



Fish News

June 16, 2009

Exxon Mobil Ordered to Pay \$500 Million in Interest for Spill Punitive Damages

The Ninth U.S. Circuit Court of Appeals ordered Exxon Mobil Corporation to pay approximately \$500 million in interest on punitive damages for the Exxon Valdez oil spill. The ruling came down June 15, 2009, nearly doubling the payout to Alaska Natives, fishermen, business owners and others devastated by the 1989 disaster.

A year ago, the U.S. Supreme Court set punitive damages at \$507.5 million. But a couple of months later, the high court would not decide whether Exxon Mobil should pay interest on the punitive damages awarded. The U.S. Supreme Court sent it back to the appeals court.



In 1989, the Exxon Valdez dumped 11-million gallons of crude oil into Prince William Sound, causing damage to 1,200 miles of coastline.

“We’re just happy that we’ve cleared another hurdle, and hopefully, we can get the case tidied up as soon as possible,” said Stanford University law professor Jeffrey Fisher, an attorney for the plaintiffs. “What we want more than anything now is just to bring this case to a close.”

[Read more: Link to Anchorage Daily News story](#)

June 2009 NPFMC Meeting Wrap Up

By Sam Cotten, NPFMC Member and AEB Fisheries Consultant



Council Member Gerry Merrigan (bottom row, right side on the end) participated in his last meeting at the June 2009 NPFMC meeting.

The June 2009 North Pacific Fishery Management Council (NPFMC) meeting was the last meeting for Council Member Gerry Merrigan. A new member will be sworn in at the October meeting in Anchorage. The

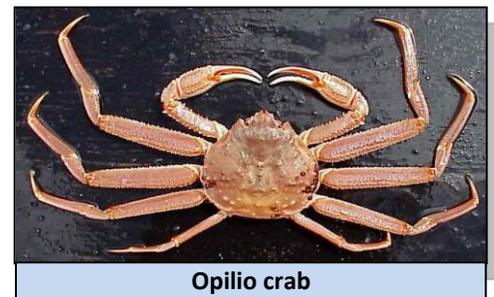
expected choice for the seat is Dan Hull, a Cordova halibut and

salmon fisherman.

Aleutians East Borough residents and Western Gulf fishermen attending the meeting included Paul Gronholdt, Ernie Weiss and Mike Alfeari.

Issues at the June Meeting:

Crab: The big news was the possible major reduction of the Opilio crab total allowable catch. Due to a rebuilding plan requirement, the allowable harvest may be reduced to less than 20 million pounds. Summer trawl surveys will be conducted this summer. That information will be presented to the crab plan team in September and reviewed by the

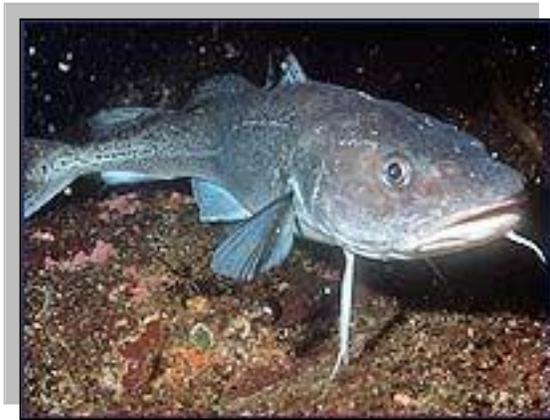


Opilio crab

Council in October. New information, if it's positive, could bring these numbers up.

Right of First Refusal (ROFR): The Council advanced some improvements to the community protection elements of the crab rationalization program. Testimony from Mayor Weiss was very helpful in getting support for these improvements. (See next story.)

Cod: Initial review of the Pacific cod sector split is scheduled for the October meeting.



Pacific cod

Options regarding the parallel waters will be included in that review. The State of Alaska controls waters from 0 - 3 miles. The state may restrict vessel size, gear type or exclusive registration, but may not allocate to sectors. This poses a challenge to the ability of the federal government to be successful with a sector split. Options before the Council include requiring any vessel fishing inside 3 miles to have the appropriate LLP (License Limitation Program) for the area and gear type or risk losing all federal fishing permits. In addition, the state could increase the amount of cod in the state waters fishery from the current 25% to a higher number and then choose to close state waters when that number is reached. The Council and the Alaska Board of Fisheries (BOF) will confer on these options at a meeting of the joint protocol committee or a joint Council-BOF meeting.

Vessel Capacity Limits: There is still some interest, mostly from Kodiak, in requiring boats with a large capacity to obtain an LLP for larger vessels. The 58' boats with large capacity are sometimes referred to as "super 8s" and have a wider beam than most 58' vessels.

Two of these large-capacity boats are in King Cove. One is new construction and one is a modified vessel. The proposal would "grandfather" in these boats and require conversions or new construction after a certain date to be subject to the new regulations. There is no consensus on how to measure boats for these requirements. However, some are calling for a length-to-width ratio or a hold-capacity limit. Some testimony suggested a trip limit may be a better solution to the problem. Testimony from others suggested there is no problem and the Council should just drop the whole idea. I don't expect this issue to advance quickly, if at all.

Observers: A new observer committee was appointed, co-chaired by Commissioner Denby Lloyd and Washington State Council Member Bill Tweit. The committee will meet sometime before the October Council meeting and review a plan that will be presented by the National Marine Fisheries Service (NMFS). The Council will take up the plan at its October meeting. Generally, the idea will be for the entire fleet in the Gulf to pay observer fees and be assigned an observer (even for vessels less than 60') as determined by NMFS. One expected result of the new program is more reliable data.

Kodiak Rockfish Pilot Program: The Kodiak rockfish pilot program is due to expire after the 2010 season. Programs advocates are asking the Council to continue it. One of



Kodiak rockfish

the features of the program is a requirement for fishermen to deliver their catch to a particular processor. This requirement may not be legal and the council has requested a formal opinion from NOAA general counsel. This question is important for other

possible rationalization programs as well. Can we have processor quota

shares? Can fishermen be restricted regarding to whom they can deliver fish? Can the Council create a closed class of processors? All of these are important questions to which we hope to get straightforward answers.

Please feel free to contact Sam Cotten ((907-242-1197) or Beth Stewart (907-586-586-6655) with any questions.

For more information on the June Council meeting, visit the link below:

[Link: NPFMC June 2009 Newsletter](#)

Staying Involved in the Process Can Make a Difference

By Ernest Weiss, King Cove Mayor

I decided to attend the June NPFMC meetings in Anchorage after hearing talk about impending cuts to the crab quota. That would mean decreased revenues to both the AEB and the City of King Cove. It is certainly true that the groups which don't stay involved are left out of the process. Sometimes direct involvement or testimony at the meetings has a notable effect on the actions of the council, and then real people can have a perceptible influence on the drafting of policy.

There was a direct link between my testimony at this meeting and council actions. The topic was Right of First Refusal (ROFR). The council was considering passing a motion that moved the Advisory Panel (A.P.) motion. However, the A.P. motion did not address one issue and a possible remedy of the discussion paper -- that a community's right of first refusal shouldn't force that community to purchase assets in another community if a company or processor is selling them as part of a deal that would end up with the processor quota leaving the community.

I testified that our community support for having ROFR's only apply to the PQS (Processor Quota Shares) and assets in that community. Mine was the only testimony on this issue, and it opened the door for Council Member Sam Cotten to amend the motion and direct staff to consider this change. This topic garnered at least 30 minutes of discussion. The amended motion passed by an 8-2 vote of the council.



Council Member Sam Cotten amended a motion on the crab quota Right of First Refusal. Photo by King Cove Mayor Ernest Weiss.

This change in the motion was technical, but could prove crucial to the protection of our communities in the future. Involvement in the process isn't always exciting, but it is always crucial. It's also gratifying when you see the positive effects of your involvement.



The NPFMC considers listens to testimony about the crab quota issue and the Right of First Refusal. Photo by King Cove Mayor Ernest Weiss.

NOAA Recommends Major Cuts to Bering Sea Snow Crab Harvest



Bering Sea snow crab

Staff members from the Alaska Fisheries Science Center in Seattle have recommended a drastic reduction in the Bering Sea snow crab harvest for the coming season. The branch of NOAA's (National Oceanic Administration Association's) National Marine

Fisheries Service is advocating that harvest limits for the coming season be set at 16 million pounds, down from 58.5 million pounds last year. The recommendation was announced at a mid-May meeting of the North Pacific Fishery Management Council's crab plan team. According to regulations set out by the Magnuson-Stevens Fishery Conservation and Management Act, the Secretary of Commerce is mandated to take measures to rebuild snow crab stocks within ten years of when the rebuilding plan was put into place (in 2000).

Wayne Donaldson, regional management biologist at Kodiak for the Alaska Department of Fish and Game, said snow crab stocks in the Bering Sea went through a rapid decline in 1999 – from 290 million pounds in 1998 to 24 million pounds in 1999.

The council will use information from the Alaska Fisheries Science Center, recommendations from its scientific and statistical committee and a summer trawl survey of current stocks to make its decision this fall on the total allowable catch for the season.

[Read more: Link to Alaska Journal of Commerce story](#)

[Read more: Anchorage Daily News story](#)

Sand Point Seafoods Hires Start-up Director

By Nancy Blakey, Snopac owner

The Sand Point Start-Up Committee has hired a Start-Up Director from a strong field of applicants. Roberta (“Robbie”) Townsend-Vennel was recently hired to move the Sand Point plant proposal forward. Robbie’s resume includes more than 20 years of experience as a CPA, business planner, and fundraiser in Alaska, including leading one of its more successful ANCSA village corporations, Afognak Native Corporation. Most recently she has been working with six Kodiak Archipelago rural villages in the development of their community plans, with a focus on economic development and fisheries.

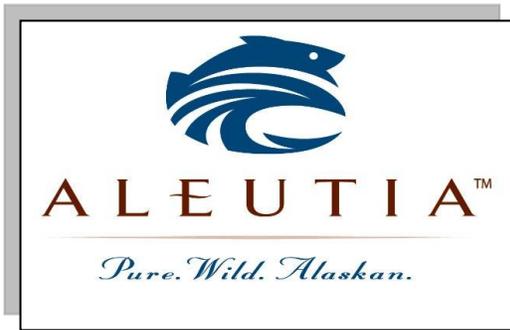


Roberta Townsend-Vennel was recently hired as Start-Up Director to move Snopac’s plant proposal forward in Sand Point.

Robbie will be in Sand Point from June 24th to July 10th to acquaint herself with the community, various entities, and fishermen, and to scope the site. She will return and stay from mid-August to mid-September. While she is in the community, Robbie will be in the Sand Point Seafoods Office in City Hall with posted office hours. While she is away from Sand Point, Robbie will be developing the plant’s business plan and governance policies. There will be a community meeting during the Salmon Derby Days in September (date and time to be determined). At that time, the business plan will be developed and investors actively sought.

Aleutia Announces Election Results for Board of Directors

Aleutia welcomes new board members Wayne Gundersen and Tina Andersen and returning board member Warren Wilson. Wayne Gundersen of Sand Point is assuming the At Large Aleutia Board seat. Tina Anderson of Sand Point is the Borough designee. Warren Wilson will hold the King Cove Board seat.



To keep up to date on Aleutia news, visit Aleutia's new website at: <http://www.FishAleutia.org>.

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