

Erik Obrien Comments for Aquaculture Opportunity Area: Kodiak Island Alaska

I grew up on Kodiak Island, where commercial fishing was everything. If you did not directly earn your living fishing, your job somehow depended on someone that did. I was lucky enough to be an owner in the fishing industry, as part of the setnet fishery in Larsen Bay on the west side of the island. My four brothers now all continue to live and work in Kodiak as diversified fishermen. It has become much harder to live and work in Kodiak. I'm moved to Anchorage where I took an economics track and ended up in doing community development work. My community development work led me to believe that Alaska has a strong competitive position in mariculture (aquaculture without finfish). After much preaching as to the merits of this industry, specifically marine plants - macroalgae or kelp, the 2016 deadline to apply for permits was approaching and the regulators I'd been working closely with called to inform me no permits for kelp farming had been received. I hastily submitted two permits, one for Larsen Bay near my setnet site, and another near Kodiak city. I'd just become an accidental kelp farmer, and the first permitted kelp farmer in Alaska.

I retained the Larsen Bay site and transferred the Kodiak site to my brother-in-law. We worked tirelessly with the Alaska Sea Grant, and NOAA Fisheries Science Center (Dr. Bob Foy) to encourage a value-added buyer to set up in Kodiak. We were successful and, Blue Evolution established their hatchery in the NOAA lab and operations at the Alaska Sea Grant facility. Kelp farming is hard. Neither my site nor the Kodiak site produced what was theoretically possible, and the hatchery processing and especially downstream sales had their own problems. After the second year, in 2017, I'd lost my market, due to the fact that they could only process 1,000 pounds per hour, and my site in Larsen Bay was 12 hours away.

In 2018, I converted my farm to oysters, a process I'd investigated since 2015. Initially, I'd been hesitant about oysters, due to the long lead time between development and first sale. Those concerns were not unfounded, and after substantial investment, Larsen Bay was certified by DEC as a shellfish growing area in September 2020, and anticipate certification for sales in January 2021. I've invested about \$150,000 to date, and am currently the largest private employer of full-time employment in Larsen Bay. I've publicly claimed that I will sell shares in the farm to anyone working the farm and living in Larsen Bay. To date, nobody has taken me up on this loss-making business, but I anticipate that will change in 2021 with first sales, and more importantly, the full conversation of my gear capable of running at scale (lots of changes have gone into this iterative process). Given my long history with the community, ability to hire people, and pledge to engage locals; I've received unwavering support from local businesses, the processing industry (OBI Seafoods, Trident, Silver Bay), the LB Tribe, Koniag, Kodiak Island Borough, and other support non-profits.

My plans for the west side do not stop at the Larsen Bay site. My permit for a Uyak bay site is pending. That site will also be available to any village members, but I also intend to organize with the Kodiak fishing fleet, primarily the Uyak bay set netters who have struggled in recent years. That site is scalable

and has strategic potential to be one of the largest kelp farms in America, in protected waters. I've received vast support for the concept of the Uyak Bay kelp farm. In concept, the Uyak Bay farm could produce one billion pounds of kelp annually, and employ hundreds of fishermen, community members and processors.

My brother-in-law has drastically expanded the Kodiak kelp industry, taking on new partners and proving the model. The two small Kodiak farms now produce more kelp than any farm in America, with two larger farms pending in the bays immediately surrounding the Kodiak road system.

I believe that what we've achieved in Kodiak and Larsen Bay could be replicated in the Communities of Akhiok, Old Harbor, Port Lions, and Ouzinkie. At the very least I hope you will consider Marmot Bay and Larsen Bay as Aquaculture Opportunity Areas.