

August 7, 2006

MR'S ADVISORY TO SHIPPING No. A-22-2006

ТО : All Steamship Agents, Owners, and Operators

SUBJECT: Monthly Canal Operations Summary - JULY 2006

1. Panama Canal Statistical Summary:

a.	Transit Pilot Force	
b.	Pilots in Training	
c.	Tugs	
d.	Locomotives	

2. Traffic Statistics:

	Average Daily	<u>High Daily</u>	Low Daily
Arrivals	34.48	46	23
Oceangoing Transits	34.42	42	29
Canal Waters Time (hours)	32.51	54.76	21.73
In-Transit Time (hours)	11.74	14.11	9.92
Distribution of Oceangoing Transits:	<u>Total</u>	Average Daily	Percentage
Vessels of less than 80 ² Beam	298	9.61	27.93
Vessels 80 ´ Beam and Over	<u>769</u>	<u>24.81</u>	72.07
Total of Oceangoing Transits:	1067	34.42	
Vessels 100 ² Beam and Over	523	16.87	49.02
Vessels 900 Length and Over	143	4.61	13.40
Note: For the purpose of this report, the term "oceangoing	transits" is equivalent to th	e number of locomotive tr	ansits.

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Booking Slots:	<u>Available</u>	<u>Used</u>	Percentage
Large Vessels (beam 91' and over)	451*	438*	97.12
Regular vessels (beam < 91')	234*	216*	92.31
*Does not include additional auctioned booking slots			

- 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 August 31, 2006.

ORIGINAL SIGNED

Jorge L. Quijano Maritime Operations Director

Scheduled Locks Maintenance Work:

SCHEDULED LOCKS MAINTENANCE WORK – FISCAL YEAR 2006										
Dates	Miraflores	Pedro Miguel	Gatun	Transit Capacity	Status					
Aug 12-14/06			Lane w-restrictions (3d)	36 (3d)	Confirmed					
Aug 15-20/06			Lane Outage (5d)	26-28 (5d)	Confirmed					
Aug 20-24/06			Lane w-restrictions (5d)	36 (5d)	Confirmed					
Sep 19-28/06			Lane w-restrictions (10d)	36 (10d)	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.

PANAMA CANAL EXPANSION TAKES MAJOR STEP FORWARD

NATIONAL ASSEMBLY APPROVES EXPANSION PROPOSAL, PASSES REFERENDUM LAW

The Panama Canal Authority's (ACP) proposal to expand the Panama Canal is one step closer to becoming a reality. On Friday, July 14, Panama's National Assembly unanimously approved the proposal to expand the Panama Canal. The Assembly created and passed a law mandating a national referendum whereby the citizens of Panama will vote, for or against the expansion. The referendum will be held October 22, 2006, which makes the first Sunday 90 days after the legislation was signed.

The National Assembly's decision was reached after several rounds or "Debates," including a public hearing. In the last Debate the Assembly voted to approve the proposal as well as the law mandating a referendum.

"Expansion would be good for Panama, good for the maritime industry, and good for world trade. Now, the decision rests with the Panamanian people," said ACP Administrator/CEO Alberto Alemán Zubieta.

The Panama Canal expansion would be the largest project at the Canal since its original construction. The project would double the waterway's capacity and permit more traffic by creating a new lane through the construction of a new set of locks. An expanded Canal will benefit the citizens of Panama and world trade, and maximize Panama's strategic location, making the Panama Canal the great maritime hub of the Americas. Expansion will also increase capacity at one of the world's critical trade arteries, allowing the vital "All-Water Route" continuous growth.