



Black Hills Corp. Gas Utility Receives Approval for New Rates in Kansas

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RAPID CITY, S.D., July 24, 2025 (GLOBE NEWSWIRE) -- Black Hills Corp. (NYSE: BKH) today announced that its natural gas utility subsidiary in Kansas received approval from the Kansas Corporation Commission of a unanimous settlement agreement for new rates. The new rates will provide recovery of approximately \$118 million of system investments since the utility's last general rate filing in 2021 and inflationary impacts on costs of delivering safe and reliable natural gas service.

"This approval will support our ability to safely and reliably serve our customers and communities in Kansas," said Linn Evans, president and CEO of Black Hills Corp. "We take great pride in our responsibility to deliver the dependable natural gas service our 120,000 Kansas customers depend upon every day."

The approved black box settlement agreement will generate approximately \$10.8 million of new annual revenues and migrate approximately \$4.4 million in annual rider revenue to base rates for a total annual base rate revenue increase of \$15.2 million. The new rates will be effective on Aug. 1, 2025.

The approved settlement allows the company to continue using the Gas System Reliability Surcharge (GSRS) to fund accelerated, safety-focused pipeline replacement across the state and included approval of a new insurance tracker with deferred accounting treatment. The settlement also includes approval for the company to file an abbreviated case at a later date that includes the addition of capital placed in service through Dec. 31, 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 1.35 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 Statements

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 revenues from the new rate increase. 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 2024 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.