ILLINOIS BASIN

Prices hold steady

Illinois basin coal prices held steady this week while market members waited on direction from some recent solicitations.

The prompt quarter 11,500 Btu/lb 5lb SO_2/mmBtu fob barge assessment held at $47.20/short ton fob barge for a third week. Prices were unchanged along the rest of the curve, with the calendar 2026 holding at $49.15/st after rising by 65¢/st last week.

Coal with 11,000 Btu/lb, 6lb SO_2/mmBtu was also unchanged along the curve, with the third and four quarter 2025 shipments unchanged at $44.50/st and $44.95/st fob barge, respectively.

For 11,800 Btu/lb 4.5lb SO_2/mmBtu coal, calendar years 2026 and 2027 were unchanged at $49.80/st and $51.05/st, respectively.

Illinois basin coal prices had increased over the previous three weeks as a number of utilities bought more coal for summer after increasing coal-fired generation in the first quarter.

But a few utilities are waiting to see what direction upcoming spot and term purchases will signal before they decide if they will issue their own solicitations.

Offers were due on Monday to East Kentucky Power Cooperative's recent solicitations for spot volumes to be delivered this summer to the Gilbert, Spurlock and Cooper power stations.

Louisville Gas & Electric and Kentucky Utilities' request for proposals for term coal deliveries to the companies plants starting next year has offers due on 19 May.

Producers have been focused on rising mining costs, which could put higher floors on coal prices. The higher costs for materials, including equipment, also are requiring coal companies to reevaluate whether they will sell at unprofitable levels.

Coal-fired generation continues to rise. Coal power in the PJM Interconnection Sunday-Thursday averaged 19pc higher than a week earlier on hotter weather and slight declines in natural gas generation.

Coal-fired generation in the Midcontinent Independent System Operator (MISO) during the same period rose by 6.1pc compared with the prior Sunday-Thursday. Gas power dispatch into that grid rose by 1.8pc, while overall MISO output increased by 11.5pc.

Natural gas prices futures prices remain at a point where some coal is competitive for generation dispatch. Prompt month Nymex natural gas futures settled at an average $3.496/mmBtu Monday-Friday, down by 3pc from last week.

But day-ahead physical market natural gas prices are more challenging for Illinois basin coal competition. The Chicago Citygates day-ahead price, a reference point for part of MISO, averaged $2.865/mmBtu this week, which was 3.1pc lower than the previous week.

Illinois basin coal production continues to top year-earlier levels in most parts of the region, US Energy Information Administration (EIA) estimates show.

Total output during the week ended on 10 May rose by 14pc compared with the same period of 2024. Production from Illinois mines was 21pc higher. Output from Indiana and western Kentucky mines rose by 7.9pc and 6.3pc, respectively.

PHYSICAL MARKET ASSESSMENTS

Illinois basin			$/st
	Timing	Price	±
West KY Ohio River barge 11,500 5.0			
3Q25	Prompt quarter	47.20	0.00
4Q25	Prompt quarter +1	47.65	0.00
1Q26	Prompt quarter +2	48.25	0.00
2026	Prompt year	49.15	0.00
2027	Prompt year +1	50.40	0.00
Illinois/Indiana mine 11,500 5.0			
3Q25	Prompt quarter	45.20	0.00
4Q25	Prompt quarter +1	45.65	0.00
1Q26	Prompt quarter +2	46.25	0.00
2026	Prompt year	47.15	0.00
2027	Prompt year +1	48.40	0.00
West KY Ohio River barge 11,800 4.5			
3Q25	Prompt quarter	47.85	0.00
4Q25	Prompt quarter +1	48.30	0.00
1Q26	Prompt quarter +2	48.90	0.00
2026	Prompt year	49.80	0.00
2027	Prompt year +1	51.05	0.00
Illinois/Indiana mine 11,000 6.0			
3Q25	Prompt quarter	41.50	0.00
4Q25	Prompt quarter +1	41.95	0.00
1Q26	Prompt quarter +2	42.55	0.00
2026	Prompt year	43.45	0.00
2027	Prompt year +1	44.70	0.00
West KY Ohio River barge 11,000 6.0			
3Q25	Prompt quarter	44.50	0.00
4Q25	Prompt quarter +1	44.95	0.00
1Q26	Prompt quarter +2	45.55	0.00
2026	Prompt year	46.45	0.00
2027	Prompt year +1	47.70	0.00

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