

The Wheel Watch

a newsletter of the

Fishing Vessel Owners' Association
 Room 232, West Wall Bldg., 4005 - 20th Ave. West
 Seattle, WA 98199-1290
 Phone: (206) 284-4720 / 283-7735
 Fax: (206) 283-3341
 Website: www.fvoa.org

Robert D. Alverson
 Manager

Carol M. Batteen
 Executive Assistant

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Thank you for your support!

Dear Longliner:

This newsletter will bring you up-to-date on recent actions of the North Pacific and Pacific Councils, events in Washington, D.C., markets and IPHC activity,

****Pacific Council****

Halibut. The June 26th opening, which lasted 10 hours, 8 am to 6 pm, resulted in 118,000 lbs. of landed halibut. This small directed halibut opening south of Pt. Chehalis, is allocated 173,390 lbs. The vessel trip limits were as follows.

Vessel Class	Size	June 26	July 10
E	41-45 ft.	4480	1495
F	46-50 ft.	5365	1790
G	51-55 ft	5985	1995
H	56+ ft	9000	3000

Halibut allocations in 2013 were as follows: Treaty Tribes – 346,500 lbs. (35%); non-tribal total – 643,500 lbs. (65%); non-tribal Commercial – 225,400 lbs.; Washington Sports – 214,110 lbs.; Oregon-California Sports – 203,990 lbs.

Sablefish. Estimated population projections given average year class strengths

Year	OFL	ACL	Spawn Biomass	Depletion
2013	6621	5451	56,271	31%
2014	7171	5909	56,358	31%
2015	7857	6512	57,066	31%
2016	8526	7121	58,015	32%

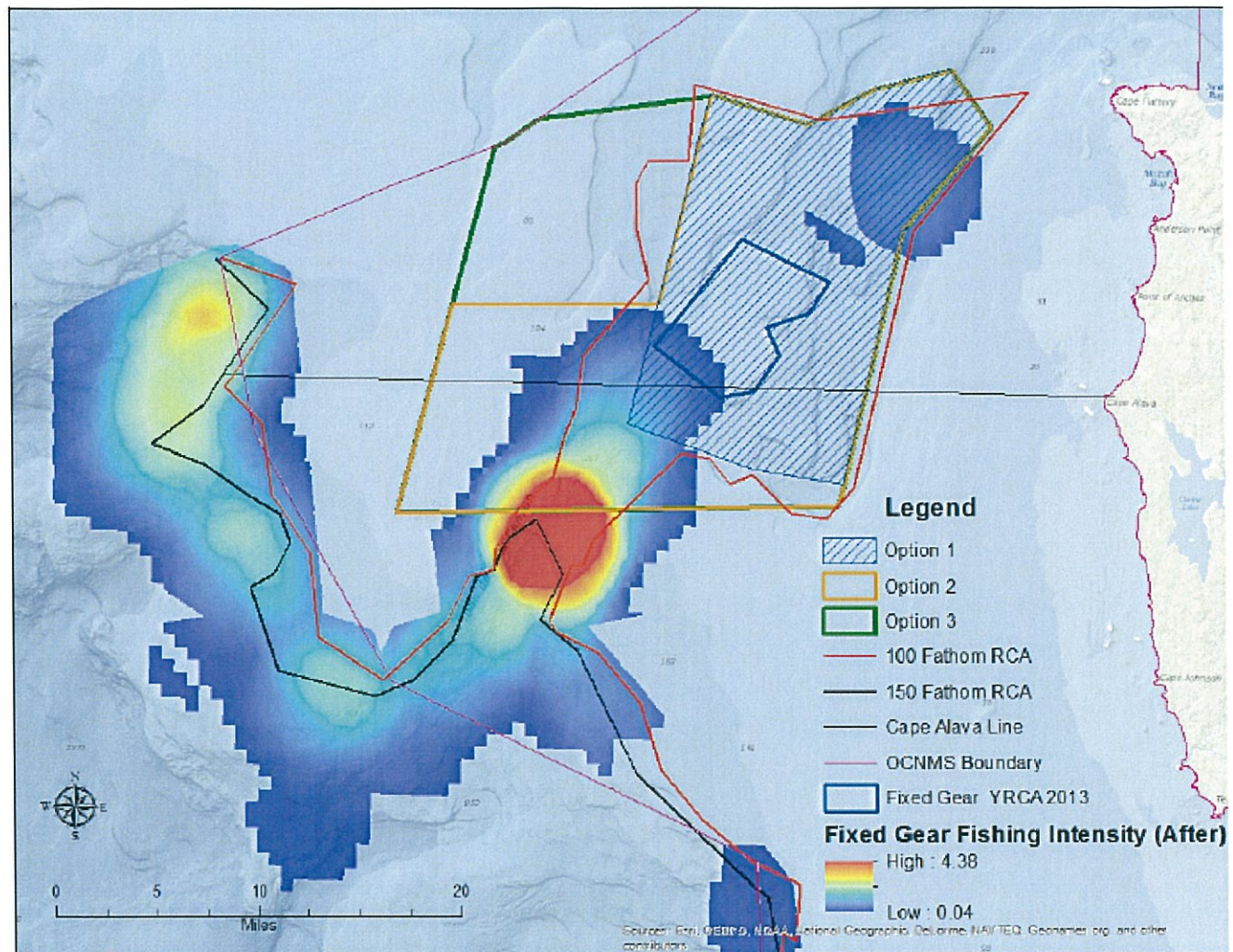
The fleet has seen the evidence of the 2008 year class but overall the catch seems to be slow.

Trawl ITQ program. This program requires a 100% observer program and a 100% retention program except for halibut. This has created a incentive for trawl net designers to reduce halibut bycatch. The Pacific States Marine Fisheries Commission (PSMFC) and University of Oregon have tested a new “flexible sorting grid excluder.”

“30 tows off the Washington coast, commercial fishermen were able to reduce the number of halibut taken as bycatch of 57%, while returning 84% of the targeted groundfish.”

The trawl bycatch of halibut has been reduced through the new program, which requires 100% observer coverage by over 40%. A similar IFQ or Individual Bycatch Allocation is being discussed for the Gulf of Alaska by the NPFMC. British Columbia has a similar program which has resulted in a 70% reduction in halibut catches.

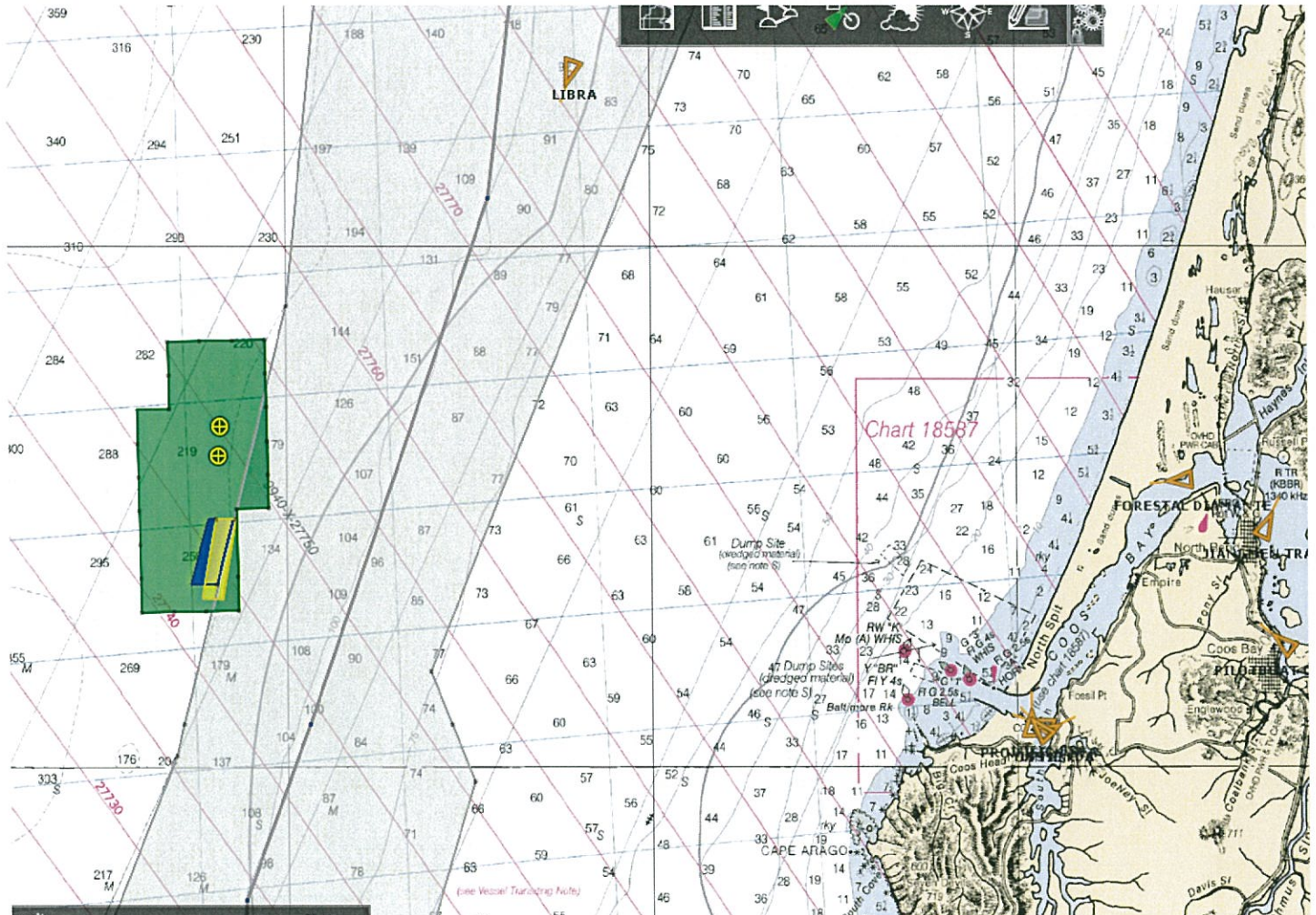
Habitat. The Pacific Council is talking about closures due to the finding of corals. One area is off Juan de Fuca Canyon (below). This closure will be discussed at the November Council meeting. The red mark is where longlining occurs for sablefish. This initial proposal would cut off about one-third of the sablefish grounds in this area.



Sablefish Permit Stacking Program Review. The Council will review proposed changes to the permit stacking program up through the June 2014 meeting at which time they may recommend changes. Only one serious change has been proposed to the program which would address an ownership and control problem. It would not change the three (3) permits per vessel or the limit of owning three (3) permits, nor 2nd generation on-board restrictions, though those issues will be discussed.

The Council has been looking at a regulation change to allow both trawl permits and tiered permits to be registered to a vessel at the same time. This change might be enacted late in 2014 but more probable for the 2015 season.

Wind Energy. There will likely be a new closed area which will take away some sablefish grounds off Oregon in order to provide for the moorage of a wind energy machine. The Bureau of Energy Management has permitted an area for a fishing closure in order to protect the moorings of two wind energy machines.



****NPFMC****

Legalizing Pots in the GOA. In 1984, the Council allocated the sablefish fishery to be harvested primarily with longlines in the GOA. The basis for this was driven by lost pots, gear conflicts, and ground pre-emption. The dramatic increase in sperm whale and killer whale populations and predation on longline caught fish has resulted in a second look. The Council's gear committee met the day before the Council meeting to discuss reintroducing pots in the GOA. The general view expressed was that pots needed to be an option. The question is how to re-introduce pots into the Gulf. The Committee discussed pot limits, taking pots off the grounds when a vessel makes a delivery, and requiring flag poles on pot gear. These issues are important discussion points but were resisted by those that will likely use pots. FVOA has Paul Clampitt as a member of the Committee and Eric Olsen attended and commented on important issues to consider. I expect a number of options will be developed that address longline concerns. The Council will likely vote on those options in late spring or at the June 2014 meeting. Pots may be available for use for the 2015 season.

Some positive aspects of pots would be: (1) the concerns of “fixed” gear targeting sablefish and the resulting bycatch of red fish and grenadiers would be very much diminished, and (2) whale depredation would be reduced. The problems of grounds pre-emption and gear conflicts needs to be addressed and does seem to be the main focus point of the Gear Committee.

New Observer Program in the GOA: The observer report for the first part of 2013 suggest an observer coverage rate of about 11% of vessels operating. The report did not include percentage of harvest pounds observed because the program focuses on vessels rather than harvestable poundage being covered. The percentage of quota observed is probably in the single digits when readjusted for the tender affect discussed below.

The Council asked NMFS to provide relief or changes on five concerns for the 2014 season. NMFS responded to Chairman Olsen by indicating that they did not intend to change anything due to things being “complicated” and overall “complex”. The Council asked for the following policy changes.

- The observer program should be focused on vessels managed under Prohibited Species Caps. NMFS did adjust the 2013 coverage by 2 to 3% to accommodate this request.
- Provide conditional releases from coverage to operators who provide reasonable information where an observer could result in releasing a crew person. NMFS stated they will only provide releases in 2014 for vessels less than 57 feet in length and not to vessels greater than 57 feet. The Council’s OAC and AP recommended that a hard line against vessels >57’ was inappropriate and concerns need to be taken on a case by case basis.
- Tender Deliveries – The Observer Committee, Advisory Panel and Scientific and Statistical Committee expressed concern that vessels avoiding observer coverage by making multiple deliveries to tenders was creating a data reliability problem and credibility problem for the Council. It is estimated that close to 600 trawl deliveries were made to tenders and never subjected to the probability of taking an observer. When the Council is told 11% of the vessels were being observed, this did not include those deliveries to tenders. One vessel made 18 offloads to a tender landing an estimated 1.5 million pounds and never was subjected during that time to observer coverage. Meanwhile, a halibut boat with 50,000 pounds would have been subject to potential coverage of 15% for every delivery it made. An IFQ vessel <57 feet would be required to take an observer for 2 months for even less QS. The Council voted to ask for a change in the tender program. It will require a regulatory amendment which means it will not happen any time soon. Hopefully, NMFS initiates a regulatory correction to the tender loop hole.
- Vessels with “Diminimus Pounds” – The Council asked for relief for vessels who had around 500 to 1000 lbs. of halibut or sablefish left to catch such that they would not be in the observer program. NMFS refused to accommodate this for 2014. In view of the tender issue where a vessel can deliver a million and a half pounds and get out of coverage requirements, the inability of the program to exempt vessels that have depleted their IFQs to a low level seems unbelievable.
- FVOA has asked that the smaller vessel group be eliminated and made part of the trip to trip call in. The requirement of being observed for 60 days at a time on small vessels seems over the hill. This option will be studied further. Only Duncan Fields and Dan Hull commented on these issues. The rest of the Council members were oddly silent though their action was unanimous to support the SSC and AP and OAC recommendations.

Previous Council Actions.

1. **Catch Share Program** – This remains under review by NMFS. The Council put out a very good truth page which focused on the allegations by some of the sports/charter groups. This seems to have quieted much of the rhetoric against this Council action. We are hopeful the action will become active for the 2014 season. **We expect a lawsuit from the charter industry.** The commercial sector would be wise to be prepared for their own legal responses and file in support of the government on this.
2. **12-20 Rule** – I need to correct the last comments I made on this rule in the previous newsletter. This rule affects initial QS holder in that if you have a hired skipper you must be on the boat papers for 20% ownership of the vessel and have been on those papers for 12 months. **This rule is not yet finalized.** When it is finalized, there will be an additional 12 months before it becomes effective. It is not clear at this time but corporations may be exempted from this rule.
3. **Control Date** – FVOA has talked to NMFS on the retroactive control date passed by the Council. This rule affects initial recipients in that any quota obtained after 2-12-2010, the purchaser has to be on the vessel to catch the QS. The public comment period was over back in May 2013. FVOA offered considerable comments prepared by George Mannina. We have been told not to expect any relief on the control date. Final action is pending. We have had Senator Murray, Congressman McDermott, Congressman Heck and Congressman Kilmer intervene on our behalf on this issue.
4. **Warning** – We were informed in late September that the catch of Rougheye rock fish may have reached a level exceeding the 493 Mt overfished level in the Bering Sea/Aleutians. This species is caught by a number of vessel sectors. Apparently the halibut/sablefish fishermen in the BSAI have caught more than expected this year. The Halibut/Sablefish fishery in the BSAI could be shut down by October 15 to avoid exceeding the overfished level of Rougheye rock fish. If it is not shut down, it may be that the government got shut down first and could not execute the closure on time.

IFQ Fee for 2012. The NMFS published the 2012 rationale for their IFQ fee for 2012. You have paid this but here is how it was figured.

Cost of Program	\$5,048,574	Times 100
Fishery Value	Halibut – \$ 136,986,844	Divided by
	Sablefish –\$ 109,080,736	
Total	\$ 246,067,580	
Rate for 2012 IFQ season		2.1%

IPHC

There will be an Interim Meeting of the Commission the first week in December. It will be web cast for you to listen to. They will announce the 2014 harvest proposals as well as the results of this year's surveys. As of the publishing of this newsletter, no announcement of new U.S. Commissioners has occurred. Commissioner Phillip Lestenkof apparently has sent a letter of resignation to the Administration. With the shut-down of the government, it is unclear when this process will be finalized.

Markets

Recent deliveries of halibut into Bellingham were priced at \$7.25/\$7.50 with a 40 lb. and over split. The price has remained steady throughout the season; however, markets are fewer due to price and lower harvest limits

Individual Fishing Quota (IFQ) Allocations and Landings						
For Fishing Year 2013						
Area	Species	Vessel Landings	Total Catch Pounds	TAC		Percent Landed
				Allocation Pounds	Remaining Pounds	
2C	halibut	1,115	2,664,000	2,970,000	306,000	90
3A	halibut	1,574	9,979,969	11,030,000	1,050,031	90
3B	halibut	442	3,588,631	4,290,000	701,369	84
4A	halibut	159	1,094,173	1,330,000	235,827	82
4B	halibut	103	884,196	1,160,000	275,804	76
4C/4D	halibut	104	852,190	1,030,800	178,610	83
	Total	3,497	19,063,159	21,810,800	2,747,641	87

Sablefish. Prices have stabilized at much lower prices than 2012. The most significant factor seems to be the new monetary policies of the Prime Minister of Japan, Shinzo Abe, who has deliberately devalued the yen in order to make Japanese labor more competitive. The purchase power of the yen vs. the dollar has declined 25% since last October. Supply in 2014 will be similar to 2013. It is expected that there will be a small increase in the harvest off Washington and Oregon (5%) while there will likely be a decline in sablefish harvest limits off Alaska. Proposed harvest limits in Alaska will be published in November. Some believe the price will rise in 2014. There is reason to be optimistic about price.

**Individual Fishing Quota (IFQ) Allocations and Landings
For fishing Year 2013**

		[———— TAC ————]				
AI	sablefish	75	1,241,414	2,830,706	1,589,292	44
BS	sablefish	114	769,877	1,393,307	623,430	55
CG	sablefish	609	8,817,824	9,770,787	952,963	90
SE	sablefish	527	6,389,181	7,032,674	643,493	91
WG	sablefish	185	2,639,459	3,086,440	446,981	86
WY	sablefish	208	3,778,554	3,899,937	121,383	97
	Total	1,718	23,636,309	28,013,851	4,377,542	84

Pacific Cod. The Denmark-based International Council for the Exploration of the Seas has just recommended that the total allowable catch for cod in the Barents Sea be increased by another 5.4%, to 993,000 metric tons, for 2014.

The recommendation follows the recommendation of a 33% increase in Barents Sea cod catches – shared by Norway and Russia – in 2013, to 940,000t. However, the Norwegians and Russians actually set the cod quota higher, at 1 million metric tons.

****Eat on the Wild Side!****

Halibut Farmer Slips Into the Red. Nordic Seafarms, a Norwegian halibut farm, sees a mixed bag in its full year results. The group is engaged in totally integrated production and sales of farmed halibut, from brood fish to edible market-ready fish. Nordic Seafarms sold 450 mt. tons of farmed halibut with an average weight of 6 Kg in 2012. The group's operation is financed via its parent company which has considerable claims in its subsidiary. Revenue was down 2.3% while operating profit was down 5.8%. The long grow out remains a problem.

Halibut & Sablefish. The annual review of the Marine Stewardship Council process has been completed for 2014. Final reports will be due in October and early 2014.

Halibut is the largest of all flat fish. Most delivered halibut weight 30-50 pounds. It is the world's premium white fish. It is a favorite of chefs due to its unique fine texture and mild flavor. It is harvested from March through early November. It is proactively managed and secured a Marine Stewardship Certificate from the London-based MSC certifiers in 2005. Additionally, halibut has been independently certified as Responsibly Managed based on the most recognized and internally accepted set of guidelines written by the United Nations Good & Agriculture Organization (FAO).

Halibut	
Nutrition Facts	
Serving Size 3.5 oz. (100g)	
Cooked, Edible Portion	
Calories	140
Protein	27g
Total Fat	3g
Saturated Fat	<.05g
Sodium	70mg
Cholesterol	40mg
Omega-3 Fatty Acids	460mg

Sablefish. Sablefish is a premium white fish choice for smoking, sautéing, poaching or roasting. It is harvested from March through early November. It is caught by hook and line gear. Sablefish has one of the highest contents of Omega 3 fatty acids and is an excellent source of high quality protein. Sablefish harvesting pioneered the standard for sustainable eco-friendly fisheries. It has received a Marine Sustainable Certification from the London-based MSC certifiers as well as complies with the United Nations Food and Agriculture Organization (FAO) requirements for sustainability. Sablefish comes from some of the deepest pristine waters of Alaska, often found in water 1200 to 2400 feet deep.

Sablefish	
Nutrition Facts	
Serving Size: 3.5 oz (100g)	
Cooked, Edible Portion	
Calories	250
Protein	17g
Total Fat	20g
Saturated Fat	4g
Sodium	70mg
Cholesterol	65mg
Omega-3 Fatty Acids	1800mg

****Second Watch****

Please welcome, Vigor Industrial LLC, Portland, Oregon, as a new Sustaining Sponsor. Thank you for your support!

Washington State rules on unemployment for fishing vessel crews changed effective 7/28/2013. Under the new law, fishing vessel crew wages are exempt from Washington Unemployment taxes. If you want to cover your crew, you can elect to do so, but you will need to fill out a "Voluntary Election for Unemployment Insurance Coverage." You will need to list your crew to be covered.

EPA Vessel Discharges. The centerpiece of the NPDES vessels program is the Vessel General Permit, also known as the VGP. The VGP was issued initially in 2008 with that permit in effect through December 19, 2013. EPA reissued the VGP on March 28, 2013 with that second permit taking effect beginning December 19, 2013 (and effective for five years thereafter). Generally, the VGP provides NPDES permit coverage for ballast water and for other discharges incidental to the normal operation of commercial vessels greater than 79 feet in length and operating as a means of transportation.

Recreational vessels are not subject to the requirement to obtain an NPDES permit for discharges incidental to their normal operation. Rather, the law requires EPA to develop management practice performance standards and then for the Coast Guard to promulgate regulations that require compliance with such practices. Similarly, the NPDES program does not regulate discharges from military vessels. Both recreational vessels and military vessels are regulated under the authority of Section 312 of the Clean Water Act.

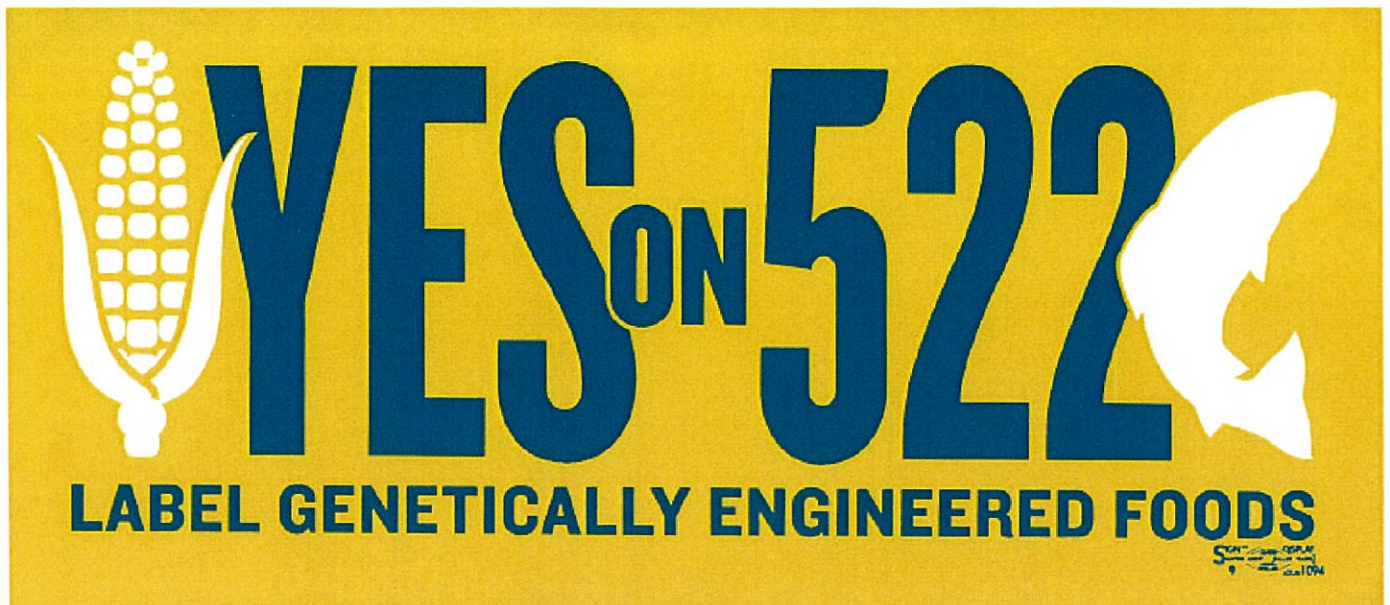
Currently, except for ballast water discharges, NPDES permits are not required for any discharges incidental to normal operation of commercial fishing vessels and other non-recreational vessels less than 79 feet. However, unless Congress takes additional action, the moratorium from the requirement to obtain permit coverage for incidental discharges from these vessels expires December 18, 2014. In anticipation of the end of the moratorium, EPA published a draft small Vessel General Permit (sVGP) in 2013 to provide for permit coverage for these incidental discharges and intends to finalize the sVGP at a later date.

In short, if your vessel is greater than 79 feet, you need to seek out an EPA permit and have a protocol written in the wheel house how to address discharge actions, water in a fish hold being pumped out, bloody ice. Vessels packing salmon or cod have similar requirements. The EPA has temporarily exempted vessels <79 feet. The EPA has been sued for allowing this exemption for small vessels. Only an action of Congress could extend a moratorium on eliminating these requirements.

Label Genetically Engineered Foods. The first genetically engineered (GE) animal likely to be approved for consumption is not four-legged and furry, but finned. Like other laboratory-created animals, this “novel” species of salmon could never occur naturally. It contains genes from a Pacific Chinook inserted into an Atlantic Salmon, with additional hormones from the eel-like ocean pout fish. The result is a mutant salmon that can reach market weight in 18 months instead of three years. If the FDA approved AquaBounty Technologies’ GE salmon, it will be the first approved food from a transgenic animal experiment to enter the US food supply possibly as early as 2014.

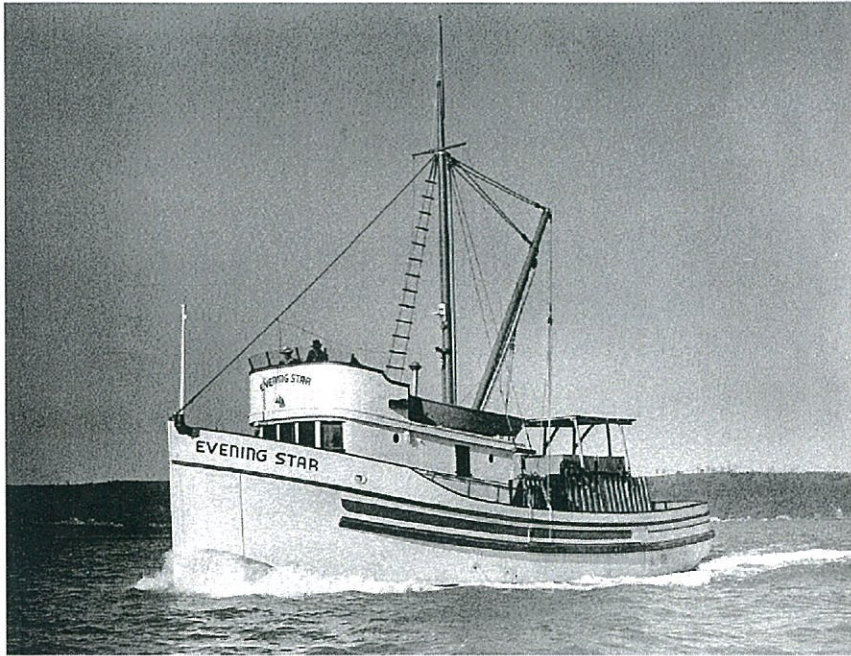
The genetic recipe may be an innovative science experiment but the impact of mutant fish on human and environmental health remains unknown. The FDA reviews transgenic salmon as an animal drug, not as human food, even though the fish are anticipated to make their way onto America’s dinner plates.

You are also to support the new labeling initiative 522. It would require GMO (Genetically Modified) products to indicate as such on the packaging. Your wild fish will stand out better for sale with this truth in labeling requirement.



****100th Anniversary Celebration****

The first trip for the Evening Star in 1945 with tuna bait tank. On the bridge, the two owners, Norris Lee and Fred Peterson.



Crew picture of the Evening Star from 2012. From left to right you will find Koll Bruce, Andy Iversen, Arne Lee, Brian (Bear) Thomas, Eric Berggren, and Nils Lee.



Evening Star leaving Poulsbo for Alaska in March 2013.

Arne Lee began going north to Alaska with his father aboard the family fishing boat in 1964. Arne made four trips that first year during summer vacation while he was still in high school. Arne did not intend to carry on the family fishing tradition for any extended period of time. Arne said, "I worked my way through the University of Washington by fishing with my dad and I graduated in 1971 as a civil and industrial engineer." However, in 1971 the Boeing Company and others were having serious problems. Arne thought he would go back fishing for a few years but still had no intention of doing it on a permanent basis. Well he spent 11 years learning the trade from his dad. He started running the boat in 1975 when his father made a trip back to Norway and from 1977 on, Arne has been the permanent skipper. Arne spent his entire career aboard the Evening Star.

P.S. Have you remembered to send in your recipes, photos, and/or short stories to fvoacookbook@gmail.com? This is your friendly reminder!

SAVE THE DATE!



The
Fishing Vessel Owner's Association

is celebrating its

100th Anniversary

on

Saturday, February 15, 2014

at the

Museum of History and Industry

869 Terry Ave. N.

Seattle, WA 98109

****Calendar of Events****

Nov. 1-6, 2013 Advisory Bodies begin Thurs. Oct. 31 Council begins Fri. Nov. 1	PFMC Meeting	Hilton Orange County Costa Mesa, CA
Dec. 4-5, 2013	IPHC Interim Meeting Via webcast (sign up at www.iphc.int)	IPHC Offices Seattle, WA
Dec. 9-17, 2013	NPFMC Meeting	Anchorage Hilton Anchorage, AK
Jan. 13-17, 2014	IPHC Annual Meeting	Grant Hyatt 721 Pine Street, Seattle, WA
Feb. 3-10, 2014	NPFMC Meeting	Seattle, WA
February 15, 2014 (Save This Date!!!)	FVOA's 100th Anniversary Celebration	MOHAI Seattle, WA
March 8-13, 2014	PFMC Meeting	Doubletree Hilton Sacramento, CA
April 5-10, 2014	PFMC Meeting	Hilton Vancouver Vancouver, WA
April 7-15, 2014	NPFMC Meeting	Anchorage Hilton Anchorage, AK
June 2-10, 2014	NPFMC Meeting	Nome, AK
June 20-25, 2014	PFMC Meeting	Hyatt Regency Orange County Garden Grove, CA



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