



February 6, 2006

**MR'S ADVISORY TO SHIPPING No. A-04-2006**

**TO : All Steamship Agents, Owners, and Operators**

**SUBJECT: Monthly Canal Operations Summary – JANUARY 2006**

1. Panama Canal Statistical Summary:

a. Transit Pilot Force .....	275
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	36.74	52	16
Oceangoing Transits	36.71	43	31
Canal Waters Time (hours)	22.48	35.34	14.77
In-Transit Time (hours)	9.94	12.45	7.87

<b>Distribution of Oceangoing Transits:</b>	<u>Total</u>	<u>Average Daily</u>	<u>Percentage</u>
Vessels of less than 80' Beam	413	13.32	36.29
Vessels 80' Beam and Over	<u>725</u>	<u>23.39</u>	63.71
<b>Total of Oceangoing Transits:</b>	1138	36.71	
Vessels 100' Beam and Over	500	16.13	43.94
Vessels 900' Length and Over	135	4.35	11.86

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

<b>Booking Slots:</b>	<u>Available</u>	<u>Used</u>	<u>Percentage</u>
Large Vessels (beam 91' and over)	465	424	91.18
Regular vessels (beam < 91')	248	227	91.53

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 February 28, 2006.

**ORIGINAL SIGNED**

Jorge L. Quijano  
Maritime Operations Director

Scheduled Locks Maintenance Work:

<b>SCHEDULED LOCKS MAINTENANCE WORK – FISCAL YEAR 2006</b>					
<b>Dates</b>	<b>Miraflores</b>	<b>Pedro Miguel</b>	<b>Gatun</b>	<b>Transit Capacity</b>	<b>Status</b>
Jun. 6-15/06	Lane w-restrictions (10d)			36 (10d)	Tentative
July 11-20/06			Lane w-restrictions (10d)	36 (10d)	Tentative
July 17-22/06	Culvert Outage (6d)			33 (6 d)	Tentative
Aug. 12-14/06			Lane w-restrictions (3d)	36 (3d)	Tentative
Aug. 15-19/06			Lane Outage (5d)	26-28 (5d)	Tentative
Aug. 20-24/06			Lane w-restrictions (5d)	36 (5d)	Tentative
Sept. 12-19/06			Lane Outage (8d)	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.

**NEW TIE-UP STATION IN GAILLARD CUT TO INCREASE CAPACITY**

Each day at the Panama Canal, Panamax vessels are primarily programmed to transit, northbound from the Pacific Ocean and southbound from the Atlantic Ocean only during daylight hours. Typically, the northbound convoy's last Panamax vessel clears the meeting point at Gamboa, 30 kilometers from the Pacific Anchorage, at approximately noon each day. The 13 kilometer-long Gaillard (Culebra) Cut stretches over the continental divide between Pedro Miguel Locks on the Pacific side of the Canal and Gamboa. Since Panamax vessels cannot be scheduled to meet oncoming traffic in the Gaillard Cut, the narrowest channel in the Panama Canal, the Pedro Miguel Locks remain idle for approximately two and a half hours each day.

The Panama Canal Authority (ACP) announced the opening of a capacity-building measure to leverage this idle time at one end of the waterway while vessels are transiting from the opposite end. A new tie-up station located on the east side of Gaillard Cut, just north of the new Centennial Bridge, allows vessels to advance from the Pacific Ocean to the southern end of the Gaillard Cut while the first southbound vessel is heading towards Pedro Miguel Locks.

The new Cucaracha Reach tie-up station is able to accommodate one Panamax or two smaller vessels and will not only increase capacity, but will also provide flexibility in scheduling, especially when there is fog in the cut or during locks' maintenance outages. Moreover, it may also be utilized for vessels experiencing system difficulties while in transit, thus enhancing safety.

After months of rigorous construction and testing, the first vessel was docked at the Cucaracha Reach Station on December 30, 2005. The new tie-up station will help accommodate the growing demand by providing the capacity equivalent to one additional Panamax transit daily or approximately 10 million net Panama Canal/Universal Measurement System (PC/UMS) tons annually.

"The ACP has been working diligently to meet the increasing demand for the Canal's 'All-Water Route' by augmenting capacity, as well as by revising operations and maintenance methodology. We recently added two booking slots to our reservation system, specifically for Panamax vessels. As such, we will be able to accommodate at least seven more line services every week over the next 18 months. We are very proud of the innovative approach the Canal Operations and Maintenance workforce has taken to come up with short-term practical solutions," said ACP Maritime Operations Director, Jorge L. Quijano.

A second tie-up station is scheduled to be constructed in Paraiso Reach, just north of Pedro Miguel Locks, on the southwestern end of Gaillard Cut. The initial dry excavation work for this project, which is programmed for completion by the end of 2007, was contracted in December 2005. "Once this new tie-up station is completed, two additional Panamax vessels will be able to dock while the first vessel of the southbound convoy reaches Pedro Miguel Locks. When this occurs, Pedro Miguel Locks is expected to operate very close to 100 percent of the time, thus maximizing Canal throughput and adding 20 to 30 million PC/UMS tons of annual capacity," added Mr. Quijano.