

Wing Possession Limits

Wing TAL (75%) = 8749 MT(live) (8,497,106 landed pounds)

Season 1 TAL: 57% of TAL = 4,843,350 pounds

Season 2 TAL: Remainder after Season 1

Incidental Limit = 500 pounds when 85% of TAL

Fishing Year 2015, Actual Landings

- 2015 was the last fishing year when incidental limits not triggered
 - after 500 pound limit implemented, potential trip landings are unknown
- Season 1: 4,558,661 pounds (with 2600 pound possession limit)
- Season 2: 4,330,052 pounds (with 4100 pound possession limit)
- Total: 8,888,713 pounds
 - 391,607 pounds more than proposed Wing TAL

Wing Possession Options

- Incidental limits of 1300/2050 pounds for Seasons 1 and 2
 - 60 % Trigger of Seasonal TAL
 - July 10 and October 31
 - 88.1 % of annual TAL achieved
 - 75 % Trigger of Seasonal TAL
 - July 30 and December 15
 - 94.1% of annual TAL achieved
 - 80 % Trigger of Seasonal TAL
 - 500 pound possession limit at 90 % of TAL (not 85%)
 - August 7 and January 6, and 500 pounds on March 2
 - 92.3% of annual TAL achieved

Notes:

Based on 2015 fishing **conditions**

- All three options do not achieve TAL
- All three options result in economic losses greater than 10 %
- Lower % Triggers result in earlier changes to possession limit
- 75 % Trigger option has slightly less economic loss compared to 80/90 % option, and 5% less loss compared to 60 % option
- Conditions may be different, cumulative landings trending higher in FY 2016 and 2017, as have recent wing prices

Questions for Advisors:

- Earlier changes with higher incidental possession limits, or
- Late season changes with lower incidental limits

- Changes at the end of the season, as shown, or at the beginning
- Lower possession limits throughout both or either season

- Particular months to avoid incidental limits and/or closures

Three Triggers for Intermediate Possession Limit

| | | 60 percent | 75 percent | 80/90 percent |
|-------------------|--------|-------------------|-------------------|----------------------|
| S1 poss. limit | | 2,600 | | |
| S1 trigger | | 2,906,010 | 3,632,513 | 4,359,015 |
| | | | | |
| S1 inc. limit | | 1,300 | | |
| S1 inc. date | 10-Jul | | 30-Jul | 7-Aug |
| S1 adj. landings | | 3,824,269 | 4,134,346 | 4,242,355 |
| | | | | |
| S2 poss. Limit | | 4,100 | | |
| S2 trigger | | 5,098,263 | 6,372,829 | 7,647,395 |
| | | | | |
| S2 inc. limit | | 2,050 | | |
| S2 inc. date | 31-Oct | | 15-Dec | 6-Jan |
| S12 adj. landings | | 3,657,596 | 3,857,444 | 3,597,311 |
| S12+500 limit | | | | 2-Mar |

Wing Possession Options, Annual Results

| | <i>MT</i> | <i>pounds</i> | <i>landed wt.</i> | | | | | |
|---------------------------|-----------|---------------------|-------------------|--|---------------------|-------|---------------------------------------|-------|
| Wing TAL from FW5 | 8749 | 19,288,430 | 8,497,106 | | | | | |
| | | | | | | | | |
| | | <i>60 % TRIGGER</i> | | | <i>75 % TRIGGER</i> | | <i>80/90% TRIGGER/500 pound limit</i> | |
| Total adj. landings(%TAL) | | 7,481,865 | 88.1% | | 7,991,790 | 94.1% | 7,839,666 | 92.3% |
| Total adj. \$\$ | | 3,687,932 | | | 3,922,598 | | 3,804,172 | |
| Lost landings | | 1,406,848 | 15.8% | | 896,923 | 10.1% | 1,049,047 | 11.8% |
| Lost \$\$ | | 688,236 | 15.7% | | 453,571 | 10.4% | 571,998 | 13.1% |