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2023 Second Quarter Review

Aug. 3, 2023

Black Hills Corporation

Ready

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 2023 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.

Q2 2023 Key Takeaways

- Reaffirmed 2023 guidance
- Delivered reliable and safe operational performance
- Strengthened balance sheet and liquidity
- Advanced regulatory and growth initiatives

Financial Outlook

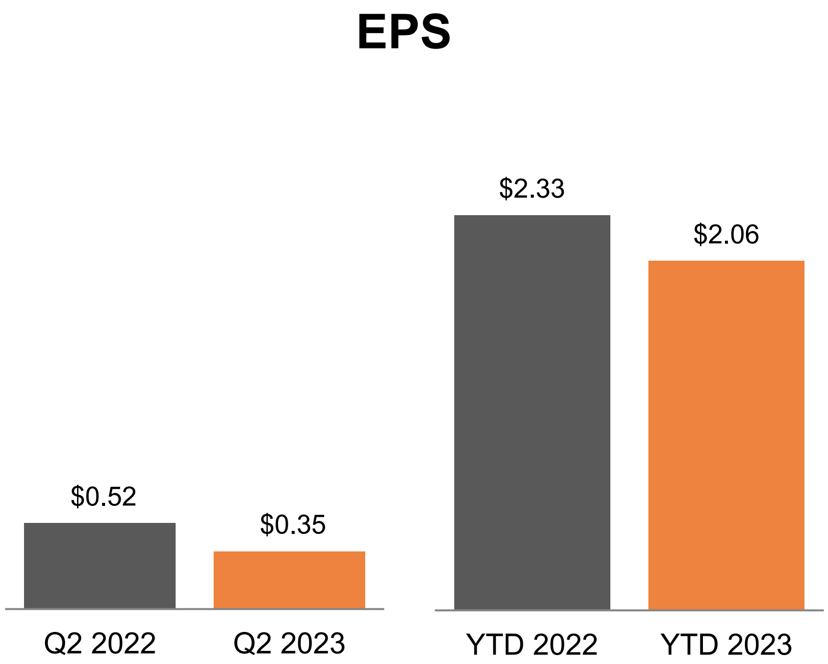
2023 EPS	Guidance of $3.65 to $3.85
Long-term EPS Growth	4% to 6% growth target off 2023 base
Dividend	55% to 65% payout ratio target *
Capital Investment	$3.5 billion five-year forecast (2023 to 2027)

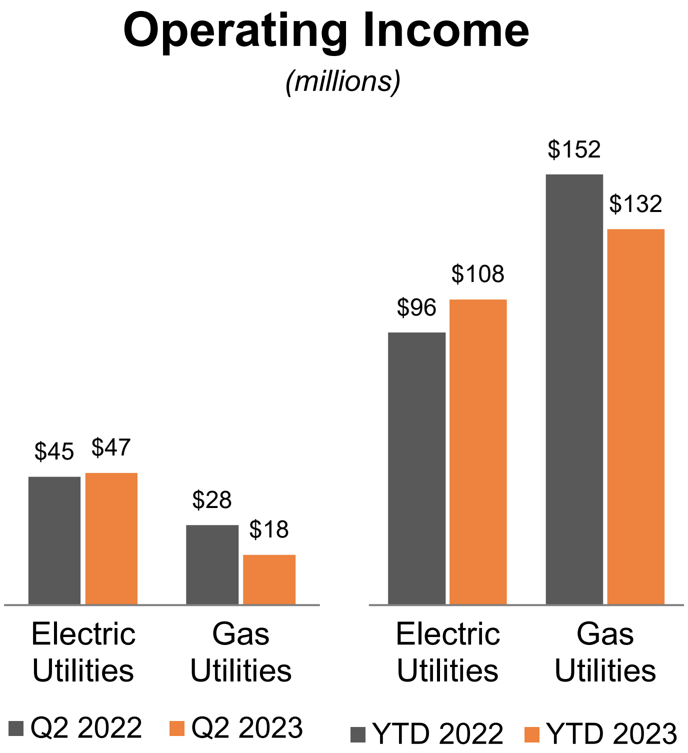
* Future dividends subject to board approval

Note: 2024 earnings guidance, 2024 to 2028 capital investment forecast and annual dividend update planned for announcement with fourth-quarter and full-year earnings

Q2 2023 Financial Review

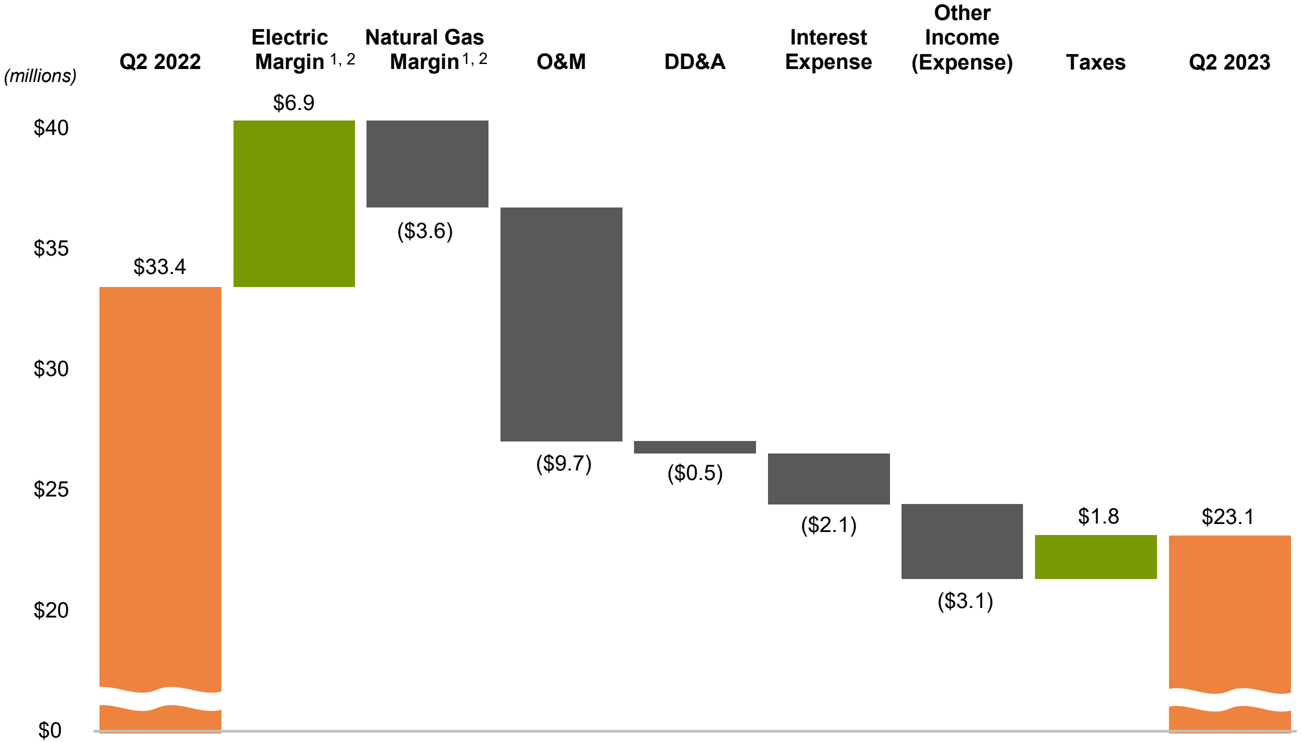
Q2 2023 Financial Review





Q2 2023 Earnings Drivers

Change in Net Income Available for Common Stock



- ▲ New rates and rider recovery
- ▲ State income tax benefit
- ▼ Higher employee expenses and materials
- ▼ Prior year one-time Winter Storm Uri benefit
- ▼ Higher interest rates
- ▼ Mild weather

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

[2] Utility margin unfavorable impact of ($2.4) million [($1.9) million electric impact and ($0.5) million natural gas impact], net of tax, related to weather versus prior year

Strengthened Balance Sheet and Liquidity

YTD Progress Through Robust Cash Flows, Capital Discipline and Financing Execution

Strong operating cash flows

- ✓ 2021 Winter Storm Uri recovery
- ✓ Elevated natural gas commodity cost recovery
- ✓ New rates and rider recovery

Capital investment and asset management

- ✓ Disciplined management of capital plan; holding to approximately $600 million in 2023
- ✓ Planned sale of non-core asset completed in Q1

Financing plan execution

- ✓ $350 million debt issuance completed in March
- ✓ $58 million of equity issued year to date through at-the-market program; $140 million to $160 million planned for full year 2023
- ❑ $525 million debt partial refinancing planned

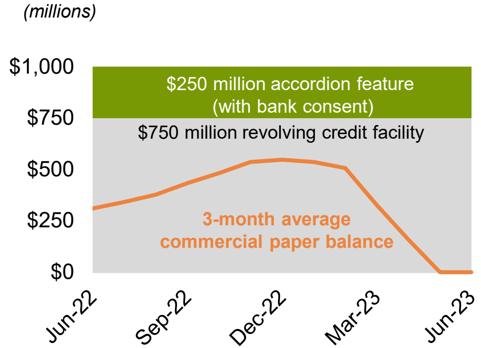
Solid Financial Position

Committed to BBB+ Equivalent Credit Ratings

Credit Ratings

S&P	Moody's	Fitch
BBB+	Baa2	BBB+
Stable outlook	Stable outlook	Stable outlook
(Feb. 17, 2023)	(Dec. 20, 2022)	(Oct. 6, 2022)

Liquidity and Cash Flow

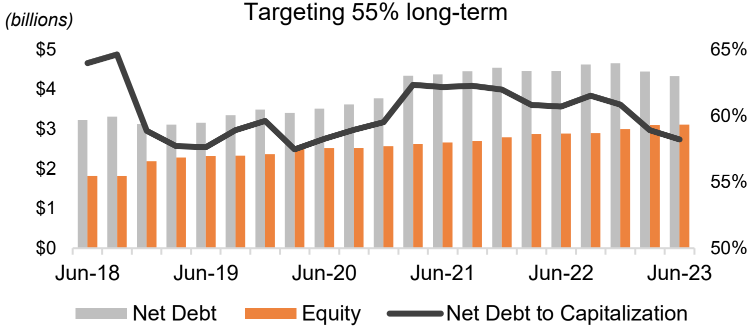


	FFO / Debt	FFO Adjusted Leverage
Target	14-15%	5.0x

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

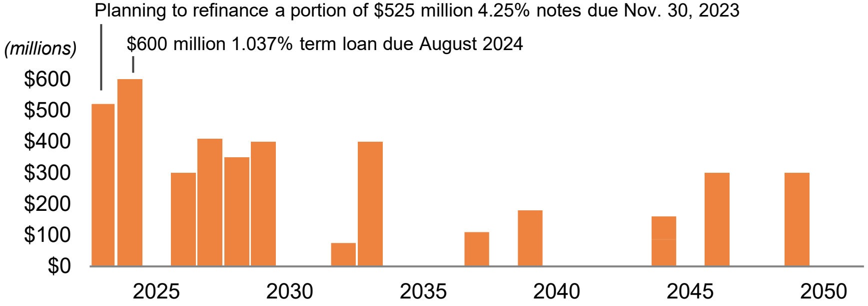
Capital Structure *

Targeting 55% long-term



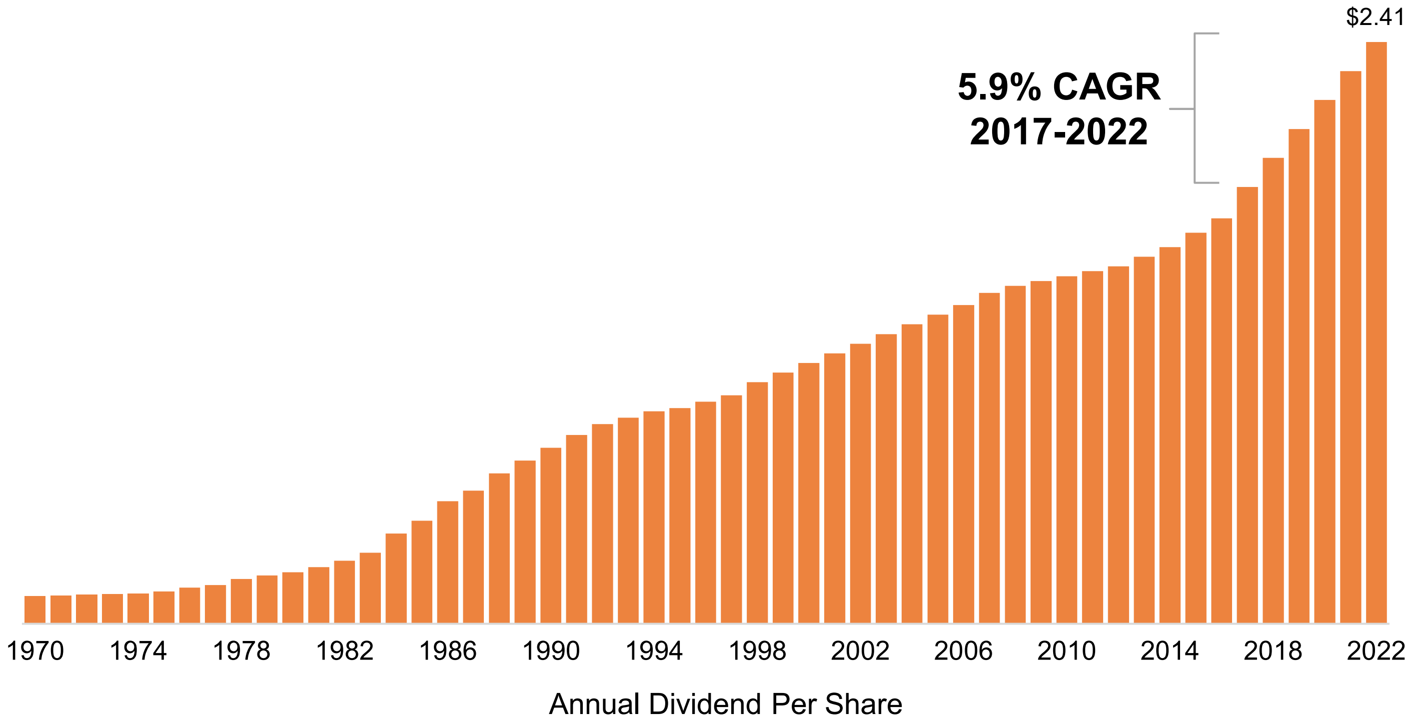
Note: information as of June 30, 2023 * Excludes noncontrolling interest

Debt Maturities



Dividend Track Record

52 Consecutive Years of Annual Increases and 80 Consecutive Years Paid



55%-65% long-term payout target

Dividend growth rate in line with EPS*

* Future dividends subject to board approval

Business Update

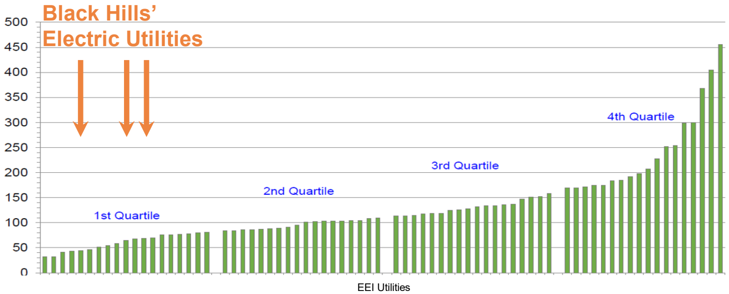
Operational Excellence

Safety-Focused Team

Cheyenne Prairie Generating Station and Pueblo Generating Station Recognized for OSHA's VPP Star Status Extensions

Industry-Leading Reliability

EEI 2021 Overall System SAIDI (Excluding Major Events)



Source: 2021 EEI Reliability Survey based on rankings for SAIDI, or System Average Interruption Duration Index

Better Every Day

Geographic Information System (GIS) Team Recognized by American Gas Association's Best Practices Program for Natural Gas System Mapping Program

Advancing Electric Resource Plans

Total of 520 MW by 2030

Colorado Clean Energy Plan

80% by 2030 plan achieves state's legislation goal [1]

- Unanimous settlement agreement approved in Q1 2023
- Opted in to 80% by 2030 legislation

- Issued RFP July 31, 2023
- Colorado legislation allows up to 50% ownership of new resources if at reasonable cost

400 MW of clean energy resources 2026 to 2029

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

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

South Dakota and Wyoming Integrated Resource Plan

- Filed integrated resource plan June 30, 2021, for jointly operated electric system
- IRP formally accepted by Wyoming Public Service Commission

- Issued RFP Q1 2023; evaluating and negotiating bids

- **100 MW of build-transfer renewable generation in South Dakota by mid-year 2026** [2]
- Evaluate 20 MW of battery storage (10 MW South Dakota; 10 MW Wyoming) [2]
- Convert 90 MW coal-fired power plant to dual fuel (natural gas and coal) in 2025
- Evaluate and develop transmission opportunities
- Support research for emissions-reduction technologies

120 MW of clean energy resources by mid-2026 [2]

- Enhanced transmission and backup generation resiliency and optionality

1 Emissions reduction target for Colorado Electric from a 2005 baseline
2 Preferred plan submitted in South Dakota and Wyoming
Note: Potential investments from resource plans are not included in current capital forecast

Growth and Strategy Update

Rate Review Progress

- Settlement approved for new rates in Colorado for Rocky Mountain Natural Gas intrastate pipeline
- Filed natural gas rate reviews in Colorado and Wyoming in May
- Preparing to file a natural gas rate review in Arkansas later this year

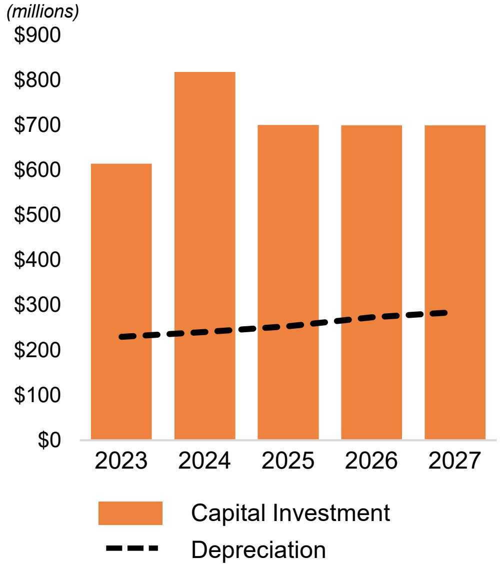
Jurisdiction	Filing Date	Annual Revenue Increase	ROE	Debt / Equity	Comments / Status
✓ Rocky Mountain Natural Gas Docket 22AL-0426G	Oct. 7, 2022	$8.2 million	9.50% to 9.70%	48% to 50%/ 50% to 52%	Settlement approved with WACC of 6.93%; new rates effective July 15, 2023
Colorado Gas Docket 23AL-0231G	May 8, 2023	$26.7 million *	10.49% *	49% / 51% *	Requesting new rates by Q1 2024
Wyoming Gas Docket 30026-78-GR-23	May 18, 2023	$19.3 million *	10.49% *	48% / 52% *	Requesting new rates by Q1 2024 and renewal of Wyoming Integrity Rider

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

Disciplined Growth Plan with Upside

Capital Investment

$3.5 billion 2023-2027



Incremental Projects

Infrastructure Development

- 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

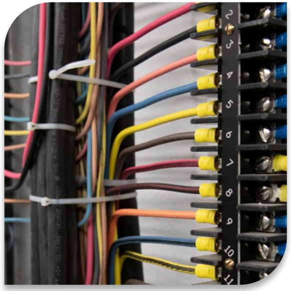
Pursuing Profitable Growth

- 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

Customer-focused Initiatives

Transmission and Storage

- Ready Wyoming electric transmission project approved; constructing 260-mile project in 2023-2025
- Evaluating other electric transmission and natural gas pipeline and storage opportunities



Data Centers

- Attractive data center service territory in Cheyenne, Wyoming
- Supporting long-term expansion plans by existing and new data center customers

Blockchain

- New crypto-mining customer in service in Cheyenne, Wyoming
- Evaluating future potential; scalable tariff in place

Renewable Natural Gas

- 6 interconnects in service; 4 new projects to be in service 2023-2024
- 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

Responsibly Reducing GHG Emissions

Achieved Greater than One-third Reduction Since 2005

ELECTRIC EMISSIONS

↓ **70%** by 2040[1]

✓ 33% since 2005

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

40% by 2030[1]

- Convert 90 MW coal-fired power plant to dual fuel (natural gas and coal) at end of engineered life *(Neil Simpson II in 2025)*
- Add renewable and battery resources

70% by 2040[1]

- Convert or retire remaining coal-fired power plants at end of engineered lives[3]
- Add renewable and battery resources
- Explore new technology such as hydrogen and carbon capture

NATURAL GAS EMISSIONS

↓ **Net Zero** by 2035[2]

✓ 33% since 2005

reduction across mains & service lines

- ✓ Replaced at-risk and aging pipeline materials across natural gas system since 2005

Net Zero by 2035

across entire gas distribution system[2]

ONE FUTURE OUR NATION'S ENERGY

METHANE CHALLENGE U.S. EPA

- Continue replacing at-risk and aging pipeline materials and cultivate ongoing best practices
- Integrate technologies and processes, including artificial intelligence
- Pursue advanced leak detection systems
- Target best-in-class third-party line hits
- Integrate low carbon fuels such as renewable natural gas and hydrogen

See our new 2022 Corporate Sustainability Report at:
www.blackhillsenergy.com/sustainability

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.
3 Anticipated retirement or re-powering of coal plants is subject to change based on costs and feasibility of other alternatives.

Strong Long-term Growth Outlook

$3.5 billion

Capital Investment 2023-2027

- Incremental projects likely
- Additional growth opportunities

4% to 6%

Long-term EPS growth target [1]

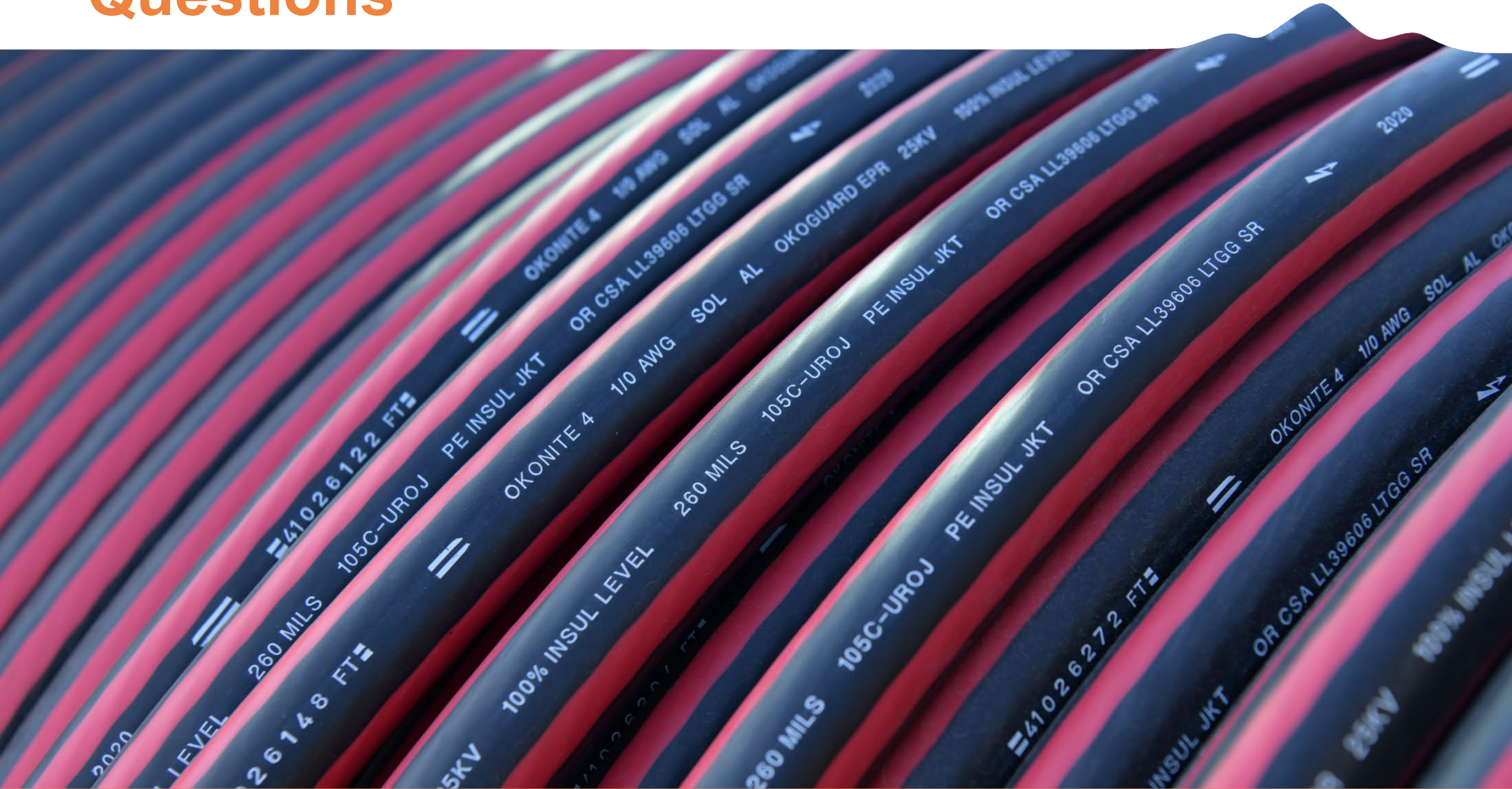
55% to 65%

Dividend payout target with 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
[2] Future dividends subject to board approval

Questions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100% INSUL LEVEL
260 MILS 105C-UROJ PE INSUL JKT OR CSA LL39606 LTGG SR
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41026122 FT
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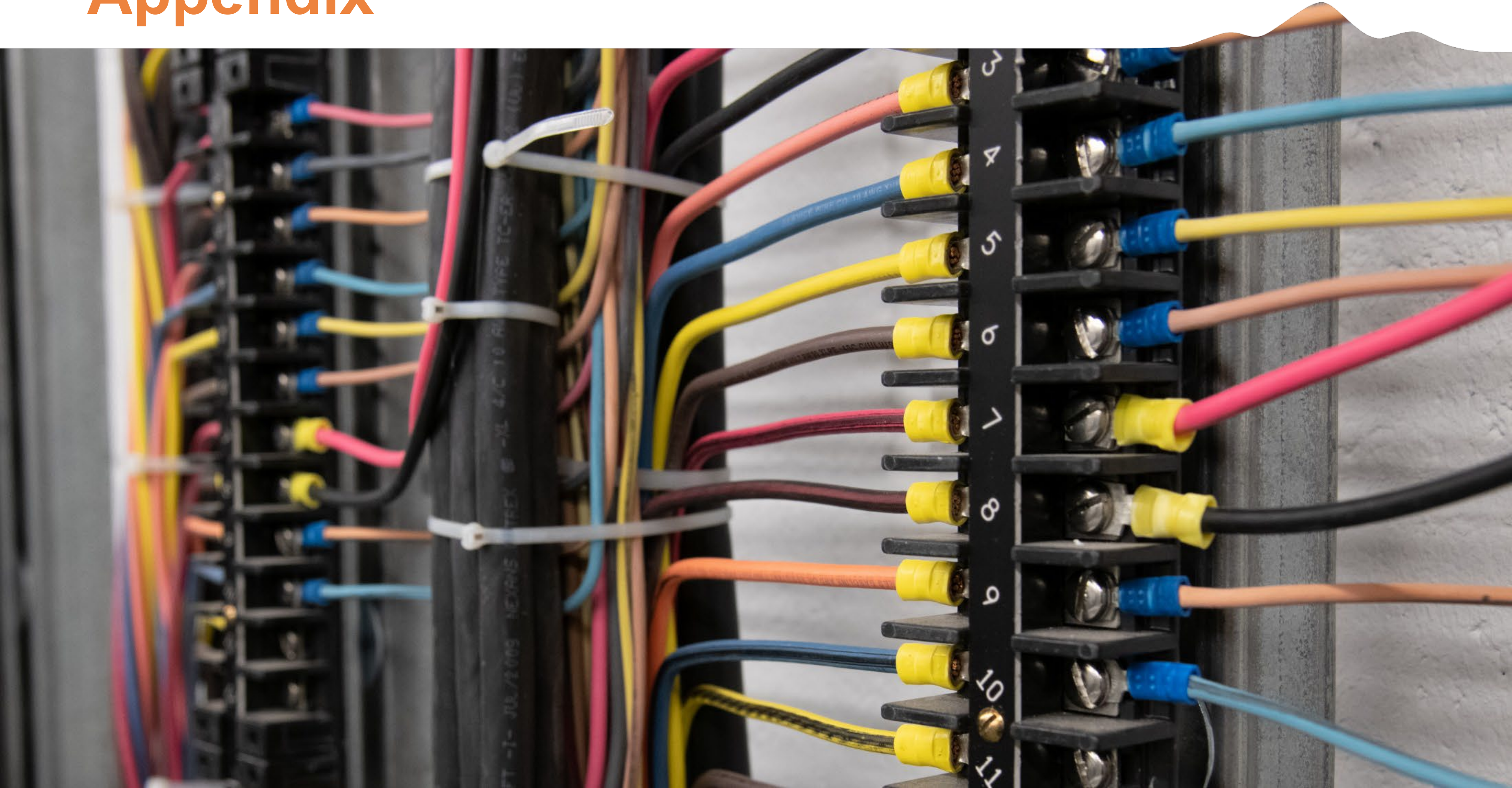
Appendix



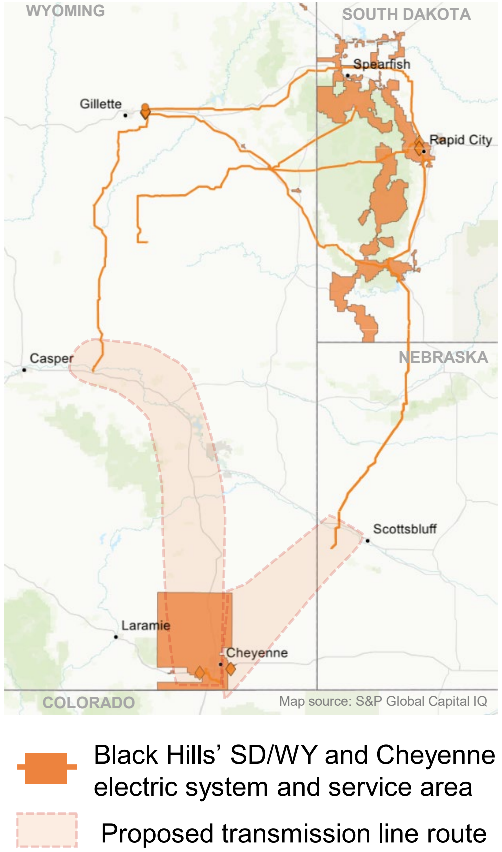
Ready Wyoming Electric Transmission Initiative

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 with strong natural gas optionality to back up renewables

CPCN Approved and Preparing for Construction in 2023-2025

- On Oct. 11, received bench approval from Wyoming commission; final written order received April 25, 2023
- Construction expected to commence in 2023 in multiple phases, or segments, through 2025; project included in capital forecast



2023 Earnings Guidance Assumptions

Black Hills reaffirmed its guidance for 2023 EPS available for common stock to be in the range of $3.65 to $3.85 based on the following update 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 any of our generating facilities
- Production tax credits of approximately $20 million associated with wind generation assets
- Capital investment of approximately $615 million
- Equity issuance of approximately $140 million to $160 million through the at-the-market equity offering program
- Total interest expense of $180 million to $185 million, including debt refinancing activity *
- Total operating expense of $600 million to $610 million excluding fuel, purchased power, cost of natural gas sold, depreciation, depletion and amortization *

* Guidance assumptions for interest expense and O&M are being provided for 2023 only due to ongoing volatility in inflation and rising interest rate environments.

Income Statement

(in millions, except earnings per share)

	Second Quarter 2022	Second Quarter 2023	Year-to-Date 2022	Year-to-Date 2023
Revenue	$ 474.2	$ 411.3	$ 1,297.8	$ 1,332.4
Fuel, purchased power and cost of natural gas sold	(188.2)	(121.2)	(625.1)	(647.5)
Operations and maintenance expense	(149.5)	(161.8)	(302.3)	(320.2)
Depreciation, depletion and amortization	(64.1)	(64.7)	(124.6)	(126.4)
Operating income	**72.4**	**63.5**	**245.7**	**238.4**
Interest expense, net	(38.8)	(41.5)	(77.3)	(85.0)
Other income (expense), net	1.6	(1.5)	2.3	(0.9)
Income before taxes	**35.2**	**20.5**	**170.7**	**152.5**
Income tax benefit (expense)	0.7	6.1	(13.8)	(8.6)
Net income before non-controlling interest	**$ 35.8**	**$ 26.5**	**$ 156.9**	**$ 143.9**
Net income attributable to non-controlling interest	(2.4)	(3.5)	(5.9)	(6.8)
Net income available to common stock	**$ 33.4**	**$ 23.1**	**$ 150.9**	**$ 137.1**
EPS - Net income available for common stock	**$ 0.52**	**$ 0.35**	**$ 2.33**	**$ 2.06**
Diluted shares outstanding	64.9	66.7	64.8	66.4
EBITDA*	**$ 138.1**	**$ 126.7**	**$ 372.6**	**$ 363.9**

* Non-GAAP measure defined and reconciled to GAAP on slides 31-33

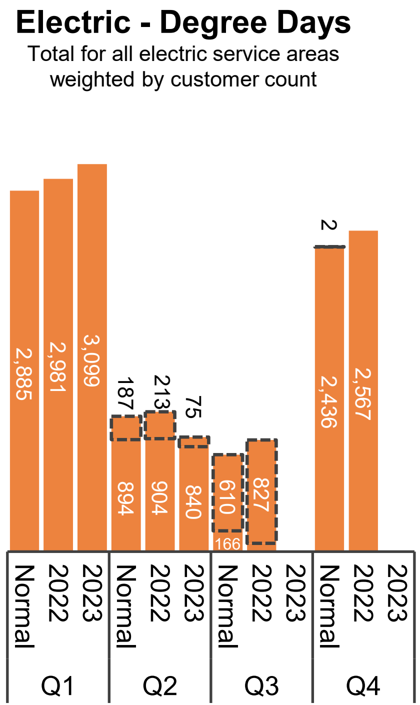
Capital Structure

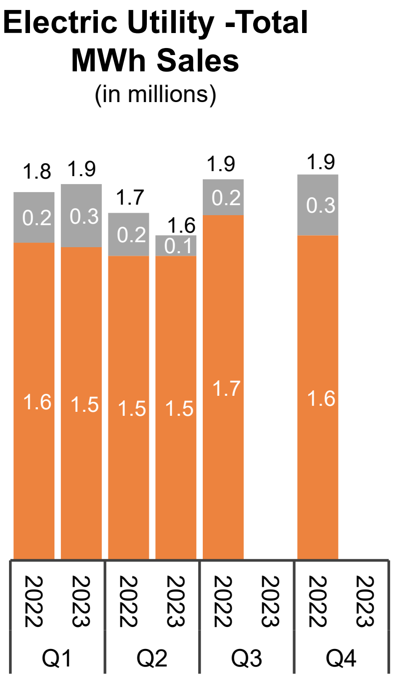
($ in millions)

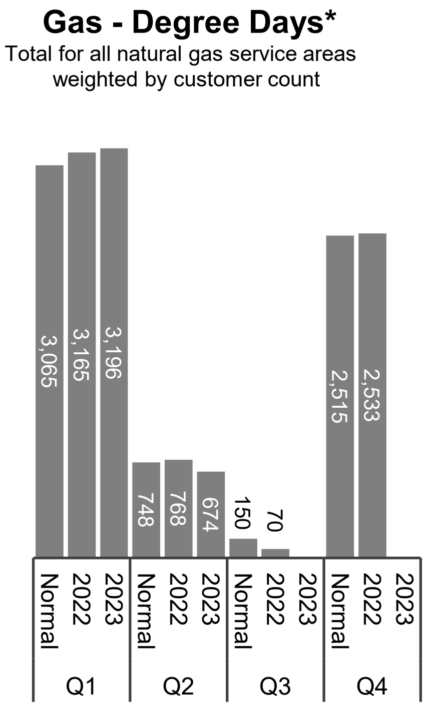
	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23
Capitalization					
Short-term Debt	$ 335	$ 501	$ 1,061	$ 525	$ 525
Long-term Debt	4,130	4,131	3,607	3,954	3,956
Total Debt	**4,465**	**4,632**	**4,668**	**4,479**	**4,481**
Equity*	2,885	2,887	2,995	3,098	3,110
Total Capitalization	**$ 7,350**	**$ 7,519**	**$ 7,663**	**$ 7,577**	**$ 7,591**
Net Debt to Net Capitalization					
Debt	$ 4,465	$ 4,632	$ 4,668	$ 4,479	$ 4,481
Cash and Cash Equivalents	(10)	(12)	(21)	(39)	(153)
Net Debt	**4,455**	**4,621**	**4,647**	**4,440**	**4,328**
Net Capitalization	**$ 7,340**	**$ 7,507**	**$ 7,642**	**$ 7,538**	**$ 7,438**
Debt to Capitalization	60.7%	61.6%	60.9%	59.1%	59.0%
Net Debt to Capitalization (Net of Cash)	60.7%	61.5%	60.8%	58.9%	58.2%
Long-term Debt to Total Debt	92.5%	89.2%	77.3%	88.3%	88.3%

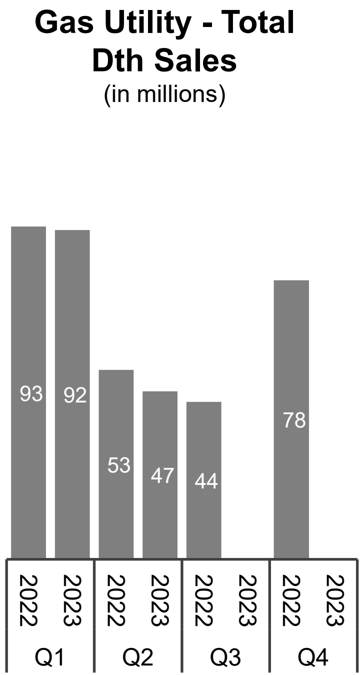
* Excludes noncontrolling interest

Utility Weather and Demand









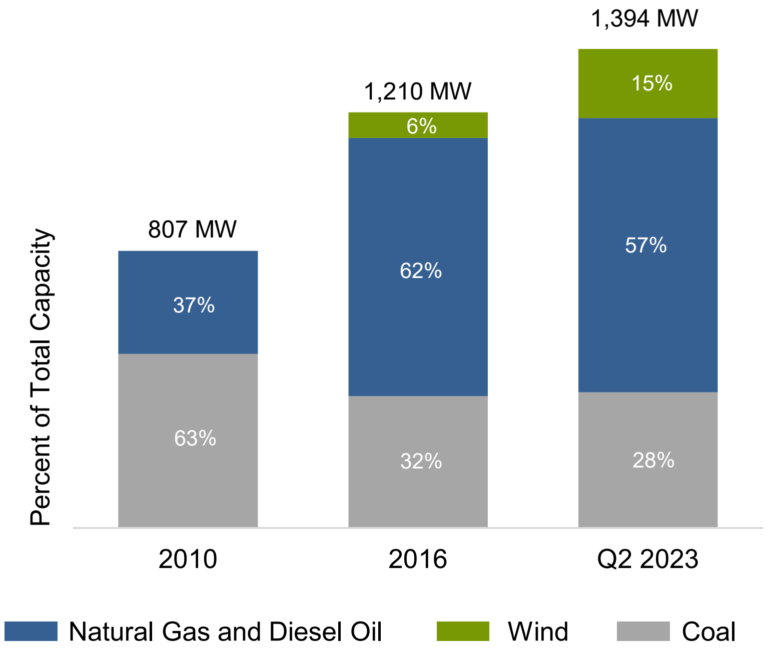
Electric heating degree days
Electric cooling degree days

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.
Note: normal degree days listed for prior quarters based on data as of 2022; current quarter normal based on average of currently available data

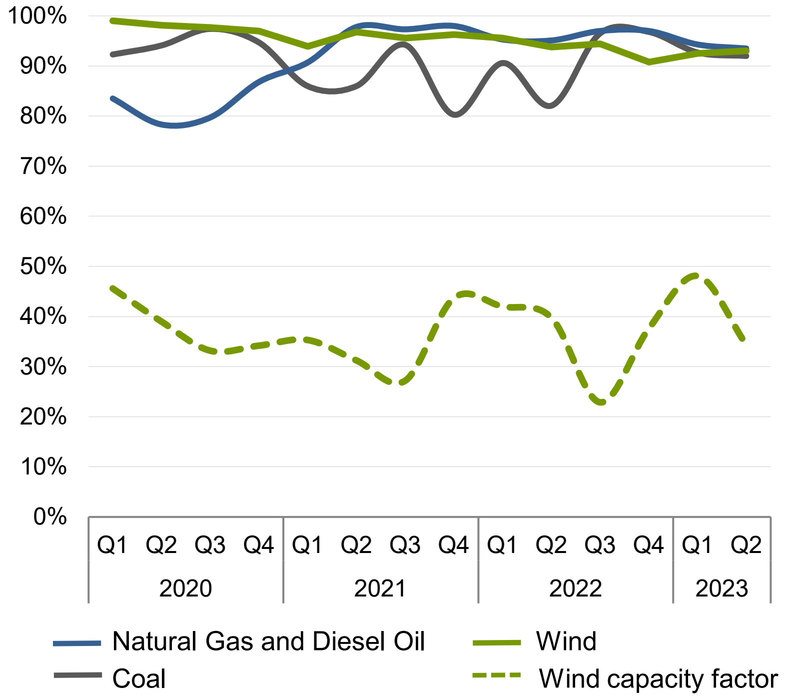
Electric Generation Capacity and Performance

Owned Generation Capacity



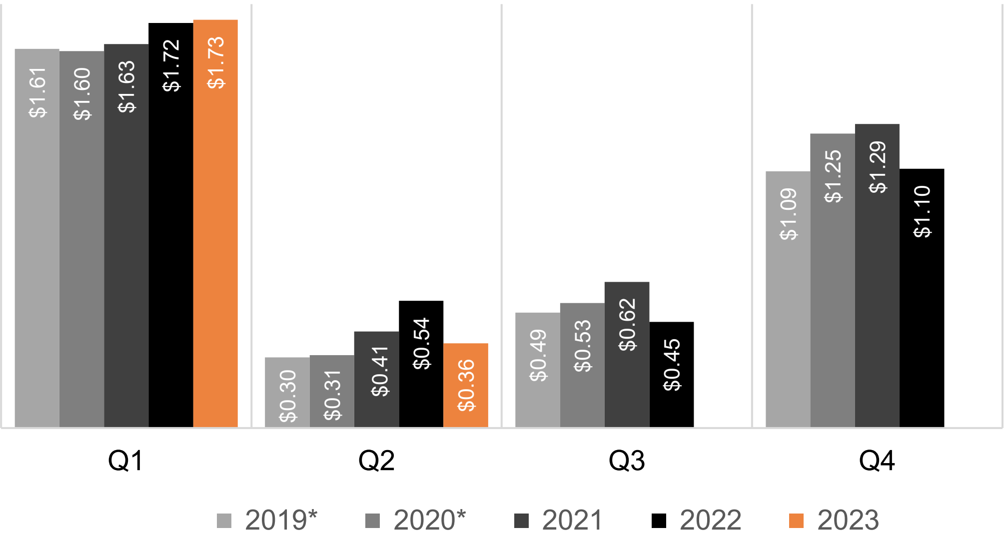
* Ownership includes 49.9 percent ownership in a Colorado subsidiary by a third party representing approximately 100 megawatts; excludes power purchase agreements from third parties

Electric Generation Availability



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

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			$2.06

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)			$0.00

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			($0.03)

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	$0.54	$0.45	$1.10	$3.67
2023	$1.73	$0.36			$2.09

(differences in totals due to rounding)

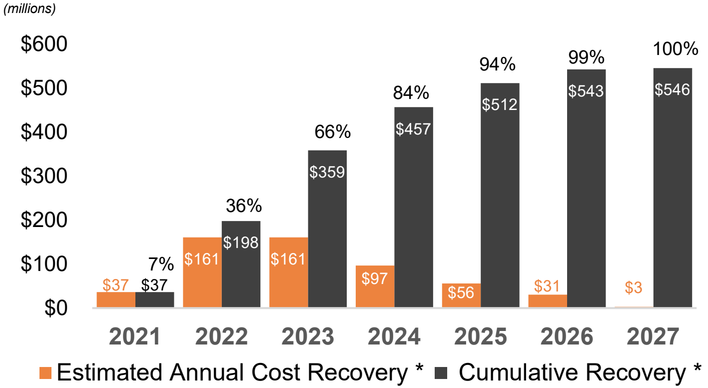
* Earnings per share, as adjusted is a non-GAAP measure and is reconciled to GAAP in the appendix; normalized total excludes weather impact versus normal, Mark-to-Market impacts on energy contracts and one-time Winter Storm Uri impacts

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%
YTD 2023	**$119**	**$317**	**58%**
2023	$161	$359	66%
2024	$97	$457	84%
2025	$56	$512	94%
2026	$31	$543	99%
2027	$3	$546	100%

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

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	March 2020	9.40%	49.77% debt / 50.23% equity	$354.4

Note: Information from last approved rate review in each jurisdiction
* Excludes amounts to serve non-jurisdictional and agriculture customers

Non-GAAP Financial Measures

<u>Gas and Electric Utility Margin</u>

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.

<u>EBITDA</u>

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

EBITDA, as adjusted
(a Non-GAAP Measure)
(in thousands)

(in thousands)	Three Months Ended June 30, 2022	Three Months Ended June 30, 2023	Six Months Ended June 30, 2022	Six Months Ended June 30, 2023
Net income	$ 35,846	$ 26,544	$ 156,870	$ 143,924
Depreciation, depletion and amortization	64,128	64,714	124,591	126,357
Interest expense, net	38,764	41,521	77,309	85,025
Income tax expense (benefit)	(658)	(6,089)	13,830	8,584
EBITDA	**$ 138,080**	**$ 126,690**	**$ 372,600**	**$ 363,890**

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.

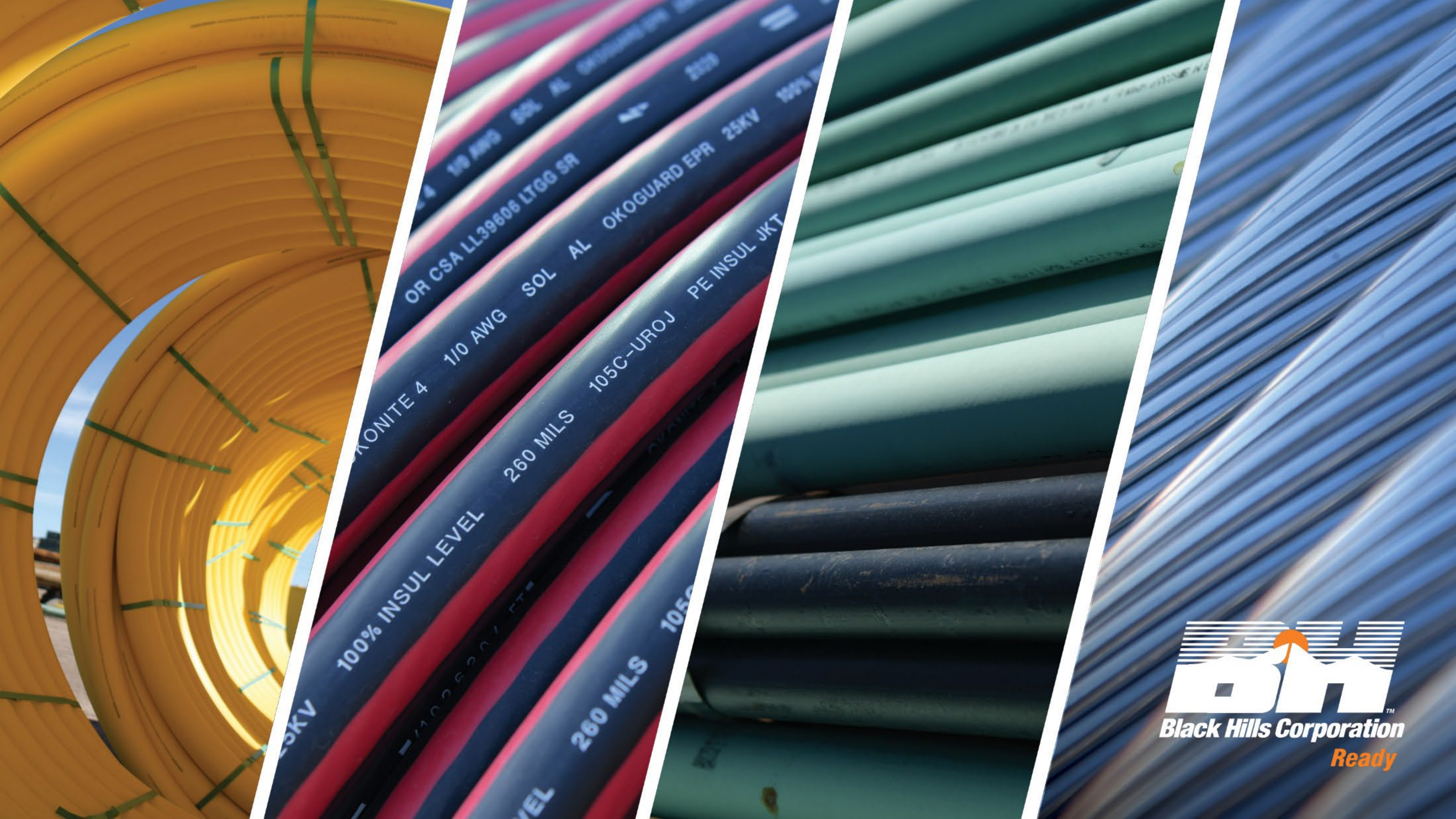
Integrity
We hold ourselves to the highest standards based on a foundation of unquestionable ethics.

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.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