

May 4, 2005

MR'S ADVISORY TO SHIPPING No. A-12-2005

TO : All Steamship Agents, Owners, and Operators

SUBJECT: Monthly Canal Operations Summary – APRIL 2005

1. Panama Canal Statistical Summary:

a. Transit Pilot Force	276
b. Pilots in Training	0
c. Tugs	24
d. Locomotives	100

2. Traffic Statistics:

	<u>Average Daily</u>	<u>High Daily</u>	<u>Low Daily</u>
Arrivals	39.30	51	25
Oceangoing Transits	39.13	45	31
Canal Waters Time (hours)	28.07	34.64	21.54
In-Transit Time (hours)	10.14	12.19	8.47

Distribution of Oceangoing Transits:	<u>Total</u>	<u>Average Daily</u>	<u>Percentage</u>
Vessels of less than 80' Beam	468	15.60	39.86
Vessels 80' Beam and Over	<u>706</u>	<u>23.53</u>	60.14
Total of Oceangoing Transits:	1174	39.13	

Vessels 100' Beam and Over	486	16.20	41.40
Vessels 900' Length and Over	106	3.53	9.03

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

Booking Slots:	<u>Available</u>	<u>Used</u>	<u>Percentage</u>
Large Vessels (beam 91' and over)	390	381	97.69
Regular vessels (beam < 91')	270	266	98.52

3. See next page for scheduled locks maintenance work and items of interest to the shipping community.

4. This advisory will be canceled for record purposes on May 31, 2005.

ORIGINAL SIGNED

Jorge L. Quijano
Maritime Operations Director



Scheduled Locks Maintenance Work:

SCHEDULE OF LOCKS OUTAGES – CALENDAR YEAR 2005						
Dates	Outage Days	Miraflores	Pedro Miguel	Gatun	Transit Capacity	Status
Jul. 19-23, 2005	5	Lane Outage (5 days)		Lane Outage (5 days) Lane with restrictions (5days)	26 – 28 (5d) 36 (5d)	Tentative
Aug. 17-20, 2005	4	Lane Outage (4 days)		Lane Outage (4 days) Lane with restrictions (8 days)	26 – 28 (4d) 36 (8d)	Tentative
Sept. 13-20, 2005	8			Lane Outage (8 days)	26 – 28 (8d)	Tentative

Transit Capacity: The normal capacity of the Panama Canal is 38 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 Transit Reservation System slots are fully utilized. 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. Two-day lane outages have no significant impact on Canal vessel backlog, therefore are not normally included in this chart.

PANAMA CANAL UPGRADES LOCOMOTIVE FLEET WITH TWO UNITS COMPLETED ON SITE LATE 2004, AND SIX MORE UNITS TO ARRIVE IN MAY FOR ASSEMBLY IN PANAMA.

The Panama Canal Authority (ACP) announced that it will receive the components of six new locomotive units from Mitsubishi this May for on-site assembly, testing and deployment. These six new locomotive units are among 16 of 36 units purchased from Mitsubishi Corporation with the unique provision that they will be assembled on-site in Panama by ACP personnel.

For the first time ever, and under the close supervision of the contractor's engineers, two locomotives were assembled in Panama between August and October 2004. Another 14 will be assembled solely by ACP engineers and technicians. The assembly provides ACP employees with a transfer of skills and opportunities for training and education. The final shipment of eight units to be assembled in Panama is scheduled to arrive in January 2006.

Nicknamed "mules," these units move on tow tracks along the Canal's locks and are affixed to vessels by wire cables in order to work as vessel centering systems during the transit through the locks. The new units have 50 percent more towing power and faster return speed than previous models, reducing each vessel's lockage time.

Another two shipments of ten fully-assembled locomotives each are scheduled to join the fleet. The first ten will arrive this September, while the last ten units will arrive in July 2006.

All locomotives must undergo a thorough and rigorous series of inspections in order to be accepted by the ACP, and each unit must pass a one-month full operations test. This is part of the ACP's commitment to quality control, ensuring that all equipment and machinery are operating at 100 percent capacity before they are put to use.

"In every line of our business we strive to be more effective, as well as more efficient. Our unique arrangement with Mitsubishi is just one example of this - whenever we can, we want to bring to our employees experiences that create on-site institutional skills and memory," said ACP Maritime Operations Director Jorge Quijano.

The ACP continues to move forward with projects under its permanent modernization program, such as: the replacement of the locomotive tow tracks; the implementation and further upgrading of the Automatic Identification System (AIS), a sophisticated navigation system to better monitor ships and route traffic for safety and security purposes; the addition of a new launch; the Automated Data Collection System; and the deepening of the Gatun Lake and the Atlantic and Pacific channels. These projects increase capacity and ensure the waterway's safety, reliability and efficiency.