

## Coaldesk LLC Weekly Recap: Feb-10-2024 – Feb-14-2024

- The Kentucky Senate has voted 30-to-5 to pass a controversial bill to remove “unwarranted governmental overreach” regarding water quality permits sought by the coal industry. Senate Bill 89I narrows Kentucky’s definition of protected “waters of the commonwealth” to mirror that of a 2023 U.S. Supreme Court decision that weakened the EPA’s ability to enforce federal Clean Water Act rules. A handful of Senate Democrats said they sympathized with Republicans’ desire to protect the coal industry but remain concerned that the law is written so broadly that it would leave important water sources unprotected, including groundwater.
- Last month, Mississippi Gov. Tate Reeves announced a \$10 B investment from Compass Datacenters for the state. Then last week, the Public Service Commission unanimously approved Mississippi Power’s plan to extend the life of one of its 500-MW coal-fired units at its Victor J. Daniel plant until the mid-2030s. In addition to Compass Datacenters, Mississippi Power also entered into a special contract to supply power for a plywood manufacturer owned by Hood Industries in Beaumont, Mississippi. A spokesperson for Mississippi Power said the two deals necessitate keeping the coal and other units set for retirement alive.
- Over the last few months, several financial institutions have reportedly left the UK and Canadian-led Powering Past Coal Alliance (PPCA). According to industry insiders, many of the exiting firms cited the need to reduce the number of initiatives they are involved in or that they have met their coal pledges. PPCA was launched by the two governments in 2017 after the COP23 and prohibited members from investing in unabated coal-fired power and advocated for the phase-out of existing capacity. The alliance reportedly has 180 members including federal and local governments, businesses, and other organizations at the time of this writing.
- Bloomberg News is calling out China for not doing enough to mitigate carbon emissions as the country continues to build coal plants. Last year China started construction of 95-GW of new coal-fired generation, its most since 2015, based on a joint study by the Centre for Research on Energy and Clean Air and Global Energy Monitor. Chinese local governments also amped up construction permits for future plants, approving 67-GW in the second half of 2024. The increase in coal-fired generation also coincides with China’s development of clean energy, which includes 356-GW of wind and solar capacity in 2024. President Xi Jinping has pledged to reduce the country’s coal use post 2026, likely resulting in a rush to complete the coal projects before reductions begin.
- NG prices jumped higher, up over \$0.40 in the prompt month and prompt quarter.
- U.S. and Colombian thermal coal export prices dropped this week, as low demand and uncertainty over US tariffs weighed on global coal markets. API 2 prices fell \$5 to \$6 along the curve from the prior week. Coaldesk edged up eastern US coal prices higher (not much) as some market participants suggested my assessments are on the low side.

### Closing Prices

7-Feb-25					14-Feb-25				
	Mar	Q2'25	Q3'25	CY26		Mar	Q2'25	Q3'25	CY26
<b>NG</b>	\$3.31	\$3.43	\$3.78	\$3.94	<b>NG</b>	\$3.74	\$3.81	4.08	\$4.14
<b>PRB 8800 0.8</b>	\$14.15	\$14.15	\$14.15	\$14.45	<b>PRB 8800 0.8</b>	\$14.20	\$14.20	\$14.20	\$14.50
<b>CSX 12500 1.6</b>	\$76.00	\$76.00	\$77.00	\$78.00	<b>CSX 12500 1.6</b>	\$76.75	\$76.75	\$77.00	\$78.00
<b>NAPP 13000 4.8</b>	\$52.50	\$52.50	\$53.00	\$53.75	<b>NAPP 13000 4.8</b>	\$53.00	\$53.00	\$53.25	\$54.00
<b>ILB 11500 5.2</b>	\$43.50	\$43.50	\$44.00	\$44.75	<b>ILB 11500 5.2</b>	\$43.50	\$43.50	\$44.00	\$44.75
<b>API 2</b>	\$104.20	\$104.70	\$107.65	\$115.10	<b>API 2</b>	\$98.30	\$99.50	\$102.10	\$110.45

