

November 10, 2004

MR'S ADVISORY TO SHIPPING No. A-54-2004

TO : All Steamship Agents, Owners, and Operators

SUBJECT: Monthly Canal Operations Summary – OCTOBER 2004

1. Panama Canal Statistical Summary:

a. Transit Pilot Force	278
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	33.35	46	22
Oceangoing Transits	33.87	41	26
Canal Waters Time (hours)	32.04	56.38	16.78
In-Transit Time (hours)	11.31	15.44	8.20

Distribution of Oceangoing Transits:	<u>Total</u>	<u>Average Daily</u>	<u>Percentage</u>
Vessels of less than 80' Beam	354	11.42	33.71
Vessels 80' Beam and Over	<u>696</u>	<u>22.45</u>	66.29
Total of Oceangoing Transits:	1050	33.87	
Vessels 100' Beam and Over	493	15.90	46.95
Vessels 900' Length and Over	111	3.58	10.57

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)	342	338	98.83
Regular vessels (beam < 91')	259	236	91.12

- See next page for scheduled locks maintenance work and items of interest to the shipping community.
- This advisory will be canceled for record purposes on November 30, 2004.

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
July 2005	4	Lane Outage (4 days)		Lane Outage (4 days) Lane with restrictions (8 days)	26 – 28 (4d) 36 (8d)	Tentative
August 2005	5	Lane Outage (5 days)		Lane Outage (5 days) Lane with restrictions (7 days)	26 – 28 (5d) 36 (7d)	Tentative
September 2005	8			Lane Outage (8 days) Lane with restrictions (4 days)	26 – 28 (8d) 36 (4d)	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.

**RUNNING A TIGHT SHIP: PANAMA CANAL BREAKS SAFETY RECORD
 WATERWAY SAFER THAN EVER IN ITS 90-YEAR HISTORY**

Crossing the Isthmus of Panama from the Atlantic to Pacific oceans and back is now safer than ever. In 2004, only 10 official accidents occurred at the Panama Canal. The Panama Canal Authority (ACP) made the announcement today saying that even with a rise in total transits and a spike in Panamax sized vessels using the Canal, the ACP was able to reduce accidents.

Out of 14,035 transits registered FY2004 (September 2003- October 2004) 10 accidents occurred as compared with the previous count of 12, which occurred in 2003. The drop occurred while Canal transits were on the rise with a 6.7 percent increase in 2004; 13,154 vessels transited the Canal in FY2003. Additionally, more of the wider and longer vessels transited the Canal in 2004 than in 2003; 592 more Panamax-sized vessels transited during FY2004; a 12.5 percent rise compared with FY2003.

“The safety of our customers and employees is paramount. As we have proven over the past few years, our total focus on our customer has yielded great results. The ACP’s world-class workforce ensures safe and reliable transits for all vessels. We will continue to improve and modernize the Canal to ensure that we provide the best service for our customers” said Administrator/CEO Alberto Alemán Zubieta.

An official accident is one in which a formal investigation is requested and conducted. The reduction in accidents is largely attributed to the ACP’s workforce who has cultivated their skills and abilities, as demonstrated in several achievements noted this past year. The ACP’s permanent modernization program has also contributed greatly to these significant results. Recent projects implemented include: the acquisition of new locomotives; the replacement of the locomotive tow tracks; the implementation of the Automatic Identification System (a sophisticated navigation tool); the addition of a new launch; the implementation of the Automated Data Collection System; and the deepening of Gatun Lake. These projects increase efficiency, reliability and safety and reduce Canal Waters Time, leading to increased capacity.