



## Black Hills Corp. Natural Gas Utility Requests Rate Review in Arkansas

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FAYETTEVILLE, Ark., Dec. 04, 2023 (GLOBE NEWSWIRE) -- Black Hills Corp. (NYSE: BKH) today announced that its Arkansas natural gas utility, Black Hills Energy Arkansas, Inc., doing business as Black Hills Energy, filed a rate review application with the Arkansas Public Service Commission requesting \$44.1 million in new annual revenue.

Black Hills Energy has invested approximately \$130 million in safety, system integrity and reliability for more than 7,200 miles of natural gas pipeline infrastructure in Arkansas since its last general rate filing in 2021. These critical investments were required to support and extend service to approximately 7,500 new customers in the rapidly growing communities in the state, to ensure the safe and reliable delivery of natural gas to all customers' homes and businesses, and to meet compliance requirements of state and federal regulations.

"We are committed to safe and reliable service as we support the vibrant economic growth in our Arkansas communities," said Linn Evans, president and CEO of Black Hills Corp. "This rate review request consists of the critical investments we have made to maintain system integrity and serve growth and reflects the increased costs of serving our customers driven by inflation and higher interest rates."

As proposed, the rate review is requesting a capital structure of 48% equity and 52% debt and a return of equity of 10.5% for investments the company has made in its natural gas system in Arkansas. Black Hills Energy is seeking to implement new rates in the fourth quarter of 2024.

### Black Hills Corp.

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](http://www.blackhillscorp.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 future anticipated revenues from the new rate increase, approval for our rider request 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.