

RESILIENT.
RELIABLE.
READY.

**2023 Fourth Quarter and
Full Year Review**

Feb. 8, 2024



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 2024 earnings guidance and long-term growth target. 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 2022 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 earnings guidance and growth target 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;
- The effects of changing interest rates;
- 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;
- Our ability to overcome the impacts of supply chain disruptions on availability and cost of materials;
- 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.

Delivering Results for Stakeholders

- ✓ Provided industry-leading reliability
- ✓ Delivered on earnings guidance
- ✓ Achieved constructive regulatory settlements
- ✓ Improved debt to total capitalization ratio
- ✓ Increased dividend 54 consecutive years in 2024
- ✓ Advanced growth initiatives



RESILIENT.
RELIABLE.
READY.

Financial Outlook

2024
EPS

Guidance range of \$3.80 to \$4.00

Long-term
EPS Growth

4% to 6% growth target

Dividend

55% to 65% payout ratio*

Capital
Investment

Five-year forecast increased by \$800 million to \$4.3 billion

* Future dividends subject to board approval

2024 Scorecard



Growth & Financial Performance

EPS, growth targets, credit metrics and utility growth

- Achieve earnings guidance
- Increase dividend 54th consecutive year
- Maintain solid BBB+ equivalent credit ratings and metrics
- Refinance \$600 million notes maturing August 2024
- Complete Arkansas Gas rate review (filed Q4 2023)
- File rate reviews for Iowa Gas and Colorado Electric
- Support expansion of new and existing data center and blockchain customers
- Expand RNG portfolio, including RNG production



Transformation

Implement simple processes and efficient systems that enable future business transformation

- Identify and deliver new process improvements
- Finalize implementation of field service management system
- Transition to new outage management system
- Complete data center migration to cloud
- Advance gas system mapping



Operational Excellence

Utilize consistent and efficient processes to deliver safe, reliable and cost-effective energy and a great customer experience

- Achieve internal customer satisfaction and effort scores
- Increase safety awareness and safety event reporting
- Deliver top-quartile customer reliability
- Execute \$840 million capital plan
- Finalize South Dakota 100 MW renewable project plans
- Advance Colorado Clean Energy Plan
- Execute pipeline replacement program supporting Net Zero by 2035 goal



People & Culture

Retain and attract a talented, engaged and thriving team

- Increase strong employee engagement scores
- Increase employee retention rates
- Increase internal career opportunities
- Achieve DART employee safety metric of 0.7 or less

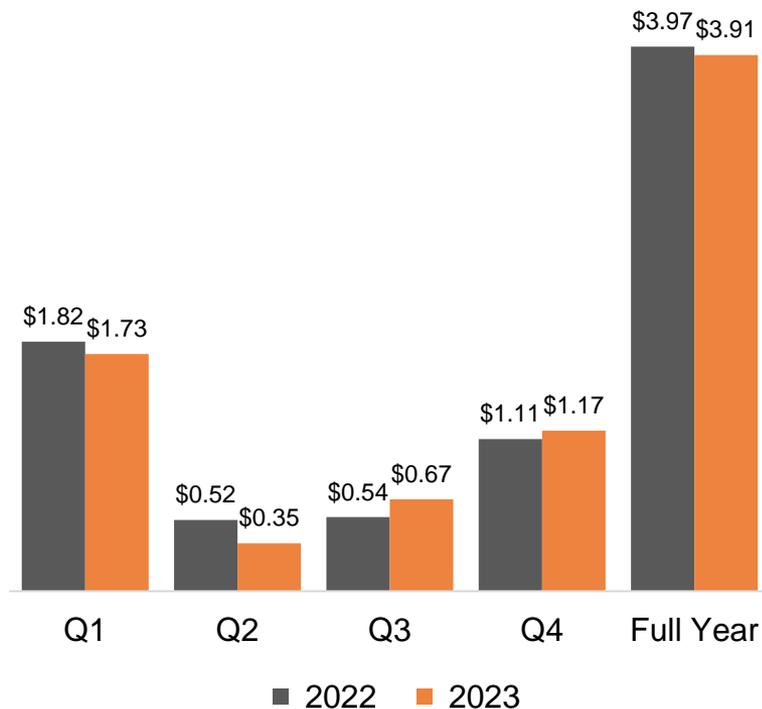
Q4 2023 Financial Review



2023 Financial Review

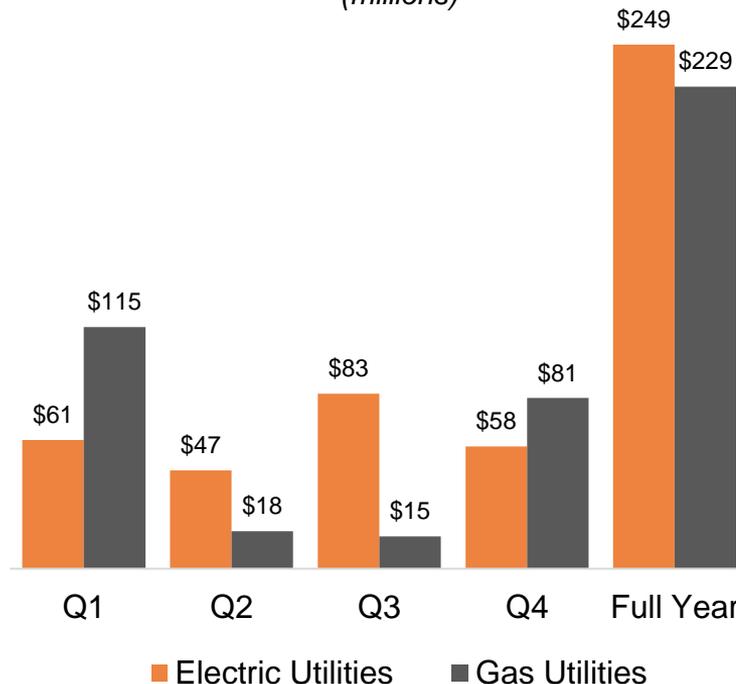
Successfully Delivered on Earnings Guidance

EPS



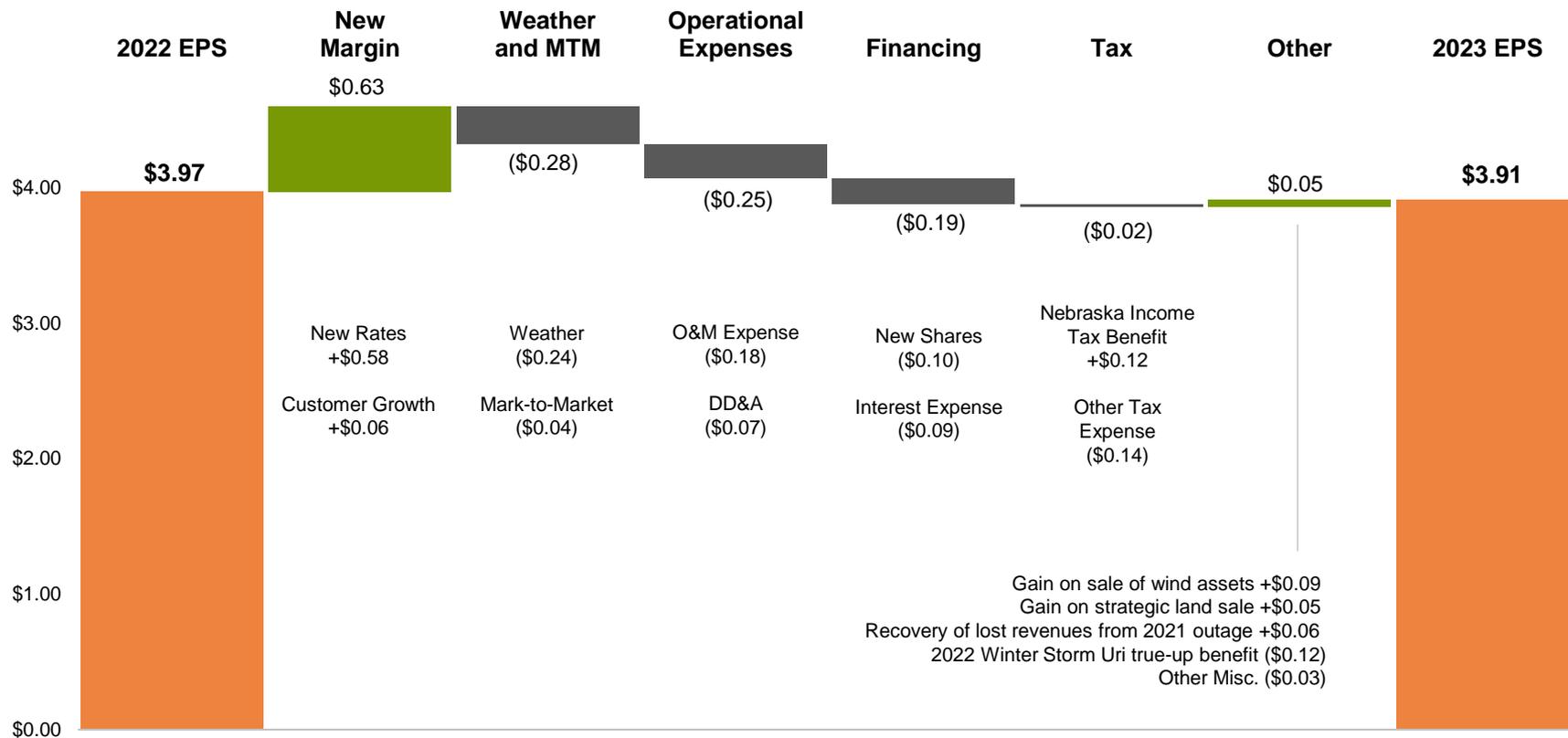
Operating Income

(millions)



2023 EPS Earnings Drivers

New Margins Offset Impacts of Weather, Inflation and Interest Rates



Strengthening our Balance Sheet

Robust Cash Flows, Disciplined Capital Management and Strong Financial Execution

Strong Operating Cash Flows	✓ New rates and rider recovery	\$945 million*
	✓ Customer growth	
	✓ Recovery of elevated natural gas cost deferrals	
Capital Investment and Asset Management	✓ Disciplined management of capital plan	(\$540 million)*
	✓ Planned sale of non-core Iowa wind assets completed	
Financing Plan Execution	✓ Issued \$350 million of notes and fully repaid commercial paper borrowings	(\$340 million)*
	✓ Issued \$450 million of notes	
	✓ Repaid \$525 million notes	
	✓ Issued \$119 million of net equity through ATM	
		+\$65 million*
		Net change in cash

* 2023 cashflow amounts rounded; details included in 10-K to be filed Feb. 14, 2024

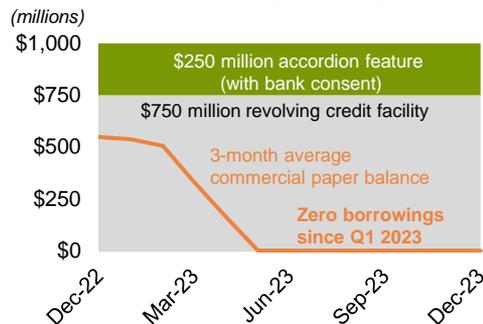
Solid Financial Position

Committed to BBB+ Equivalent Credit Ratings

Credit Ratings

S&P	Moody's	Fitch
BBB+	Baa2	BBB+
Stable outlook	Stable outlook	Negative outlook

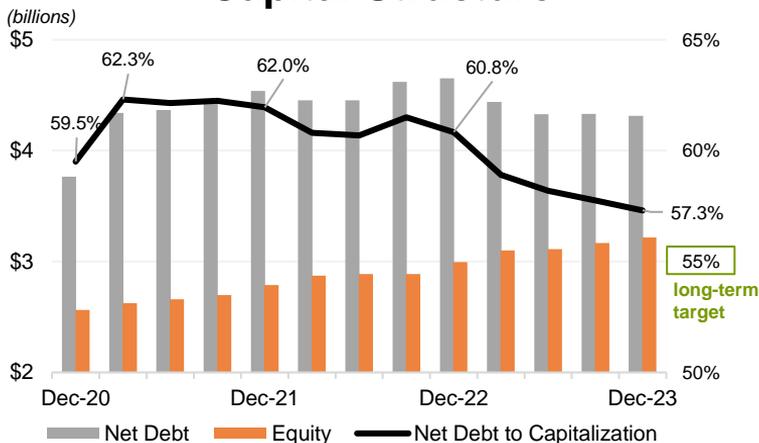
Liquidity and Cash Flow



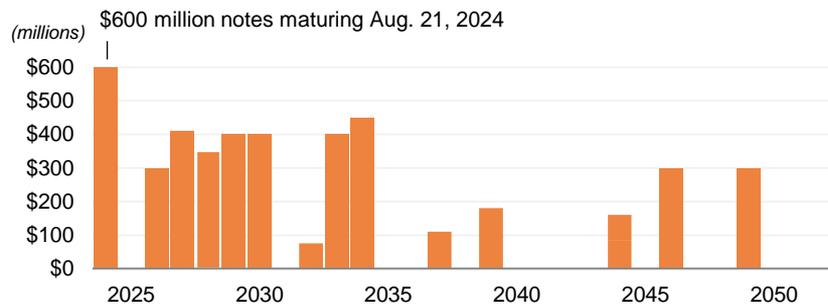
	FFO / Debt	FFO Adjusted Leverage
Target	14-15%	4.8x

Note: FFO / Debt (S&P) and FFO adjusted leverage (Fitch) are non-GAAP measures in accordance with rating agencies' methodologies

Capital Structure *



Debt Maturities

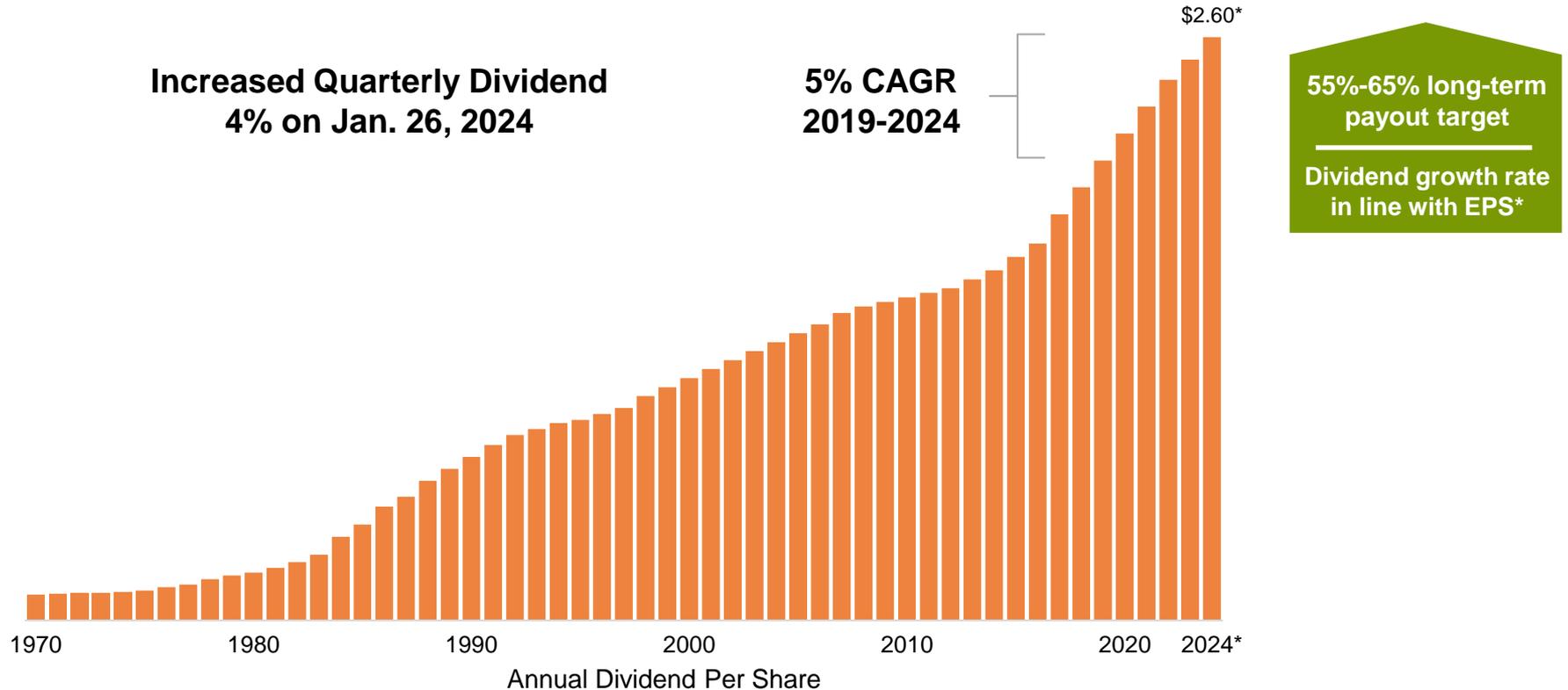


Note: information as of Dec. 31, 2023

* Excludes noncontrolling interest

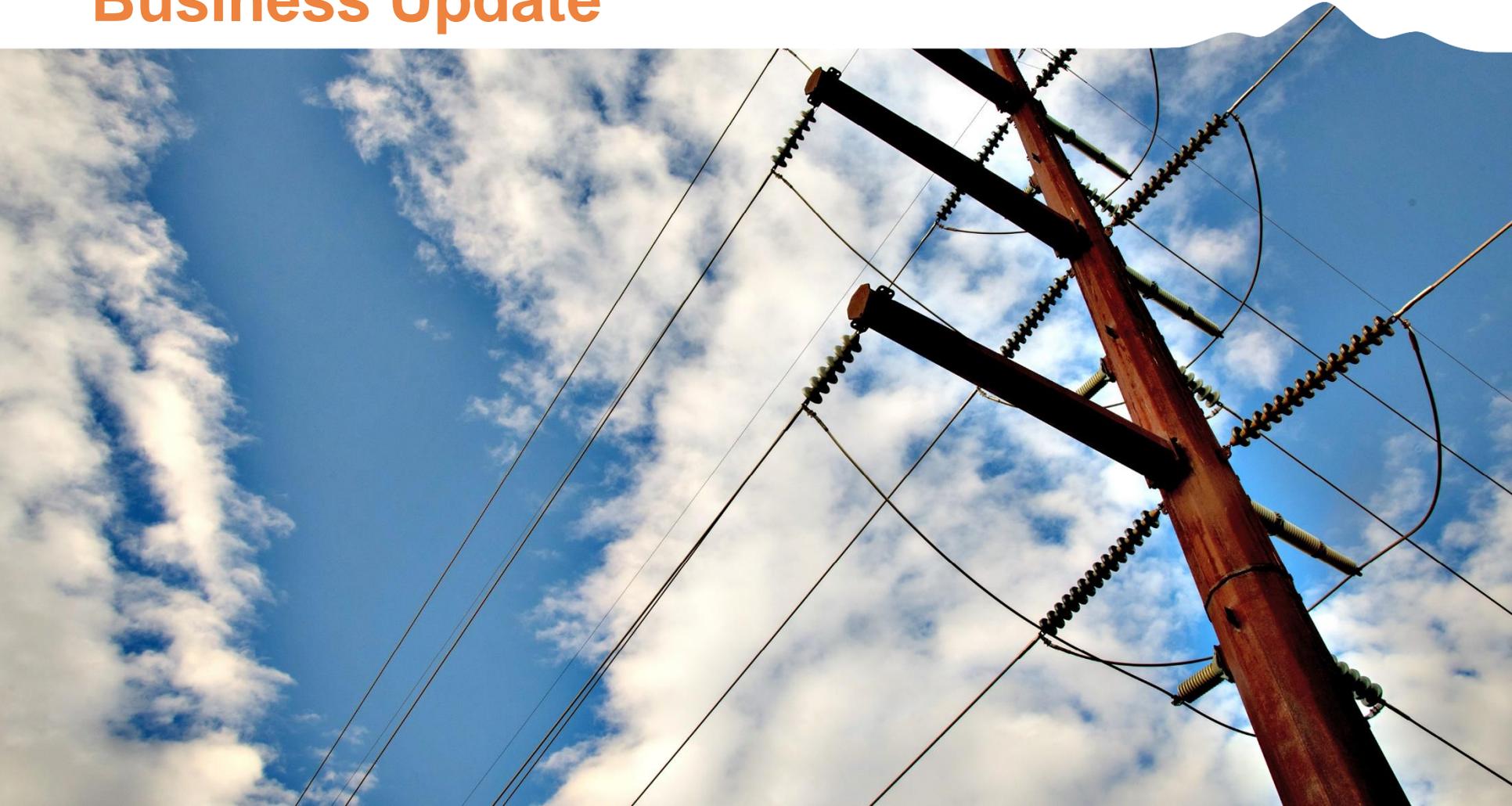
Dividend Track Record

54 Consecutive Years of Annual Increases in 2024 and 82 Consecutive Years Paid*



* Future dividends subject to board approval; 2024 dividend represents current quarterly dividend at annualized rate

Business Update

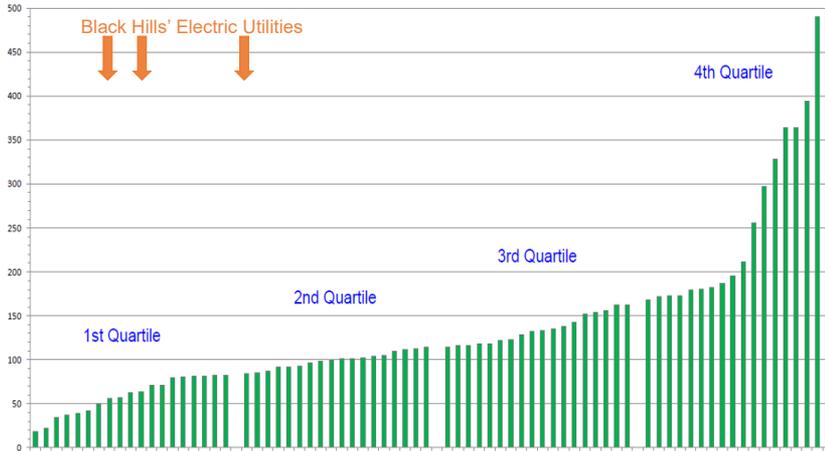


Operational Excellence

Delivering Safe, Reliable and Cost-Effective Energy

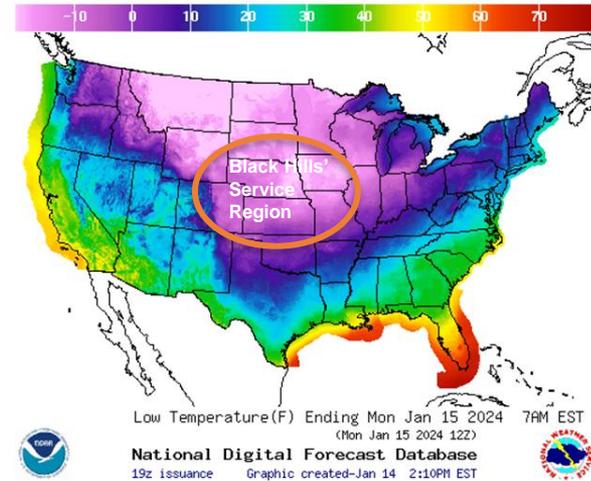
Industry-Leading Electric Reliability

EEI 2022 Overall System SAIDI (Excluding Major Events)



Dependable Natural Gas Service

In mid-January, we reliably served our customers during subzero conditions across our service territory



U.S. Dept. of Labor Platinum HIRE Vets Medallion Award

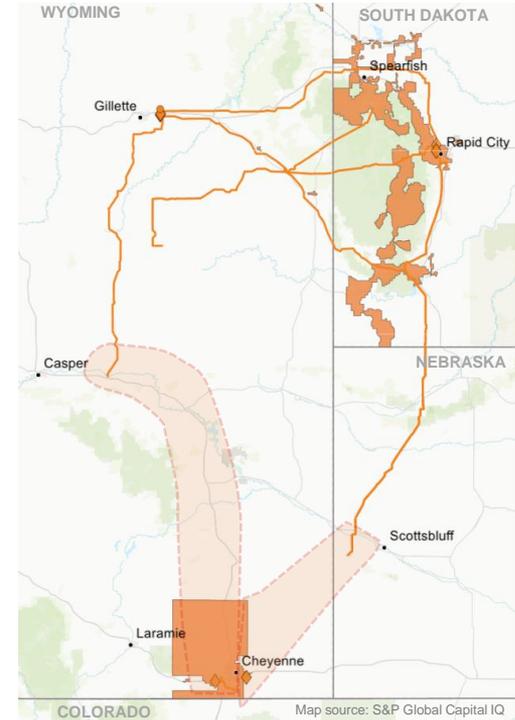
Ready Wyoming Electric Transmission Initiative

260-mile Project to Further Interconnect and Expand Wyoming Electric System

- Maintain long-term cost stability for customers
- Enhance system resiliency to withstand stress events
- Expand access to power markets and provide flexibility as power markets develop in Western states
- Attract and enable customer solutions such as serving data centers, blockchain customers and economic growth in Wyoming
- Expand access to renewable resources and facilitate additional renewable development across wind- and sun-rich resource area

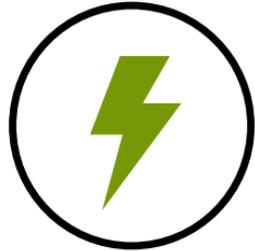
Commenced Construction to be Complete in 2025

- CPCN for project approved by Wyoming PSC in Q2 2023
- Investment eligible for recovery under Wyoming transmission rider
- Construction commenced in Q4 2023 to be completed in multiple segments through 2025; project included in capital forecast



- Black Hills' SD/WY and Cheyenne electric system and service area
- ▨ Proposed transmission line route

Responsibly Reducing GHG Emissions



ELECTRIC EMISSIONS

↓ **70%** by 2040¹
↓ **40%** by 2030¹

✓ **One-third reduction from 2005**

- Adding new renewable generation and integrate battery technology
- Retiring or converting remaining coal-fired power plants at end of engineered lives
- Supporting emissions reduction technologies

See more at www.blackhillsenergy.com/sustainability



NATURAL GAS EMISSIONS

↓ **Net Zero** by 2035²

- Replacing aging and at-risk materials
- Leveraging operational best practices and processes, leading technologies and advanced leak detection systems
- Targeting best-in-class third-party line hit reduction
- Integrating low-carbon fuels such as RNG and hydrogen

¹ Electric goals are based on greenhouse gas emissions intensity as compared to 2005 levels for Scope 1 emission on our owned electric generation and Scope 3 emissions for purchased power.

² Net Zero goal based on Scope 1 emissions of gas distribution systems, including fugitive emissions from pipeline mains and service lines, meters, transfer stations, system damages and blow downs.

South Dakota Integrated Resource Plan

Delivering a Reliable, Clean and Cost-Effective Grid of the Future

- Q2 2021 – plan filed
- Plan reviewed by South Dakota PUC (no formal approval required) and accepted by Wyoming PSC
- Q1 2023 – Issued RFP for 100 MW of utility-owned renewable generation
- Q1 2024 – Added estimated project investment to capital forecast
- Q2 2024 – Finalize project agreements
- Q2 2024 – File CPCN with Wyoming PSC
- Mid-2026 – Place new project in service

 Planning



Competitive Bidding



Serving Customers

Preferred Plan Goals

- **100 MW of utility-owned renewable generation by mid-2026**
- Evaluate and develop transmission opportunities
- Convert 90 MW coal-fired power plant to dual fuel (natural gas and coal)

Colorado Clean Energy Plan

400 Megawatts of New Renewable Resources to Reduce Emissions 80% by 2030*

- Q2 2022 – Clean Energy Plan filed
- Opted in to 80% by 2030 legislation*
- Q1 2023 – Unanimous settlement approval of plan
- July-October 2023 – Issued RFP for 400 MW of renewable resources
- Q4 2023 – Submitted bid summary to Colorado PUC
- Q1 2024 – Added estimated investment to capital forecast
- Mid-2024 – Submit detailed bid review and preferred plan to PUC
- Late 2024 – Obtain PUC approval of preferred projects
- 2026-2029 – Place new resources in service

Colorado legislation allows up to 50% ownership of new resources if at reasonable cost

 Planning

 Competitive Bidding



Serving Customers

400 MW of clean energy resources by 2030

Preferred Portfolio**

- 200-250 MW solar
- 100 MW wind
- 50 MW battery storage

* Emissions reduction target for Colorado Electric from a 2005 baseline

** Mix of resources proposed in settlement agreement; actual mix to be determined through RFP process

Regulatory, Growth and Strategy Update



Rate Review Progress

	Jurisdiction	Filing Date	Annual Revenue Increase	ROE	Debt / Equity	New Rates Effective	Comments / Status
✓	Wyoming Electric Docket 20003-214-ER-22	June 1, 2022	\$8.7 million	9.75%	48% / 52%	March 1, 2023	Settlement approved for new rates and transmission investment and expense rider
✓	Rocky Mountain Natural Gas Docket 22AL-0426G	Oct. 7, 2022	\$8.2 million	9.50% to 9.70%	48% to 50% to 50% to 52%	July 15, 2023	Settlement approved with WACC of 6.93%
✓	Wyoming Gas Docket 30026-78-GR-23	May 18, 2023	\$13.9 million	9.85%	49% / 51%	Feb. 1, 2024	Settlement approved providing new rates and renewal of Wyoming Integrity Rider
	Colorado Gas Docket 23AL-0231G	May 8, 2023	\$20.2 million *	9.30% *	49.13% / 50.87% *	Feb. 13, 2024 *	Settlement filed and awaiting approval
	Arkansas Gas Docket 23-074-U	Dec. 4, 2023	\$44.1 million **	10.5% **	52% / 48% **	Q4 2024	Requesting new rates by Q4 2024
	Iowa Gas	Q2 2024	<i>tbd</i>	<i>tbd</i>	<i>tbd</i>	<i>tbd</i>	Interim rates effective 10 days after filing
	Colorado Electric	Q2 2024	<i>tbd</i>	<i>tbd</i>	<i>tbd</i>	<i>tbd</i>	Last rate review in 2016

✓ Rate review completed and new rates in effect

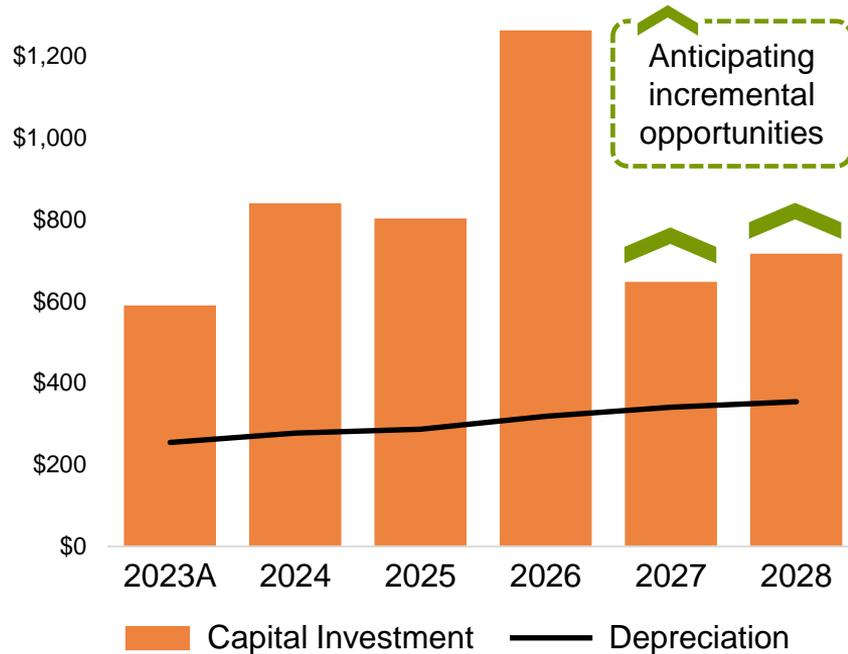
* Settlement agreement terms pending final approval by commission; provisional rates are effective Feb. 13, 2024, with final approval anticipated by the second quarter of 2024

** As requested in filing; excludes ongoing rider recovery requested to be included in base rates

Investing for Customer Needs Drives Growth

\$4.3 billion Capital Investment Forecast 2024-2028*

(millions)
\$1,400



- Customer growth
- Safety and system integrity projects
- Replacement and modernization programs
- Electric generation and transmission
- Natural gas pipeline and storage
- Renewable natural gas

* Forecasted capital is subject to changes in timing and costs of projects and other factors

Customer-Focused Initiatives



Transmission and Storage

- Ready Wyoming electric transmission project approved; construction commenced on 260-mile project
- Evaluating other electric transmission and natural gas pipeline and storage opportunities



Data Centers

- 10+ years serving data centers
- Innovative tariff in place in Wyoming
- Attractive data center service territory in Cheyenne, Wyoming
- Supporting long-term expansion plans by existing and new data center customers



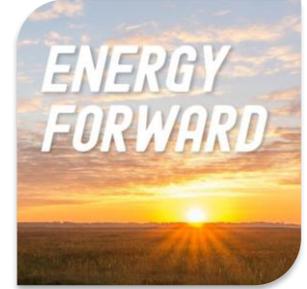
Blockchain

- Scalable tariff in place in Wyoming
- Large crypto-mining customer in service in 2023 in Cheyenne; upsizing to 75 MW from 45 MW
- Evaluating new potential customers



Renewable Natural Gas

- 6 interconnects in service; 4 new projects to be in service in 2024
- Acquired first RNG production facility at landfill in Iowa
- Pursuing other RNG opportunities across agricultural-rich territories



Moving Energy Forward

- Advancing culture of innovation and cross-functional, customer-focused collaboration
- Achieving quick wins for more effective and efficient processes
- Identifying and developing big-picture solutions

Capital-Light Opportunities

Current and Future Growth in Data Centers and Blockchain

Contributing ~5% of current EPS with opportunity to increase to ~10%+ by 2028



Trusted Energy Partner

- ✓ 10+ years serving data centers
- ✓ New large blockchain customer began service in 2023; expanding to 75 MW
- ✓ In 2023, Microsoft expanded its cloud services in Wyoming, adding a second and third data center in Cheyenne
- ✓ Preparing to serve new and existing customers' growth



Innovative Service Model

- ✓ Innovative Large Power Contract Service (LPCS) and Blockchain Interruptible Service (BCIS) tariffs
 - Other customers insulated from costs from large load additions
 - LPCS/BCIS customers benefit from flexibility in tariffs to offer energy solutions that can be tailored to their individual needs
 - Additional benefits to our other customers and communities
 - Minimal capital investment

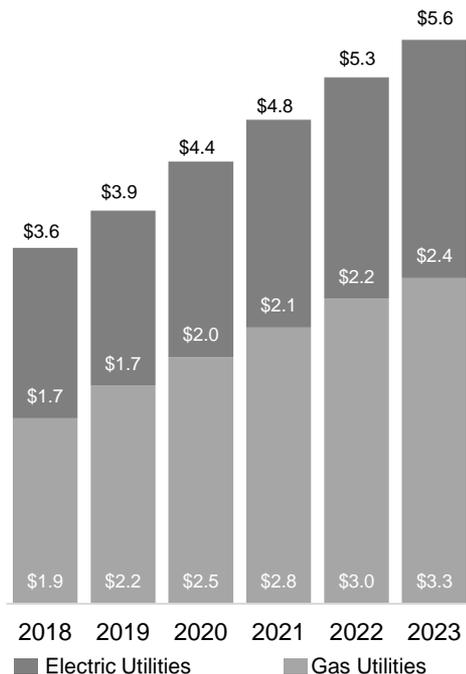


Ideal Location

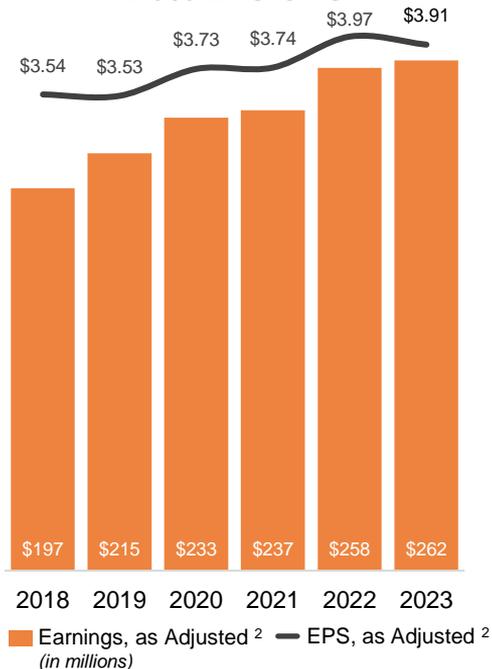
- ✓ Temperate weather, robust fiber and proximity to Denver
- ✓ Strong wind and solar resources and electric transmission for renewables access and future development
- ✓ Land available for expansion
- ✓ Business-friendly environment with supportive legislation and tariffs
- ✓ Black Hills' industry-leading reliability

Strategic Execution Delivers Results

9.6% Rate Base¹ CAGR



5.9% Earnings CAGR 2.0% EPS CAGR



5.3% Dividend CAGR 53 Years of Consecutive Increases in 2023



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 on slides 45 and 46; earnings, as adjusted in millions

Strong Long-term Growth Outlook

\$4.3 billion

Capital Investment 2024-2028

+ Capital-light opportunities

4% to 6%

Long-term EPS growth target ¹

55% to 65%

Dividend payout target

- Long-term growth rate in line with EPS ²

- Integrated pure-play utility profile
- Diversified mix of electric and gas businesses
- Stable and growing service territories
- Constructive regulatory jurisdictions
- Solid financial position and liquidity
- Robust capital plan with timely recovery

¹ Average annual compound growth rate off 2023 base of \$3.75 per share

² Future dividends subject to board approval

Questions

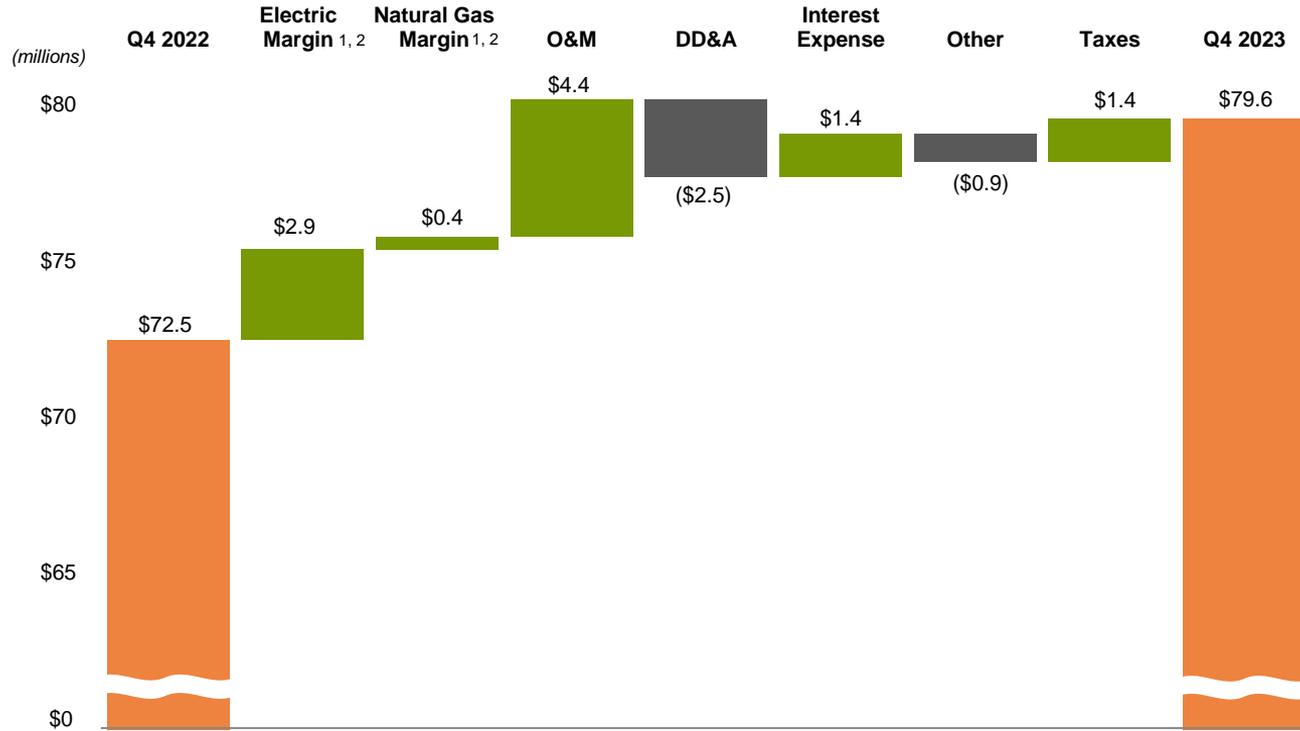


Appendix



Q4 2023 Earnings Drivers

Change in Net Income Available for Common Stock



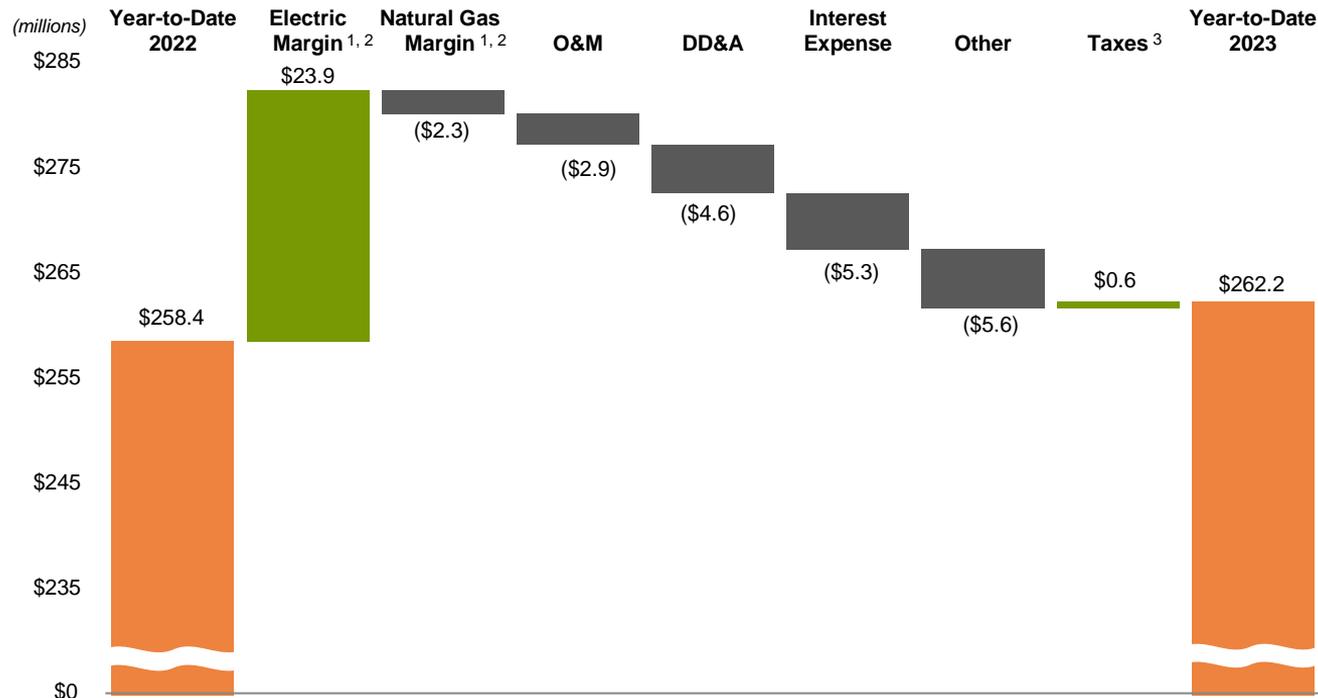
- ▲ New rates and rider recovery
- ▲ Lower outside services
- ▲ Interest income from higher cash equivalents
- ▼ Weather

¹ Utility margin, a non-GAAP measure defined in the Appendix

² Unfavorable after-tax weather impact of (\$9.2) million versus prior year: (\$7.9) million natural gas utilities and (\$1.3) million electric utilities

2023 Earnings Drivers

Change in Net Income Available for Common Stock



- ▲ New rates and rider recovery
- ▲ Gains on sale of non-core wind assets and land for customer development
- ▼ Weather
- ▼ Prior-year Winter Storm Uri carrying cost true-up benefit
- ▼ Higher operating expenses
- ▼ Higher interest rates
- ▼ Higher pension and NQDC costs

¹ Utility margin, a non-GAAP measure defined in the Appendix

² Unfavorable after-tax weather impact of (\$16.0) million versus prior year: (\$11.2) million natural gas utilities and (\$4.8) million natural gas utilities

³ Income tax expense and the effective tax rate were comparable primarily due to a \$8.2 million tax benefit from a Nebraska tax rate decrease offset by \$5.8 million of lower tax benefits from various current and prior year state tax rate changes and \$2.3 million of lower PTCs driven by the sale of non-core wind assets

2024 Earnings Guidance Assumptions

Black Hills initiated its guidance for 2024 EPS available for common stock to be in the range of \$3.80 to \$4.00 based on the following assumptions:

- Normal weather conditions within our utility service territories including temperatures, precipitation levels and wind conditions
- Normal operations and weather conditions for planned construction, maintenance and/or capital investment projects
- Constructive and timely outcomes of utility regulatory dockets
- No significant unplanned outages at our generating facilities
- Equity issuance of approximately \$170 million to \$190 million through the at-the-market equity offering program
- Production tax credits of approximately \$18 million associated with wind generation assets

Income Statement

(\$ in millions)

	Fourth Quarter		Full Year	
	2022	2023	2022	2023
Revenue	\$ 791.4	\$ 591.7	\$ 2,551.8	\$ 2,331.3
Fuel, purchased power and cost of natural gas sold	(436.9)	(233.1)	(1,230.6)	(982.9)
Operations and maintenance expense	(144.9)	(139.5)	(548.4)	(552.0)
Depreciation, depletion and amortization	(62.3)	(65.6)	(250.9)	(256.8)
Taxes - property and production	(17.3)	(17.0)	(66.7)	(66.9)
Operating income	130.0	136.5	455.2	472.7
Interest expense, net	(43.7)	(41.9)	(161.0)	(167.9)
Other income (expense), net	(1.0)	(1.8)	1.8	(3.2)
Income before taxes	85.3	92.8	296.0	301.6
Income tax benefit (expense)	(9.3)	(9.6)	(25.2)	(25.6)
Net income before non-controlling interest	\$ 76.1	\$ 83.2	\$ 270.8	\$ 276.0
Net income attributable to non-controlling interest	(3.6)	(3.6)	(12.4)	(13.8)
Net income available to common stock	\$ 72.5	\$ 79.6	\$ 258.4	\$ 262.2
EPS - Net income available for common stock	\$ 1.11	\$ 1.17	\$ 3.97	\$ 3.91
Diluted shares outstanding	65.4	68.0	65.0	67.1
EBITDA*	\$ 191.3	\$ 200.4	\$ 707.9	\$ 726.2

* Non-GAAP measure defined and reconciled to GAAP on slides 43-46

Capital Structure

(\$ in millions)

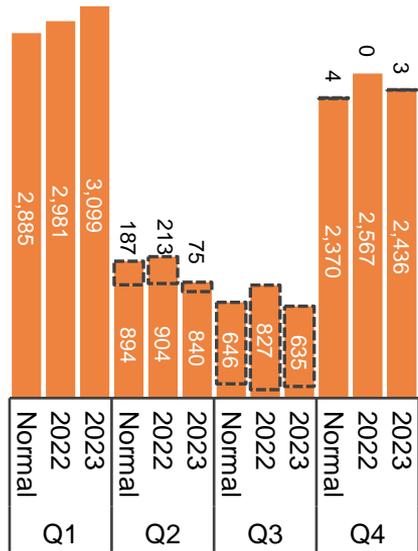
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23
Capitalization					
Short-term Debt	\$ 1,061	\$ 525	\$ 525	\$ 1,125	\$ 600
Long-term Debt	3,607	3,954	3,956	3,800	3,801
Total Debt	4,668	4,479	4,481	4,925	4,401
Equity*	2,995	3,098	3,110	3,167	3,215
Total Capitalization	\$ 7,663	\$ 7,577	\$ 7,591	\$ 8,092	\$ 7,617
Net Debt to Net Capitalization					
Debt	\$ 4,668	\$ 4,479	\$ 4,481	\$ 4,925	\$ 4,401
Cash and Cash Equivalents	(21)	(39)	(153)	(594)	(87)
Net Debt	4,647	4,440	4,328	4,330	4,315
Net Capitalization	\$ 7,642	\$ 7,538	\$ 7,438	\$ 7,498	\$ 7,530
Debt to Capitalization	60.9%	59.1%	59.0%	60.9%	57.8%
Net Debt to Capitalization (Net of Cash)	60.8%	58.9%	58.2%	57.8%	57.3%
Long-term Debt to Total Debt	77.3%	88.3%	88.3%	77.2%	86.4%

* Excludes noncontrolling interest

Utility Weather and Demand

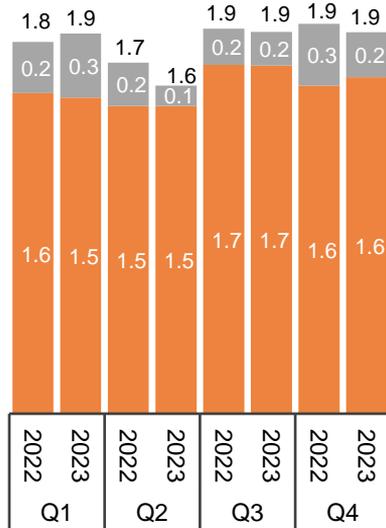
Electric - Degree Days

Total for all electric service areas weighted by customer count



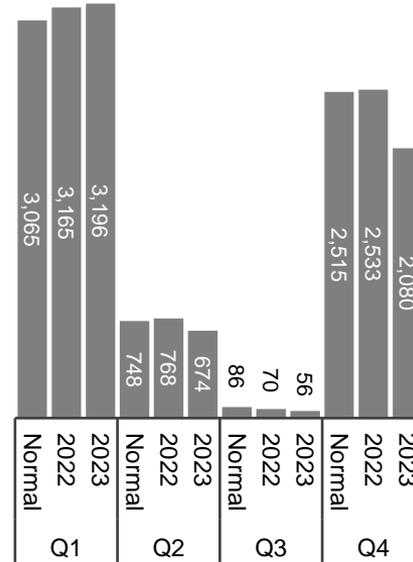
Electric Utility - Total MWh Sales

(in millions)



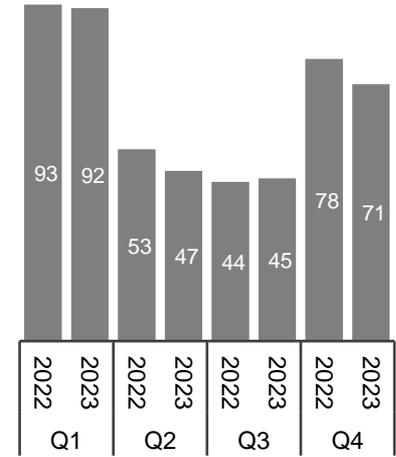
Gas - Degree Days*

Total for all natural gas service areas weighted by customer count



Gas Utility - Total Dth Sales

(in millions)



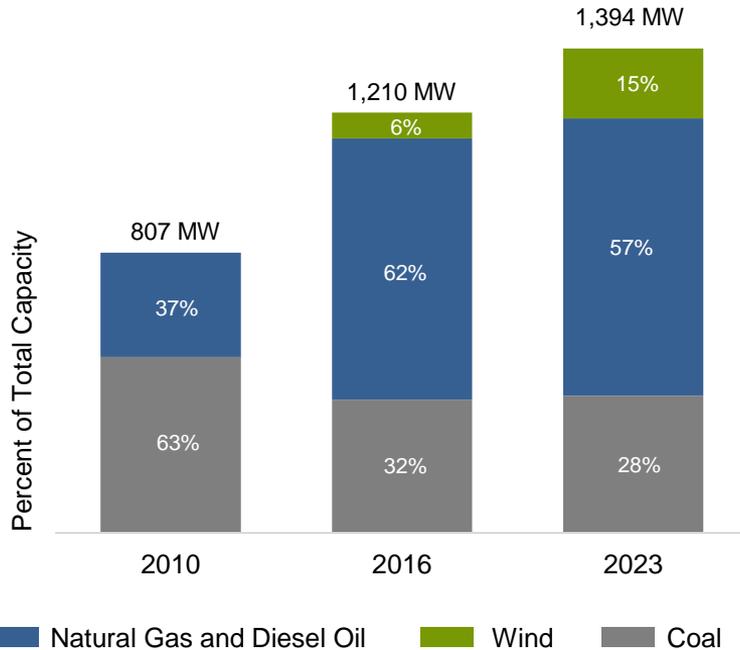
■ Electric heating degree days
 Electric cooling degree days

■ Utility customer sales
■ Off-system sales

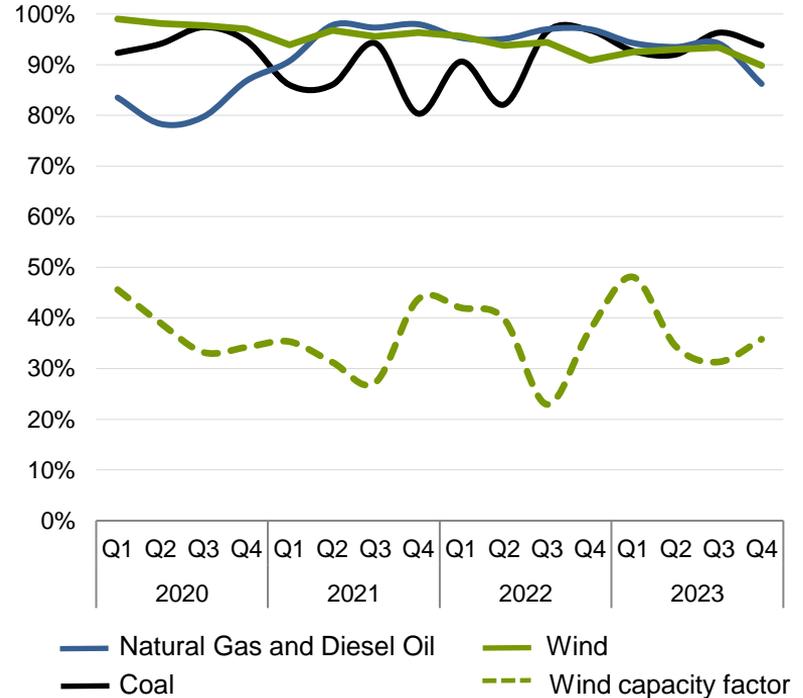
* Gas Degree Days excludes Kansas data due to weather normalization in the state. Arkansas is partially excluded based on normalization mechanism in effect from November through April.

Electric Generation Capacity and Performance

Owned Generation Capacity*



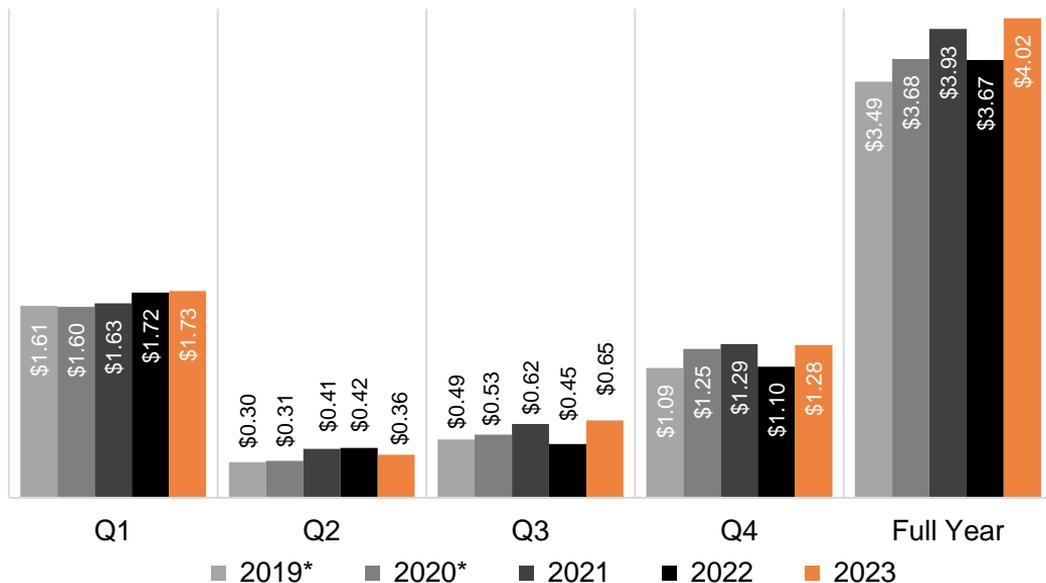
Electric Generation Availability



* 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

Normalized EPS Seasonality

EPS, as Adjusted, Normalized for Impacts of Weather, Mark-to-Market and Winter Storm Uri*



- Q1 and Q4 seasonality driven by peak heating demand at gas utilities
- Q2 and Q3 driven by peak cooling demand, off-system energy sales opportunities and agricultural irrigation for gas utilities

* Earnings per share, as adjusted is a non-GAAP measure and is reconciled to GAAP in the appendix; normalized total excludes weather impact versus normal, Mark-to-Market impacts on energy contracts and one-time Winter Storm Uri impacts

EPS, as adjusted*

	Q1	Q2	Q3	Q4	FY / YTD
2019*	\$1.73	\$0.24	\$0.44	\$1.13	\$3.53
2020*	\$1.59	\$0.33	\$0.58	\$1.23	\$3.73
2021	\$1.54	\$0.40	\$0.70	\$1.11	\$3.74
2022	\$1.82	\$0.52	\$0.54	\$1.11	\$3.97
2023	\$1.73	\$0.35	\$0.67	\$1.17	\$3.91

Weather impact versus normal

	Q1	Q2	Q3	Q4	FY / YTD
2019*	\$0.12	(\$0.04)	(\$0.05)	\$0.04	\$0.06
2020*	(\$0.04)	\$0.02	\$0.05	(\$0.01)	\$0.03
2021	\$0.07	\$0.01	—	(\$0.16)	(\$0.07)
2022	\$0.06	\$0.01	\$0.07	\$0.05	\$0.19
2023	\$0.03	(\$0.02)	\$0.02	(\$0.09)	(\$0.06)

Mark-to-Market energy contract impact

	Q1	Q2	Q3	Q4	FY / YTD
2019*	—	(\$0.02)	—	—	(\$0.02)
2020*	\$0.03	—	—	(\$0.01)	\$0.02
2021	(\$0.01)	(\$0.02)	\$0.08	(\$0.02)	\$0.03
2022	\$0.04	(\$0.03)	\$0.02	(\$0.04)	(\$0.01)
2023	(\$0.04)	\$0.01	—	(\$0.02)	(\$0.05)

Winter Storm Uri one-time impacts

	Q1	Q2	Q3	Q4	FY / YTD
2021	(\$0.15)	—	—	—	(\$0.15)
2022	—	\$0.12	—	—	\$0.12

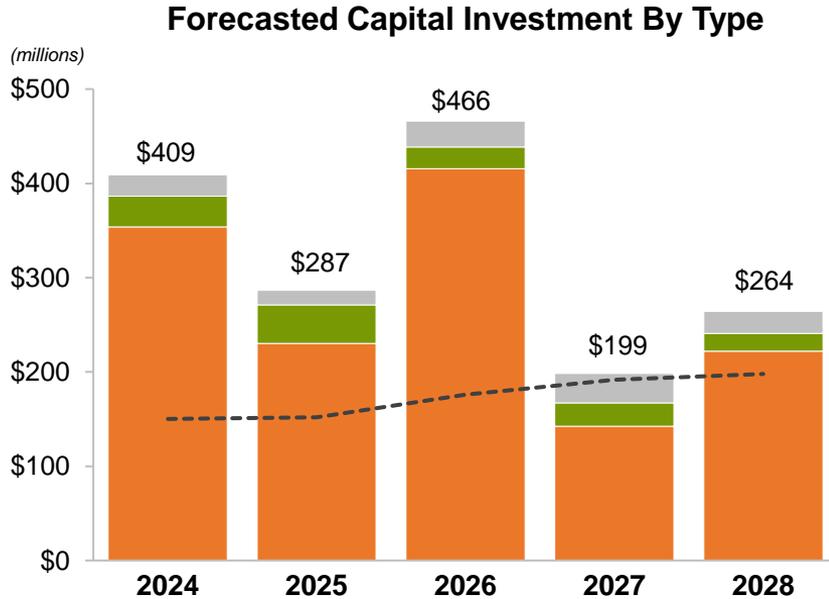
Weather, MTM and Uri normalized EPS, as adjusted*

	Q1	Q2	Q3	Q4	FY / YTD
2019*	\$1.61	\$0.30	\$0.49	\$1.09	\$3.49
2020*	\$1.60	\$0.31	\$0.53	\$1.25	\$3.68
2021	\$1.63	\$0.41	\$0.62	\$1.29	\$3.93
2022	\$1.72	\$0.42	\$0.45	\$1.10	\$3.67
2023	\$1.73	\$0.36	\$0.65	\$1.28	\$4.02

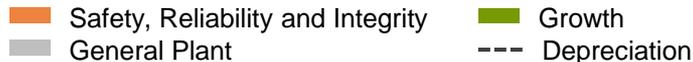
(differences in totals due to rounding)

Electric Utilities Capital Investment

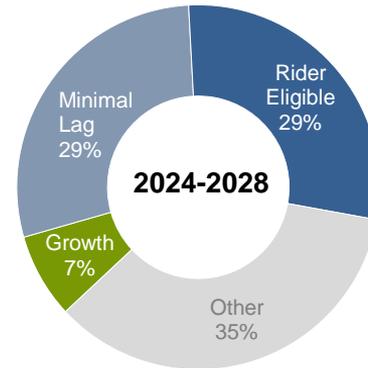
Five-year Forecast of \$1.6 Billion Focused on Safety, System Integrity and Growth



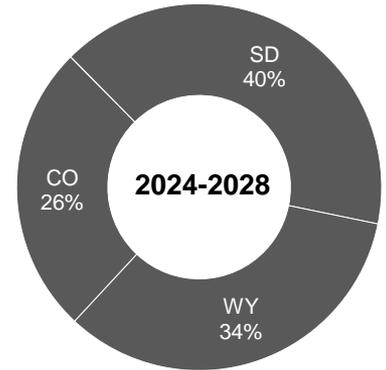
Ready Wyoming Electric transmission project included in 2024-2025



58% with Timely Recovery*



Forecasted Capital by State

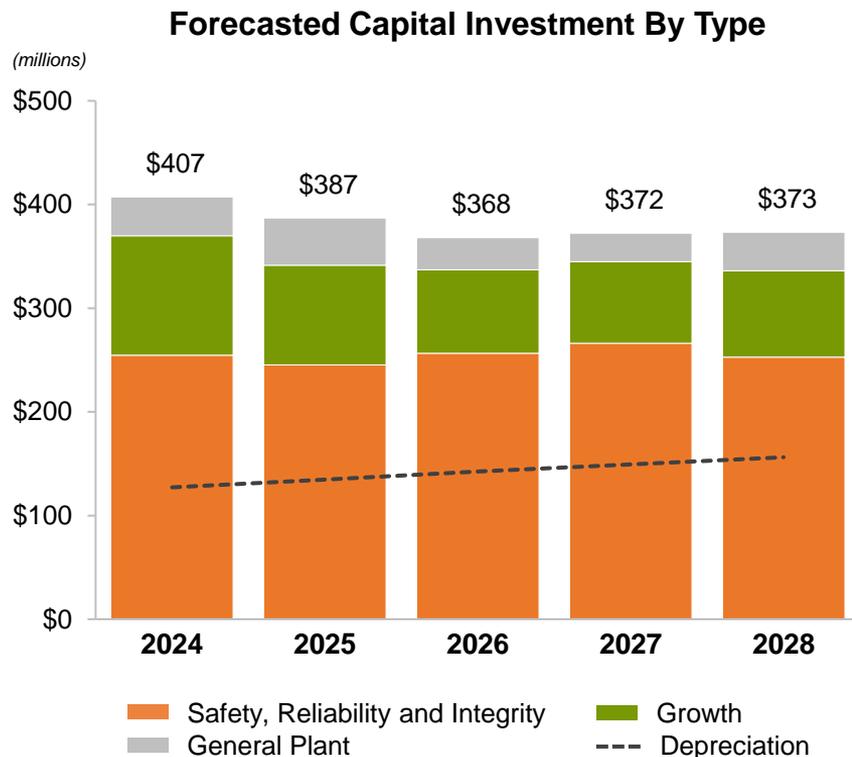


* Growth Capital - generates immediate revenue upon customer connections
 Minimal Lag Capital - capital expenditures with regulatory lag of less than one year or incurred during expected regulatory test periods
 Rider Eligible Capital - capital expenditures recovered through state specific tariffs or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

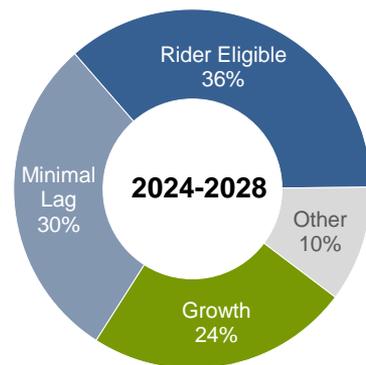
Note: Excludes Strategic Growth Projects being evaluated for timing, cost and recovery method

Natural Gas Utilities Capital Investment

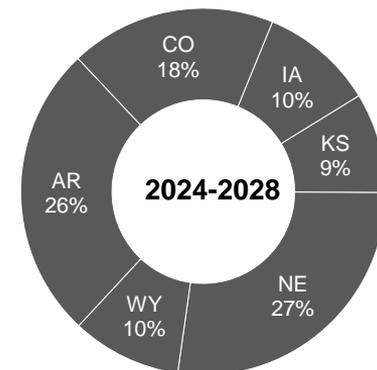
Five-year Forecast of \$1.9 Billion Focused on Safety, System Integrity and Growth



81% 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

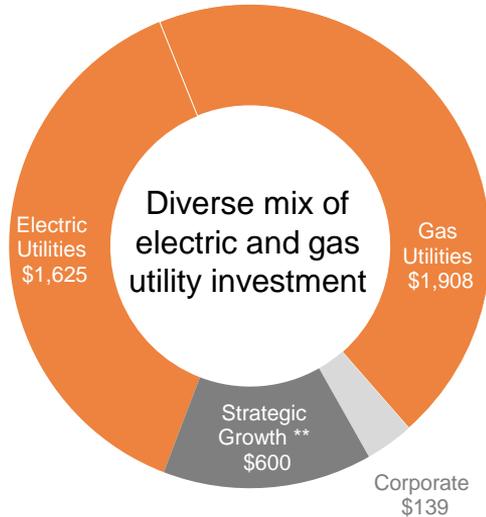
Note: Excludes Strategic Growth Projects being evaluated for timing, cost and recovery method

Investing for Customer Needs Drives Growth

\$4.3 Billion Capital Investment Forecast (2024-2028)

(in millions)

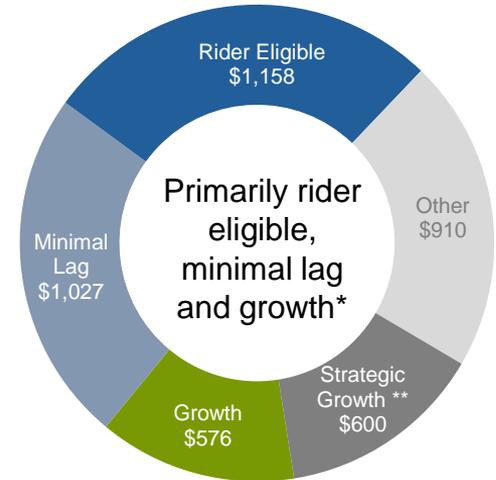
Utility Investment



Customer Focused



Timely Recovery



* Growth Capital – primarily 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

** Strategic Growth Projects are under development with ongoing evaluation for cost, timing and recovery of investment

Capital Investment by Segment and Recovery

(in millions)

	2023A	2024F	2025F	2026F	2027F	2028F	2024-2028F
Minimal Lag Capital - Electric Utilities ¹	\$30	\$58	\$93	\$291	\$7	\$15	\$464
Rider Eligible Capital - Electric Utilities ²	81	221	117	60	41	27	466
Growth Capital - Electric Utilities ³	19	23	38	21	23	18	122
Other	81	107	38	94	128	205	572
Electric Utilities	\$211	\$409	\$287	\$466	\$199	\$264	\$1,625
Minimal Lag Capital - Gas Utilities ¹	100	126	143	95	96	102	563
Rider Eligible Capital - Gas Utilities ²	142	139	133	145	149	125	692
Growth Capital - Gas Utilities ³	84	115	96	80	79	83	454
Other	47	27	14	47	48	63	199
Gas Utilities	\$372	\$407	\$387	\$368	\$372	\$373	\$1,908
Total Utilities	\$583	\$816	\$674	\$834	\$571	\$638	\$3,533
Corporate	7	24	29	29	27	29	139
Strategic Growth Projects			~100	~400	~50	~50	~600
Total Capital Investment	\$590	\$840	\$803	\$1,263	\$648	\$717	\$4,271

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: Forecasted amounts are subject to change in timing and costs of projects and other factors; some totals may differ due to rounding

Regulated Utility Capital Investment by Type

(in millions)

	2023A	2024F	2025F	2026F	2027F	2028F	2024-2028F
Safety, Reliability and Integrity ¹	\$153	\$354	\$230	\$416	\$142	\$222	\$1,364
Growth ²	37	33	41	23	25	19	140
General Plant	20	23	16	28	31	23	120
Electric Utilities	\$211	\$409	\$287	\$466	\$199	\$264	\$1,625
Safety, Reliability and Integrity ¹	247	255	245	257	266	253	1,275
Growth ²	84	115	96	80	79	83	454
General Plant	41	37	46	31	28	37	179
Gas Utilities	\$372	\$407	\$387	\$368	\$372	\$373	\$1,908
Total Utilities	\$583	\$816	\$674	\$834	\$571	\$638	\$3,533
Corporate	7	24	29	29	27	29	139
Strategic Growth Projects			~100	~400	~50	~50	~600
Total Black Hills Forecast	\$590	\$840	\$803	\$1,263	\$648	\$717	\$4,271

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: Forecasted amounts are subject to change in timing and costs of projects and other factors; some totals may differ due to rounding

Last Approved Utility Rate Review Results by Jurisdiction

Jurisdiction	Utility	Effective Date	Authorized Return on Equity	Authorized Capital Structure	Authorized Rate Base (in millions)
Arkansas	Arkansas Gas	Oct. 2022	9.60%	55% debt / 45% equity	\$674.6
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	\$303.2
Colorado	RMNG	July 2023	9.50% to 9.70%	48-50% debt / 50-52% equity	\$209.3
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	March 2023	9.75%	48% debt / 52% equity	\$506.4
Wyoming	Wyoming Gas	February 2024	9.85%	49% debt / 51% equity	\$450.8

Note: Information from last approved rate review in each jurisdiction

* Excludes amounts to serve non-jurisdictional and agriculture customers

Estimated Rate Base by State and Segment

	2018	2019	2020	2021	2022	2023
Colorado						\$762
South Dakota (all jurisdictions)						\$1,066
Wyoming						\$550
Total Electric Utilities	\$1,706	\$1,747	\$1,954	\$2,077	\$2,212	\$2,379
Arkansas						\$783
Colorado						\$613
Iowa						\$353
Kansas						\$277
Nebraska						\$771
Wyoming						\$459
Total Gas Utilities	\$1,851	\$2,180	\$2,464	\$2,760	\$3,049	\$3,256
Total Utilities	\$3,557	\$3,927	\$4,418	\$4,837	\$5,261	\$5,635

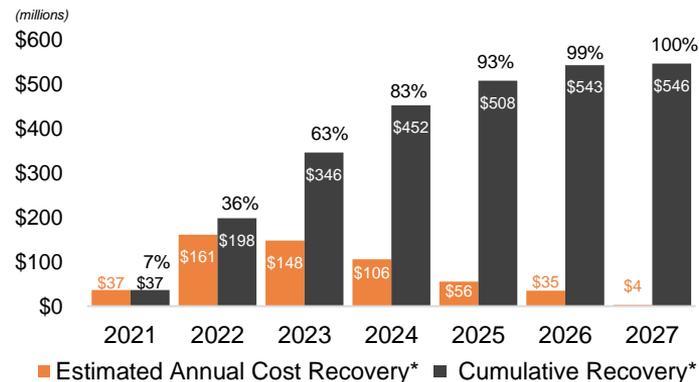
Note: estimated rate base at year-end calculated using state specific requirements and includes value of rate base recovered through riders

Winter Storm Uri Recovery Approved and Progressing

(\$ in millions)

Jurisdiction	Recovery Amount*	Recovery Period	Recovery Completion
Arkansas Gas	\$137.5	5 years	Q2 2026
Colorado Electric	\$ 23.2	2 years	Q2 2024
Colorado Gas	\$ 72.7	1-3 years	Q2 2025
Iowa Gas	\$ 95.5	2 years	✓ Complete
Kansas Gas	\$ 87.9	5 years	Q1 2027
Nebraska Gas	\$ 79.8	3 years	Q2 2024
South Dakota Electric	\$ 20.1	1 year	✓ Complete
Wyoming Electric	Completed through normal recovery process		
Wyoming Gas	\$ 29.4	3 years	Q3 2024
Total	\$ 546		

Winter Storm Uri Estimated Cost Recovery*



	Cost Recovery*	Cumulative Recovery*	Cumulative Recovery (%)*
2021	\$37	\$37	7%
2022	\$161	\$198	36%
2023	\$148	\$346	63%
2024	\$106	\$452	83%
2025	\$56	\$508	93%
2026	\$35	\$543	99%
2027	\$4	\$546	100%

* Estimated recovery amounts excluding carrying costs; actual recovery is subject to variation from volumetric nature of recovery

Non-GAAP Financial Measures

Gas and Electric Utility Margin

Gas and Electric Utility margin (revenue less cost of sales) is considered a non-GAAP financial measure due to the exclusion of operation and maintenance expenses, depreciation and amortization expenses, and property and production taxes from the measure. The presentation of Gas and Electric Utility margin is intended to supplement investors' understanding of operating performance.

Electric Utility margin is calculated as operating revenue less cost of fuel and purchased power. Gas Utility margin is calculated as operating revenue less cost of gas sold. Our Gas and Electric Utility margin is impacted by the fluctuations in power purchases and natural gas and other fuel supply costs. However, while these fluctuating costs impact Gas and Electric Utility margin as a percentage of revenue, they only impact total Gas and Electric Utility margin if the costs cannot be passed through to customers.

Our Gas and Electric Utility margin measure may not be comparable to other companies' Gas and Electric Utility margin measures. Furthermore, this measure is not intended to replace operating income as determined in accordance with GAAP as an indicator of operating performance.

EBITDA

We believe that our presentation of earnings before interest, income taxes, depreciation and amortization (EBITDA), a non-GAAP measure, is an important supplemental measure of operating performance. We believe EBITDA, when considered with measures calculated in accordance with GAAP, gives investors a more complete understanding of operating results before the impact of investing and financing transactions and income taxes. We have chosen to provide this information to investors to enable them to perform more meaningful comparisons of past and present operating results and as a means to evaluate the results of core on-going operations. Our presentation of EBITDA may be different from the presentation used by other companies and, therefore, comparability may be limited. Depreciation and amortization expense, interest expense, income taxes and other items have been and will be incurred and are not reflected in the presentation of EBITDA. Each of these items should also be considered in the overall evaluation of our results. Additionally, EBITDA does not consider capital expenditures and other investing activities and should not be considered a measure of our liquidity. We compensate for these limitations by providing relevant disclosure of our depreciation and amortization, interest and income taxes, capital expenditures and other items both in our reconciliation to the GAAP financial measures and in our consolidated financial statements, all of which should be considered when evaluating our performance.

Note: continued on next page

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 before Interest, Income Taxes, Depreciation and Amortization

<i>(in millions)</i>	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2022	2023	2022	2023
Net income	\$ 76.1	\$ 83.2	\$ 270.8	\$ 276.0
Depreciation, depletion and amortization	62.3	65.6	250.9	256.8
Interest expense, net	43.7	41.9	161.0	167.9
Income tax expense (benefit)	9.3	9.6	25.2	25.6
EBITDA	\$ 191.3	\$ 200.4	\$ 707.9	\$ 726.2

Non-GAAP Financial Measures

Annual Earnings and EPS, as adjusted	Earnings, as adjusted (in millions)						Earnings Per Share, as adjusted					
	2018	2019	2020	2021	2022	2023	2018	2019	2020	2021	2022	2023
Net income (loss) available for common stock (GAAP)	\$ 258.4	\$ 199.3	\$ 227.6	\$ 236.7	\$ 258.4	\$ 262.2	\$ 4.66	\$ 3.28	\$ 3.65	\$ 3.74	\$ 3.97	\$ 3.91
Loss from discontinued operations (GAAP)	6.9	-	-	-	-	-	0.12	-	-	-	-	-
Net income from continuing operations available for common stock (GAAP)	265.3	199.3	227.6	236.7	258.4	262.2	4.78	3.28	3.65	3.74	3.97	3.91
<u>Adjustments, after tax</u>												
Tax reform and other tax items	4.0	-	-	-	-	-	0.07	-	-	-	-	-
Legal restructuring - income tax benefit	(72.8)	-	-	-	-	-	(1.31)	-	-	-	-	-
Impairment of investment	-	15.2	5.3	-	-	-	-	0.25	0.08	-	-	-
Total Non-GAAP adjustments	(68.8)	15.2	5.3	-	-	-	(1.24)	0.25	0.08	-	-	-
Net income from continuing operations available for common stock, as adjusted (Non-GAAP)	\$ 196.5	\$ 214.5	\$ 232.9	\$ 236.7	\$ 258.4	\$ 262.2	\$ 3.54	\$ 3.53	\$ 3.73	\$ 3.74	\$ 3.97	\$ 3.91

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

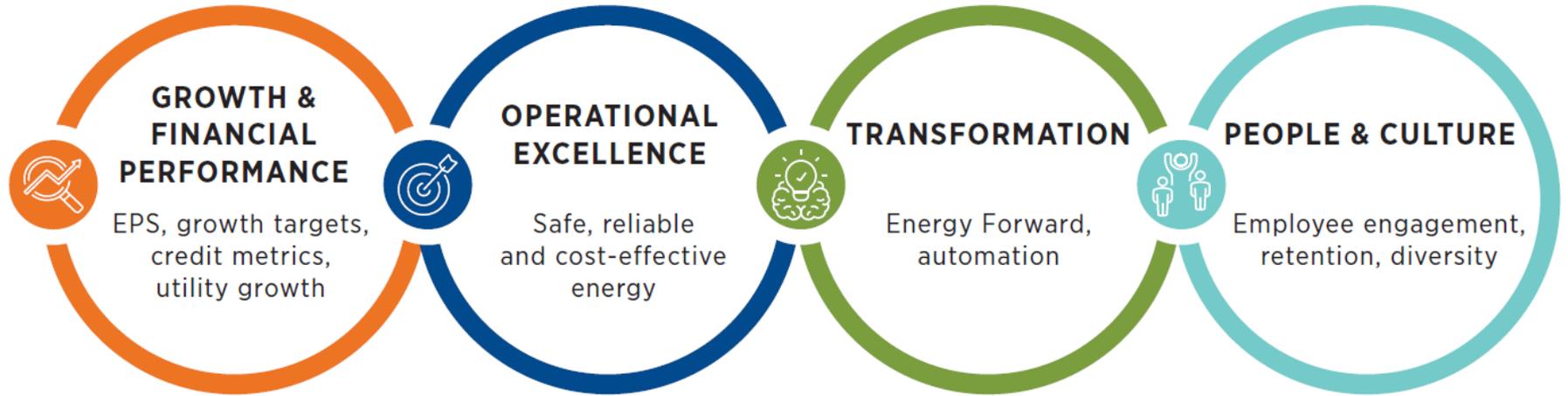
Leadership is an attitude. Everyone must demonstrate the care and initiative to do things right.



Safety

We commit to live and work safely every day.

Strategic Objectives





OR CSA LL39806 LTGG SR
KONITE 4 110 AWG SOL AL OKOGUARD EPR 25KV 100%
100% INSUL LEVEL 260 MILS 105C-UROJ PE INSUL JKT
260 MILS 105C



Black Hills Corporation
Ready