

**Black Hills Corporation (Q1 2025)**  
**May 8, 2025**

**Corporate Speakers:**

- Sal Diaz; Black Hills Corporation; Director, Investor Relations
- Linn Evans; Black Hills Corporation; President and Chief Executive Officer
- Kimberly Nooney; Black Hills Corporation; Senior Vice President and Chief Financial Officer
- Marne Jones; Black Hills Corporation; Senior Vice President and Chief Utility Officer

**Participants:**

- Andrew Weisel; Scotiabank; Analyst
- Ross Fowler; Bank of America; Analyst
- Brian Russo; Jefferies; Analyst
- Anthony Crowdell; Mizuho; Analyst

**PRESENTATION**

Operator^ Good day. Thank you for standing by. Welcome to the Q1 2025 Black Hills Corporation Earnings Conference Call. (Operator Instructions)

I would now like to hand the conference over to your speaker today Sal Diaz, Director of Investor Relations.

Sal Diaz^ Thank you, Operator. Good morning. Welcome to Black Hills Corporation's first quarter 2025 earnings conference call. You can find our earnings release and materials for our call this morning on our Investor Relations website at [www.blackhillscorp.com](http://www.blackhillscorp.com).

Leading our quarterly earnings call are Linn Evans, President and Chief Executive Officer; Kimberly Nooney, Senior Vice President and Chief Financial Officer; and Marne Jones, Senior Vice President and Chief Utility Officer.

During our earnings discussion today comments we make may contain forward-looking statements as defined by the Securities and Exchange Commission and there are a number of uncertainties inherent in such comments. Although we believe that our expectations are based on reasonable assumptions, actual results may differ materially. We direct you to our earnings release, slide two of the investor presentation on our website in our most recent Form 10-K and Form 10-Q filed with the Securities and Exchange Commission for a list of some of the factors that could cause future results to differ materially from our expectations.

With that, I will now turn the call over to Linn Evans. Linn?

Linn Evans^ Thank you, Sal. Good morning, and thank you all for joining us today. I'll begin my comments with a summary of the quarter and our strategic outlook. Kimberly will provide our financial update and Marne will discuss our operational performance and strategic progress.

Starting on Slide 3, three of our key objectives for the year include delivering on our 5% year-over-year earnings growth, executing on our regulatory initiatives and our \$1 billion capital plan, and providing top quartile reliability to our growing customer base while exceeding industry average safety performance.

I am pleased to report we are making excellent progress toward these objectives. Our full year earnings growth is driven by three key drivers: new base rates, rider recovery mechanisms, and customer growth. We have successfully implemented new rates through five rate reviews since the beginning of 2024 and we also have two active rate reviews requested to be in effect later this year. Collectively, regulatory execution by our team on these seven rate reviews reflects the recovery of more than \$1.3 billion of new system investments.

Additionally, rider mechanisms are providing material investment recovery including the \$40 million first phase of our \$350 million Ready Wyoming transmission expansion project, which remains on schedule. We are serving strong customer growth across our regions. A recent example includes serving two new all-time customer peak loads at Wyoming Electric, driven largely by ongoing data center and blockchain growth. These new record peaks reflect an increase of nearly 10% over our prior all-time peak in January 2024 and mark 19 consecutive years of increasing demand. To cost effectively and reliably serve our customers and position the company for ongoing growth, we are strategically expanding our infrastructure by advancing our electric transmission project and our plans for new generation.

We are well positioned to maximize opportunities for future growth as we experience the benefits of reshoring in our service territories due to attractive land prices, favorable business and regulatory climates, and a quality workforce. As we leverage our opportunities, we are also mitigating risk for our business and for our customers. For example, in Wyoming, very positive wildfire legislation was enacted during the quarter, which sets a standard of care and protects us from liability when we adhere to a commission approved wildfire mitigation plan.

Our financial outlook is provided on Slide 4, which is consistent with our fourth quarter call. We are reaffirming our 2025 earnings guidance range of \$4.00 to \$4.20, which is a 5% growth rate at the midpoint over our 2024 EPS. Strong customer demand, our pipeline of growth opportunities and cost discipline all support our expected 2025 results. As we evaluate trade tariffs and potential amendments to federal legislation, we do not expect material impacts to our 5-year outlook. The materials for the majority of our 2025 capital projects are already sourced and our historical spend from foreign sources, has been less than 3%.

We think this data point is a consistent indicator of the potential impact of our future capital investments. Additionally, while the future of the Inflation Reduction Act is uncertain, our strategic exposure is minimal. We have less than \$20 million in annual production tax credits with limited reliance on the transferability of those credits. We have strong confidence in our long-term EPS growth target of 4% to 6%, given our robust balance sheet, capital forecasts, incremental investment potential and our other growth opportunities highlighted by increasing demand from our data center customers.

Our multi-state footprint provides valuable regulatory weather and customer diversification, further supporting EPS stability and growth. These factors, coupled with our industry-leading dividend track record, offer an attractive value proposition for shareholders and we believe we are well positioned to accelerate EPS growth in the upper half of our 4% to 6% compound annual growth rate starting in 2026. To quickly summarize our capital plan on the next slide, we expect to invest \$4.7 billion over our 5-year plan period through 2029. Our plan prioritizes safety and system integrity projects, modernization programs and infrastructure expansion to support growing demands.

Moving to Slide 6. In addition to our capital plan, we are building upon our decade of successfully serving a growing data center demand and continue to be excited about the upside potential. Our current forecast reflects approximately 500 megawatts of data center demand by the end of 2029. We expect EPS contribution from data centers to double to more than 10% of total EPS in 2028, with this contribution continuing into 2029.

Over the next decade, we expect a pipeline of more than 1 gigawatt of demand likely to come from existing customers and a growing and more diverse group of select, quality, and stable customers as we see broader interest in our unique data center offerings. Companies are recognizing the ideal attributes of Cheyenne, Wyoming as a choice location for their data center operations and future expansion given our industry-leading reliability, Wyoming's economic incentives, a rich fiber backbone, plentiful renewable generation opportunities, and favorable weather and climate conditions for their significant cooling needs. We are also continuing to evaluate data center and blockchain opportunities in Colorado and South Dakota and we are working to implement a tariff construct which could add to future growth.

With that update, I will turn it over to Kimberly for our financial update. Kimberly?

Kimberly Nooney^ Thank you, Linn and good morning everyone. As you heard Linn mention, we are successfully executing on several of our key growth initiatives and first quarter results met our expectations. We are well positioned and have strong confidence in our ability to deliver on our full year earnings guidance and long-term financial performance.

Slide 8 shows the primary year-over-year earnings drivers for the first quarter. Bridging Q1 2024 to Q1 2025 we delivered \$0.29 per share of new margins. These margins are comprised of \$0.26 of new rates and rider recovery and \$0.03 of customer growth and

usage. This positive margin more than offset capital plan execution costs of \$0.21 per share comprised of \$0.09 from new share issuance, \$0.08 from higher interest expense, and \$0.04 of additional depreciation expense. Comparing last year's very mild winter to this year's colder-than-normal winter, our year-over-year weather impact was favorable by \$0.11 of EPS. When compared to normal, weather drove \$0.04 per share of favorability during Q1 2025. Our O&M was higher by \$0.24 primarily driven by increases in employee costs, outside services, and higher insurance costs.

As a reminder, throughout last year, we deployed significant expense management efforts to successfully offset the impacts of the mild weather we experienced in 2024, adversely affecting the year-over-year comparison. We are managing our full year O&M expense to an average annual increase of approximately 3.5% off our 2023 base year as disclosed in our annual earnings guidance assumptions.

As Linn mentioned earlier, we are reaffirming our 2025 earnings guidance range of \$4.00 to \$4.20. We expect to achieve our guidance by delivering on our key strategic objectives, effectively managing the timing of our capital spend and continuing O&M management efforts. Further details on year-over-year changes can be found in our earnings release and our 10-Q to be filed with the SEC later today.

Slide 9 displays our solid financial position through the lens of credit quality, capital structure and liquidity. Balance sheet strength remains a top priority with a focus on sustaining our FFO to debt target of 14% to 15% and net debt to total capitalization target of 55%. Using our rating agency's methodologies, we expect to maintain these credit metric targets throughout our long-range financial plan, providing a healthy cushion above our downgrade thresholds.

Our liquidity remains strong at quarter end, at nearly \$700 million of availability under our revolving credit facility and short-term borrowings of approximately \$60 million under our commercial paper program. We are evaluating timing and refinancing options for our next debt maturity of \$300 million, which is due in early 2026. We are investing \$1 billion in capital for the year, and as previously guided, we plan to issue approximately \$215 million to \$235 million of new equity to finance these investments.

During the quarter, through our ATM program, we issued approximately \$46 million of new equity. Our at-the-market equity program remains a valuable tool and can comfortably help us meet our equity needs for the remainder of the year. Projecting equity needs for the future under our base capital investment program, we expect annual equity needs in 2026 and beyond to be lower than 2025. We will continue to fund our accretive growth with the most efficient, cost effective capital available while maintaining credit quality.

Slide 10 illustrates our industry-leading dividend track record of 55 consecutive years. We continue to target a 55% to 65% payout ratio. A dependable and increasing dividend is an important component of our strategy to deliver long-term value for our shareholders. I will now turn the call over to Marne for a business update.

Marne Jones^ Thank you, Kimberly and good morning everyone. Moving to Slide 12, during the quarter, our team made solid progress in executing our strategic priorities, reducing risk, and continuing to deliver safe, reliable and cost effective energy to our 1.35 million customers. Over the next few slides, I will provide details on our progress and further highlight our future opportunities.

Slide 13 reflects our success in serving our growing data center load. We have been serving data center needs for over a decade. Our contracted customers, Microsoft and Meta, are marquee names in the technology industry. We take great pride in our track record of meeting their unique needs through innovative solutions and look forward to Meta taking service starting in 2026. And further on the topic of load growth, we acknowledge recent headlines regarding Microsoft's potential delays in data center expansion plans. However given our more than a decade of serving and engaging with Microsoft, and listening to their recent Q1 earnings call we continue to have confidence in our 5-year outlook.

Looking beyond 5 years and given our advantageous service territory, we see broader interest in our unique data center offerings, which gives us confidence in our more than 1 gigawatt of demand over the next decade. Our distinctive market energy procurement model provides utility-like returns without the need for material capital investment, while protecting and benefiting our other customers. Current market conditions and customer requirements have allowed us to efficiently and reliably serve these growing loads through market energy purchases. This flexible service model prioritizes speed to market while achieving our customers' reliability, cost and sustainability objectives.

We believe we can serve approximately 500 megawatts of data center demand by the end of 2029 under our current construct. As we monitor energy market conditions, we are prepared to expand our service model to include a more traditional infrastructure investment construct as needed to serve the critical energy requirements of our customers.

Moving to Slide 14, our Ready Wyoming electric transmission expansion, the largest capital project in our company's history, is expected to be completed by year end, just three years since regulatory approval. The 260-mile \$350 million project will reduce dependence on third-party transmission systems and enhance system resiliency through increased market access including renewables. A more interconnected and expanded electric system helps maintain long-term price stability for our customers while also enabling ongoing growth.

As you can see on Slide 15, we have made significant progress with all regulatory approvals and land rights in place. The majority of our materials are onsite or are being domestically produced limiting our impact from trade tariffs. As remaining phases are placed in service this year, they will be recovered through our constructive Wyoming transmission rider starting in 2026.

Our Colorado Clean Energy Plan update is on Slide 16. In 2024, we received approval for 350 megawatts of renewable resources to reduce emissions for Colorado customers 80% by 2030. This includes a utility-owned 100-megawatt solar project, a utility-owned 50-megawatt battery storage project, and a 200-megawatt solar power purchase agreement. The utility-owned investments are included in our capital plan between 2026 and 2028.

As final contracts are signed, we may update our capital plan for any material shifts in timing or costs. We recently reached an agreement with the developer on the battery storage project and expect to request a Certificate of Public Convenience and Necessity or a CPCN for that project in the second quarter.

Slide 17 outlines our South Dakota Electric Resource plan. Our Lange II project, a 99-megawatt utility-owned natural gas fire generation resource located in Rapid City, continues to progress. The new resource will enhance the resiliency of our electric system as we replace aging generation and support an increased reserve margin. These modern gas-fired resources are reciprocating internal combustion engines. They are dispatchable and responsive with the capability to ramp up to full load in as little as five minutes. These engines also provide black start capabilities, strengthening our grid resiliency. We filed a CPCN for the project with the Wyoming Public Service Commission in March and expect to place the new resource in service in the second half of 2026.

Slide 18 summarizes our regulatory progress with new electric rates in effect in Colorado and rate reviews ongoing in Kansas and Nebraska. First, for Colorado Electric, we implemented new rates on March 22 and began collecting \$17 million in new annual revenue. As a result of the reconsideration order received this week, new revenue will be adjusted to \$17.5 million.

In Kansas, we filed a gas rate review in February for \$17.2 million in new annual revenue based on a 10.5% return on equity with a 50% equity layer. We anticipate new rates in the second half of this year. And last week, we filed a gas rate review in Nebraska, requesting \$34.9 million of new annual revenue based on a similar ROE and capital structure as Arkansas request.

We are seeking interim rates effective August 1, 2025 and final rates by Q1 of 2026. As we have noted previously our rate review cadence is determined by the need to recover our system investments and any inflationary impacts, and we expect to file three to four rate reviews annually. Lastly, we appreciate the Wyoming Commission's constructive approval of our request to track and defer increases in future insurance costs for Wyoming Gas and Wyoming Electric through a deferred regulatory asset.

Slide 19 outlines our wildfire risk mitigation and management practices. Our mitigation plan has been successful in reducing operational risk with our multi-layered approach through asset programs, integrity programs, and operational response, which is detailed in our wildfire mitigation plan available on our website. We continue to engage stakeholders including community and local agencies, regulators, legislative bodies, and our industry

peers to define, review, and advance our wildfire management and mitigation plans including our Public Safety Power Shutoff program, or PSPS.

As an industry-wide expectation, having a PSPS available by mid-year serves as a mitigation lever for extreme wildfire risk situations across our electric footprint. And finally, as Linn mentioned earlier, we made great progress on the legislative side in Wyoming. The wildfire legislation provides material liability protections for utility in compliance with its commission approved wildfire mitigation plan. We will continue to work with stakeholders and seek supportive legislation in Colorado and South Dakota during the next sessions.

With that, I will now turn the call back over to Linn.

Linn Evans^ Thank you, Marne. And as you have heard over the past few minutes, we have strong confidence in achieving our 2025 guidance and our ability to deliver in the upper half of our long-term EPS CAGR starting next year. Through our robust pipeline of strategic opportunities, we are investing in safely and reliably serving our customers. We are successfully and routinely executing on our regulatory plan, and we are innovatively developing customer solutions to enable data center and blockchain load growth.

This concludes our prepared remarks. And we are happy to take your questions.

## QUESTIONS AND ANSWERS

Operator^ (Operator Instructions) Our first question comes from Andrew Weisel with Scotiabank. You may proceed.

Andrew Weisel^ Hi. Good morning, everybody.

Linn Evans^ Good morning, Andrew.

Andrew Weisel^ Hi. Couple questions on Colorado. First, on the electric rate case, can you please talk a little more about the request for rehearing, re-argument, and reconsideration (RRR)? I hope I said that correctly. You mentioned you were granted a slightly higher level of revenues, but can you get more specific on the challenge? I think it was largely related to the capital structure of the utility versus the parent, but how are you feeling about where we stand now?

Marne Jones^ Good morning, Andrew. This is Marne. Thanks for the question. So yes, we did get our response on our Triple-R decision just earlier this week. So what we found from that is an increase in the new annual revenue of about \$0.5 million. As we look at that from a new base rate perspective, certainly is a workable increase. We are continuing to review the Triple-R decision. There was not a change in the capital structure.

So we will continue to look at that decision and determine if there are any next steps that are necessary. As you know and we have talked about before, there is the opportunity to

appeal. We have that decision for the next basically 30 days. So we will continue to review and scour that decision and determine if there is any future steps needed.

Andrew Weisel^ Okay. Triple-R is certainly easier to say. Next, in Pueblo, I know you have had some challenges historically. It looks like they just voted to keep the franchise agreement. I think that means you will stick around through 2030, but I think there might be another vote later this year. Can you just talk about potential outcomes and next steps, how you are thinking about relationships, and also the outlook for rates and affordability for that service territory, please?

Marne Jones^ Yes. Andrew, this is Marne again. So yes, on -- I believe, May 6th, we did have our vote. Through a land side decision by the citizens of Pueblo, it was determined to keep the franchise in place. The next term for that vote, which you noted, is 2030. So for us, it is continuing to run that business. Affordability is always top of mind for us in Colorado and making sure that we are providing that safe reliable service that those customers expect. Obviously relationships and continuing to work with the City of Pueblo, the county, etcetera, to work on growing that area from an economic development perspective. So that's how we look at Colorado and really pleased with the vote from the citizens there.

Linn Evans^ We were very recently, Andrew, sorry, Andrew, this is Linn. We were very recently highly engaged in working to develop an economic development tariff that is now in place. We believe that will be very helpful to us in terms of how we serve our customers in Pueblo and Southern Colorado.

Andrew Weisel^ Thank you. Appreciate all that. One more, if I may just on equity, I think you raised only about less than \$50 million in the quarter versus the guidance of \$225 million at the midpoint. Obviously a little behind the ratable pace, can you talk about that? Is that related to the timing of cash needs or are you making a call that the stock is undervalued or function of cash inflows? Maybe just talk about the timing. I think I heard you say you are expecting lower levels of annual equity needs going forward. Is that a new disclosure? Is that a new comment? And maybe talk about what's driving that.

Kimberly Nooney^ Yes. Andrew. Good morning, this is Kimberly. You are absolutely right on the timing of equity. We issue equity when we need it. And just the timing of our capital projects, as well as maintaining our FFO to debt, our credit metrics. So for us, that's what our equity is really focused on. We are still targeting at \$215 million to \$235 million for the year.

So we feel comfortable that, we will be able to achieve that as we look forward. When we talked about our annual equity needs going forward, this year is an outsized capital expense year, or capital expenditure year. So when you think about our \$1 billion capital plan, we have a couple big projects that you heard Marne and Linn talk about earlier with Ready Wyoming and our Lange II project that will go into service in 2026. The majority of those cash flows will go -- investments will go into service in 2026.

So as you think about earnings and cash flow being driven from there, that will be a significant uplift starting in 2026. As well as data center growth, Meta will be going into service in 2026. So a lot of good things happening as a result of the efforts that we have been putting in over these past couple years to drive our equity needs lower as we look forward in the future.

Andrew Weisel^ That all sounds great. Thank you, so much.

Kimberly Nooney^ Thanks Andrew.

Operator^ Thank you. Our next question comes from Ross Fowler with Bank of America. You may proceed.

Ross Fowler^ Good morning, Linn, Kim, Marne. How are you?

Kimberly Nooney^ Good morning.

Ross Fowler^ Just a couple questions for me, first on wildfire mitigation efforts in Colorado and Wyoming, or Colorado and South Dakota, excuse me. Do you see those getting to a similar endpoint as the Wyoming legislation, or how can you sort of contextualize those conversations at this point and where we might be headed or where the sticking points are as you work through that process?

Linn Evans^ Yes. Good morning, Ross. This is Linn. Thank you for that question. Yes. We anticipate very similar outcomes in the long run with both Colorado and South Dakota. We are waiting for the right time if you will. We approached South Dakota this past session, the timing wasn't right. We knew that pretty quickly.

So we thought we would back off. We will approach that next legislative session. We think we are off to a good start because we are working behind the scenes aggressively with respect to seeking that legislation. We have some peers in Colorado that currently have some litigation ongoing, so that's made it a little bit more challenging with timing in Colorado. But similarly, we believe we can get very similar legislation in Colorado when those decks are clear, if you will, with our peers.

Ross Fowler^ That makes sense, Linn. Thank you. Then back to sort of the data center conversation, you noted on Slide 6, and you talked about this a little bit, about incremental demand driving investment in Colorado, South Dakota, and Wyoming. Is that -- do you see that as more transmission to get sort of the generation capacity you have to where it needs to go as these large, low customers come in, or is there a generation opportunity out there tied to this incremental demand coming in?

Marne Jones^ Good morning, Ross, this is Marne. So as far as the data centers, you know our construct today is really capital light from our need to invest from a generation and transmission perspective. But certainly as we go forward and see opportunities. I

think there is, to your point, there is opportunities on both the generation and the transmission side as we look to expand our systems and really focusing in on the -- obviously the reliability needs for those customers as well so probably two-fold in opportunity.

Ross Fowler^ Perfect. Thanks Marne.

Operator^ (Operator Instructions) And our next question comes from Julien DuMoulin-Smith with Jefferies. You may proceed.

Brian Russo^ Hi. It's Brian Russo on for Julien.

Linn Evans^ Good morning, Brian.

Brian Russo^ Hi, just a quick follow-up on the capital light strategy, particularly in South Dakota. Are you seeing interest there yet? And I suppose at some point you would file for an ESA tariff there. Would that be more customized to what you currently have in Wyoming, or would that be more unique to any sort of South Dakota construct?

Marne Jones^ Hi Brian. This is Marne as well. So as we look at the capital light that we have done in Wyoming, when we created that, gosh, just over 10 years ago, really focused on meeting the customer needs, And so we worked very, very closely with them. So as we look to expand in both Colorado and to your point, South Dakota, initially, we are going to focus on what's most important to the customer.

The tariff could be very similar. The tariff could look different. It's going to be really determined on that customer's needs. And as far as pipeline of growth, we are continuing to get a lot of calls from large customers looking to locate both in Colorado and South Dakota, as well as Wyoming, so continuing to work that log, lots of interest in growth in each one of those service territories.

Linn Evans^ Really gives us confidence, Brian, in our 500 megawatts by 2029 and that 1 gigawatt that we think will serve by the end of the decade.

Brian Russo^ Okay. There seems to be kind of a unique dynamic throughout MISO where there are pockets of kind of excess capacity due to transmission constraints. Is that an observation in your service territory as well which allows you to do more of the CapEx light strategy, just curious there?

Marne Jones^ Yes. Brian, so we are vertically integrated and not part of an RTO in the West here, and so as we look at transmission, obviously there are certain areas that are constrained and there are certain areas where we have capacity. It's going to be very much focused on specific locations. That certainly has led to our ability to have some capital light strategy.

Brian Russo^ Okay understood. I am just curious on the insurance costs. You seem to be making progress in certain jurisdictions. Are you -- have you filed for deferral of insurance costs in Colorado, or does that kind of get rolled up into your rate cases?

Marne Jones^ For Colorado specifically, that is going to get rolled up into our rate reviews. As I mentioned earlier, we did seek and did receive approval in Wyoming for that insurance recovery. To-date, we are looking at rolling that through rate reviews as we go through those.

Brian Russo^ Okay. Great. Thank you very much.

Marne Jones^ Thanks Brian.

Operator^ Thank you. Our next question comes from Anthony Crowdell with Mizuho. You may proceed.

Anthony Crowdell^ Hi. Good morning, Kim. Just a couple quick questions, one, O&M, you talked about that was maybe more of a response to the mild weather you had last year. If you could just talk about maybe the timing or shaping of that as we go through the rest of the year. Should we -- does most of the pain hit first quarter and then we should start seeing maybe a slight decrease or we are going to continue to see something like that through the rest of the year?

Kimberly Nooney^ Yes. Anthony, this is Kimberly. Thanks so much for that question. Yes. In Q1, it was outsized when you think about the comparative to the rest of the quarter throughout the year. We had some timing differences, just timing of some projects. We had a few items that none of them by themselves were material. So things like, we invested in some marketing efforts to defend the franchise that Marne talked about earlier. When you compare Q1 of this year to Q1 of last year, a little bit of higher insurance costs because that increase in insurance costs didn't really start until Q3. So those are some of the things that would exist in this quarter that we have been addressing and will not be recurring as we look forward.

Anthony Crowdell^ Great. Then if I could pivot to the Colorado electric decision, the equity ratio, I think you are asking for 52.4% and you got 48% or the commission awarded 48% (the final decision included a range of 47% to 49% equity based on 6.90% weighted average cost of capital), I mean it's a sizable amount of differential. Just is -- do you need to have some offsets to maintain the guidance range? Are you planning offsets or you are contemplating a lower equity ratio in your 2025 guidance?

Kimberly Nooney^ Yes. When we think about the Colorado decision, we really think about that decision holistically. There are always puts and takes in any decision that we get from a regulatory perspective. So the decision, although there are always items that you wish you would have had a better results from. Overall the result met our expectations. Yes. We had some items that we wanted to talk about with the commission, which we did through the Triple-R process. So overall, the decision was incorporated into

our plan and is part of the framework that we have laid out of achieving our 5% year-over-year growth rate and our long-term 4% to 6% growth that we have reaffirmed.

Anthony Crowdell^ Great. If I could just squeeze one last one in, and it it's, I think the sell side's 41st or 42nd call for the quarterly cycle, so maybe just be bad eyes. But on Page 4, where you announced the long-term EPS growth rate, you used the word targeting 4% to 6% growth. Then on the fourth quarter call you actually used the word affirm 4% to 6% growth. Is it just -- I am just beaten down and tired now and thinking there is something different, or is there something different in the language versus affirm and targeting?

Kimberly Nooney^ Yes, our apologies.

Anthony Crowdell^ And you could say we are tired, you could say tired.

Kimberly Nooney^ No. Not at all, Anthony. We will provide clarity here just for confirmation. We are reaffirming our 4% to 6% growth. We are very confident in it, as you have heard all of us talk about it. And maybe the one additional color I would give on this topic is, we started this journey in 2023 setting our guidance to 4% to 6%. And back then, we talked about our growth rate being slower on the front end and higher on the back end. Well, the back end is now here as we look to that 2026, 2027 range of higher growth.

We just talked about a lot of our projects that we are working on that will be coming to fruition that we have been working on for the past couple of years. So that really gives us confidence in being able to operate in that upper end of that 4% to 6% guidance that we have set. So targeting was the target of 4% to 6%, but we are reaffirming and providing confidence that we are going to be operating in the upper end of that guidance.

Anthony Crowdell^ Thanks so much. Thanks for taking my questions.

Linn Evans^ Thanks Anthony.

Kimberly Nooney^ Thanks Anthony.

Operator^ Thank you. I would now like to turn the call back over to Linn Evans for any closing remarks.

Linn Evans^ Well thank you all for joining us today. We really appreciate your interest in Black Hills Energy and Black Hills Corporation. We value our relationship. We will look forward to seeing many of you over the next several weeks. We will be at the AGA Financial Forum, see several of you there. We have other forums and investor conferences we will be attending throughout the next month. So thank you for your interest. We look forward to having a Black Hills Energy Safe Day. Take care.

Operator^ Thank you. This concludes the conference. Thank you for your participation.  
You may now disconnect.