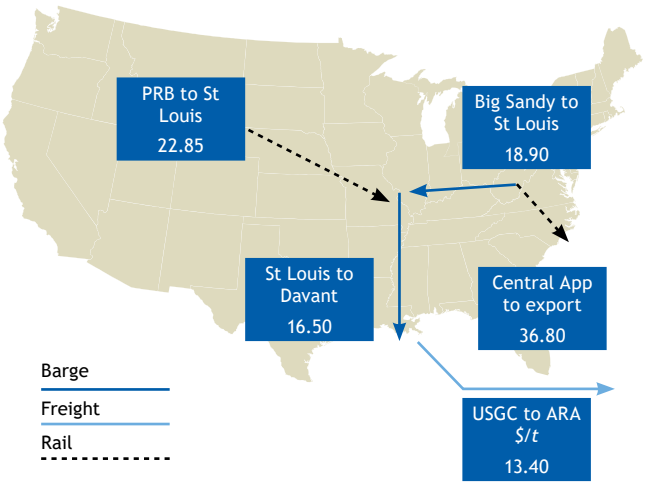
TRANSPORTATION

Coal freight rates $/st



Western rail rates diverge

Western US coal rail rates from Powder River basin (PRB) origins were unchanged this month on steady demand, while rates to ship Colorado dipped on a shrinking market outlook.

The rate to deliver PRB coal to the Tennessee Valley Authority (TVA) was flat with April's assessment at $29.80/short ton, while the rate to the Electric Reliability Council of Texas (ERCOT) held at $30.40/st.

Meanwhile, rates to ship western bituminous coal from Colorado to TVA and to the St Louis, Missouri, area fell by 10¢/st each to $33.65/st and $29.75/st, respectively.

A few producers at the Eastern Fuel Buyers Conference in Lake Buena Vista, Florida, last week said demand for the back half of 2025 is starting to increase.

That follows steady utility interest in PRB coal deliveries so far this year and somewhat more robust coal-fired generation.

Western US rail rates, May			$/st
	Rate	±	±
PRB to:			
ERCOT	30.40	0.00	0.00%
St Louis region	22.85	0.00	0.00%
US southeast	33.15	0.00	0.00%
Southwest Ohio	27.65	0.00	0.00%
TVA	29.80	0.00	0.00%
Superior Terminal	19.65	0.00	0.00%
Colorado to:			
TVA	33.65	-0.10	-0.30%
St. Louis region	29.75	-0.10	-0.34%

Eastern US rail rates, May			$/st
	Rate	±	±
Central Appalachia to:			
East Coast Export Terminals	36.80	-0.10	-0.3%
Carolinas	31.35	+0.05	+0.2%
Southwest Ohio	22.10	+0.05	+0.2%
Florida	35.40	+0.05	+0.1%
New York	29.30	+0.05	+0.2%
US southeast	29.60	+0.05	+0.2%
TVA	26.50	+0.05	+0.2%
Pittsburgh Seam:			
Florida	35.55	+0.05	+0.1%
New York	23.45	+0.05	+0.2%
East coast export terminals	30.80	-0.10	-0.3%
Illinois basin:			
Southwest Ohio	13.20	+0.05	+0.4%
Illinois basin	11.40	+0.05	+0.4%
US southeast	32.65	+0.05	+0.2%
Florida	35.50	+0.05	+0.1%

Eastern US rail rates plus fuel surcharges, Jun			$/st
	Rate	May	±
Central Appalachia to:			
East Coast Export Terminals	38.32	38.42	-0.26%
Carolinas	32.87	32.82	+0.15%
Southwest Ohio	23.09	23.04	+0.22%
Florida	39.59	39.54	+0.13%
New York	31.26	31.21	+0.16%
US southeast	32.65	32.60	+0.15%
TVA	29.64	29.59	+0.17%
Pittsburgh Seam:			
Florida	40.12	40.07	+0.12%
New York	25.28	25.23	+0.20%
East coast export terminals	31.94	32.04	-0.31%
Illinois basin:			
Southwest Ohio	14.34	14.29	+0.35%
Illinois basin	11.74	11.69	+0.43%
US southeast	35.13	35.08	+0.14%
Florida	39.69	39.64	+0.13%

based on CSX fuel surcharge; estimated 105st/car

Western US rail rates plus fuel surcharges, Jun						$/st
	BNSF	±	UP*	±	UP†	±
PRB to:						
ERCOT	34.26	-0.32%	33.45	0.00%	34.26	-0.32%
St Louis region	26.23	-0.34%	25.52	0.00%	26.23	-0.34%
US southeast	38.22	-0.36%	37.15	0.00%	38.22	-0.36%
Southwest Ohio	31.80	-0.34%	30.93	0.00%	31.80	-0.34%
TVA	35.27	-0.42%	34.12	0.00%	35.27	-0.42%
Superior Terminal	22.23	-0.27%	21.68	0.00%	22.23	-0.27%
Colorado to:						
TVA	37.51	-0.56%	36.70	-0.27%	na	na
St. Louis region	32.91	-0.54%	32.24	-0.31%	na	na

**for coal trains originating in Colorado, Utah, Illinois, other states or certain contracts †for coal trains originating in Wyoming, estimated 118st/car*

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TRANSPORTATION

Coal power ERCOT in April was 20pc higher than a year earlier. Coal generation in the Midcontinent Independent System Operator (MISO) and Southwest Power Pool increased by 31pc and 7.7pc, respectively, compared with April 2024.

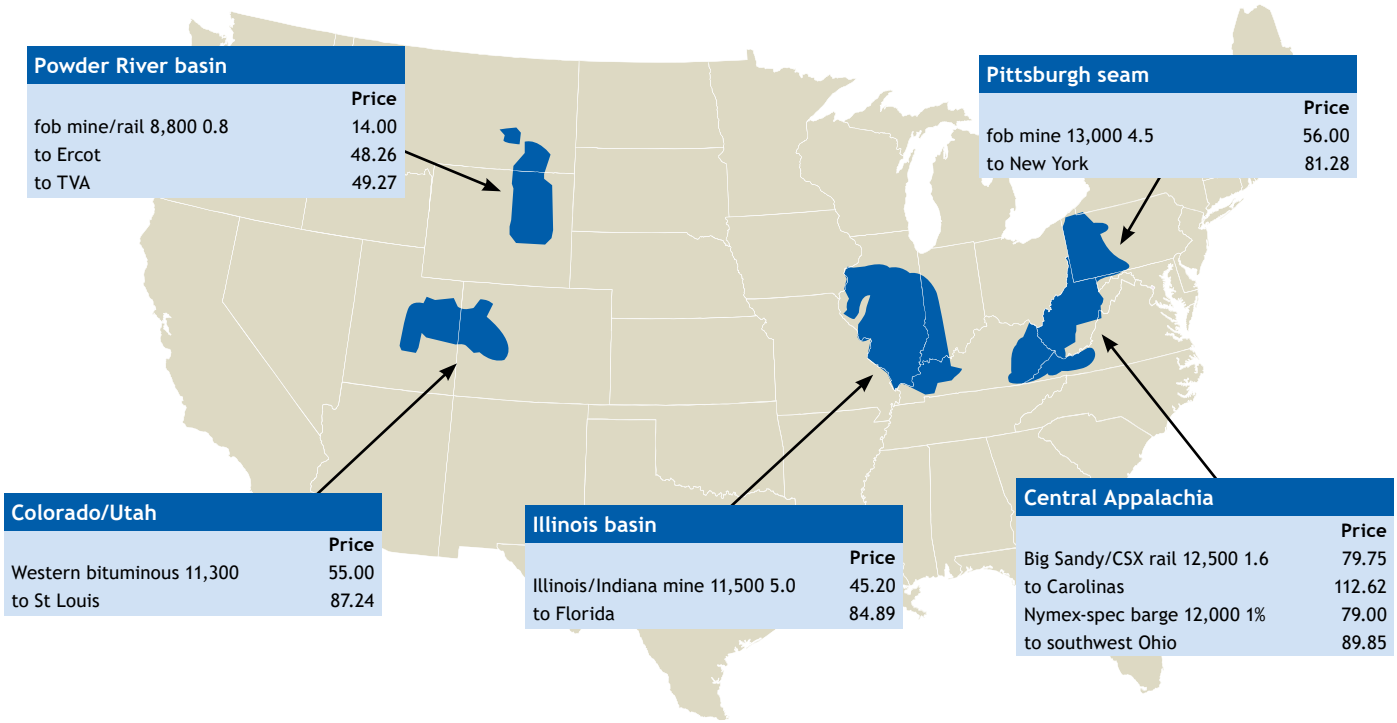
April was the fifth month that coal power in at least some US grids was higher than it had been a year earlier. And, following the increased consumption has been a recent surge in solicitations for PRB coal deliveries for this year and into 2026, producers said.

More than a half-dozen utilities are already in the market for PRB coal. Some producers may ramp up production to meet that demand, but securing excess rail capacity could be difficult. Producers worry railroads will not be able to meet that coal demand, in part because of potential layoffs and reorganizations resulting from a forecasted drop in overall traffic related to tariffs and a weaker economy.

But shipments of western bituminous coal may fall soon, opening some rail capacity. Operators of Intermountain Power Project expect to shut the plant's two coal units this summer, pulling some demand out of the market. Fewer domestic utilities are taking western bituminous coal than in the past and lately uncertainty in the Asia-Pacific coal markets is also putting downward pressure on Utah and Colorado coal.

Spot US barge rates, Apr				$/st
	Bid	Ask	Mid	±
Domestic movements				
Big Sandy to Pittsburgh	9.10	11.60	10.35	0.00
Port Amherst to Cincinnati	9.35	12.35	10.85	0.00
Port Amherst to Pittsburgh	9.85	12.85	11.35	0.00
Big Sandy to St Louis	17.90	19.90	18.90	0.00
Movements to export terminals				
Big Sandy to Davant	20.40	21.90	21.15	0.00
Birmingham to Mobile	12.45	13.70	13.08	0.00
Louisville to Davant	16.00	18.00	17.00	0.00
Port Amherst to Davant	22.65	24.65	23.65	0.00
St Louis to Davant	16.00	17.00	16.50	0.00
Northbound backhauls				
Davant to Chicago	24.00	25.00	24.50	0.00
Davant to Cincinnati	23.00	24.00	23.50	0.00
Davant to Huntington	32.00	36.00	34.00	0.00
Davant to Pittsburgh	34.00	38.00	36.00	0.00
Davant to St Louis	15.00	16.00	15.50	0.00

Delivered coal prices $/st



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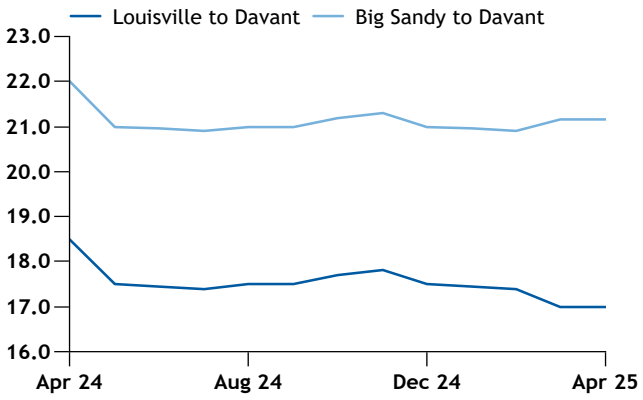
TRANSPORTATION

Argus competing fuels analysis

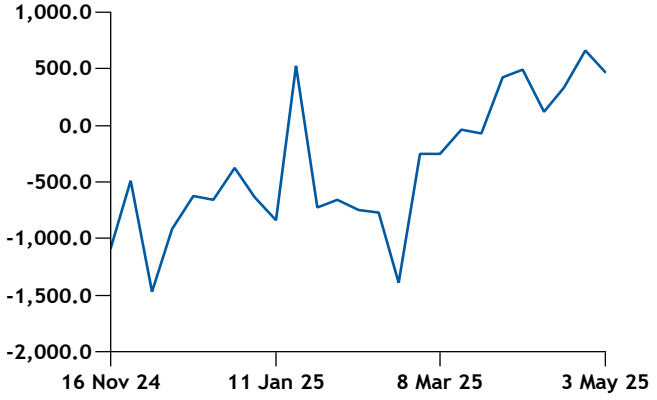
	PRB coal		Illinois basin		Central Appalachia		Western bituminous		Natural gas
Delivery:	**$/st**	**$/mmBtu**	**$/st**	**$/mmBtu**	**$/st**	**$/mmBtu**	**$/st**	**$/mmBtu**	**$/mmBtu**
Southwest Ohio	45.80	2.60	59.54	2.59	102.84	4.11			2.74
USGC terminal			63.70	2.77	100.15	4.17			
USEC export					118.07	4.38			
TVA	49.27	2.80			109.39	4.50	91.70	4.06	3.04
Southeast	52.22	2.97			112.40	4.06			3.39

Assessed prices are Big Sandy/CSX 12,500 1.6lb to southwest Ohio, USEC, TVA and southeast; Nymex barge to USGC; Illinois 11,500 Btu, 5.0lb; and PRB 8,800 Btu, 0.8lb

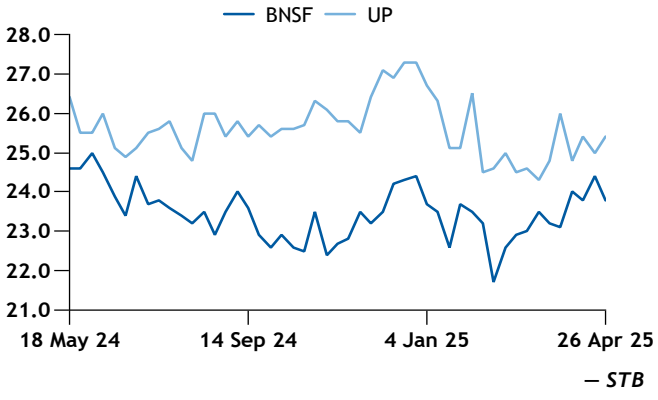
Barge rates to US export terminals *$/st*



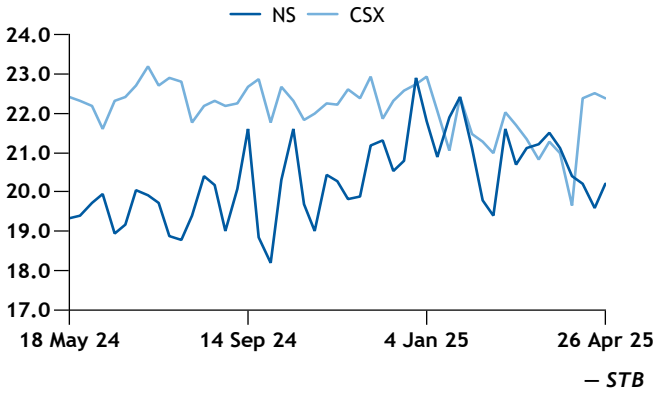
West coal originations, current over year-ago



BNSF vs UP coal train speeds *mph*



CSX vs NS coal train speeds *mph*



PRB coal train loadings remain above year-earlier levels. During the four weeks ended on 2 May, BNSF loaded 90 PRB coal trains, up by 19pc from the same period in 2024, and Union Pacific's (UP) PRB coal train loadings climbed by 58pc to 48 trains.

UP also loaded 7 trains in the Uinta basin, flat with a year earlier.

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