

April 19, 2004

MR'S ADVISORY TO SHIPPING No. A-18-2004

TO : All Steamship Agents, Owners, and Operators

SUBJECT: Monthly Canal Operations Summary – MARCH 2004

1. Statistical Summary:

- a. Transit Pilot Force 280
- b. Pilots in Training 0
- c. Tugs 24
- d. Locomotives 100
- e. Traffic Statistics (Preliminary):

	<u>Average Daily</u>	<u>High Daily</u>	<u>Low Daily</u>
Arrivals	37.90	48.00	27.00
Oceangoing Transits*	38.10	41.00	33.00
Canal Waters Time (hours)	22.16	28.00	18.32
In-Transit Time (hours)	9.84	12.26	8.32

	<u>Total</u>	<u>Supers</u>	<u>Regulars</u>
Booked Transits	601	343	258

***Note:** For the purpose of this report, the term "oceangoing transits" is equivalent to the number of locomotive transits.

2. Scheduled Locks Outages:

TENTATIVE SCHEDULE OF LOCKS OUTAGES FOR FISCAL YEAR 2004						
Dates	No. of Days	Miraflores	Pedro Miguel	Gatun	Daily Transit Capacity	Status
May 31 – June 10, 2004	11	Lane Outage(3d)		Lane Outage	26 – 28	Tentative
July 5-15, 2004	11		Lane Outage	Lane Outage	26 – 28	Tentative
August 9-19, 2004	11			Lane Outage	26 – 28	Tentative
Sept 13-23, 2004	11			Lane Outage	26 – 28	Tentative
Oct 18-28, 2004	11			Lane Outage	26 – 28	Tentative

Note: Whenever a set of locks requires a major outage of one of its two lanes for dry chamber inspection, miter gate repairs, tow track work or other major maintenance/improvement projects, advantage may be taken of this requirement to perform simultaneous single lane outages for additional maintenance at other locks.

Transit Capacity: The normal capacity of the Panama Canal is 38 vessel transits per day. This capacity is reduced during locks outages, as indicated in the above table. Consequently, vessels may experience delays in transiting. Normally, during these periods, the Panama Canal Vessel Transit Reservation System slots are fully utilized. Two-day lane outages have no significant impact on Canal vessel backlog, therefore are not normally included in this chart.

- 3. See reverse for items of interest to the shipping community.
- 4. This advisory will be canceled for record purposes on April 30, 2004.

ORIGINAL SIGNED

Jorge L. Quijano
Maritime Operations Director



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ITEMS OF INTEREST FOR THE SHIPPING COMMUNITY

CANAL PERFORMANCE

In March 2004, oceangoing transits totaled 1180, or a daily average of 38.1. Transits by wide-beam vessels (30.48 meters/100 feet in beam and over) totaled 453, or 38.4 percent of all oceangoing transits. The average Canal Waters Time (CWT) was 22.16 hours.

PANAMA CANAL DREDGE BREAKS 88-YEAR RECORD

7,800 CUBIC YARDS OF MATERIAL EXCAVATED; WORLD'S LARGEST DIPPER DREDGE SURPASSES MARK SET IN 1916

While working on the Gatun Lake deepening project, on February 19, 2004, the dipper dredge "Rialto M. Christensen" excavated a record 7,800 cubic yards of material in a single eight-hour watch from the bottom of the Panama Canal. The original record was set nearly a century ago, when on February of 1916, the dipper dredge "Cascadas" excavated 7,770 cubic yards of material. Steam-powered, the Cascadas arrived at Panama in 1915 from Camden, New Jersey and began dredging operations that same year on October 31, including removal of material in the Gaillard Cut. The record set by the Cascadas had not been broken or matched for 88 years until this February.

The Christensen, which arrived in Panama from Hokodate, Japan, in September of 1977, is a 15 cubic-yards, diesel electric dipper dredge and the largest of its kind in the world. An essential component to widening the Gaillard Cut, the Christensen has several other important functions, to include maintaining the navigable design depths of the channel and removing shoals and landslides that present hazards to the safe navigation of transiting vessels.

Dipper dredges, equipped with a power-driven ladder structure and operated from a barge-type hull, aided in the original construction of the Canal across the Isthmus of Panama. From removing silt and debris to widening the Canal and to ensuring the safe transit of vessels, dredges have been instrumental in constructing the Canal.

"Our Dredging Division is world-class. Everyday I am impressed with their tenacity, skill and motivation," said Dredge Captain Peter Marotta. "They are largely the reason why the Canal is operating at its safest, fastest and most efficient levels. Our employees are truly the Canal's most valuable resource," added Marotta.

The accomplishment of the Christensen and other recent improvements at the Canal are results of the ACP's permanent modernization program, enhancing the efficiency and reliability of the Canal, while ensuring the safety of transiting ships.

Panama Canal Sets Historic Record in PC/UMS Tonnage

March 16, 2004 was a great day for the Panama Canal Authority (ACP) as a significant new record was set: More than one million (1,005,551) Panama Canal/Universal Measurement System (PC/UMS) tons were transported through the Canal. This new record breaks the record mark set on July 3, 2003, figure which recorded 934,488 PC/UMS tons. The PC/UMS system, which is based on the Universal Measurement System, ITC/69, with additional variations established by the ACP, represents the total volume of a vessel in PC/UMS tons.

Contributing to the tonnage were Canal traffic of seven container vessels, 11 dry bulk carriers, four vehicle carriers and three cruise ships. Of the seven container vessels, five measured 900 feet in length. Of the cruise ships, one measured 900 feet in length and another measured 800 feet in length. In addition, total Canal revenue generated from tolls exceeded 3.5 million, totaling \$3,563,490.55.

"We are very pleased with the new record we have set," said ACP Administrator Alberto Alemán Zubieta. "This clearly proves the Panama Canal's reliability as the route of choice among shippers sending goods to market from Asia to the U.S. East Coast and vice-versa," Alemán added.

This new record is a testament to the Canal's successful modernization program, rendering results of greater Canal efficiency and decreased Canal Waters Time (CWT), which ultimately lead to increased capacity. Projects within the program include: the widening of the Gaillard Cut, the acquisition of new locomotives, the rehabilitation of the locomotive tracks, the addition of new tugboats and the deepening of Gatun Lake.