



Black Hills Corp. Completes Fuel Supply Contract for Wyodak Power Plant

December 6, 2022

RAPID CITY, S.D., Dec. 06, 2022 (GLOBE NEWSWIRE) -- Black Hills Corp. (NYSE: BKH) today announced its subsidiary, Wyodak Resources Development Corp., completed a new contract to continue providing fuel supply to the 402-megawatt Wyodak Power Plant.

Wyodak Resources currently provides fuel supply to five on-site, mine-mouth coal-fired generating facilities near Gillette, Wyoming, including the Wyodak Power Plant. This new contract will be effective for four years starting on Jan. 1, 2023, and extending through Dec. 31, 2026, with an option to extend the term by one year to Dec. 31, 2027. The contract, if mutually agreed, can be extended in one-year increments thereafter.

Pricing and other terms were renewed at essentially similar terms as the existing fuel supply agreement which expires at year-end. Pricing will be consistent with the methodology in the current contract and will consist of a base price, plus adjustments. The price will be adjusted monthly and quarterly for certain index changes.

The contract will provide coal supply for the Wyodak Power Plant, which is owned 80% by PacifiCorp and 20% by Black Hills Corp.'s subsidiary South Dakota Electric. Wyodak Resources will continue to be the sole supplier to the plant.

"We're pleased to finalize this new contract which will continue to provide a secure fuel supply at competitive pricing for the Wyodak Plant," said Linn Evans, president and CEO of Black Hills Corp. "I value our decades of partnership with PacifiCorp at the Wyodak Plant, located at our Gillette energy complex, which provides critical baseload capacity for our combined customer base."

Black Hills Corporation

Black Hills Corp. (NYSE: BKH) is a customer focused, growth-oriented utility company with a tradition of improving life with energy and a vision to be the energy partner of choice. Based in Rapid City, South Dakota, the company serves 1.3 million natural gas and electric utility customers in eight states: Arkansas, Colorado, Iowa, Kansas, Montana, Nebraska, South Dakota and Wyoming. More information is available at www.blackhillscorp.com and www.blackhillsenergy.com.

Investor Relations

Jerome E. Nichols
605-721-1171
jerome.nichols@blackhillscorp.com

24-hour Media Assistance

888-242-3969

Caution Regarding Forward Looking Statement

This news release includes "forward-looking statements" as defined by the Securities and Exchange Commission, or SEC. We make these forward-looking statements in reliance on the safe harbor protections provided under the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included in this news release that address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward looking statements, including fuel supply pricing impacts from market conditions. These forward-looking statements are based on assumptions which we believe are reasonable based on current expectations and projections about future events and industry conditions and trends affecting our business. However, whether actual results and developments will conform to our expectations and predictions is subject to a number of risks and uncertainties that, among other things, could cause actual results to differ materially from those contained in the forward-looking statements, the risk factors described in Item 1A of Part I of our 2021 Annual Report on Form 10-K filed with the SEC, and other reports that we file with the SEC from time to time.

New factors that could cause actual results to differ materially from those described in forward looking statements emerge from time-to-time, and it is not possible for us to predict all such factors, or the extent to which any such factor or combination of factors may cause actual results to differ from those contained in any forward-looking statement. We assume no obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or otherwise.

