



May 7, 2008

OP'S ADVISORY TO SHIPPING No. A-12-2008

TO : All Steamship Agents, Owners, and Operators

SUBJECT: Monthly Canal Operations Summary – APRIL 2008

1. Panama Canal Statistical Summary:

a. Transit Pilot Force	274
b. Pilots in Training	18
c. Tugs	27
d. Locomotives	100

2. Traffic Statistics:

	<u>Average Daily</u>	<u>High Daily</u>	<u>Low Daily</u>
Arrivals	38.47	50	31
Oceangoing Transits	39.13	43	34
Canal Waters Time (hours)	44.22	59.01	36.29
In-Transit Time (hours)	12.91	15.17	11.16

Distribution of Oceangoing Transits:	<u>Total</u>	<u>Average Daily</u>	<u>Percentage</u>
Vessels of less than 91' Beam	572	19.07	48.72
Vessels 91' Beam and Over	602	20.07	51.28
Total of Oceangoing Transits:	1174	39.13	
Vessels 100' Beam and Over	498	16.60	42.42
Vessels 900' Length and Over	141	4.70	12.01

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)	450*	434*	96.44%
Regular Vessels (beam < 91') #	240*	224*	93.33%

*Does not include additional auctioned booking slots

#Does not include additional x-pieces slots

3. The following page provides the scheduled locks maintenance work and other items of interest to the shipping community.

4. This advisory will be canceled for record purposes on May 31, 2008.

ORIGINAL SIGNED

Manuel E. Benítez
Executive Vice President of Operations

TENTATIVE SCHEDULE OF LOCKS MAINTENANCE WORK – ONE YEAR						
Dates	Days	Miraflores	Pedro Miguel	Gatun	Estimated Transit Capacity	Status
August 18-25, 2008	8	Culvert Outage			28-32	Tentative
Sept. 18-25, 2008	8	Culvert Outage			28-32	Tentative
Nov. 17-26, 2008	10	Culvert Outage			28-32	Tentative

* **Note:** Actual transit capacity will depend on the type of restriction imposed during work.

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.

Paving the way for construction, the Panama Canal awards the largest expansion contract thus far --

- ***Dredging International awarded expansion contract to dredge Pacific Sea Entrance***
- ***ACP awards largest contract in value to date***

Paving the way for construction, the Panama Canal Authority (ACP) awarded the third and largest expansion contract to dredge the Pacific sea entrance. The ACP kicked off this next phase of expansion awarding the contract to Dredging International.

"As the third and largest expansion program contract in terms of volume, geographical spread and price awarded to date, the selection of Dredging International is a critical next step in the creation of the new lane. This is a solid, top-tier global dredging firm with the know-how and equipment we need to commence the job at hand and complete it on-time and within budget," said ACP Executive Vice President Engineering and Program Management Jorge Quijano. "We received bids from the industry's dredging leaders and now we look forward to issuing the order to proceed to Dredging International over the coming days so that they can begin their mobilization effort promptly."

Dredging work in the Pacific sea entrance is expected to begin during the third quarter of this calendar year and will provide sufficient draft and width for longer, wider ships to pass and enter the new locks. When expansion concludes, the dredging project will have widened the Canal's approximate 9 mile-long (14 km) navigational channels to a minimum of 715 feet (218 meters) and deepened it to a minimum depth of -51 feet (-15.5 meters) Mean Low Water Springs (MLWS).

The ACP released its Request for Proposal (RFP) for the contract August 30, 2007, and previously held site visits and an informational session to respond to questions regarding the project. On March 19, 2008, three bidders from two countries submitted proposals to dredge the Pacific sea entrance. After a thorough review of the lowest priced proposal, the ACP awarded the contract to Dredging International.

Company / Consortium	Country Bid Amount*
Dredging International	Belgium - \$177,500,676.78
Boskalis International BV	Netherlands - \$258,851,577.20
Jan De Nul N.V/Van Oord Dredging and Marine Contractors BV	Belgium, Netherlands - \$485,453,336.00

*All amounts listed in U.S. Dollars.

Dredging International is one of the most important dredging companies world-wide and their proposal for the Panama Canal includes the utilization of some of the most advanced equipment the industry has to offer. Dredging International is also working on other important projects around the world, such as the construction of Port 2000 in Havre, France and the deepening of channels in Rio de la Plata located at the Argentina and Uruguay borders.

The Expansion Program will build a new lane along the Panama Canal through the construction of a new set of locks, doubling capacity and allowing for increased traffic with longer and wider ships.