



Black Hills Corp. Natural Gas Utility Requests Approval of Settlement Agreement for Rate Review in Wyoming

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CHEYENNE, Wyo., Oct. 24, 2023 (GLOBE NEWSWIRE) -- Black Hills Corp. (NYSE: BKH) today announced that its Wyoming natural gas utility, Black Hills Wyoming Gas, LLC, doing business as Black Hills Energy, filed a settlement agreement for approval by the Wyoming Public Service Commission for its application for new rates to recover over \$140 million of investments since 2019 in its more than 6,400-mile natural gas system.

"These critical investments support the long-standing expectations from our customers and communities for reliable, safe and resilient natural gas service, particularly during extreme weather, like Wyoming has experienced the last two winters," said Linn Evans, president and CEO of Black Hills Corp. "These investments are also needed to meet the growing needs of our Wyoming communities."

The settlement agreement is pending a final hearing and approval by the Wyoming commission. If approved, the settlement agreement will generate approximately \$13.9 million of new annual revenues based on a capital structure of 51% equity and 49% debt and a return on equity of 9.85%. The agreement provides for new rates effective Jan. 1, 2024.

The settlement agreement extends the Wyoming Integrity Rider for an additional four years of investments in the company's distribution, transmission, and storage integrity programs, limited to a maximum of \$80 million in project expenditures over that period. The agreement also approves the establishment of the Green Forward Program, a voluntary renewable natural gas environmental attribute and carbon offset pilot program.

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 1.33 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.

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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 anticipated approval of the settlement, expected revenues from the new rate increase and ability to deliver an appropriate return to investors. 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 2022 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.