



Black Hills Corp. Electric Utilities File Long-term Integrated Resource Plan

RAPID CITY, S.D. – June 30, 2021 – Black Hills Corp. (NYSE: BKH) today announced that its South Dakota Electric and Wyoming Electric utilities filed a 2021 Integrated Resource Plan for their two electric systems.

The IRP, the result of a comprehensive data analysis and stakeholder input process, outlines a range of options for the two electric utilities over a 20-year planning horizon to meet long-term forecasted energy needs while strengthening reliability and resiliency of the grid. The analysis focused on the least-cost resource needs to best meet customers' future peak energy needs while maintaining system flexibility and achieving the company's generation emissions reduction goals.

The plan's preferred options for the near-term planning period through 2026 propose the addition of 100 megawatts of renewable generation, the conversion of the 90-megawatt Neil Simpson II coal-fired power plant to natural gas at the end of its original engineered life in 2025, and consideration of up to 20 megawatts of battery storage. The preferred scenarios are the least-cost options for customers and would also support the company's greenhouse gas emission intensity reduction goal of 70% by 2040 from a 2005 baseline for its electric operations.

The resource plan also supports continued analysis of the customer benefits of investing in additional transmission in Wyoming to support growing demand, integrate more renewables into the grid and enhance reliability of supply.

"We are committed to delivering safe, reliable and cost-effective energy to our customers while sensibly achieving a cleaner emissions profile," said Linn Evans, president and CEO of Black Hills Corp. "Our plan looks to meet the growing needs of our customers and communities and address the challenges of the evolving energy grid through existing technologies. We plan to continue delivering the benefits of our efficient, reliable and flexible generation capacity in Wyoming to serve those local customers in South Dakota and Wyoming. Our plan also looks to modernize our energy systems through investing for resilient, technology-enabled systems."

The IRP demonstrates the valuable role of a balanced mix of power generation resources including renewables, natural gas and coal in not only providing cleaner energy for customers but also maintaining grid reliability, particularly as more intermittent wind and solar resources are added to meet stakeholder expectations and policy goals for de-carbonizing the power generation sector.

Although there is no formal process for resource planning in South Dakota or Wyoming, the company expects that a procedural schedule will be created in Wyoming for comments and commission consideration. In South Dakota, the IRP was not formally filed so a procedural schedule will not be established.

The plan's preferred options and other information about the IRP can be found at the company's website at <https://ir.blackhillscorp.com/events-presentations/>.

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 1.3 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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