



**UNITED STATES DEPARTMENT OF COMMERCE  
National Oceanic and Atmospheric Administration**

*National Marine Fisheries Service  
P.O. Box 21668  
Juneau, Alaska 99802-1668*

November 30, 2012

Eric Olson, Chairman  
North Pacific Fishery Management Council  
605 W. 4<sup>th</sup> Avenue, Suite 306  
Anchorage, AK 99501-2252

Dear Chairman Olson:

At its October 2012 meeting, the North Pacific Fishery Management Council (Council) received a report from the National Marine Fisheries Service (NMFS) on the 2013 Annual Deployment Plan (ADP) for the restructured Groundfish and Halibut Observer Program (Observer Program). This letter addresses several topics in the Council's motion regarding the deployment of observers, outreach, and future review of the program.

Recommended Revisions to the ADP

The intent of the ADP is not to adjust policy, but rather to focus on science driven deployment to meet data needs. However, as outlined in the ADP, the Council may provide input on the priority of particular data collection goals and we will consider adjustments to how observers are deployed in the partial coverage category to achieve these goals. Upon review of the ADP in October, the Council provided several recommendations about the ADP and requested that we report back on the status of these recommendations at the December 2012 meeting.

- 1. The Council asked NMFS to reconsider the continuous 3-month deployment for selected vessels in the vessel selection pool. NMFS should implement a 2-month deployment for selected vessels.*

In the ADP presented to the Council in October, we described that the specified period for vessels in the vessel section pool to take observers was a calendar quarter, or 3 months. The 3-month period was based on comments received from industry through the Council's Observer Advisory Committee.

The scientific group responsible for analytical guidance for the deployment of observers evaluated the Council's recommendation. Using simulations of data used to evaluate deployment in the ADP, the unique number of vessels that would have been observed in 2011 increased from 95, if sampled quarterly, to 103 under a 2-month deployment period. However, a



2-month period does conform more closely to fishery openings than quarterly openings. Further, the increase in the number of vessels sampled may improve data quality since we would sample across a wider selection of vessels with participation in more fisheries, areas, and times.

Changing the deployment period to two months does carry potential risks. Decreasing the selection duration will increase costs for the agency since it will increase the number of vessels and the frequency of sending letters and inspecting vessels that request a release from coverage. In addition, part of the rationale for a 3-month time period was related to reducing the potential for vessels to “game” the system and avoid fishing during the selection period. The impact of a 2-month period on “gaming” is unknown.

We believe the risks associated with this recommendation are offset by the potential sampling improvements. **We revised the 2013 ADP to have a 2-month selection period for vessels in the vessel selection pool. For January and February, NMFS selected 9 vessels from the vessel selection pool for observer coverage.**

- 2. The Council recommended that the 2013 ADP be revised to reflect a priority for monitoring vessels managed under prohibited species catch (PSC) limits in the trip selection pool. The Council recognized that this would necessarily modify the equal probability sampling design such that higher observer coverage rates are provided in the trip selection pool, and lower rates in the vessel selection pool, compared to what is currently in the ADP.*

The ADP presented to the Council specified an equal sampling rate of 13% across both the vessel and trip select pools. At its October 2012 meeting, the Council recommended a revision to the sampling rate to reflect a priority for monitoring vessels managed under PSC limits in the trip selection pool. This recommendation provides important guidance about the Council’s management objectives and priorities concerning the deployment of observers.

In reviewing this request, we considered the impacts a change to the sampling rate would have on overall quality of observer data. The analytical team responsible for developing the ADP carefully considered a number of scientific issues associated with selecting different rates. The group ultimately specified a single sampling rate for both selection pools based on the best available scientific information. Details on this analysis are found on page 8 and 9 of the ADP presented at the October 2012 Council meeting.

The scientific specification of the rate was reviewed by the Council’s Scientific and Statistical Committee (SSC) at the October 2012 meeting. In its review, the SSC acknowledged uncertainty and bias regarding the observer effect that is thought to exist in the historical information. Statistical analysis of optimizing sampling schemes requires robust historical information. The SSC indicated the rate for 2013 was likely not optimal with respect to management needs and cost-benefit, and the SSC recommended future analysis of optimization once data are collected.

We agree with the Council that the management of PSC is a priority. In evaluating this priority in terms of deployment for 2013, some trends with respect to PSC were apparent:

- Using simulations of 2011 data, there is a disproportionate loss in observer coverage rates in the vessel selection pool compared to any increase in the trip selection pool. In other words, a 1% drop in the deployment rate for the vessel selection pool does not result in a corresponding 1% increase in the trip selection pool.
- Sampling 2011 “as restructured” would have substantially improved overall PSC estimation for the AKR catch accounting system. The observer coverage is more evenly distributed compared to the draft deployment plan, thus improving the representativeness of the sample across the entire fleet and year.

The magnitude of the improvement to the accuracy and precision of PSC estimation through an increase in the sampling rate for the trip selection pool is uncertain. A change in rate would increase the sample size for trawl, hook-and-line, and pot vessels larger than 57.5 ft length overall (LOA). The change in rate would also decrease the sample size for vessels between 40 ft and 57.5 ft LOA. This increase in sample size may have some benefits in terms of PSC estimation and the amount of data available for inseason management on trawl vessels and hook-and-line vessels larger than 57.5 ft LOA. NMFS considered the impacts of reducing sampling in the vessel selection pool and, due to the large amount of uncertainty, was concerned that a large reduction would negatively impact estimation.

The estimation needs for both the vessel and trip selection pools are important, however, existing data prevents a statistical analysis of how deployment could be optimized to address PSC. A small adjustment to increase the sampling rate in the trip selection pool will increase sample size and will provide in season managers with more information to monitor PSC on large vessels. **Therefore, we will modify the coverage rates for the trip selection and vessel selection pools in the 2013 ADP. A simulation using 2011 fishery landings was used to evaluate the tradeoff between the vessel and trip selection pools. For 2013, we anticipate that the vessel selection pool will have a coverage rate of 11% (a small deviation from the 11% rate is expected due to differences in fishing effort between the 2011 landing information used in the simulations and what will be realized in 2013). We will place the rest of the available coverage days into the trip selection pool. Depending on the number of vessels subject to full coverage in the Bering Sea and Aleutian Islands Pacific cod catcher vessel fleet, we anticipate coverage in the trip selection pool will be between 14-15%.**

Information collected under the restructured Observer Program will better inform future deployment rates. We will revisit this sampling rate as new information and analysis become available.

## Industry Requests for Additional Observer Coverage

The Council asked NMFS to work with industry on two areas where there are requests for additional observer coverage:

- 1. NMFS and the BSAI Pacific cod catcher vessel trawl fleet should work together to develop a mechanism to allow 100% observer coverage for the 2013 season, with additional costs to be borne by the vessel owners;*
- 2. All trawl fleets in the GOA have the option to voluntarily carry 100% observer coverage at some times in the seasons, also with additional costs borne by vessel owners.*

Consistent with current regulations, some catcher vessels in the Bering Sea and Aleutian Islands trawl fishery for Pacific cod have voluntarily taken additional observers in the past to enable their own efforts to manage PSC. These voluntary arrangements have been conducted in agreement with NMFS. We support the industry proposal to carry an observer at all times in this fishery. This proposal will improve the information available to management of the fishery. It will support industry efforts to manage its catch within PSC limits and to minimize bycatch to the extent practicable. The proposal also eliminates the logistical complexities of vessels crossing from full to partial observer coverage, or vice versa.

In the long term, this proposal should be addressed through a regulatory amendment. However, allowing vessels in the partial coverage category to take an observer on all fishing trips under existing regulations in the short term, and possibly through an exempted fishing permit in the interim, will provide valuable information for the elements of a future regulatory amendment.

From an estimation perspective, we would need advance notice of any planned additional coverage so that the necessary programming can be established to properly account for this additional data. Ad-hoc increases in observer coverage could bias estimates in the partial coverage fleet unless properly accounted for. We will work closely with vessel operators to ensure that data from increased observer coverage in the Bering Sea and Aleutian Islands Pacific cod trawl fishery provide useful data to fishery managers and do not bias data in the partial coverage category. Our estimation procedures are set up in advance and changes require staff time for programming. Our ability to commit to the industry proposal will require a firm commitment from industry for the additional coverage. We are unable to make in-season adjustments to the estimation procedures. In addition, large scale coverage increases would also require the observer providers to have lead time and contracts in place to ensure observers would be available. Additional observers place additional training and debriefing responsibilities on NMFS.

To enable trawl catcher vessels in the Bering Sea and Aleutian Islands Pacific cod fishery to take observer coverage in addition to that required for the partial observer coverage category, we request that vessel owners or their designated representative send a letter to NMFS and procure an observer through one of the five certified observer providers. Vessel owners opting to take

additional observer coverage would continue to be required to comply with all applicable regulations, including logging all fishing trips while they meet the requirements for the partial coverage category. In addition, the observer fee liability under § 679.55 would continue to apply.

The letter to NMFS should identify the names and the Federal Fisheries Permit numbers of vessels that will take an observer (100 percent coverage) in 2013. The letter should also state that the vessel owners, vessel operators, or designated representatives agree to and understand the following:

1. individuals taken over and above existing observer coverage requirements are observers as defined at § 679.2;
2. vessel owners and operators will comply with the prohibitions protecting observers that are at § 679.7(g) and will meet the vessel responsibilities described at § 679.51(e);
3. vessel owners and operators are subject to general requirements applicable to observers described at § 600.746;
4. vessel owners or operators must log all fishing trips and follow applicable regulations when they are in the partial coverage category; and
5. landings will be subject to the observer fee under § 679.55.

In terms of allowing fleets in the Gulf of Alaska to have the option of carrying additional observer coverage in the future, we would consider specific requests on a case-by-case basis in 2013. We would follow a model similar to that described above for the Bering Sea and Aleutian Islands Pacific cod trawl fishery, including the recommendation that a regulatory amendment is needed if the Council wishes to offer this opportunity on a long term basis.

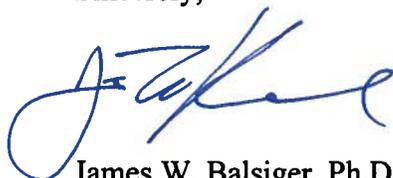
#### First year review and outreach

The Council had several recommendations for topics to be addressed during outreach and in the review of the first year of the program. We will present a summary of experiences with the initial deployment plan at the Council's June 2013 meeting and we will consider each of these recommendations. Finally, the Council recommended that we provide information and outreach on several aspects of the upcoming program. Attached to this letter is a list of outreach meetings on the restructured Observer Program and material that has been mailed to interested parties or is available online at <http://www.alaskafisheries.noaa.gov/sustainablefisheries/observers/>.

Additionally, we have revised the frequently asked questions (FAQs) to address recent concerns from the public. The main substantive change was that we will now consider an individual fishing quota (IFQ) holder as a crew member for the 2013 observer deployment. This policy change is consistent with Council direction and federal regulations. We made a number of other changes to more clearly explain the process for deploying observers and for releasing a vessel from observer coverage requirements. The revised FAQs are available online at <http://www.alaskafisheries.noaa.gov/sustainablefisheries/observers/faq.htm>.

We appreciate the input from the Council regarding the 2013 ADP and we expect that the ADP process will become an integrated part of the Council process with considerable opportunity for industry, public, and Council comment and review. Working with the Council, we are committed to implementing the important improvements that have been made to the Observer Program through this restructuring effort.

Sincerely,



James W. Balsiger, Ph.D.  
*for* Administrator, Alaska Region

## **Recent and Planned Outreach Activities on the Observer Program**

### **Meetings:**

- October 31: Seattle WA, Fishing Vessel Owners Association
- November 27- 29: Seattle, Pacific Marine Expo
- November 27: Seattle, Aleutians East Borough meeting
- November 28: Petersburg, public outreach meeting
- December 11: Anchorage, CDQ Group meeting
- December 12: Homer, public outreach meeting
- December 14: Kodiak, public outreach meeting
- December 18: Newport OR, trawler association meeting

Further outreach will be scheduled early in 2013, and NMFS welcomes input on locations where outreach would be helpful.

### **Printed and online material:**

- Letters were sent to owners of all catcher vessels NMFS identified as being in the partial coverage category for some or all of their fishing in 2013. Examples available online: <http://www.alaskafisheries.noaa.gov/sustainablefisheries/observers/>
- Post cards & flyers were sent to all vessels in vessel selection pool asking for voluntary participation in Electronic Monitoring (EM) Pilot Study. Flyer available online: <http://www.alaskafisheries.noaa.gov/sustainablefisheries/observers/empilotstudy.pdf>
- Frequently Asked Questions available online: <http://www.alaskafisheries.noaa.gov/sustainablefisheries/observers/faq.htm>
- Letters were sent to vessels selected for vessel selection in the first 2-month deployment period (will be available online when mailed).
- Letters will be sent to all Federal Fishery Permit holders with a description of the upcoming observer program changes (will be available online when mailed).