

The Wheel Watch

a newsletter of the

Fishing Vessel Owners' Association
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Thank you for your support!

Dear Longliners and Sustaining Sponsors:

This newsletter will bring you up-to-date on activities at the Pacific Council, the North Pacific Council, the IPHC and at Washington, D.C.

****Pacific Council****

2017 Tier Limits: Tier 1, 45,120 lbs.; Tier 2, 20,509 lbs.; Tier 3, 11,720 lbs.

2018 Tier Limits: Tier 1, 47,050 lbs.; Tier 2, 21,386 lbs.; Tier 3, 12,221 lbs.

Regulation Changes for 2017. NOTE – If you fish south of 40° 10' to 34° 27' N. Latitude, the depth restriction has been moved from 150 to 125 fathoms.

Big skate is now considered “in the fishery” instead of an ecosystem component species. Big skates now have harvest speculations and must be sorted in commercial fisheries.

Canary Rockfish has been rebuilt and should you encounter any, you can have 300 lbs/per 2 month trip limit for the limited entry fixed gear fishery coast wide. (i.e. tier limit fishery).

Halibut. The halibut quota in Area 2A was increased to 1,330,000 lbs. When the harvest exceeds 950,000 lbs., the tier fishery is allowed a halibut bycatch retention. For 2017, this amount will be 140 lbs. + 2 fish per 1000 lbs of sablefish, from April 1 to October 31st. You must obtain a free halibut license from the Halibut Commission in order to deliver the halibut. This retention is allowed North of Point Chehalis.

Last year your total allocation was 49,686 lbs. This year it is 70,000 lbs. You only landed 29,499 lbs. in 2016. Make sure you land all you are allowed as the sports fishery is looking at your allocation, especially, if you don't use it.

Observers. The Pacific Council will allow electronic monitoring instead of 100% human observers in their trawl IFQ program on the lower coast. The Pacific Council already voted to allow electronic monitoring for the fixed gear fleet and the whiting fleet instead of observers.

Delivery problems for processors and fishermen from Washington to California. The issue is real, not perceived. First receivers and processors have altered their purchasing behaviors in reaction to regulations at CFR 50 §660.213 (3)(2)(ii) (and subsequent sections) that were implemented beginning Jan 1, 2017. That is, that electronic fish tickets (e-tickets) must be entered into the e-tick program within 24 hours of landing.

To comply with federal regulations, processors have dealt with this in several ways. Some have stopped buying on weekends. Some have, on a case-by-case basis, required employees to be on call or come in on weekends to issue or enter e-tickets for landings that may be delivered on Fridays or Saturdays.

These situations limit the fishermen's ability to maximize economic opportunities, resulting in an incentive, depending on circumstances, to fish rougher weather or lose economic opportunity if the weekend is at the end of a trip limit or bimonthly period.

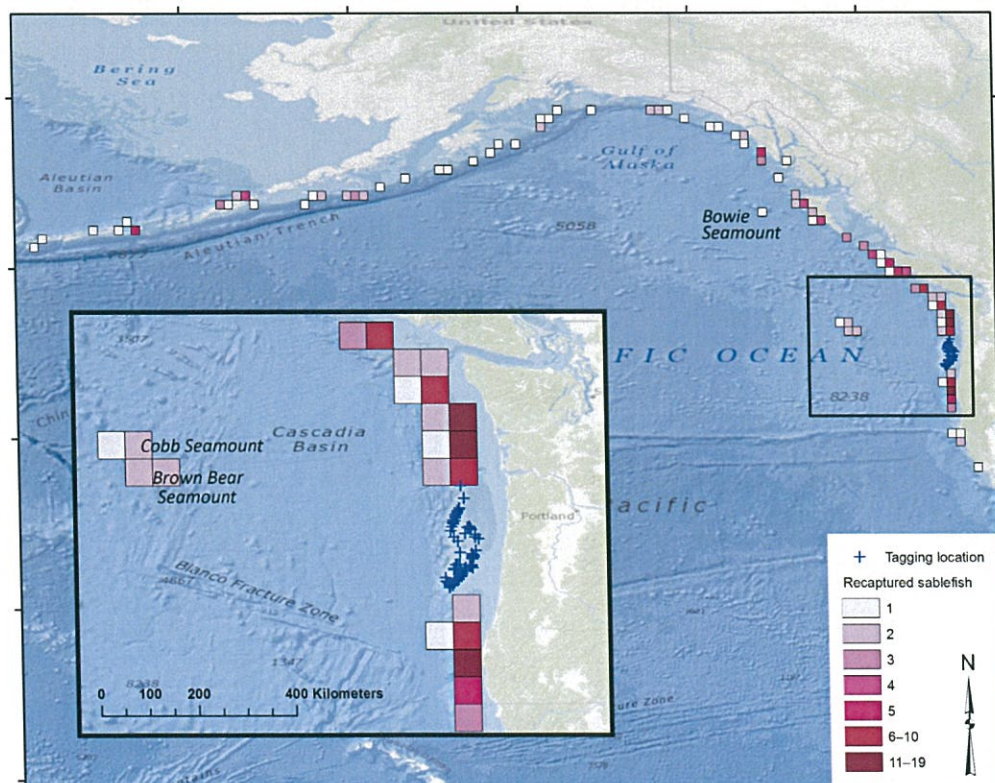
Industry has requested the rule be changed from “within 24 hours” to “the next business day” for both the trawl IFQ and the non-trawl fixed gear sectors (limited entry and open access). This correction could be handled as a minor clarification. This is considered to be Monday through Friday from 9 am to 5 pm local time and excludes weekends and public holidays as days counted.

Sablefish Tagging by Susan Sogard and Steven Berkeley.

Sablefish habitat ranges from Baja, California around the Pacific Rim to Japan. Adult sablefish are known for slow growth, low mortality and life spans up to 114 years. There are believed to be two stocks, one from Vancouver Island to Japan and a southern stock from Vancouver to Baja, California. Sizes to the south are somewhat smaller, ranging from 56.3 cm for males to 64.2 cm for females. Alaska sablefish were 67.7 cm for males and 80.1 cm for females.

The tagging was all done off of Newport, Oregon. Only 15% of the tagged fish went south, and not far south, only about 180 miles. Most moved north and around the Pacific Rim.

Below is a chart of recaptured tags. Note: the significant northern and western migration pattern. Could this be a game changer in the assumption of two stocks of fish? Perhaps it is one.



****North Pacific Council****

IFQ Fee. As you are well aware, the IFQ fee as a percentage of your gross revenue, has been increasing. Below is a chart that depicts the IFQ as a percentage of the annual gross revenue from halibut and sablefish.

The direct program costs have doubled since 2006 from \$2.8 Million to \$5.6 million. In a recent lawsuit brought by some of the factory trawlers over the IFQ fee specific to Whiting on the lower coast, the judge ruled that the at-sea processors were subject to the IFQ fee but also that NMFS had padded the costs. The factory trawlers and at-sea motherships were given a 2-year no pay due to the alleged overcharges.

This has sparked discussion among the industry to propose, under the Magnuson-Steven's Act reauthorization process, a sunset to the IFQ fee charge or allow the fleet that invests in bycatch reduction, such as, cod nets with halibut escape panels or for those who invest in electronic monitoring to deduct these costs from the Annual IFQ fee.

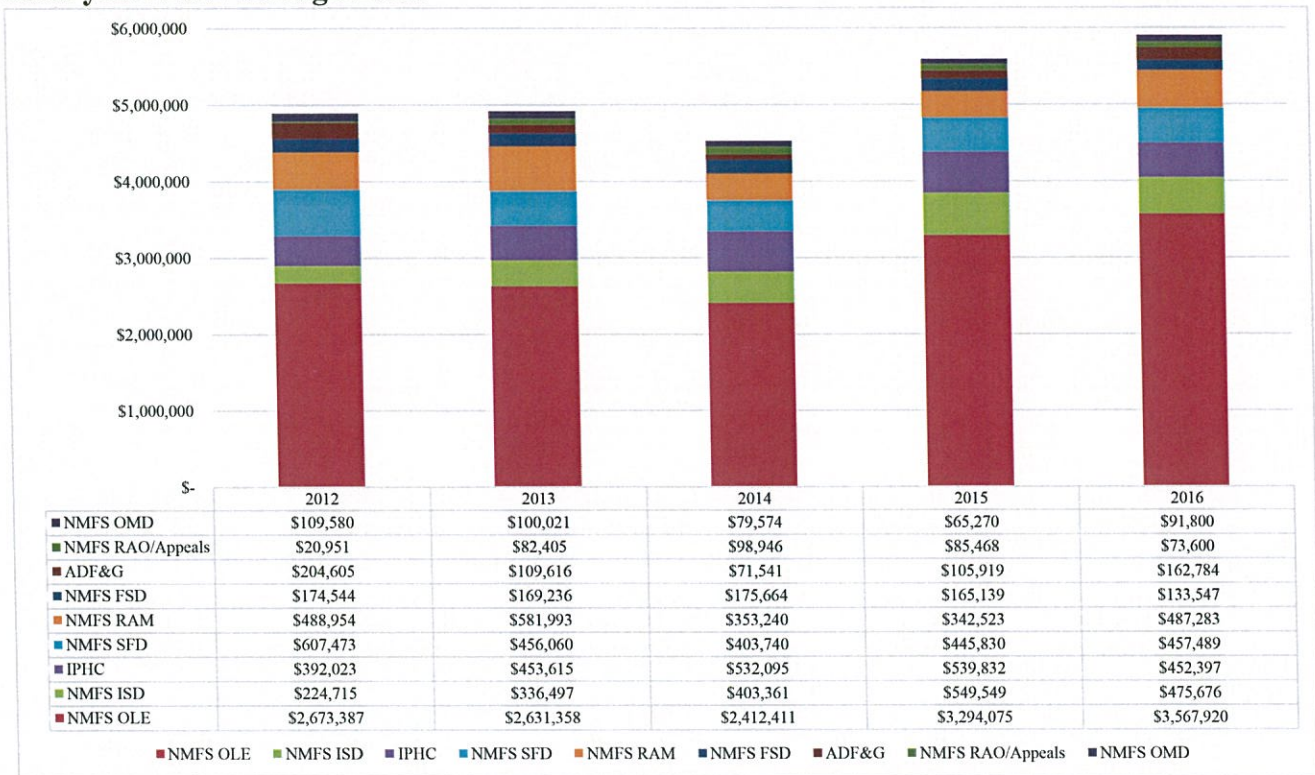
IFQ program cost recovery fee percentage 2006 through 2016

Year	Direct Program Costs	Fishery Value	Fee Percentage
2006	\$2,789,047	\$268,403,752	1.00%
2007	\$2,739,602	\$234,866,119	1.20%
2008	\$3,468,590	\$244,854,438	1.40%
2009	\$4,302,026	\$209,893,255	1.60%
2010	\$5,203,411	\$276,175,760	1.40%
2011	\$5,065,748	\$318,077,388	1.60%
2012	\$4,896,232	\$246,067,580	2.10%
2013	\$4,920,803	\$177,746,256	2.80%
2014	\$4,530,572	\$176,983,090	2.60%
2015	\$5,593,603	\$183,896,787	3.04%*
2016	\$5,902,497	\$189,455,394	3.12%

*The fee liability percentage cannot exceed 3 percent.

On the following page, you can see where NMFS is assigning costs. Office of law enforcement assigned almost a million dollars more in 2015 and 2016. Considering the number of vessels to monitor has dropped from 3500 to 800, there might be a good question as to why?

Figure 1 IFQ Direct program costs for NMFS operating units, IPHC, and ADF&G during fiscal years 2012 through 2016.



ABM – Abundance-Based Management of Bycaught Halibut. The main attraction for us at the April Council meeting was managing halibut bycatch in the Bering Sea with “Abundance Based Management,” known as ABM. This concept will use mathematical and supporting scientific based information to assign the maximum halibut prohibited species “Cap” on an annual basis. The principle indexes would be the NMFS Bering Sea Trawl survey, the IPHC Setline survey, and the Gulf trawl survey. The new Halibut Cap would be allowed to rise and fall with halibut abundance, in theory.

The Council is selling this new halibut ABM “Cap” as “scientifically based.” However, when the Council gets down to developing actual alternatives, some very politically charged issues need to be settled, such as where is the new starting point, is it the current CAP or a different number, and what will be the maximum ceiling of halibut bycatch to be allowed when the resource is robust and how low will it be forced down in times of poor conditions. I suspect the science will be bent into a pretzel by the time the Council gets to a final vote.

Oh yes, the vote. It appears at least one Alaskan Council member, Simon Kineen, has been told he will not be allowed to vote on a final ABM decision due to his companies’ involvement in multiple Bering Sea fisheries. There is also a question of who will be voting in the NMFS seat. It would be nice if the NPFMC could avoid a Sitka repeat where three Council members were recused on the halibut bycatch Cap discussion. The Council begins to look broken and unable to protect the different communities and resources when recusals become so commonplace.

The SSC of the Council tried to move the ABM processes along. Their minutes state relative to “true alternative” for analysis, the following:

“The SSC voted that the Council eventually will have to make a decision about a myriad of details...” They list over a dozen. They chose none.

“The SSC encouraged the Council’s workgroup to revise the discussion paper to provide more clarity and better rationale for the Council to determine true alternatives...”

The SSC, I believe, was trying to get some real options studied over the summer. They obviously suggested that the current alternatives are not “true” alternatives. A bit of a backhand to the Council. In the end no hard policy options were offered up by the Council. Real or “true” alternatives may be developed at the October meeting.

=====

In reviewing what happened in 2016 relative to Bering Sea halibut bycatch by the Amendment 80 factory trawl fleet, the following numbers are available:

The Amendment 80 fleet halibut CAP in 2015	2327 Mt
The NPFMC reduction of 25% for the 2016 season	1745 Mt
Amendment 80 fleet halibut bycatch with 12 vessels out of 18 vessels actually using deck sorting	1412 Mt

In 2015, FVOA asked the Council for a 42% reduction in halibut bycatch for the Amendment 80 fleet. The Council reduced their Cap by 25% and on their own, the Amendment 80 fleet achieved a 39.3% reduction in Halibut mortality. This is very welcomed news with deck sorting becoming mandatory in the next two years. This could help a great deal in reducing impacts on halibut mortality. Below you can see other fleets show reduced bycatch. Some is from the trawl fleets working hard on this issue but some is due to a declining density of halibut in the Bering Sea area.

2016 BSAI Halibut Catch

Hook-and-Line Halibut Catch

Hook-and-Line Halibut (mt)	Retained	Discard *	% Discarded	Mortality **	Limit	%
IFQ \ CDQ Halibut Fishery	1,961	800	29%	128	<i>na</i>	<i>na</i>
IFQ \ CDQ Sablefish Fishery	14	10	42%	1	<i>na</i>	<i>na</i>
Pacific Cod \ Other Species	0	2,240	100%	204	710	29%
TOTAL	1,975	3,050	61%	333	<i>na</i>	<i>na</i>

All Catch, retained and discarded is in round weight metric tons

* Halibut discards are based on best available information collected by the North Pacific Observer program. Methods used by observers may overestimate total discards because average weights contain both retained and discarded halibut.

** IFQ Halibut discard mortality rate is 16%

Gilroy, H.L. 2012. Incidental mortality of halibut in the commercial halibut fishery (Wastage). Int. Pac. Halibut Comm. Report of Assessment and Research Activities

** IFO Sablefish and Pacific cod discard mortality rate is 11%.

Trawl Halibut Catch

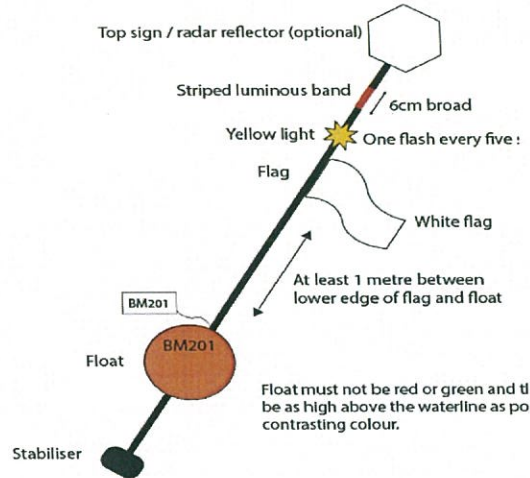
Trip Target	Total Discard	Mortality	Limit
Arrowtooth / Kamchatka / Turbot	77	65	2,805
Atka Mackerel	103	84	
Flathead Sole / Other Flatfish	61	42	
Pacific Cod	486	321	
Pollock	106	92	
Rockfish	22	18	
Rock Sole	619	532	
Yellowfin Sole	702	589	
EFP Catch	<i>na</i>	185	
TOTAL	2,176 *	1,928	

* Total Discard does not include EFP catch.

2016 GOA Reduction in Halibut Mortality Compared to 2015

Sector	2015 (mt)	2016 (mt)	% Change (mt)	2015 Rate*	2016 Rate*	% Change (rate)
Hook-and-line						
Catcher/Processors	69	69	-1%	10.07	11.91	18%
Catcher Vessels	148	165	11%	16.52	30.76	86%
Total	217	234	7%	13.73	20.99	53%
Trawl Catcher Vessels						
Central GOA Catcher Vessels (NPT)	977	949	-3%	24.23	21.43	12%
Western GOA Catcher Vessels (NPT)	47	107	127%	6.35	13.94	120%
Pelagic Trawl Catcher Vessels	13	13	3%	0.08	0.08	-3%
Total	1,037	1,069	3%	4.86	4.67	-4%
Trawl Catcher/Processors						
Total	375	230	-39%	10.81	8.42	-22%
All Sectors						
TOTAL	1,629	1,533	-6%	6.17	5.73	-7%

* Rate is kg of halibut / mt of groundfish



Regulatory Issues: The season has started with some vessels using pots to catch their sablefish. Some have had a good experience while others missed. Below is the NMFS design for a legal “flag pole” which can count as a buoy.

****Markets****

Halibut deliveries have been light to date and slowed due to spring storms. Prices began at \$7/pound but have since settled in at \$6.20 for 10-20’s; \$6.40 for 20-40’s; and \$6.70 for 40-60’s for vessels in the Yakutat area. I was over at the Woodinville Costco store and they had some very good looking halibut and sablefish. With 14% of the quota in, the season is only starting and markets are very positive.

NOAA Fisheries
 PO Box 21668
 Juneau, AK 99802-1668

Prepared: 04/17/2017
 Restricted Access Management
 800-304-4846

Individual Fishing Quota (IFQ) Allocations and Landings

Area	Species	Vessel Landings	Total Catch Pounds	Allocation Pounds	TAC		Percent Landed
					Remaining Pounds		
2C	halibut	207	1,088,755	4,212,000.00	3,123,245		26
3A	halibut	194	1,285,316	7,739,000.00	6,453,684		17
3B	halibut	21	176,016	3,140,000.00	2,963,984		6
4A	halibut	***	***	1,390,000.00	***		***
4B	halibut	***	***	912,000.00	***		***
4C/4D	halibut	***	***	902,400.00	***		***
Total		425	2,565,444	18,295,400.00	15,729,956		14

Sablefish. Markets have been excellent. The yen vs. the dollar is about the same as last year at this time, 108 vs. 110. Domestic markets have added to demand. Recent prices in the Juneau area were as follows for eastern dressed Blackcod: 7 and ups \$9.50; 5-7 lbs. -

\$8.45; 4-5's - \$7.40; 3-4's - \$6.45; 3 and under - \$5.25. Landings in Southeast and Yakutat areas have been reported as above average.

Area	Species	Vessel Landings	Total Catch Pounds	Allocation Pounds	Remaining Pounds	Percent Landed
AI	sablefish	***	***	2,294,989.00	***	***
BS	sablefish	***	***	1,124,346.00	***	***
CG	sablefish	57	712,227	7,960,811.00	7,248,584	9
SE	sablefish	138	1,639,969	5,745,188.00	4,105,219	29
WG	sablefish	6	134,864	2,378,763.00	2,243,899	6
WY	sablefish	50	1,012,872	3,073,212.00	2,060,340	33
Total		255	3,588,429	22,577,309.00	NULL	16

****Second Watch****

Please welcome as a new Sustaining Sponsor, **Dungeness Gear Works, Inc., Lance Nylander, Arlington, WA., and Peoples Bank, Arne Arnesen, Seattle, WA.** Also please welcome as Associate Members, **Alaskan Observers, Inc., Seattle, WA., Steve Spleen of Suguamish, WA., and Andrew Halverson of Olympia, WA.** Thank you for your support.

The Maritime Heritage Center in Seattle announced that on February 25, 2017, the halibut schooner, "Tordenskjold" became their newest historic boat in their heritage fleet. The vessel was built in 1911 as a dory halibut schooner. It was a side trawler for many years, fished for shark livers during World War II, and then back as a halibut vessel. Per Odegaard and Marvin Gjerde gifted the vessel to the Maritime Center. FVOA members contributed to this effort.




****Washington, D.C.****

Head of NMFS. FVOA and over 50 organizations signed letters of support for Mr. Chris Oliver, the current Executive Director of the North Pacific Fishery Management Council (NPFMC). Apparently the Senator from Alabama wants a sports oriented individual to be head of NMFS. The southern senators and states are upset over the IFQ program for red snapper in the Gulf of Mexico and want to do away with the IFQ program and turn management back to the individual Gulf States. This whole issue is difficult to understand as all those same states are part of the Gulf of Mexico Council and that Council supported the current IFQ program. This comes down to the power of the sports industry vs. commercial interests. "Compensated reallocation anyone?"

EPA Discharge Permit Exemption. This expires in December of 2017. Senators Murkowski and Cantwell are trying for a fix this year. Ballast water issues seem to be holding the permanent exemption up for now. Senator Murkowski was adamant that the industry receive a permanent exemption. No more temporary Congressional exemptions, when we met with her last month.


****Calendar of Events****

June 5-13, 2017	NPFMC	Juneau, AK
June 7-14, 2017 Advisory Bodies may begin June 7	PFMC	DoubleTree by Hilton Spokane City Center Spokane, WA
Sept. 11--18, 2017 Advisory Bodies may begin Sept. 11	PFMC	The Riverside Hotel Boise, ID
September 23, 2017	Fishermen's Fall Festival	Fishermen's Terminal Seattle, WA
October 2-10, 2017	NPFMC	Anchorage, AK
November 13-20, 2017 Advisory Bodies may begin Nov. 13	PFMC	Hilton Orange County Costa Mesa, CA
December 4-12, 2017	NPFMC	Anchorage, AK




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