



Lake Carriers' Association

For Immediate Release

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Shipments from Superior, Wisconsin Reach New Plateau **Great Lakes Coal Trade Down 2.1 Percent in 2006**

CLEVELAND—Shipments of western and eastern coal on the Great Lakes totaled 41.8 million net tons in 2006, a decrease of 2.1 percent compared to 2005, but a slight increase over the trade's 5-year average.

While the decrease reflects the affects of high inventories, especially earlier in the year, the dredging crisis also played a role in the downturn. Decades of inadequate dredging of ports and waterways limited vessel carrying capacity. Then, in the final months of year, plummeting water levels on Lake Superior further trimmed vessel capacity. The last loads of the year in 1,000-foot-long vessels were often less than 63,000 net tons. As a result, the vessels were utilizing less than 90 percent of their rated capacity.

One bright spot was another record year for shipments of western coal from Superior, Wisconsin. Superior Midwest Energy Terminal loaded 21.3 million net tons in 2006, an increase of 850,000 tons over the benchmark it set in 2005.

However, shipments of eastern coal from Lake Erie ports fell to their lowest level in recent memory. Demand for eastern coal has declined as utilities switch to low sulfur western coal.

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

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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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GLF GREAT LAKES FLEET CORP. • GRAND RIVER NAVIGATION COMPANY, INC. • GREAT LAKES FLEET, INC. / KEY LAKES, INC. • HMC SHIP MANAGEMENT LTD.
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