

April 8, 2005

MR'S ADVISORY TO SHIPPING No. A-08-2005

TO : All Steamship Agents, Owners, and Operators

SUBJECT: Monthly Canal Operations Summary – MARCH 2005

1. Panama Canal Statistical Summary:

a. Transit Pilot Force	277
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	38.71	47	31
Oceangoing Transits	39.35	46	34
Canal Waters Time (hours)	30.55	38.01	24.42
In-Transit Time (hours)	10.61	14.25	9.01

Distribution of Oceangoing Transits:	<u>Total</u>	<u>Average Daily</u>	<u>Percentage</u>
Vessels of less than 80' Beam	521	16.81	42.70
Vessels 80' Beam and Over	699	22.54	57.30
Total of Oceangoing Transits:	1220	39.35	
 Vessels 100' Beam and Over	483	15.58	39.59
Vessels 900' Length and Over	109	3.52	8.93

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)	403	394	97.77
Regular vessels (beam < 91')	254	244	96.06

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 April 30, 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.

IMPROVEMENTS TO PANAMA CANAL LOCKS MAINTENANCE PROCEDURES

As part of the monthly advisories to shipping containing up-to-date information on Canal operations, the international maritime community is also kept abreast of any scheduled year-round maintenance work to be performed at the locks that would require major lane outages lasting from seven to twelve days, as well as minor outages of three or more days.

Major outages are scheduled from June through October, which are, historically, periods of lower arrivals. Minor lane outages of two days or less, which have a minimum impact on vessel backlog, are occasionally conducted. As a matter of policy, the ACP only announces lane outages when the Canal throughput falls to approximately 26 oceangoing vessels per day for more than two consecutive days. Normal throughput is set at an average capacity of 36 transits daily. Canal Waters Time (CWT) for non-booked vessels has, in some instances, increased considerably during periods of unusually high arrivals that coincide with major lane outages. Nevertheless, booked vessels normally achieve an average CWT of 17 hours or less, while maintenance work is being performed at the locks.



Previous method for conducting locks maintenance, with the lane fully closed to traffic for extended periods of time.

During the past five years, the Canal has conducted major lane outages dedicated to the rehabilitation of the entire locks tow-track system. The Canal acknowledges that, coupled with the mix of vessels currently arriving for transit, major lane outages, especially those lasting ten days or more, have an increasingly negative impact on transit operations and vessel backlog. Therefore, in 2004, in order to improve the overall annual Canal capacity, while still providing a quality service, the lane outage work was re-engineered to allow for a reduction in the number of major lane outages to no more than two per year. To accommodate the new project work schedule, a special methodology was also developed to conduct maintenance work without adversely affecting locks operations. While this new methodology has increased project costs considerably, the overall result has been an enhancement to Canal transit capacity, as well as an improvement to the service provided to transiting vessels.



Method for conducting locks maintenance while the lane remains open to traffic. Note the passenger vessel being immediately followed by a concrete pouring barge.

The continuous monitoring of vessel arrivals and transit throughput has also required the allocation of additional operational resources by the ACP in order to minimize delays. Fortunately, the tow track rehabilitation project, scheduled for completion by the end of next fiscal year, is close to 90% complete and is advancing rapidly. Therefore, with the new methodology being employed, the number of major lock outages will be reduced substantially. It serves to mention that during these outages, while new maintenance methodologies of lower impact to transit operations have been implemented, the Canal, despite unexpected higher than normal arrivals, has continued to maintain the normal 36 daily average capacity and, with additional resources, has averaged in excess of 39 oceangoing (locomotive) transits per day.