OCEANBEAT
CONSULTING, LLC

August 17, 2021

Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, Oregon 97220-1384

RE: C.8 Initial Harvest Specifications and Management Measures for 2023-2024

Dear Chair Gorelnik and Council Members:

I am providing the following comments on behalf of the Fishing Vessel Owners' Association, Ocean Ballad, Inc., and the Dana F. Besecker Company, Inc., to the Pacific Fishery Management Council (Council) on the Council's selection of a P* for sablefish in setting the acceptable biological catch (ABC) and annual catch limits (ACLs) for the 2023-2024 groundfish biennial management cycle. We recommend that the Council select a precautionary P* value of 0.35, which corresponds to ABCs and ACLs of 9,412 mt in 2023 and 8,608 mt in 2024, to address management uncertainty. We provide our rationale below.

We acknowledge the important role that sablefish plays as a target species by multiple sectors, as incidental catch to accommodate other target strategies, and as unavoidable—but sometimes unmarketable—bycatch. It is because of its importance to so many coastal fisheries and fishing communities that we recommend exercising caution. In our opinion, sablefish is the single most valuable groundfish species on the West Coast given the breadth of fisheries that it supports and, over the years, my clients and I have consistently advocated for precautionary management of this stock.

There are two separate data-related issues in the sablefish update, as described below. Each of them adds a layer of management uncertainty—one relates to the current depletion level (i.e., the status of the stock today) and the other is associated with the projected status trend.

As a result of the increase in scale for spawning biomass, the estimate of unfished spawning biomass increased by 14%. This, in turn, led to an estimate of current spawning biomass that is substantially higher (46%) in the 2021 update (for 2019) than it had been in the 2019 assessment. As a result of this higher spawning biomass estimate, the depletion level for 2019 increased by 28.5% from a level just under the 40 percent "target" (i.e., 38.9 percent) in the 2019 benchmark to 50 percent in the 2021 update.

The uncertainty associated with the scale increase for spawning biomass was discussed at length by the SSC Groundfish Subcommittee as it not only affected the current status, but the retrospective review suggests that the stock had never been below 40 percent of the unfished spawning biomass whereby the 2019 full assessment indicated that the stock had been below 40 percent from 2011 to 2019. Given this uncertainty, in response to a question regarding the usefulness of the 2021 update to inform depletion levels, Northwest Fisheries Science Center staff indicated that the 2021 sablefish update may not be the most reliable source.

With regard to the projected status of the sablefish stock, the magnitude of the estimated change in depletion from 57.9 percent in 2021 to 50 percent in 2031 under the default P* of 0.45 is a concern, regardless of the estimated value. While this change is affected by the model's assumed attainment of total catch each year, the amount of projected catch results from the estimated depletion being well-above the "target" unfished spawning biomass, and the assumed practice of fishing the stock down to that target. To be clear, we would support efforts to achieve such target when there is greater confidence in the status of the stock; our recommendation for precaution is driven by the uncertainty in the 2021 update, which is higher than the uncertainty in the 2019 benchmark.

In addition, while we note the importance of sablefish to many West Coast fisheries, large changes in catch limits from year-to-year (i.e., 15 percent or more) can erode market stability. The market often cannot respond to such changes as rapidly as they occur, which can result in oversaturation and, in turn, reduced prices and the inability to move product. Adopting a P* of 0.35 would result in an ABC and ACLs for 2023-2024 that are considerably higher (i.e., 16-33%) than the 2021-2022 ACLs (and would be the highest catch limits ever); however, this is preferable to the Council adopting the default P* of 0.45, which would result in an ABC and ACLs for 2023-2024 that are 34-53 percent higher than 2021-2022 levels. Not only would this greatly oversaturate the market for the short-term, but it would also create chaos in 2025 if the next full assessment in 2023 indicated a stock status similar to the 2019 benchmark, rather than the 2021 update.

Finally, we understand that higher ACLs could potentially benefit West Coast trawl IFQ program participants who would like to acquire northern sablefish quota pounds (QP) for a lower price—the conundrum being that lower QP prices also translates to lower QP value. Therefore, while we do not necessarily see a compelling need to increase the yield above 2021-2022 levels, we are not opposed to it; however, in doing so, we support slowing the rate of increase, rather than maximizing harvest for the short-term.

In summary, we recommend the Council adopt a P* of 0.35 for sablefish to set the ABC and ACLs for the 2023-2024 biennial management cycle. Such action would: 1) buffer against the management uncertainty relative to the status of the stock; 2) smooth out the resulting negative market response to large fluctuations in harvest; and 3) ensure stability for sablefish harvesters, buyers, and processors until the next full assessment and biennial management cycle.

Sincerely,

Michele K. Robinson, Principal
Oceanbeat Consulting, LLC

Representing:
Fishing Vessel Owners' Association; Ocean Ballad, Inc.; Dana F. Besecker Company, Inc.