HONORABLE RICHARD A. JONES 1 HONORABLE MICHELLE L. PETERSON 2 3 4 5 6 7 8 9 UNITED STATES DISTRICT COURT 10 FOR THE WESTERN DISTRICT OF WASHINGTON 11 AT SEATTLE 12 13 WILD FISH CONSERVANCY, Case No. 2:20-cv-417-RAJ-MLP 14 Plaintiff, DEFENDANTS' RESPONSE TO 15 **DEFENDANT-INTERVENOR'S** MOTION FOR PARTIAL STAY v. 16 PENDING APPEAL 17 JENNIFER QUAN, et al., 18 Defendants, 19 and 20 ALASKA TROLLERS ASSOCIATION, 21 Defendant-Intervenor, 22 23 and 24 STATE OF ALASKA, 25 Defendant-Intervenor. 26 27 28

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U.S. Department of Justice P.O. Box 7611 Washington, D.C. 20044 (202) 305-0641

1		TABLE OF ACRONYMS
2	ESA	Endangered Species Act
3	ITS	Incidental Take Statement
4	NMFS	National Marine Fisheries Service
5	SEAK	Southeast Alaska
6	SRKW	Southern Resident Killer Whales
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# INTRODUCTION

Defendant-Intervenor State of Alaska moved for a partial stay pending appeal. Dkt. # 172 (Mot.). Specifically, the State of Alaska requested that the Court stay the decision to vacate in large part the incidental take statement (ITS) that applies to the Chinook commercial troll fishery in Southeast Alaska (SEAK). *Id.* at 1. Defendant-Intervenor Alaska Trollers Association joined that motion. Dkt. # 173. Defendants file this response in support of the motion.

### STANDARD OF REVIEW

When deciding whether to issue a stay, courts consider the four factors established in *Nken v. Holder*, 129 S. Ct. 1749 (2009): "(1) whether the stay applicant has made a strong showing that he is likely to succeed on the merits; (2) whether the applicant will be irreparably injured absent a stay; (3) whether issuance of the stay will substantially injure the other parties interested in the proceeding; and (4) where the public interest lies." *Sierra Club v. Trump*, 929 F.3d 670, 687 (9th Cir. 2019) (citations omitted). In applying this four-factor test, the first two "are the most critical." *Id.* (citation omitted). "The third and fourth factors, harm to the opposing party and the public interest, merge when the Government is the opposing party." *Nken*, 129 S. Ct. at 1753.

# **ARGUMENT**

A stay is warranted and appropriate here because success on the merits of the State of Alaska's appeal of the district court's remedy order is likely, irreparable harm will result absent a stay pending appeal, and the public interest favors a stay. The Ninth Circuit is likely to find that the Court abused its discretion when it vacated the portion of the ITS as it applies to the winter and summer seasons of the Chinook commercial troll fishery. As an initial matter, the Court erroneously assumed that it should presumptively vacate an agency's action when that action violates the Administrative Procedure Act. Vacatur remains an equitable remedy and therefore should not be granted unless the relevant equitable considerations tip in favor of relief. See Nat'l Wildlife Fed'n v. Espy, 45 F.3d 1337, 1343 (9th Cir. 1995); Cal. Cmtys. Against Toxics v. U.S. EPA, 688 F.3d 989, 992 (9th Cir. 2012) (per curiam). To the extent the

court put a thumb on the scale in favor of vacatur, rather than fairly weighing the specific facts before it, that was error.

And when balancing the seriousness of the agency's errors with the disruptive consequences of vacatur, the Court inappropriately elevated the small and largely speculative impacts to Southern Resident Killer Whales (SRKW) resulting from operation of the commercial Chinook troll fishery over the significant and very real harm that will occur in SEAK fishing communities. In reaching its decision on vacatur of the ITS, the Court stated that "no party here suggests that there would not be at least some benefit to the SRKW from additional prey availability." Dkt. # 144 at 34. But the rub lies in the scope of "some benefit." The National Marine Fisheries Service (NMFS) estimated that *all* the SEAK fisheries would reduce SRKW prey availability by an average of 0.5% in coastal waters during the winter and by an average of 1.8% in inland waters during the summer, Fourth Barre Decl. ¶ 11, which means that the reductions in prey expected from a part of those fisheries—the winter and summer seasons of commercial troll fishing—would necessarily be lower. Thus, the benefit of effectively closing those fisheries would be even smaller.

The Court compounded this mismeasurement because it did not consider the actual benefits flowing from the prey increase program, which its decision left in place. The record evidence shows the prey increase program has been funded and implemented since 2020 and is more than compensating for the summer and winter Chinook fishery. *Id.* ¶¶ 7, 15. More specifically, the program has already produced fish that will serve as additional prey for SRKW as adults in 2023, 2024, and beyond. Fourth Purcell Decl. Att. 1. The years 2023 and 2024 are particularly important because NMFS is on track to complete its remand no later than November 2024. Dkt. # 150 ¶ 5. This means that prey from the program will be available to SRKW during the pendency of this remand. The Court acknowledged that "a certain and definite increase in prey is available to the SRKW," Dkt. # 144 at 31, but erroneously did not take this information into account when evaluating the disruptive consequences of vacating the ITS.

NMFS's implementation of the prey increase program also means that with the passage of time, one of the primary errors the Court identified (that NMFS relied on mitigation that was too uncertain) has been effectively remedied. NMFS has also been ensuring that each hatchery program receiving funds under the program is covered by site-specific analyses under both the Endangered Species Act (ESA) and the National Environmental Policy Act, which means that the agency has been considering the impacts of hatchery fish on wild fish. Fourth Purcell Decl. ¶¶ 9-11. This analysis suggests that NMFS will be able to offer better reasoning on remand in support of its decision in the 2019 Biological Opinion and adopt the same decision.

The agency's relatively minor procedural deficiencies and the minimal benefit to SRKW pale in comparison to the impacts of closing the lifeblood of the small Alaska fishing communities and the attendant harm. In assessing the disruptive consequences, the Court discounted the economic impacts of vacatur, which NMFS estimates will be approximately \$29 million *per year*, if those engaged in commercial troll fishing in the winter and summer do not fish in the absence of the "take" coverage provided by the ITS. Harrington Decl. ¶ 40. In *California Communities Against Toxics*, the court decided not to vacate in part because stopping construction of a "much needed power plant" employing 350 workers would be "economically disastrous." 688 F.3d at 993-94. Here, too, the impacts of vacating the ITS would be economically disastrous. There are over 1,000 active permit holders who participate in the troll fisheries annually, and many of the participants are small-scale participants who rely heavily on income from the troll fisheries. Harrington Decl. ¶ 32, 41. The troll fisheries support over 23 SEAK communities, most of which are small and isolated, some of which are Alaska Native communities, and some of which are heavily dependent on the commercial troll fishery. *Id.* ¶ 41.

The economic impact includes ex-vessel prices, which represents the value of the commercial landings of fish. *Id.*  $\P$  33. NMFS has estimated that the average annual ex-vessel value of the Chinook salmon fishery is \$11,462,827.60 and represents, on average, 10.91% of

<sup>&</sup>lt;sup>1</sup> The State of Alaska has indicated that "[v]acatur of the ITS would result in closure of the winter and summer Chinook troll fishery." Dkt. # 134 at 7; see Dkt. # 94 at 24.

the total annual ex-vessel value of all SEAK salmon fisheries. *Id.* ¶¶ 34, 35. There are additional economic factors, such as skipper and crew income, and the secondary spending of that income. *Id.* ¶ 36. These economic impacts will affect individual people and the rural fishing communities that are dependent on the troll fleet, which in SEAK harvests 67% of all Chinook salmon, the highest value salmon. *Id.* ¶¶ 26, 32.

For the same reasons that this Court abused its discretion in concluding that vacatur would not be overly disruptive, the State of Alaska can demonstrate that irreparable harm will result absent a stay and that the public interest weighs in favor of a stay pending appeal. As explained above, there is no indication that economic disruptions to those engaged in SEAK fishing could be repaired, and the impacts to SRKW prey abundance will be minimal. A stay is also in the public interest because, without it, the complex regulatory framework for managing fisheries and broader efforts to promote the recovery of ESA-listed species will be frustrated. Within that framework, NMFS works with its regional partners, including the States of Washington, Oregon, Alaska, and Tribes with treaty fishing rights, to manage fisheries and mitigate the effects of the fisheries and to establish a suite of restoration and recovery actions that benefit species such as endangered SRKW and threatened Chinook salmon. Vacating the ITS would interfere with this regulatory framework and would not engender public support for SRKW recovery efforts. NMFS, with its regional partners, has worked very hard to promote actions that will recover SRKW, and this remedy will frustrate those efforts by creating tension between SRKW and fishing communities. Pitting an endangered species against unnecessary economic dislocation harms NMFS, and more importantly, SRKW.

# CONCLUSION

Defendants agree with the State of Alaska that a stay pending appeal is warranted because the Court gave undue weight to any conservation benefits from the cessation of the commercial troll Chinook salmon fishery in SEAK, ignored the increased prey now available to SRKW through the prey increase program, and underestimated the severe economic consequences of vacatur.

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1	Dated: May 22, 2023	Respectfully submitted,
2		TODD KIM
3		Assistant Attorney General
		S. JAY GOVINDAN
4		Section Chief
5	OF COUNSEL:	/s/ Frederick H. Turner
6	SHEILA LYNCH	FREDERICK H. TURNER
7	Office of General Counsel National Oceanic and Atmospheric	Senior Trial Attorney U.S. Department of Justice
8	Administration	Environment and Natural Resources Division
	Seattle, WA	Wildlife and Marine Resources Section
9		Ben Franklin Station, P.O. Box 7611
10	MOLLY E. WATSON	Washington, D.C. 20044-7611 Phone: (202) 305-0641
	Office of General Counsel	Fax: (202) 305-0041 Fax: (202) 305-0275
11	National Oceanic and Atmospheric	Email: frederick.turner@usdoj.gov
12	Administration	Eman. nederick.turner@usdoj.gov
13	Juneau, AK	COBY HOWELL
		Senior Trial Attorney U.S. Department of Justice
14		c/o U.S. Attorney's Office
15		1000 SW Third Avenue
16		Portland, Oregon 97204-2902
		Tel: (503) 727-1023   Fax: (503) 727-1117
17		Email: coby.howell@usdoj.gov
18		Attorneys for Defendants
19		
20		
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CERTIFICATE OF SERVICE AND COMPLIANCE

I hereby certify that on May 22, 2023, I electronically filed the foregoing with the Clerk of the Court for the United States District Court for the Western District of Washington by using the CM/ECF system, which will serve a copy of the same on the counsel of record.

I hereby certify that this response contains 1,488 words, in compliance with the Local Civil Rules.

/s/ Frederick H. Turner

FREDERICK H. TURNER

Senior Trial Attorney

U.S. Department of Justice

Environment and Natural Resources Division

Wildlife and Marine Resources Section Ben Franklin Station, P.O. Box 7611

Washington, D.C. 20044-7611

Phone: (202) 305-0641 Fax: (202) 305-0275

Email: frederick.turner@usdoj.gov

Attorney for Defendants

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