

AUTORIDAD DEL CANAL DE PANAMÁ EXECUTIVE VICE PRESIDENCY FOR OPERATIONS

ADVISORY TO SHIPPING No. A-11-2013

May 8, 2013

TO : All Shipping Agents, Owners, and Operators

SUBJECT: Implementation of Water Conservation Measures

The Panama Canal Authority would like to inform the shipping community that, due to an abnormally long dry season, the water levels in Gatun and Madden lakes are below normal and are being closely monitored.

While long-range weather forecasting is extremely difficult, an effort has been made to estimate the level conditions of the lakes for the next several weeks. Based on analysis of historical data, available weather information, and the current lake levels, the Panama Canal does not at this time foresee the need for implementing draft restrictions in the near future, unless the current dry weather condition persists.

Nevertheless, in an attempt to mitigate the current problem and reduce the possibility of establishing draft restrictions, the following water conservation measures have been implemented:

Interruption of hydraulic assist at the locks for deep draft vessels; Maximization of the use of cross-filling and spilling at the locks; Maximization of the use of tandem lockages; and Use of short-chamber lockages.

These water conservation measures are expected to have a minor impact on the Canal's overall capacity and the level of service should not be adversely affected.

We will keep you informed of any further development in this important matter.

ORIGINAL SIGNED

Esteban G. Sáenz Executive Vice President for Operations