



Lake Carriers' Association

For Immediate Release

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October Decrease in Coal Loadings Smallest Yet This Year

CLEVELAND—Coal shipments on the Great Lakes were down only 5 percent in October compared to a year ago. That is the smallest decrease registered yet this year. In previous months, the decline has ranged from 17 percent to near 100 percent.

Whether or not the October total – 3.7 million net tons – announces a turnaround for the trade remains to be seen. Much will depend on if utilities foresee growing demand for power during the winter and hence the need to increase stockpiles during the final 2½ months of navigation.

The seasonal decline in water levels was evident in vessels' payloads in October. Over a period of 21 days, a 1,000-foot-long vessel had to trim 750 tons from its total because of reduced draft. The loss of those tons meant that 1.2 percent of the vessel's carrying capacity had been negated in just three weeks.

The ship was already forfeiting 6,000 tons each trip to the dredging crisis. The latest estimate of the amount of sediment clogging Great Lakes ports and waterways is 15 million cubic yards. While water levels are seasonal and cyclical, the dredging crisis was entirely avoidable and can be resolved if the government will spend what it takes in each year in cargo taxes meant to fund dredging. The U.S. Army Corps of Engineers estimates it needs \$180 million to restore the Great Lakes Navigation System. The Harbor Maintenance Trust Fund, the repository for tax dollars targeted at dredging, has a surplus of nearly \$5 billion.

Year-to-date, coal shipments stand at 24.3 million tons, a decrease of 24 percent compared to a year ago. The trade is more than 26 percent off the 5-year average for the January-October timeframe.

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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-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.

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

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