

A woman wearing a white hard hat with 'CPDS' and 'SAFETY' logos, safety glasses, and a yellow high-visibility safety vest is working on a wind turbine tower. She is holding a tool and looking to the right. The background shows a blurred view of wind turbines and a clear sky.

Investor Presentation

March 2022



Forward-Looking Statements

COMPANY INFORMATION

Black Hills Corporation

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This presentation includes “forward-looking statements” as defined by the Securities and Exchange Commission. 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 presentation that address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements. This includes, without limitations, our 2022 long-term growth targets. 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, including without limitation, the risk factors described in Item 1A of Part I of our 2021 Annual Report on Form 10-K and other reports that we file with the SEC from time to time, and the following:

- The accuracy of our assumptions on which our growth targets are based;
- Our ability to obtain adequate cost recovery for our utility operations through regulatory proceedings and favorable rulings on periodic applications to recover costs for capital additions, plant retirements and decommissioning, fuel, transmission, purchased power and other operating costs, and the timing in which new rates would go into effect;
- Our ability to complete our capital program in a cost-effective and timely manner;
- Our ability to execute on our strategy;
- Our ability to successfully execute our financing plans;
- Our ability to achieve our greenhouse gas emissions intensity reduction goals;
- Board of Directors’ approval of any future quarterly dividends;
- The impact of future governmental regulation;
- The effects of inflation and volatile energy prices; and
- Other factors discussed from time to time in our filings with the SEC.

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.

Integrated Utility with Strong Growth Outlook

\$3.2+ billion

Capital Investment 2022-2026

- Incremental projects likely
- Additional growth opportunities

5% to 7%

Long-term EPS growth target¹

5%+

Annual dividend growth target²

50-60% payout target

- Integrated pure-play utility
- Diversified and complementary electric and gas mix
- Stable, growing and constructive service territories
- Strong financial position and liquidity
- Robust capital plan with timely recovery

¹ 2023 to 2026 compound annual growth rate, off 2022 base

² Future dividends subject to board approval

Black Hills Overview and Strategy



READY TO SERVE

We take a programmatic approach to maintaining, upgrading and replacing critical infrastructure to better serve our customers and communities.

Black Hills Corp. Overview

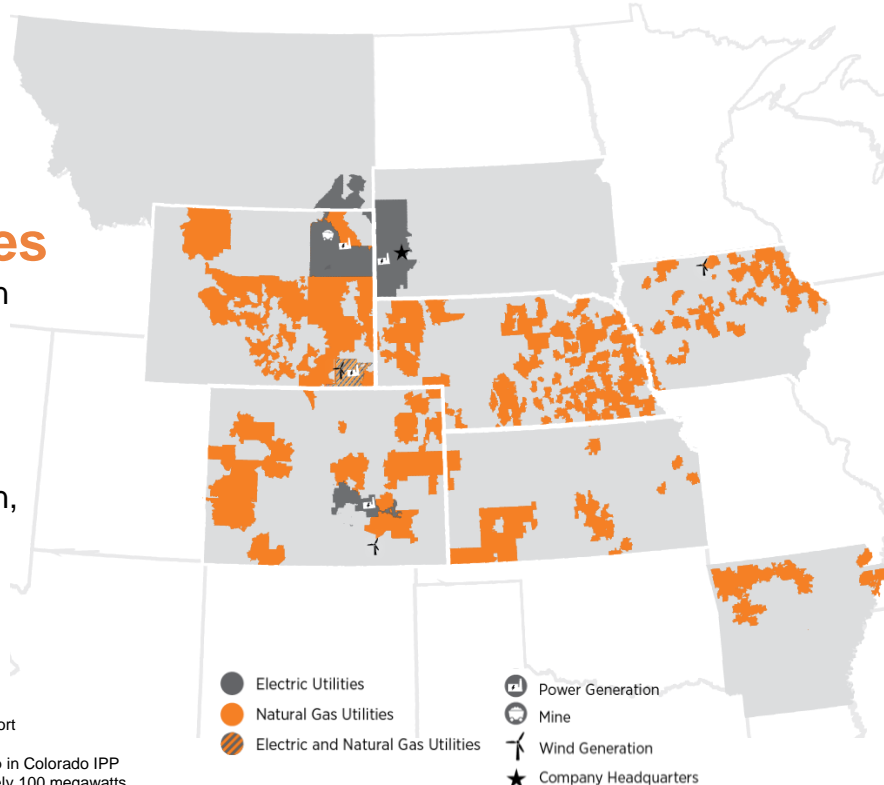
Integrated Pure-Play Utility with Strategic Diversity

Electric Utilities

Transmission, distribution and generation

Gas Utilities

Transmission, distribution, sourcing and storage



8 stable and growing states

1.3 million utility customers

1.5 gigawatts* generation

8,900 miles electric lines

46,400 miles natural gas lines

\$9.1 billion assets

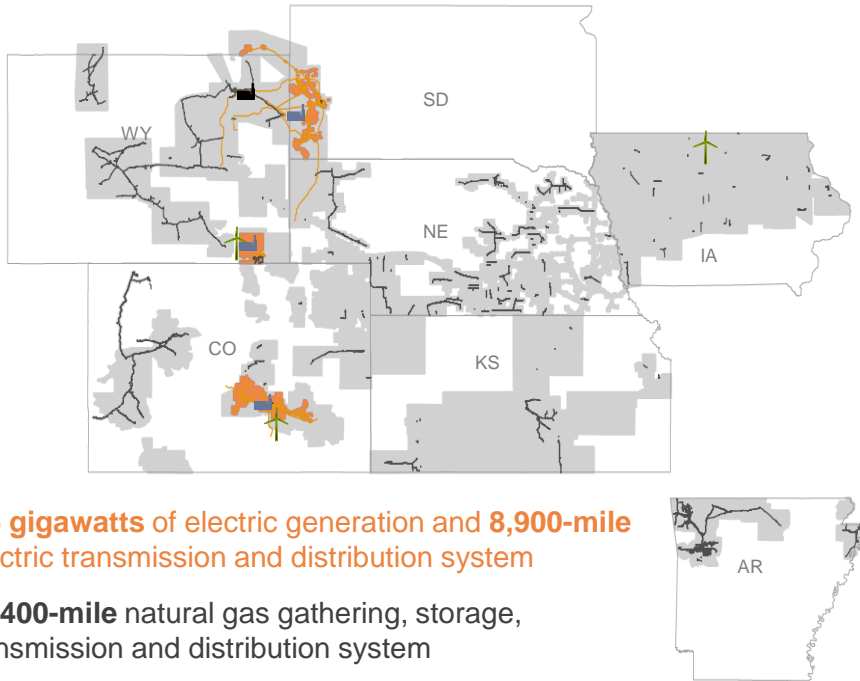
\$4.8 billion rate base

Note: information from 2021 Form 10-K Annual Report

* Generation total includes 49.9 percent ownership in Colorado IPP owned by a third party, representing approximately 100 megawatts

Strategic Diversity

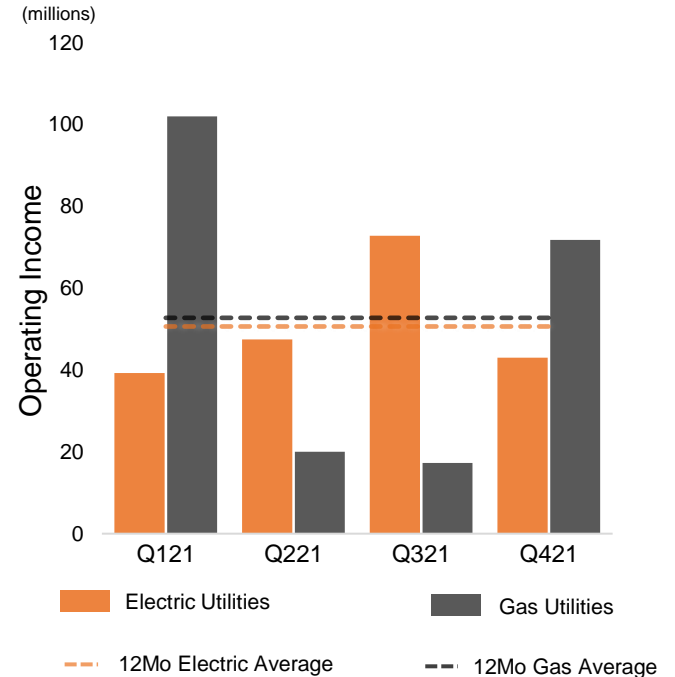
Large Systems Across Stable, Growing and Constructive Jurisdictions



1.5 gigawatts of electric generation and **8,900-mile** electric transmission and distribution system

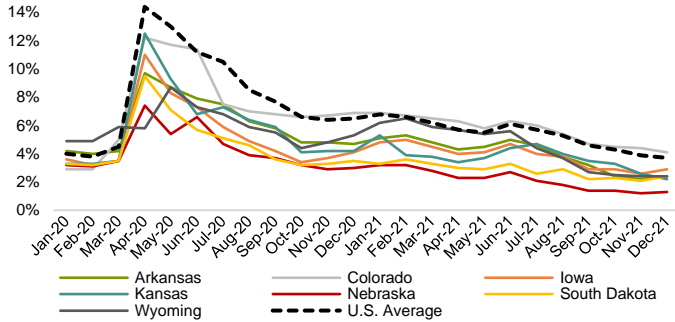
46,400-mile natural gas gathering, storage, transmission and distribution system

Complementary Seasonality of Electric and Gas Business Mix

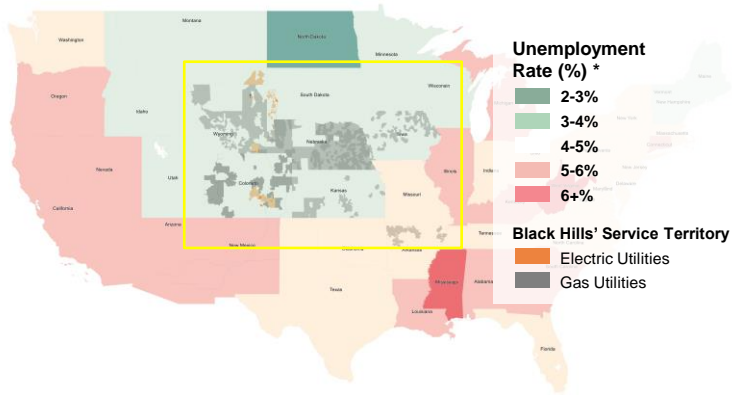
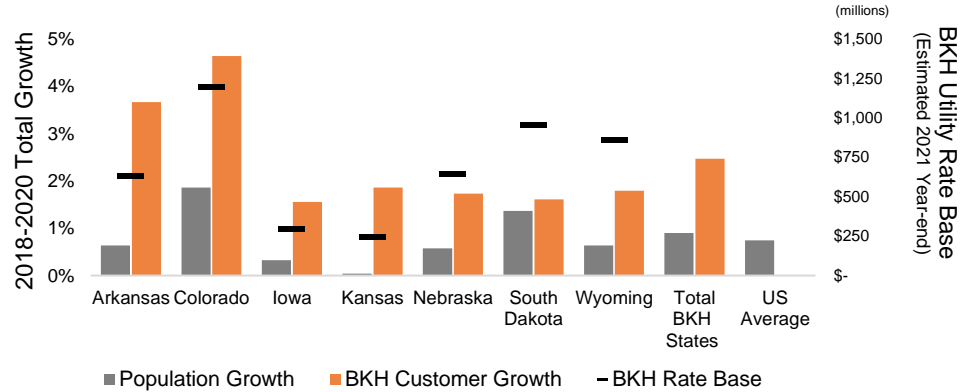


Stable and Growing Service Territories

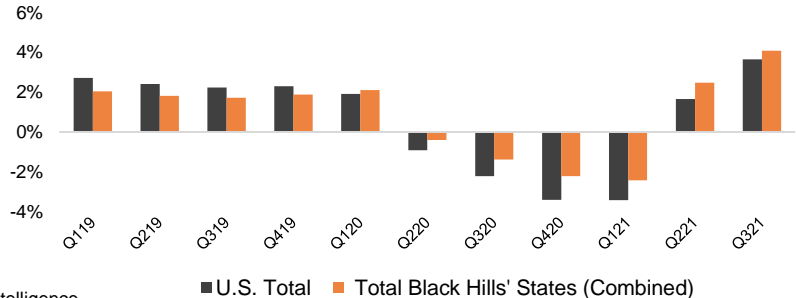
Better Than Average Employment *



Strong Customer Growth Above State and National Averages **



Above Average GDP Growth** (Trailing Four Quarters Average Growth)



* Unemployment information from U.S. Department of Labor; mapping from S&P Global Market Intelligence

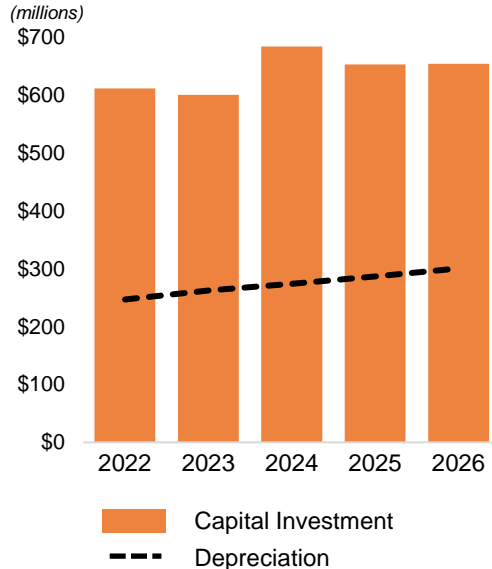
** Total population growth from 2018 to 2020 and GDP based on data from Bureau of Economic Analysis (bea.gov)

Disciplined Growth Plan with Upside



Capital Forecast

\$3.2+ billion 2022-2026



Incremental Projects

- ▲ Electric generation and transmission projects
- ▲ Large natural gas pipeline and storage projects
- ▲ Additional long-term investment programs
- ▲ Investments to comply with safety requirements



Other Earnings Drivers

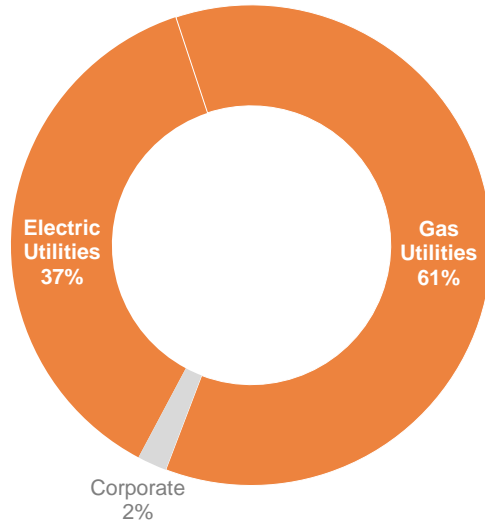
Pursuing Profitable Growth

- ▲ Data center, blockchain and technology growth
- ▲ Population migration into our territories
- ▲ Innovative solutions, products and technologies, including renewables
- ▲ Cost discipline and focus on continuous improvement

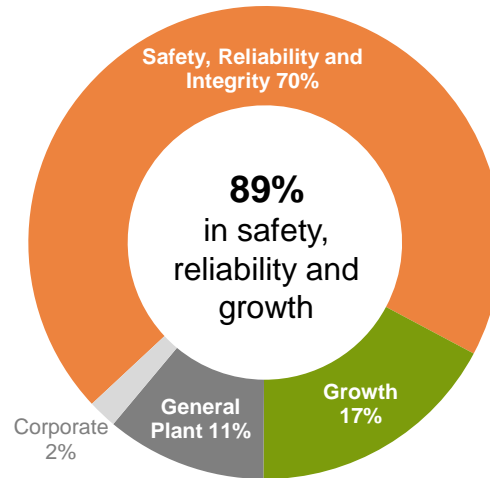
Investing for Customer Needs Drives Growth

\$3.2+ Billion Capital Investment Forecast (2022-2026)

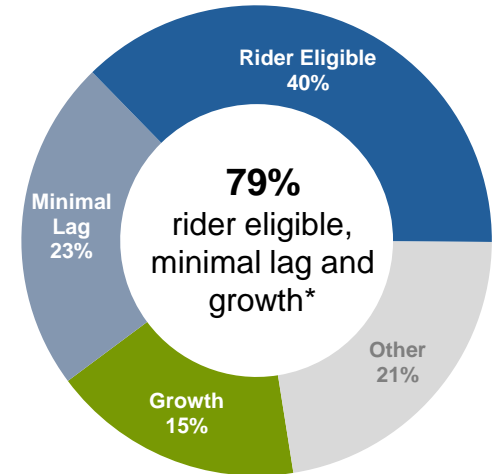
Utility Investment



Customer Focused



Timely Recovery



* Growth Capital – generates immediate revenue on customer connections

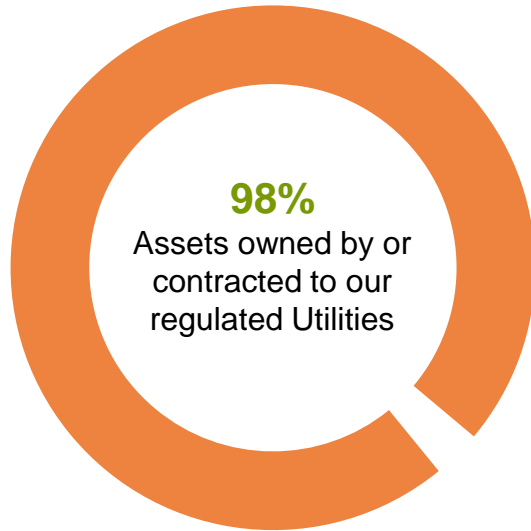
Minimal Lag Capital – capital investment with regulatory lag of less than one year or incurred during expected regulatory test periods; includes nonregulated investment

Rider Eligible Capital – capital investment recovered through state specific tariffs and meets Minimal Lag Capital definition

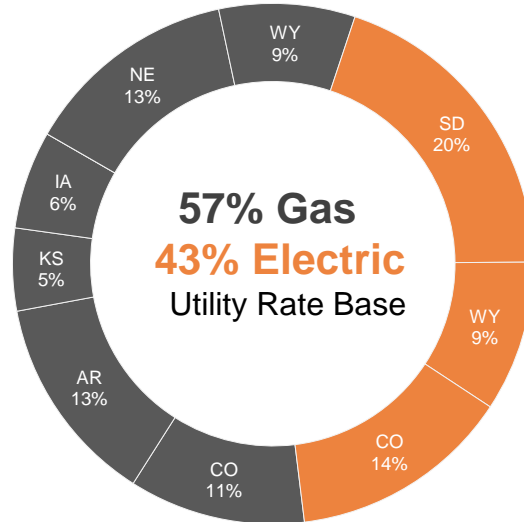
Other Capital – capital investment recovered through standard rate review process; includes corporate

Low-risk Utility Investment

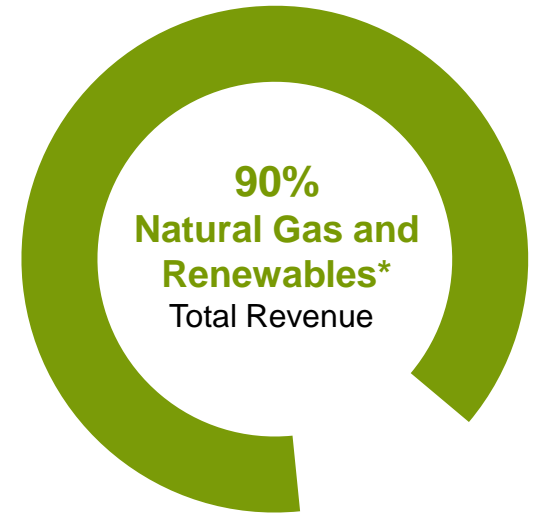
Regulated and Integrated Utility Businesses



Diverse and Balanced Business Mix



Only 10% of Revenues Related to Coal



Note: Information as of Dec. 31, 2021

*90% of total revenues derived from natural gas utilities, natural gas-fired generation, renewables and other non-coal related activities and services

Responsibly Reducing GHG Emissions

Integrating Renewables and Delivering Cleaner Critical Generating Capacity

Electric Operations

Since 2005:

✓ 30% by 2020

- ✓ Retired 123.3 megawatts of coal generation
- ✓ Added 288.8 megawatts of owned renewable wind resources

■ 40% by 2030

- Convert 90-megawatt coal plant to gas at end of engineered life (*Neil Simpson II in 2025*)
- Add renewable and battery resources

■ 70% by 2040

- Convert or replace remaining coal plants at end of engineered lives (*see footnote below*)
- Add renewable and battery resources

Natural Gas Utilities

Since 2005:

✓ 33% by 2020

- ✓ Replaced at-risk and aging pipeline materials



■ 50% by 2035

- Replacing at-risk and aging pipeline materials
- Develop and integrate RNG opportunities, integrate leak detection and emissions reduction technologies and processes

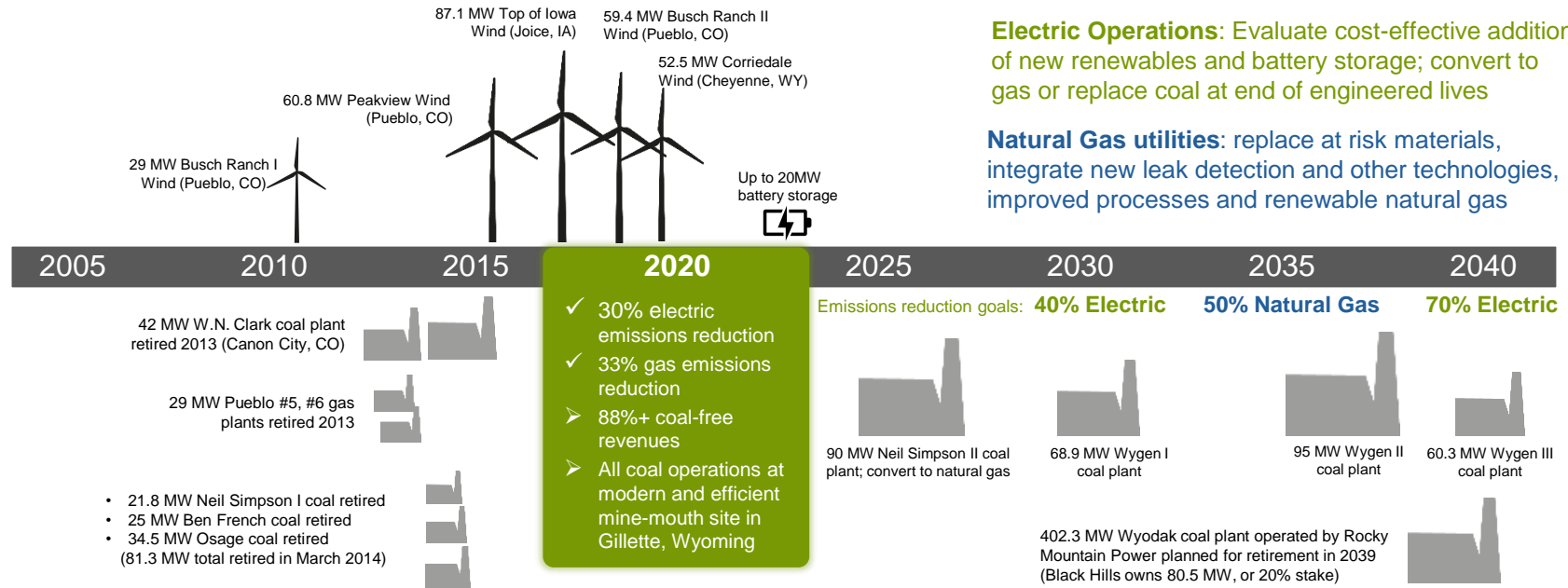
Note: Goals are based on reduction in greenhouse gas emissions intensity since 2005. Achievement of these goals assumes coal plant operation through original engineered life with conversion to natural gas based on current costs and feasibility of other alternatives. Actual emission reductions and plant alternatives are subject to change with advancement of emissions reduction technologies.

Responsibly Reducing GHG Emissions

Integrating Renewables and Delivering Cleaner Critical Generating Capacity

Electric Operations: Evaluate cost-effective addition of new renewables and battery storage; convert to gas or replace coal at end of engineered lives

Natural Gas utilities: replace at risk materials, integrate new leak detection and other technologies, improved processes and renewable natural gas



Responsibly integrate renewables and evaluate battery storage

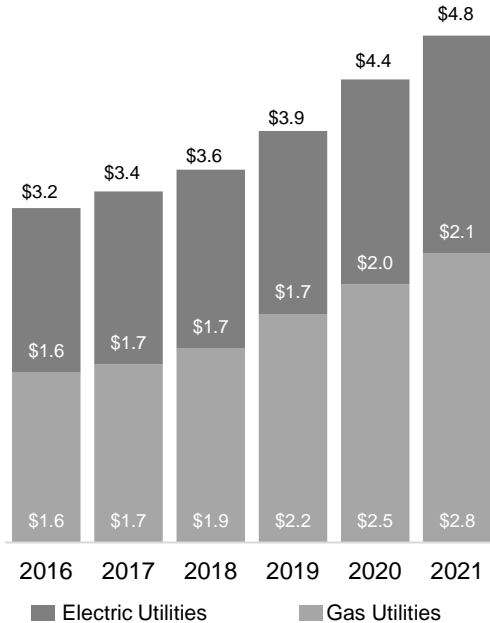
Convert coal to natural gas or replace plants at end of engineered lives

Support emissions-reduction technology innovation (expand capacity optionality)

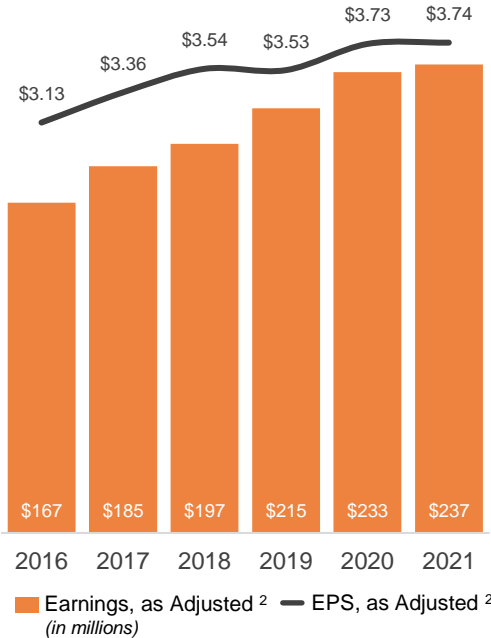
Note: Goals are based on reduction in greenhouse gas emissions intensity since 2005. Achievement of these goals assumes coal plant operation through original engineered life with conversion to natural gas based on current costs and feasibility of other alternatives. Actual emission reductions and plant alternatives are subject to change with advancement of emissions reduction technologies.

Strategic Execution Delivers Results

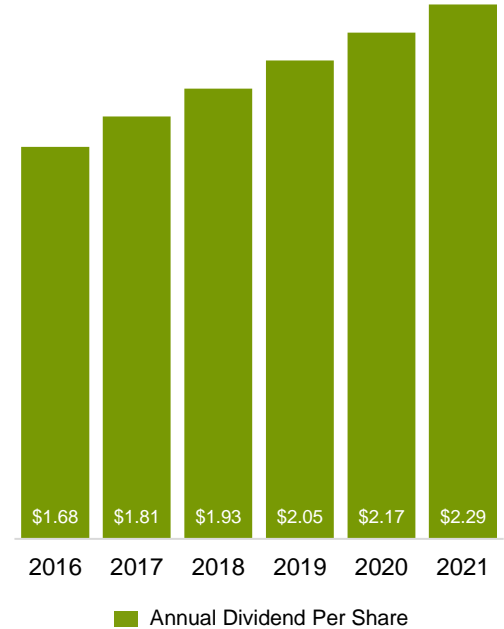
8.7% Rate Base¹ CAGR



7.2% Earnings CAGR
3.6% EPS CAGR



6.4% Dividend CAGR



Invest for Customers

Earnings Growth

Dividend Growth

¹ Estimated in billions as of year end

² Earnings and EPS, as adjusted from continuing operations are non-GAAP measures; reconciled to GAAP in Appendix; earnings, as adjusted in millions

Recent Highlights and Key Initiatives



The expertise and dedication of our electric line workers keeps our service among the most reliable in the country.

Recent Highlights

Operational Excellence

- ✓ Safety focus: 1.06 TCIR, 37% reduction in PMVI, OSHA Gold Star safety rating at CPGS
- ✓ Top-quartile reliability metrics for all three electric utilities (EEI 2020 SAIDI excluding major events)
- ✓ Excellent team response and system performance during extremes of Winter Storm Uri and summer heat
- ✓ New summer and winter electric system peaks in South Dakota and Wyoming
- ✓ \$680 million of capital investment in 2021
- ✓ Strong generation availability and energy sales

Sustainability Focus

- ✓ New and enhanced ESG reporting; new SASB and NCSI disclosures and updated sustainability report
- ✓ Methane emissions reduction goals reinforced by joining ONE Future Coalition
- ✓ Emissions reduction research support emissions reduction technologies
- ✓ Six RNG interconnect projects in service

Finance and Regulatory Progress

- ✓ Annual dividend increased 51 consecutive years
- ✓ Colorado, Iowa and Kansas gas rate reviews approved
- ✓ Arkansas Gas rate review filed
- ✓ Winter Storm Uri recovery underway in six states and settlement agreements filed for approval in Colorado
- ✓ Secured liquidity to carry Winter Storm Uri costs
- ✓ Disciplined cost control and cash conservation measures


Resource and Growth Planning

- ✓ South Dakota and Wyoming Electric integrated resource plan submitted
- ✓ Estimated 260-mile, \$260 million electric transmission expansion project announced (Ready Wyoming)
- ✓ Exploring organized wholesale market in western interconnect
- ✓ Blockchain request for proposals; robust response
- ✓ Customer growth accelerated by population migration

Regulatory Progress

Rate Review Jurisdiction	Filing Date	Annual Revenue Increase	ROE	Debt / Equity	Comments / Status
Arkansas Gas Docket 21-097-U	Dec. 10, 2021	\$21.6 million*	10.2%*	49.1% / 50.9%*	Seeking new rates in Q4 2022 and requests an enhanced system safety, integrity and reliability rider
✓ Colorado Gas Proceeding 21AL-0236G	June 1, 2021	\$6.5 million	9.2%	49.74% / 50.26%	Settlement approved for new rates effective Jan. 1, 2022
✓ Iowa Gas Docket RPU-2021-002	June 1, 2021	\$3.7 million	9.6%	50% / 50%	Settlement approved for new rates effective Jan. 1, 2022, replacing interim rates which were effective June 11, 2021
✓ Kansas Gas Docket 21-BHCG-418-RTS	May 7, 2021	Global Settlement			Settlement approved for renewal of 5-year investment rider; net neutral base rate impact for customers

Winter Storm Uri Incremental Cost Recovery Jurisdiction	Recovery Period	Comments / Status
Arkansas Gas	5 years *	Recovery plan filed; interim rates effective June 1, 2021
Colorado Electric	2 years *	Settlement agreement filed for approval
Colorado Gas	3 years *	Settlement agreement filed for approval
✓ Iowa Gas	2 years	Approved; rates effective Jan. 1, 2022, replacing interim rates which were effective April 9, 2021
✓ Kansas Gas	5 years	Approved; rates effective Feb. 1, 2022
✓ Nebraska Gas	3 years	Approved; rates effective July 1, 2021
✓ South Dakota Electric	1 year	Approved; rates effective June 1, 2021
✓ Wyoming Electric	1 year	Recovery through normal energy cost adjustment
Wyoming Gas	3 years *	Recovery plan filed; interim rates effective Sept. 1, 2021
Expected cost recovery by year **		(in millions) 2021: \$37 2022: \$191 2023: \$143 2024: \$91 2025: \$52 2026: \$32

 Completed
 Settlement reached

* As requested in filing

** Excludes carrying costs

Customer-Focused Incremental Opportunities

Ready to Serve as the Energy Partner of Choice – Growing Long-term Value for All Stakeholders

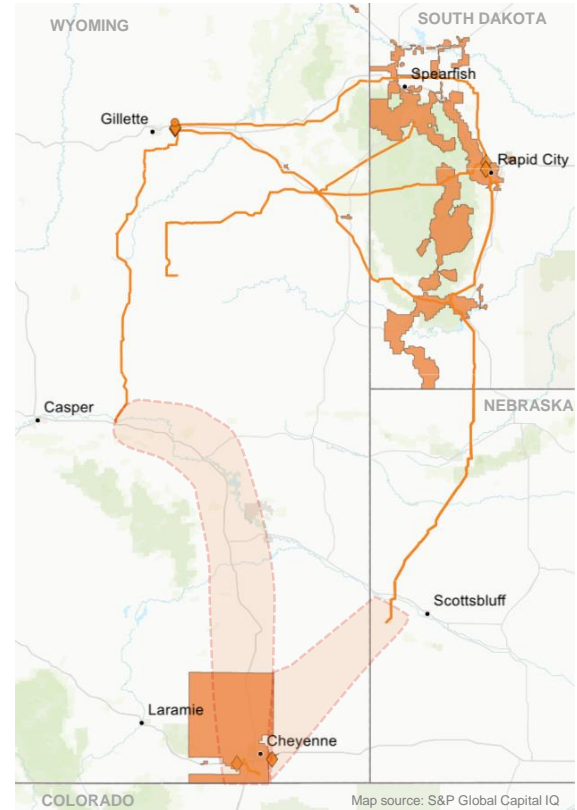


Ready Wyoming

Estimated 260-mile, \$260 million electric transmission project to further interconnect and expand our Wyoming Electric system

Long-term benefits for our customers, communities and shareholders

- Customer cost – provides long-term cost stability for customers
- Resiliency – enhances system-wide ability to withstand stress events
- Optionality – expands access to power markets and provides flexibility as power markets develop in Western states
- Growth – attracts and enables customer solutions such as serving data centers, blockchain and economic growth in Wyoming
- Cleaner profile – expands access to renewable resources and facilitates additional renewable development across wind- and sun-rich resource area with strong natural gas optionality to back up renewables
- On Feb. 15, filed for approval from Wyoming Public Service Commission
- As proposed, construction to commence in early 2023 in multiple phases, or segments, through 2025



- Black Hills' SD/WY and Cheyenne electric system and service area
- ▭ Proposed transmission lines

South Dakota and Wyoming Electric Integrated Resource Plan*

Roadmap to Reliable, Cleaner and Cost-Effective Grid of the Future

Add 100MW of renewable generation



Convert 90MW coal generation to natural gas in 2025

Evaluate 20MW of battery storage



Maintain cost-effective, reliable capacity through engineered life



Evaluate and develop transmission opportunities



Support research for emissions-reducing technologies



* Preferred plan as submitted to South Dakota Public Utilities Commission and Wyoming Public Service Commission

Renewable Natural Gas

Developing Innovative Solutions to Integrate Renewable Resources

- Established team dedicated to RNG development; engaged with industry and working with industry-proven consultant to evaluate potential programs to best serve our customers
- Six interconnect projects in service, delivering up to 3,300 MMBtu per day into our natural gas supply
- Evaluating more than 60 potential project opportunities across service territories rich with agriculture and livestock
- Considering voluntary RNG program and/or carbon offset program for customers

[See more at www.blackhillsenergy.com/RNG](http://www.blackhillsenergy.com/RNG)



Wastewater renewable natural gas production facilities in Lincoln, Nebraska enabled by interconnection to Black Hills' natural gas system

Financial Overview



READY TO SERVE

Safety is one of our values and a top priority in all we do.

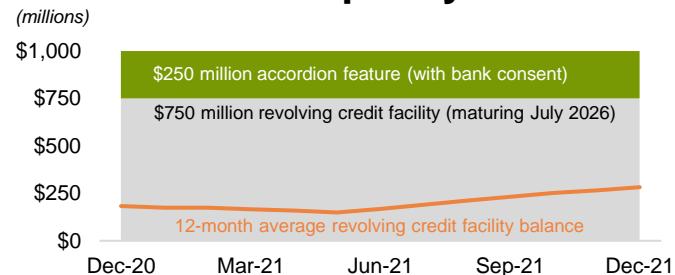
Solid Financial Position

Committed to Strong Investment-Grade Credit Ratings

Credit Ratings

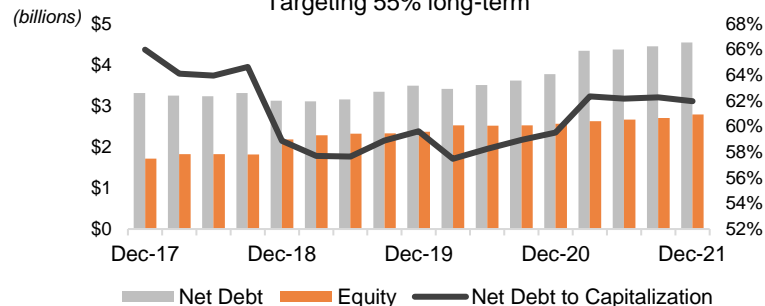
S&P	Moody's	Fitch
BBB+	Baa2	BBB+
Stable outlook (Oct. 20, 2021)	Stable outlook (Dec. 20, 2021)	Stable outlook (Sept. 17, 2021)

Liquidity



Capital Structure *

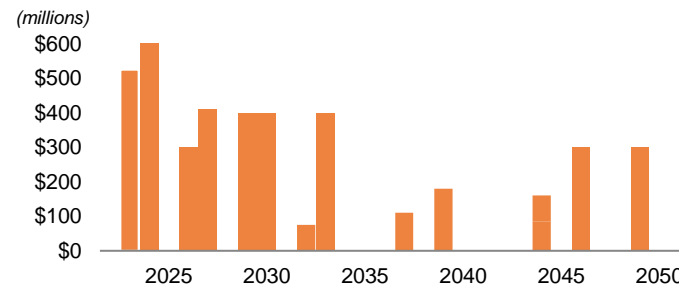
Targeting 55% long-term



Note: information as of Dec. 31, 2021

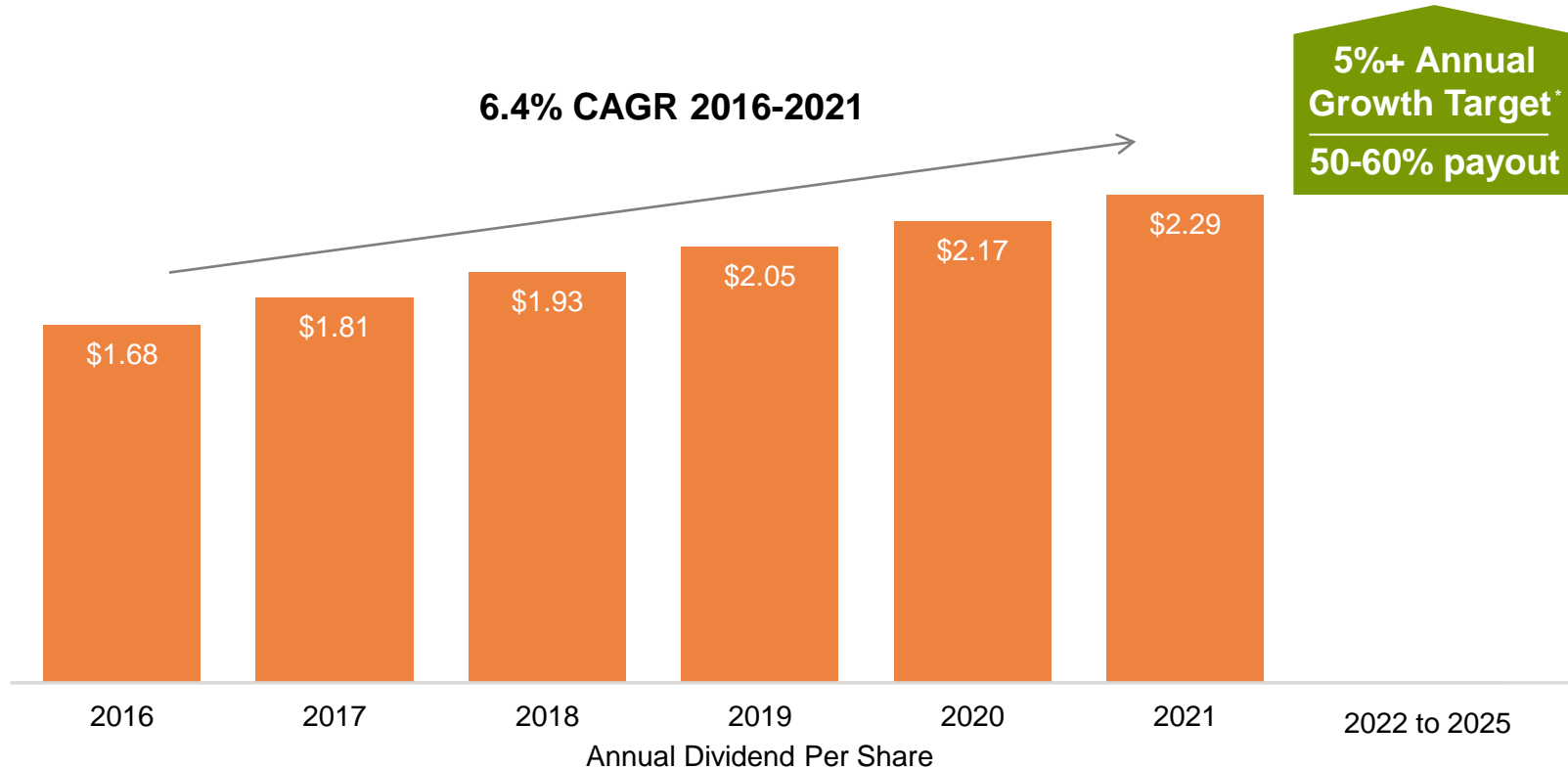
* Excludes noncontrolling interest

Debt Maturities



Strong Dividend Track Record

51 Consecutive Years of Annual Increases and 79 Consecutive Years Paid



* Future dividends subject to board approval; on Oct. 26, the board approved an increase of 5.3% in the quarterly dividend

Investment Highlights by the Numbers

Pure-Play Utility

98% 

Assets owned or contracted to our regulated utilities

49%  51%
Electric Natural Gas

Balanced operating income mix with complementary seasonality

Strong Outlook

5% to 7%

Long-term EPS growth target 2023-2026 CAGR off 2022 base



5%+

Annual dividend growth ¹
3.3% yield as of March 11, 2022
51 consecutive years of increase

Sustainability

1.06 TCIR ² 

Safety culture with results better than industry average

70%  50%
Electric Natural Gas

GHG emissions intensity reduction goals ³

10 of 11 

Independent directors and 4 diverse directors

Note: based on information as of Dec. 31, 2020; Electric businesses include Electric Utilities, Power Generation and Mining

¹ Future dividends subject to board approval

² Total case incident rate is defined as the average number of work-related injuries incurred per 200,000 hours worked during a one-year period (2020 utility industry average of 2.2)

³ Reduction goals of 70% by 2040 for electric operations and 50% by 2035 for gas utilities off a 2005 baseline

Appendix

- Business Overview
- Regulatory
- Capital Investment
- Environment, Social and Governance
- Other Financial Information, Non-GAAP information and reconciliations
- Strategic Objectives, Values & Mission

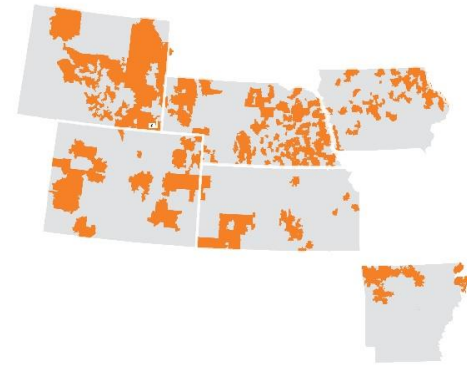
Operations Overview

Electric Utilities*



- Three electric utilities which generate, transmit and distribute electricity to approximately 218,000 customers in CO, SD, WY and MT
- 1.5 gigawatts** of generation
- 8,899 miles of transmission and distribution
- Efficient mine-mouth operations in Gillette, Wyoming fueled by low-sulfur Powder River Basin coal; mine production contracted to on site generation
- East-West interconnection in SD optimizes off-system sale of power and improves system reliability (1 of only 7 east-west interconnections in U.S.)

Natural Gas Utilities*



- 7 natural gas utilities^ which distribute natural gas to approximately 1,094,000 customers in AR, CO, IA, KS, NE and WY
- 4,732 miles of intrastate gas transmission pipelines and 41,644 miles of gas distribution mains and service lines
- Six natural gas storage facilities in AR, CO and WY with 17.4 Bcf of underground gas storage working capacity
- 52,400 customers served through Choice Gas Program (unbundled natural gas supply)

* Information from 2021 Form 10-K Annual Report Filing as of Dec. 31, 2021

** Includes 49.9% third party ownership of Black Hills Colorado IPP reported as noncontrolling interest

^ Excludes minor entities and Shoshone pipeline

Operational Excellence

⚠️ Safety-Focused Team

OSHA awarded coveted VPP Star Status, its highest worksite safety status, to Cheyenne Prairie Generating Station



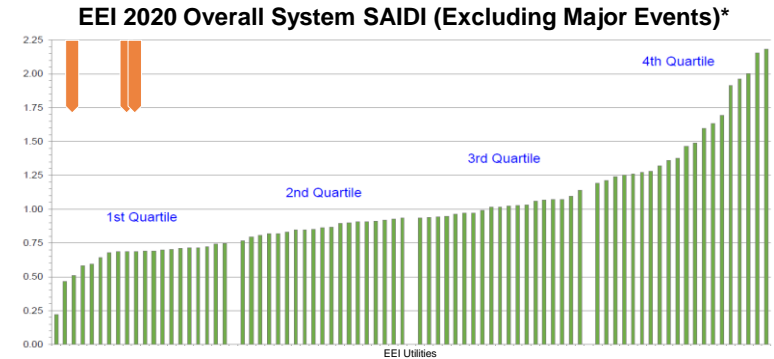
Cheyenne Prairie Generating Station team members proudly display the VPP (Voluntary Protection Program) Star Status banner. Achieving VPP Star Status requires a rigorous, multi-year audit and approval process to be recognized as exemplary leaders in safety. This includes demonstrating a clear focus on both prevention of hazards and continuous improvement of safety and health management systems.

🔍 Positive Customer Experience

- Black Hills' natural gas utility in South Region achieved second overall JD Power ranking, top Safety and Billing & Payment rankings and highest increase in overall satisfaction year-over-year
- Net promoter score improvement; 64 in 2021 versus 42 in 2017

»»» Industry-Leading Reliability

All three electric utilities achieved SAIDI outage results better than 55 minutes in 2020 (top-quartile)



Great Workplace



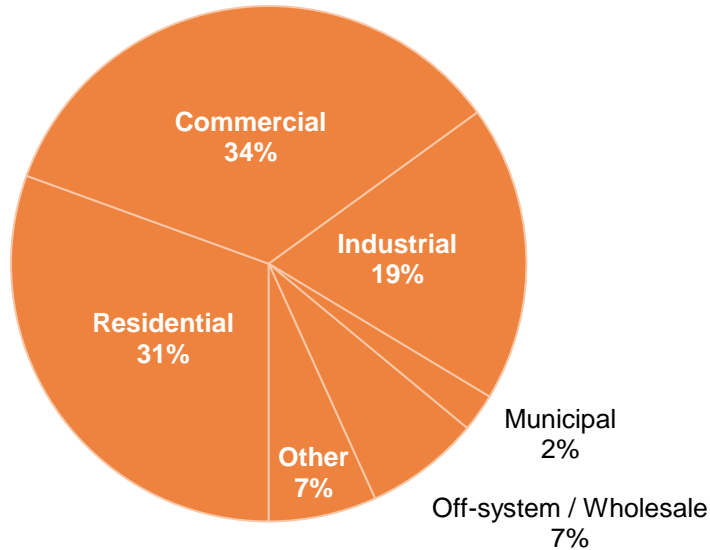
Achiever's 50 Most Engaged Workplaces®
(second consecutive year)

Veteran-Friendly Employer of the Year
(2021 Wyoming Safety and Workforce Summit)

Strong employee engagement survey scores in 2021
particularly in safety, values and management effectiveness
(Third-party anonymous survey as compared to peers)

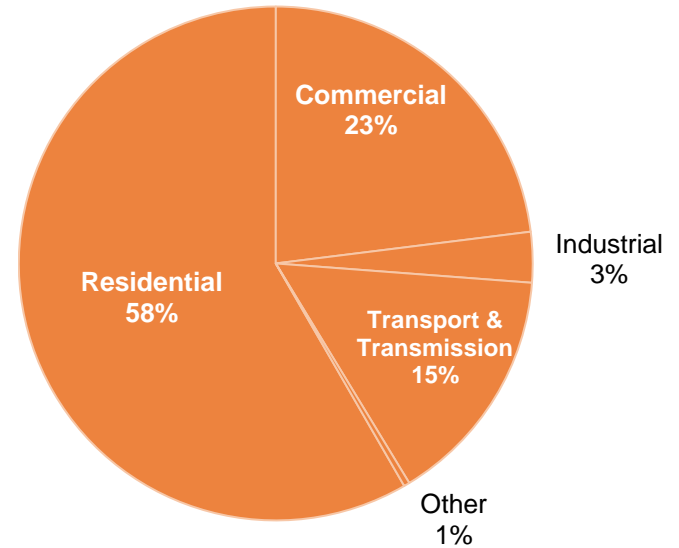
Diverse Mix of Customer Class

Electric Utilities Mix of Residential, Commercial and Industrial



Electric Utilities Revenue*

Gas Utilities Primarily Residential and Commercial



Gas Utilities Revenue*

* Information from 2021 10-K filing for year ending Dec. 31, 2021

Integrated Electric Utility

Generation Resources

- 1,482 MW of generation capacity across Colorado, Iowa, South Dakota and Wyoming

Gillette Energy Complex

- 717 megawatts of mine-mouth generation on site (partially owned by third parties)
- Efficient coal delivery under life of plant contracts
 - Fixed price plus escalators serving 450 MW
 - Cost Plus Return serving 295 MW

Cheyenne Prairie Generating Station

- Combined-Cycle Gas-Fired Plants
 - 100 MW – 2014 (100% owned: 58% SDE / 42% WYE)
- Gas-fired Combustion Turbine
 - 40 MW – 2014 (100% owned by WYE)

Pueblo Airport Generation *

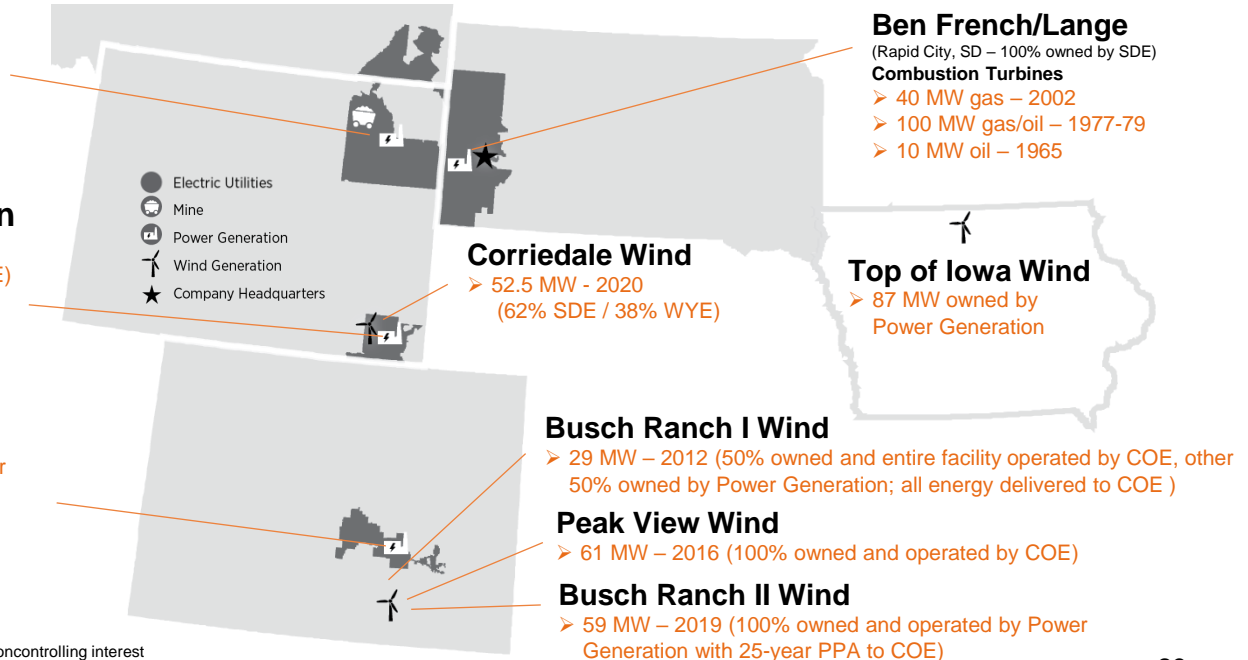
- Combined- Cycle Gas-Fired Plants
 - Two 100 MW Plants – 2012 (50.1%* owned by Power Generation with 20-yr PPA to COE)
- Simple Cycle Gas-Fired Plants
 - Two 100 MW plants – 2011 (100% owned by COE)
- Gas-Fired Combustion Turbine
 - 40 MW – 2016 (100% owned by COE)

Transmission Network

- 1,849 miles of electric transmission in SD, WY and CO

Distribution Systems

- 7,050 miles of electric distribution in SD, WY and CO



* 49.9% third party ownership of Colorado generation subsidiary reported as noncontrolling interest
Note: information from 2020 Form 10-K Annual Report Filing as of Dec. 31, 2021; totals approximated

Full Service Natural Gas Utility

Gas Supply

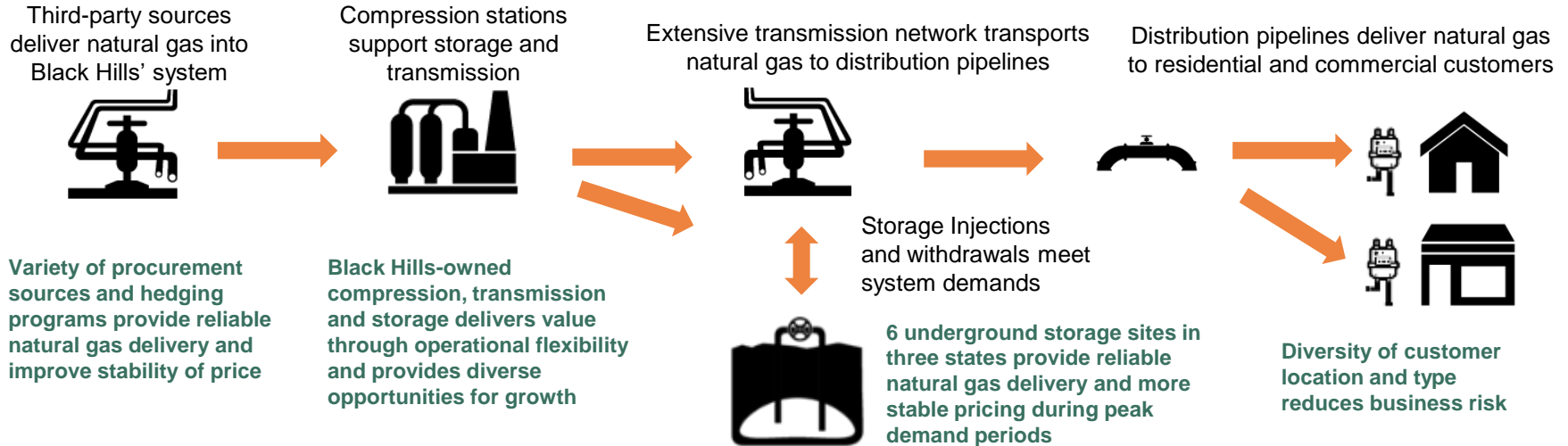
- Diverse procurement sources and hedging programs
- 515 miles of gathering lines

Storage and Transmission

- 4,700 miles of intrastate transmission
- 50,000 horsepower of compression
- 6 natural gas storage sites in AR, CO and WY with 53 million Mcf total capacity
- 155 million Dth natural gas transported in 2021

Distribution

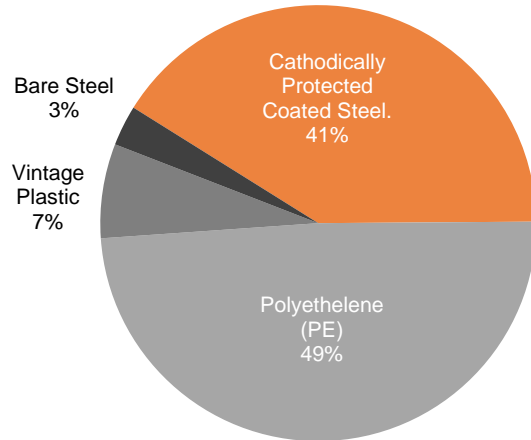
- 30,000-mile natural gas distribution system
- 1.1 million customers with 12,000 miles of service lines
- 95 million Dth natural gas distributed to customers in 2021



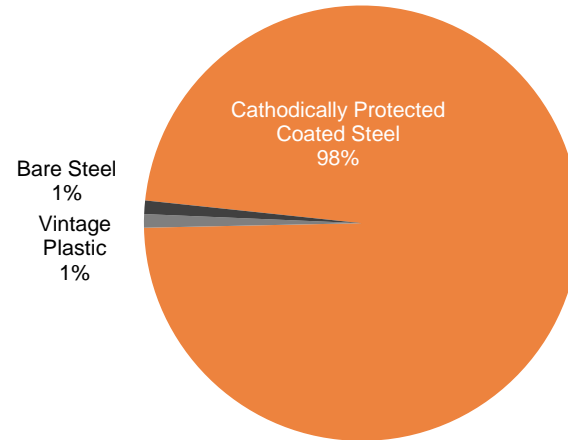
Natural Gas Infrastructure

Risk-Assessed Replacement of At-risk Materials

30,000-mile Distribution System Material Type



4,700-mile Transmission System Material Type



System miles from 2020 Form 10-K Annual Report Filing as of Dec. 31, 2020
Material type information as of Dec. 31, 2019, from 2020 filing with Pipeline Hazardous Materials Safety Administration

Electric Generation Contracts

Capacity Primarily Serves Black Hills' Regulated Electric Utilities

Plant	Owned Capacity	Contracted	Contracted as % Total Owned	Counter-Party	Expiration	Comments
Pueblo Airport Generating Station*	200 MW	200 MW	47.2%	Colorado Electric	Dec. 31, 2031	Excess power and capacity for benefit of Colorado Electric
Wygen I	68.9 MW	60 MW	14.2%	Wyoming Electric	Dec. 31, 2021	Prior contract
					Dec. 31, 2032	New contract effective Jan. 1, 2022
Busch Ranch I	14.5 MW	14.5 MW	3.4%	Colorado Electric	Oct. 16, 2037	
Busch Ranch II	59.4 MW	60 MW	14.2%	Colorado Electric	Nov. 26, 2044	
Top of Iowa	87.1 MW					
Total	429.9 MW	334.5 MW	79.0%			

* Information from 2020 Form 10-K Annual Report Filing as of Dec. 31, 2020; percentages in chart based on full-year 2020 revenue

** A third party owns a 49.9% non-operating ownership of Colorado IPP (PAGS) which is reported as noncontrolling interest

Regulatory



The flags of all eight states we proudly serve fly at Horizon Point, company headquarters in Rapid City, SD

Optimizing Regulatory Recovery

Electric Utilities

	Environmental Cost	DSM/ Energy Efficiency	Transmission Expense	Fuel Cost	Transmission Cap-Ex	Purchased Power	Renewable Energy Standard Adjustment
Colorado Electric		☑	☑	☑	☑	☑	☑
South Dakota Electric (SD)	☑ ¹		☑	☑	☑ ¹	☑	
South Dakota Electric (WY)		☑	☑	☑		☑	
South Dakota Electric (FERC)					☑		
Wyoming Electric		☑	☑	☑		☑	

Gas Utilities

	DSM/ Energy Efficiency	Integrity Additions	Bad Debt	Weather Normal	Pension Recovery	Gas Cost	Revenue Decoupling	Fixed Cost Recovery ²
Arkansas Gas	☑	☑		☑		☑	☑	39%
Colorado Gas	☑	☑				☑		52%
Rocky Mountain Natural Gas ³		☑						
Iowa Gas	☑	☑				☑		67%
Kansas Gas		☑	☑	☑	☑	☑		62%
Nebraska Gas		☑	☑			☑		70%
Wyoming Gas	☑	☑				☑		53%

☑ Commission approved cost adjustment

¹ South Dakota cost adjustments for environmental and transmission capex included in rate moratorium; applies only to non-FERC jurisdictional assets

² Fixed cost recovery listed for residential customers is as of last rate base review

³ RMNG, an intrastate transmission pipeline, provides natural gas transmission and wholesale services, has an SSIR recovery mechanism; other cost recovery mechanisms are not applicable to RMNG

Estimated Rate Base by State and Segment

	2016	2017	2018	2019	2020	2021
Colorado						\$667
South Dakota (all jurisdictions)						957
Wyoming						453
Total Electric Utilities	\$1,570	\$1,650	\$1,706	\$1,747	\$1,954	\$2,077
Arkansas						632
Colorado						530
Iowa						295
Kansas						248
Nebraska						646
Wyoming						409
Total Gas Utilities	\$1,620	\$1,700	\$1,851	\$2,180	\$2,464	\$2,760
Total Utilities	\$3,190	\$3,350	\$3,557	\$3,927	\$4,418	\$4,837

Note: estimated rate base at year-end calculated using state specific requirements and includes value of rate base recovered through riders

Last Approved Utility Rate Review Results by Jurisdiction

Jurisdiction	Utility	Effective Date	Return on Equity	Capital Structure	Authorized Rate Base (in millions)
Arkansas	Arkansas Gas	Oct. 2018	9.61%	50.9% debt / 49.1% equity	\$451.5
Colorado	Colorado Electric	Jan. 2017	9.37%	47.61% debt / 52.39% equity	\$597.5
Colorado	Colorado Gas	Jan. 2022	9.20%	49.74% debt / 50.26% equity	\$303.0
Colorado	RMNG	June 2018	9.90%	53.4% debt / 46.6% equity	\$118.7
Iowa	Iowa Gas	Jan. 2022	9.60%	50.0% debt / 50.0% equity	\$300.9
Kansas	Kansas Gas	Jan. 2022	Global Settlement	Global Settlement	Global Settlement
Nebraska	Nebraska Gas	March 2021	9.50%	50% debt / 50% equity	\$504.2 *
South Dakota	South Dakota Electric	Oct. 2014	Global Settlement	Global Settlement	\$543.9
Wyoming	South Dakota Electric	Oct. 2014	9.90%	46.68% debt / 53.32% equity	\$46.8
Wyoming	Wyoming Electric	Oct. 2014	9.90%	46% debt / 54% equity	\$376.8
Wyoming	Wyoming Gas	March 2020	9.40%	49.77% debt / 50.23% equity	\$354.4

Note: Information from last approved rate review in each jurisdiction

* Includes amounts to serve non-jurisdictional and agriculture customers

Capital Investment for Customer Needs



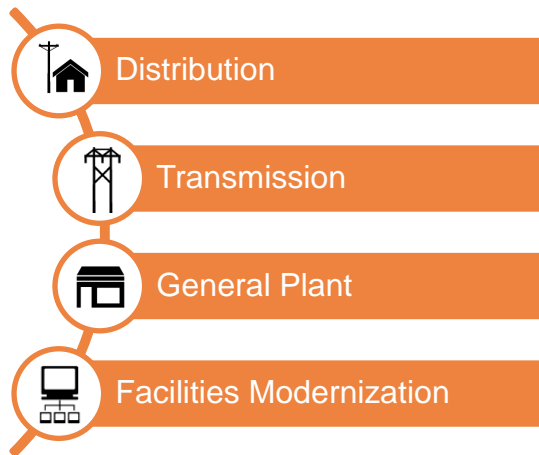
READY TO SERVE

Up early at the Natural Bridge Pipeline construction in central Wyoming in 2019

Long-term Approach to Capital Investment

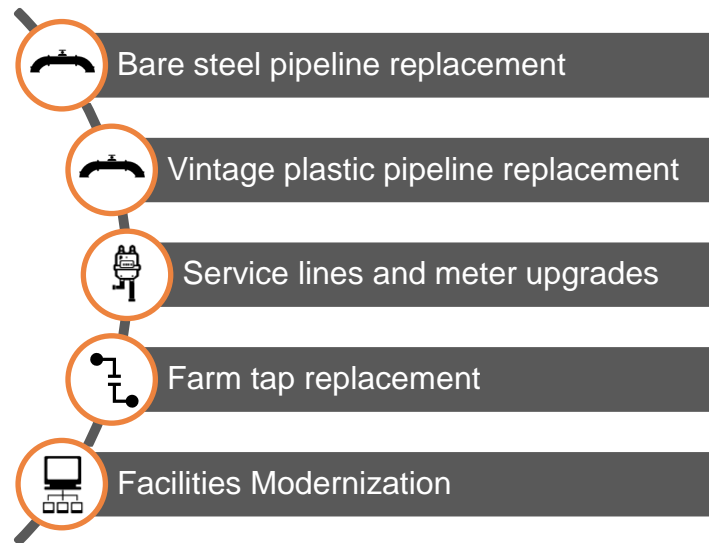
Risk-prioritized Programs Focused on Safety and System Integrity

Electric Utilities



Replacing aging infrastructure to harden and modernize systems

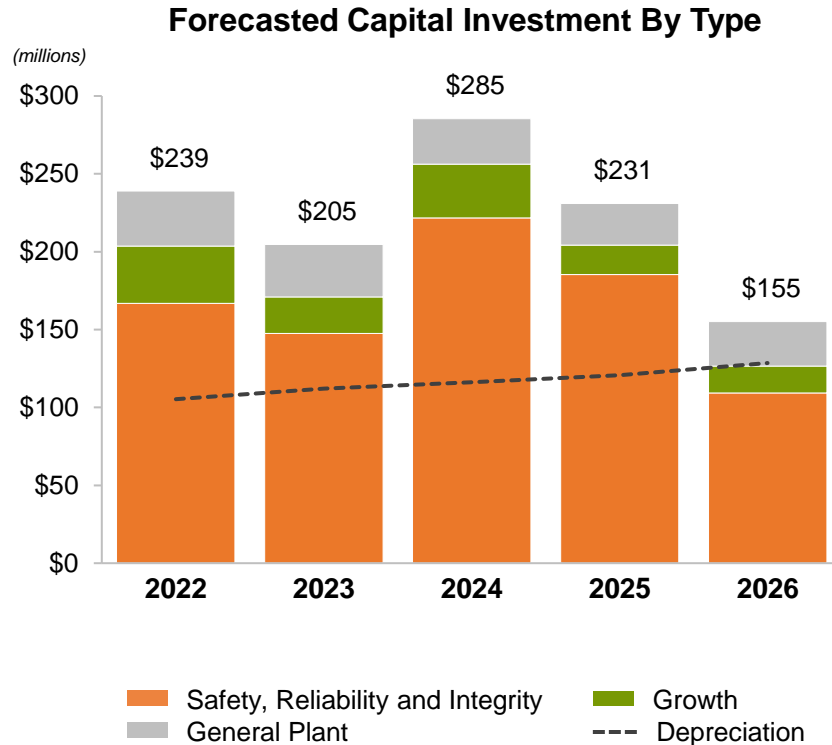
Natural Gas Utilities



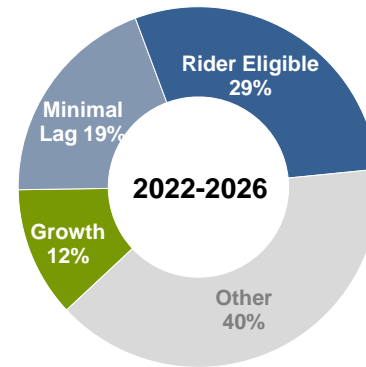
Replacing at-risk materials and modernizing to maintain and enhance system integrity

Electric Utilities Capital Investment

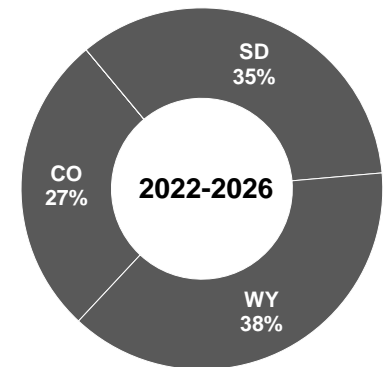
Five-year Forecast of \$1.1+ Billion Focused on Safety, System Integrity and Growth



60% with Timely Recovery*



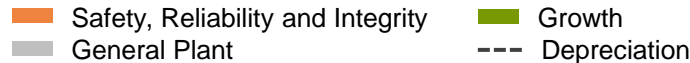
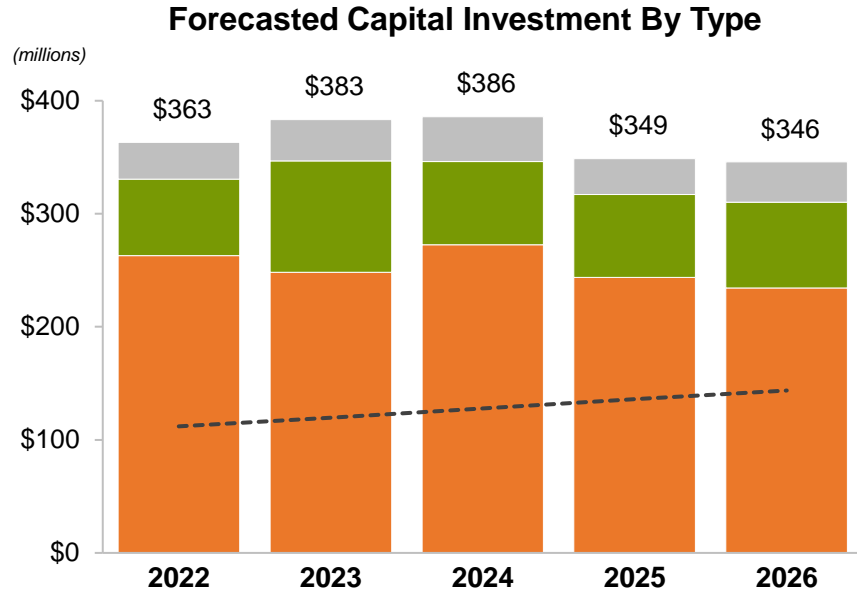
Forecasted Capital by State



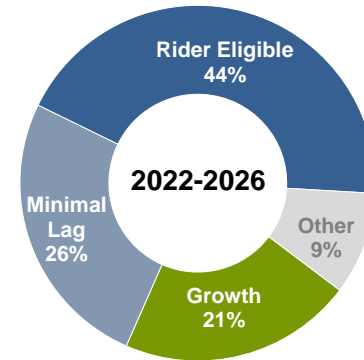
* Growth Capital - generates immediate revenue upon customer connections
 Minimal Lag Capital - capital expenditures with regulatory lag of less than one year or incurred during expected regulatory test periods
 Rider Eligible Capital - capital expenditures recovered through state specific tariffs or FERC formula rates and meets Minimal Lag Capital definition

Natural Gas Utilities Capital Investment

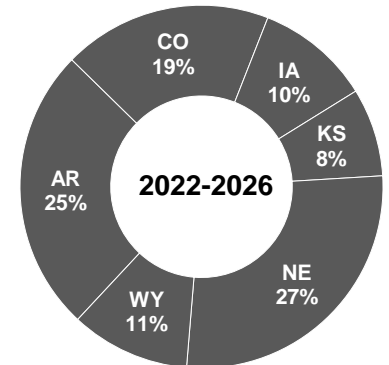
Five-year Forecast of \$1.8+ Billion Focused on Safety, System Integrity and Growth



91% with Timely Recovery*



Forecasted Capital by State



* Growth Capital - generates immediate revenue upon customer connections
 Minimal Lag Capital – capital expenditures with regulatory lag of less than one year or incurred during expected regulatory test periods
 Rider Eligible Capital - capital expenditures recovered through state specific tariffs and meets Minimal Lag Capital definition

Capital Investment by Segment and Recovery

(in millions)

	2022F	2023F	2024F	2025F	2026F	2022-2026F
Minimal Lag Capital - Electric Utilities ¹	\$30	\$34	\$30	\$92	\$32	\$218
Rider Eligible Capital - Electric Utilities ²	70	52	121	63	19	324
Growth Capital - Electric Utilities ³	37	23	34	19	17	131
Other	102	95	100	57	87	442
Electric Utilities	\$239	\$205	\$285	\$231	\$155	\$1,115
Minimal Lag Capital - Gas Utilities ¹	79	95	113	94	88	469
Rider Eligible Capital - Gas Utilities ²	181	166	156	149	146	798
Growth Capital - Gas Utilities ³	68	99	74	73	76	389
Other	35	24	43	33	36	171
Gas Utilities	\$363	\$383	\$386	\$349	\$346	\$1,827
Total Utilities	\$602	\$588	\$671	\$580	\$501	\$2,942
Corporate	9	12	13	13	13	59
^ Incremental Projects	0	0	0	~60	~140	~200
Total Black Hills Forecast	\$611	\$600	\$684	\$653	\$654	\$3,202

Incremental projects being evaluated for timing, cost and other factors

¹ Minimal Lag Capital - investment with regulatory lag of less than one year or incurred during expected regulatory test periods

² Rider Eligible Capital - capital expenditures recovered through state specific tariffs or FERC formula rates and meets minimal lag capital definition

³ Growth Capital - generates immediate revenue on customer connections

Note: Some totals may differ due to rounding

Regulated Utility Capital Investment by Type

(in millions)

	2022F	2023F	2024F	2025F	2026F	2022-2026F
Safety, Reliability and Integrity ¹	\$167	\$148	\$222	\$185	\$109	\$831
Growth ²	37	23	34	19	17	131
General Plant	35	34	29	27	29	153
Electric Utilities	\$239	\$205	\$285	\$231	\$155	\$1,115
Safety, Reliability and Integrity ¹	263	248	273	244	234	1,262
Growth ²	68	99	74	73	76	389
General Plant	33	36	40	32	36	176
Gas Utilities	363	383	386	349	346	\$1,827
Total Utilities	\$602	\$588	\$671	\$580	\$501	\$2,942

Incremental projects being evaluated for timing, cost and other factors

¹ Safety, Reliability and Integrity Capital - capital expenditures related to improving or maintaining system integrity

² Growth Capital - generates immediate revenue on customer connections

Note: Some totals may differ due to rounding

Environmental, Social and Governance



With the completion of the Corriedale Wind Energy Project, shown here, Black Hills Corp. now owns and operates 281 megawatts of renewable wind generation.

Sustainable ESG Profile

Environmental



- 90% coal-free total revenue*
- Reducing GHG emissions intensity 40% by 2030 and 70% by 2040 for electric utilities, 50% by 2035 for gas utilities (2005 base)
 - Adding renewables resources
 - Replacing aging, at-risk materials
 - Supporting emissions reduction technology research
 - Reducing methane emissions beyond requirements
- Analyzing risks and opportunities of climate and other factors with engagement of third-party consultant

Social



- Safety culture
- Supporting community development
- Donations and volunteerism
- Diversity and inclusion programs, including commitment to multiple EEI diversity goals
- Highly engaged team
- Continuous improvement

Governance



- Independent, diverse and experienced directors
- Stock ownership requirement and compensation philosophy
- Well-established succession planning process with Board engagement
- ESG board oversight

* Revenue as a percent of total company revenue as of Dec. 31, 2020

Supporting Emissions-Reduction Technologies



Evaluating feasibility of hydrogen use and production via natural gas generation plants

- Blue hydrogen: natural gas generator with carbon capture
- Green hydrogen: natural gas generator fed with renewable energy and water
- Study engineering modifications required for a General Electric LM6000 combustion turbine generator to accommodate a blended fuel mix of hydrogen and pipeline natural gas.
- Partnering with GE, Black and Veatch, and Tallgrass Energy; Wyoming Energy Authority awarded the project to Black Hills' natural gas generation
- Study to take place Q4 2021 - Q3 2022



Evaluating carbon capture, utilization and storage (CCUS) to comply with Wyoming legislation

- Filing annual reports with Wyoming PSC in 2022 through 2024 to demonstrate how we will comply with HB200, which requires evaluation of CCUS options
- Engaging third party (Black and Veatch) to study CCUS in coal plants located in Gillette, Wyoming
- CCUS project to be installed on coal-fired power plant at Black Hills' Gillette Energy Complex



New Venture Capital Fund to support ESG efforts in natural gas utilities

- Fund will concentrate on sustainability, reliability, and resilience imperatives for natural gas utility sector
- Focus on early-stage ESG investments in decarbonization, renewable natural gas, hydrogen and other clean energy solutions.

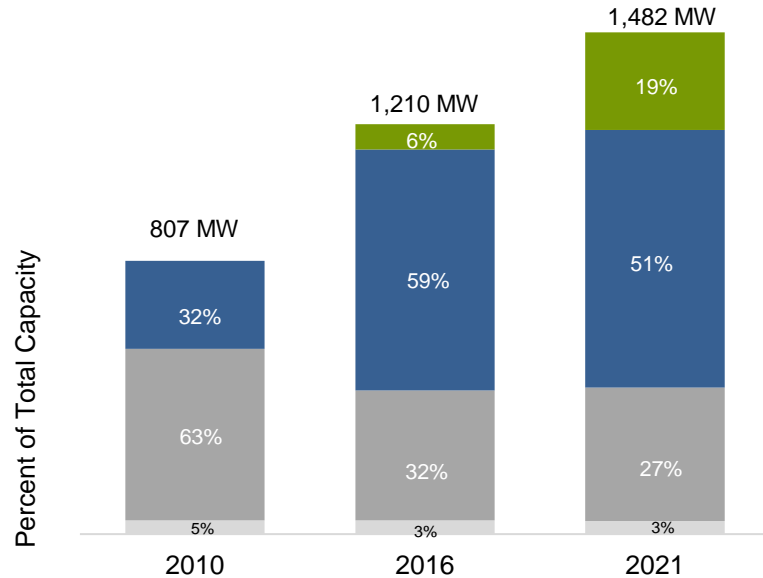


Planning to join NSF IUCRC Center for Solid-State Energy Storage consortium

- Collaboration between several universities, National Science Foundation and industry to develop solid-state battery technologies

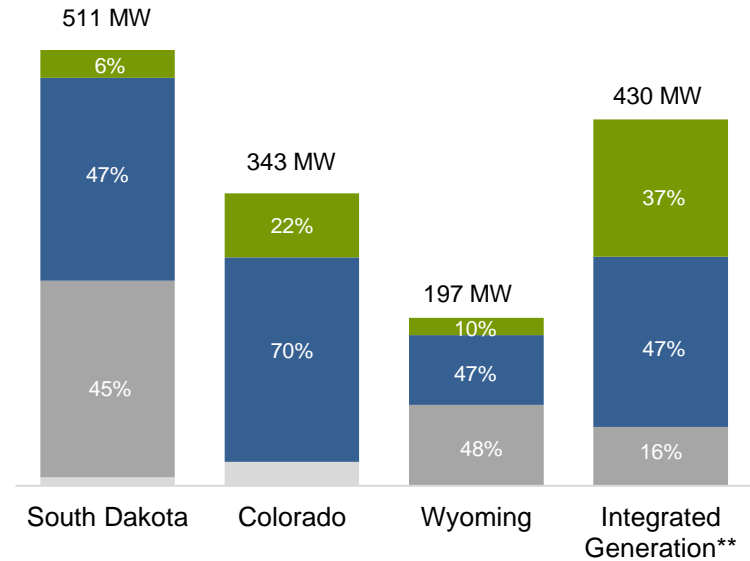
Responsibly Integrating Renewable Energy

Owned Electric Generation Capacity *



Capacity Mix by Location *

(Dec. 31, 2021)



■ Wind
 ■ Natural Gas
 ■ Coal
 ■ Other

* Ownership includes 49.9 percent ownership in a Colorado subsidiary by a third party representing approximately 100 megawatts; excludes power purchase agreements from third parties

** Integrated generation includes generation assets in Gillette, Wyoming (68.9 MW), Pueblo, Colorado (274 MW) and Joice, Iowa (87.1 megawatts)

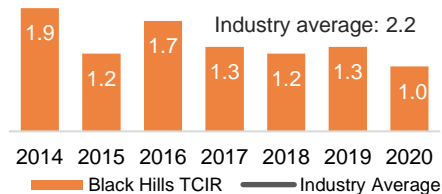
Social Responsibility

Safety Focus

Dedicated "Ready" Safety Culture

- TCIR better than industry average and 44% improved since 2014
- 37% reduction in preventable motor vehicle accidents in 2021 versus 2020
- OSHA VPP Star Status at Cheyenne Prairie Generating Station *and* Pueblo Airport Generating Station
- Strong safety culture including trainings and stop work authority
- Crisis response full-scale mock drills and response plans

Total Case Incident Rate*



* TCIR is defined as the average number of work-related injuries incurred per 200,000 hours worked during a one-year period (represents approximately 100 workers)

** 2020 estimated direct economic impact includes franchise fees, wages and benefits, property and other taxes, payments to suppliers, and other community impact

Great Workplace

Engaged and Inclusive

- Achievers 50 Most Engaged Workplaces (2019 and 2020)
- InHersight's 20 Best Utility Companies to Work For (2019)
- Diversity and inclusion programs
 - Aspire employee resource group for women
 - Veteran's engagement team (VET)
 - Multicultural Team for racially/ethnically diverse employees
 - New Connections resource group for new employees
- Support of the Guard and Reserve (ESGR) supporting civilian employment of national guard members
- Department of Labor's Gold Medallion Award for veteran employment (2020)

Community Support

Developing Thriving Local Economies

- \$1.38 billion direct economic impact**
- Local economic development, community sponsorships
- Culture of encouraging volunteerism
- Black Hills Cares energy assistance
- Employee United Way contributions
- Donations to local nonprofits responding to COVID-19 needs
- Tree giveaway programs



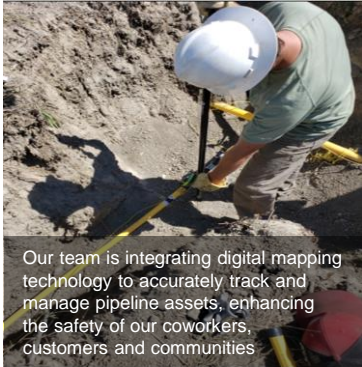
In 2020, charitable support for our communities totaled \$5.6 million, including \$628,000 by employees to 50 United Way organizations across our states

Pipeline Safety Leadership

Focused on the Safety of Our Co-workers, Customers and Communities

Black Hills' comprehensive, systematic effort at forefront of industry-wide goal of zero incidents

- Implementing Pipeline Safety Management System framework
- Sharing knowledge through industry leadership roles
- Enhancing emergency response and training
- Investing in technologies such as digital mapping and data collection, artificial intelligence and analytics, and emissions reduction



Governance

Diverse, Experienced Oversight and Alignment of Stakeholder Interests

Board Composition

- 36% of board members are gender or ethnically diverse
- Average Board tenure of 6.5 years
- 10 of 11 directors are independent
- Independent board chair
- Diverse experience across multiple industries and sectors

Corporate Governance

- Plurality plus voting policy
- Annual board and committee evaluations
- All board committees have authority to retain independent advisors paid for by company
- Code of Business Conduct applies to all employees and Board of Directors
- Code of Ethics for financial officers
- Hedging and pledging company stock prohibited
- Mandatory retirement age for directors
- Board engagement in succession planning process

Compensation Policies

- Maintain robust stock ownership guidelines for directors and executives
- Annual advisory vote on executive compensation
- Board authority to claw back incentive compensation
- Compensation philosophy aligns compensation practices with stakeholder interests

Other Information



Cheyenne Prairie Generating Station is one of the most advanced, reliable and efficient power generation facilities in the country.

Income Statement

(in millions, except earnings per share)

	Full Year	
	2020	2021
Revenue	\$ 1,696.9	\$ 1,949.1
Fuel, purchased power and cost of natural gas sold	(492.4)	(741.9)
Operations and maintenance expense	(551.8)	(561.8)
Depreciation, depletion and amortization	(224.5)	(236.0)
Operating income	428.3	409.4
Interest expense, net	(143.5)	(152.4)
Impairment of investment	(6.9)	-
Other income (expense), net	(2.3)	1.4
Income before taxes	275.6	258.4
Income tax (expense)	(32.9)	(7.2)
Net income before non-controlling interest	\$ 242.8	\$ 251.3
Net income attributable to non-controlling interest	(15.2)	(14.5)
Net income available to common stock	\$ 227.6	\$ 236.7
Non-GAAP adjustments	5.3	-
Net income available to common stock, as adjusted *	\$ 232.9	\$ 236.7
EPS - Net income available for common stock	\$ 3.65	\$ 3.74
EPS - Net income available for common stock, as adjusted *	\$ 3.73	\$ 3.74
Diluted shares outstanding	62.4	63.3
EBITDA, as adjusted*	\$ 650.5	\$ 646.8

* Non-GAAP measure; defined and/or reconciled to GAAP on slides 53 through 55

Capital Structure

(\$ in millions)

	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21
Capitalization					
Short-term Debt	\$ 243	\$ 823	\$ 837	\$ 333	\$ 420
Long-term Debt	3,528	3,529	3,530	4,126	4,127
Total Debt	3,771	4,352	4,367	4,458	4,547
Equity*	2,561	2,625	2,659	2,698	2,787
Total Capitalization	\$ 6,332	\$ 6,977	\$ 7,026	\$ 7,156	\$ 7,334
Net Debt to Net Capitalization					
Debt	\$ 3,771	\$ 4,352	\$ 4,367	\$ 4,458	\$ 4,547
Cash and Cash Equivalents	(6)	(13)	(1)	(10)	(9)
Net Debt	3,764	4,339	4,366	4,448	4,538
Net Capitalization	\$ 6,326	\$ 6,963	\$ 7,025	\$ 7,145	\$ 7,325
Debt to Capitalization	59.5%	62.4%	62.2%	62.3%	62.0%
Net Debt to Capitalization (Net of Cash)	59.5%	62.3%	62.1%	62.2%	62.0%
Long-term Debt to Total Debt	93.6%	81.1%	80.8%	92.5%	90.8%

* Excludes noncontrolling interest

Non-GAAP Financial Measures

Net Income Available for Common Stock and EPS, as adjusted

We have provided non-GAAP earnings data reflecting adjustments for special items as specified in the GAAP to non-GAAP adjustment reconciliation table in this presentation. Operating Income (loss), as adjusted, Income (loss) from continuing operations, as adjusted, and Net income (loss), as adjusted, are defined as Segment Revenue, Operating Income (loss), Income (loss) from continuing operations and Net income (loss), adjusted for expenses, gains and losses that the company believes do not reflect the company's core operating performance. The company believes that non-GAAP financial measures are useful to investors because the items excluded are not indicative of the company's continuing operating results. The company's management uses these non-GAAP financial measures as an indicator for evaluating current periods and planning and forecasting future periods.

Earnings per share, as adjusted and earnings from continuing operations, per share, as adjusted

Earnings per share from continuing operations available for common stock, as adjusted, and earnings from continuing operations, per share, as adjusted, are Non-GAAP financial measures. Earnings per share, as adjusted, and earnings from continuing operations available for common stock, per share, as adjusted, are defined as GAAP Earnings per share and GAAP earnings from continuing operations, adjusted for expenses, gains and losses that the Company believes do not reflect the Company's core operating performance. Examples of these types of adjustments may include unique one-time non-budgeted events, impairment of assets, acquisition and disposition costs, and other adjustments noted in the earnings reconciliation tables in this presentation. The Company is not able to provide a forward-looking quantitative GAAP to Non-GAAP reconciliation for this financial measure because we do not know the unplanned or unique events that may occur later during the year.

Limitations on the Use of Non-GAAP Measures

Non-GAAP measures have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. Our presentation of these non-GAAP financial measures should not be construed as an inference that our future results will not be affected by unusual, non-routine, or non-recurring items.

Non-GAAP measures should be used in addition to and in conjunction with results presented in accordance with GAAP. Non-GAAP measures should not be considered as an alternative to net income, operating income or any other operating performance measure prescribed by GAAP, nor should these measures be relied upon to the exclusion of GAAP financial measures. Our non-GAAP measures reflect an additional way of viewing our operations that we believe, when viewed with our GAAP results and the reconciliation to the corresponding GAAP financial measures, provide a more complete understanding of factors and trends affecting our business than could be obtained absent this disclosure. Management strongly encourages investors to review our financial information in its entirety and not rely on a single financial measure.

Non-GAAP Financial Measures

	Earnings, as adjusted (in millions)					Earnings Per Share, as adjusted				
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
Net income (loss) available for common stock (GAAP)	\$ 177.0	\$ 258.4	\$ 199.3	\$ 227.6	\$ 236.7	\$ 3.21	\$ 4.66	\$ 3.28	\$ 3.65	\$ 3.74
Loss from discontinued operations (GAAP)	17.1	6.9	-	-	-	0.31	0.12	-	-	-
Net income from continuing operations available for common stock (GAAP)	194.1	265.3	199.3	227.6	236.7	3.52	4.78	3.28	3.65	3.74
<u>Adjustments, after tax</u>										
Acquisition / integration costs	2.8	-	-	-	-	0.05	-	-	-	-
Tax reform and other tax items	(11.7)	4.0	-	-	-	(0.21)	0.07	-	-	-
Legal restructuring - income tax benefit	-	(72.8)	-	-	-	-	(1.31)	-	-	-
Impairment of investment	-	-	15.2	5.3	-	-	-	0.25	0.08	-
Rounding	0.1	-	-	-	-	-	-	-	-	-
Total Non-GAAP adjustments	(8.8)	(68.8)	15.2	5.3	-	(0.16)	(1.24)	0.25	0.08	-
Net income from continuing operations available for common stock, as adjusted (Non-GAAP)	\$ 185.3	\$ 196.5	\$ 214.5	\$ 232.9	\$ 236.7	\$ 3.36	\$ 3.54	\$ 3.53	\$ 3.73	\$ 3.74

Non-GAAP Financial Measures

EBITDA

<i>(in thousands)</i>	12 Months Ended Dec. 31	
	2020	2021
Net income	\$ 242,763	\$ 251,260
Depreciation, depletion and amortization	224,457	235,953
Interest expense, net	143,470	152,404
Income tax expense (benefit)	32,918	7,169
EBITDA	\$ 643,608	\$ 646,786
Adjustments for unique items:		
Impairment of investment	6,859	—
EBITDA, as adjusted	\$ 650,467	\$ 646,786

Strategic Objectives



Profitable Growth

Achieve consistent growth that creates value

- Meet growing demand through innovative solutions and customer-focused, cost effective, rate-based utility assets
- Enhance reliability and satisfaction
- Acquire small utility systems within or near existing service territories

READY.

Valued Service

Deliver reliable and highly valued products and services

- Invest in infrastructure to maintain safety and reliability of electric and gas systems
- Cost effectively integrate additional renewable resources



Better Every Day

Continuously improve to achieve industry-leading results

- Achieve top-tier performance in a culture of continuous improvement
- Improve efficiencies through continued deployment of technology



Great Workplace

Promote a workplace that inspires individual growth and pride in what we do

- Be the safest company in our industry
- Be one of the best places to work
- Improve the wellness of employees
- Be a workplace of choice for women and minorities

Vision Be the energy partner of choice.

Mission Improving life with energy.

Company Values



Agility

We embrace change and challenge ourselves to adapt quickly to opportunities.



Customer Service

We are committed to providing a superior customer experience every day.



Partnership

Our partnerships with shareholders, communities, regulators, customers and each other make us all stronger.



Communication

Consistent, open and timely communication keeps us focused on our strategy and goals.



Integrity

We hold ourselves to the highest standards based on a foundation of unquestionable ethics.



Respect

We respect each other. Our unique talents and diversity anchor a culture of success.



Creating Value

We are committed to creating exceptional value for our shareholders, employees, customers and the communities we serve ... always.



Leadership

Leadership is an attitude. Everyone must demonstrate the care and initiative to do things right.



Safety

We commit to live and work safely every day.



BH
Black Hills Corporation
Ready