MEMORANDUM

To: Phil Zavadil, City Manager

Cc: Jacob Merculief, Mayor

Simeon Swetzof, Fisheries Advisor

From: Mateo Paz-Soldan

Date: February 18, 2022

Re: Fishery Issues Update

The following is a summary of the fishery issues of interest to Saint Paul that have taken place recently at the North Pacific Fishery Management Council (NPFMC or Council) and the International Pacific Halibut Commission (IPHC).

The link to the December and February NPFMC newsletters is attached:

https://www.npfmc.org/december-2021-newsletter/

https://www.npfmc.org/february-2022-newsletter/

1. Halibut ABM and other Halibut Actions:

The Saint Paul team constituted by CBSFA, the Tribe, and the City achieved what most consider a significant victory in the 6 year long effort to secure management of halibut bycatch or PSC based on abundance and to further reduce bycatch by the A-80 groundfish trawl sector. This achievement required coalition building through Alaska Fishing Communities (AFC) and other networks, multiple meetings with ADF&G, NMFS, and NPFMC members, and the retention of expert legal, scientific, and economic help by CBSFA.

Saint Paul and its allies pushed for approval of Alternative 4, which was considered the most beneficial in reducing halibut bycatch during periods of low abundance. The A-80 sector lobbied for No Action, alleging multimillion dollar impacts to their sector and their crews and employees if any other alternatives were adopted. Going in to the December meeting, several Council members seemed oriented to adopting a "compromise" alternative, known as Alternative 3.

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The Saint Paul team pointed that this alternative was mostly meaningless and would do little to help the directed fishermen. As discussions proceeded the team argued that if the Council wanted to adopt a "compromise" alternative it should go for an "Alternative 3.5" which was not in the analysis but was within the ranges reviewed for Alternatives 3 and 4.

To make this point and convince the State and NPFMC that this was the proper course, the law firm retained by CBSFA developed a table that demonstrated the actual impacts on bycatch of the various existing alternatives, **see attached**. The City provided testimony from the point of view of national standards 4 (equity in allocations) and 8 (sustained community participation), **see attached**.

The NPFMC was swayed by these arguments and in support of a compromise alternative noted as follows:

"At current halibut abundance index levels, a 1,309 mt PSC limit would be established for the A80 sector as specified in the Low/Low states of the setline and EBS trawl survey indices. **This is a 25% reduction from the 1,745 mt limit** currently in place and establishes the PSC limit 37 mt under the sector's average halibut PSC use from 2016 through 2019."

Following Final Action by the Council, the next steps involve finalizing the ABM draft Environmental Impact Statement (EIS) and implementing the action through regulations which will be developed by NMFS in the coming months. Full implementation is hoped for by 2023. It is possible that there could be a legal challenge from A-80 at some point in this process. In any event, Saint Paul and its allies will need to monitor the rule-making process to ensure that the ABM Final Action is implemented as was intended by the Council.

2. Other Halibut Actions:

A. IPHC Increased FCEY:

The positive results at the NPFMC to reduce bycatch helped sway the IPHC to raise the halibut FCEY for area 4CDE. The IPHC commissioners ended up approving a TCEY of 4.10 million lbs. for 4CDE, a 3% increase over the 2021 TCEY of 3.98 million lbs. The resulting FCEY of 2.06 million lbs. is 23% higher than 2021; the change to the FCEY is larger than the change in the TCEY due to the decrease in projected O26 Bycatch that gets deducted from the TCEY.

This means that locally held IFQ and CDQ are increased by about 25% and that CBSFA CDQ is increased by nearly 77,000 lbs. This is a great outcome for Saint Paul and other 4CDE fishermen.

B. Emergency Rules:

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At the February 2022 NPFMC meeting, Saint Paul and other halibut fishing interests asked the Council to extend for another season/year the Emergency Rules adopted in 2020 and 2021 to waive owner on board and vessel cap requirements (see testimony attached). This will allow the increased halibut FCEY to be pursued safely while the COVID pandemic persists and allow the harvested halibut to be delivered to plants elsewhere should the Trident Plant not be operational this coming summer.

The Council's motions in support of the Emergency Rules are attached:

Halibut IFQ Temporary Transfers --

 $\frac{\text{https://meetings.npfmc.org/CommentReview/DownloadFile?p=2212da03-d8f7-4258-8850-9253ed28b91c.pdf&fileName=E%20Motion%20-%20IFQ%20permit%20transfer.pdf}$

Vessel Cap Waiver --

https://meetings.npfmc.org/CommentReview/DownloadFile?p=9f0eb469-807f-46f5-9a46-096cdb0cabb6.pdf&fileName=E%20Motion%20-%20IFQ%20vessel%20cap.pdf

3. Crab Rebuilding, RKC Savings Area, and Crab Rationalization Program:

A. Red King Crab:

With management of halibut and its PSC entering a new, hopefully more stable stage, efforts must pivot towards responding to the critical situation of the crab stocks as well as its potential impacts on the existing Crab Rationalization Program.

At the December 2021 meeting, the City testified in support of Emergency Action requested by the Alaska Bering Sea Crabbers to expand the Red King Crab Savings Area as a measure to help restore this fishery which was closed last year. The RKC fishery is an important fishery to Saint Paul. In rejecting this request, the NPFMC believed that the proposed action did not meet the Emergency Action criteria under Section 305 of the MSA and that the benefits of expanding the Savings Area were uncertain.

At Staff Tasking, the NPFMC requested that Staff include in the Discussion Paper additional information on the RKC living cycle, its seasonality in relation to other fisheries, and spatial management measures for different gear types. The NPFMC requested that the revised Discussion Paper be brought back for review at the April 2022 meeting.

B. Snow Crab:

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At the February 2022 meeting, the NPFMC received a progress report on the Snow Crab Rebuilding Plan, a fishery that is critical to Saint Paul Island. Since the stock is in "overfished" status, the MSA requires that a rebuilding plan be developed and implemented within two years of the stock being declared overfished. The rebuilding plan should specify a time period for rebuilding the fishery, not to exceed ten years.

However, the Crab Plan Team determined that the stock assessment model for assessing the snow crab stock status and which is used in estimating the time frame for rebuilding the snow crab under different levels of fishing conditions, needs further refinement. The CPT is scheduled to review the stock assessment model during the May CPT meeting.

The Council is expected to select alternatives for analysis on a Rebuilding Plan during the June 2022 meeting.

C. Crab Rationalization Program Issues:

During the February NPFMC meeting, CBSFA and APICDA, as the Eligible Crab Community Organizations for the northern region, received a request from Peter Pan Seafoods to waive the crab regional delivery requirements. The request was supported by ICE, the harvester coop. Peter Pan wanted to take northern region crab to its plant in King Cove, in the southern region.

CBSFA rejected the Peter Pan request both for substantive reasons and technical ones, (see attached). Substantively, emergency relief is understood as a tool to be used when access to a harbor is blocked by ice or other natural/man-made events, not due to 'adverse market conditions' as claimed by Peter Pan. In addition, from a technical perspective the harbor has been accessible and operational this season, and most of the northern region crab had been processed by the time this request for ER came in. Moreover, the request came late in the season, and no other stakeholders had requested it. Finally, Aleutia, the ECCO for King Cove, had not signed the Framework Agreement. So, from a contractual perspective one of the parties to the Framework Agreement and potential Exemption Agreement was missing. Peter Pan disagreed.

The Saint Paul team met with the State of Alaska and with NMFS to explain the above, and brief/prepare them on the situation since it was expected that Peter Pan may bring this issue up at Staff Tasking on the last day of the NPFMC meeting. Although Peter Pan did not bring this up, there clearly will be future efforts to weaken or do away with regionalization either at future Council meetings or as part of the Crab Rationalization Program review, especially if the crab TACs remain low.

4. Bering Sea FEP and Ecosystem Committee:

At the February meeting, the NPFMC received a report from the Ecosystem Committee regarding various items including a status report on northern fur seals from NMFS and

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the Saint Paul tribal co-managers. This update was well-received and high level of cooperation with Saint Paul was highlighted.

The Council ended up adopting a motion (below) that:

https://meetings.npfmc.org/CommentReview/DownloadFile?p=d8c897d6-81d3-47fe-bc33-0f45f2a5ea7a.pdf&fileName=E%20Motion%20-%20EC%20recommendations.pdf

endorses the Committee's proposal for the Groundfish Plan Teams to organize a public forage species workshop focusing on the quality and availability of forage species information; and supports the Committee's recommendation to reframe a proposal for a second Council ecosystem workshop in a future year, and report back to the NPFMC at June 2022 meeting.

All for now.