

# **Economic Analysis of Revising the Designation of Steller Sea Lion Critical Habitat Request for Proposals Q&A**

Q: To assist us in our scoping, would PSMFC please share information on the total budget available for this effort? Also, we would like any information on how PSMFC anticipates the level of effort be allocated amongst tasks.

**A: This project will occur over more than one fiscal year. As such, total funding levels are not known. Task 1 (synthesis) is expected to require the greatest proportion of effort, as is generally indicated by the time allotted for completion, including revisions for changes in critical habitat designations scheduled to occur between February 25, 2015 and March 14, 2015. Task 2 (impact analysis) is expected to require approximately 30 percent less effort than Task 1. Task 3 (public meeting) is based on a three hour meeting plus set up time, venue cost, equipment, and any travel necessary. Task 4 (comments analysis report) is expected to take several analysts, depending on experience, approximately one month to complete, with additional time needed for revisions. Task 5 is expected to involve the lead analyst(s) and documents processing staff in making final revisions and preparing the final document for submittal over the course of one month.**

Q: On page 15, the RFP states that: “The NMFS Economics Project Manager will provide the Contractor with maps depicting: the area(s) currently designated as Steller sea lion critical habitat; areas preliminarily identified in a revision to the currently designated Steller sea lion critical habitat; suggested focal areas relative to 4(b)(2) exclusion; and the essential features of critical habitat (to be developed by NMFS) for the western DPS of Steller sea lion by the date of the project kick-off” meeting (or whenever practicable)”.

As information on both the revised critical habitat designation boundaries and the essential features is key to completing Task 1, does NMFS have the flexibility to postpone the December 31, 2014 deadline for Task 1 if the maps designating critical habitat become available after the August kickoff meeting (or soon thereafter)? Areas preliminarily identified in a revision to the currently designated Steller sea lion critical habitat, suggested focal areas relative to 4(b)(2) exclusion, and the essential features of critical habitat

**A: No. Task 1 (synthesis) primarily collects and compiles baseline information needed to assess “with and without” Steller sea lion Critical Habitat conditions. Please note that RFP Section X. Project Deliverables and Deadline for Each, identifies additional time between February 25, 2015 and March 14, 2015 during which the contractor will make any revisions necessary in the synthesis brought about through changes in critical habitat. Maps of those changes will be provided to the contractor by February 25, 2015. Maps of current Steller sea lion critical habitat designations will be provided to the contractor at the kickoff meeting. Areas preliminarily identified in a revision to the currently designated Steller sea lion critical habitat, suggested focal areas relative to 4(b)(2) exclusion, and the essential features of critical habitat will be provided, as soon as practicable, following solicitation of external scientific information and CHRT**

**meeting and review of that public input, tentatively scheduled to occur on September 16, 2014.**

**Q:** On page 9, the RFP describes task 2 as follows:

“Utilize the above types of information and conduct an economic impact analysis of the consequences of designating the proposed critical habitat as if Steller sea lion critical habitat were not presently designated, and second, to the extent practicable, evaluate the consequences of any net changes in the boundaries of critical habitat by examining all of NMFS’s proposed additions to and subtractions from the currently designated area of Steller sea lion critical habitat.”

Does NMFS expect the Contractor to conduct two separate incremental analyses of impact, using two separate baselines: as if there were no current designation, and with current designation? If so, does NMFS expect equal levels of effort in the two analyses? Also, for the impact analysis assuming current designation boundaries as the baseline, does NMFS expect the Contractor to analyze all geographic areas within the current designation with equal level of emphasis?

**A:** On page 5, the RFP states:

*The economic analysis will require using two baselines: first, it must evaluate the consequences of designating the proposed critical habitat as if Steller sea lion critical habitat were not presently designated, and second, to the extent practicable it must evaluate the consequences of any net changes in the boundaries of critical habitat by examining all of NMFS’s proposed additions to and subtractions from the currently designated area of Steller sea lion critical habitat. The reason for this dual approach to the analysis is that NMFS must analyze the effects of identifying critical habitat specifically for the western DPS, whereas the current critical habitat designation was developed for Steller sea lions generally (including the populations now identified as the western and eastern DPSs).*

**And Further....**

*First, the contractor shall identify, compile, characterize, and synthesize economic data, capital investment, regional impacts, and associated information related to economic use (both market and non-market), development, and commercial activities in and around the areas of proposed critical habitat that have or may reasonably be assumed to have a federal nexus (i.e., activities that may require some federal authorization, funding, or action that would trigger the ESA section 7 requirement for a federal agency to consult with NMFS regarding the effects of the action on critical habitat).*

**It is expected that substantially greater effort will be needed to conduct the analysis of designation of existing critical habitat, as if it were not presently designated. The analysis of incremental changes is not expected to require nearly as much effort, as it is not expected that incremental changes will substantially alter the federal nexus. The level of emphasis applied to geographic areas should be scaled by the level of economic**

**activity present in the geographic area and the potential for federal nexus activities to occur in those areas.**

Q: According to the timeline on page 15 of the RFP, it appears that the Contractor can expect one round of NMFS review on the draft economic synthesis (Task) 1, and one round of NMFS review on Task 2 (economic impact analysis)?

A: **Yes, and additionally,**

- **Economics Project Manager provides maps of any new areas qualifying as SSL CH to the economics consultant so that they can refine draft economic synthesis by February 24, 2015.**
- **If new areas are added, Contractor Revises Economics Synthesis, if necessary, and Returns Draft to NMFS for review, by March 14, 2015.**
- **Within 2 weeks of receipt of draft Comment Analysis Report, Economics Project Manager and NMFS Protected Resources Division (NMFS PRD) meet to agree on any changes needed to Comment Analysis Report, with comments to contractor provided by the Economics Project Manager.**
- **Within 4 weeks of receipt of Final Comment Analysis Report, Project Manager reviews the comments on Draft Economics Report and related sections in the proposed rule, prepares input for needed changes to contractor, and prepares responses to comments on economics sections. The Economics Project Manager submits the draft responses on economic sections for NMFS internal review.**
- **Concurrent with above, the Economics Project Manager will provide input to contractor regarding needed changes, including consideration on new boundaries (if any), to the Draft Economics Report**
- **14 days after receiving revised Draft Final Economics Report, NMFS reviews and comments on preliminary final draft analysis**