

The Wheel Watch

a newsletter of the

Fishing Vessel Owners= Association
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Thank you for your support!

Dear Longliner:

This newsletter will bring you up-to-date on activities in Washington, D.C., the Pacific Council, the North Pacific Council, IPHC, and markets. Have a safe season!

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

Marine Spatial Planning: during the week of April 19th, Jeremy Brown from the Deep Sea Fishermen's Union, Arni Thomson from the Alaska Crab Coalition, and I went back to D.C. We had heard that a Presidential Executive Order was imminent that could close specific fishing grounds, such as Zemchug Canyon in the Bering Sea. After meeting with the Council on Environmental Quality (CEQ), NOAA and the Alaskan and Washington congressional delegations, here is what we found.

There won't be any Executive Order (EO) that would close specific areas at this time. There will likely be an EO in six months that sets up nine (9) national regional areas similar in geographic responsibility for us as the Pacific Council and the North Pacific Council. Marine spatial planning will be arbitrated in these arenas. Issues of ground usage between wind and wave energy, shipping transportation routes, and commercial fishing would be addressed by these new entities. We were told for the Pacific Council area the current tri-state governor panel with Washington, Oregon and California, would possibly be used as a forum and for Alaska design was less structured. Grass root involvement was not worked out. The EO would take three to five years to implement before regulatory actions would take place. We were told by the Alaskan and Washington delegation there would be no congressional attempt to stop this EO, though it was apparent R's were more troubled than D's. Both R's and D's expressed concern that the authority of the EO not degrade the Magnuson/Steven's Act's authority. The concern is that this new structure could bypass the fishery council process and establish Marine Parks and other no fishing areas. We were encouraged to offer our comments to the CEQ. A Presidential EO does not need Congressional approval so I fully expect in the next three to six months, an EO that begins to establish a new overarching forum to implement Marine Spatial Planning. We will continue to monitor this activity and try to build in reasonable industry inputs. We were told by CEQ that enviro non-governmental organizations (NGOs) have been drafting EO's for the President to close specific areas but the White House wants a more permanent structure to deal on these requests.

Longline Co-ops & East Coast Problems: The Freezer Longline fleet has been working to get congressional approval to authorize a Pacific cod Bering Sea Co-op. The majority from the House Resources Committee seemed reluctant to support congressional action on this, thinking this should be a NPFMC action. Additionally, 20 East Coast congressional folks are looking for a bill to attach Magnuson Act-type amendments to. The East Coast, led by Cong. Barney Frank would like a phase-in for dealing with overfished stocks and a moratorium on IFQs. The East Coast has had since 1996 to deal with overfished species and have not. The Pacific Council and North Pacific Council have dealt with this by greatly limiting recreational and commercial fishing. The East Coast wants different rules. As for the moratorium on IFQs, we pointed out that Senator Stevens already tried that back in 1996 after we got our program through. The Northwest Senators from Alaska and Washington do not want to open the Magnuson Act, but the East Coast is looking for a vehicle to attach amendments to and the co-op bill could be held hostage.

Hearings: There have been several anti-catch-sharing hearings orchestrated by the East Coast congressional folks. Cong. Doc Hastings (R), from the Tri-Cities, WA., gave positive comments on west coast programs and NOAA considers the Halibut program to be a poster child for IFQ programs. However, NOAA's catch share push in New England has created a fire storm.

CCF: There are a couple of Senate bills proposed to amend the Capital Construction Loan program so people can get their money out without building a new vessel and paying high penalties. We had asked that the CCF allow crew and boat owners to acquire L.E. permits or Quota Shares. Arne Fuglvog from Senator Murkowski's office has been very helpful in the Senate. The East Coast said no. The trick to passage of the CCF language, is the House must pass a bill on this as this is a revenue issue and the Constitution requires revenue issues to come from the House of Representatives, not the Senate. So far there has been little interest on this issue in the House to make anything happen that is not revenue neutral as the government is short of money.

**** Pacific Council ****

The Council came out with their preferred harvest limits for sablefish for 2011 and 2012. They are proposing a harvest limit of 4961 Mt for north of Conception and 1167 Mt south of Conception. This is a 23% reduction for North of Conception.

The Pacific Council has a new protocol in developing harvest limits which are now called Allowed Catch Limits or ACLs. ACL's are defined in new amendments to the Magnuson Act largely due to New England and the Mid-Atlantic Councils exceeding ABC levels for the last 30 years. So here is how the blackcod ACL is generated. The scientists came up with an overfished level and an ABC level. However, within the ABC level, there is something called scientific uncertainty. For sablefish, this can be a 4% to 31% reduction in your ACL. The Council chose 4%. Then if there is additional uncertainty in blackcod such as difficulty catching blackcod on the North Coast by trawl and fixed gear, the Council can apply a further reduction known as the 40-10 policy. This can also be applied if the biomass falls below 40% of original biomass. It is at 36%. The 40-10 policy resulted in the 4961 Mt (ACL) north of Conception. Because the area south of Conception is not well assessed, the Council cut the ACL by an additional 50% in that area. They also assume 32% of the resource is south of Conception and 68% north. So here is how it works.

8808 Mt (overfishing level) less 4% gives an ABC of 8456 x the 40-10 policy reduction results in an ACL of 7,195 Mt coastwide.

68% = 4961 North of Conception

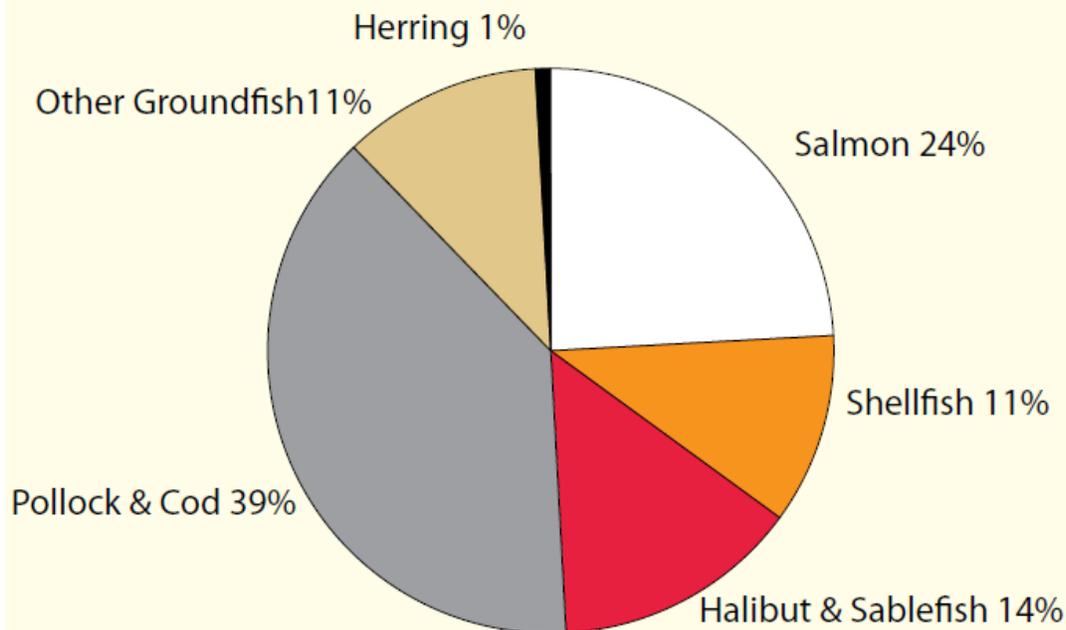
32% = 2234 South of Conception ÷2 for additional uncertainty = 1167 mt

The two biggest concerns for sablefish are three years of declining CPUE numbers from trawl log books and comments from the fleet of poor catch rates from Newport to the Washington coast.

Ownership and Control: the Council approved NMFS to address an ownership and control issue that has resulted in a number of vessels having to sell their L.E. Sablefish Tier permits. NMFS hopefully will complete this change for the 2012 season. Thanks to Michele Culver from Washington state, for helping us on this issue.

North Pacific Council

Alaska Ex-Vessel Value \$1.9 Billion in 2008



From: Alaska Seafood Marketing Institute, "30th Anniversary Report," page 14.

Observer Program: The NPFMC will meet the second week in June in Sitka. The principal issue for you will be proposed amendments to the Observer Program. The Council's Observer Committee will meet May 25-26, 2010 to review changes that will be discussed at the June meeting. If you own a vessel that harvests halibut, or any type of federal groundfish, you will likely pay a 2% landing tax to fund the new observer program—1% from you and 1% from the processors. There are six options the Council is looking at and this option is in five of them. NMFS would randomly assign observers to you. 30% requirement and vessel length issues would fall away.

Council Members: Governor Parnell has endorsed Mr. Duncan Fields from Kodiak for reappointment and Capt. Jim Hubbard, F/V Kruzof, of Seward to serve on the NPFMC. Their appointments will likely take place in October.

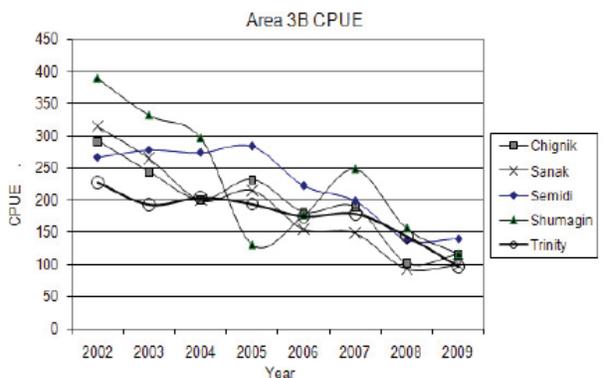
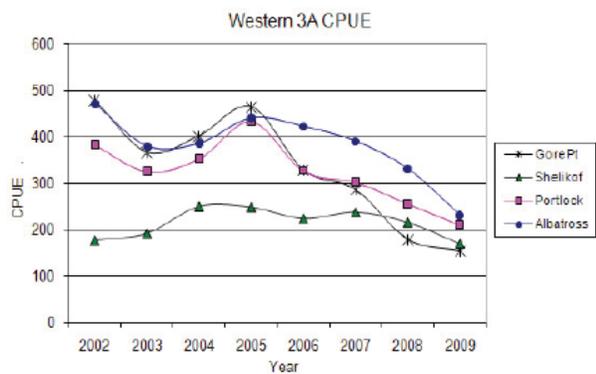
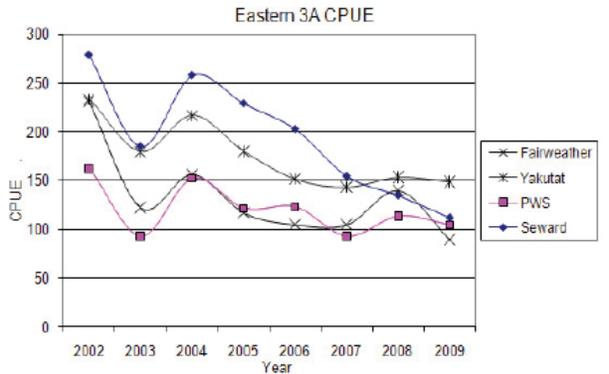
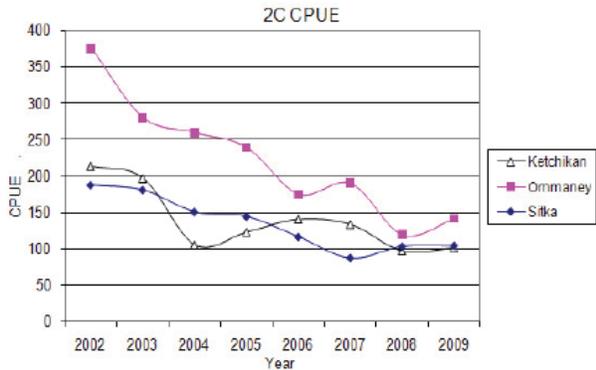
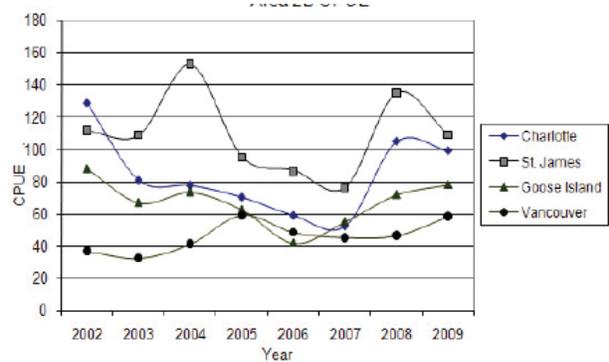
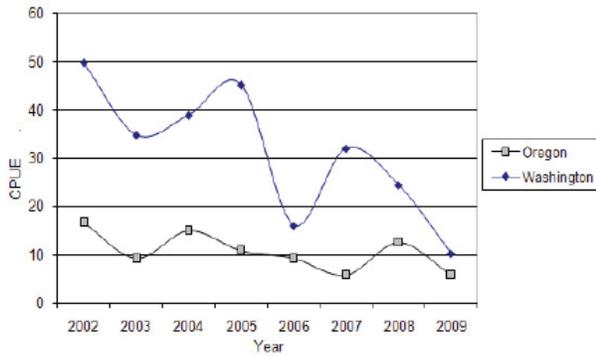
Charter Vessels: NMFS announced the GHL for halibut in 2C will be 788,000 lbs., and 3,650,000 in 3A. The GHL in S.E. Alaska was exceeded last year even with the 1 fish bag limit. In my opinion, there is no reason to believe it will not be exceeded in 2010. The recession has kept charter vessel catches below the GHL in Area 3A.

A S.E. Alaska charter operation was fined \$60,000 as a result of an undercover operation

that found numerous fishing violations including taking more halibut than allowed. The owner in Seattle blamed over-zealous captains. ...*SF.com*

****IPHC****

Below please find the IPHC CPUE numbers for various sub areas.



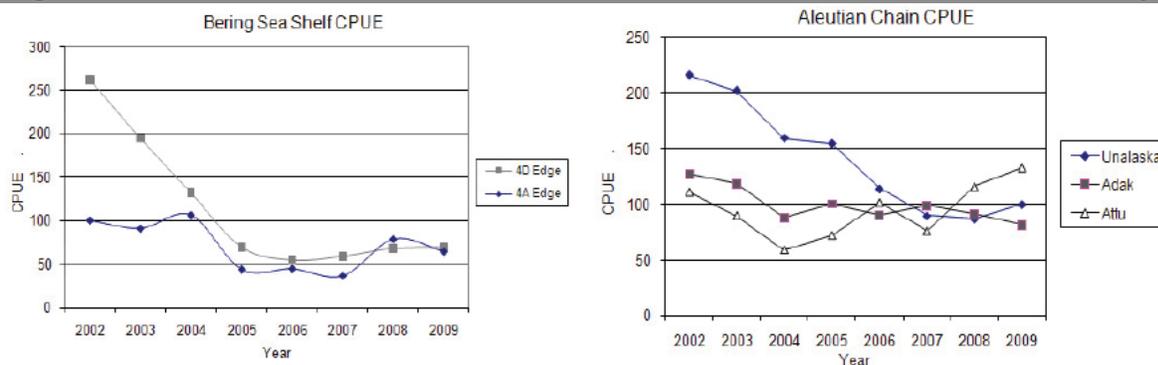


Figure 4 Survey WPUE (lbs/skate) by IPHC regulatory area over time. Individual charter regions are plotted within each regulatory area panel, as indicated.

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IPHC REPORT OF ASSESSMENT AND RESEARCH ACTIVITIES 2009

Markets

Halibut: Due to very little carry over from the 2009 season and the acknowledgement of great quality and sustainability, prices of halibut have remained higher than last year. Prices broke the \$6 mark at the opening of the season. Recently, Seward prices to FVOA vessels have been \$4.00; \$4.30; \$4.50. A recent delivery into Homer got \$4.65; \$4.90; and \$5.10. I do not expect a let up on demand and this year's quota will see prices above 2009.

Individual fishing Quota (IFQ) Allocations and Landing For Fishing Year 2010 Prepared May 4, 2010

Area	Species	Vessel Landings	Total Catch Pounds	Allocation Pounds	Remaining Pounds	Percent Landed
2C	halibut	429	1,489,253	4,400,000	2,910,747	34
3A	halibut	525	6,401,839	19,990,000	13,588,161	32
3B	halibut	64	673,057	9,900,000	9,226,943	7
4A	halibut	***	***	2,330,000	***	***
4B	halibut	3	40,180	1,728,000	1,687,820	2
4C	halibut	***	***	812,500	***	***
4D	halibut	***	***	1,137,500	***	***
Total		1,033	8,707,141	40,298,000	31,590,859	22

Sablefish: Prices have been pushed up due to exchange rates between 87 and 93 yen per dollar and lower harvest limits off Alaska, British Columbia, lower Pacific coast, and Chatham Strait. In fact, 2011 harvest limits off Washington, Oregon, and California will drop 23% putting increased demand on the Alaska quotas and prices.

Yakutat and Seward prices recently paid to FVOA vessels were \$6.20 for 7-ups; \$6.00 for 5-7; \$5.80 for 4-5's; \$5.50 for 3-4's; and \$4.90 for under 3's. Prices were about \$0.30 higher at the beginning of the season but seem to have stabilized at the above prices. Trident and Icicle have been price leaders this year.

The United States exported 8,598,402 kilos of sablefish in 2008 at a value of

\$74,269,361. The United States exported 9,734,101 Mt in 2009 at a value of \$92,439,538, according to the Commerce Department export records. For 2009, Japan shows 6,964,992 kilos frozen and 1,038,846 fresh for a total value of \$77,981,571 of export. For 2009, Hong Kong, Taipei, Italy, Japan, Mexico, Philippines, Singapore, South Korea, Thailand, Ukraine all had fresh sablefish imports from the U.S.

Area	Species	Vessel Landings	Total Catch Pounds	Allocation Pounds	Remaining Pounds	Percent Landed
AI	sablefish	13	399,960	2,738,113	2,338,153	15
BS	sablefish	***	***	2,460,334	***	***
CG	sablefish	172	2,157,917	7,954,197	5,796,280	27
SE	sablefish	182	2,280,120	5,687,868	3,407,748	40
WG	sablefish	5	135,799	2,927,709	2,791,910	5
WY	sablefish	99	1,928,228	3,108,486	1,180,258	62
Total		***	***	24,876,707	***	***

Pacific Cod Prices: Prices this winter in western Alaska for pot fish were 28¢ and 18¢/lb with a 25" break. Fish less than 19" were discouraged from being landed. Frozen H&G prices had reached \$1.50 for some. Retail prices in Bothell, Washington were \$7.50 to \$11.50/lb. Prices seemed higher in the Bering Sea than Kodiak this year. For the 2011 year, the Bering Sea TAC is estimated to be 207,580 Mt., up 40,000 Mt., and the GOA 73,719 Mt., up 14,000 Mt.

EOWS

Jon Rowley, famed fisheries cook, is doing a special report on sablefish. He writes that the "Hotel St. Francis's Cookbook in 1919 lists three San Francisco recipes for Alaskan blackcod as broiled, kippered, smoked, and all delivered salted.

Cooke Aquaculture is scaling back its cod farming operations in Newfoundland citing unfavorable market developments for farmed cod as wild stocks are recovering. ...**SF.com**

Retailer Target dumps farmed salmon for Alaskan wild salmon. ...**SFI - March**

EOWS has signed a contract for MSC recertification for Alaskan Blackcod and U.S. produced halibut. Canada recently received an MSC certification for their halibut.

Second Watch

A 50-pound female halibut can produce about 500,000 eggs, while a female over 250 lbs. can produce 4 million eggs annually.

Carlson Lawsuit: The famed lawsuit that would refund \$82 million to non-Alaskan permit holders for overcharges is now on hold. Alaska lost three times on this issue before the Alaska Supreme Court. Alaska is now objecting to the 11% interest rate set by the judge in this case. So don't hold your breath on this case! This affects 12,000 plaintiffs.



SAFETY ALERT 01-10

**Seventeenth Coast Guard District
United States Coast Guard
Box 25517
Juneau, Alaska 99802**

STABILITY PRACTICES FOR ALASKAN COMMERCIAL FISHERMEN

Vessel stability continues to be a significant factor contributing to tragic commercial fishing vessel casualties in Alaskan waters. The Coast Guard is reminding fishing vessel owners, masters and crew that adequate vessel stability is a shared responsibility. The following practices will ensure safer operations:

1. **Ensure watertight integrity on or above the maindeck.** Watertight integrity and the material condition of the hull are vital to prevent sinking and progressive flooding. Topside watertight integrity is as critical to vessel stability:
 - Close and dog all watertight doors, especially those exterior doors facing aft or leading into the house and processing spaces. Do not allow these doors to be tied open while at sea. Masters should enforce closure discipline anytime the vessel is away from the pier.
 - Fish hold closures should be inspected and maintained often. Closure arrangements that are open to the weather and to water on the deck must be capable of standing up to whatever conditions the vessel will encounter.
 - Lazarette openings must be kept closed, maintained as necessary, and checked often. When loading gear or cargo on deck, consider access to the lazarette.

2. **Avoid vessel overloading.** Increasing the load beyond the vessel's capabilities, even though keeping the center of gravity low, is hazardous. Owners and operators should know safe loading limits, and should periodically consult a naval architect to become completely knowledgeable about the limits of their vessel's capability. Masters aboard vessels with stability instructions should closely adhere to all guidance and conditions. Consider the following:
 - Overloading leads to decreased freeboard, which directly impacts the reserve buoyancy available to enable the vessel to survive the conditions it operates within. Indeed, leaving topside doors open reduces reserve buoyancy as well.
 - Overloading leads to increased water on deck, and makes downflooding points more vulnerable. Downflooding points are those openings in the watertight envelop that will allow uncontrolled flooding into the vessel as she is rolled on her side.
 - Overloading decreases the angle of heel needed to put the deck edge to the water. This angle generally corresponds to the heel angle at which the vessel's righting energy is greatest. This means that the lower the vessel rides in the water, the smaller the range of positive righting energy. Once heeled to the angle where the deck edge is immersed, the vessel will have less and less energy to right itself back upright.

3. **Maintain and test bilge highwater alarms.** Bilge alarms serve as the first warning of trouble, and are especially critical in unmanned spaces, such as the lazarette.
 - Install alarms that will be located where they are easy and convenient to test, and that will not alarm at a level that is too low (and therefore become just a nuisance).
 - Test bilge alarms at least weekly. Repair or replace them as soon as they fail.

4. **Minimize the adverse effects of free surface.** Free surface refers to the condition when the surface of a liquid or liquid-like load is free to move... think of it as the side-to-side energy of the sloshing. A free surface has the effect of raising the vessel's center of gravity, an impact which is almost always undesirable.
 - Water on the deck imparts a free surface effect. Scuppers and other openings in bulwarks must be of sufficient area to allow rapid draining.
 - Always secure cargo, especially to prevent any movement athwartships. This includes ice and fish in the hold... ensure that bin systems are sound.
 - Minimize the number of tanks that are not either completely full or drained empty. If the vessel has instructions from a naval architect for the order of fuel tank consumption, follows those orders.
 - Always investigate the cause of any vessel list, before moving any loads or weights to compensate. More often than not, moving weights without fully understanding the underlying causes of the list will make the situation worse.

The U. S. Coast Guard 17th District is charged to improve the safety of all mariners in Alaskan waters. For more information, contact Ken Lawrenson at 907 463-2810, or kenneth.lawrenson@uscg.mil, click [here](#), or visit www.fishsafe.info and follow the link to Homeport, and then References.

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****Calendar of Events****

May 25, 2010 8:00 a.m.	First Aid/CPR class Offered by WA Sea Grant Contact Sara Fiskén @ (206) 543-1225	Nordby Conference Center Fishermen's Terminal
Week of June 7	NPFMC meeting	Sitka
Week of June 12-17, 2010 Advisory Bodies may begin Thurs., June 10 Council Session begins Sat. June 12	PFMC meeting	Crowne Plaza - Mid Peninsula Foster City, CA
Sept. 11-16, 2010 Advisory Bodies may begin Thur, Sept. 9 Council session begins Sat. Sept. 11	PFMC meeting	Doubletree Hotel Boise- Riverside, Boise, ID
Week of October 4, 2010	NPFMC Meeting	Captain Cook Hotel Anchorage, AK
November 4-9, 2010 Advisory Bodies may begin Tue., Nov. 2; Council Session begins Thur., Nov. 4.	PFMC Meeting	Hilton Orange County/Costa Mesa Costa Mesa, CA
Week of Dec. 6, 2010	NPFMC	Hilton Hotel Anchorage, AK