

Annual Report to the International Pacific Halibut Commission
From the Alaska Region, National Marine Fisheries Service
January 2018

Section 1: Charter Halibut Fisheries

Harvest under 2017 Annual Management Measures and Proposed Management Measures for 2018 Charter Fisheries in Areas 2C and 3A

The Area 2C and 3A Halibut Catch Sharing Plan was implemented in 2014, and is the method for determining allowable levels of charter halibut harvests in those areas. The Catch Sharing Plan also endorses a process through which the North Pacific Fishery Management Council (Council) recommends annual management measures to the IPHC that are likely to limit charter harvests to their annual catch limits.

In Area 2C, the 2017 charter catch limit was 915,000 pounds (lb), and the fishery was managed under a daily bag limit of one fish that had to be less than 44 inches or greater than 80 inches total length. The preliminary 2017 charter halibut harvest estimate of 921,000 lb is less than 1 percent above the catch limit.

In Area 3A, the 2017 charter catch limit was 1,890,000 lb, and the fishery was managed under a two-fish daily bag limit, with a maximum size limit of 28 inches total length on one fish, a Wednesday closure for the entire season as well as three Tuesday closures in June and July, a 4-fish annual limit, a one-trip per day per charter vessel limit, and a one-trip per day per charter halibut permit limit. A prohibition on halibut harvest by skipper and crew during charter vessel fishing trips was effective in both management areas. The preliminary 2017 charter halibut harvest estimate of 2,093,000 lb indicates that harvest exceeded the catch limit by approximately 10.7 percent.

In December 2017, the Council recommended charter management measures for the 2018 fishery. These management measures are described in the Council's management letter for the 2018 IPHC Annual Meeting.

NMFS supports the Council's recommendations and will continue to provide staff support to the IPHC to implement management measures for the 2018 directed halibut fisheries.

Guided Angler Fish Program - 2017 Summary

In 2014, NMFS implemented the guided angler fish (GAF) program to authorize limited annual transfers of commercial halibut IFQ as GAF to qualified charter halibut permit holders for harvest by charter vessel anglers in Areas 2C and 3A. The GAF program allows qualified charter halibut permit holders to offer charter vessel anglers the opportunity to retain halibut up to the limit for unguided anglers when the charter management measure in place limits charter vessel anglers to a more restrictive harvest limit. In 2017, by using GAF, charter vessel anglers in Area 2C and Area 3A could

harvest up to two halibut of any size per day, and GAF were not subject to the annual limit or daily closures in Area 3A. Table 1 summarizes IFQ to GAF transfers for 2014 through 2017. In 2017, approximately 53,000 lb of Area 2C IFQ was transferred as GAF and 43,000 lb was harvested in the charter fishery. This was a slight increase over 2016. In 2017, approximately 9,700 lb of Area 3A IFQ was transferred as GAF and 6,600 lb was harvested in the charter fishery.

Table 1. Summary of IFQ to GAF transfers

Year	IPHC Regulatory Area	Number of Transfers (GAF Permits Issued)	IFQ Pounds Transferred	Number of GAF Transferred	Number of GAF Harvested (% of amount transferred)
2014	2C	92	29,498	1,117	800 (72%)
	3A	19	11,654	910	269 (30%)
	Total	111	41,152	2,027	1,069 (53%)
2015	2C	119	36,934	548	428 (78%)
	3A	25	10,337	269	143 (53%)
	Total	144	47,271	817	571 (70%)
2016	2C	132	47,064	723	529 (73%)
	3A	26	10,442	289	220 (76%)
	Total	158	57,506	1,012	749 (74%)
2017	2C	207	53,206	719	576 (80%)
	3A	22	9,786	233	157 (67%)
	Total	229	62,992	952	733 (77%)

Section 2: Commercial Groundfish Fisheries

Halibut Bycatch Management

Halibut PSC Limits and Use

Halibut bycatch mortality in the Bering Sea and Aleutian Islands (BSAI) and Gulf of Alaska (GOA) groundfish fisheries is highly regulated and closely managed by the Council and NMFS through the Fishery Management Plans (FMPs) for each management area. Through regulations implementing the FMPs, NMFS manages halibut bycatch by (1) establishing annual halibut prohibited species catch (PSC) limits, (2) apportioning PSC limits to fishery categories and seasons to accommodate halibut PSC needs in specific groundfish fisheries, and (3) managing groundfish fisheries to prevent PSC from exceeding the established limits.

The FMPs specify that halibut bycatch in groundfish fisheries is managed as PSC. Catch of PSC species must be avoided while fishing for groundfish and PSC species may not be retained unless required under the FMP. Halibut PSC limits are an apportioned, non-

retainable amount of halibut provided to a groundfish fishery to provide an upper limit on the bycatch of halibut in a fishery. **When a halibut PSC limit is reached in an area, further fishing with specific types of gear or modes of operation is prohibited by those types of operations taking halibut PSC in that area.**

Although halibut PSC is taken by vessels using all types of gear (trawl, hook-and-line, pot, and jig gear), halibut PSC primarily occurs in the trawl and hook-and-line (non-trawl) groundfish fisheries. The Council and NMFS annually establish halibut PSC limits for vessels in the trawl and non-trawl groundfish fisheries in the BSAI and GOA. NMFS manages groundfish fisheries to ensure these limits are not exceeded.

The established halibut PSC limits and total estimated halibut PSC use for 2017 are shown in Tables 2 and 3.

Table 2. 2017 BSAI halibut PSC limits and estimated halibut PSC use

BSAI Fishery	Halibut PSC Limit metric tons (mt)	Halibut PSC Use (mt)	Remaining PSC limit (mt and %)
Trawl (Amendment 80 and Trawl Limited Access)	2,490	1,635	855 (34%)
Non-trawl	710	174	536 (75%)
Community Development Quota (trawl and non-trawl)	315	151	164 (52%)
TOTAL	3,515	1,960	1,555 (44%)

Table 3. 2017 GOA halibut PSC limits and estimated halibut PSC use

GOA Fishery	Halibut PSC Limit (mt)	Halibut PSC Use (mt)	Remaining PSC limit (mt and %)
Trawl	1,706	1,215	491 mt (29%)
Non-trawl	257	168	89 mt (34%)
TOTAL	1,963	1,383	580 mt (30%)

As shown in Figures 1-3 below, halibut PSC use has not exceeded established limits in the trawl or non-trawl fisheries in the BSAI or GOA in recent years. Additional information on 2016 and 2017 halibut PSC use is provided in the Appendix to this report.

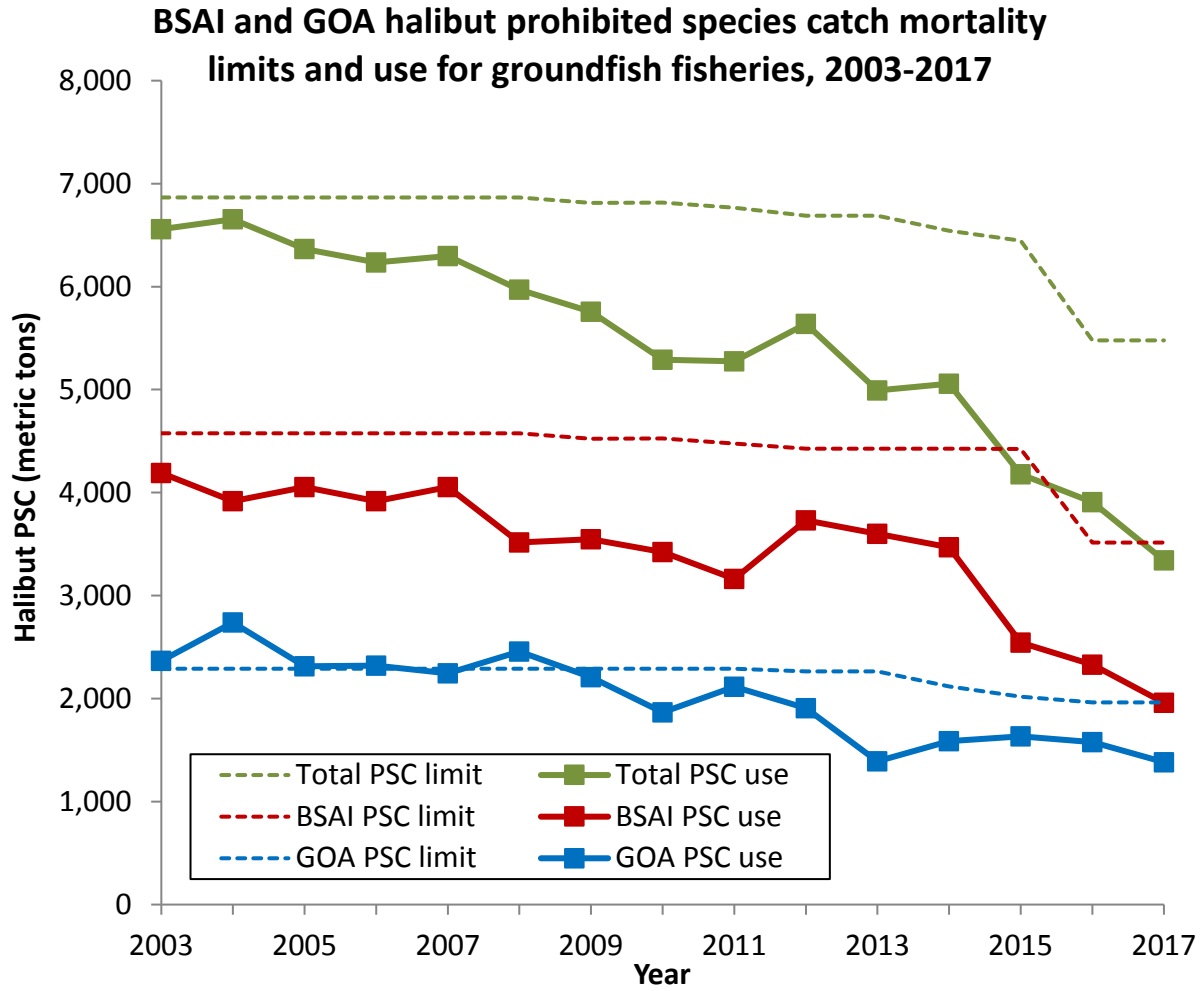


Figure 1. Total BSAI (including CDQ and deck sorting exempted fishing permit for 2016 and 2017) and GOA halibut prohibited species catch limits and use for all groundfish fisheries, 2003 through 2017.

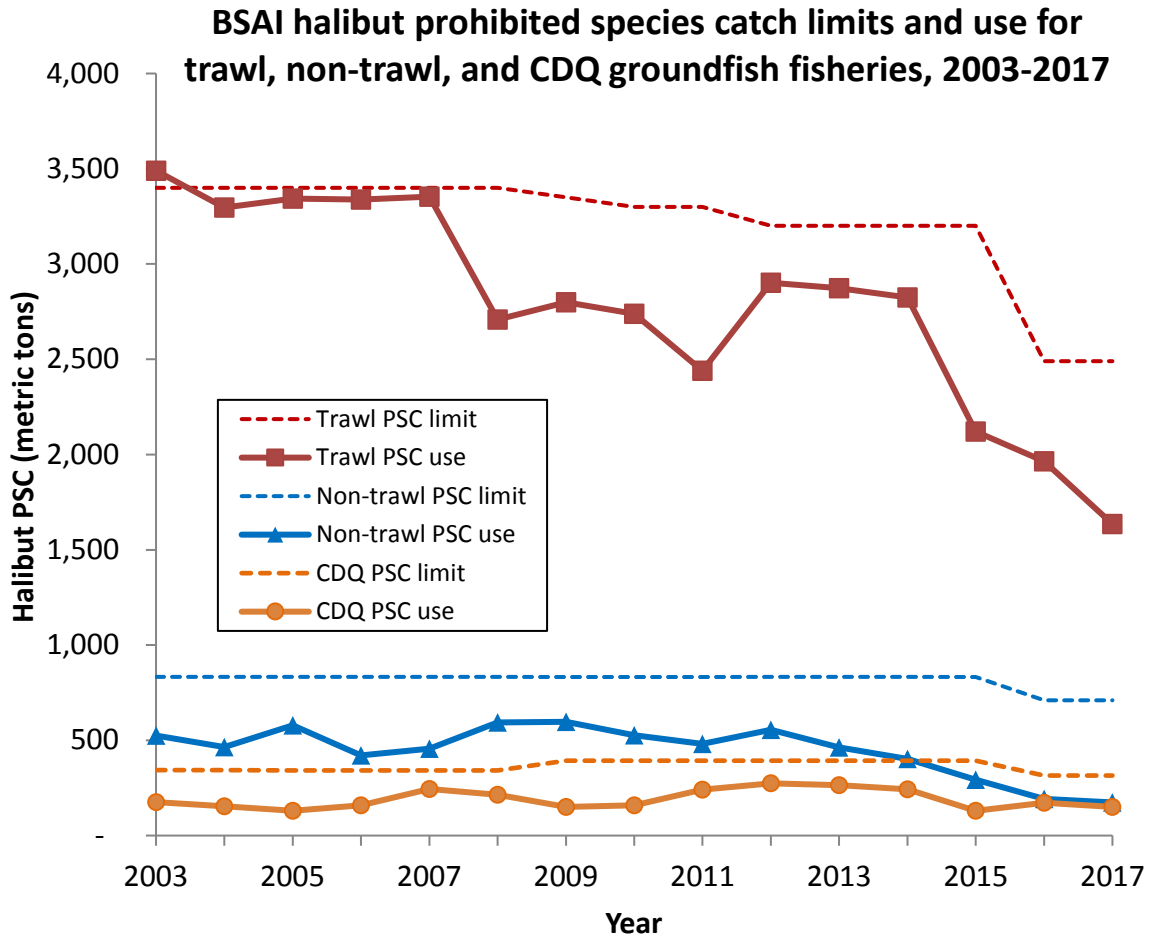


Figure 2. BSAI halibut prohibited species catch limits and use for the trawl (including deck sorting exempted fishing permit for 2016 and 2017), non-trawl, and CDQ groundfish fisheries, 2003 through 2017.

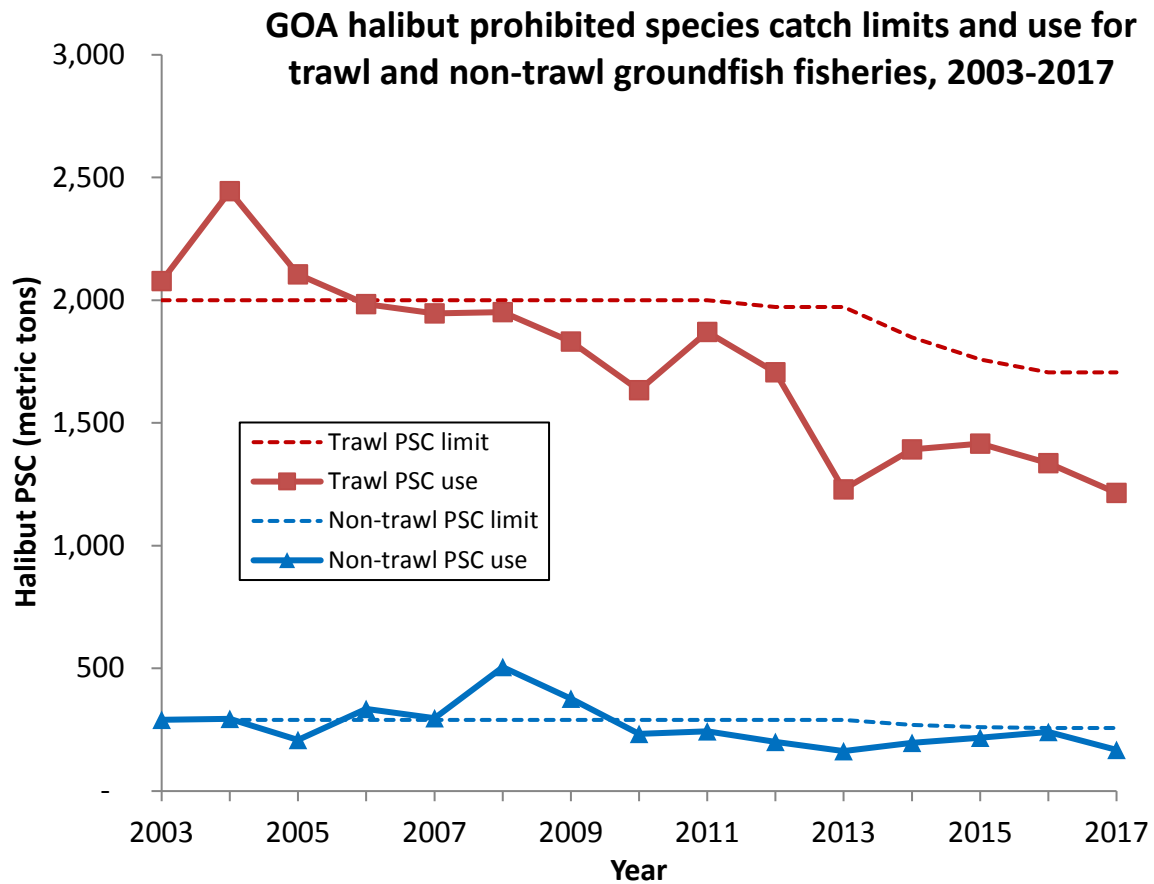


Figure 3. GOA halibut prohibited species catch limits and use for the trawl and non-trawl groundfish fisheries, 2003 through 2017.

2017 Halibut PSC Estimates

The 2017 halibut PSC estimates were developed using a method to spatially account for PSC. This is the same method that was developed in 2015 by NMFS in consultation with the IPHC. NMFS submitted preliminary 2017 PSC data to the IPHC for its halibut stock assessment in October 2017. NMFS provided final revised estimates to the IPHC on January 8, 2018.

Exempted fishing permits to reduce halibut mortality

Over the past several years NMFS has issued several exempted fishing permits (EFP) to permit otherwise unauthorized sorting of halibut PSC on the deck of non-pelagic trawl catcher/processor vessels while targeting flatfish in the Bering Sea. The EFPs test methods for quickly returning halibut to the water to reduce halibut PSC mortality in non-pelagic trawl fisheries. The objective of the EFPs is to test methods for improving survival of halibut PSC in flatfish fisheries by expeditiously returning halibut to the water. Participants in the EFPs are operating under the existing halibut PSC limits and target catch quotas for their respective sectors, and no additional target species or PSC amounts were authorized by the EFPs.

EFP for 2017

The EFP in place for the 2017 fishing year built on work conducted by the fishery participants under similar EFPs in 2009, 2012, 2015, and 2016. Seventeen vessels participated in the EFP in 2017. This was an increase in EFP participation from twelve vessels in 2016 and nine vessels in 2015. The 2017 EFP is available on the NMFS Alaska Region webpage: [2017 halibut deck sorting EFP](#).

Overall, operations during EFP fishing worked well in 2017. Under prior EFPs to test halibut deck sorting on Amendment 80 vessels, vessels carried project-specific sea samplers in addition to observers to collect the EFP data. In 2017, each vessel participating in the EFP was required to have two NMFS-certified observers on board during EFP trips to collect required data and conduct required sampling during all hauls. The Commission will receive a detailed report at the 2018 Annual Meeting on 2017 EFP performance from the participants.

EFP for 2018 and 2019

On December 20, 2017, NMFS issued an EFP to the Alaska Seafood Cooperative to permit deck sorting of halibut PSC on non-pelagic trawl catcher/processor vessels fishing for flatfish in the BSAI. *In addition, the EFP has been expanded to include non-pelagic trawl catcher/processor vessels fishing for flatfish in the GOA.* There are 24 vessels named on the EFP, which will be effective until December 31, 2019.

Regulatory amendment to authorize deck sorting

The data collected during EFP fishing shows that the practice of deck sorting halibut can improve the viability and therefore lower the total halibut mortality estimate of the halibut encountered by the vessel. This reduction in halibut mortality benefits the trawl fleet by reducing the amount of halibut that accrues toward PSC limits. Halibut deck sorting may also benefit the directed halibut fishery by returning halibut to the water in better condition thus reducing mortality of discarded halibut and potentially increasing halibut biomass.

NMFS is currently developing an analysis for a regulatory amendment to implement monitoring and enforcement provisions to allow halibut deck sorting on non-pollock trawl catcher/processors, including those acting as motherships. NMFS intends to present an update to the Council in April 2018 followed by a detailed analysis in June or October 2018. NMFS will analyze the no action alternative against an alternative that would allow voluntary deck sorting in the non-pollock fisheries in the BSAI or the BSAI and the GOA. Throughout this process, NMFS will continue to engage with the Council as necessary or as requested thereafter. NMFS intends to finalize the analysis and undergo the rulemaking process during 2018 and 2019, with implementation by January 2020.

Section 3: Observer Program

In 2013, NMFS implemented a restructured North Pacific Groundfish and Halibut Fisheries Observer Program that made important changes to how observers are deployed, how observer coverage is funded, and the vessels and processors that must have some or all of their operations observed. The restructured Observer Program expanded observer coverage to vessels less than 60 feet length overall, providing better estimates of halibut bycatch, and added observer coverage to the previously unobserved commercial halibut fleet.

In June 2017, NMFS presented to the Council and public an annual report that evaluated observer activities, costs, sampling levels, and issues in 2016, and potential changes for 2018. Overall, the 2016 Observer Program generally met anticipated at-sea deployment goals. Observers collected data on board 500 fixed gear and trawl vessels and at 7 processing facilities for a total of 43,706 observer days (39,029 full coverage days on vessels and in plants; and 4,677 partial coverage days). Among all fishing in Federal fisheries off Alaska in 2016, 6,066 trips (44.3%) were observed.

Under the Observer Program, all vessels and processors in the groundfish and halibut fisheries are assigned to one of two observer coverage categories: 1) full coverage, or 2) partial coverage. The program met expected rates of coverage for all of the full coverage and trip-selection strata. In the partial coverage trip selection strata, the realized coverage rates were 15.0% for hook-and-line; 14.7% for pot; and 28.0% for trawl.

The 2018 Annual Deployment Plan was presented to the Council in October 2017 and finalized in December 2017. For 2018, NMFS will implement an observer deployment strategy using a "hurdle" approach where observer sea days are first allocated equally up to a 15% coverage rate and the remaining sea-days are allocated using an optimal allocation algorithm that maximizes precision of discards for the least cost. This method provides minimum level of sampling of each stratum to ensure adequate coverage and is precautionary with respect to avoiding bias and providing data across all gear types.

All vessels in the partial coverage category are placed into one of three selection pools with differing requirements: observer trip selection, EM trip selection and no selection. In the 2018 Annual Deployment Plan, anticipated selection probabilities for the observer

trip selection pool will be 20% for trawl; 17% for tender trawl; 17% for hook-and-line; 16% for the pot and 17% for the tender pot.

The anticipated selection probability for the EM trip selection pool will be 30%. The EM trip selection pool includes fixed gear vessels. A total of 147 vessels requested to be in the 2018 EM trip selection pool. Of these, 4 were not approved because they were fishing with trawl gear, and 2 vessels will continue participating in NMFS' ongoing EM research and development program. All of the remaining, 141 fixed gear vessels were approved to be in the EM selection pool in 2018. Of these vessels, 69 vessels were new to the EM program and did not have EM systems installed, and 72 vessels were previous participants that had EM systems installed during pre-implementation. The no selection pool will include vessels less than 40 feet in length and fishing pot or hook and line gear and vessels fishing with jig gear.

The Observer Program 2016 Annual Report and 2018 Annual Deployment Plan are available on the NMFS Alaska Region website at:
<http://alaskafisheries.noaa.gov/sustainablefisheries/observers/>.

Section 4: Commercial Halibut IFQ Program

Litigation on Regulations Limiting the Use of Hired Masters in the Halibut and Sablefish IFQ Program

On January November 16 2016, NMFS received an order from the District Court for the Western District of Washington at Tacoma in *Fairweather Fish, Inc. and Captain Ray Walsh v. Pritzker*. The case was a challenge to regulations in the Halibut and Sablefish IFQ Program prohibiting the use of hired masters to harvest IFQ derived from quota share received by transfer after February 12, 2010. The Council recommended the final rule to maintain progress toward predominantly owner-onboard IFQ fisheries.

The Court found that:

- The restrictions on halibut quota share transferred BEFORE the rule's publication date are VACATED and are not enforceable. **Therefore, halibut quota share acquired before July 28, 2014 can be used by a hired master.** NMFS made the necessary changes to halibut quota share for the 2017 fishing season.
- All other parts of the rule remain in effect, including the limitation on the use of hired masters for sablefish QS acquired after February 12, 2010.
- The rule is remanded to NMFS for public notice and comment on the analysis of the National Standards in the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act).
- The court ruled in NMFS's favor on the Plaintiff's Rehabilitation Act and Due Process claims.

In response to the Court order, NMFS prepared an analysis of the rule in consideration of the National Standards in the Magnuson-Stevens Act. NMFS completed this analysis after evaluating the information used to prepare the rule, information presented to the Court, and the best scientific information available relevant to the impacts of the final rule. NMFS has determined that the final rule is consistent with the National Standards as required by the Magnuson-Stevens Act, subject to further consideration after public comment. NMFS will publish a Notice of Availability in the Federal Register in early 2018 to request public comment on the analysis before making a final determination.

Additional information on this litigation is available through the NMFS Alaska Region website at: <https://alaskafisheries.noaa.gov/>.

Retention of Halibut in Pots Used in the GOA Sablefish IFQ Fishery

In April 2015, the Council recommended regulatory revisions to authorize the use of longline pot gear in the GOA sablefish IFQ fisheries. As part of this action, the Council recommended that vessels be able to retain legal-sized halibut that are caught incidentally in sablefish pots if the person(s) on the vessel hold sufficient area-specific halibut IFQ to cover the incidental catch. The Council's recommendation included a request to the IPHC to consider revisions to the annual management measures to authorize retention of incidentally caught halibut in sablefish pot gear in the GOA. At the 2016 IPHC annual meeting, the Commissioners approved amendments to Section 19 of the management measures to authorize retention of legal-size halibut in the GOA sablefish IFQ fishery if such retention is authorized by NMFS regulations. The Commission also stated its intent to review the use of pot gear as a legal gear for halibut in the GOA sablefish fishery after three years.

NMFS authorized the use of longline pot gear in the GOA sablefish IFQ fishery beginning with the 2017 fishing season. Consistent with IPHC regulations, NMFS regulations at 50 CFR 679.42(1)(6) require retention of legal-size halibut caught in longline pots in the IFQ fishery if any person on board the vessel holds sufficient halibut IFQ.

In December 2016, NMFS provided the Council with a report on the use of pot gear in the GOA sablefish IFQ fishery, including information on halibut retained in pot gear. See Table 3 and Figures 3 and 4 in the Appendix.

Regulatory Proposals

The NMFS AKR submitted three regulatory proposals for consideration by the Commission at its 2018 Annual Meeting:

- IPHC-2018-AM094-PropB1 Rev_1: Leasing IFQ to CDQ groups in IPHC Regulatory Area 4
- IPHC-2018-AM094-PropB2: Clarify Alaska Sport Fishery Regulations

- IPHC-2018-AM094-PropB3: Clarify Head-On Weight Requirement in Alaska Commercial Fisheries

NMFS AKR staff will speak to these proposals at the IPHC 2018 Annual meeting.

Appendix

Table 1. 2016 and 2017 Halibut PSC Use in the Gulf of Alaska and the Bering Sea and Aleutian Islands by gear type and IPHC Management Area (rounded to the nearest metric ton).

	2016	2017 Estimate (10/24/2017)	2017 (1/4/2018)
Area 2C			
Hook-and-line (non-sablefish)	9	4	3
Hook-and-Line (sablefish)	8	6	8
Total	17	10	11
Area 3A			
Trawl	900	720	744
Hook-and-line (non-sablefish)	127	80	77
Hook-and-Line (sablefish)	16	20	21
Pot	24	6	6
Total	1,066	826	848
Area 3B			
Trawl	427	456	464
Hook-and-line (non-sablefish)	76	60	56
Hook-and-Line (sablefish)	5	11	10
Pot	19	8	8
Total	527	535	538

	2016	2017 Estimate (10/24/2017)	2017 (1/4/18)
Area 4A			
Trawl	284	174	184
Hook-and-line (non-sablefish)	59	63	54
Hook-and-Line (sablefish)	1	1	1
Pot	3	4	3
Total	347	242	241
Area 4B			
Trawl	84	106	117
Hook-and-line (non-sablefish)	3	11	8
Hook-and-Line (sablefish)	1	0	0
Pot	0	1	0
Total	88	118	126
Area 4CDE			
Trawl	809	611	663
Hook-and-line (non-sablefish)	122	113	108
Hook-and-Line (sablefish)	0	0	0
Pot	0	0	0
Total	931	724	771
Area 4 Closed			
Trawl	952	857	813
Hook-and-line (non-sablefish)	66	57	54
Hook-and-Line (sablefish)	0	0	0
Pot	1	1	1
Total	1,019	915	867
TOTAL (all Areas)			
Trawl	3,456	2,925	2,985
Hook-and-line (non-sablefish)	462	387	358
Hook-and-Line (sablefish)	30	39	41
Pot	47	19	18
Total	3,995	3,370	3,402

Table 2. 2010 through 2017 BSAI and GOA Halibut PSC Use by Sector

Halibut Mortality (Data through 1/4/18)	2010	2011	2012	2013	2014	2015	2016	2017
BERING SEA AND ALEUTIAN ISLANDS								
Bering Sea and Aleutian Islands Trawl								
Non-Pelagic Trawl (Amendment 80 C/P)	2,243	1,810	1,944	2,166	2,178	1,633	1,405	1,167
Non-Pelagic Trawl (AFA C/P)	33	95	117	127	204	71	78	57
Non-Pelagic Trawl (Catcher Vessels)	254	250	497	382	305	310	410	337
Non-Pelagic Trawl (CDQ)	77	135	203	194	185	100	140	129
Pelagic Trawl (AFA C/P)	109	167	180	166	79	74	64	57
Pelagic Trawl (AFA catcher vessels)	87	116	165	33	57	30	19	17
Pelagic Trawl (CDQ)	8	38	13	12	21	8	9	6
Bering Sea and Aleutian Islands Hook-and-line and Pot gear								
Hook-and-Line	501	482	556	463	402	293	196	174
Hook-and-Line (CDQ Groundfish)	73	68	58	58	37	22	25	16
Hook-and-Line (IFQ/CDQ sablefish)	21	10	8	6	3	2	1	0
Pot Gear	7	7	6	5	4	3	3	3
Total BSAI	3,414	3,180	3,747	3,611	3,476	2,547	2,347	1,963
GULF OF ALASKA								
Gulf of Alaska Trawl								
Non-Pelagic Trawl (Central GOA C/Vs)	1,090	1,304	1,199	740	821	975	967	751
Non-Pelagic Trawl (Western GOA C/Vs)	6	37	111	93	70	47	107	18
Pelagic Trawl	19	19	5	19	1	13	12	13
Trawl (C/P)	516	510	389	377	502	375	246	433
Gulf of Alaska Hook-and-line and Pot gear								
Hook & Line (C/P)	127	131	53	34	77	69	76	70
Hook & Line (Catcher vessels)	107	114	147	129	119	148	166	99
Hook & Line - IFQ sablefish	41	40	51	31	30	34	29	40
Pot Gear	29	45	42	15	11	22	44	15
TOTAL GOA	1,936	2,198	1,997	1,440	1,630	1,684	1,647	1,439
TOTAL All Areas	5,350	5,378	5,743	5,051	5,106	4,231	3,995	3,402

Figure 1. 2016 and 2017 BSAI Trawl Halibut PSC Use by Groundfish Fishery

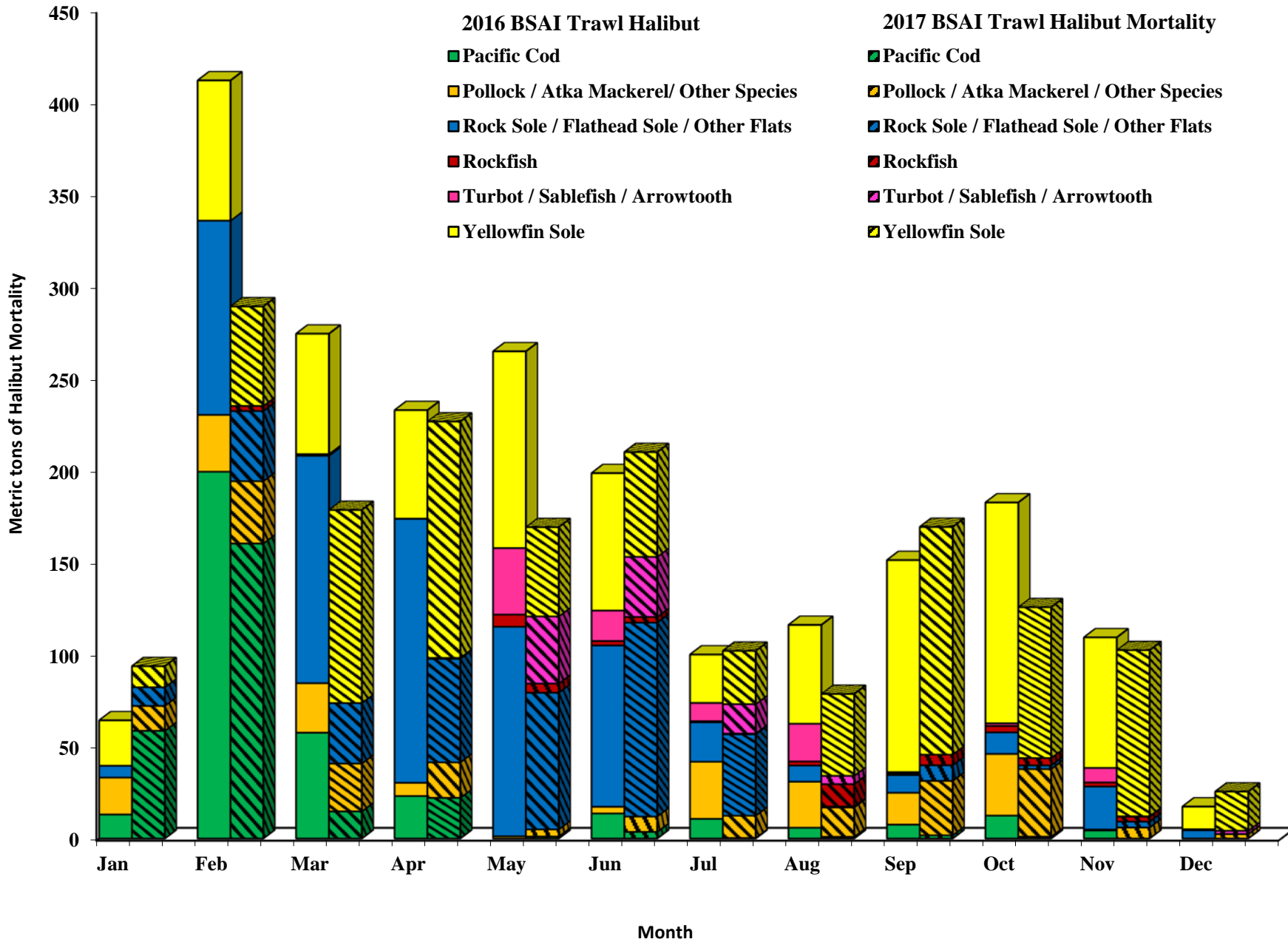


Figure 2. 2016 and 2017 GOA Trawl Halibut PSC Use by Groundfish Fishery

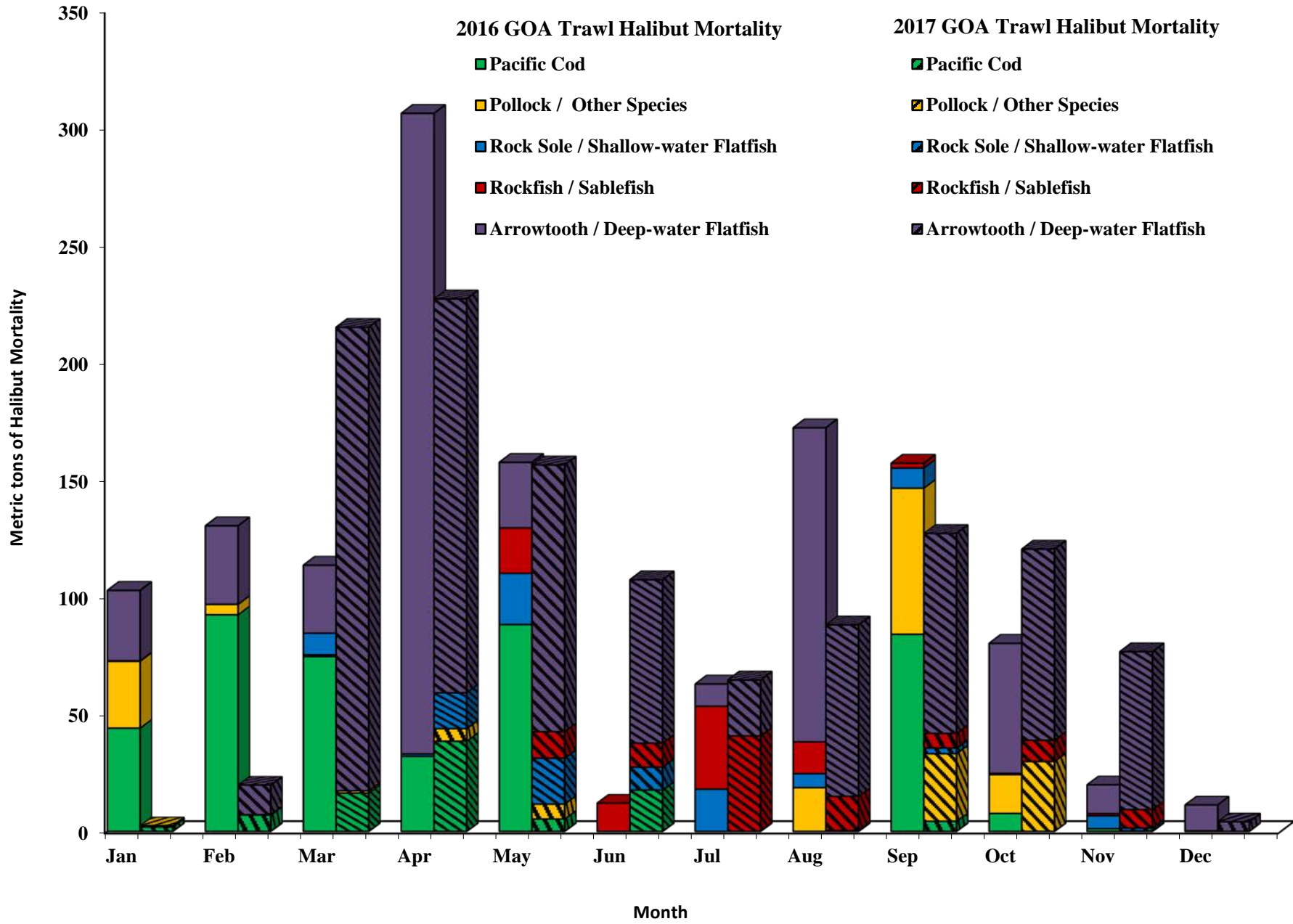


Table 3. 2017 GOA Sablefish IFQ Fishery by Gear Type

2017 Sablefish	Hook-and-Line			Pot				
	Unique Vessels	Sablefish (mt)	% of IFQ Sablefish	Unique Vessels	Sablefish (mt)	% of IFQ Sablefish	Pots Registered	Pots Lost
Southeast	165	2,659	95%	10	138	5%	1,900	29
West Yakutat	95	1,378	94%	10	92	6%	1,950	7
Central GOA	143	3,186	88%	19	443	12%	4,552	76
Western GOA	55	887	78%	6	226	22%	3,155	56
GOA Wide	275	8,111	90%	22	891	10%	11,557	168

Figure 3. 2017 Sablefish and Other Species Incidental Catch in GOA Fixed Gear Sablefish Targets

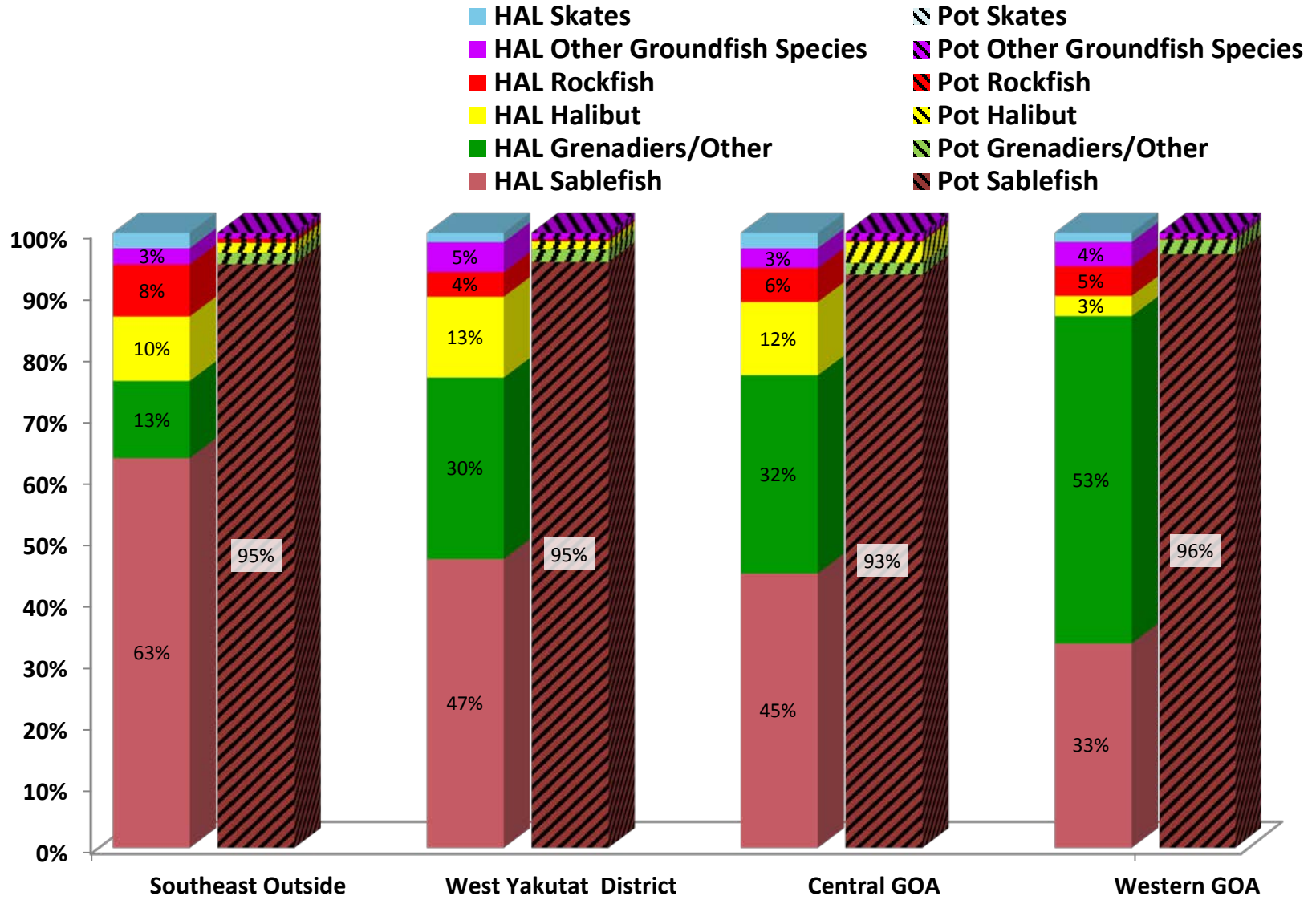


Figure 4. 2017 Sablefish Retained and Discarded by GOA Fixed Gear

