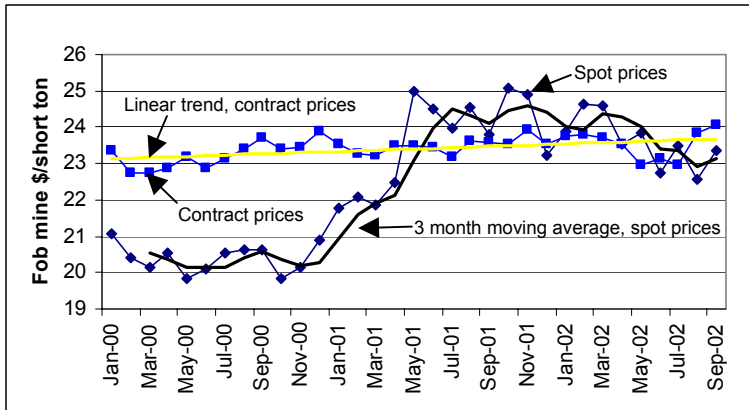


U.S. Coal Prices

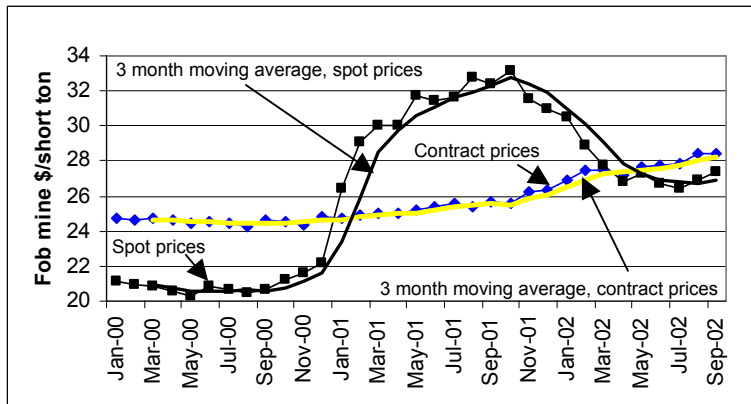
U.S. Coal Prices – Northern and Central Appalachian Coal

Northern Appalachian Prices



Source: Platts COALdat database; Platts is a division of The McGraw-Hill Companies, Inc.

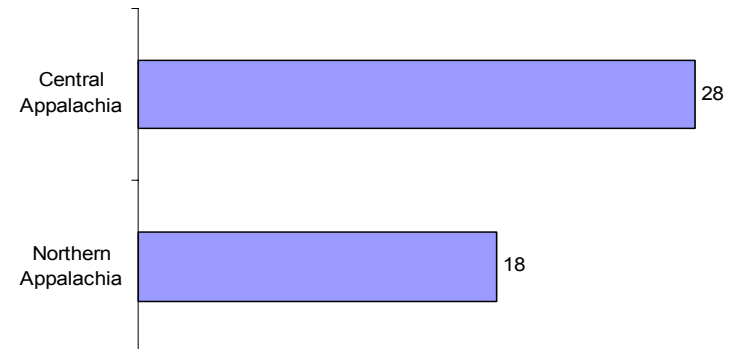
Central Appalachian Prices



Source: Platts COALdat database; Platts is a division of The McGraw-Hill Companies, Inc.

- In the spring of 2001, natural gas spot prices rose sharply and power producers shifted toward coal. This put pressure on coal productive capacity, which **in the Appalachian Basin** was already being curtailed by strategy mining closures due to poor geology, and involuntary closures due to litigation at mountaintop mines.
- From September 2000 to November 2001, coal **spot prices** increased by 25 percent in Northern Appalachia, and 46 percent in Central Appalachia.
- In the period, January 2000 to September 2002, **contract prices** for Northern Appalachian coal went up from about \$23.10 to \$23.80 per ton.
- In the Central Appalachian region, where more low sulfur coal is located, deteriorating mining conditions and involuntary closures of mountaintop mines caused **contract prices** to increase 15 percent over the period January 2000 to September 2002, from about \$24.75 to \$28.50 per ton.
- Both in the Northern and Central Appalachian markets, coal **contract prices** currently are above **spot prices**. Buyers are signaling that they expect **contract prices** to stay, long term, at the new higher levels.
- To view price information for NYMEX coal futures market, [click here](#).

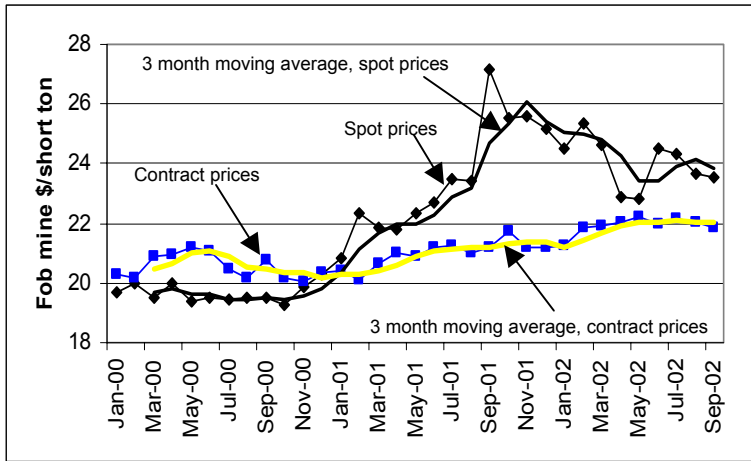
Spot as a Percent of Total Purchases (Jan. 2000 – Sept. 2002)



Source: Platts COALdat database; Platts is a division of The McGraw-Hill Companies, Inc.

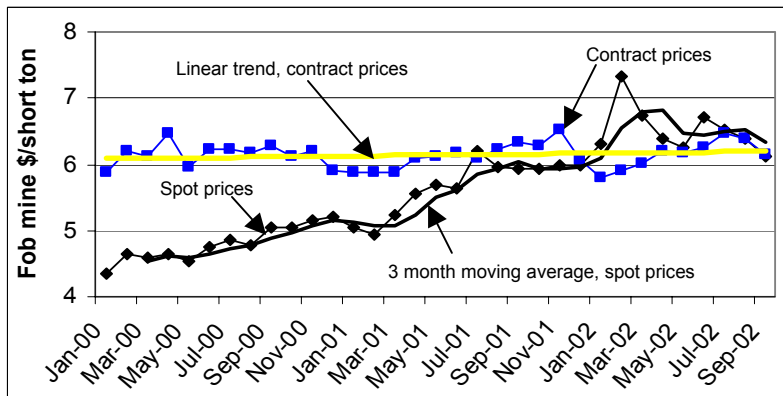
U.S. Coal Prices – Illinois, Powder River, and Uinta Basins

Illinois Basin Prices



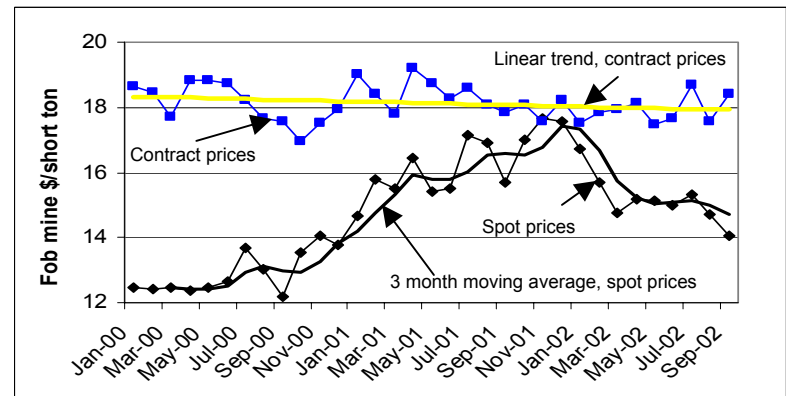
Source: Platts COALdat database; Platts is a division of The McGraw-Hill Companies, Inc.

Powder River Basin Prices



Source: Platts COALdat database; Platts is a division of The McGraw-Hill Companies, Inc.

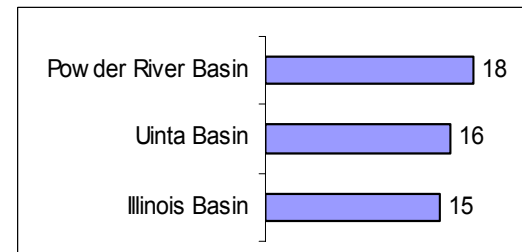
Uinta Basin Prices



Source: Platts COALdat database; Platts is a division of The McGraw-Hill Companies, Inc.

- Illinois Basin prices are in flux. Higher **spot prices** than **contract prices** portends further movement in coal prices. In the period from January 2000 to September 2002, **contract prices** rose 7.6 percent, from \$20.31 to \$21.85 per short ton. **Contract prices** can go either higher or lower to resolve the current imbalance. Data are not sufficient to determine the direction.
- Western **contract prices** are holding more or less steady. For example, in the period January 2000 to September 2002, Powder River Basin contract prices increased from \$5.88 to \$6.15 per short ton, while **Uinta Basin contract prices** declined from \$18.64 to \$18.43 per short ton.

Spot as a Percent of Total Purchases (Jan. 2000 – Sept. 2002)



Source: Platts COALdat database; Platts is a division of The McGraw-Hill Companies, Inc.