



Black Hills Corp. Requests Rate Review and Rider Renewal in Kansas

February 3, 2025 at 4:15 PM EST

RAPID CITY, S.D., Feb. 03, 2025 (GLOBE NEWSWIRE) -- Black Hills Corp. (NYSE: BKH) today announced that its Kansas natural gas utility has filed a rate review application with the Kansas Corporation Commission requesting recovery of the necessary capital infrastructure and operational costs required to deliver safe, reliable natural gas service for 120,000 Kansas customers.

Since its last general rate filing in 2021, Black Hills Energy will have invested approximately \$118 million in safety, reliability and system integrity for more than 4,765 miles of natural gas pipeline infrastructure in Kansas. These critical investments were required to meet system growth, ensure the safe and reliable delivery of natural gas to customers' homes and businesses, and meet compliance requirements of state and federal regulations.

"Our customers deserve safe and reliable natural gas, and these investments adjust for the rising cost of operating, maintaining and upgrading our Kansas natural gas system," said Linn Evans, president and CEO of Black Hills Corp. "Our rate review proposal will enable the company to continue investing in critical infrastructure to meet the needs of customers while prudently managing in a high inflationary environment that has impacted every business sector."

The application requests an estimated \$17.2 million per year in additional revenue and rolling in approximately \$4.4 million of rider revenue into base rates for a total annual base rate revenue increase of \$21.6 million. The request is based on a capital structure of 50.44% equity and 49.56% debt and a return on equity of 10.50%. Black Hills Energy is seeking new rates in the second half of 2025.

This rate application also allows the company to continue using the Gas System Reliability Surcharge (GSRS) to fund accelerated, safety-focused pipeline replacement across the state. This application satisfies the requirement to file a general rate case in Kansas by the end of 2026 to remain eligible for commission approval of future GSRS filings.

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.

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