

**JUSTIFICATION FOR CHANGE
WEST COAST GROUND FISH TRAWL ECONOMIC DATA
OMB CONTROL NO. 0648-0618**

We would like to make changes to the questionnaires for catcher processors, catcher vessels, first receivers and shoreside processors, and motherships. We consider all changes non-substantive and serve to either clarify questions, or add additional categories to existing questions. There will be no change to burden.

1. West Coast Groundfish Limited Entry Trawl Catcher-Processor Vessel 2012 form

Addition of new categories to existing questions:

On Page 8, Question 18, we changed the landings question, which formerly only specified one Alaska/Other Category, to add a "West Coast" line. We added a line for participants to provide the total round weight harvested in the West Coast fisheries in addition to that harvested in Alaska/Other, in order to validate the external data source we will use to calculate revenue.

Clarifications to instructions and categories:

On page 7, Question 17, the wording of the row description was changed from "On-board cargo/product insurance" to "On-board cargo/product/protection and indemnity insurance". After speaking with members of industry who filled out our form, we learned that protection and indemnity insurance was better suited for this category than lumped with the other types of insurance.

On page 5, Question 11, the original instructions read: "Please exclude any steaming between the West Coast and Alaska in these calculations". We changed this language to read, "Exclude activities in Alaska and steaming between the West Coast and Alaska in these responses". We wanted to make sure that participants did not include any fuel used during Alaskan fishing activities in addition to not including fuel used during steaming activities.

On Page 5, Question 12, the instructions read, "This information will be used to allocate some of your expenditures between the West Coast and Alaska in order to avoid asking more detailed information about the vessel's activity in Alaska". We changed this phrasing to say, "This information will be used to allocate some of your expenses and expenditures between the West Coast and Alaska in order to avoid asking more detailed information about the vessel's activities in Alaska". We added the word "expenses" to clarify how we intend to use the information provided in this question as we intend to allocate both expenditures and expenses.

On Page 5, Question 14, we changed the column header from "**Average Number of Processing Crew Members**" to "**Average Number of Processing Crew**". We removed the word

"members" from the label on this column header in this question in order to match the non-processing crew column header.

On Page 6, Question 15, the instructions used to say, "Capital investments on the vessel and gear shared across fisheries will be allocated to the West Coast based on days or tonnage". We changed this wording to "Capital investments shared across fisheries will be allocated to the West Coast based on days or tonnage". We removed the vessel and gear from the instructions from this question in order to simplify the wording for survey participants.

On page 6, Question 15, the instructions for the survey in the previous year read: "Include all electronics, safety equipment, and machinery not used to harvest or process fish". We changed this to say, "Include the purchase of a new or used vessel, electronics, safety equipment, and machinery not used to harvest or process fish. Include any major upgrades, repairs, or maintenance to the vessel or equipment". We updated the instructions for the Vessel and On-board equipment to match those used on the catcher vessel survey, in order to keep the survey language consistent for companies that are filling out multiple forms.

On page 6, the Section III title used to be "Quota and Permit Expenses", which we changed to "Quota and Permit Costs". We corrected the expense term to more accurately encompass what could be either an expenditure or an expense.

On page 6, Question 16, the original question read: "Provide the total cost of mothership permits purchased or leased during 2011 in the **West Coast whiting fishery**". We changed these instructions to "Provide the total amount you paid for purchase or lease of co-op shares and mothership endorsed West Coast groundfish limited entry trawl permits during 2012 for used in the **West Coast whiting fishery**." Participants have not provided responses to this question on previous surveys, so we clarified the language to make sure the instructions for this type of cost are easy to understand.

On page 7, Question 17, the row category for fishing gear originally said: "Repair and maintenance on fishing gear used in the West Coast whiting fishery only (expensed in 2011)". We updated this wording to say "Fishing gear purchases, upgrades, repairs, and maintenance used **only in** the West Coast whiting fishery (expensed during 2012)". The language in this category did not match that of the other major vessel expense categories, both in the expense columns and the corresponding capitalized expenditure categories. This revision makes the category description uniform and easier for participants to understand.

Page 7, Question 17, the row description read: "Repair and maintenance on fishing gear shared by the West Coast whiting fishery and other fisheries (expensed in 2011)." We changed this slightly to read: "Fishing gear purchases, upgrades, repairs and maintenance **shared by** the West Coast whiting fishery and Alaska (expensed during 2012)". The language in this category did not match that of the other major vessel expense categories, both in the expense columns and the

corresponding capitalized expenditure categories. This revision makes the category description uniform and easier for participants to understand.

On page 7, in Question 17, "Vessel and on-board equipment repair and maintenance (expensed during 2011)" was changed to "Vessel and on-board equipment purchases, upgrades, repairs or maintenance (expensed during 2012)". The language in this category did not match that of the other major vessel expense categories, both in the expense columns and the corresponding capitalized expenditure categories. This revision makes the category description uniform and easier for participants to understand.

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On page 9, Question 20, includes "Types of Whiting Product Categories", and we added an extra "Other:" product type line. We were concerned that in the future, participants may have more than one "other" product category and wanted to provide a space for the participant to enter that information.

On page 9, Question 20, we changed the "All other species" category to "All other species on the West Coast." We wanted to make sure that the participant didn't use the "other" line to give us information on non-whiting production from their Alaska operations, which had happened on the baseline and 2011 surveys.

On page 10, Question 22, the instructions that previously read: "Provide the revenue received during 2011 from the sale or lease of **West Coast whiting** mothership permits that were associated with this vessel" were changed so that they now read: "Provide the revenue received during 2012 from the sale or lease of mothership endorsed **West Coast** groundfish limited entry trawl permits that were associated with this vessel". We changed the language about the permit to reflect the actual permit type as it appears in the title of the survey.

2. West Coast Groundfish Limited Entry Trawl Catcher Vessel 2012 form

Creation of new category within question:

On page 6, Question 13, we split the category "days at sea for chartering and research" into two categories, "Alaska chartering, research, or tendering" and "West Coast chartering, researching, or tendering" categories". We decided to add the activity tendering based on participant responses in earlier surveys, and we divided the original category between coasts to better match vessel operations and reflect geographic distinctions made in the fishing categories listed earlier in the question.

On page 10, Question 20, to match the changes made in Question 13, we split the category “revenue from chartering and research” into two categories, "Alaska chartering, research, or tendering" and "West Coast chartering, researching, or tendering" categories”. We added tendering based on participant responses in earlier surveys, and we divided between coasts to better match vessel operations and reflect geographic distinctions made in the categories above, finally we split out leasing to better match days at sea categories

Clarifications to instructions and categories:

On page 2, Question 2, we changed the language: "Provide the contact information for the owner of the vessel. Please make sure the name provided matches the name of the holder of the limited entry permit attached to this vessel in 2011." to "Provide the contact information for the owner of the vessel in 2012. Please make sure the name provided matches the name of the holder of the limited entry trawl permit attached to this vessel in 2011." The additional clarification of the year in the instructions for the name of the owner clarifies what name participants should provide if the ownership of the vessel has subsequently changed. The addition of the word "trawl" adds consistency to the description of the permit type referred to throughout the survey.

On page 2, Question 3, we changed the language: "List the limited entry groundfish permit(s) used with this vessel during 2011 in the West Coast (Washington, Oregon, and California) fishery--Do NOT include state fishing permits, (e.g., shrimp, crab, or salmon)." to "List the limited entry groundfish permit(s) registered to this vessel during 2011 in the West Coast (Washington, Oregon, and California) fishery--Do NOT include state fishing permits, (e.g.: shrimp, crab, or salmon)." This clarification of permit use better matches the language in the regulations.

On page 5, Question 11, we changed the language: "Provide this vessel's average fuel use (for propulsion or other uses) per day, speed, and crew size (not including captain) when engaged in each of the following activities on the West Coast (Washington, Oregon, and California)." to "Provide this vessel's average fuel use per day, speed, and crew size (not including captain) when engaged in each of the following activities on the West Coast (Washington, Oregon, and California)." because we wanted to simplify instructions as much as possible for ease of understanding.

On page 5, Question 11, we changed the language: "Put an 'NA' under Fuel Use for all activities in which you did not operate this vessel." to "If you did not participate in a particular activity, please write 'N/A'." We changed the second bullet point under the instructions of this question to match the "N/A" instructions from other questions on the survey (e.g., Q13).

On page 5, Question 12, we changed "How many gallons of fuel did this vessel use (for propulsion or other uses) during 2011 on the West Coast (Washington, Oregon, and California)?" to "How many gallons of fuel did this vessel use (for all uses) during 2012 on the West Coast (Washington, Oregon, and California)?" We clarified the types of fuel we would like

participants to include in calculations for form because the original wording was determined to be somewhat confusing to respondents, and we wanted to ensure we were receiving the total fuel used for any purpose in the vessel's operations.

On page 6, Question 13, we changed "If you did not participate in a particular activity, please write 'NA'." to "If you did not participate in a particular activity, please write '0'." to "If you did not participate in a particular activity, please write '0'." in order to improve consistency for this answer across different respondents. In the baseline and 2011 we saw a mixture of 0 and NA responses and we are hoping to have all days at-sea listed as 0 if the vessel did not participate in that activity.

On page 7, Question 15, we changed "Provide the 2011 capitalized expenditures associated with each of the following categories for this vessel." to "Provide the 2011 capitalized expenditures (all expenditures made in 2012 that will be depreciated) associated with each of the following categories for this vessel." in response to participant confusion about the definition of capitalized expenditures.

On page 7, Question 15, we changed "Include all electronics, safety equipment, and machinery not used to harvest fish." to "Include the purchase of a new or used vessel, electronics, safety equipment, and machinery not used to harvest or process fish. Include any major upgrades, repairs, or maintenance to the vessel or equipment." We added these instructions to the bullet points of Q15 because prior surveys were unclear as to where the expense of a vessel should be included, and the second bullet point to match the language of the expense categories.

On page 7, Section III, we changed the title from "Quota and Permit Expenses" to "Quota and Permit Costs" to better encompass what could be either an expenditure or an expense.

On page 7, Question 16, we added "Purchase of quota or permits reflects a permanent transfer, whereas lease implies a temporary transfer. If you did not incur a particular expense, please write '0'." to assist respondents with the difference between sales and leases of quota which was a point of confusion during the 2011 survey.

On page 7, Question 16, we appended "Costs" to the column headers to emphasize that we are looking for expenses and not revenues. In the 2011 survey, some participants misinterpreted this section and provided revenue from permit and quota leasing.

On page 9, Question 17, we added upgrades to the description of "Vessel and on-board equipment" to make sure we capture all the types of vessel and on-board equipment expenses vessels may have.

On page 9, Question 17, we changed "Repair and maintenance on fishing gear used in the West Coast Fisheries only (expensed during 2011)" to "Fishing gear purchases, upgrades, repairs or maintenance used only in the West Coast Fisheries". The language in this category didn't match

that of the other major vessel expense categories, both in the expense columns and the corresponding capitalized expenditure categories. This revision makes the category description more uniform and easier for participants to understand.

On page 9, Question 17, we changed "Repair and maintenance on fishing gear shared by the West Coast, Alaska, and other fisheries (if you did not fish in Alaska, enter 'NA')" to "Fishing gear purchases, upgrades, repairs or maintenances shared by the West Coast, Alaska, and other fisheries (if you did not fish in Alaska, enter 'NA')(expensed during 2012)". The language in this category didn't match that of the other major vessel expense categories, both in the expense columns and the corresponding capitalized expenditure categories. This revision makes the category description more uniform and easier for participants to understand.

On page 9, Question 17, we changed "Repair and maintenance on processing equipment (expensed during 2011)" to "Processing equipment purchase, repair, and maintenance (expensed during 2012)" because the language in this category didn't match that of the other major vessel expense categories, both in the expense columns and the corresponding capitalized expenditure categories. This revision makes the category description more uniform and easier for participants to understand.

On page 10, Question 20, we changed "Alaska shoreside landings and at-sea deliveries" to "Alaska shoreside landings and at-sea deliveries of fish harvested with the vessel" to clarify the language in this category to distinguish fishing revenue in AK from other types (ie, tendering).

On page 10, Question 20, we changed the two fields for sale and lease of "other West Coast permits" to sale and lease of "West Coast limited entry fixed gear permits" to make these categories consistent with the categories in Question 16 on page 7.

On page 10, Question 21, we changed "Did this vessel use a crew share system to pay its crew when operating in the West Coast groundfish fisheries during 2011?" to "Did this vessel use a crew share system to pay its crew when operating in the West Coast groundfish limited entry trawl fisheries during 2012?" to more accurately describe the fishery in question.

On page 11, Question 22, we changed "Which of the following expenses were deducted from total revenue before calculating the crew share when the vessel operated in the West Coast groundfish fisheries during 2011?" to "Which of the following expenses were deducted from the total revenue before calculating the crew share when this vessel operated in the West Coast groundfish limited entry trawl fisheries during 2012?" to more accurately describe the fishery in question.

On page 12, Question 23, we changed "On what percentage of fishing trips did the vessel owner serve as captain in the West Coast groundfish fisheries during 2011?" to "On what percentage of fishing trips did the vessel owner serve as captain in the West Coast groundfish limited entry trawl fisheries during 2012?" to more accurately describe the fishery in question.

On page 12, Question 24, we changed "On trips when the vessel owner served as captain, please indicate the share of net revenue (revenue minus the deductions listed in Question 22) going to the vessel, captain, crew, and if applicable, Other" to "On trips when the vessel owner served as captain in the West Coast groundfish limited entry trawl fisheries, please indicate the share of net revenue (revenue minus the deductions listed in Question 22) going to the vessel, captain, crew, and if applicable, Other" to more accurately describe the fishery in question.

On page 12, Question 25, we changed "On trips when the vessel owner did not serve as captain, please indicate the share of net revenue (revenue minus the deductions listed in Question 22) going to the vessel, captain, crew, and if applicable, Other" to "On trips when the vessel owner did not serve as captain in the West Coast groundfish limited entry trawl fisheries, please indicate the share of net revenue (revenue minus the deductions listed in Question 22) going to the vessel, captain, crew, and if applicable, Other" to more accurately describe the fishery in question.

3. West Coast Groundfish First Receiver and Shorebased Processor 2012 form

Clarifications to instructions and categories:

On page 3, Question 6, we changed "When did your 2011 fiscal year begin?" to "For the remainder of the survey, report values from your 2012 fiscal year. When did this facility's 2012 fiscal year begin?" We modified the questions to match the style of the questions in the other three surveys.

On page 4, Question 8, we changed "Provide the number of **production workers** in the following table. **Production workers** include those workers at this facility (up through and including the line-supervisor level) engaged in fabricating, processing, assembling, inspecting, receiving, packing, warehousing, shipping, maintenance, repair, janitorial, product development, or transporting product on-site" to "Provide the number of **production workers** in the following table. **Production workers** include those workers at this facility (up through and including the line-supervisor level) engaged in fabricating, processing, assembling, inspecting, receiving, packing, warehousing, shipping, maintenance, repair, janitorial, product development, or transporting product on-site. If your fiscal year does not follow the calendar year, use the month that corresponds with your fiscal year ". Some participants had expressed confusion about this question because it is based on a standard calendar year whereas some companies chose to follow alternative fiscal year accounting. We wanted to emphasize in the instructions we are interested in the month associated with the fiscal and not calendar year if the two differ.

On page 4, Question 8, we changed the dates in the question from "January 12", "February 12", etc. to have an "th", such as "January 12th", "February 12th", etc. Because the date we had chosen for each month in previous survey, 12, is now also the number of the survey year, 2012, we were concerned that participants might be confused, particularly those with fiscal years that

do not follow the calendar year, so we added "th" to the dates to emphasize we want the hours worked in the week of the 12th day of the month.

On page 4, Question 9, we changed "Provide the **number of all other employees** in the following table. **All other employees** includes those involved in supervision above line-supervisor level, sales, advertising, credit, collection, installation, cafeteria, recordkeeping, clerical and routine office functions, guard services, executive, purchasing, finance, and legal. If hours are not tracked for salaried employees, please assume a 40 hour work week " to "Provide the **number of all other employees** in the following table. **All other employees includes** those involved in supervision above line-supervisor level, sales, advertising, credit, collection, installation, cafeteria, recordkeeping, clerical and routine office functions, guard services, executive, purchasing, finance, and legal. If hours are not tracked for salaried employees, please assume a 40 hour work week. If your fiscal year does not follow the calendar year, use the month that corresponds with your fiscal year. " Some participants had expressed confusion about this question because it is based on a standard calendar year whereas some companies chose to follow alternative fiscal year accounting. We wanted to emphasize in the instructions we are interested in the month associated with the fiscal and not calendar year if the two differ.

On page 4, Question 9, we changed "March 12" to "March 12th". Because the date we had chosen for each month in previous survey, 12, is now also the number of the survey year, 2012, we were concerned that participants might be confused, particularly those with fiscal years that do not follow the calendar year, so we added "th" to the dates to emphasize we want the hours worked in the week of the 12th day of the month.

On page 5, Question 10, we changed "Labor expenses for production workers and all other employees (include wages, bonuses, benefits, payroll taxes, and unemployment insurance)" to "Provide the labor expenses for production workers and all other employees. Include wages, bonuses, benefits, payroll taxes and unemployment insurance". We modified the questions to match the style of the questions in the other three surveys.

On pages 5, 6, 7 in Questions 10, 11, 12, 14, 16, 17 we changed the column headers "2011 Total Expenses" to simply read "Total Expenses". We took the survey year off the column headers in order to simplify the tables, and because the information was redundant as we refer frequently to the survey year, and ask people to provide us with their survey year information for the entirety of the survey in Question 6.

On page 5, we split what was originally a single section entitled "IV. Selected Expenses and Depreciation" into two sections which we called "IV. Quota Costs" and "V. Expenses and Depreciation". We took quota costs out of the expense section because this type of cost can be either a capitalized expenditure or an expense.

On page 5, Question 11, we changed "Quota Expenses" so that this question now reads "Provide the total cost of quota pounds and quota shares purchased or leased during 2012 in the West

Coast limited entry fisheries. Purchase of quota reflects a permanent transfer, whereas lease implies a temporary transfer. If you did not incur a particular expense, please write "0". We modified the questions to match the style of the questions in the other three surveys.

On page 5, Question 12, we changed the subsection title "Utilities" to the more formal question "Provide the total expenses on utilities at your facility in 2012". We modified the questions to match the style of the questions in the other three surveys.

On page 5, Question 12, we changed "Nitrogen gas" to "Other gas (not gasoline)". Based on conversations with participants regarding information in the 2011 and baseline surveys, nitrogen gas is one of several gas options available to first receivers, so we broadened this category definition to fit a variety of inputs.

4. West Coast Groundfish Limited Entry Trawl Mothership Vessel 2012 form

Creation of new category and addition of new question:

On page 7, Question 17, we changed a category name from "on-board cargo/product insurance" to "On-board cargo/product/protection and indemnity insurance", and changed a subsequent category from "Insurance premium payments (hull and machinery, protection and indemnity, and pollution insurance)" to read "Insurance premium payments (hull and machinery, pollution insurance)". We implemented this change after speaking with members of industry who filled out our form, when we learned that protection and indemnity insurance was better suited for the product insurance category than lumped with the other broader types of vessel insurance.

On page 8, Question 19, we added a line to the box asking for total pounds landed, which previously only asked for "Alaska/Other", so that there are now two lines and the second reads "West Coast". We added this line for participants to provide the total round weight harvested in the West Coast fisheries in addition to that harvested in Alaska/Other, in order to validate the external data source we will use to calculate revenue, because some participants had commented that our external data source might occasionally have errors in it.

On page 10 of the Mothership survey, we added a new question, asking participants to "Provide the revenue received during 2012 from the sale or lease of West Coast co-op shares". We have a corresponding question on the catcher processor survey and wanted to make sure we provided the opportunity for mothership participants to provide us this information as well.

Clarifications to instructions and categories:

On page 5, Question 11, the original instructions read: "Please exclude any steaming between the West Coast and Alaska in these calculations". We changed this language to read, "Exclude activities in Alaska and steaming between the West Coast and Alaska in these responses". We wanted to make sure that participants did not include any fuel used during Alaskan fishing activities in addition to not including fuel used during steaming activities.

On Page 5, Question 12, the instructions read "This information will be used to allocate some of your expenditures between the West Coast and Alaska in order to avoid asking more detailed information about the vessel's activity in Alaska". We changed this phrasing to say, "This information will be used to allocate some of your expenses and expenditures between the West Coast and Alaska in order to avoid asking more detailed information about the vessel's activities in Alaska". We added the word "expenses" to clarify how we intend to use the information provided in this question as we intend to allocate both expenditures and expenses.

On Page 5, Question 14, we changed the column header from "**Average Number of Processing Crew Members**" to "**Average Number of Processing Crew**". We removed the word "members" from the label on this column header in this question in order to match the non-processing crew column header.

On Page 6, Question 15, the instructions used to say, "Capital investments on the vessel and gear shared across fisheries will be allocated to the West Coast based on days or tonnage". We changed this wording to "Capital investments shared across fisheries will be allocated to the West Coast based on days or tonnage". We removed the vessel and gear from the instructions from this question in order to simplify the wording for survey participants.

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On page 6, Question 16, the original question read: "Provide the total cost of mothership permits purchased or leased during 2011 in the **West Coast whiting fishery**". We changed these instructions to "Provide the total amount you paid for purchase or lease of co-op shares and mothership endorsed West Coast groundfish limited entry trawl permits during 2012 for used in the **West Coast** whiting fishery." Participants have not provided responses to this question on previous surveys, so we clarified the language to make sure the instructions for this type of cost are easy to understand.

On page 7, Question 17, the row category for fishing gear originally said: "Repair and maintenance on fishing gear used in the West Coast whiting fishery only (expensed in 2011)". We updated this wording to say "Fishing gear purchases, upgrades, repairs, and maintenance used **only in** the West Coast whiting fishery (expensed during 2012)". The language in this

category did not match that of the other major vessel expense categories, both in the expense columns and the corresponding capitalized expenditure categories. This revision makes the category description uniform and easier for participants to understand.

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