



Utility Update

Rail Energy Transportation Advisory Committee

March 4, 2026

Utility Perspective

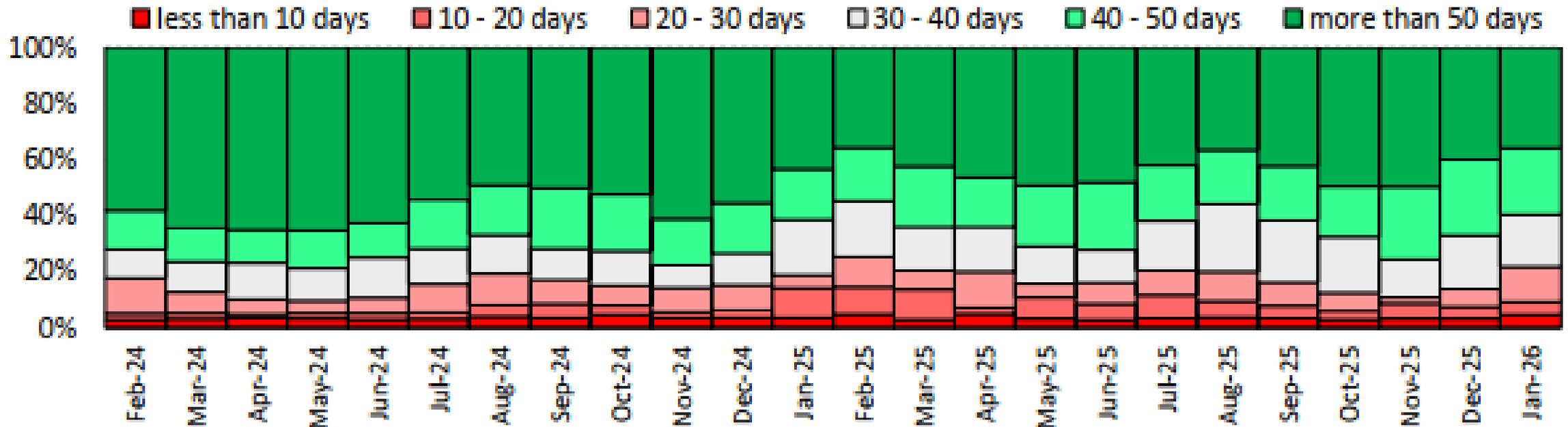
- Inventory Updates
- Rail Metrics
- On Time Performance Shipper Perspective Survey
- Key Takeaways

Utility Inventory Update

- Cold weather in late January boosted electricity demand along with a decline in wind and solar generation during the cold snap resulting in increased coal consumption that depleted coal stockpiles
- Coal receipts have been steady but outpaced by coal burn, resulting in ending stocks falling to 101.8 mmt.
- Potential for coal shortages is unlikely as utilities still have above-average inventories. Current inventory stands at 49 days of full-load burn .

Feb 2024 – Jan 2026

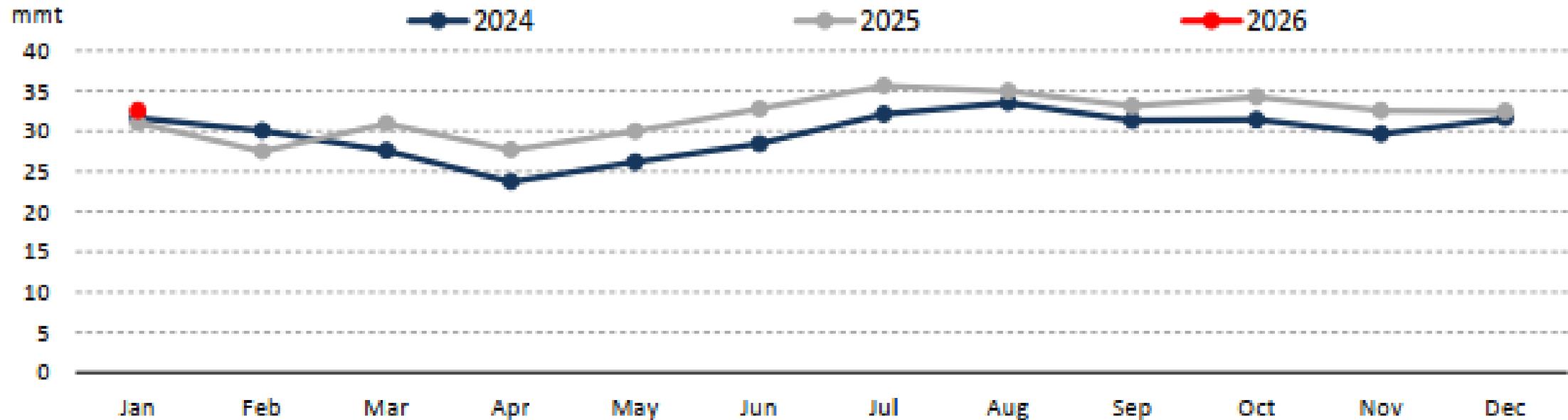
Distribution of plants by days of full-load burn - Total utilities



Coal Deliveries by Year for Utilities

- Coal Deliveries through 2025 remained steadily higher than 2024 as utilities replenish consumed inventory.

Total utilities - monthly coal deliveries by year



Rail Metrics – N. American RR Operational & Service Trends

The State of the Rails

Running well (green): CSX, Union Pacific, BNSF, CPKC, Norfolk Southern.

Running normally (yellow): Canadian National.

Running poorly (red):

Railroads Recover from Arctic Blast in January 2026.

UP and BNSF running well with extremely mild winter in the West
 CSX and NS recoveries lagging somewhat due to additional "bomb cyclone" end of January

Service Matrix: Equally-weighted Velocity + Terminal Dwell versus each Railroad's Post-recession Average

	2010				2011				2012				2013				2014				2015				2016				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
UP	6%	12%	8%	8%	4%	7%	-1%	2%	3%	9.8%	6%	3%	2%	2%	3%	-3%	-19%	-18%	-18%	-23%	-18%	-9.7%	-7%	-4%	1%	4%	-2%	-4%	-14%	-6%	-12%	-23%
BNSF	-5%	8%	1%	-2%	-8%	-4%	-14%	-9%	9%	13%	6%	7%	9.2%	1%	-3%	-19%	-31%	-28%	-26%	-21%	-6%	-1%	-1%	8%	15%	20%	3%	4%	-11%	-3%	3%	7%
CSX	-22%	-13%	-17%	-19%	-27%	-23%	-12%	-17%	-8%	-4%	-3%	-3%	3%	4%	6%	-1%	-28%	-29%	-27%	-26%	-33%	-21%	-21%	-17%	-22%	-18%	-22%	-27%	-26%	-12%	PSR -35%	-16%
NS	-4%	-2%	1%	-3%	-14%	-3%	0%	-4%	17%	19%	22%	22%	19%	21%	21%	18%	-2%	2%	-12%	-34%	-27%	-8%	-3%	3%	6%	11%	8%	4%	3%	-6%	-4%	-15%
CN	2%	11%	13%	6%	-3%	9.7%	9%	9.9%	9%	13%	16%	8%	-9.8%	16%	22%	4%	-27%	9%	6%	-1%	-3%	14%	19%	21%	20%	26%	26%	16%	6%	14%	3%	-19%

Impact of 2014 Polar Vortex

CN Meltdown
 Hurricane Harvey

	2018				2019				2020				2021				2022				2023				2024				2025				L3M
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
UP	-26%	-13%	-16%	PSR -4%	-8%	-4%	6%	12%	7%	20%	10%	14%	6%	8%	1%	0%	1%	-3%	-2%	-2%	1%	3%	1%	9%	3%	3%	4%	9%	7%	11%	13%	22%	24%
BNSF	1%	-3%	-7%	-8%	-15%	-14%	-7%	-1%	8%	20%	12%	13%	3%	3%	3%	-1%	-12%	-9%	-1%	1%	-6%	-1%	6%	6%	-6%	-1%	9%	15%	13%	19%	18%	20%	19%
CSX	-9%	3%	15%	20%	28%	26%	27%	40%	40%	37%	20%	13%	11%	12%	9%	3%	-4%	-12%	-4%	18%	33%	31%	26%	23%	21%	19%	18%	9%	3%	11%	23%	24%	19%
NS	-34%	-36%	-23%	PSR -20%	6%	23%	28%	30%	31%	37%	24%	7%	-7%	-2%	3%	-27%	-27%	-31%	-19%	-12%	-16%	-32%	-3%	-9.6%	-2%	3%	9%	9%	9%	4%	9%	8%	11%
CN	-45%	-16%	-15%	-14%	-28%	0%	-8%	-12%	-20%	-15%	-36%	-13%	-20%	-3%	-4%	-9%	-36%	1%	6%	1%	6%	8%	3%	6%	-1%	1%	1%	3%	-14%	4%	4%	3%	-3%
CPKC	< Pre-CP & KCS Consolidated Data >								21%	19%	12%	6%	-10%	-1%	13%	13%	-7%	-6%	-8%	-16%	-20%	-12%	-20%	2%	2%	7%	-4%	-3%	-3%	0%	-1%	11%	11%

CN & NS Meltdowns
 UP & NS Adopt PSR

Midwest Flooding

Record industry service, aided by COVID lockdowns

COVID
 2021 Polar Vortex

Omicron Spike
 2022 Service Crisis

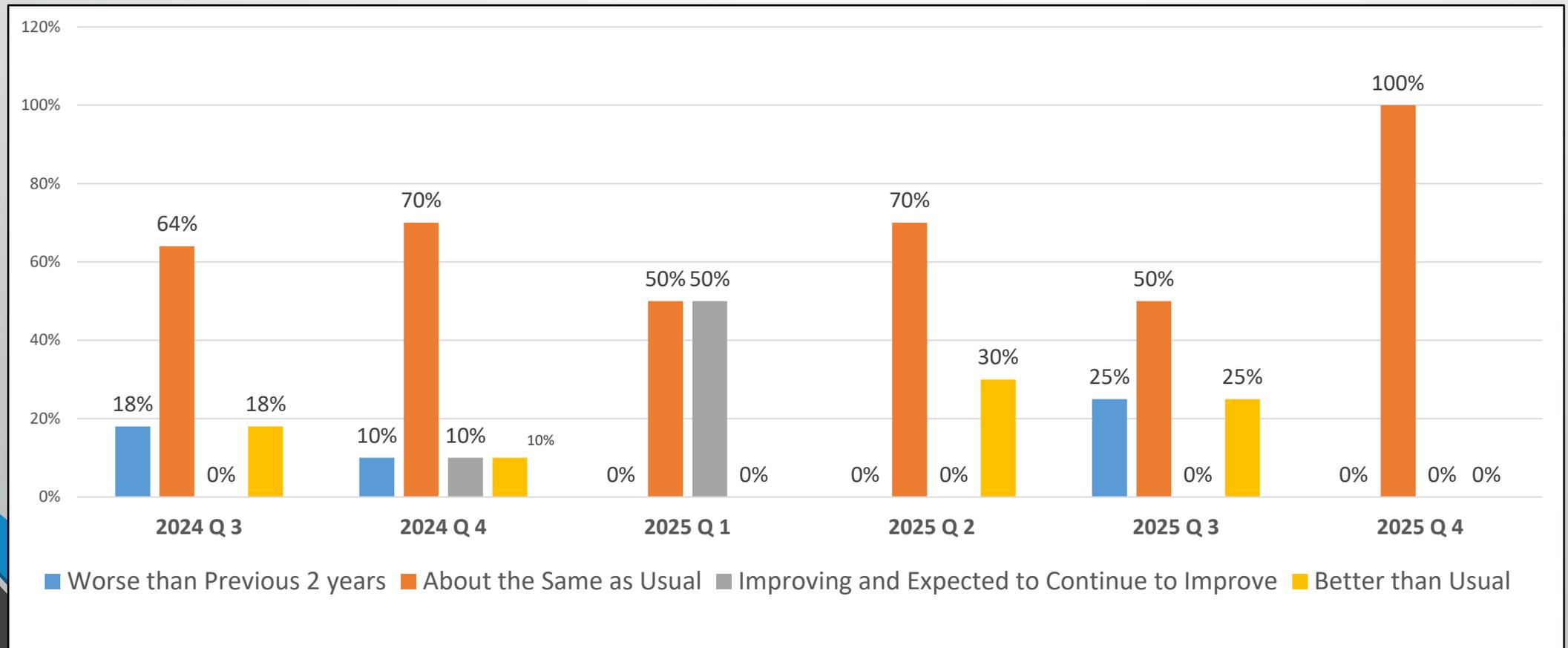
NS East Palestine
 KCSM Meltdown

CN Mini-crash

UPDATED

NCTA/FRCA/NRECA On Time Performance Survey

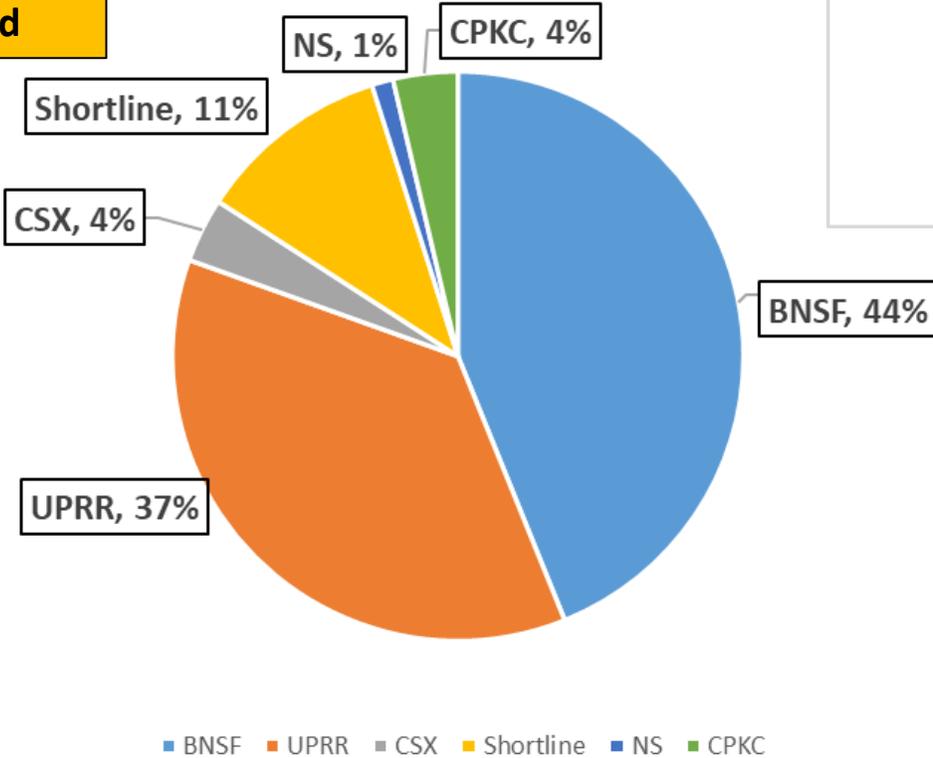
- Railroad Service from the Shipper Perspective: NCTA/FRCA/NRECA group effort
- Survey Data Collected from Utility members since Aug 2019 to December 2025– Quarterly Data Collection
- 39 Plants Reported Shipper Perspective Railroad Performance Data for Q 3 and 4 of 2024
- 82 Plants in 2025: Q 1: **11**, Q 2: **31**, Q 3: **25**, Q 4: **12**)
- Valid data showing actual shipper experiences. Identity of respondents is always protected



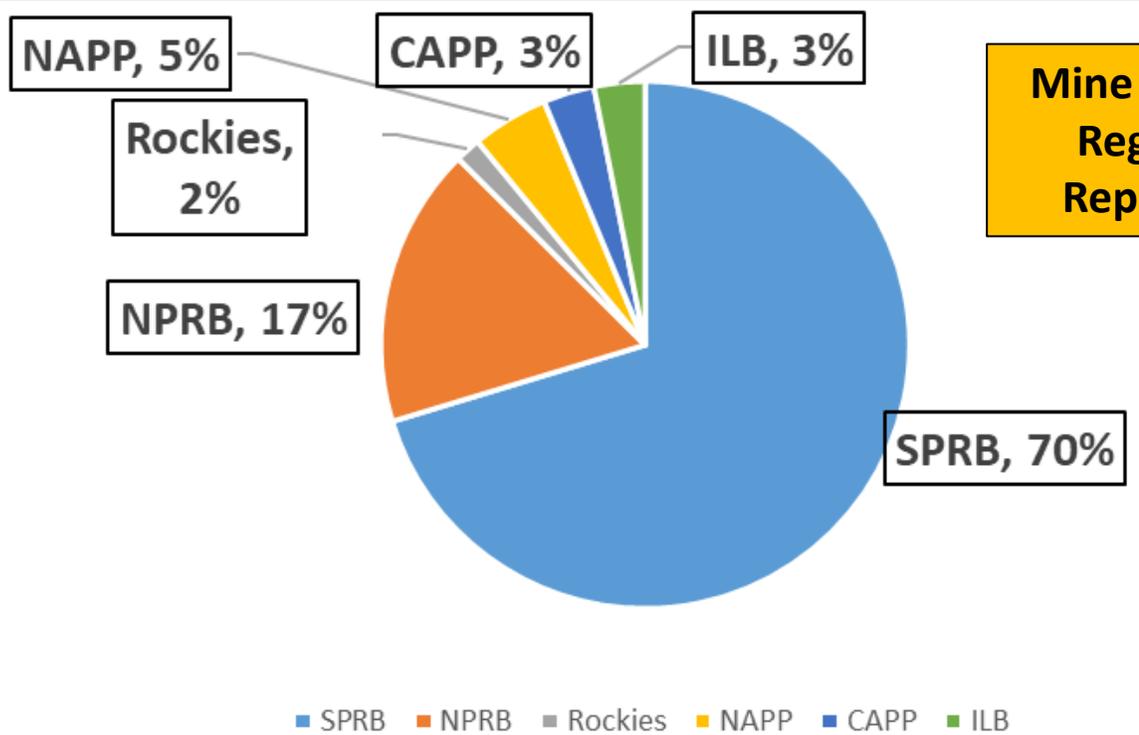
Utility Shipper Survey: Jan – Dec 2025

Heavily weighted to Western RR's and Utilities

Railroads Serving Plants that Responded



Mine Source Regions Reported



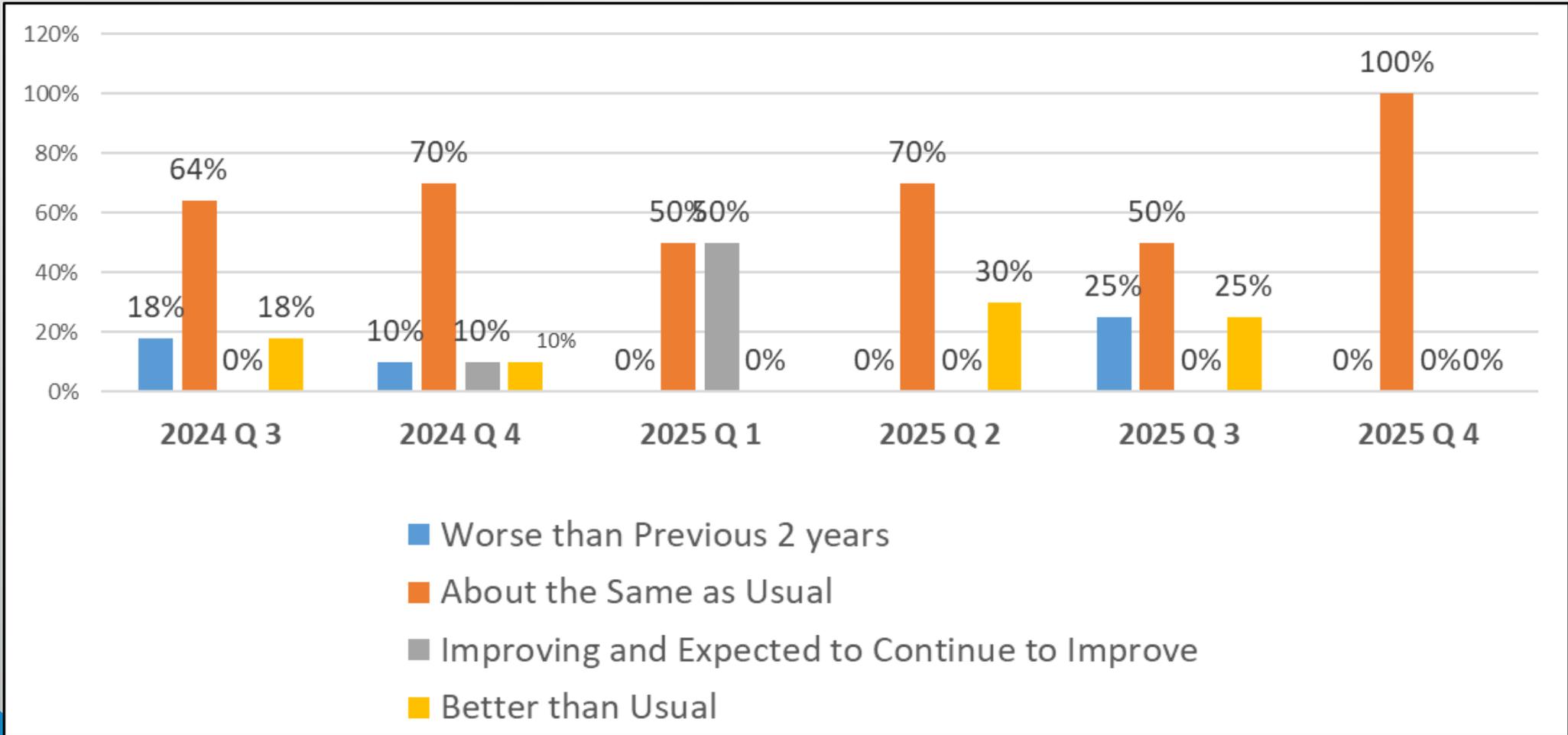
What Kind of Rail Service Issues Have You Experienced? July 2021-December 2025

- Longer transit times – Jumped to 60% in Q 3, Down in Q 4
- Lack of crews 40%-50% Say Yes in Back Half of 2025
- Lack of Locomotive Power Available up to 50% in Q 4 2025
- Trains being doubled in transit up to 40%-50% in Back Half of 2025
- Increased charges by the Carriers up to 50% Q 4 2025

	Longer than typical or historic transit times	Lack of railroad crews causing delays	Delayed train pick ups	Trains being doubled in transit	Lack of locomotive power available	Poor communication from the rail carriers	Missed car switches	Increased charges by the railroads
■ July 2021-Dec 2021	75%	91%	68%	59%	75%	50%	32%	26%
■ Jan 2022-June 2022	90%	90%	90%	52%	68%	40%	32%	20%
■ July 2022-Dec 2022	69%	88%	82%	57%	57%	31%	25%	25%
■ Jan 2023-June 2023	60%	87%	53%	45%	65%	40%	20%	27%
■ July 2023-Dec 2023	14%	57%	85%	43%	43%	43%	28%	14%
■ Jan 2024-June 2024	44%	78%	78%	22%	44%	11%	33%	11%
■ July 2024-Sept 2024	36%	27%	45%	36%	27%	9%	27%	18%
■ Oct 2024-Dec 2024	20%	60%	40%	40%	30%	0%	20%	20%
■ Jan-March 2025	0%	50%	0%	0%	0%	50%	0%	0%
■ April 2025-June 2025	25%	13%	25%	38%	25%	25%	0%	38%
■ July 2025-Sept 2025	60%	40%	40%	40%	20%	20%	0%	20%
■ Oct 2025 - Dec 2025	25%	50%	25%	50%	50%	0%	0%	50%

■ July 2021-Dec 2021 ■ Jan 2022-June 2022 ■ July 2022-Dec 2022 ■ Jan 2023-June 2023 ■ July 2023-Dec 2023 ■ Jan 2024-June 2024
 ■ July 2024-Sept 2024 ■ Oct 2024-Dec 2024 ■ Jan-March 2025 ■ April 2025-June 2025 ■ July 2025-Sept 2025 ■ Oct 2025 - Dec 2025

Based on your typical or historical train cycle times for your plant(s), please rate your “average round trip cycle time” for each plant for this period.



Key Takeaways

- Cycle time performance rating in 2024 and 2025 for 50% or more shippers “about the same”
- Lack of crews more of a concern in Q 4 2025
- Lack of power and crews two of major issues raised in 2025
- Increased charges on the rise in Q 4 2025
- Mild winter in the Western U.S. in 2026 contributing to healthy rail metrics for UPRR and BNSF
- CSX and NS contending with more severe winter weather in 2026 and negative impact on service metrics
- Utility Coal Stockpiles Reduced to about 49 days FLB on average but still above average inventory overall



Thank you