



Lake Carriers' Association

For Immediate Release

June 21, 2007

Dock Outage Contributes To Coal Slump in May

CLEVELAND—Repairs at a Lake Erie coal loading dock proved a factor in the nearly 11 percent drop in coal shipments on the Lakes in May. Shipments totaled 4.1 million net tons, a decrease of 10.7 percent compared to both a year ago and the month's 5-year average.

The Pittsburgh & Conneaut dock in Conneaut, Ohio, experienced mechanical problems in May and so was able to load only three coal cargos during the month. As result, its shipments fell below 100,000 net tons, only one-fifth its 5-year average. However, repairs are complete and the dock is shipping as demand dictates in June.

The inability to carry full loads was another factor in the May slump. The largest coal cargo in the Head-of-the-Lakes trade (Lake Superior to Lower Lakes destinations) totaled 64,392 net tons, yet 1,000-foot-long U.S.-Flag Lakers have carried as much as 70,903 net tons in a single trip in this trade. Nearly 10 percent of these vessels' carrying capacity has been negated by low water levels and the dredging crisis.

For the year, the Lakes coal trade stands at 10.4 million net tons, a decrease of 15.5 percent compared to the same point in 2006. Compared to the 5-year average, shipments are down by 5 percent, or 550,000 net tons.

Lake Carriers' Association represents 18 American corporations that operate 63 U.S.-Flag vessels on the Great Lakes. These vessels carry the raw materials that drive the nation's economy: Iron ore and fluxstone for the steel industry, limestone, and cement for the construction industry, coal for power generation.... Collectively, these vessels can transport as much as 125 million tons of cargo a year when high water levels offset the lack of adequate dredging of Great Lakes ports and waterways. More information is available at www.lcaships.com.

Source: Lake Carriers' Association

Contact: Glen G. Nekvasil, Vice President - Corporate Communications (216) 861-0592

-30-

Information based on data from knowledgeable sources. However, accuracy cannot be guaranteed. Lake Carriers' Association assumes no legal responsibility for the outcome of decisions or commitments made on the basis of this information. This report represents the views of Lake Carriers' Association and may not necessarily represent the views of its individual members.

Suite 915 • 614 West Superior Avenue • Cleveland, Ohio 44113-1383 • Fax: 216-241-8262 • Web site: www.lcaships.com

The Association Representing Operators of U.S.-Flag Vessels on the Great Lakes

AMERICAN STEAMSHIP COMPANY • ARMSTRONG STEAMSHIP COMPANY • BELL STEAMSHIP COMPANY • CENTRAL MARINE LOGISTICS, INC.
GLF GREAT LAKES FLEET CORP. • GRAND RIVER NAVIGATION COMPANY, INC. • GREAT LAKES FLEET, INC. / KEY LAKES, INC. • HMC SHIP MANAGEMENT LTD.
INLAND LAKES MANAGEMENT, INC. • THE INTERLAKE STEAMSHIP COMPANY • KK INTEGRATED LOGISTICS • LAKE MICHIGAN CARFERRY SERVICE, INC.
LAKES SHIPPING COMPANY, INC. • PERE MARQUETTE SHIPPING COMPANY • SOO MARINE SUPPLY, INC.
UPPER LAKES TOWING COMPANY, INC. • VANENKEVORT TUG & BARGE, INC. • WISCONSIN & MICHIGAN STEAMSHIP COMPANY