



NEWS RELEASE

Black Hills Corp. Provides Estimated Impact of Recent Cold Weather on its Utilities by State

3/1/2021

RAPID CITY, S.D., March 01, 2021 (GLOBE NEWSWIRE) -- Black Hills Corp. (NYSE: BKH) today released additional details regarding the impacts from the extreme cold weather during February on its utility businesses and customers. During this extreme weather event, the company's electric and natural gas systems performed remarkably and delivered energy safely and reliably to its customers.

In a Form 8-K filed recently, Black Hills indicated it incurred approximately \$600 million of additional natural gas costs to meet customer demand through Feb. 24. The initial estimates of the incremental commodity costs to serve its natural gas and electric utilities' customers during the recent cold weather are generally as follows:

| | |
|--------------------------|---------------|
| Arkansas Gas | \$165 million |
| Colorado Gas | \$75 million |
| Iowa/Nebraska | \$190 million |
| Kansas Gas | \$100 million |
| Wyoming Gas | \$35 million |
| Total Gas Utilities | \$565 million |
| Colorado Electric | \$30 million |
| South Dakota Electric | \$15 million |
| Wyoming Electric | \$15 million |
| Total Electric Utilities | \$60 million |

These incremental commodity costs for February are initial estimates and subject to true-up as final accounting for transactions and related activities are completed for February.

Black Hills Corporation

Black Hills Corp. (NYSE: BKH) is a customer focused, growth-oriented utility company with a tradition of improving life with energy and a vision to be the energy partner of choice. Based in Rapid City, South Dakota, the company serves 1.3 million natural gas and electric utility customers in eight states: Arkansas, Colorado, Iowa, Kansas, Montana, Nebraska, South Dakota and Wyoming. More information is available at www.blackhillscorp.com.

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