



## New England Fishery Management Council

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## MEETING SUMMARY

### Scallop PDT Meeting

July 21, 2016

The Scallop PDT met in Newburyport, MA on July 21, 2016 to: 1) continue work on Scallop Framework Adjustment 28 (FW 28), an action which will set fishery specifications for fishing year 2017 and default measures for 2018, and include a range of management alternatives, 2) discuss recent scallop fishery catch of Georges Bank yellowtail flounder (GB YT) and management in the GB YT stock area, 3) receive an update on five year review of Limited Access General Category IFQ Program, and 4) discuss any other business.

**MEETING ATTENDANCE:** Jonathon Peros (PDT Chair), Demet Haksever, Trish Cheney, Dr. Bill DuPaul, Chad Keith, Travis Ford, Ben Galuardi, Dr. Dvora Hart, Emily Keiley, Kevin Kelly, Dr. David Rudders (by webinar), Danielle Palmer, Katherine Richardson, and Dr. Cate O'Keefe. Tess Petesch, Council intern, Mary Beth Tooley the Chair of the Scallop Committee, Peter Hughes the Chair of the Scallop AP, and two other members of the public attended.

#### **KEY OUTCOMES:**

- The PDT made recommendations to further refine management measures and identified analyses for alternative development.
- The PDT discussed scallop fishery catch and management in the Georges Bank yellowtail flounder stock area, and plans to send a memo to the groundfish PDT for inclusion in meeting materials for the SSC's August 10, 2016 meeting.

The meeting began at 10:04 am. After introductions, staff reviewed the agenda. There were no proposed changes at the outset of the meeting. The following table lists upcoming scallop related meetings. Note that the October 13 in-person meeting will be held jointly with the advisory panel.

<b>Meeting</b>	<b>Date</b>	<b>Location</b>
PDT	7/21/2016	Newburyport
SSC	8/10/2016 (re: <a href="#">GB YT, webinar</a> )	<a href="#">East Boston, HGI</a>
PDT	8/30/2016 - 8/31/2016	Falmouth
AP	9/13/2016	New Bedford
Committee	9/14/2016	New Bedford
Council	9/21/2016	Danvers
PDT	9/29/2016	Webinar/Call
PDT/AP	10/13/2016	East Boston, HGI
SSC	10/18/2016	East Boston, HGI
AP	11/2/2016	Warwick, RI
Committee	11/3/2016	Warwick, RI
Council	11/16/2016	Newport

***UPDATE ON RECENT COUNCIL ACTIONS AND FRAMEWORK 28 ACTION PLAN:***

Staff explained that the Council approved 2017/2018 scallop RSA priorities in June. The federal funding opportunity (FFO) announcement for the scallop RSA is expected to be released by early August. In June, the Council also initiated Framework 28 (FW28), an action that will include updates to fishery specifications, a measure to prohibit the possession of more than 50 bushels of shell stock inside the VMS demarcation line north of 42°20'N, modifications to the annual catch limit flowchart, and modifications to the boundaries of the Closed Area I access area. The Council opted not to pursue measures to protect small scallops in Framework 28 (2016 priority), and instead recommended that this issue be listed as a potential priority for 2017. The Council also identified changes to flatfish accountability measures as a potential priority for 2017. Finally, groundfish FW56 will contain measures that would create a scallop fishery sub-ACL for northern windowpane flounder.

***FRAMEWORK 28 – ACL FLOWCHART DISCUSSION:***

Staff updated the PDT on the draft ACL flowchart measures, and the revised flowchart schematic. In addition to status quo/no action, potential measures under development could create a management uncertainty buffer for the LAGC IFQ component and/or base fishery allocations on projected landings, (not exploitable biomass in all areas). Since Amendment 15, the LAGC IFQ component's allocation has been 5.5% of exploitable biomass in all areas (ACL). As the exploitable biomass in all areas is often greater than projected landings from areas that are open, the realized percent allocation to this component has been higher than 5.5% in recent years. The PDT noted that this allocation approach for the LAGC IFQ component is not spatially explicit (i.e. it is based on all areas, even those that are closed), and that the IFQ component generally fishes in areas that are closer to shore. Some concern was expressed that non-spatially explicit allocations to the IFQ component may lead to overfishing in some near-shore areas. The PDT also noted that allocations to the limited access component are spatially explicit in that they are based on projected landings to the fishery.

The PDT discussed the apparent disconnect between the ACL ( $F=0.38$ , all exploitable biomass) and the projected landings estimate. One member noted that accountability measures are linked to ACL, while specifications are based on projected landings. Other members of the PDT explained that the AP and Committee have not expressed explicit concern about this. Open area landings are estimated using an  $F=0.48$ , though the fishery has not exceeded an  $F=0.34$  (ACT) under the current system. The PDT discussed the concept of basing open area landings projections on an  $F$  rate less than  $F=0.48$  (the maximum). One member suggested that the PDT revisit this idea at the next meeting, and offered  $F=0.4$  as a potential rate to use in the open areas.

One member of the PDT suggested that the spatial management regime in the scallop fishery does not lend itself particularly well to the OFL/ABC/ACL structure imposed during the last reauthorization of the Magnuson Act because allocations are set based on the harvestable biomass in areas that are open to the fishery, not the exploitable biomass in all areas.

The PDT discussed potential areas of management uncertainty for the LAGC IFQ component. The group noted several areas, including the potential for high-grading, fluctuations in meat weights, and carry over (up to 15%). For the LAGC IFQ component, the uncertainty is about removals, not the  $F$  (as is the case from the LA component). For reference, the difference between an  $F=0.38$  and  $F=0.34$  – which is the LA management uncertainty buffer – is about 10% (though  $F=0.34$  has not been limiting).

The group discussed recent carry over values by the IFQ component – focusing on changes in carryover from one year to the next. If the percent carryover declines from one year to the next, it may be possible for the fishery to exceed its ACL. One PDT member noted that carryover was 12% in FY 2013 and then 9% in FY 2014, and suggested that the net effect of this is that the fishery utilized 3% of its carryover.

The PDT discussed the potential implications of setting a landings ceiling as part of the “spatial management” approach. The group again noted that the  $F=0.34$  has not been constraining to date (realized  $F$  for LA in FY 2016 is  $F=0.11$ ), but feels that an  $F$  ceiling may become a more functional part of management if closed areas that contain scallop biomass are opened and projected landings are closer to the ACL. Applying an  $F=0.34$  ceiling to the fishery would create a de facto management uncertainty buffer for the LAGC IFQ component (now calculated at  $F=0.38$ ), which may negate the need for a separate management uncertainty buffer. Under this approach, either the projected landings would be constraining (such that the  $F < 0.34$ ), or the ceiling will be constraining. If projected landings are higher than an  $F=0.34$  of the total harvestable biomass, then either 1) access area landings would need to be reduced and/or 2) open area landings would need to be projected at a value less than  $F=0.48$ . It was clarified that the  $F$  rates associated with the OFL and ABC/ACL changed at the last benchmark assessment, and it was recommended that this be clarified in catch tables going back through FY 2011.

The group briefly discussed developing other approaches to address the problem statement, such as a cap on the IFQ allocation (not to exceed X%). The PDT proposed edits to the draft problem statement and draft objectives, and recommended that further refinements be made through correspondence and discussed at the upcoming PDT meeting in August.

Tasking/Deliverables for August PDT meeting:

- Updates to draft problem statement and draft objectives (J. Peros, T. Ford)
- Analysis on LPUE model performance (also related to specifications - D. Hart)
- PDT discussion on using lower F rate for open areas to estimate landings

***FRAMEWORK 28 – DISCUSS BACKGROUND INFORMATION, ANALYSES, AND DATA NEEDS:***

*Measure to prohibit the possession of more than 50 bushels of shell stock inside the VMS demarcation line north of 42°20'N.*

PDT reviewed background information on this measure, as well as preliminary Limited Access landings from the Northern Gulf of Maine (NGOM) management area (Document 4). There were no landings from the NGOM management area by LA vessels since the NGOM program was adopted until FY 2016. Limited Access NGOM landings were estimated using VTR point locations. The PDT noted that LA landings of over 300,000 lbs came from effort concentrated in areas to the east and south east of Cape Ann. The group briefly discussed additional data to support analyses of this alternative, and added clarifying language to the alternative text about landings restrictions.

Tasking/Deliverables for August PDT meeting:

- Updated estimate of LA landings from NGOM management area (Ben Galuardi)
- Number of LA vessels with landings from the NGOM, and average landings per trip (Ben Galuardi)

*Modification to Georges Bank Access Area Boundaries – Closed Area I focus*

Staff updated the PDT on the progress of the Omnibus Habitat Amendment 2, indicating that a preliminary rule from NMFS is expected in the late summer of 2016, with a final rule publishing in early 2017. The focus of boundary changes in FW28 will be the Closed Area I access area. Emily Keiley from SMAST and Dr. Dvora Hart from NEFSC provided brief updates from recent surveys of the area. Data from surveys will be presented at the PDT's next meeting in August.

The PDT discussed potential data sources for bycatch in the area, but does not expect the fishery to encounter either yellowtail flounder or windowpane flounder in abundance inside the "sliver" area to the north of the current CA I boundary.

Tasking Deliverable for August PDT meeting:

- Flatfish bycatch from dredge survey in the CA I area (multiple years) (Dvora)
- Revisit potential boundaries after survey data is in hand

*Revisiting observer compensation rates for Limited Access General Category IFQ component*

Dr. Dvora Hart addressed the group on the topic of observer compensation for the LAGC IFQ component – indicating that she is concerned that limiting compensation to one day may be influencing fishing behavior on observed trips and creating an observer bias. LAGC IFQ vessels

are capped on the number of additional pounds that they can harvest when carrying an observer, irrespective of how many days they fish. If a vessel elects to fish two days while carrying an observer, they would need to cover the cost of the second day and not receive additional pounds. Capping the compensation pounds may be creating an incentive for vessels to change their behavior such as fishing in different areas, or cutting a trip short. The group noted that the Council made changes to this program through a framework action, and that modifying this rule would take a Council action. A central concern is that scientific data may be distorted, and not representative of actual behavior in the fishery. In the past the PDT has been concerned about creating incentives to fish just over a day (24:01+ hours) and receiving 2 days' worth of compensation.

Tasking/Deliverables for August PDT meeting:

- Comparison of observed and unobserved trips in all areas. Interest in NL (Ben Galuardi)
  - Days absent (VMS?)
  - Market categories from landings data
- Present results and discuss in August

### ***Scallop management in the Georges Bank yellowtail flounder stock area***

The Scallop PDT reviewed recent management measures within the Georges Bank yellowtail flounder (GB YT) stock area (statistical reporting areas 522, 525, 561, 562), catch estimates of GB YT, and scallop fishing effort within the GB YT stock boundary. In recent years, several management measures have been included in the Scallop FMP for the purpose of reducing GB YT bycatch. The PDT's discussion focused on the following five topics: 1) Scallop Fishery Allocations and Catch of GB YT, 2) Rotational and Seasonal Closures within the GB YT Stock Area, 3) Gear Modifications to Reduce Flatfish Catch, 4) Bycatch Avoidance Effort, and 5) Scallop fishery effort in the GB YT stock area. This information is being compiled into a memo that will be sent to the groundfish PDT for inclusion in the Council's Science and Statistical Committee meeting materials.

The PDT noted that the highest discard to kept ratios (d:k) of yellowtail to scallop meats in the GB YT stock area have been observed in Closed Area II and areas to the south. Less yellowtail catch has been observed along the northern portion of the bank. The group also discussed the impact increasing the mesh size of the twine top had on reducing flatfish bycatch.

Tasking/Deliverables:

- Develop Memo to groundfish PDT for inclusion in SSC meeting materials through correspondence (J. Peros – circulate to PDT).

### ***Update on five year review of Limited Access General Category IFQ program:***

Dr. Demet Haksever and Tess Petesch presented ongoing work from the LAGC IFQ five year review. The presentation focused on trends in the LAGC annual data, and covered topics such as revenue, landings, number of active vessels, allocation, days fished, and leasing. Part of the review and report will also focus on comparisons with the LA component. Additional work is planned, such as comparing profits between LA and LAGC IFQ, estimating changes in crew

shares, and evaluating changes in the number of trips and trip duration. The group discussed various ways to compare the LA and LAGC IFQ components, with an emphasis on net economic benefits. The working group will be meeting in-person in early August. There was a question as to how many vessels have switched from the LAGC IFQ category to the LAGC NGOM category – 7 total vessels since 2010, 5 did so in 2014.

***Potential Scallop Priorities for 2017 – First PDT Discussion***

Staff briefed the PDT on potential management priorities for 2017 (Document #5), and indicated that the group will have other opportunities to make suggestions on priorities later in the year. The Council has recommended multiple priorities for consideration, including NGOM management, gear modifications to protect small scallops, and the development of flatfish accountability measures. Other topics in Doc.5 have been discussed by the Scallop Committee. PDT comments are shown in the table below.

<b>Potential Scallop Priorities for 2017 – Unofficial - Staff working list</b>	
<u>Potential Priorities</u>	<u>PDT Comments at July 21 meeting</u>
NGOM Management	
Gear modifications to protect small scallops	Think about how modifying gear can complement the spatial management of the fishery (i.e. closing areas to protect small scallops). Larger than 4” rings in some AA to help reduce discarding marketable scallops (discarding 110 mm scallops on GB)
Measures to address high grading.	High grading is an important issue to address. The observer program is starting to collect this information – but this is a difficult question to get at while on the boat. Two places to get at this 1) sorting, 2) while shucking. Could look at this in the context of ongoing work on discard mortality. A working group could help to get at lessons learned from other regions.
Scallop RSA Program	Consider the realized percentage of the projected landings that the set-aside represents (varies year to year).
Modify GB AAs	The HMA-NL area has lots of scallops.
Develop new flatfish AMs	Look at gear modifications in concert with time/area closures.

***Other Business:***

Emily Keiley (SMAST), Dr. Dvora Hart (NEFSC), Dr. David Rudders (VIMS) each provided updates from some of 2016 surveys to the group. Survey results will be presented at the August PDT meeting in Falmouth, MA.

Deliverables for August PDT meeting:

- Variation in shell height/meat weight within the NL (Dave Rudders)