



Black Hills Corp. Natural Gas Utility Requests Rate Review in Iowa

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GRIMES, Iowa, May 01, 2024 (GLOBE NEWSWIRE) -- Black Hills Corp. (NYSE: BKH) today announced that its Iowa natural gas utility, Black Hills/Iowa Gas Utility Company, LLC, doing business as Black Hills Energy, filed a rate review application with the Iowa Utilities Board requesting \$20.7 million in new annual revenue.

Black Hills Energy has invested approximately \$100 million in safety, system integrity and reliability for its natural gas pipeline infrastructure in Iowa since its last general rate filing in 2021. These critical investments were required to support safe and reliable delivery of natural gas to over 163,000 customers across 133 communities.

"This request reflects critical system investments and inflationary impacts on costs as we continue to deliver on our commitment to providing a reliable, safe and resilient energy future for our Iowa customers," said Linn Evans, president and CEO of Black Hills Corp. "We are proud of our legacy of keeping our customers safe and businesses operating through extreme weather conditions and supporting economic growth. We are very mindful of the impacts of inflation on our customers and our business, and we are carefully managing our costs while maintaining the integrity of our systems and service levels in the communities in which we live and operate."

As proposed, the rate review is requesting a capital structure of 51.38% equity and 48.62% debt and a return on equity of 10.5% for investments the company has made in its natural gas system in Iowa. Black Hills Energy plans to implement interim rates effective within 10 days of the rate review application, subject to adjustment or refund, and is seeking to implement final rates by the first quarter of 2025.

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 1.34 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.

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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 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 2023 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.