



RESILIENT.
RELIABLE.
READY.

2023 Third Quarter Review

Nov. 2, 2023



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.

Key Takeaways

- ✓ Providing reliable and safe operational performance
- ✓ Expecting to deliver at top end of 2023 earnings guidance range
- ✓ Continuing to strengthen balance sheet
- ✓ Advancing regulatory and growth initiatives

A close-up photograph of several large spools of copper wire. The wire is tightly coiled and has a bright, metallic sheen. The background is dark, making the copper coils stand out prominently.

RESILIENT.

RELIABLE.

READY.

Financial Outlook

**2023
EPS**

Guidance of \$3.65 to \$3.85

**Long-term
EPS Growth**

4% to 6% growth target

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

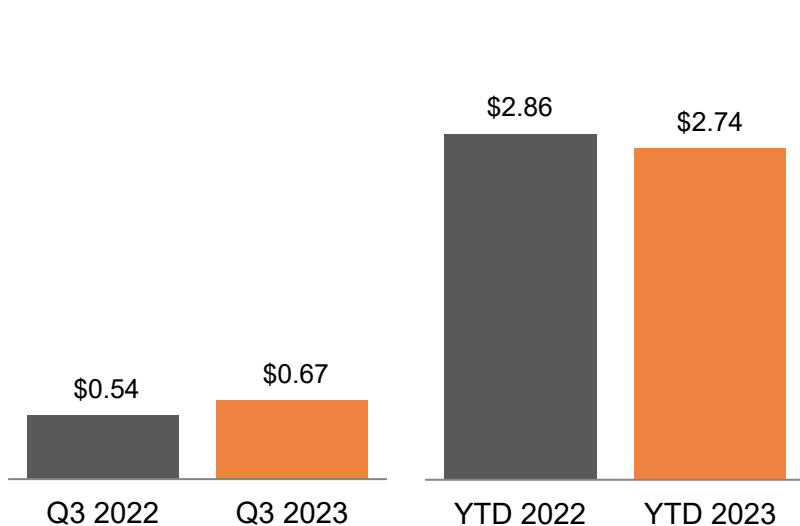
Q3 2023 Financial Review

BLACK HILLS CORPORATION

A close-up, low-angle shot of a dark wood-paneled wall. The words "BLACK HILLS CORPORATION" are embossed in large, gold-colored, serif capital letters. The wall is part of a larger structure with a wooden top rail and a wooden base. The lighting is warm, highlighting the texture of the wood and the metallic sheen of the letters.

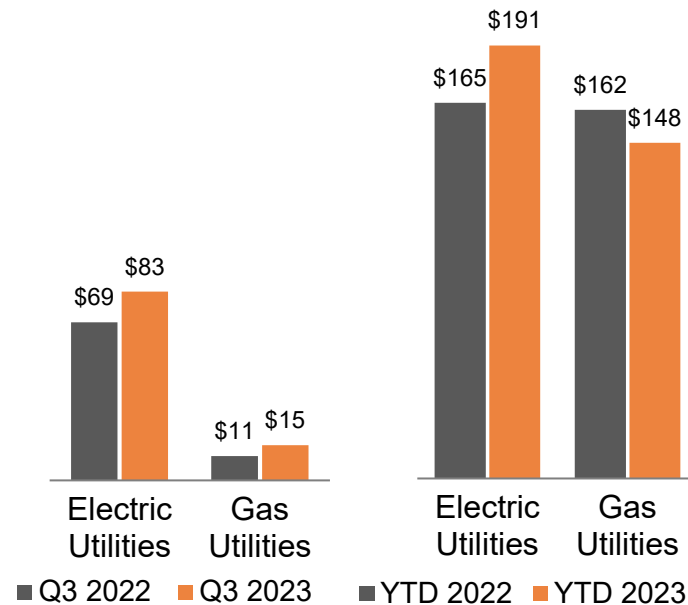
Q3 2023 Financial Review

EPS



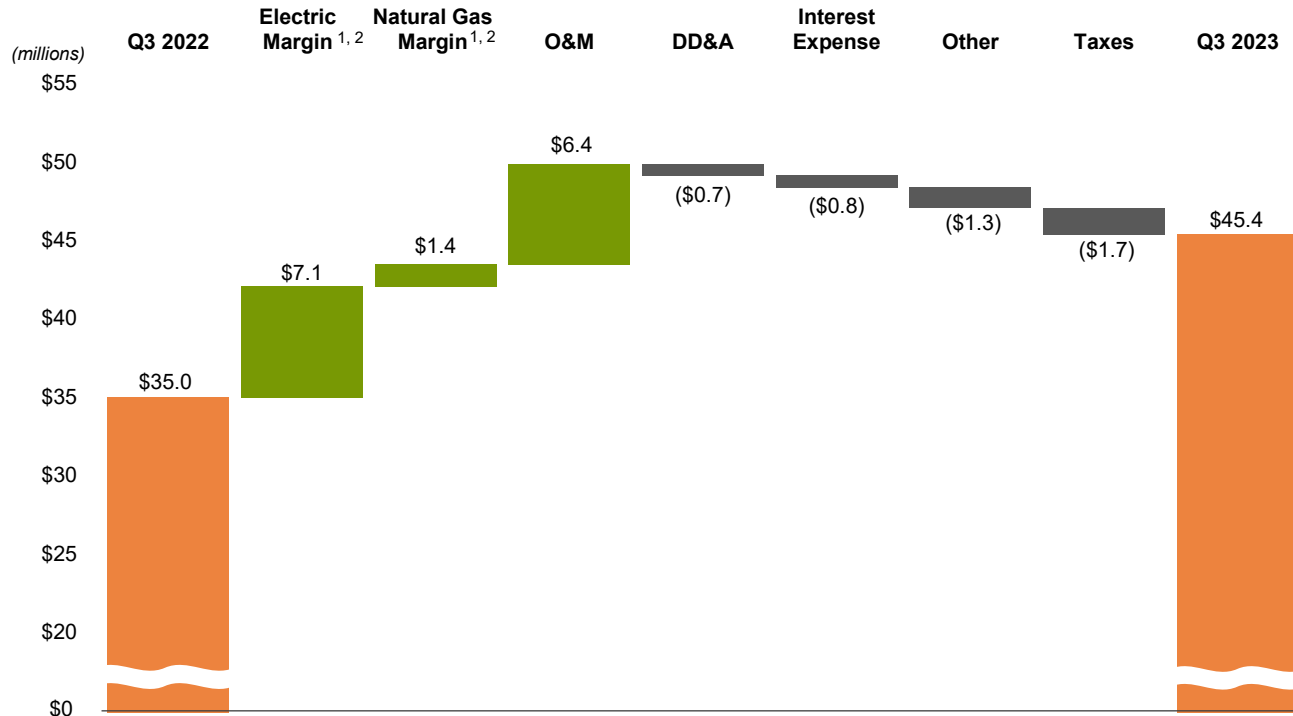
Operating Income

(millions)



Q3 2023 Earnings Drivers

Change in Net Income Available for Common Stock



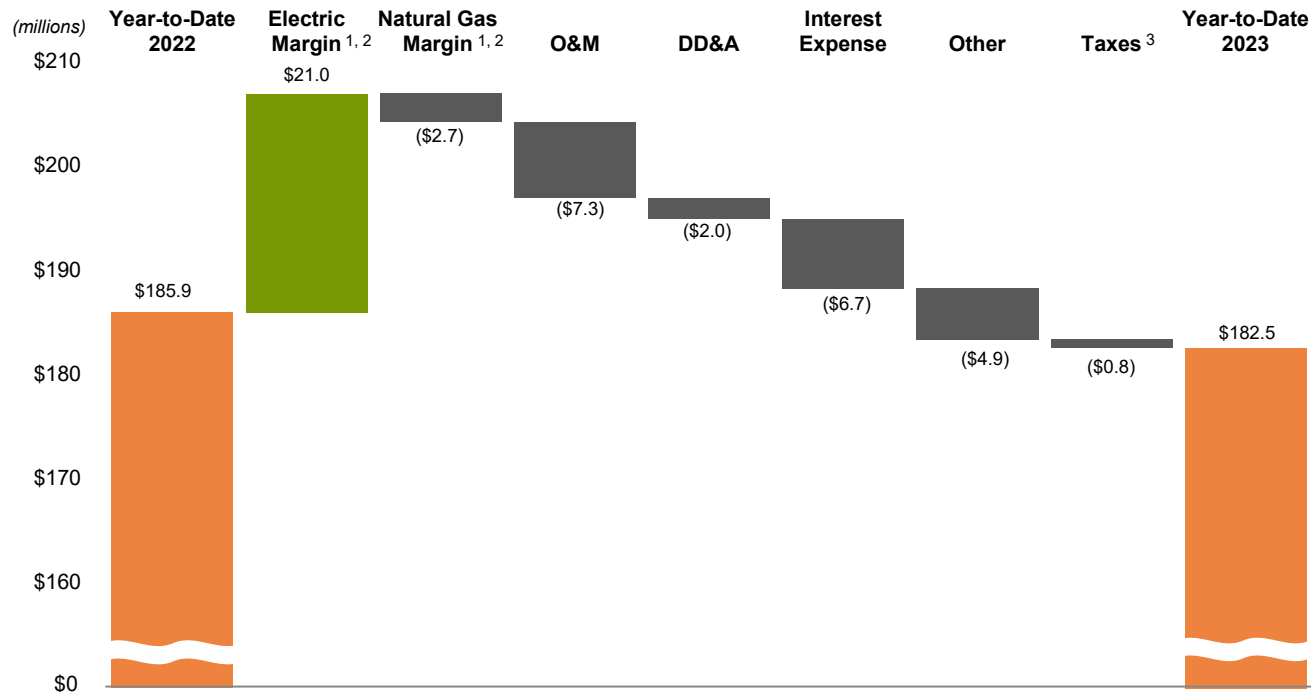
- ▲ New rates and rider recovery
- ▲ Recaptured lost revenue from 2021 generation outage
- ▲ Gain on sale of land for customer development
- ▲ Lower outside services
- ▼ Weather

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

² Unfavorable after-tax weather impact of (\$2.8) million versus prior year: (\$1.8) million electric utilities and (\$1.0) million natural gas utilities

YTD 2023 Earnings Drivers

Change in Net Income Available for Common Stock



- ▲ New rates and rider recovery
- ▲ Gain on sale of non-core wind assets
- ▲ Recaptured lost revenue from 2021 generation outage
- ▲ Gain on sale of land for customer development
- ▲ Off-system sales and transmission services
- ▼ Higher operating expenses
- ▼ Higher interest rates
- ▼ Weather

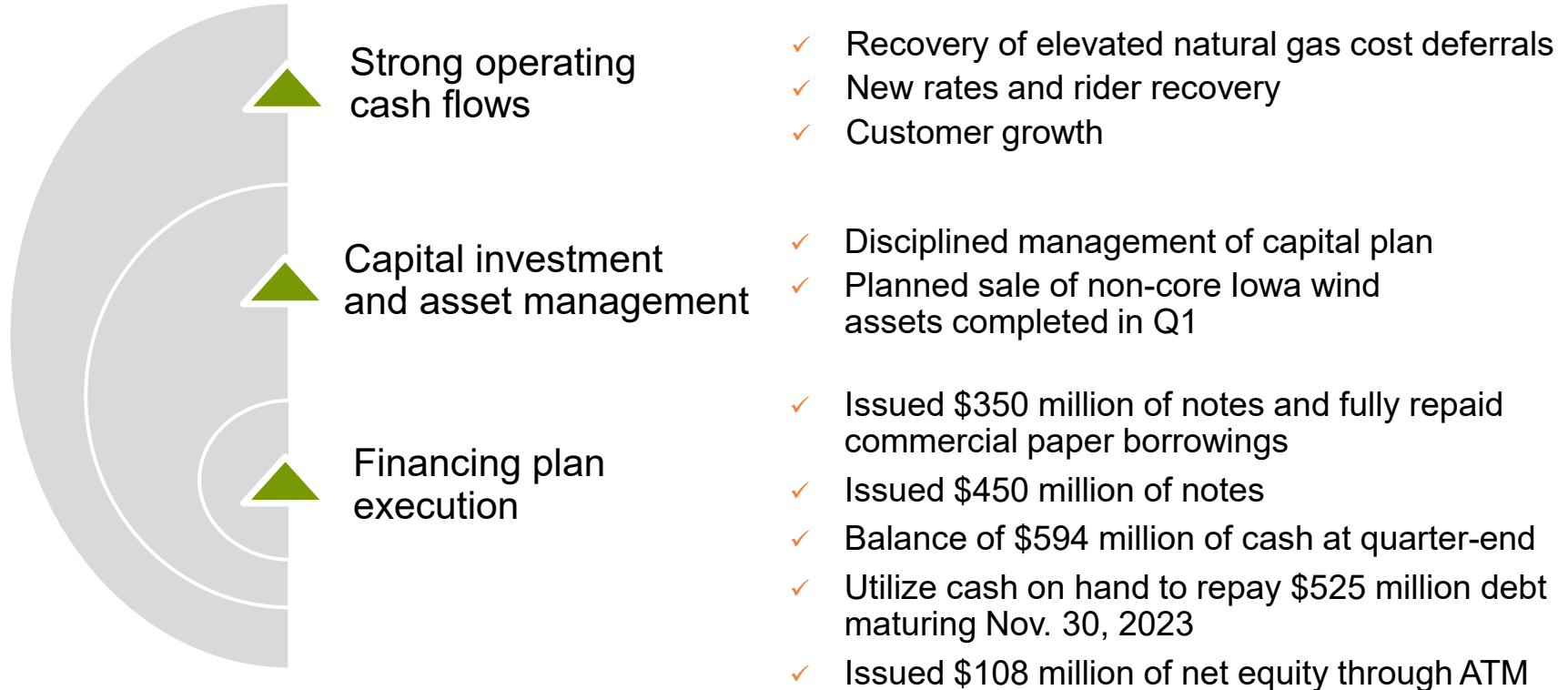
¹ Utility margin, a non-GAAP measure defined in the Appendix

² Unfavorable after-tax weather impact of (\$6.8) million versus prior year: (\$3.5) million electric utilities and (\$3.3) 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

Strengthening Balance Sheet

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



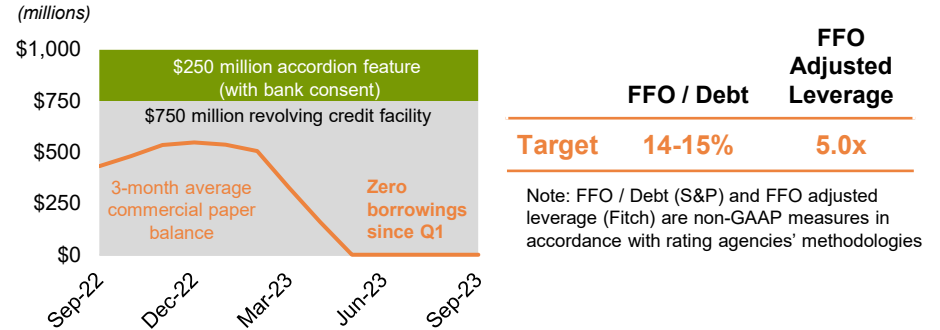
Solid Financial Position

Committed to BBB+ Equivalent Credit Ratings

Credit Ratings

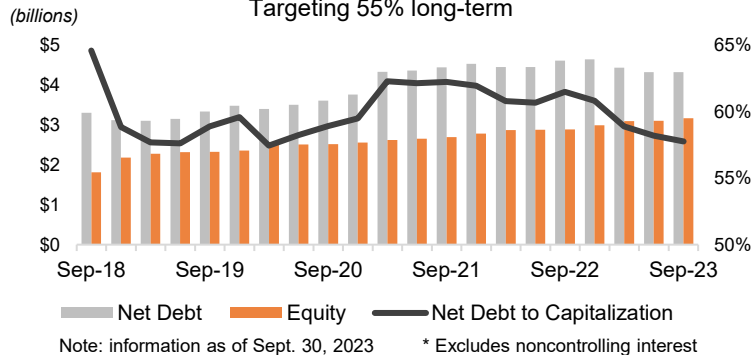
S&P	Moody's	Fitch
BBB+	Baa2	BBB+
Stable outlook	Stable outlook	Stable outlook
(Feb. 17, 2023)	(Dec. 20, 2022)	(Oct. 6, 2022)

Liquidity and Cash Flow

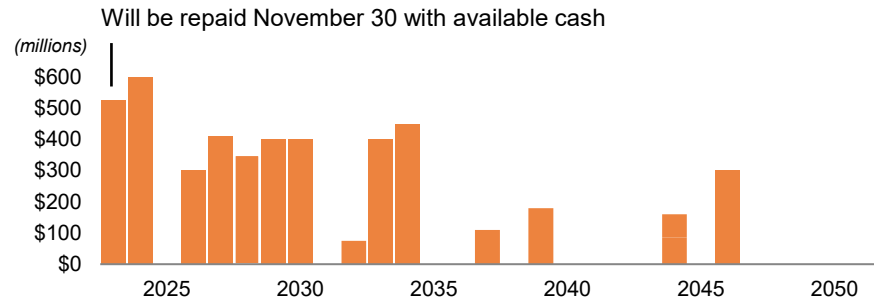


Capital Structure*

Targeting 55% long-term

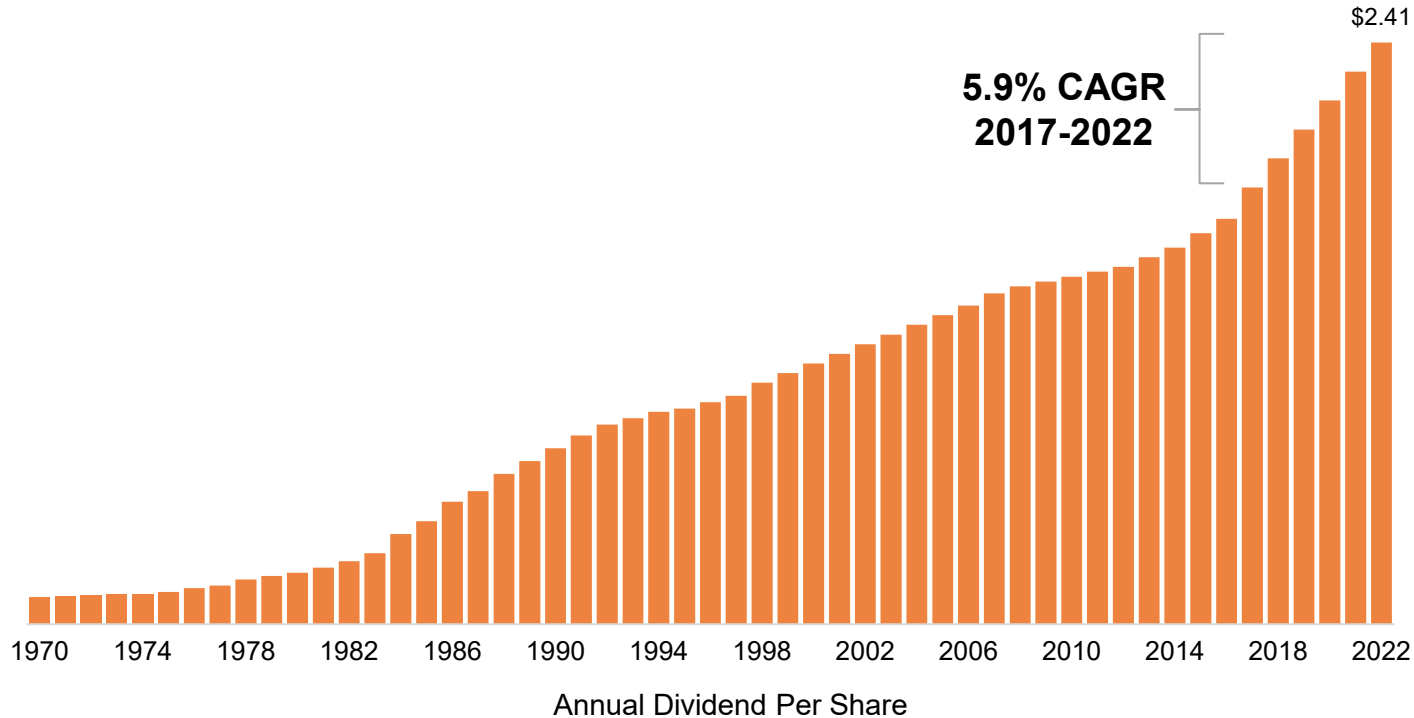


Debt Maturities



Dividend Track Record

53 Consecutive Years of Annual Increases and 81 Consecutive Years Paid



55%-65% long-term payout target

Dividend growth rate in line with EPS*

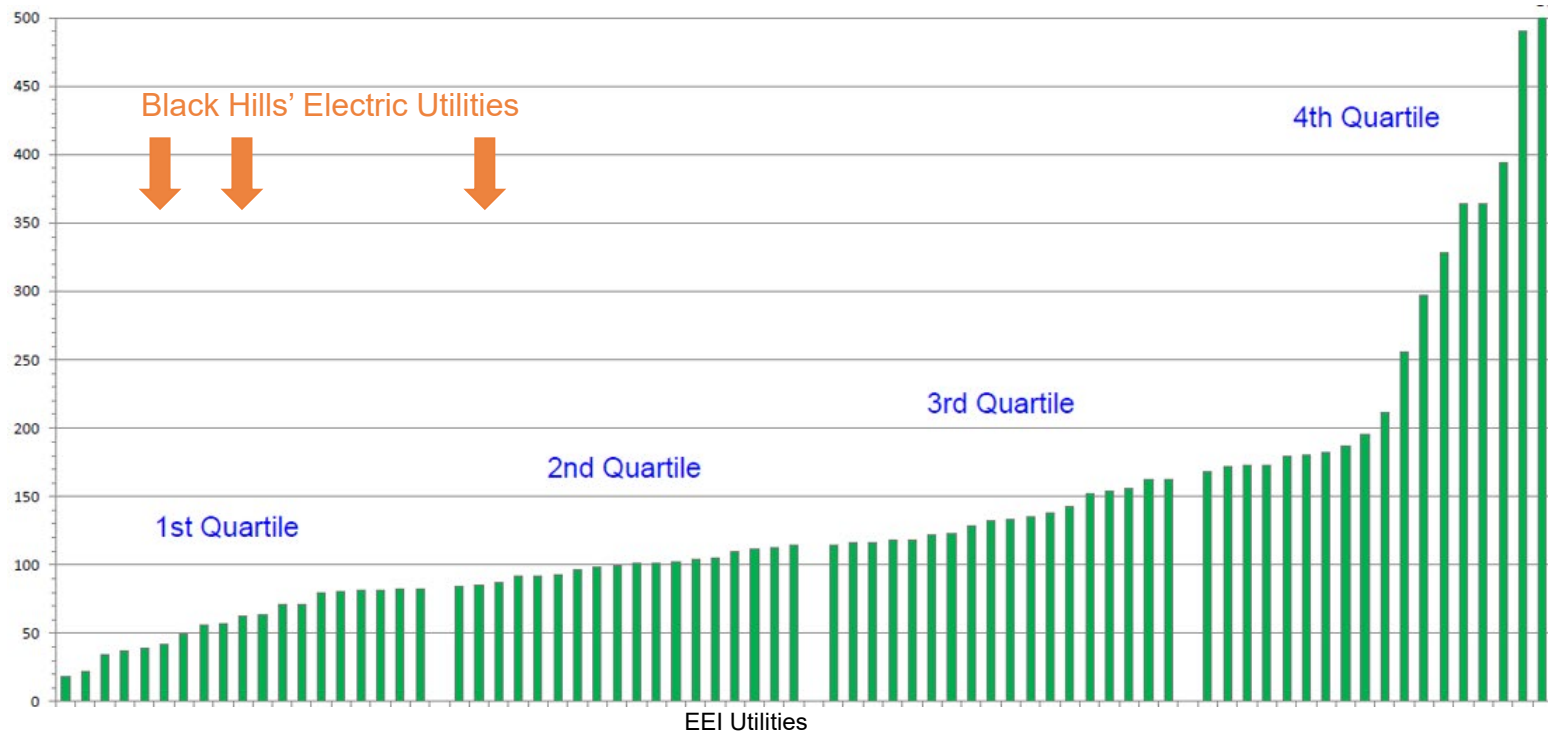
* Future dividends subject to board approval

Business Update



Industry-leading Reliability

EEI 2022 Overall System SAIDI (Excluding Major Events)



Advancing Electric Resource Plans

500 Megawatts of Clean Energy Resources by 2029

Colorado Clean Energy Plan

80% by 2030 plan will achieve state's legislation goal ¹

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

July 2023 - Issued RFP for 400 MW of renewable resources in service by 2029

October 2023 bid deadline - evaluating strong bid response

Q4 2023 - submit bid summary to regulators

400 MW of clean energy resources in service between 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

2023

2024

2025

2026

2027

2028

2029

South Dakota Integrated Resource Plan

March 2023 - issued RFP for 100 MW of build-transfer renewables

Q1 2024 - final bid review with SD PUC and filing of CPCN with WY PSC

Convert 90 MW coal-fired power plant to dual fuel (natural gas and coal)

100 MW of renewable generation to be in service for South Dakota ²

- Evaluate 20 MW of battery storage (10 MW South Dakota; 10 MW Wyoming) ²
- Evaluate and develop transmission opportunities
- Support research for emissions-reduction technologies

1) Emissions reduction target for Colorado Electric from a 2005 baseline 2) Preferred plan submitted in South Dakota and Wyoming
Note: potential investments resulting from resource plans are incremental to disclosed capital forecast

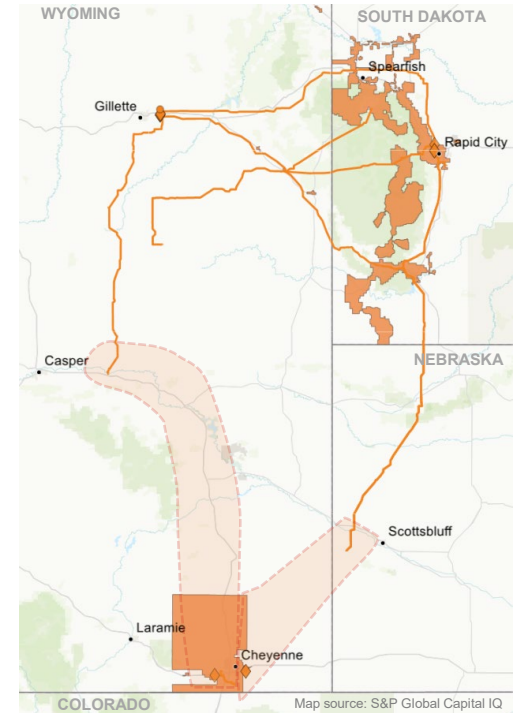
Ready Wyoming Electric Transmission Initiative

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

CPCN Approved and Preparing for Construction in 2023-2025

- Final written order received April 25, 2023
- Investment eligible for recovery under Wyoming transmission rider
- Construction expected to commence in 2023 in multiple phases, or segments, through 2025; project included in capital forecast



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

Wildfire Risk Mitigation

- Wildfire risk mitigation has been a top priority for decades; embedded within safety culture and reliability goals
- Recent disclosure provides insight into our programs, policies and response plans
- Partner and communicate with our communities, local agencies, regulators and other key stakeholders

Asset
Programs

Integrity
Programs

Operational
Response

- Vegetation management
- Transmission line inspection (5-year cycle)
- Distribution management (4-year cycle)
- Pole inspections
- 25% undergrounded lines
- Enhanced risk assessment, forecasting and proactive field work management



Pictured: "Needles" rock formations in Black Hills of Western South Dakota

Regulatory, Growth and Strategy Update



Rate Review Progress

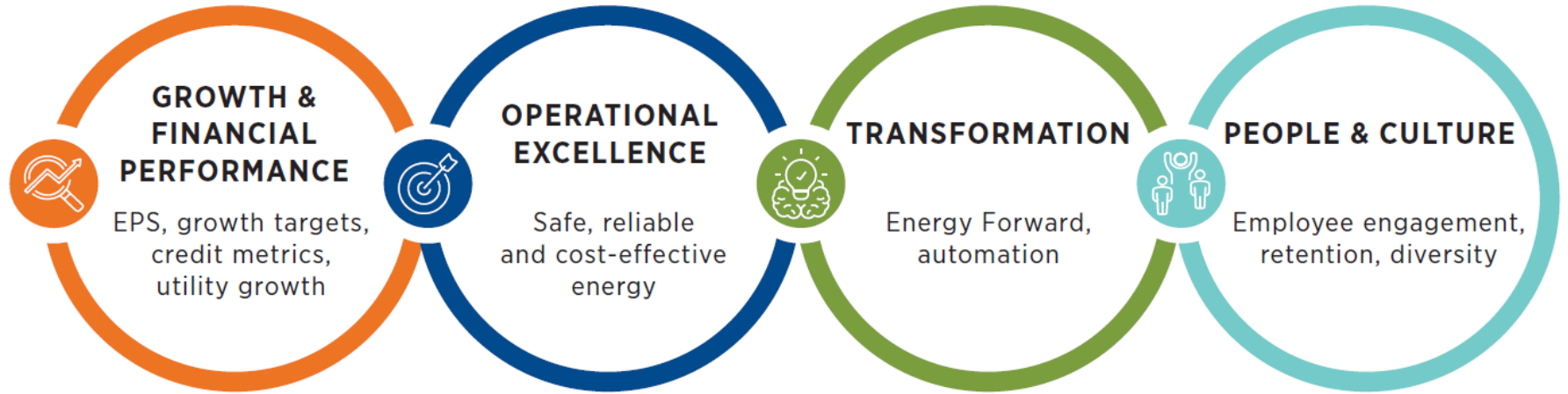
- Settlement filed for Wyoming Gas rate review; expect decision by year-end
- Natural gas rate review ongoing in Colorado; seeking new rates by Q1 2024
- Preparing to file a natural gas rate review in Arkansas by year-end

Jurisdiction	Filing Date	Annual Revenue Increase	ROE	Debt / Equity	Comments / Status
Wyoming Gas Docket 30026-78-GR-23	May 18, 2023	\$13.9 million *	9.85% *	49% / 51% *	Settlement filed providing new rates effective Jan. 1, 2024, and renewal of Wyoming Integrity Rider for 4 years
Colorado Gas Docket 23AL-0231G	May 8, 2023	\$26.7 million **	10.49% **	49% / 51% **	Requesting new rates by Q1 2024
Arkansas Gas	Q4 2023	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>	Preparing to file by year-end 2023

* Settlement agreement terms pending final approval by Wyoming Public Service Commission

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

Enhanced Strategic Objectives

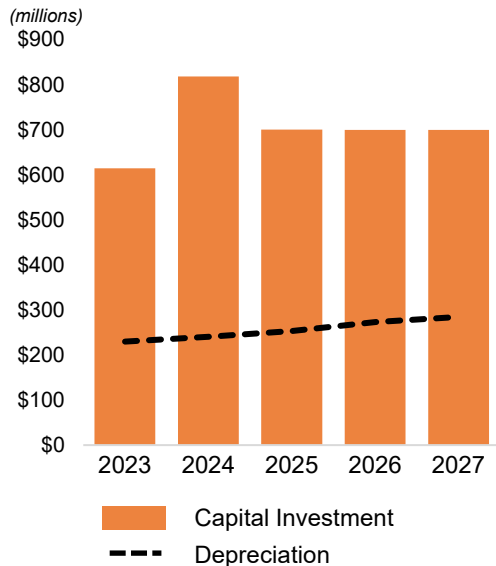


Disciplined Growth Plan with Upside



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

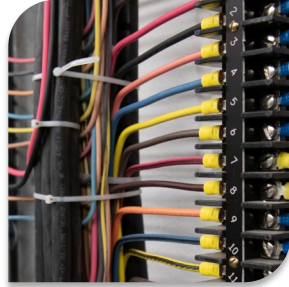
- ▲ Data center, blockchain and technology growth
- ▲ Population migration into our territories
- ▲ Innovative solutions, products and technologies, including renewables
- ▲ Cost discipline and focus on continuous improvement

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



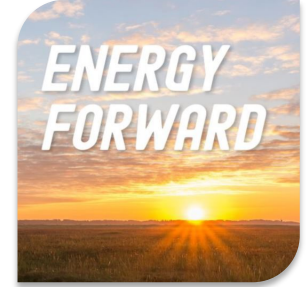
Blockchain

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



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.

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 midpoint of 2023 earnings guidance range

² Future dividends subject to board approval

Questions



Appendix



2023 Earnings Guidance Assumptions

2024 EPS guidance, 2024-2028 capital forecast and dividend update to be provided at Q4 earnings in February 2024

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 assumptions, as most recently listed Aug. 3, 2023:

- 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 provided for 2023 only due to ongoing volatility in inflation and rising interest rate environments.

Income Statement

(\$ in millions)

	Third Quarter		Year-to-Date	
	2022	2023	2022	2023
Revenue	\$ 462.6	\$ 407.1	\$ 1,760.4	\$ 1,739.6
Fuel, purchased power and cost of natural gas sold	(168.5)	(102.2)	(793.6)	(749.8)
Operations and maintenance expense	(150.6)	(142.2)	(452.9)	(462.4)
Depreciation, depletion and amortization	(64.0)	(64.9)	(188.6)	(191.2)
Operating income	79.5	97.8	325.2	336.2
Interest expense, net	(40.0)	(41.0)	(117.3)	(126.0)
Other income (expense), net	0.5	(0.6)	2.7	(1.5)
Income before taxes	40.0	56.2	210.6	208.7
Income tax benefit (expense)	(2.1)	(7.4)	(15.9)	(16.0)
Net income before non-controlling interest	\$ 37.8	\$ 48.8	\$ 194.7	\$ 192.7
Net income attributable to non-controlling interest	(2.9)	(3.4)	(8.8)	(10.2)
Net income available to common stock	\$ 35.0	\$ 45.4	\$ 185.9	\$ 182.5
EPS - Net income available for common stock	\$ 0.54	\$ 0.67	\$ 2.86	\$ 2.74
Diluted shares outstanding	65.1	67.4	64.9	66.7
EBITDA*	\$ 144.0	\$ 162.0	\$ 516.6	\$ 525.9

* Non-GAAP measure defined and reconciled to GAAP on slides 34-36

Capital Structure

(\$ in millions)

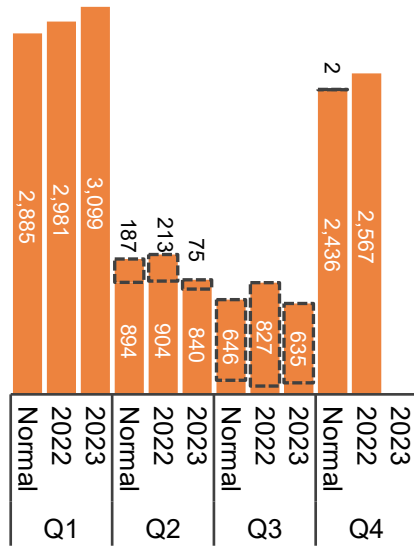
	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23
Capitalization					
Short-term Debt	\$ 501	\$ 1,061	\$ 525	\$ 525	\$ 1,125
Long-term Debt	4,131	3,607	3,954	3,956	3,800
Total Debt	4,632	4,668	4,479	4,481	4,925
Equity*	2,887	2,995	3,098	3,110	3,167
Total Capitalization	\$ 7,519	\$ 7,663	\$ 7,577	\$ 7,591	\$ 8,092
Net Debt to Net Capitalization					
Debt	\$ 4,632	\$ 4,668	\$ 4,479	\$ 4,481	\$ 4,925
Cash and Cash Equivalents	(12)	(21)	(39)	(153)	(594)
Net Debt	4,621	4,647	4,440	4,328	4,330
Net Capitalization	\$ 7,507	\$ 7,642	\$ 7,538	\$ 7,438	\$ 7,498
Debt to Capitalization	61.6%	60.9%	59.1%	59.0%	60.9%
Net Debt to Capitalization (Net of Cash)	61.5%	60.8%	58.9%	58.2%	57.8%
Long-term Debt to Total Debt	89.2%	77.3%	88.3%	88.3%	77.2%

* Excludes noncontrolling interest

Utility Weather and Demand

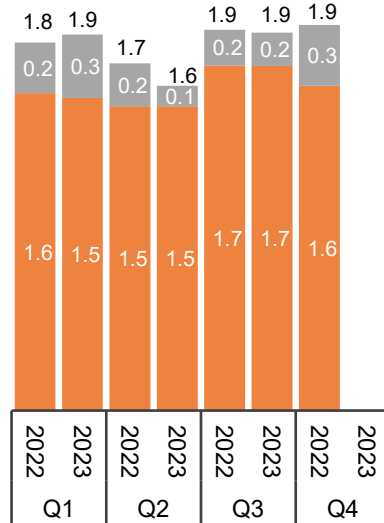
Electric - Degree Days

Total for all electric service areas weighted by customer count



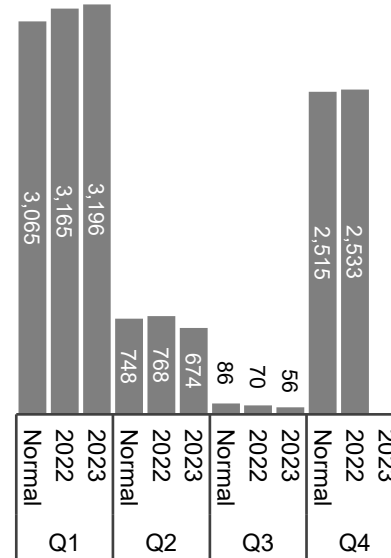
Electric Utility - Total MWh Sales

(in millions)



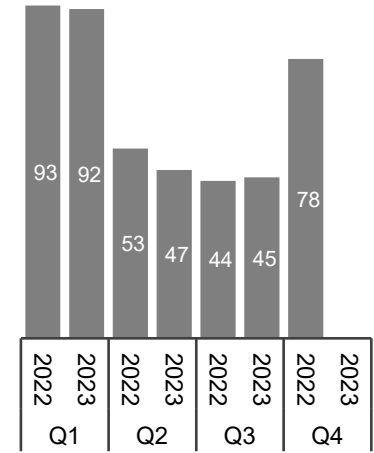
Gas - Degree Days*

Total for all natural gas service areas weighted by customer count



Gas Utility - Total Dth Sales

(in millions)



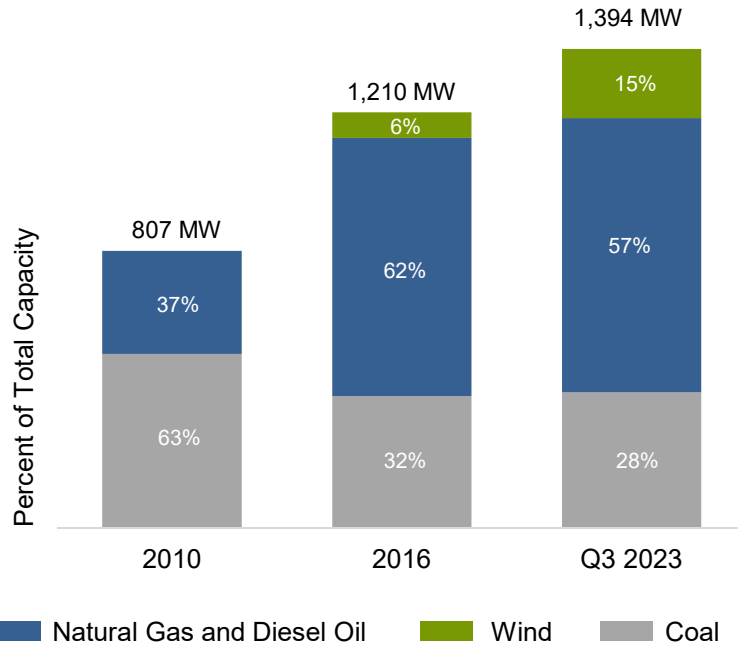
█ Electric heating degree days
 Electric cooling degree days

█ Utility customer sales
█ Off-system sales

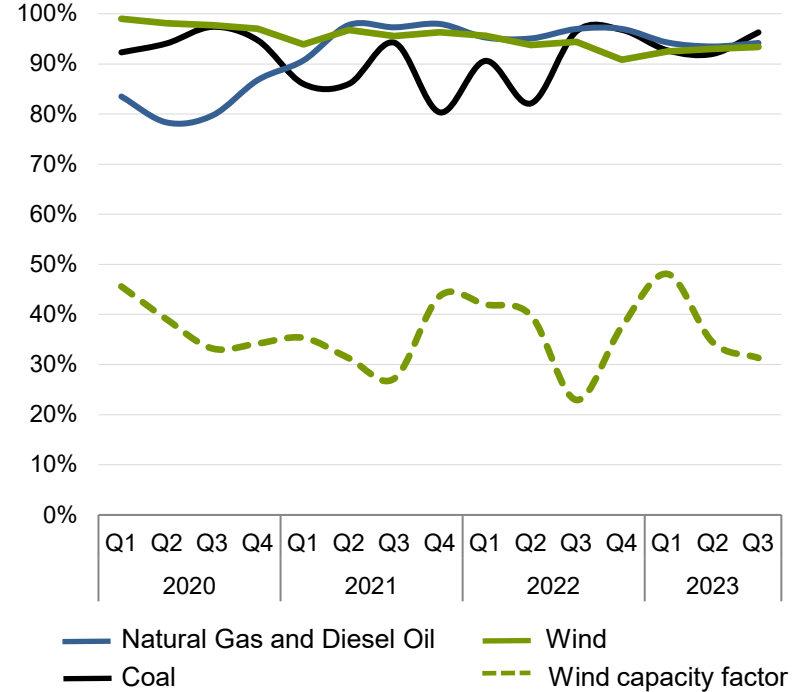
* Gas Degree Days excludes Kansas data due to weather normalization in the state. Arkansas is partially excluded based on normalization mechanism in effect from November through April.
 Note: normal degree days listed for prior quarters based on data as of 2022; current quarter normal based on average of currently available data

Electric Generation Capacity and Performance

Owned Generation Capacity



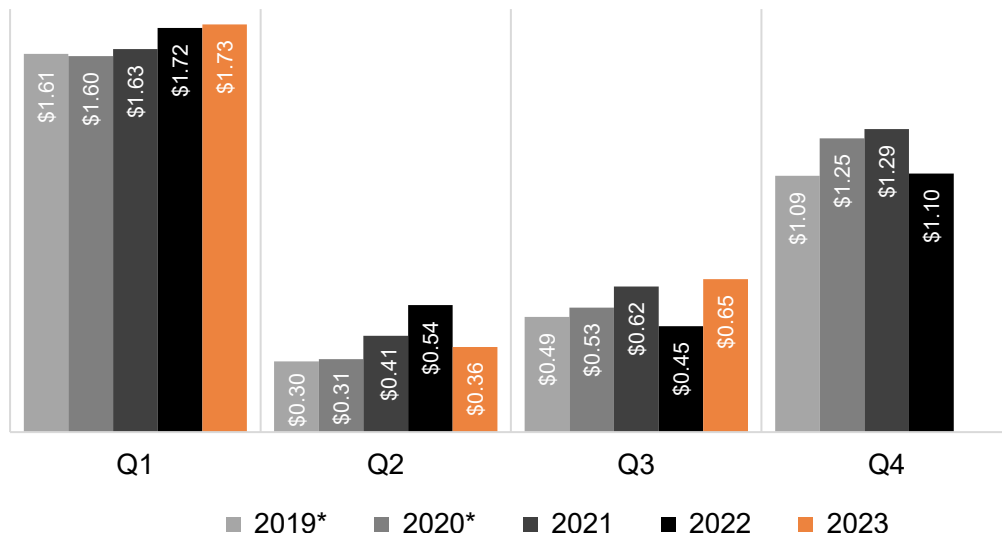
Electric Generation Availability



* 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		\$2.74

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		\$0.03

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	\$0.42	\$0.45	\$1.10	\$3.67
2023	\$1.73	\$0.36	\$0.65		\$2.74

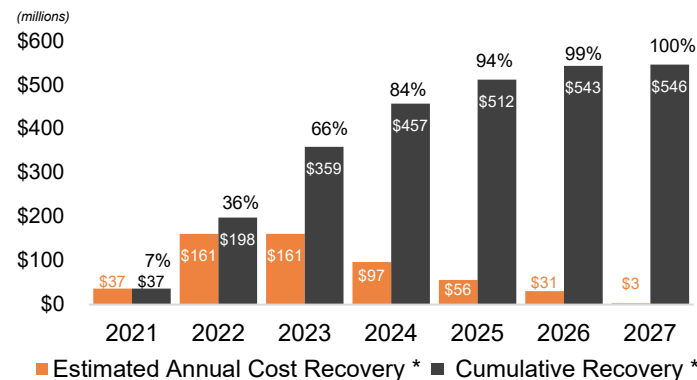
(differences in totals due to rounding)

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	\$127	\$325	60%
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

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

Earnings before Interest, Income Taxes, Depreciation and Amortization

<i>(in millions)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2023	2022	2023
Net income	\$ 37.8	\$ 48.8	\$ 194.7	\$ 192.7
Depreciation, depletion and amortization	\$ 64.0	\$ 64.9	\$ 188.6	\$ 191.2
Interest expense, net	\$ 40.0	\$ 41.0	\$ 117.3	\$ 126.0
Income tax expense (benefit)	\$ 2.1	\$ 7.4	\$ 15.9	\$ 16.0
EBITDA	\$ 144.0	\$ 162.0	\$ 516.6	\$ 525.9

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.

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.

