



Black Hills Corp. Colorado Electric Utility Proposes First Electric Rate Review in 8 Years

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RAPID CITY, S.D., June 14, 2024 (GLOBE NEWSWIRE) -- Black Hills Corp. (NYSE: BKH) today announced its Colorado electric utility, Black Hills Colorado Electric, LLC, doing business as Black Hills Energy, filed a request with the Colorado Public Utilities Commission seeking to update its electric rates to account for the rising cost of operating, maintaining and upgrading its Southern Colorado electric system which serves over 100,000 customers in Pueblo, Cañon City, Rocky Ford and surrounding communities.

Since its last general rate filing in 2016, Black Hills Energy has deployed approximately \$371 million in strategic capital investments vital to providing safe and reliable electric service to its customers and plans to invest approximately \$98 million in additional capital in 2024. These investments include upgrades made to support the resilience and reliability of its transmission and distribution system, which spans over 3,700 line miles.

"We are very mindful of the impacts of inflation and rising supply chain costs on our customers and our business, and we have worked diligently to manage cost increases," said Campbell Hawkins, Black Hills Energy's vice president of Colorado Utilities. "That's why the company has avoided seeking a rate update for eight years. We are taking action to minimize the customer impact and have redoubled our efforts to provide support for customers who need it, including launching a new Energy Assistance Team with a dedicated resource in Pueblo, Colorado."

As proposed, the rate review is requesting additional annual revenues of \$36.7 million with a capital structure of 52.75% equity and 47.25% long-term debt and a return on equity of 10.5%. New rates are expected in the first quarter of 2025.

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 1.34 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 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 the expected revenues and return on investments. 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.