Area	Species	Vessel Landings	Total Catch Pounds	Allocation Pounds	TAC		Percent Landed
					Remaining Pounds		
AI	sablefish	38	939,963	6,239,018	5,299,055		15
BS	sablefish	72	1,473,358	2,993,847	1,520,489		49
CG	sablefish	502	10,040,203	14,206,442	4,166,239		71
SE	sablefish	670	6,687,224	10,094,863	3,407,639		66
WG	sablefish	89	2,777,718	4,281,333	1,503,615		65
WY	sablefish	312	4,356,556	5,630,548	1,273,992		77
Total		1,683	26,275,022	43,446,051	17,171,029		60
Total number of vessel offloads containing only halibut IFQ:				3,048			
Total number of vessel offloads containing only sablefish IFQ:				1,645			
Total number of vessel offloads containing both IFQ species:				686			

Norwegians

The current Norwegian quota for cod is 399,500 MT. Two thirds of this quota will lose its MSC sustainability certificate. This has resulted in price increases for other MSC cod and related white fish products. They lost the certification for the amount caught inside 12 miles because the biomass is under the critical level of sustainability. ICES has recommended NO harvest for inshore waters, which is the majority of Norway's cod landings. It is hard to sell any fish in Europe without a MSC certification.

****Second Watch****

WWF

Russia calls for temporary ban on Pacific Halibut Fishery due to a fourfold decline of the population in the Sea of Okhotsk and near the Kamchatka Peninsula. The halibut stock is based on everyday reports provided by fishing vessels. There is a lack of field reports and information provided by scientific observers. The ABC is overestimated.

Intrafish

Congressman Don Young floats a new bill to block offshore aqua culture. "We want our fish to be wild." Congressman Young wants to get to the bottom of the decline of some wild salmon species.

AIS

The Federal Communication Commission conducted a public comment process to determine if AIS could be used by commercial fishing vessels. FVOA sent comments in as did the Pacific and North Pacific Councils supporting the use of AIS for marking gear. It looks like there may be a path forward, but this agency does nothing fast. I think this could take a year to complete.

Excise Tax, State of Washington

The legislature and Governor signed into law a new excise tax of 7% on the selling of stocks, bonds, and other capital assets where the profit is in excess of \$250,000. FVOA and other fishery groups got an exemption for limited entry permits and IFQ's. This law is being challenged in court. If the challenge is successful, it means there is no tax so you are good either way, at least for fishing rights.

California State Lands Commission

Wind energy projects are contemplated in areas that affect sablefish, whiting and albacore fishing off California and Oregon potentially out of Westport. We are monitoring this.

****Calendar of Events****

December 2-16, 2021	North Pacific Fishery Management Council	Via webinar
November 15-22, 2021	Pacific Fishery Management Council	Via webinar
November 29-30, 2021	International Pacific Halibut Commission	Via webinar
November 11, 2021	Veteran's Day	Office Closed
November 25-26	Thanksgiving Holiday	Office Closed
December 2-16	North Pacific Fishery Management Council	Via Webinar
December 27-31	Happy Holidays	Office Closed

****Passings****

We have lost some very good friends this year...

James "Jim" Albert Bodding, age 72

Jim was lost after a valiant battle with lung cancer. He was not a smoker. His first love was the sea and he began fishing with his uncle Albert Hofsad on the F/V Tonka. He would call me in the office 2 or 3 times a season giving me updates in fishing. He was always upbeat. Jim was an FVOA Trustee and longtime member. His last boat was the beautiful F/V *Aleutian Isle*. I will miss his Dungeness crab.

Clem Tillion, age 96

Clem Tillion's history to Alaska would fill several volumes. Clem served twice on the North Pacific Council, the second time perhaps the most important. He was the fish czar for Governor Hickel his second time on the Council. Clem provided the political cover for the halibut/sablefish industry to develop their IFQ program. He also helped pass the original observer requirements and halibut protection CAPS in the BSAI and GOA, the phase out of foreign fishing, and he was there for the Pollock Wars.

Chuck Bundrant, age 79

He was one of the architects of the modern Alaskan seafood industry. His efforts influenced fishing, processing, and sales globally. He founded Trident Seafoods in 1973. His first boat was the 130 foot F/V *Billiken*, a crab catcher processor. He carved a modern processing plant out of a rock wall in Akutan Bay. He survived the foreign fleets, and did well in the Pollock Wars. He provided a market to thousands of fishermen and their families. No one lost a dime selling their fish to Chuck and Trident Seafoods.

James "Jim" Raymond Olsen, age 63

Jim was born in Petersburg, Alaska the same year Alaska became a state. He began fishing at the age of 16, representing a 3rd generation of longliners. Jim, his father and his siblings all crewed the F/V *Leviathan*. He ran the F/V *Cinnamon Girl* for Colin Martins, a co-owner of the F/V *Kristine* and F/V *St. John II*. He could always load up a boat with black cod and/or halibut. He always had a smile and enjoyed all he worked with. He and his enthusiasm for life will be missed.



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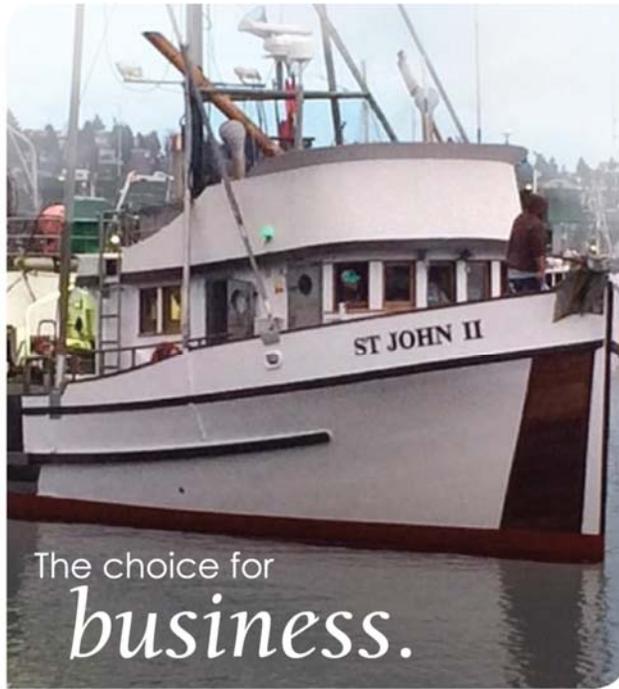
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So, you say you want an earlier season?



F/V Seymour in Yakutat in the spring 2021