# Fuel Update

Southern Company

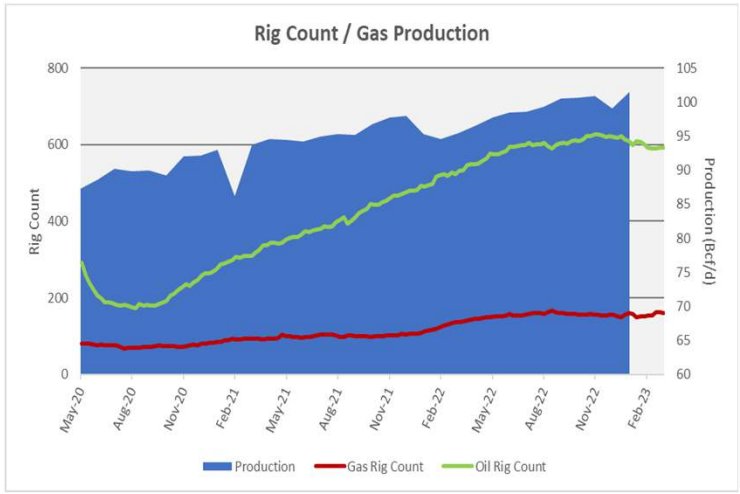
# Q1 2023 | Coal Market Update

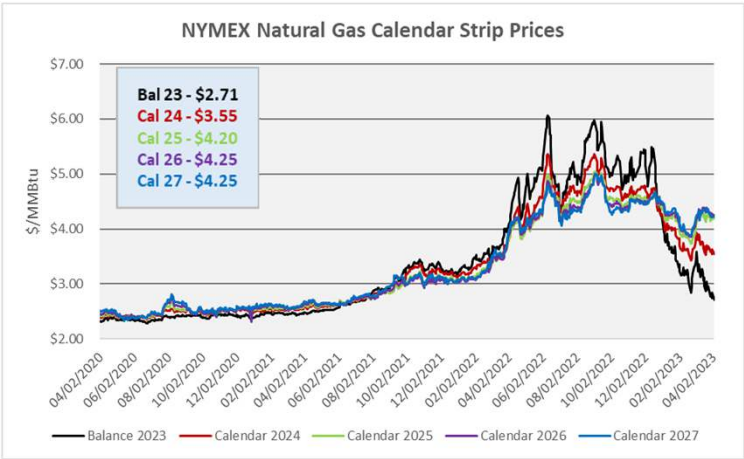
| | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| | Illinois Basin | | | PRB | | |
| **Current (4/3/23)** | **$ 73.00** | **$ 76.00** | **$ 76.00** | **$ 14.60** | **$ 14.70** | **$ 15.00** |
| *Previous (12/1/22)* | $ 129.00 | $ 112.00 | $ 102.00 | $ 15.80 | $ 16.20 | $ 16.50 |
| Quarterly Trend | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ |
| *Previous (4/1/22)* | $ 74.00 | $ 67.00 | $ 63.00 | $ 16.85 | $ 16.50 | $ 16.50 |
| 12 Month Trend | ↓ | ↑ | ↑ | ↓ | ↓ | ↓ |
| | CAPP | | | Colombian | | |
| **Current (4/1/23)** | **$ 85.00** | **$ 89.00** | **$ 90.00** | **$ 132.90** | **$ 137.17** | **$ 131.92** |
| *Previous (12/1/22)* | $ 156.00 | $ 141.00 | $ 128.00 | $ 235.51 | $ 221.90 | $ 207.16 |
| Quarterly Trend | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ |
| *Previous (4/1/22)* | $ 89.00 | $ 77.00 | $ 76.00 | $ 170.87 | $ 117.75 | $ 110.99 |
| 12 Month Trend | ↓ | ↑ | ↑ | ↓ | ↑ | ↑ |

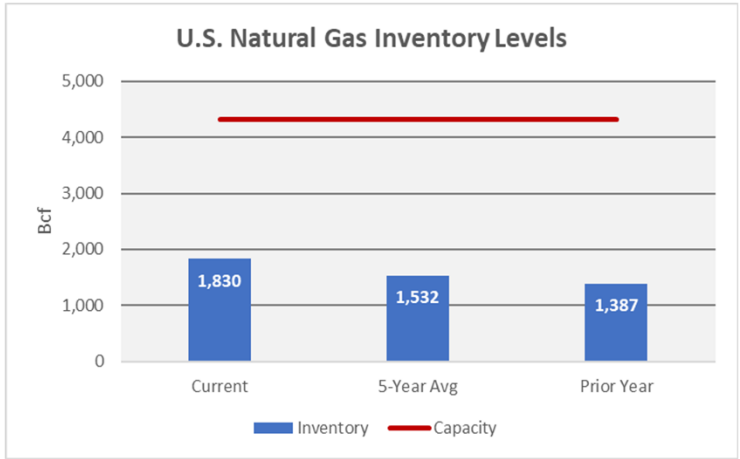
- **REDACTED**
- **REDACTED**

# Q1 2023 | Natural Gas Market Outlook

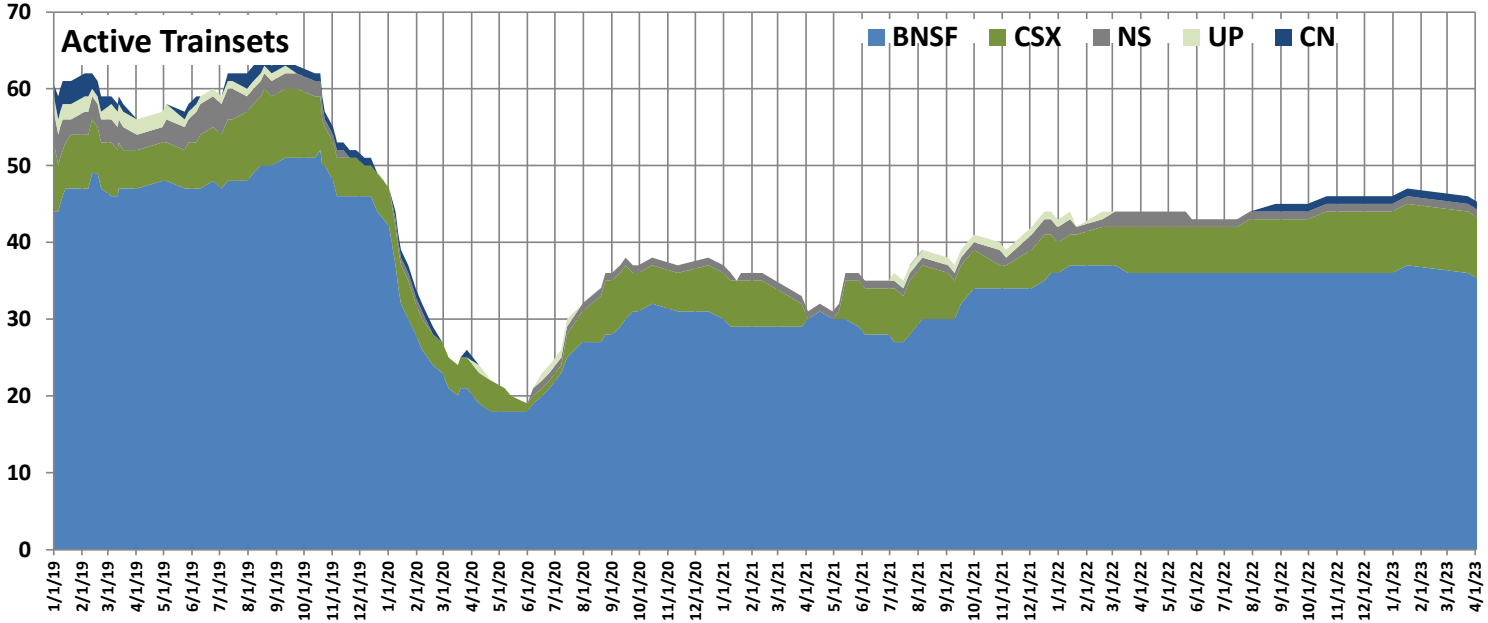
- Dry gas production growth accelerated in 2H22, but has stalled around 100 Bcf/d in recent months
- Gas in storage is 443 Bcf higher than last year at this time and 298 Bcf above the 5-year average
- Bal23 prices have continued to collapse due to lack of winter weather, and now sit below $2.75
- Prices across the remainder of the curve have similarly retreated from highs, but remain elevated compared to recent years



# Q3 2023 | Railroad Service Update




**Railroad Rates**

- REDACTED

**Railroad Spending and Productivity**

- REDACTED

**Railroad Revenues**

- REDACTED

**Railcar Markets**

- REDACTED

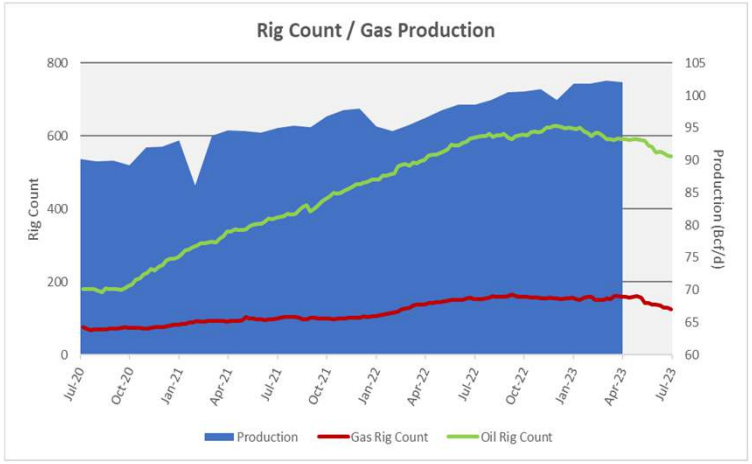
# Q2 2023 | Coal Market Update

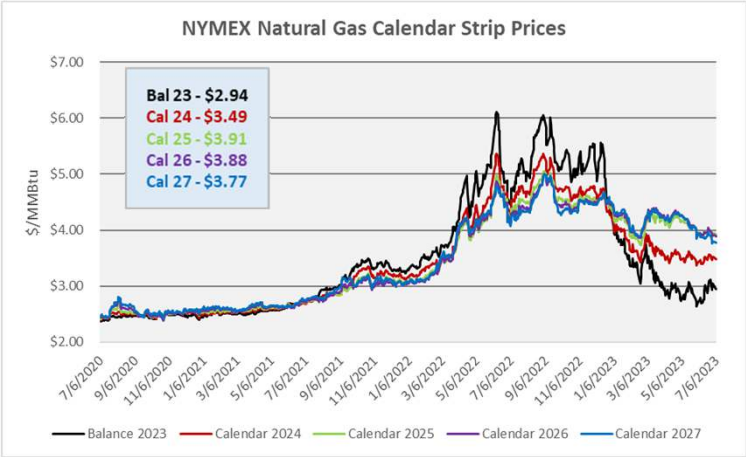
| | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| | Illinois Basin | | | PRB | | |
| **Current (7/3/23)** | **$ 51.00** | **$ 55.00** | **$ 57.50** | **$ 14.30** | **$ 14.50** | **$ 14.80** |
| *Previous (4/3/23)* | $ 73.00 | $ 76.00 | $ 76.00 | $ 14.60 | $ 14.70 | $ 15.00 |
| Quarterly Trend | ⬇ | ⬇ | ⬇ | ⬇ | ⬇ | ⬇ |
| *Previous (7/5/22)* | $170.00 | $120.50 | $ 96.00 | $ 16.55 | $ 17.00 | $ 16.60 |
| 12 Month Trend | ⬇ | ⬇ | ⬇ | ⬇ | ⬇ | ⬇ |
| | CAPP | | | Colombian | | |
| **Current (7/3/23)** | **$ 66.00** | **$ 71.00** | **$ 73.50** | **$107.82** | **$109.04** | **$ 106.23** |
| *Previous (4/3/23)* | $ 85.00 | $ 89.00 | $ 90.00 | $132.90 | $137.17 | $ 131.92 |
| Quarterly Trend | ⬇ | ⬇ | ⬇ | ⬇ | ⬇ | ⬇ |
| *Previous (7/5/22)* | $175.00 | $139.00 | $ 129.00 | $325.68 | $234.51 | $ 194.64 |
| 12 Month Trend | ⬇ | ⬇ | ⬇ | ⬇ | ⬇ | ⬇ |

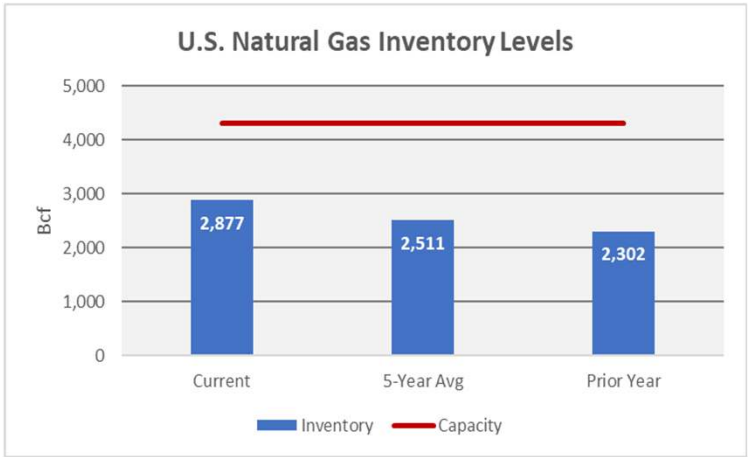
- **REDACTED**
- **REDACTED**

# Q2 2023 | Natural Gas Market Outlook

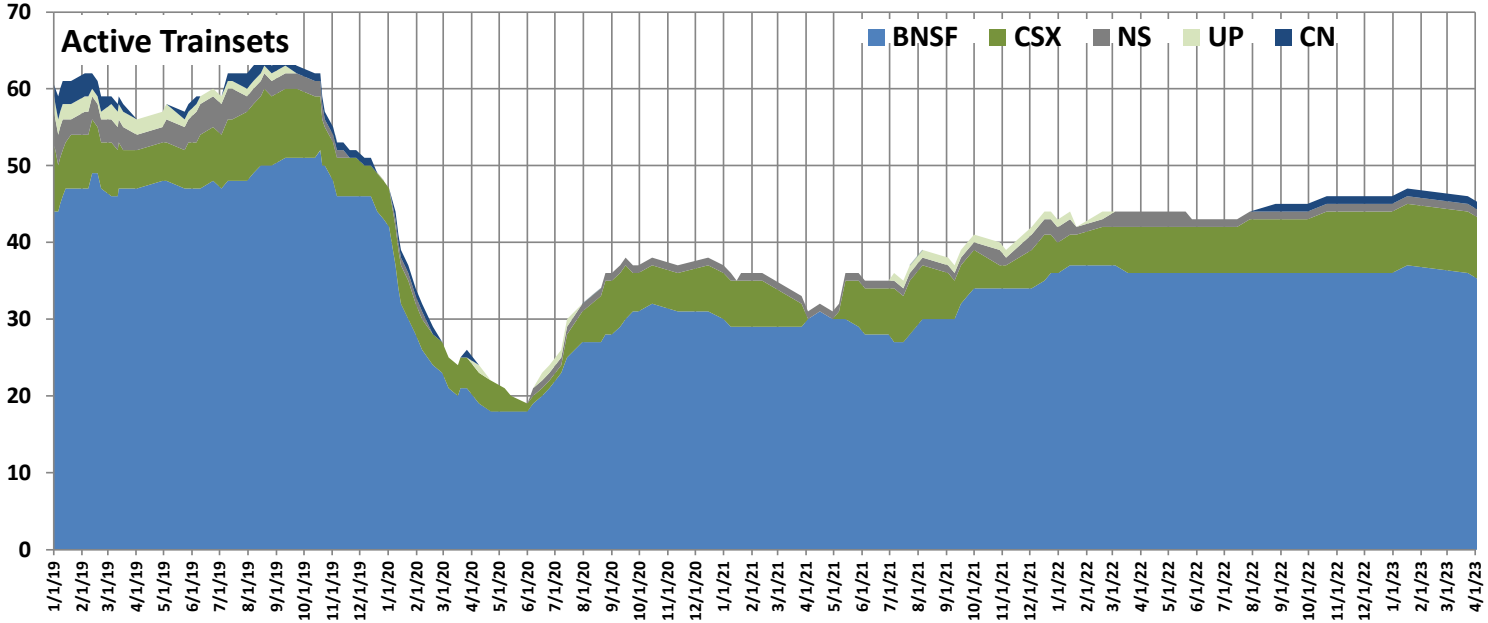
- Dry gas production has grown slowly in 1H22, but has remained at records highs above 101 Bcf/d
- Gas in storage is 575 Bcf higher than last year at this time and 366 Bcf above the 5-year average
- Bal23 prices have stayed below $3 due to a lack of weather-related demand
- Prices across the remainder of the curve have similarly retreated from highs, but remain elevated compared to recent years



# Q2 2023 | Railroad Service Update




**Railroad Rates**

- REDACTED

**Railroad Spending and Productivity**

- REDACTED

**Railroad Revenues**

- REDACTED

**Railcar Markets**

- REDACTED

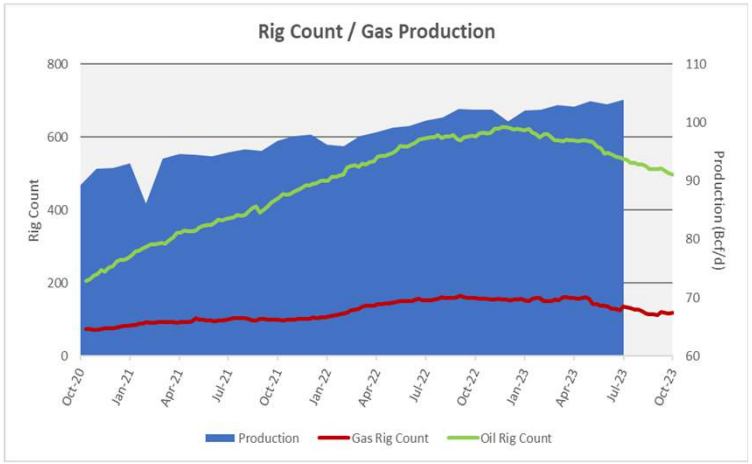
# Q3 2023 | Coal Market Update

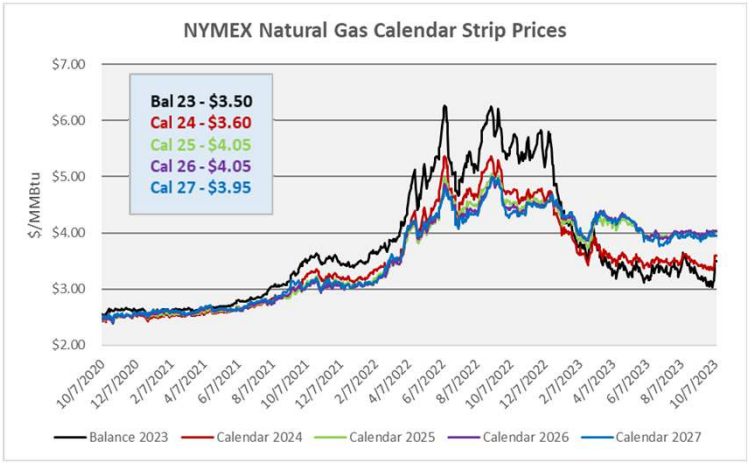
| | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| | Illinois Basin | | | PRB | | |
| **Current (10/2/23)** | **$ 46.00** | **$ 48.00** | **$ 50.00** | **$ 14.10** | **$ 14.45** | **$ 14.80** |
| *Previous (7/3/23)* | $ 51.00 | $ 55.00 | $ 57.50 | $ 14.30 | $ 14.50 | $ 14.80 |
| Quarterly Trend | ↓ | ↓ | ↓ | ↓ | ↓ | |
| *Previous (10/3/22)* | $139.00 | $114.00 | $ 102.00 | $ 16.50 | $ 16.35 | $ 16.25 |
| 12 Month Trend | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ |
| | CAPP | | | Colombian | | |
| **Current (10/2/23)** | **$ 71.00** | **$ 72.50** | **$ 74.00** | **$112.40** | **$113.35** | **$ 116.07** |
| *Previous (7/3/23)* | $ 66.00 | $ 71.00 | $ 73.50 | $107.82 | $109.04 | $ 106.23 |
| Quarterly Trend | ↑ | ↑ | ↑ | ↑ | ↑ | ↑ |
| *Previous (10/3/22)* | $156.00 | $138.00 | $ 125.00 | $262.22 | $234.87 | $ 216.59 |
| 12 Month Trend | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ |

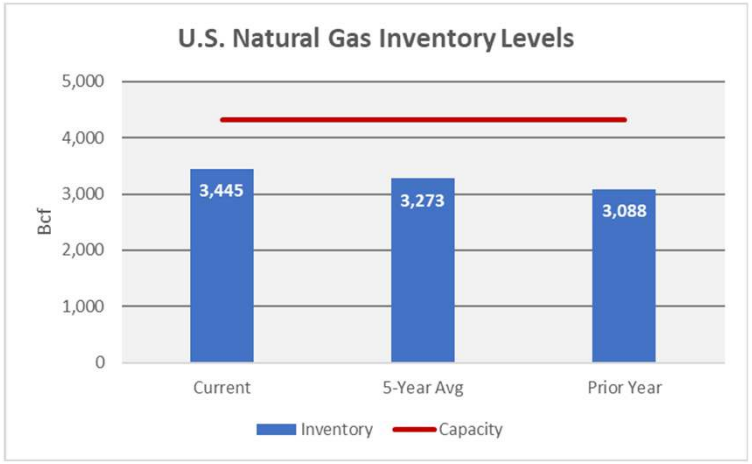
- **REDACTED**
- **REDACTED**

# Q3 2023 | Natural Gas Market Outlook

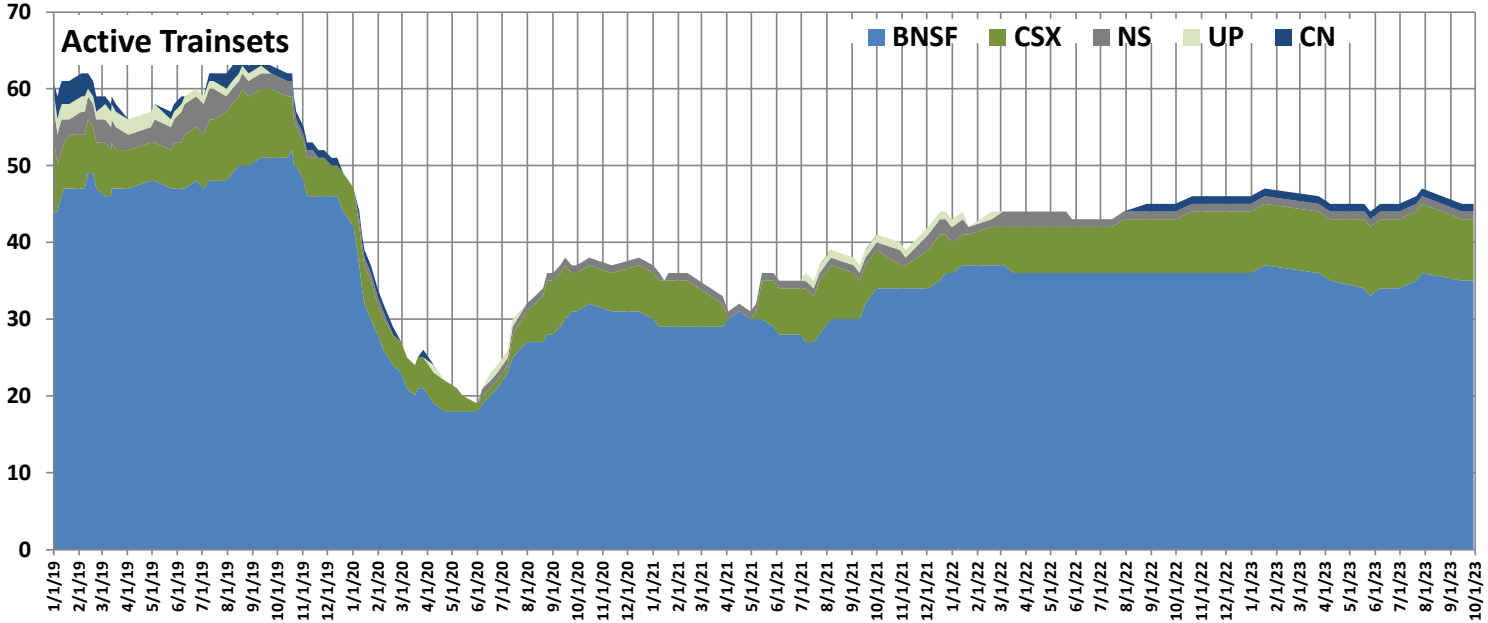
- Dry gas production has grown slowly during 2023, but has consistently remained at record highs above 101 Bcf/d
- Gas in storage is 357 Bcf higher than last year at this time and 172 Bcf above the 5-year average
- Bal23 and Cal24 prices have moved higher, to $3.50 and $3.60, respectively
- Prices across the entire curve remain lower than peaks of last year, but still somewhat elevated compared to previous years



# Q3 2023 | Railroad Service Update




**Railroad Rates**

- REDACTED

**Railroad Spending and Productivity**

- REDACTED

**Railroad Revenues**

- REDACTED

**Railcar Markets**

- REDACTED

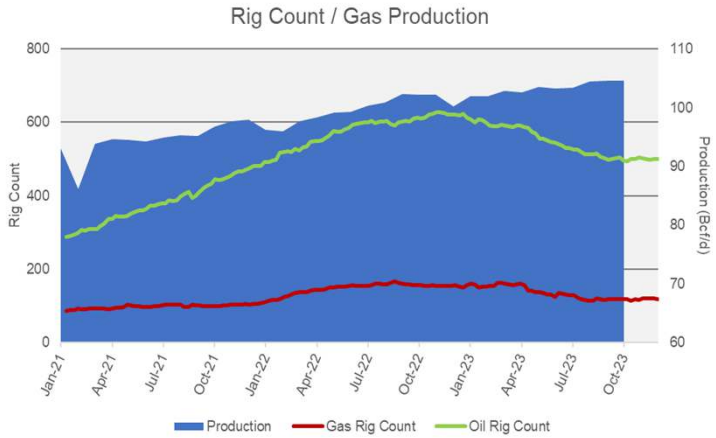
# Q4 2023 | Coal Market Update

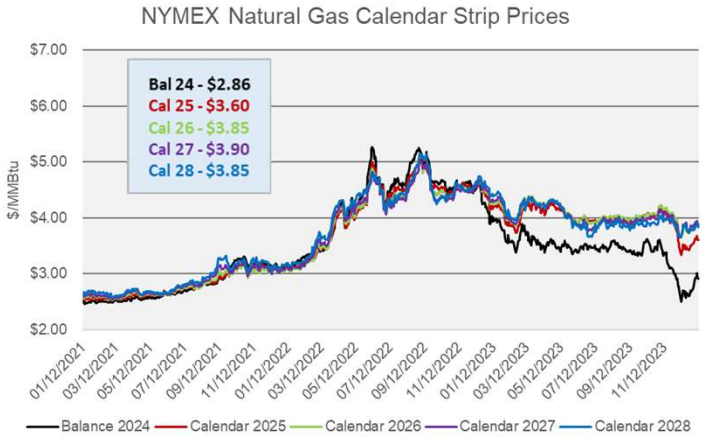
| | 2023 | 2024 | 2025 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|---|
| | Illinois Basin | | | PRB | | |
| **Current (12/1/23)** | **$ 47.75** | **$ 48.50** | **$ 50.50** | **$ 13.85** | **$ 13.95** | **$ 14.25** |
| *Previous (10/2/23)* | $ 46.00 | $ 48.00 | $ 50.00 | $ 14.10 | $ 14.45 | $ 14.80 |
| Quarterly Trend | ↑ | ↑ | ↑ | ↓ | ↓ | ↓ |
| *Previous (12/1/22)* | $ 150.00 | $ 129.00 | $ 112.00 | $ 16.00 | $ 15.80 | $ 16.20 |
| 12 Month Trend | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ |
| | CAPP | | | Colombian | | |
| **Current (12/1/23)** | **$ 71.50** | **$ 72.00** | **$ 75.25** | **$ 106.75** | **$ 104.00** | **$ 104.10** |
| *Previous (10/2/23)* | $ 71.00 | $ 72.50 | $ 74.00 | $ 112.40 | $ 113.35 | $ 116.07 |
| Quarterly Trend | ↑ | ↓ | ↑ | ↓ | ↓ | ↓ |
| *Previous (12/1/22)* | $ 170.00 | $ 156.00 | $ 141.00 | $ 242.45 | $ 235.51 | $ 221.90 |
| 12 Month Trend | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ |

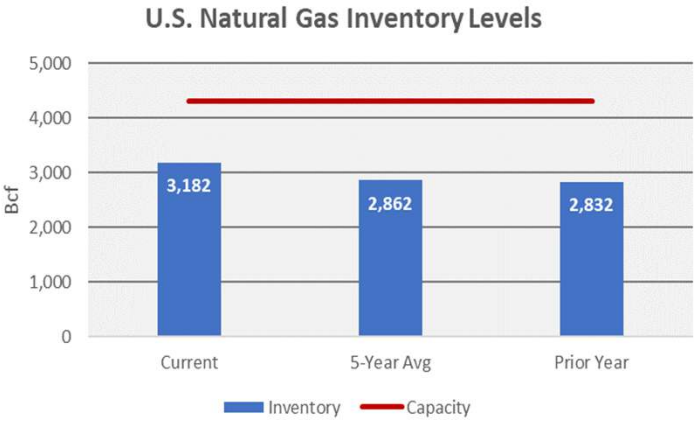
- **REDACTED**
- **REDACTED**

# Q4 2023 | Natural Gas Market Outlook

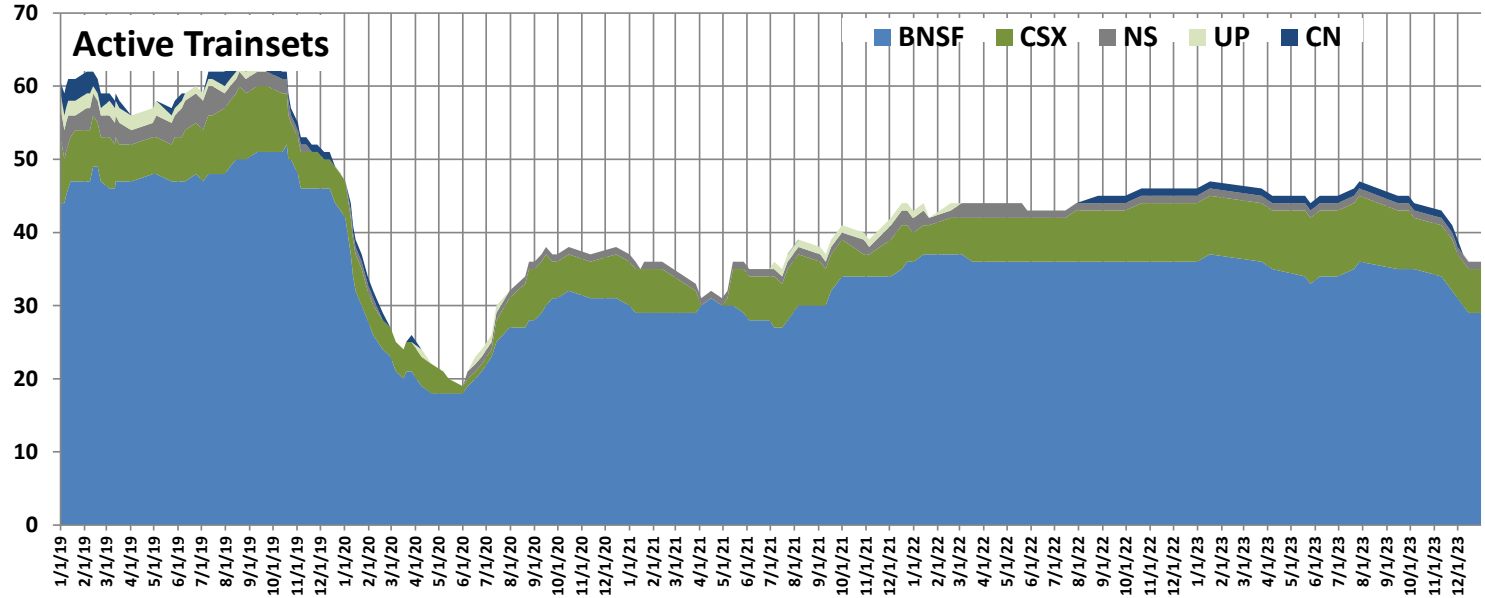
- Dry gas production remained strong throughout 2023
- Gas in storage is 350 Bcf higher than last year at this time and 320 Bcf above the 5-year average
- 2024 prices collapsed below $3 as early winter was much warmer than normal
- Prices across the entire curve remain lower than peaks of 2022, but still somewhat elevated compared to previous years



# Q4 2023 | Railroad Service Update




**Railroad Rates**

- REDACTED

**Railroad Spending and Productivity**

- REDACTED
- REDACTED

**Railroad Revenues**

- REDACTED

**Railcar Markets**

- REDACTED

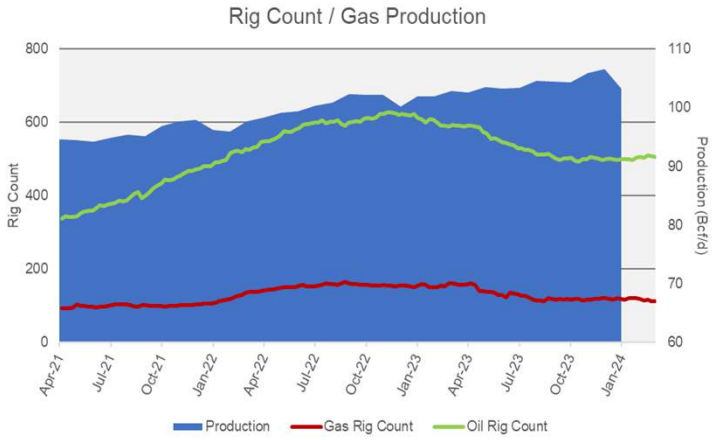
# Q1 2024 | Coal Market Update

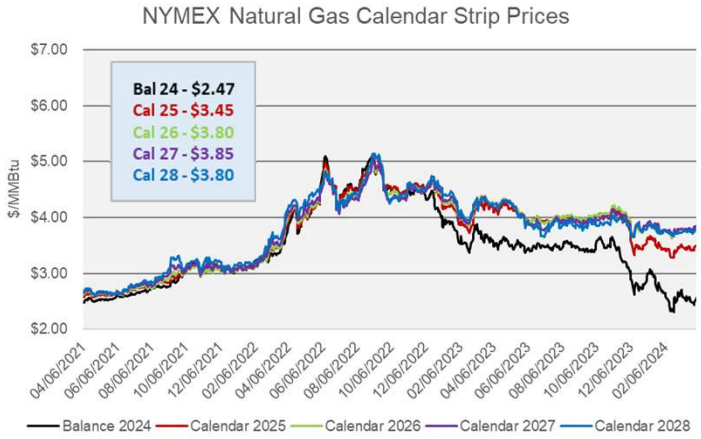
| | 2024 | 2025 | 2026 | 2024 | 2025 | 2026 |
|---|---|---|---|---|---|---|
| | Illinois Basin | | | PRB | | |
| **Current (4/1/24)** | **$ 42.00** | **$ 44.25** | **$ 45.75** | **$ 13.55** | **$ 14.10** | **$ 14.60** |
| *Previous (12/1/23)* | $ 48.50 | $ 50.50 | $ 48.00 | $ 13.95 | $ 14.25 | $ 15.00 |
| Quarterly Trend | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ |
| *Previous (4/1/23)* | $ 76.00 | $ 76.00 | $ 76.00 | $ 14.70 | $ 15.00 | $ 15.30 |
| 12 Month Trend | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ |
| | CAPP | | | Colombian | | |
| **Current (4/1/24)** | **$ 71.00** | **$ 74.25** | **$ 75.75** | **$ 106.75** | **$ 104.00** | **$ 104.10** |
| *Previous (12/1/23)* | $ 72.00 | $ 75.25 | $ 77.25 | $ 104.00 | $ 104.10 | $ 104.50 |
| Quarterly Trend | ↓ | ↓ | ↓ | ↑ | ↓ | ↓ |
| *Previous (4/1/23)* | $ 89.00 | $ 90.00 | $ 90.00 | $ 137.17 | $ 131.92 | $ 131.50 |
| 12 Month Trend | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ |

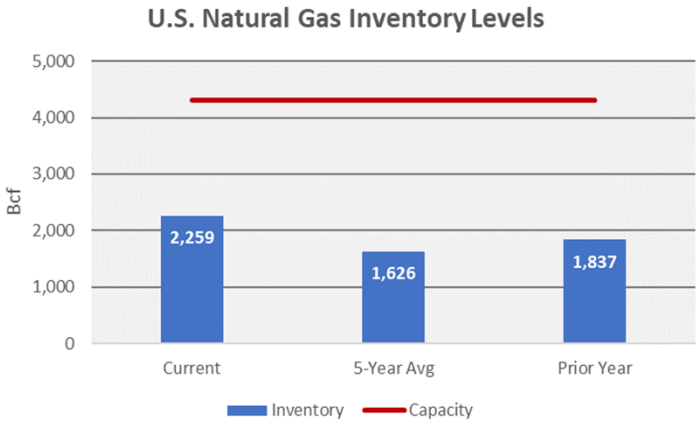
- **REDACTED**
- **REDCATED**

# Q1 2024 | Natural Gas Market Outlook

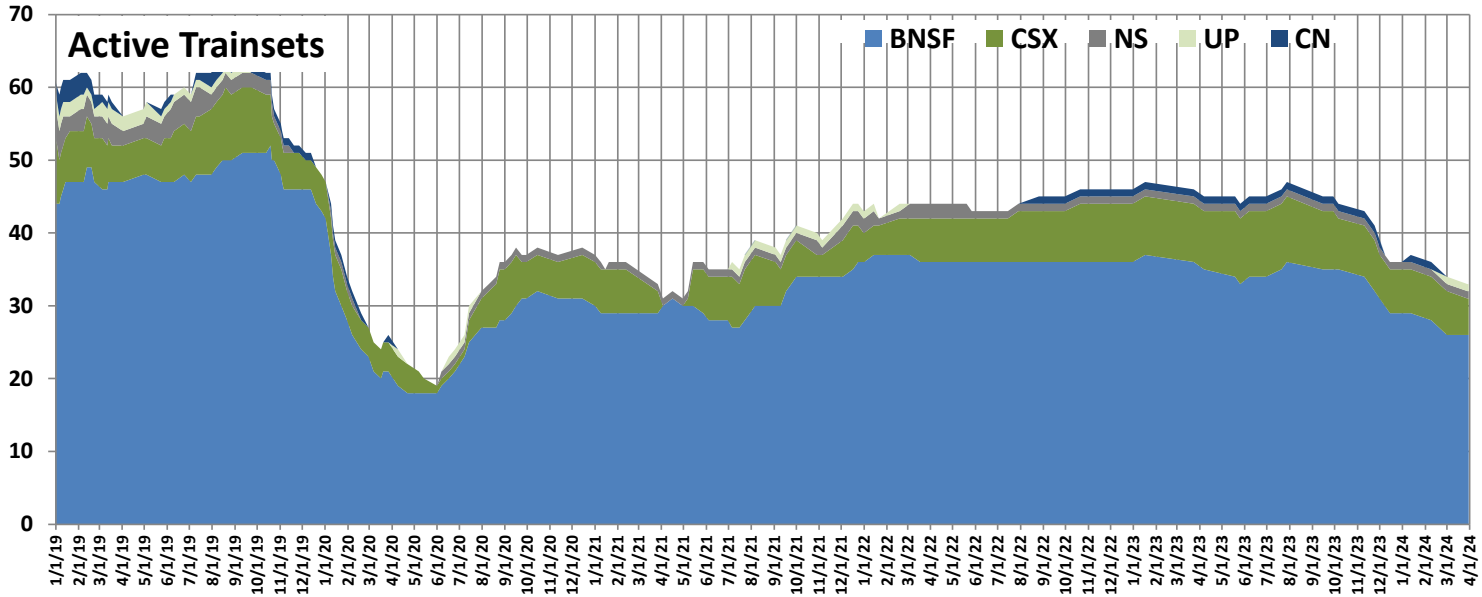
- Dry gas production remained strong throughout 2023
- Gas in storage is 422 Bcf higher than last year at this time and 633 Bcf above the 5-year average
- 2024 prices collapsed below $3 as winter was much warmer than normal
- Prices across the entire curve remain lower than peaks of 2022, but still somewhat elevated compared to previous years



# Q1 2024 | Railroad Service Update




**Railroad News**

- REDACTED
- REDACTED

**Railroad Regulatory**

- REDACTED

**Railroad Service**

- REDACTED

**Railcar Markets**

- REDACTED

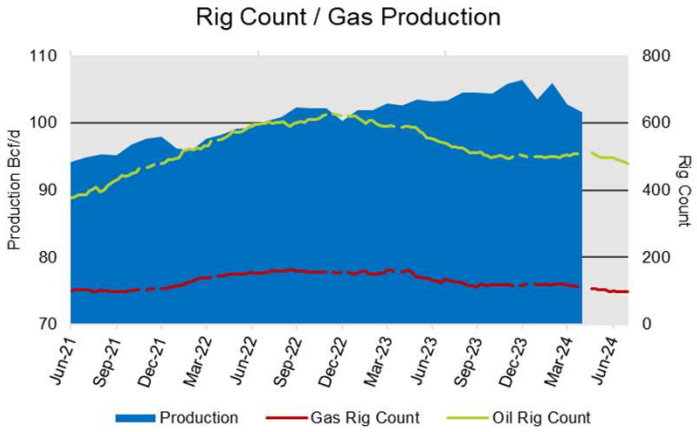
# Q2 2024 | Coal Market Update

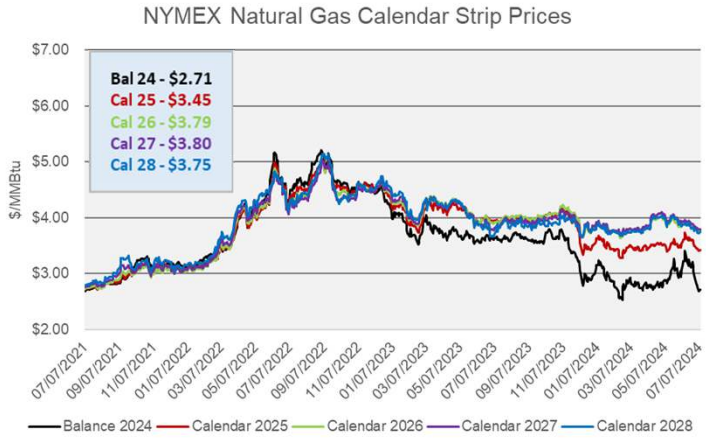
| | 2024 | 2025 | 2026 | 2024 | 2025 | 2026 |
|---|---|---|---|---|---|---|
| | Illinois Basin | | | PRB | | |
| **Current (7/1/24)** | **$ 40.25** | **$ 41.50** | **$ 43.00** | **$ 13.80** | **$ 14.60** | **$ 15.05** |
| *Previous (4/1/24)* | $ 42.00 | $ 44.25 | $ 45.75 | $ 13.55 | $ 14.10 | $ 14.60 |
| Quarterly Trend | ↓ | ↓ | ↓ | ↑ | ↑ | ↑ |
| *Previous (7/1/23)* | $ 51.00 | $ 55.00 | $ 57.50 | $ 14.30 | $ 14.50 | $ 14.80 |
| 12 Month Trend | ↓ | ↓ | ↓ | ↓ | ↑ | ↑ |
| | CAPP | | | Colombian | | |
| **Current (7/1/24)** | **$ 73.75** | **$ 73.75** | **$ 75.25** | **$ 120.10** | **$ 124.60** | **$ 127.70** |
| *Previous (4/1/24)* | $ 71.00 | $ 74.25 | $ 75.75 | $ 106.75 | $ 104.00 | $ 104.10 |
| Quarterly Trend | ↑ | ↓ | ↓ | ↑ | ↑ | ↑ |
| *Previous (7/1/23)* | $ 66.00 | $ 71.00 | $ 73.50 | $ 107.82 | $ 109.04 | $ 106.23 |
| 12 Month Trend | ↑ | ↑ | ↑ | ↑ | ↑ | ↑ |

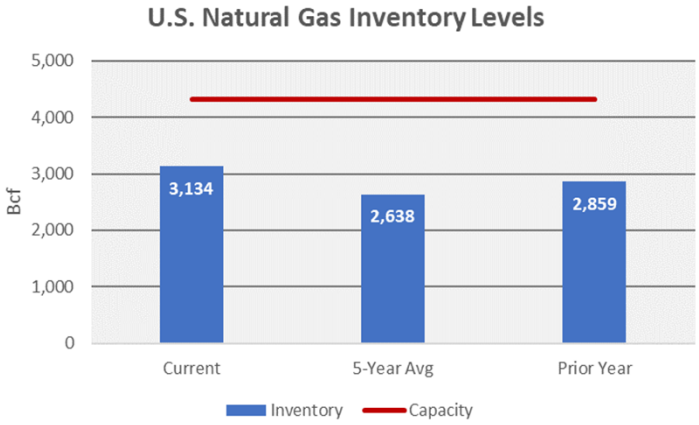
- **REDACTED**
- **REDACTED**

# Q2 2024 | Natural Gas Market Outlook

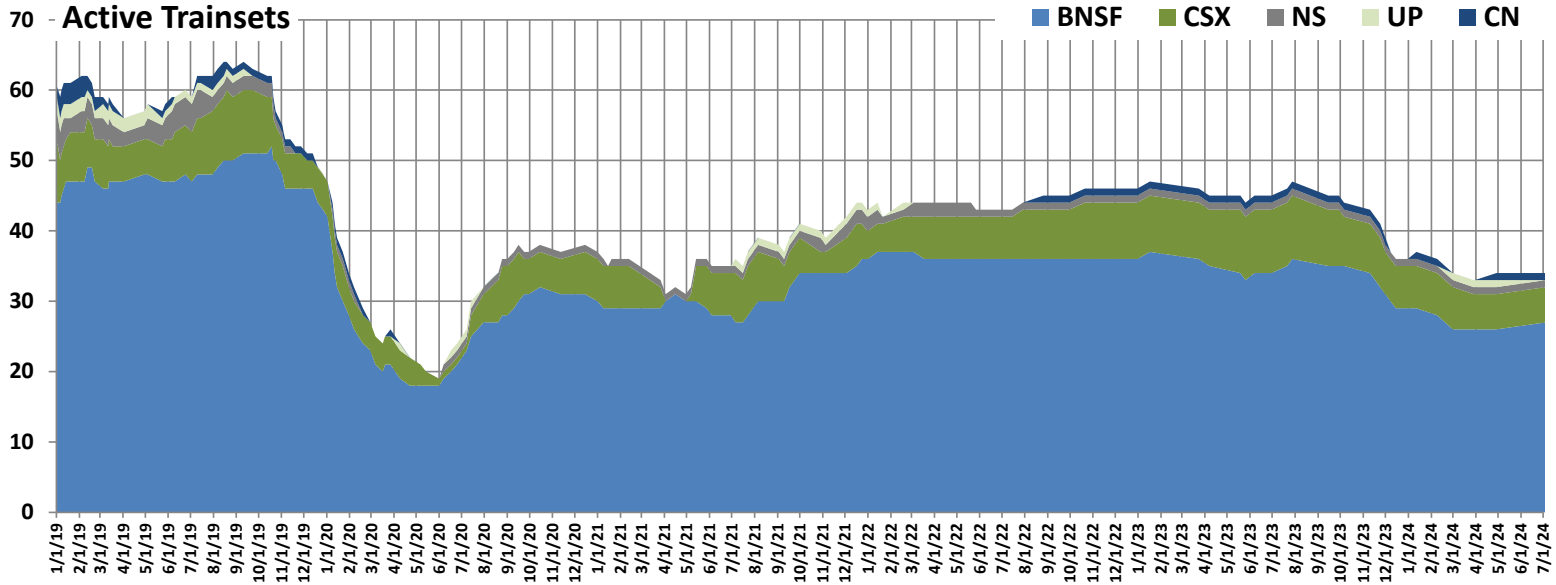
- Dry gas production has declined from peaks but generally remains over 100 Bcf/d
- Gas in storage is 275 Bcf higher than last year at this time and 496 Bcf above the 5-year average
- 2024 prices have found support on hot summer weather, but remain below $3
- Prices from '25-beyond have traded mostly range bound over the last quarter



# Q2 2024 | Railroad Service Update




**Railroad News**

- REDACTED
- REDACTED

**Railroad Regulatory**

- REDACTED.

**Railroad Service**

- REDACTED

**Railcar Markets**

- REDACTED

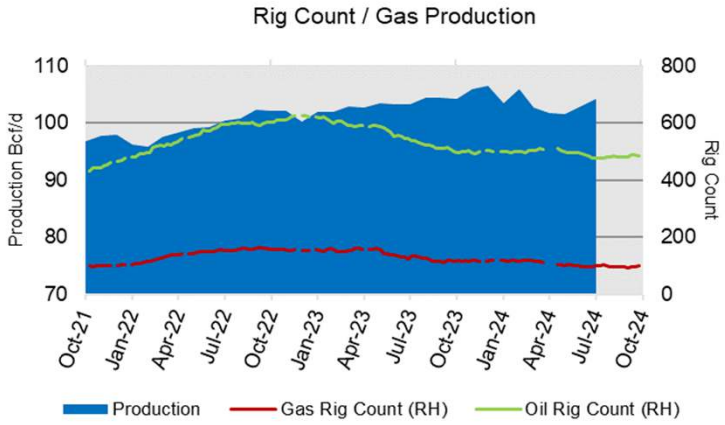
# Q3 2024 | Coal Market Update

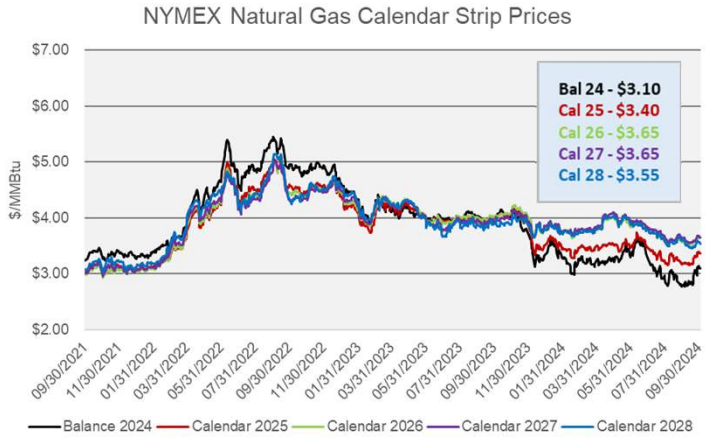
| | 2024 | 2025 | 2026 | 2024 | 2025 | 2026 |
|---|---|---|---|---|---|---|
| | Illinois Basin | | | PRB | | |
| **Current (10/1/24)** | **$ 40.00** | **$ 40.00** | **$ 41.25** | **$ 13.90** | **$ 14.10** | **$ 14.60** |
| *Previous (7/1/24)* | $ 40.25 | $ 41.50 | $ 43.00 | $ 13.80 | $ 14.60 | $ 15.05 |
| Quarterly Trend | ↓ | ↓ | ↓ | ↑ | ↓ | ↓ |
| *Previous (10/1/23)* | $ 46.00 | $ 48.00 | $ 50.00 | $ 14.10 | $ 14.45 | $ 14.80 |
| 12 Month Trend | ↓ | ↓ | ↓ | ↓ | ↓ | ↓ |
| | CAPP | | | Colombian | | |
| **Current (10/1/24)** | **$ 72.00** | **$ 74.00** | **$ 75.00** | **$ 130.00** | **$ 135.00** | **$ 138.00** |
| *Previous (7/1/24)* | $ 73.75 | $ 73.75 | $ 75.25 | $ 120.10 | $ 124.60 | $ 127.70 |
| Quarterly Trend | ↓ | ↑ | ↓ | ↑ | ↑ | ↑ |
| *Previous (10/1/23)* | $ 71.00 | $ 72.50 | $ 74.00 | $ 112.40 | $ 113.35 | $ 116.07 |
| 12 Month Trend | ↑ | ↑ | ↑ | ↑ | ↑ | ↑ |

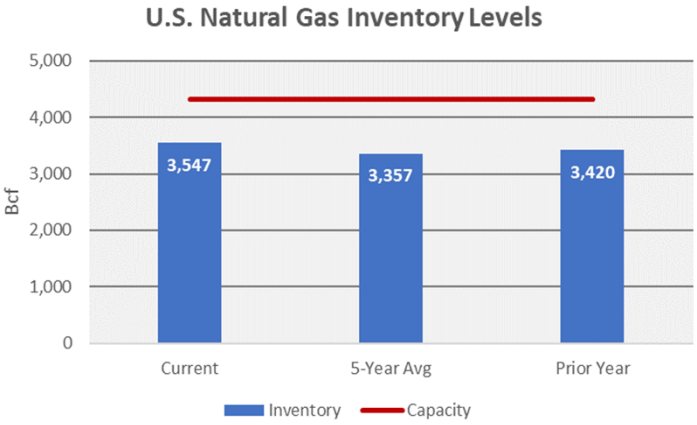
- **REDACTED**
- **REDACTED**

# Q3 2024 | Natural Gas Market Outlook

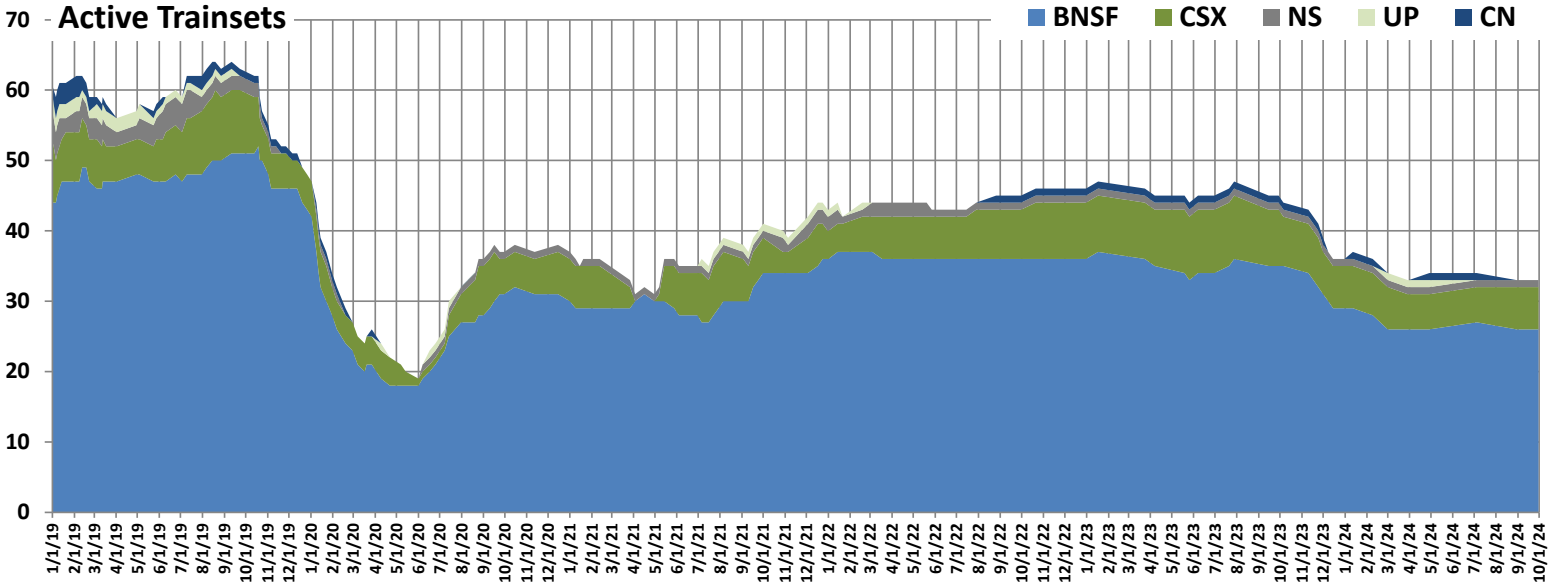
- Dry gas production has declined from peaks but generally remains over 100 Bcf/d
- Gas in storage is 127 Bcf higher than last year at this time and 190 Bcf above the 5-year average
- Bal 2024 prices have rallied off lows as storage overhang has eroded and market prepares for winter
- Prices from '25-beyond have traded mostly range bound over the last quarter



# Q3 2024 | Railroad Service Update




**Railroad News**

- REDACTED
- REDACTED

**Railroad Service**

- REDACTED

**Railcar Markets**

- REDACTED

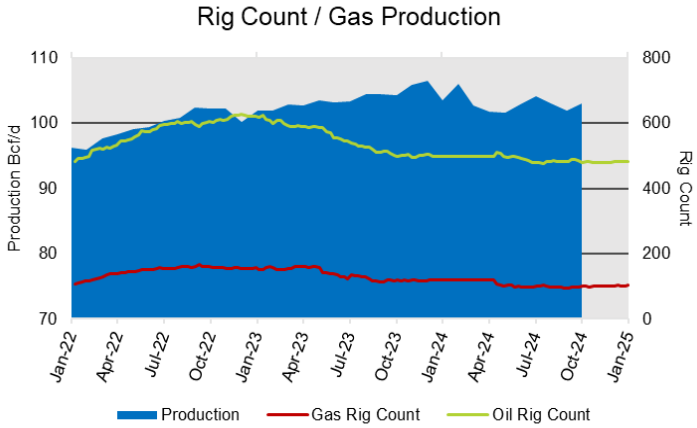
# Q4 2024 | Coal Market Update

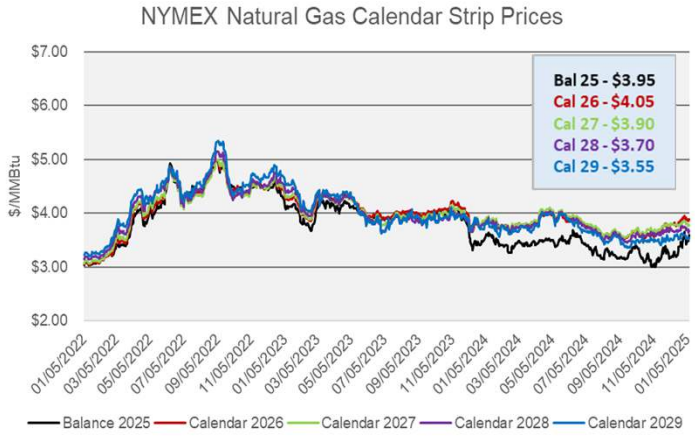
| | 2024 | 2025 | 2026 | 2024 | 2025 | 2026 |
|---|---|---|---|---|---|---|
| | Illinois Basin | | | PRB | | |
| **Current (12/31/24)** | **$ 45.25** | **$ 45.75** | **$ 47.50** | **$ 14.00** | **$ 14.00** | **$ 14.50** |
| *Previous (10/1/24)* | $ 40.00 | $ 40.00 | $ 41.25 | $ 13.90 | $ 14.10 | $ 14.60 |
| Quarterly Trend | ↑ | ↑ | ↑ | ↑ | ↓ | ↓ |
| *Previous (12/1/23)* | $ 47.75 | $ 48.50 | $ 50.50 | $ 13.85 | $ 13.95 | $ 14.25 |
| 12 Month Trend | ↓ | ↓ | ↓ | ↑ | ↑ | ↑ |
| | CAPP | | | Colombian | | |
| **Current (12/31/24)** | **$ 75.25** | **$ 75.75** | **$ 77.50** | **$ 126.00** | **$ 126.00** | **$ 130.00** |
| *Previous (10/1/24)* | $ 72.00 | $ 74.00 | $ 75.00 | $ 130.00 | $ 135.00 | $ 138.00 |
| Quarterly Trend | ↑ | ↑ | ↑ | ↓ | ↓ | ↓ |
| *Previous (12/1/23)* | $ 71.50 | $ 72.00 | $ 75.25 | $ 106.75 | $ 104.00 | $ 104.10 |
| 12 Month Trend | ↑ | ↑ | ↑ | ↑ | ↑ | ↑ |

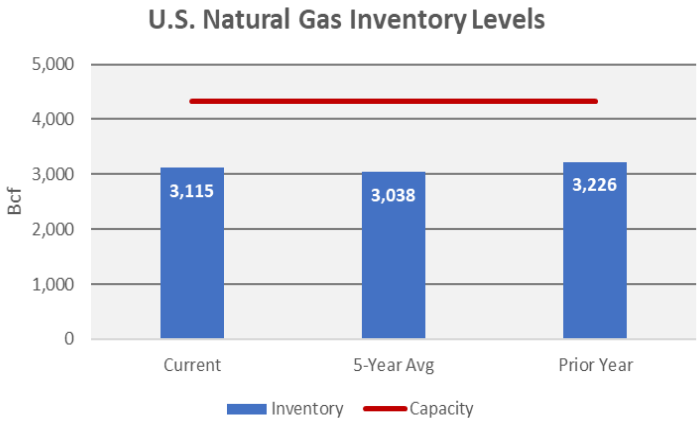
- **REDACTED**
- **REDACTED**

# Q4 2024 | Natural Gas Market Outlook

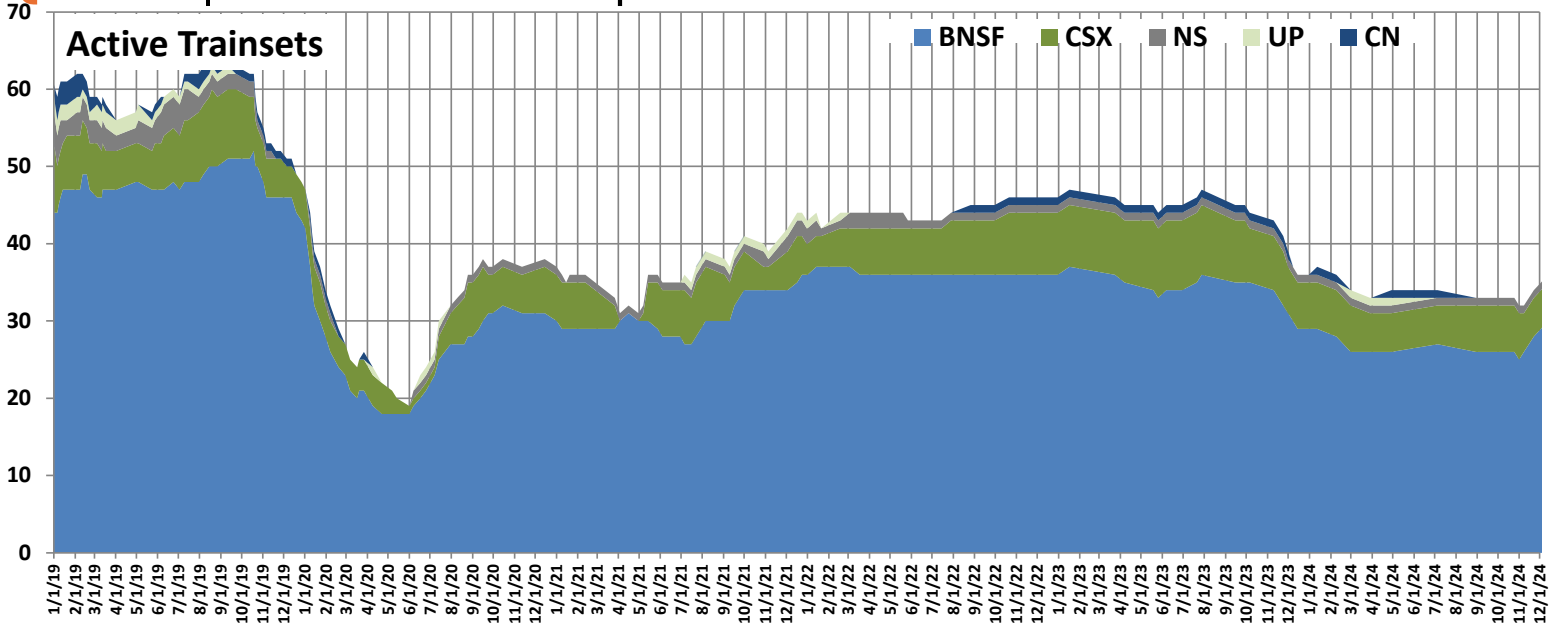
- Dry gas production has declined from peaks but generally remains over 100 Bcf/d
- Gas in storage is 111 Bcf lower than last year at this time and 77 Bcf above the 5-year average
- 2025 pricing has rallied back into the $4 area on cooler weather to begin the year
- Prices from '26-beyond have also gravitated to the $4 area, though sell-side interest further back has pushed prices lower occasionally



# Q4 2024 | Railroad Service Update




**Railroad News**

- REDACTED.
- REDACTED

**Railroad Service**

- REDACTED

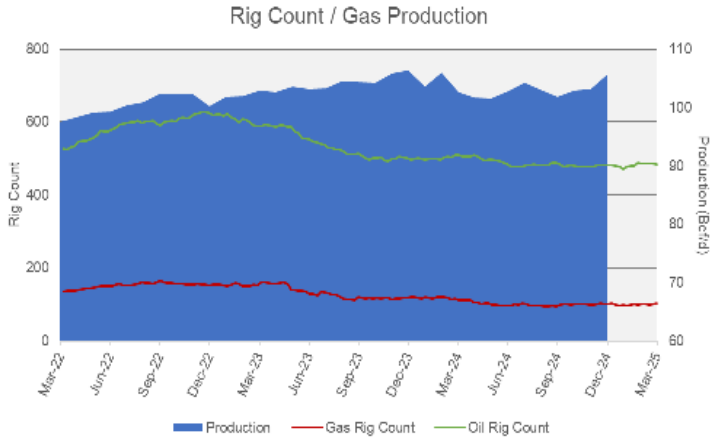
# Q1 2025 | Coal Market Update

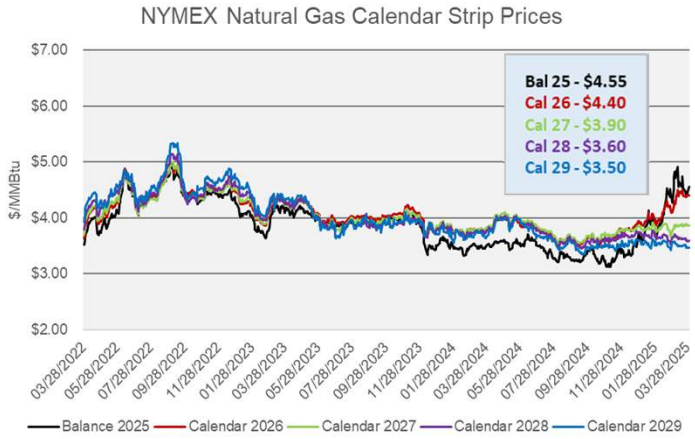
| | 2025 | 2026 | 2027 | 2025 | 2026 | 2027 |
|---|---|---|---|---|---|---|
| | Illinois Basin | | | PRB | | |
| **Current (3/31/25)** | **$ 45.00** | **$ 46.25** | **$ 47.50** | **$ 14.25** | **$ 14.50** | **$ 14.75** |
| *Previous (12/31/24)* | $ 45.25 | $ 45.75 | $ 47.50 | $ 14.00 | $ 14.00 | $ 14.50 |
| Quarterly Trend | ↓ | ↑ | ↓ | ↑ | ↑ | ↑ |
| *Previous (4/1/24)* | $ 42.00 | $ 44.25 | $ 45.75 | $ 13.55 | $ 14.10 | $ 14.60 |
| 12 Month Trend | ↑ | ↑ | ↑ | ↑ | ↑ | ↑ |
| | CAPP | | | Colombian | | |
| **Current (3/31/25)** | **$ 77.50** | **$ 78.50** | **$ 80.25** | **$ 116.75** | **$ 122.50** | **$ 120.00** |
| *Previous (12/31/24)* | $ 75.25 | $ 75.75 | $ 77.50 | $ 126.00 | $ 126.00 | $ 130.00 |
| Quarterly Trend | ↑ | ↑ | ↑ | ↓ | ↓ | ↓ |
| *Previous (4/1/24)* | $ 71.00 | $ 74.25 | $ 75.75 | $ 106.75 | $ 104.00 | $ 104.10 |
| 12 Month Trend | ↑ | ↑ | ↑ | ↑ | ↑ | ↑ |

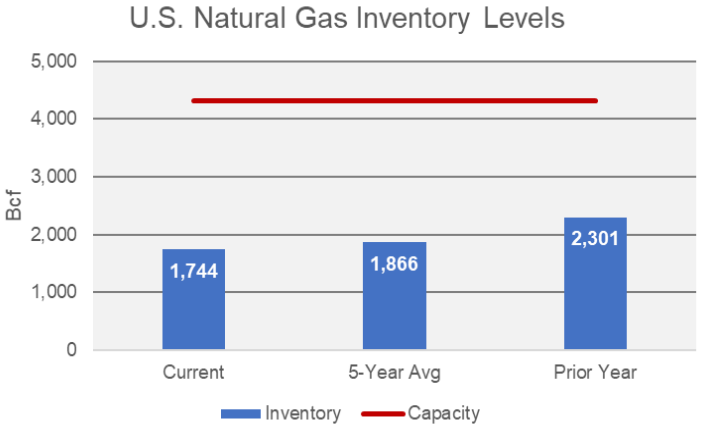
- **REDACTED**
- **REDACTED**

# Q1 2025 | Natural Gas Market Outlook

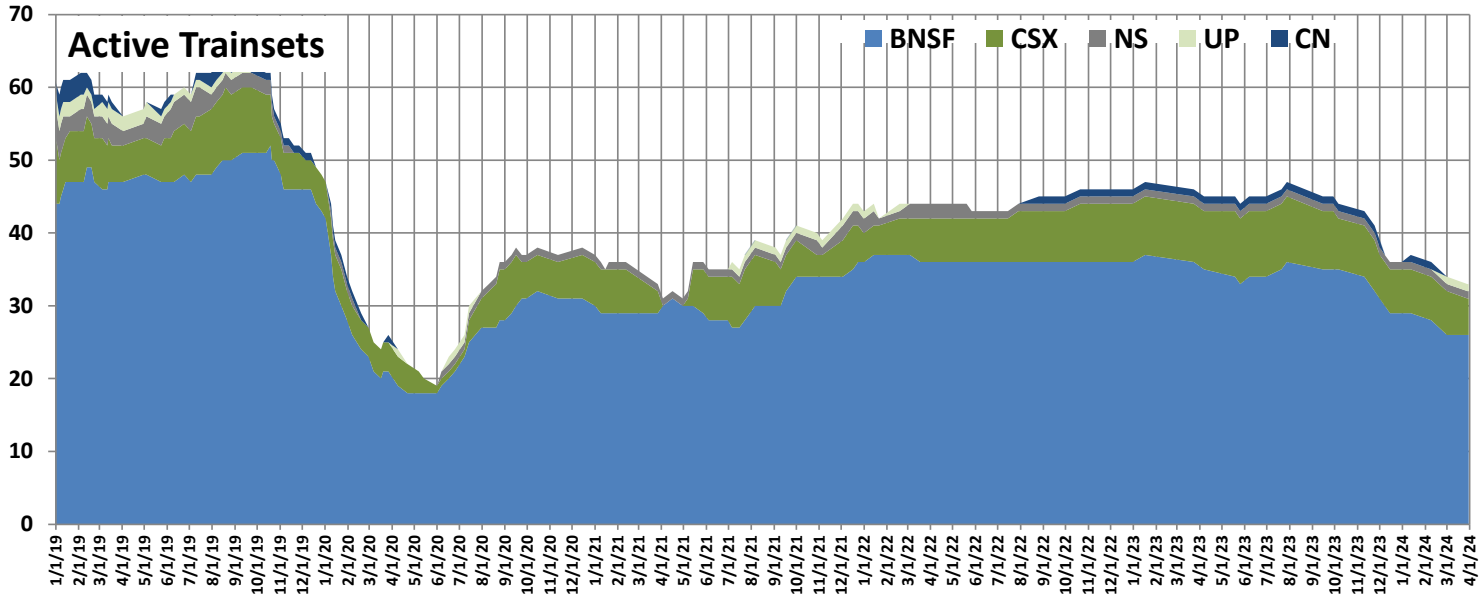
- Dry gas production has averaged around 105 Bcf/d in early-2025, aside from brief freeze-off impacted periods
- Gas in storage is 557 Bcf lower than last year at this time and 122 Bcf below the 5-year average
- Balance-2025 pricing continues elevated around $4.50 on concerns about a tighter supply/demand balance
- Cals '26 & '27 have been pulled higher by the front, but 2028 and beyond generally continue to stay in the $3.50 area



# Q1 2025 | Railroad Service Update




**Railroad News**

- REDACTED
- REDACTED
- REDACTED

**Railcar Markets**

- REDACTED

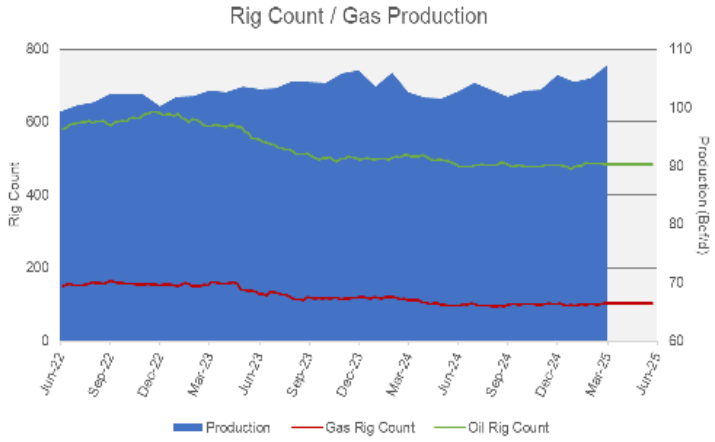
# Q2 2025 | Coal Market Update

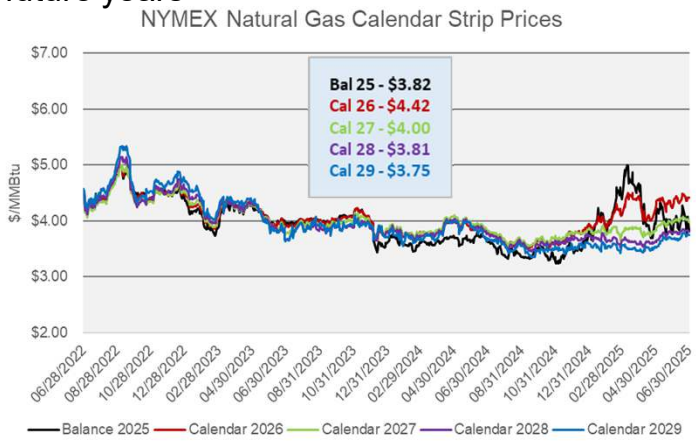
| | 2025 | 2026 | 2027 | 2025 | 2026 | 2027 |
|---|---|---|---|---|---|---|
| | Illinois Basin | | | PRB | | |
| **Current (7/1/25)** | **$ 48.00** | **$ 49.75** | **$ 51.75** | **$ 14.00** | **$ 14.40** | **$ 14.80** |
| *Previous (4/1/25)* | $ 45.00 | $ 46.50 | $ 47.75 | $ 14.20 | $ 14.50 | $ 14.80 |
| Quarterly Trend | ↑ | ↑ | ↑ | ↓ | ↓ | ↓ |
| *Previous (7/1/24)* | $ 40.00 | $ 41.50 | $ 43.00 | $ 13.70 | $ 14.10 | $ 14.60 |
| 12 Month Trend | ↑ | ↑ | ↑ | ↑ | ↑ | ↑ |
| | CAPP | | | Colombian | | |
| **Current (7/1/25)** | **$ 76.50** | **$ 78.75** | **$ 80.50** | **$ 118.91** | **$ 123.76** | **$ 125.96** |
| *Previous (4/1/25)* | $ 77.50 | $ 78.75 | $ 80.25 | $ 116.76 | $ 125.47 | $ 122.66 |
| Quarterly Trend | ↓ | ↓ | ↑ | ↑ | ↓ | ↑ |
| *Previous (7/1/24)* | $ 71.00 | $ 74.00 | $ 75.50 | $ 116.81 | $ 124.64 | $ 127.67 |
| 12 Month Trend | ↑ | ↑ | ↑ | ↑ | ↓ | ↓ |

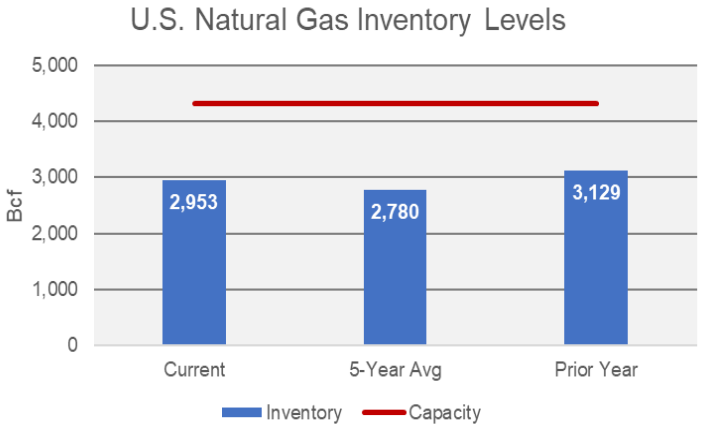
- **REDACTED**
- **REDACTED**

# Q2 2025 | Natural Gas Market Outlook

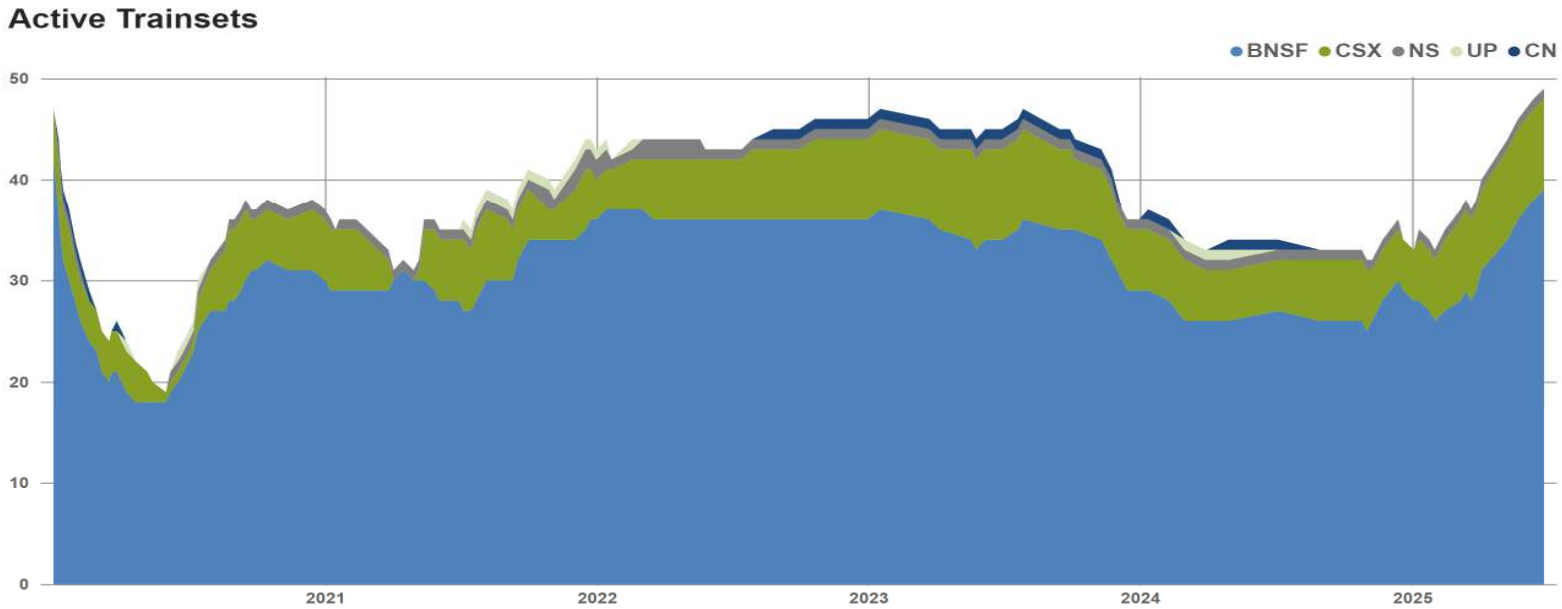
- Dry gas production has averaged around 105 Bcf/d in 1H25, about 3 Bcf/d higher than prior year
- Gas in storage is 176 Bcf lower than last year at this time and 173 Bcf above the 5-year average
- Balance-2025 prices have weakened as the supply/demand balance has been looser than expected
- Cals '26 & beyond have moved higher on expectations that weaker prices in 2025 will lead to a tighter supply/demand balance in future years



# Q2 2025 | Railroad Service Update




**Railroad News**

- REDACTED
- REDACTED

**CSX and Norfolk Southern Legal Dispute**

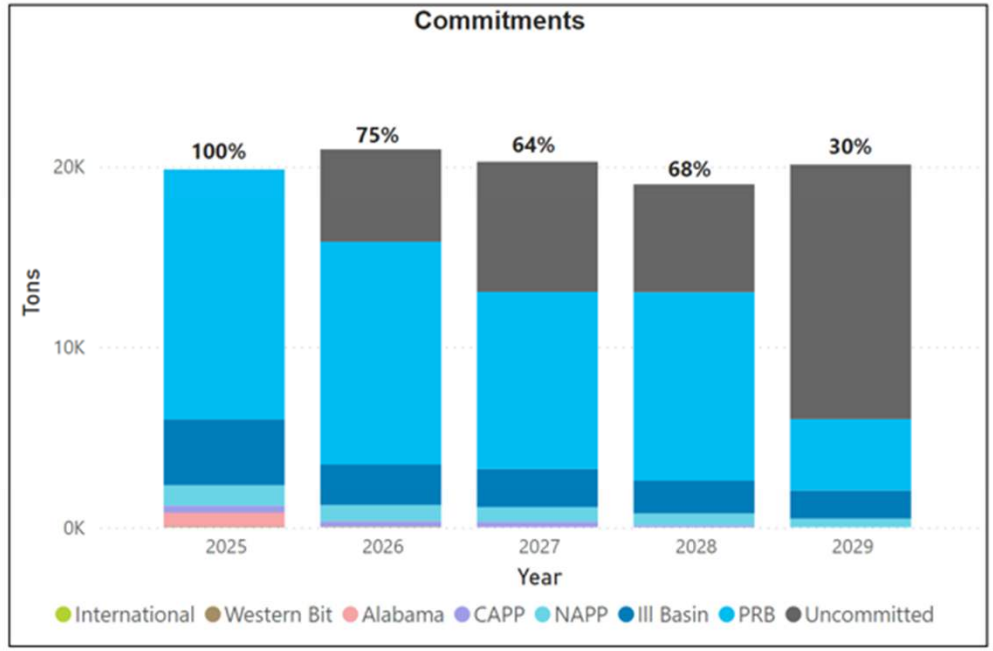
- REDACTED

**Railcar Market**

- REDACTED
- REDACTED

# Q3 2025 | Coal Updates

- System inventories are at healthy levels and above target at each plant
- Healthy coal commitments going into 2026 and beyond
- Coal Markets:
  - International coal demand has declined and is expected to remain soft
  - U.S. producers are looking to place coal into domestic markets where demand is stronger
- Railroad News:
  - UP/NS Merger ($85B): Seeks to create a transcontinental rail network to boost freight efficiency and cut costs; critics say it will reduce competition and result in service disruptions; awaiting STB review, with application due in the next few months and completion targeted for mid-2027.

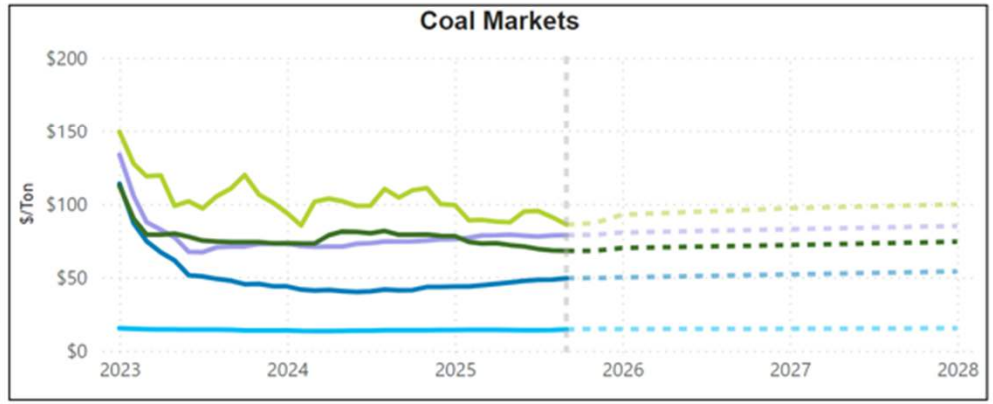




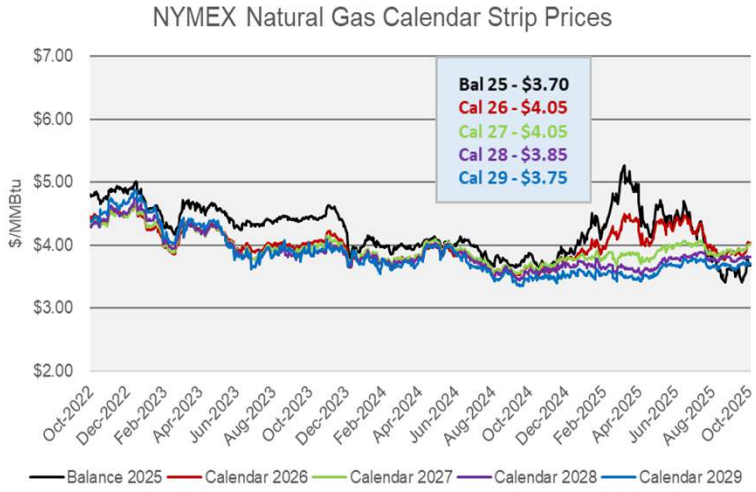


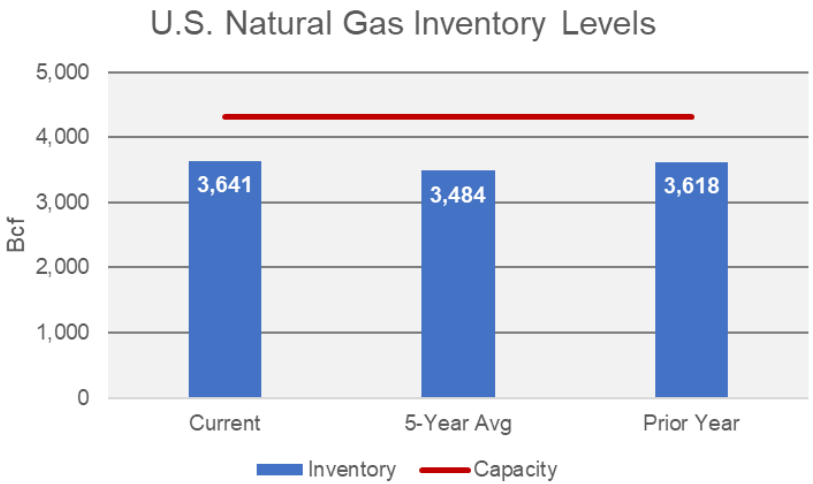
**Net Southern as of September 30, 2025**

| Normal Full Load (NFL) | Actual NFL Days | Target NFL Days |
|---|---|---|
| Q3 25 | 53 | 38 |



# Q3 2025 | Natural Gas Market Outlook



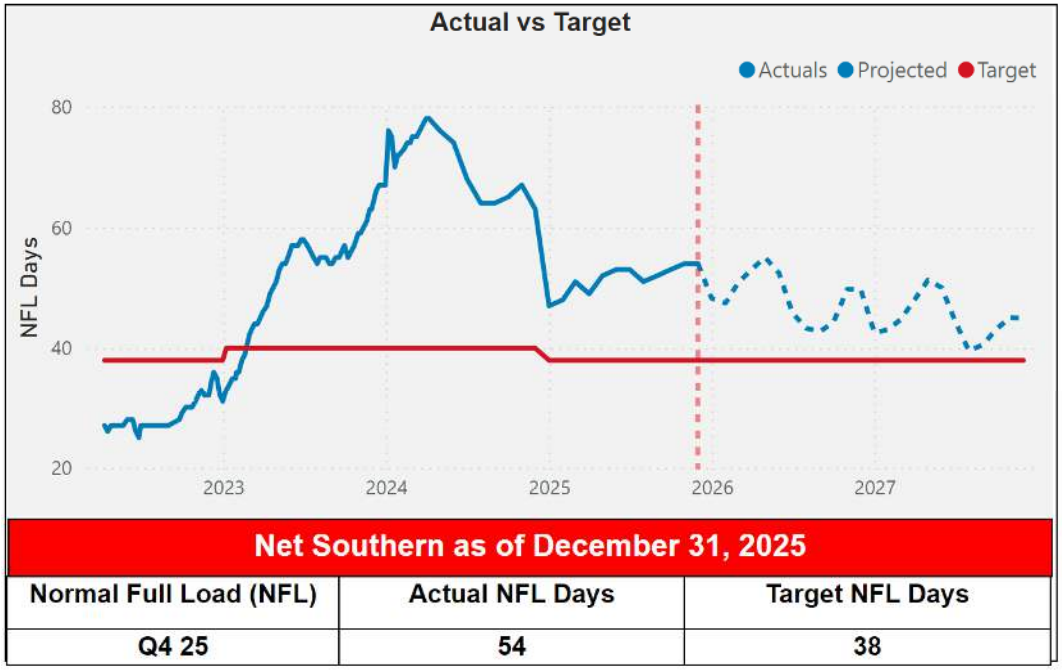




- Balance-2025 prices have weakened as lack of extreme summer heat has allowed supply/demand balances to remain looser than expected
- Cal ‘26 has moved lower with ‘25 prices, but Cals ‘27 & beyond have moved higher on expectations that weaker prices in the near term will lead to a tighter supply/demand balance in later years
- Gas in storage is 23 Bcf higher than last year at this time and 157 Bcf above the 5-year average

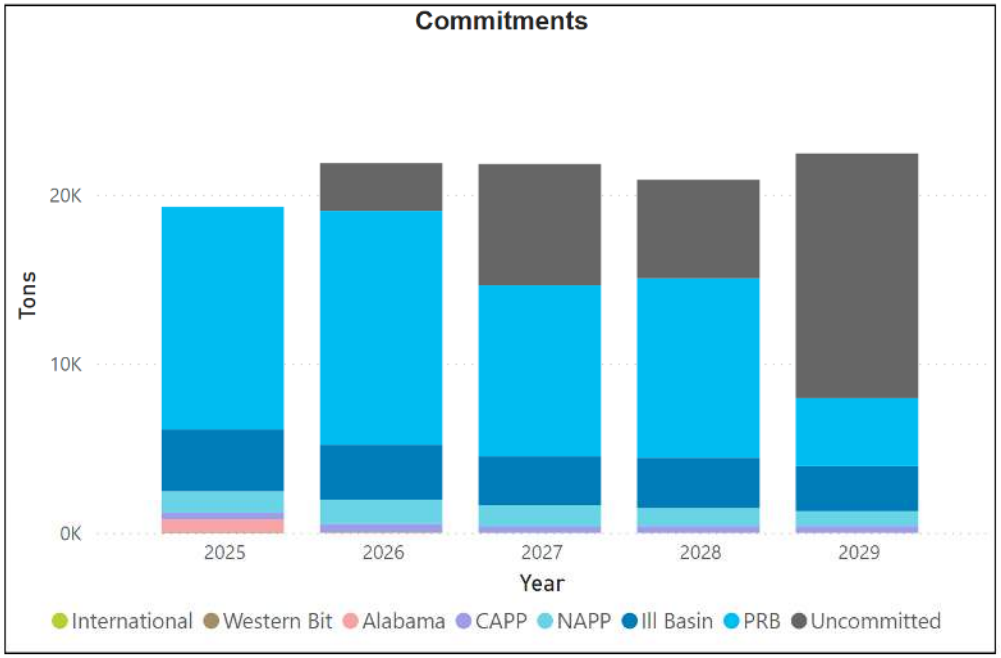
# Q4 2025 | Coal Updates

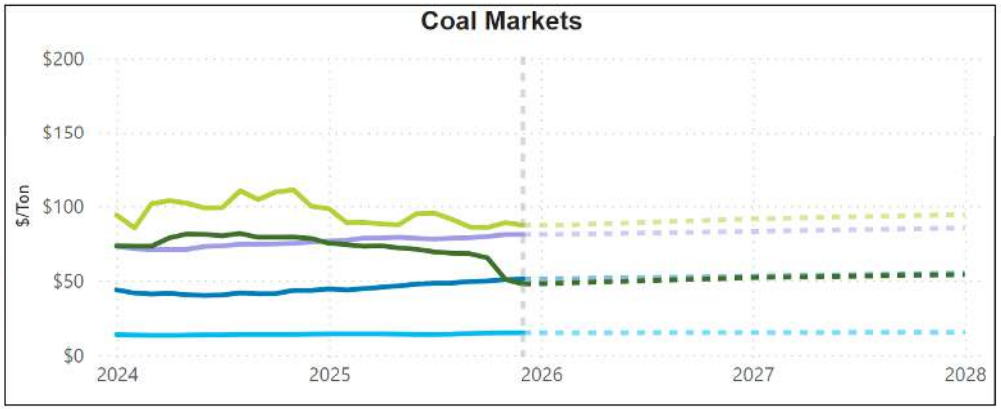
- System inventories are at healthy levels and above target at each plant
- Coal commitments in line with our strategy in 2026 and beyond
- Coal Markets:
  - International coal remains soft going into 2026
  - Domestic coal demand has remained stable

**Railroad News:**
UP–NS Merger ($85B): STB application filed Dec 19, 25; STB rejected the application and it will be refiled with the missing information. Proponents pitch the first coast-to-coast single-line railroad with potential 2M truckload diversion; BNSF and shipper groups warn of competition and service risks. If approved, companies target close in early 2027. SO to file NOI at the end of January.



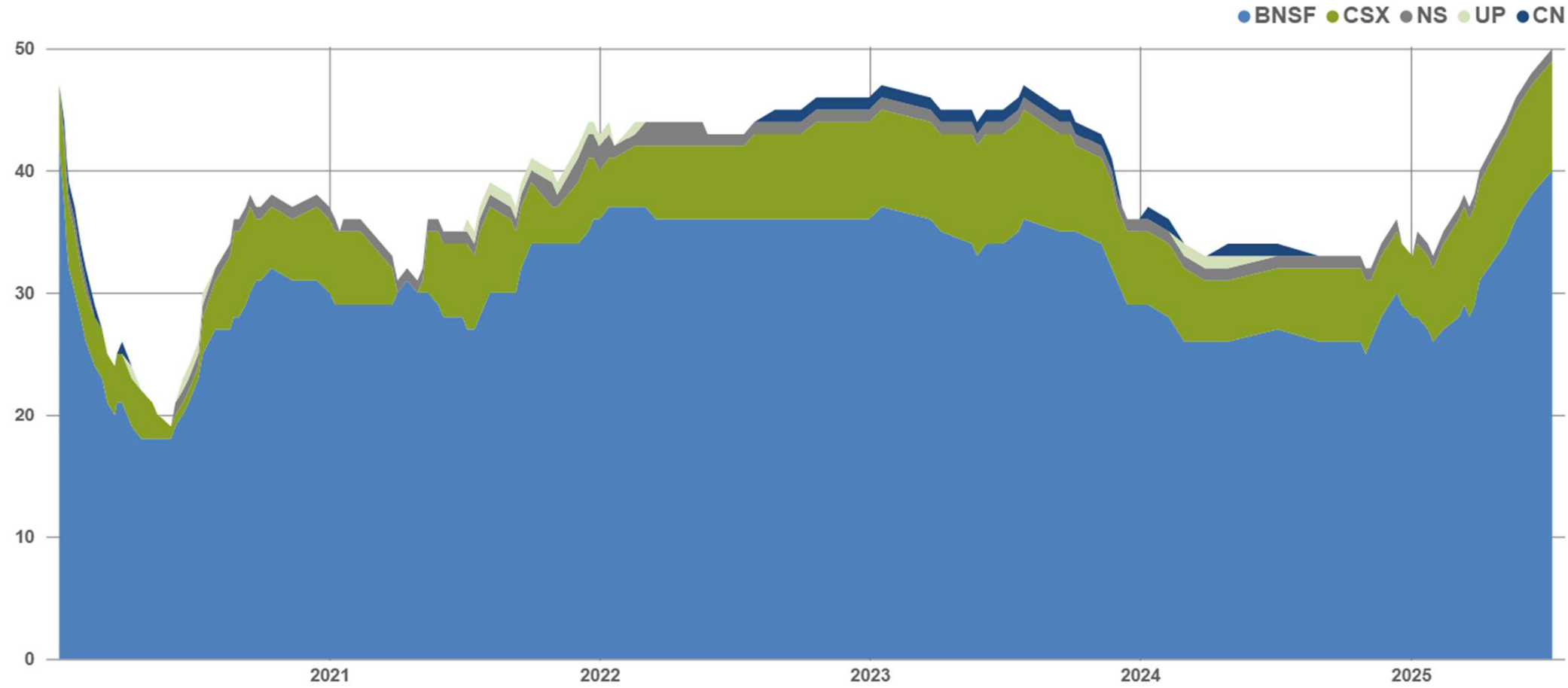

| Net Southern as of December 31, 2025 | | |
|---|---|---|
| **Normal Full Load (NFL)** | **Actual NFL Days** | **Target NFL Days** |
| **Q4 25** | **54** | **38** |



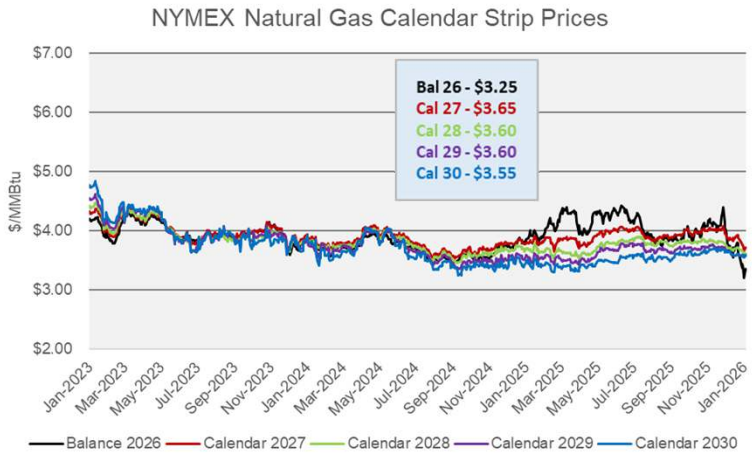



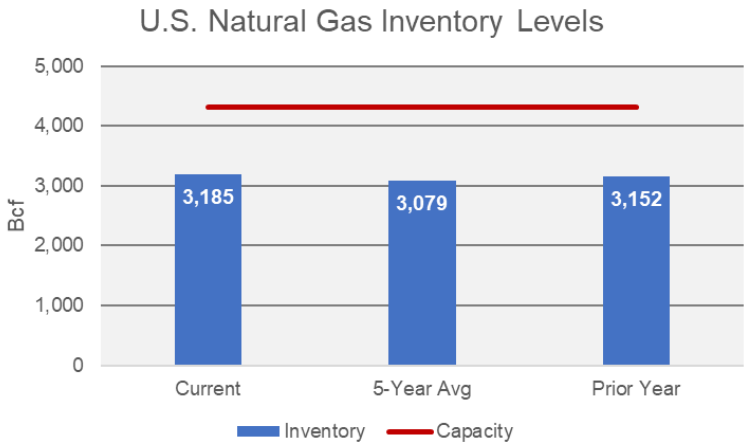
# Q4 2025 | Railroad Service Update

## Active Trainsets



# Q4 2025 | Natural Gas Market Outlook




- Balance-2026 prices have weakened as lack of winter cold has allowed supply/demand balances to remain looser than expected
- Remainder of curve has been dragged lower with the front, although potential exists for tightening supply/demand balances
- Gas in storage is 33 Bcf higher than last year at this time and 106 Bcf above the 5-year average