



Lake Carriers' Association

For Immediate Release

October 14, 2009

Big Dip in Lakes Coal Trade in September

CLEVELAND—Coal shipments on the Great Lakes in September totaled only 2,752,691 net tons, a decrease of 34 percent compared to a year ago. It is rare for the Lakes coal trade to total so few tons in a month unless impacted by heavy ice or frequent storms that force the fleet to go to anchor for extended periods of time.

The largest decrease came in shipments from Superior, Wisconsin. Superior Midwest Energy Terminal loaded 1.5 million tons in September, a decrease of 35 percent compared to a year ago. The decline primarily reflects decreased demand from a Canadian power plant. However, vessel availability issues and a couple weather-related delays also were a factor.

The dredging crisis played a larger role in September. Whereas in previous months the largest coal cargo transiting the locks at Sault Ste. Marie, Michigan had topped 67,000 tons, water levels are now beginning their seasonal decline, so the best ships could do in the Head-of-the-Lakes trade was 66,775 tons. If the U.S. Army Corps of Engineers was maintaining the system to Congressionally-authorized depths, the largest coal cargo could have approached 71,000 tons. The chronic lack of adequate dredging is essentially slashing the largest vessels' per-trip carrying capacity by nearly 6 percent.

Year-to-date, coal shipments stand at 20.6 million tons, a decrease of nearly 27 percent compared to a year ago. The trade is more than 29 percent off the 5-year average for the first three quarters.

Lake Carriers' Association represents 18 American companies that operate 55 U.S.-Flag vessels on the Great Lakes and 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 more than 115 million tons of cargo a year when high water offsets lack of adequate dredging. More information is available at www.lcaships.com.

Source: Lake Carriers' Association.

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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.

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

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