

April 9, 2007

MR'S ADVISORY TO SHIPPING No. A-04-2007

TO : All Steamship Agents, Owners, and Operators

SUBJECT: Monthly Canal Operations Summary – MARCH 2007

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	39.74	52	28
Oceangoing Transits	40.13	45	33
Canal Waters Time (hours)	27.28	37.21	21.51
In-Transit Time (hours)	10.61	13.87	9.29

Distribution of Oceangoing Transits:	<u>Total</u>	<u>Average Daily</u>	<u>Percentage</u>
Vessels of less than 80' Beam	446	14.39	35.85
Vessels 80' Beam and Over	<u>798</u>	<u>25.74</u>	64.15
Total of Oceangoing Transits:	1244	40.13	
Vessels 100' Beam and Over	544	17.55	43.73
Vessels 900' Length and Over	143	4.61	11.50

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)	465*	456*	98.06
Regular vessels (beam < 91')	279*	265*	94.98

*Does not include additional auctioned booking 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 April 30, 2007.

ORIGINAL SIGNED

Manuel E. Benítez
Operations Director

TENTATIVE SCHEDULE OF LOCKS MAINTENANCE WORK FOR FY 2007						
Dates	Outage Days	Miraflores	Pedro Miguel	Gatun	Estimated Transit Capacity	Status
April 18-20	2		Lane Outage April 18-19 (30 Hrs.)	Lane Outage (2d)	26-28	Confirmed
June 13-22	3	Lane with restrictions (10d)	Lane Outage June 20-22 (3d)		32-36 during restrictions* 26-28 during outage	Tentative
July 11-20	3	Lane with restrictions (10d)	Lane Outage July 18-20 (3d)		32-36 during restrictions* 26-28 during outage	Tentative
Aug. 8-10	2			Lane Outage (2d)	26-28	Tentative
Aug. 14-23	3	Lane with restrictions (10d)	Lane Outage Aug. 21-23 (3d)		32-36 during restrictions* 26-28 during outage	Tentative
Sept. 5-15	6		Lane Outage Sept. 5- 10 (6d)	Lane with restrictions Sept. 5-15 (10d)	32-36 during restrictions* 26-28 during outage	Tentative
Sept. 26-28	2			Lane Outage(2d)	26-28	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. Two-day lane outages have no significant impact on Canal vessel backlog, therefore are not normally included in this chart.

PANAMA CANAL AUTHORITY PUBLISHES REVISED TOLLS PROPOSAL

The Board of Directors of the Panama Canal Authority (ACP) announced its proposal to restructure the Panama Canal's pricing system and certain regulations, in an effort to move toward a charge that accurately reflects the commercial value of the route and the service it provides. This proposal was made available to all interested parties during a consultation period from February 2 to March 12, 2007. As a result, the ACP received a total of 21 written submissions from individuals and groups, which culminated in a public hearing wherein 14 representatives from shipping and government agencies expressed their views. Subsequent to this 30-day public consultation period, the ACP conducted a hearing on March 14 at the request of the industry. Following this public hearing, the ACP held informal consultations with customers and industry representatives, such as, President Michelle Bachelet of Chile, INTERTANKO and the Connecticut Maritime Association, to name a few, in order to receive feedback.

The proposal originally announced in February has been slightly modified, after reviewing comments and feedback received from the maritime and shipping industry, with the postponement of the implementation of the new charges from May until July 2007. As a result, the ACP reopened the consultation period to provide the interested parties with an additional 15 days to present in writing additional data, opinions, information, or arguments. This documentation shall be submitted either in English or Spanish, in person, by facsimile, or via courier or mail at the addresses provided below, so that they are received no later than April 23, 2007 at 4:15 p.m. local time. No communications shall be accepted by electronic mail.

Once the ACP's Board of Directors has reviewed the comments submitted during this additional consultation period, a final decision will be made and recommendations will be submitted to the Cabinet Council of the Republic of Panama for their approval. The official proposal may be accessed at www.pancanal.com.

"This open and transparent process has given the ACP an opportunity to further understand the needs of the industry. They told us that they wanted the timeframe for implementation extended, and we listened," said ACP Administrator/CEO Alberto Aleman Zubieta. "We look forward to continue providing our customers with a safe, reliable and efficient service, at a price that captures the true value of the route and service."

Any requests or submittal of information shall be made in writing and delivered to the following addresses:

<i>In Panama, either personally or via courier to:</i>	<i>In the United States of America, by mail to:</i>
Autoridad del Canal de Panamá Propuesta de modificación de los peajes Edificio de la Administración – Oficina 320 División de Mercadeo Unidad de Relaciones con los Clientes Balboa, Ancón, República de Panamá	Panama Canal Authority Proposal Customer Relations Unit (PMMR) P.O. BOX 526725 Miami, FL 33152-6725 United States of America
<i>By facsimile to:</i> (507) 272-7377 or (507) 272-1416	