

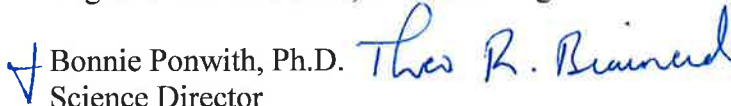


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SEC-TJ-2013-SER-1271

May 7, 2013

**MEMORANDUM TO:** Roy E. Crabtree, Ph.D.  
Regional Administrator, Southeast Regional Office

**FROM:**  Bonnie Ponwith, Ph.D.  
Science Director

**SUBJECT:** Review of Regulatory Amendment 19 to the Fishery Management Plan for the Snapper-Grouper Fishery (Black Sea Bass) of the South Atlantic Region (Regulatory Amendment 19) [RIN 0648-BD16]

The SEFSC reviewed Regulatory Amendment 19 for the Snapper-Grouper Fishery (Black Sea Bass). This amendment entails one action, suggesting two alternatives to the *status quo* (no action) alternative regarding black sea bass (BSB) annual catch limits and seasonal closure of the pot gear. The following are the SEFSC's review and recommendations to improve the scientific component of the final document:

- 1) P. 13, first paragraph, and p. 66, second paragraph: The inverse correlation between landings and revenues assumes that the demand is price elastic, or possibly infinitely price elastic, if price is assumed to remain constant in spite of increases in landings. Assuming that all other factors in the demand function remain constant, it should be noted that the data presented in Table 3.4.1 (p. 29) does not seem to support an elastic demand. No unique pattern is apparent between price and landings. In view of this, the SEFSC recommends citing the source(s) of the price elasticity estimate or explicitly state the assumptions regarding price elasticity and the reasoning behind it. If the price elasticity cannot be established, then the SEFSC suggests making conditional (if) statements instead.
- 2) On p. 66, clarify how the change in total revenues for alternatives 2 and 3 were arrived at. It appears that change in landings is multiplied by an assumed price of \$2.31. In Table 3.4.1, the real average price for the 2007-2011 period is \$2.26. It is not clear whether prices in Table 3.4.1 (p. 29) are used, or some average past price is subjected to an inflation rate (using current, 2013, prices). This needs to be clarified. Also note that if real prices are used, then changes in revenues are also expressed in real terms.
- 3) On page 6, 1<sup>st</sup> para., 3<sup>rd</sup> sentence: Referring to the SEDAR 25 Update 2013, "*Until another assessment or update is conducted, overfishing will not occur as long as landings are less*

than or equal to the values for OFL.” SEFSC recommends revising this statement to address the following concerns:

- a. The OFL for BSB is set using the P\* analysis at 0.50, which is equivalent to a 50% probability of overfishing. This OFL definition is inconsistent with the statement quoted above in that, even if the assumption is made that landings can be achieved at the OFL level with perfect precision (ignoring any implementation error), fishing at the OFL level or below still stands a 50% chance of overfishing.
- b. Another troubling part of that sentence is that it leaves open the possibility of landings remaining static after the end of the projection time period (after 2015) if another assessment is not completed. The projection results are only valid through 2015 and should not be used to set catch levels for 2016 and beyond.
- c. Wording in Alternative 2 could lead to a justification for allowing the ACL to remain static past 2015 as well: *"The 2015 ABC, based on landings only, is 1,814,000 lbs ww, and would be held constant beyond 2015 until modified."* (p. 12, 7<sup>th</sup> sentence). The 2015 ABC is highly dependent on the abundance in that large 2010 year class. With no follow up assessment, the strength of following year classes is unknown. Therefore, the ABC is only valid through the last year of projections (2015) and another assessment would need to be completed before a 2016 value could be produced. The projections started to break down after three years due to the high levels of uncertainty and would not be able to be carried forward any further without subsequent years of data. If the 2015 ABC was applied for subsequent years, the landings may exceed the OFL and it is very likely the stock would experience overfishing and somewhat likely that the stock would again become overfished.
- d. Alternative 2 carries with it great risk in the way the science is interpreted. There were a number of data sources that had to be approximated to carry out the assessment so early in the year. The resulting ABCs from the assessment must be interpreted with caution as they depend greatly on the magnitude of that 2010 recruitment event, the weighting of the indices and the approximations used to fill in missing data. Fishing at the edge of what may be possible for the stock to sustain assumes all the data are correct and carry little to no uncertainty. How much risk to assume is certainly a management decision, but the biological repercussions of Alternative 2 are much greater than Alternative 3.

#### **Minor Editorial Comments:**

- 1) P. 30, last paragraph, in reference to Table 3.4.3 (p. 31), pots gear constitute 90% of the BSB landings (as also indicated on p. 66, 3rd paragraph), instead of 76%. Unless the table entries are wrong, replace 76% by the correct figure of 90%.
- 2) P. 69, first paragraph, line three, “diminishing return” concept is typically used for the production function in economics. The SEFSC recommends replacing this with “diminishing marginal utility,” which is the more appropriate term to use for consumer behavior.

- 3) P. 69, fourth paragraph, line two, the correct table number seems to be 4.1.6., reporting state level data, instead of 4.1.5.
- 4) P. 92, Section 6.2, third paragraph, line two: Replace “calfing” with “calving.”

Cc:

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