

POWERING A **BETTER FUTURE**

West Coast Utilities Conference

Siebert Williams Shank – March 15-16, 2023



Forward-Looking Statements

COMPANY INFORMATION

Black Hills Corporation

P.O. Box 1400
Rapid City, SD 57709-1400
NYSE Ticker: **BKH**
www.blackhillscorp.com

Company Contacts

Kimberly F. Nooney
Vice President and Treasurer
605-721-2370
kim.nooney@blackhillscorp.com

Jerome E. Nichols
Director of Investor Relations
605-721-1171
jerome.nichols@blackhillscorp.com

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 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 growth target is 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.

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

2022 and Recent Highlights

Operational Excellence

- ✓ Safety focus: 1.39 total case incident rate and 27% annual decrease in preventable motor vehicle incidents
- ✓ Top-quartile reliability metrics for all three electric utilities (EEI 2021 SAIDI excluding major events)
- ✓ New summer and winter electric system peaks in South Dakota and Wyoming
- ✓ Excellent team response and system performance during Winter Storm Elliot and other summer and winter weather events in 2022
- ✓ \$598 million of capital investment in 2022

Responsibly Reducing Emissions

- ✓ New and enhanced ESG reporting; updated sustainability report, Net Zero target for gas utilities and new TCFD disclosures
- ✓ Emissions reduction research supports emissions reduction technologies
- ✓ Six RNG interconnect projects in service

Finance and Regulatory Progress

- ✓ Annual dividend increased 5.2%; completed 52 consecutive years of annual increase
- ✓ Arkansas Gas and Wyoming Electric rate reviews and rider requests approved; Rocky Mountain Natural Gas rate review filed
- ✓ All Winter Storm Uri recovery approvals received and 36% of total fuel costs recovered by year-end 2022
- ✓ On March 7, issued \$350 million of five-year 5.95% notes to refinance short-term debt and enhance liquidity

Resource and Growth Planning

- ✓ 260-mile electric transmission expansion project approved (Ready Wyoming)
- ✓ Continued customer growth
- ✓ Colorado Clean Energy Plan unanimous settlement allows 50% utility ownership of 400 megawatts of new clean energy resources to achieve 80% GHG emissions intensity reduction by 2030 from 2005 base
- ✓ South Dakota and Wyoming Electric integrated resource plan filed; preparing for competitive bidding process for 110 megawatts of clean energy resources

Black Hills and Strategic Overview



Black Hills Corp. Overview

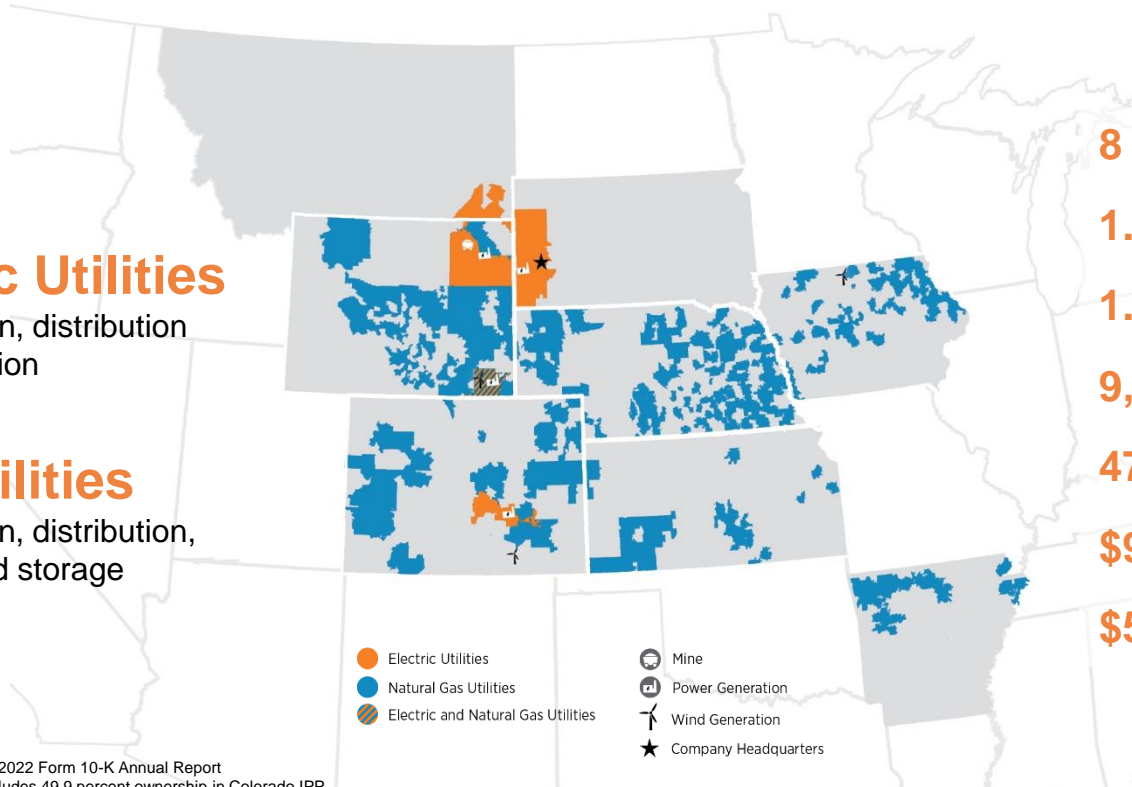
Integrated Pure-Play Utility with Strategic Diversity

Electric Utilities

Transmission, distribution and generation

Gas Utilities

Transmission, distribution, sourcing and storage



8 stable and growing states

1.3 million utility customers

1.5 gigawatts* generation

9,000 miles electric lines

47,000 miles natural gas lines

\$9.6 billion assets

\$5.3 billion rate base

- Electric Utilities
- Natural Gas Utilities
- ▨ Electric and Natural Gas Utilities
- Mine
- Power Generation
- Wind Generation
- ★ Company Headquarters

Note: information from 2022 Form 10-K Annual Report

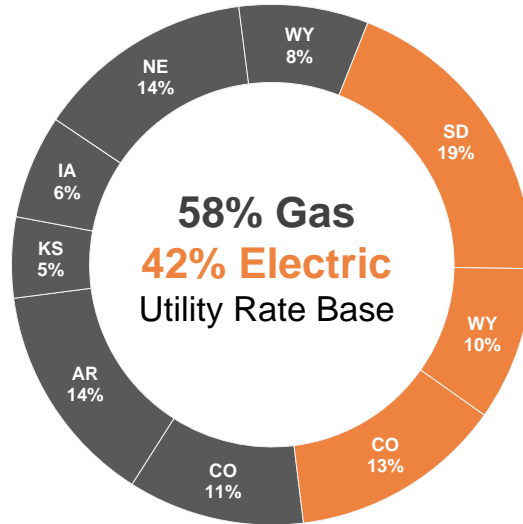
* Generation total includes 49.9 percent ownership in Colorado IPP owned by a third party, representing approximately 100 megawatts

Low-risk Utility Investment

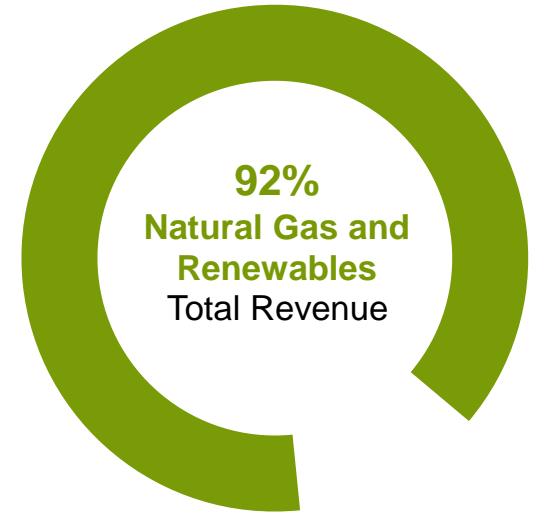
Regulated and Integrated Utility Businesses



Diverse and Balanced Business Mix



Clean Energy Profile



Note: Information as of Dec. 31, 2022

Operational Excellence

! Safety-Focused Team

- ✓ South Dakota Governor's Meritorious Award Recipient

In August 2022, the South Dakota chapter of the National Safety Council recognized Black Hills' company headquarters, Horizon Point, for our commitment to safety through strong safety performance and our implementation of safety program activities.



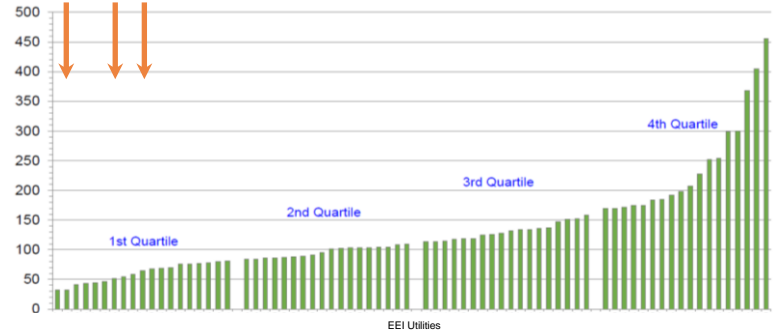
👤 Positive Customer Experience

- ✓ Net promoter score improvement; 66 in 2022 versus 49 in 2018
- ✓ Energy Star Partner of the Year for sustained excellence in Arkansas
- ✓ Improved online self-scheduling
- ✓ New cloud-based interactive voice response
- ✓ Company-wide bill redesign

»» Industry-Leading Reliability

- ✓ All three electric utilities achieved excellent SAIDI outage results of just 65 minutes or better in 2021 (top-quartile)

EEI 2021 Overall System SAIDI (Excluding Major Events)*



👤 Great Workplace



- ✓ Achievers Most Engaged Workplaces in North America (second consecutive year)

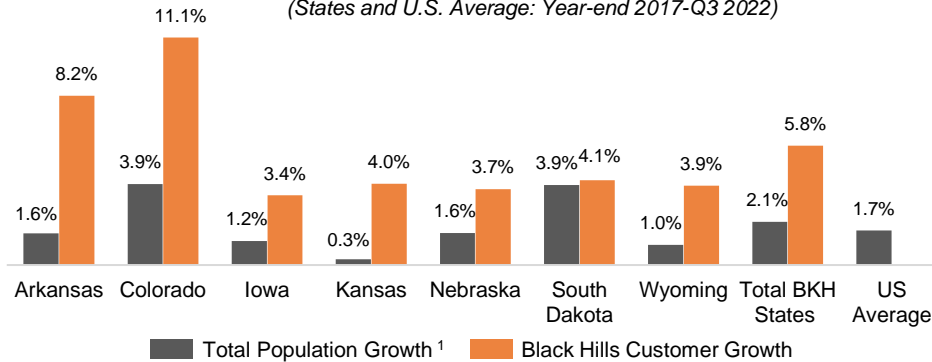


- ✓ #1 on InHerSight list for the Best Utility Companies to Work For

Strong Customer Growth

Total 5-year Population and Customer Growth ¹

(BKH: Year-end 2017-2022)
(States and U.S. Average: Year-end 2017-Q3 2022)



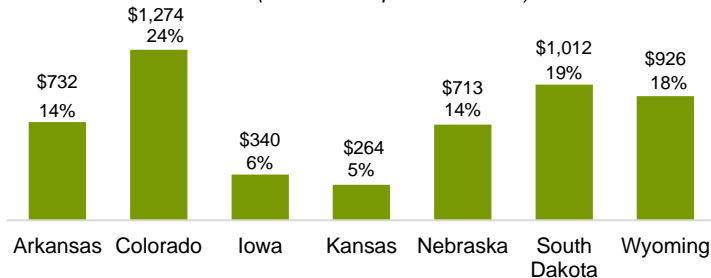
Growing Electric Peak Demands

- ✓ 11 all-time or winter peaks in 2022
- ✓ 53% increase in Wyoming Electric demand since December 2013

	Colorado	South Dakota	Wyoming
2022 Peak	410 MW	403 MW	294 MW
2017 Peak	398 MW	370 MW	249 MW
5-year peak demand growth	3%	9%	18%

Black Hills' Rate Base Focused in Growing States ²

(millions and percent of total)



Local Growth Headlines

Rapid City Population Projected to Grow 18.9% by 2030

Information based on Elevate Rapid City analysis of U.S. Census Bureau Annual Estimates of Resident Population

Rapid City Recognized as #1 Emerging Housing Market

Based on information from WSJ/Realtor.com Spring 2022 Emerging Housing Markets Index

Rapid City Named Fastest Growing Midwest Metro Area

Information based on Elevate Rapid City analysis of U.S. Census Bureau Annual Estimates of Resident Population

¹ Total population and customer growth from year-end 2017 to 2022 for Black Hills and ending Q3 2022 for states and U.S. average (year-end 2022 data available March 31, 2023); population data from Bureau of Economic Analysis (bea.gov)

² Estimated rate base as of year-end 2022 calculated using state specific requirements and includes value of rate base recovered through riders

Strategic Overview

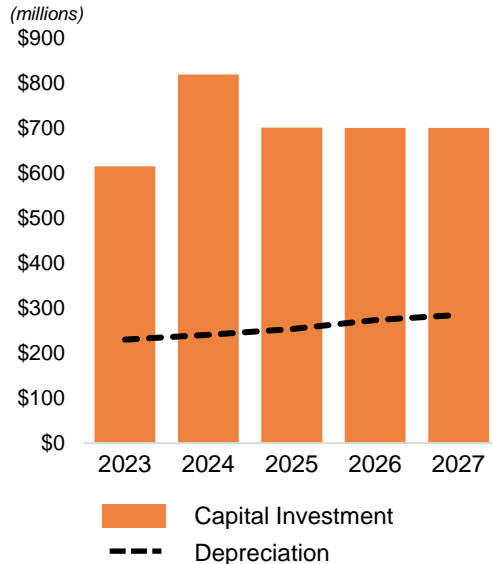


Disciplined Growth Plan with Upside



Capital Investment

\$3.5 billion 2023-2027



Incremental Projects

- ▲ 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

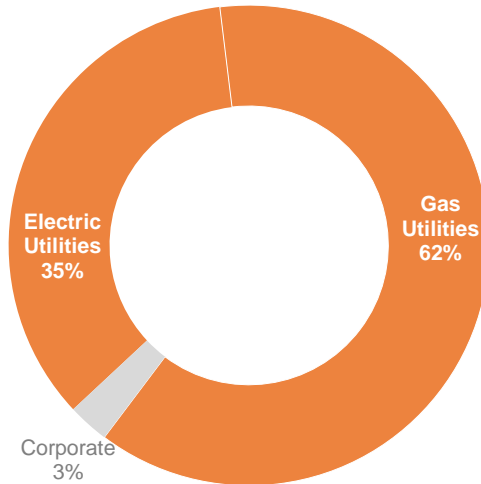
Pursuing Profitable Growth

- ▲ 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

Investing for Customer Needs Drives Growth

\$3.5 Billion Capital Investment Forecast (2023-2027)

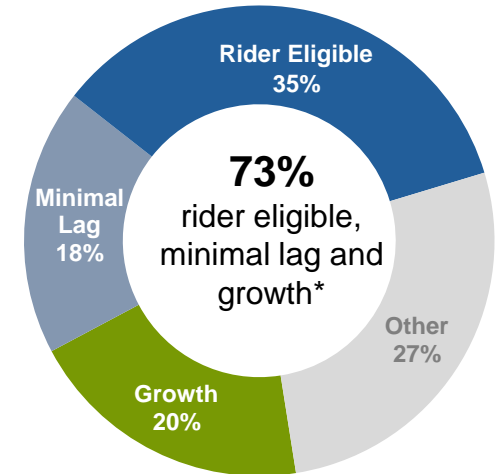
Utility Investment



Customer Focused



Timely Recovery



* Growth Capital – primarily generates immediate revenue on customer connections

Minimal Lag Capital – capital investment with regulatory lag of less than one year or incurred during expected regulatory test periods; includes nonregulated investment

Rider Eligible Capital – capital investment recovered through state specific tariffs and meets Minimal Lag Capital definition

Other Capital – capital investment recovered through standard rate review process; includes corporate

Responsibly Reducing GHG Emissions

Achieved Greater than One-third Reduction Since 2005



ELECTRIC EMISSIONS

↓ **70%** by 2040¹

- ✓ **33%+ by 2021**
- ✓ Retired 123.3 MW of coal generation
- ✓ Added 288.8 MW of owned renewable wind resources

40% by 2030¹

- Convert 90 MW coal-fired power plant to gas or dual-fuel at end of engineered life
(Neil Simpson II in 2025)

➢ Add renewable and battery resources

70% by 2040¹

- Convert or retire remaining coal-fired power plants at end of engineered lives³
- Add renewable and battery resources



NATURAL GAS EMISSIONS

↓ **Net Zero** by 2035²

- ✓ **33%+ by 2021**
reduction across mains & service lines

Net Zero by 2035
across entire gas distribution system²



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

- Continue replacing at-risk and aging pipeline materials and cultivate ongoing best practices
- Integrate emission-reducing technologies and processes
- 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 more information at: www.blackhillsenergy.com/sustainability

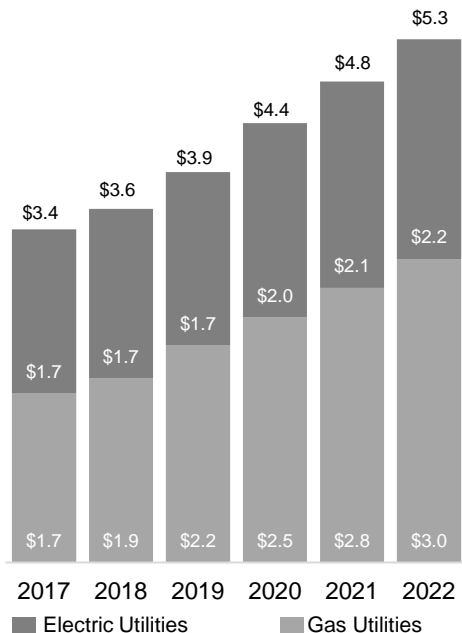
¹ Electric goals are based on greenhouse gas emissions intensity as compared to 2005 levels for Scope 1 emission on our owned electric generation and Scope 3 emissions for purchased power.

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

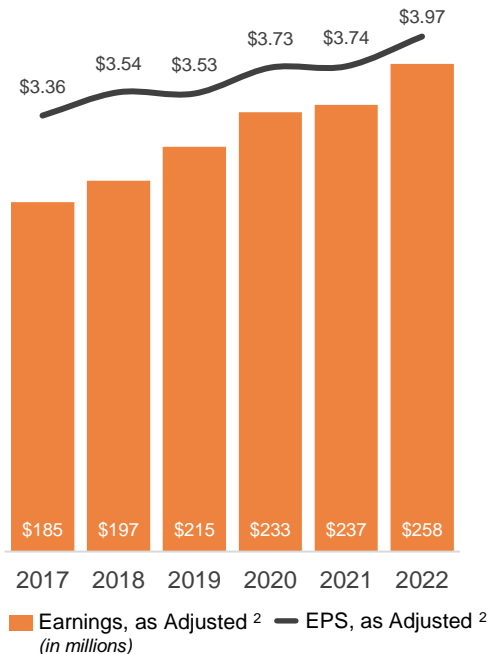
³ Anticipated retirement or re-powering of coal plants is subject to change based on costs and feasibility of other alternatives.

Strategic Execution Delivers Results

9.4% Rate Base¹ CAGR



6.9% Earnings CAGR
3.4% EPS CAGR



52 Years of Consecutive Increase
5.9% Dividend CAGR



Invest for Customers


Earnings Growth

Dividend Growth

¹ Estimated in billions as of year end

² Earnings and EPS, as adjusted from continuing operations are non-GAAP measures; reconciled to GAAP on slides 58-61; earnings, as adjusted in millions

Key Activities and Initiatives



We take a programmatic approach to maintaining, upgrading and replacing critical infrastructure to better serve our customers and communities.

Rate Review Progress

- ✓ In January, Wyoming Electric received approval of its rate review and transmission rider request
- ✓ In Q4 2022, Arkansas Gas implemented new rates and a consolidated safety and integrity rider
- Rate review for Rocky Mountain Natural Gas in Colorado advancing; seeking new rates by Q3 2023
- Preparing to file gas rate reviews in Colorado and Wyoming in Q2 2023 and one additional gas rate review later in 2023

Jurisdiction	Filing Date	Annual Revenue Increase	ROE	Debt / Equity	Comments / Status
✓ Arkansas Gas Docket 21-097-U	Dec. 10, 2021	\$8.8 million	9.6%	55% / 45%	Settlement approved with new rates effective Oct. 21, 2022; new comprehensive safety and integrity rider replaces three former riders
✓ Wyoming Electric Docket 20003-214-ER-22	June 1, 2022	\$8.7 million	9.75%	48% / 52%	Settlement approved with new rates effective March 1, 2023; new transmission investment and expense rider approved
Rocky Mountain Natural Gas Docket 22AL-0426G	Oct. 7, 2022	\$12.3 million*	12.25%*	48% / 52%*	Seeking new rates by Q3 2023

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

Advancing Electric Resource Plans

Total of
520 MW
by 2030 ^{2,3}

Colorado Clean Energy Plan

80% by 2030 plan achieves state's legislation goal ^{1,2}

- Opted in to 80% by 2030 legislation
- Colorado legislation and unanimous settlement allows 50% utility ownership of new resources
- Issue "all source" RFP in Q2 2023

200-250 MW solar ²

100 MW wind ²

50 MW battery storage ²

400 MW of clean energy resources in 2025 to 2030 ²



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
- Evaluating next steps for adding renewable resources

- 100 MW renewable generation by 2025 ³
- Evaluate 20 MW battery storage (10 MW South Dakota and 10 MW Wyoming) ³
- Convert 90 MW coal-fired power plant to gas or dual fuel mix by 2025
- Evaluate and develop transmission opportunities (Ready Wyoming by 2025)
- Support research for emissions-reduction technologies

120 MW of clean energy resources by 2025 ³

Enhanced transmission and backup generation resiliency and optionality

1 Emissions reduction target for Colorado Electric from a 2005 baseline
2 Based on settlement agreement for plan as submitted to Colorado Public Utilities Commission
3 Preferred plan submitted in South Dakota and Wyoming
Note: Potential investments from resource plans are not included in current capital forecast

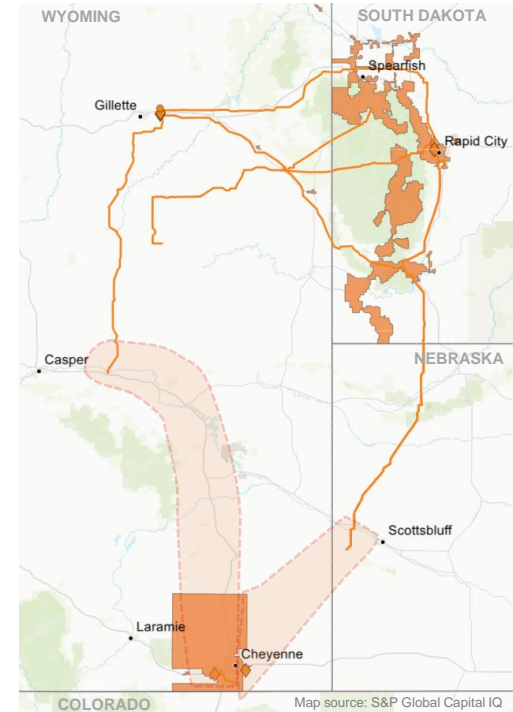
Ready Wyoming Electric Transmission Initiative

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 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
- 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

Energy Forward

Forward-looking initiative with defined team identifying process opportunities and solutions to benefit all stakeholders



Business process transformation



Leveraging innovation, digital technologies and other solutions to better serve customers



Improving our effectiveness and reducing operational risk

ENERGY FORWARD

Financial Overview



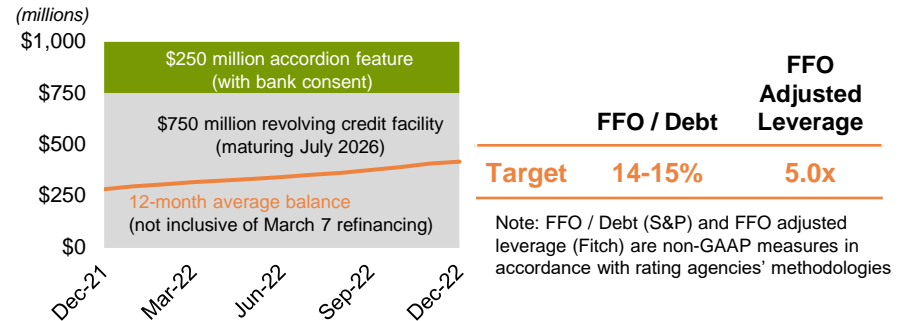
Solid Financial Position

Committed to Strong Investment-Grade Credit Ratings

Credit Ratings

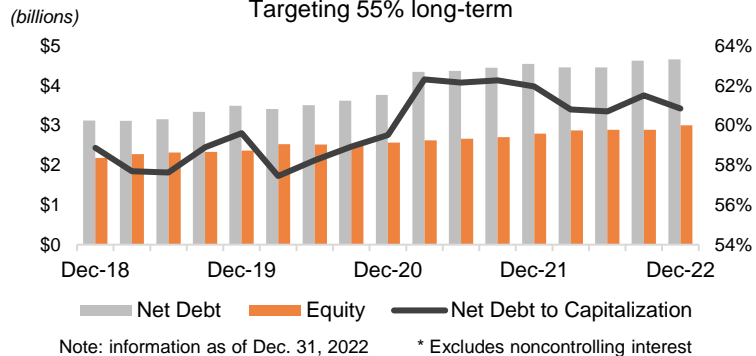
S&P	Moody's	Fitch
BBB+	Baa2	BBB+
Stable outlook	Stable outlook	Stable outlook
(Feb. 17, 2023)	(Dec. 20, 2022)	(Oct. 6, 2022)

Liquidity and Cashflow

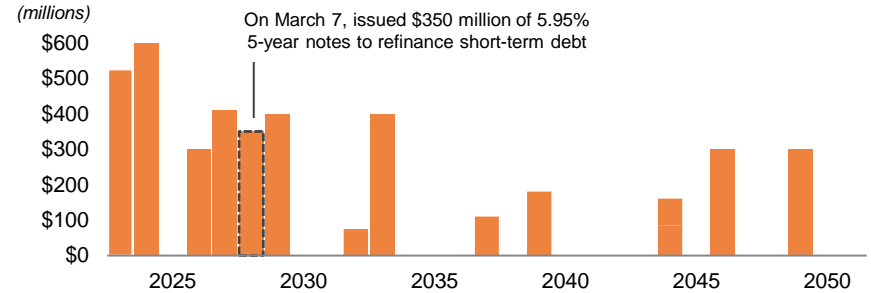


Capital Structure *

Targeting 55% long-term



Debt Maturities

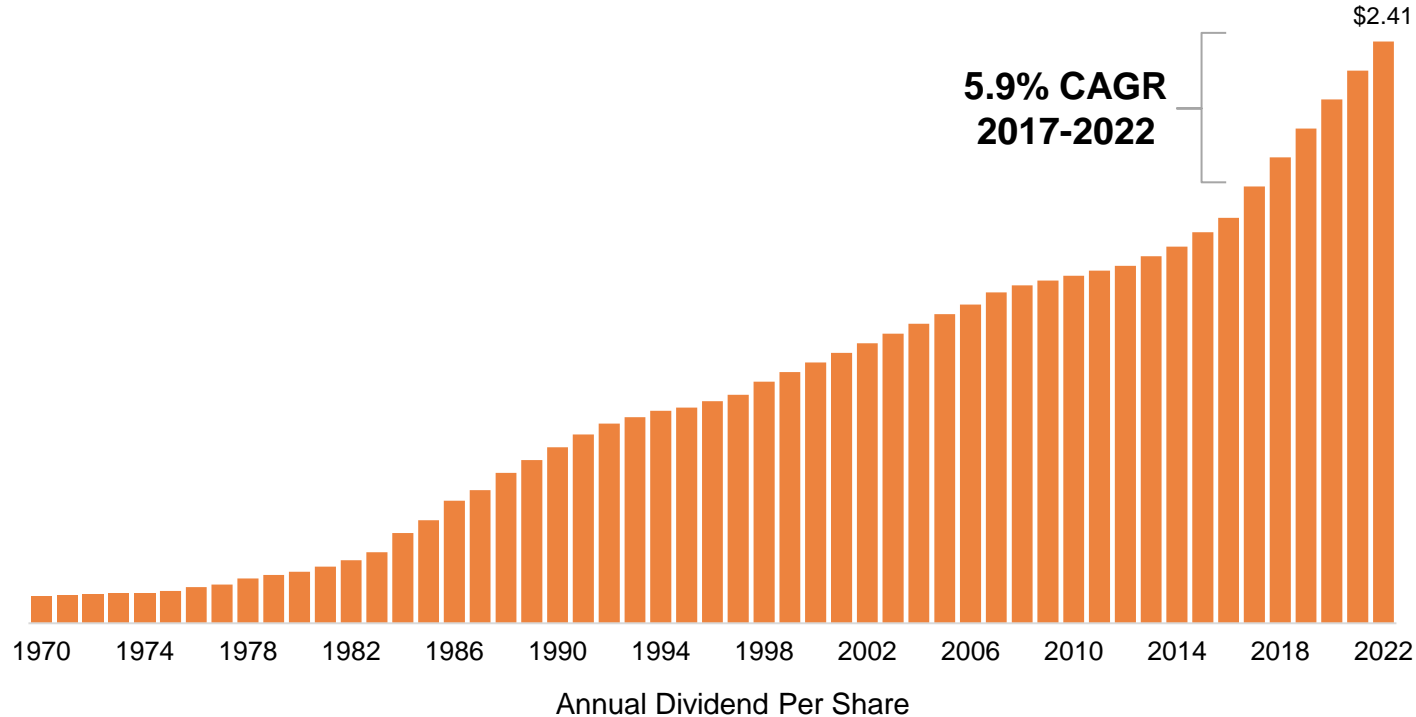


Strong 2023 Cashflows Expected



Strong 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

Investment Highlights by the Numbers

Pure-Play Utility

98% 

Assets owned or contracted to our regulated utilities

47%  53%

Electric Utilities Gas Utilities

Balanced operating income mix with complementary seasonality

Strong Outlook

4% to 6%

Long-term EPS growth target off 2023 base



55%-65%

Dividend payout with long-term growth rate in line with EPS ¹

4.1% yield as of March 13, 2023

52 consecutive years of increase

Sustainability

1.39 TCIR ² 

Safety-focused culture

70% Net Zero

Electric Natural Gas Utilities

GHG emissions intensity reduction goals ³

9 of 10 

Independent directors and 4 diverse directors


Note: based on information as of Dec. 31, 2022

¹ Future dividends subject to board approval

² Total case incident rate is defined as the average number of work-related injuries incurred per 200,000 hours worked during a one-year period

³ Reduction goal of 70% by 2040 for electric operations from 2005 baseline

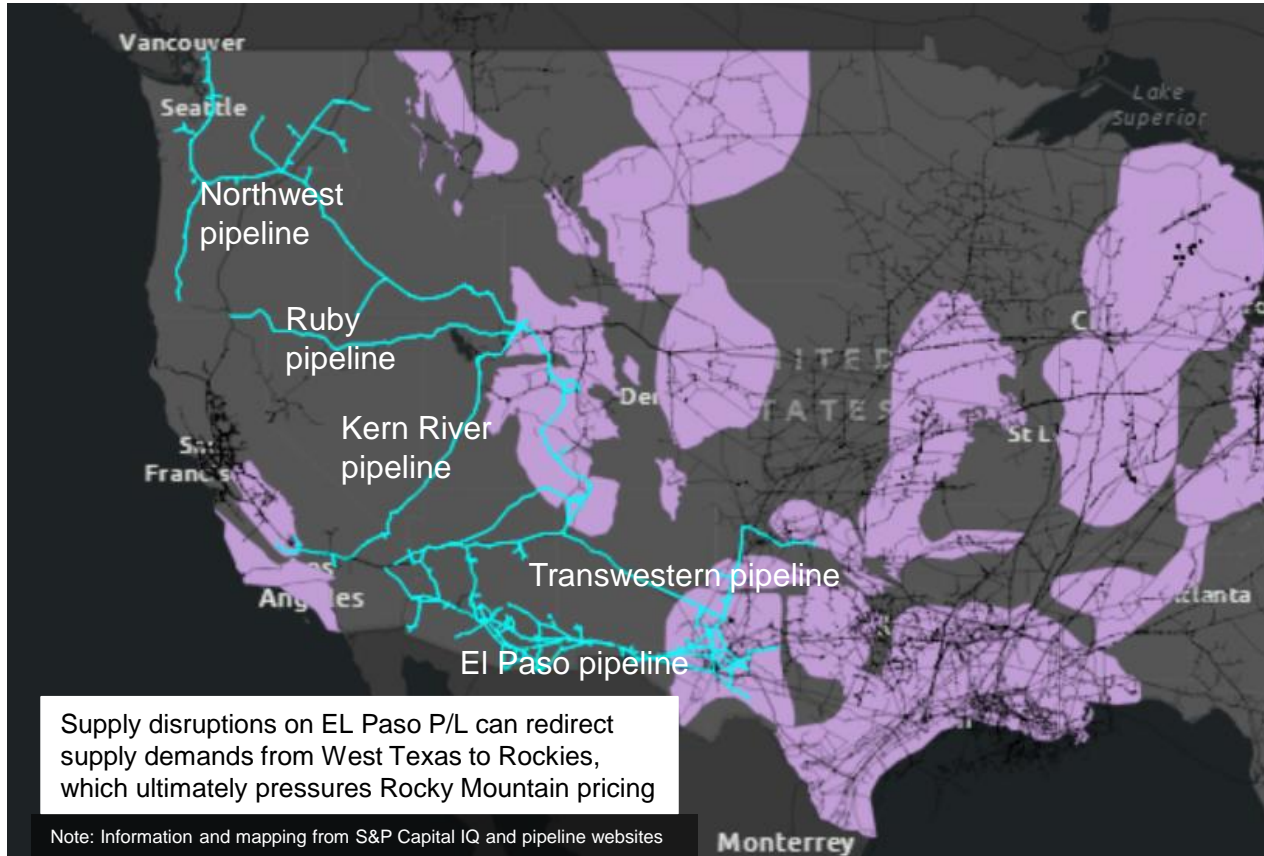
Appendix

A wide-angle photograph of the Cheyenne Prairie Generating Station. The facility features several large, cylindrical storage tanks, industrial buildings, and a complex network of power lines and towers. The station is situated in a grassy field under a blue sky with scattered clouds.

Cheyenne Prairie Generating Station (pictured above) is one of the most advanced, reliable and efficient power generation facilities in the country.

- Natural Gas Basins, Western Pipelines and Spot Pricing
- Regulatory
- Capital Investment
- Environment, Social and Governance
- Business Overview
- Other Financial Information, Non-GAAP information and reconciliations
- Strategic Objectives, Values & Mission

Natural Gas Basins and Western Pipelines

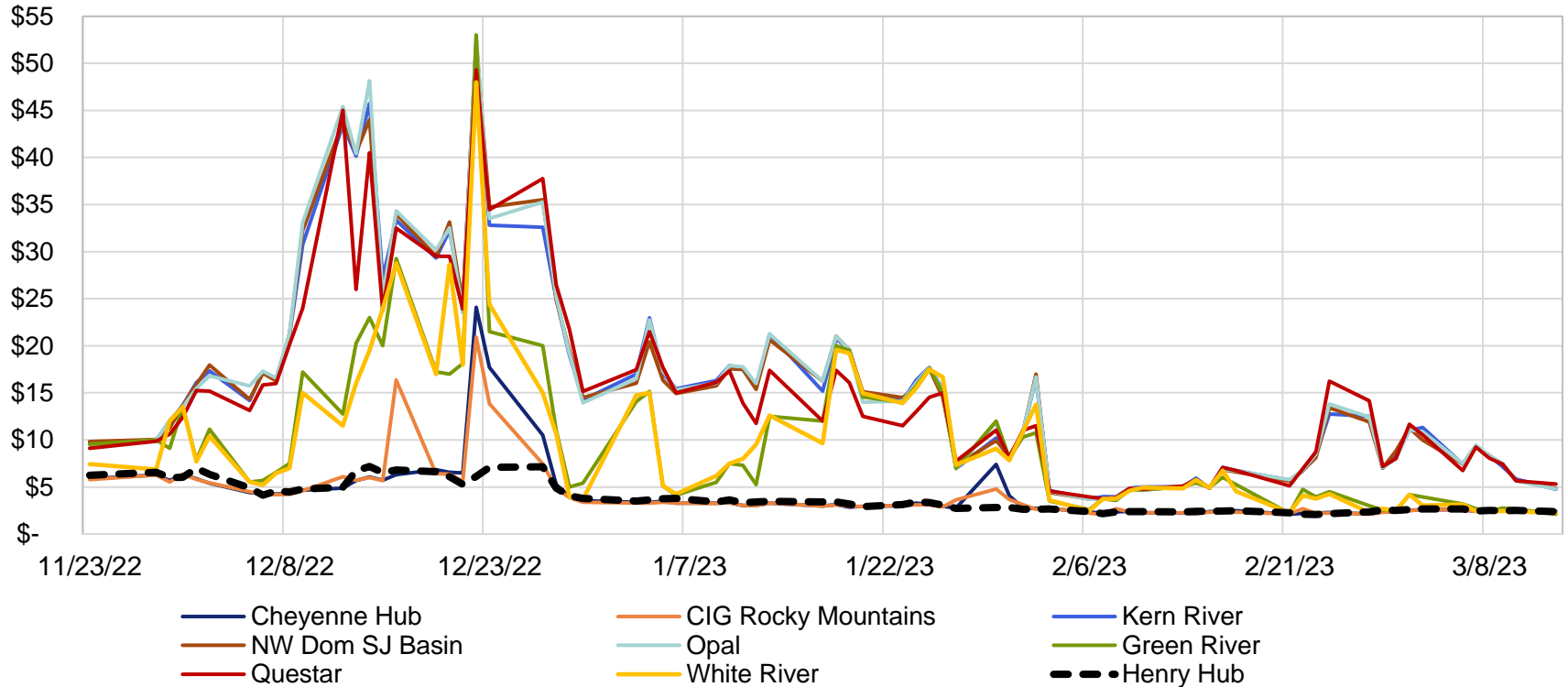


Pipeline	Length	Capacity
El Paso	10,200 miles	4.8 bcf/d
Kern River	1,700 miles	2.2 bcf/d
North-west	4,000 miles	3.7 bcf/d
Ruby	680 miles	1.5 bcf/d
Trans-western	2,500 miles	2.8 bcf/d

- Major shale gas production basins
- Major pipelines serving Pacific West
- Natural gas pipelines

Natural Gas Pricing for Northwest Rockies

Daily Spot Natural Gas Prices - NW Rockies Hubs and Henry Hub



Note: Information from S&P Capital IQ

Regulatory



The expertise and dedication of our electric line workers keeps our service among the most reliable in the country.

Winter Storm Uri Recovery Approved and Progressing

Jurisdiction	Recovery Amount *	Recovery Period	Comments / Status
Arkansas Gas	\$137.5	5 years	Approved - rates effective July 1, 2022; replaces interim rates in place since June 1, 2021
Colorado Electric	\$ 23.2	2 years	Approved - rates effective April 10, 2022
Colorado Gas	\$ 72.7	1-3 years	Approved - rates effective April 10, 2022
Iowa Gas	\$ 95.5	2 years	Approved - rates effective Jan. 1, 2022; replaces interim rates in place since April 9, 2021
Kansas Gas	\$ 87.9	5 years	Approved - rates effective Feb. 1, 2022
Nebraska Gas	\$ 79.8	3 years	Approved - rates effective July 1, 2021
South Dakota Electric	\$ 20.1	1 year	Recovery complete
Wyoming Electric	n/a	1 year	Recovery through normal energy cost adjustment
Wyoming Gas	\$ 29.4	3 years	Approved - rates effective Jan. 1, 2023; replaces interim rates effective Sept. 1, 2021
Total	\$ 546	3.5 years	Weighted average

	2021	2022	2023	2024	2025	2026
Expected Annual Cost Recovery *	\$37	\$161	\$161	\$97	\$56	\$34
Expected Cumulative Recovery * (differences in total due to rounding)	\$37	\$198	\$359	\$457	\$512	\$546

* Recovery amounts exclude carrying costs; amounts in millions

Estimated Rate Base by State and Segment

	2016	2017	2018	2019	2020	2021	2022
Colorado							\$697
South Dakota (all jurisdictions)							1,012
Wyoming							503
Total Electric Utilities	\$1,570	\$1,650	\$1,706	\$1,747	\$1,954	\$2,077	\$2,212
Arkansas							732
Colorado							577
Iowa							340
Kansas							264
Nebraska							713
Wyoming							423
Total Gas Utilities	\$1,620	\$1,700	\$1,851	\$2,180	\$2,464	\$2,760	\$3,049
Total Utilities	\$3,190	\$3,350	\$3,557	\$3,927	\$4,418	\$4,837	\$5,261

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

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	June 2018	9.90%	53.4% debt / 46.6% equity	\$118.7
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

Optimizing Regulatory Recovery

Electric Utilities	Environmental Cost	DSM/ Energy Efficiency	Transmission Expense	Fuel Cost	Transmission Cap-Ex	Purchased Power	Renewable Energy Standard Adjustment
Colorado Electric		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
South Dakota Electric (SD)	<input checked="" type="checkbox"/> ¹		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> ¹	<input checked="" type="checkbox"/>	
South Dakota Electric (WY)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
South Dakota Electric (FERC)					<input checked="" type="checkbox"/>		
Wyoming Electric		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

Gas Utilities	DSM/ Energy Efficiency	Integrity Additions	Bad Debt	Weather Normal	Pension Recovery	Gas Cost	Revenue Decoupling	Fixed Cost Recovery ²
Arkansas Gas	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	28%
Colorado Gas	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>		52%
Rocky Mountain Natural Gas ³		<input checked="" type="checkbox"/>						
Iowa Gas	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>		67%
Kansas Gas		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		62%
Nebraska Gas		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>		70%
Wyoming Gas	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				<input checked="" type="checkbox"/>		53%

Commission approved cost adjustment

¹ South Dakota cost adjustments for environmental and transmission capex included in rate moratorium; applies only to non-FERC jurisdictional assets

² Fixed cost recovery listed for residential customers is as of last rate review

³ RMNG, an intrastate transmission pipeline, provides natural gas transmission and wholesale services, has an SSIR recovery mechanism; other cost recovery mechanisms are not applicable to RMNG

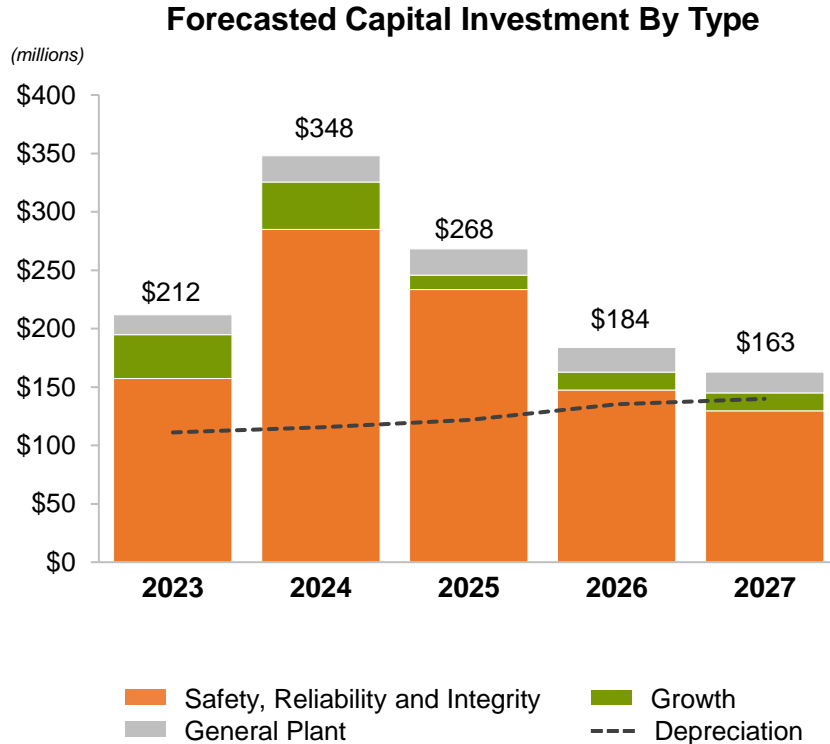
Capital Investment for Customer Needs

A photograph showing two workers in safety gear (hard hats and high-visibility vests) standing on a dirt path next to a long, dark green pipe. The pipe is supported by wooden blocks. The background features a vast, flat landscape under a sunset sky with a bright sun low on the horizon. The overall scene is illuminated by the warm, golden light of the setting sun.

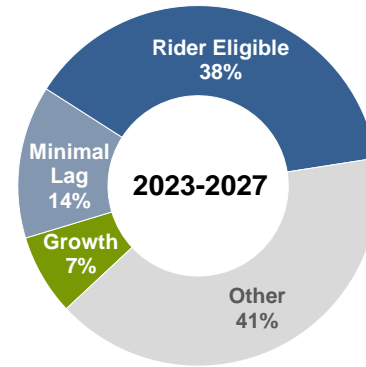
Black Hills assesses and delivers capital projects based on a risk-prioritized, long-term approach. In 2022, Black Hills' gas utilities safely delivered 268 million dekatherms to 1.1 million customers across Arkansas, Colorado, Iowa, Kansas, Nebraska and Wyoming through its 47,000 miles of natural gas transmission and distribution lines.

Electric Utilities Capital Investment

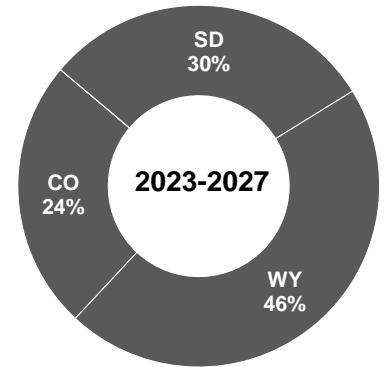
Five-year Forecast of \$1.2 Billion Focused on Safety, System Integrity and Growth



59% with Timely Recovery*



Forecasted Capital by State

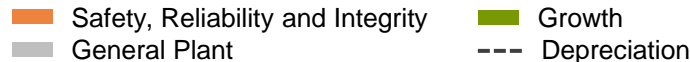
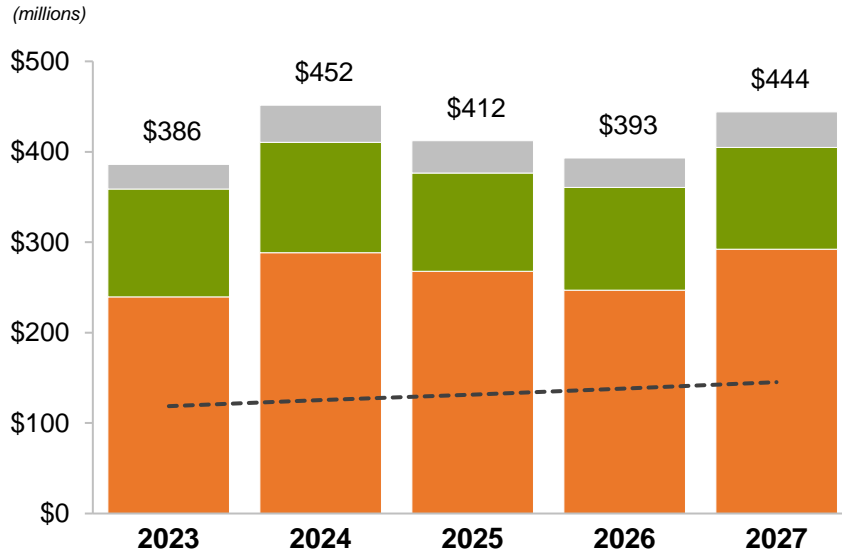


* Growth Capital - generates immediate revenue upon customer connections
 Minimal Lag Capital – capital expenditures with regulatory lag of less than one year or incurred during expected regulatory test periods
 Rider Eligible Capital - capital expenditures recovered through state specific tariffs or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

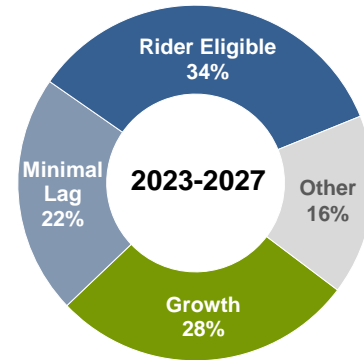
Natural Gas Utilities Capital Investment

Five-year Forecast of \$2.1 Billion Focused on Safety, System Integrity and Growth

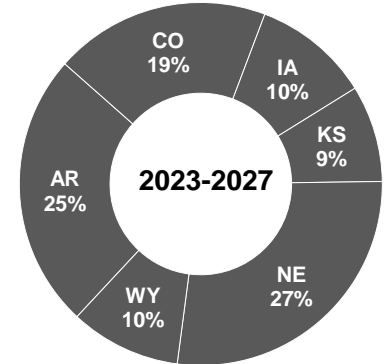
Forecasted Capital Investment By Type



84% with Timely Recovery*



Forecasted Capital by State



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

Capital Investment by Segment and Recovery

(in millions)

	2022A	2023F	2024F	2025F	2026F	2027F	2023-2027F
Minimal Lag Capital - Electric Utilities ¹	\$17	\$6	\$47	\$64	\$28	\$18	\$161
Rider Eligible Capital - Electric Utilities ²	89	88	180	127	30	27	452
Growth Capital - Electric Utilities ³	22	18	19	15	16	17	85
Other	115	100	102	62	110	101	476
Electric Utilities	\$243	\$212	\$348	\$268	\$184	\$163	\$1,175
Minimal Lag Capital - Gas Utilities ¹	51	60	130	141	84	40	455
Rider Eligible Capital - Gas Utilities ²	140	141	150	139	133	152	714
Growth Capital - Gas Utilities ³	85	119	122	109	114	113	576
Other	73	66	50	24	63	140	342
Gas Utilities	\$349	\$386	\$452	\$412	\$393	\$444	\$2,088
Total Utilities	\$592	\$598	\$800	\$680	\$577	\$607	\$3,263
Corporate	5	17	19	20	19	18	93
^ Incremental Projects				0	~104	~75	~179
Total Black Hills Forecast	\$598	\$615	\$819	\$700	\$700	\$700	\$3,535

Incremental projects being evaluated for timing, cost and other factors

¹ Minimal Lag Capital - investment with regulatory lag of less than one year or incurred during expected regulatory test periods

² Rider Eligible Capital - capital expenditures recovered through state specific tariffs or FERC formula rates and meets minimal lag capital definition

³ Growth Capital - generates immediate revenue on customer connections

Note: Some totals may differ due to rounding

Regulated Utility Capital Investment by Type

(in millions)

	2022A	2023F	2024F	2025F	2026F	2027F	2023-2027F
Safety, Reliability and Integrity ¹	\$185	\$157	\$285	\$234	\$148	\$130	\$954
Growth ²	41	38	41	12	15	15	121
General Plant	18	17	22	22	21	18	101
Electric Utilities	\$243	\$212	\$348	\$268	\$184	\$163	\$1,175
Safety, Reliability and Integrity ¹	237	240	289	268	247	292	1,335
Growth ²	85	119	122	109	114	113	576
General Plant	27	27	41	36	33	40	176
Gas Utilities	349	386	452	412	393	444	\$2,088
Total Utilities	\$592	\$598	\$800	\$680	\$577	\$607	\$3,263

Incremental projects being evaluated for timing, cost and other factors

¹ Safety, Reliability and Integrity Capital - capital expenditures related to improving or maintaining system integrity

² Growth Capital - generates immediate revenue on customer connections

Note: Some totals may differ due to rounding

Environmental, Social and Governance



Our Southern Colorado energy system – including Busch Ranch shown here – is one of the cleanest in the nation, fueled entirely by natural gas and renewable energy.

Sustainable ESG Profile

Environmental



- Net Zero GHG emissions target by 2035 for natural gas distribution system
- Reducing GHG emissions intensity 40% by 2030 and 70% by 2040 for electric utilities (2005 baseline)
- Decarbonization investment opportunities from renewables, infrastructure upgrades and emerging technology
- Robust customer programs, including voluntary RNG/carbon offset and energy efficiency

Social



- Safety culture
- Supporting community development
- Donations and volunteerism
- Diversity and inclusion programs, including commitment to multiple EEI diversity goals
- Highly engaged team
- Energy Forward initiative

Governance



- Independent, diverse and experienced directors
- Stock ownership requirement and compensation philosophy
- Well-established succession planning process with Board engagement
- ESG board oversight

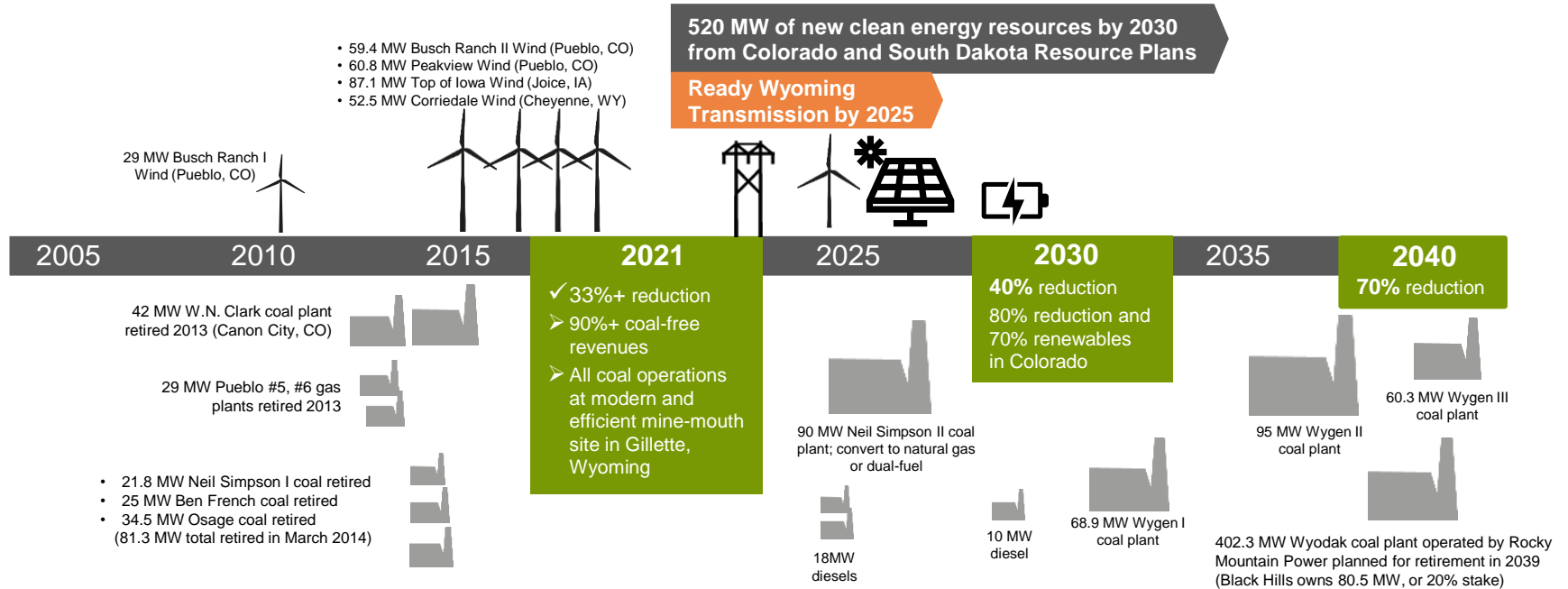
Responsibly Reducing Electric Emissions

Responsibly integrate renewables and battery storage

Convert coal-fired power plants to gas or replace at end of engineered lives

Evaluate transmission opportunities

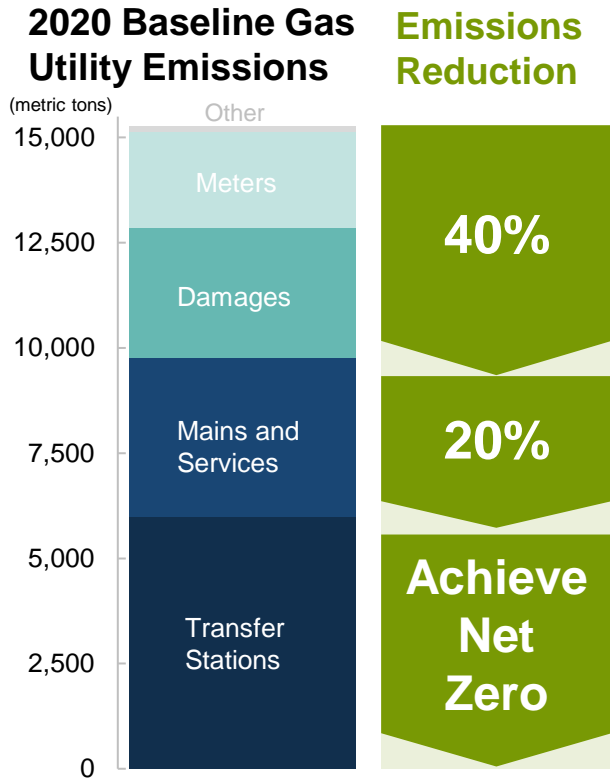
Support emissions reduction innovation



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

Net Zero by 2035 for Natural Gas Utilities

Enhancing Resiliency, Detecting and Reducing Leaks, Integrating Renewables



Continue Best Practices

- Replace unprotected steel with lower emitting materials
- Tighten transfer station systems and increase leak survey frequency
- Reduce third-party line hits

Deep System Reductions

- Pursue advanced leak detection systems
- Target “Best-in-Class” for reducing third-party damage line hits

Net Zero Strategies

- Utilize carbon offset credits
- Integrate low carbon fuels such as renewable natural gas and hydrogen



Since 2020, Black Hills has participated in the Methane Challenge and is an active member of the ONE Future coalition to voluntarily reduce methane emissions across the natural gas value chain

Note: 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

Renewable Natural Gas

Developing Innovative Solutions to Integrate Renewable Resources

- Non-regulated RNG business launched in 2022 to leverage our team's experience and drive new growth opportunities in RNG infrastructure investment
- Six interconnect utility projects in service, delivering up to 3,300 MMBtu per day into our natural gas supply
- Evaluating more than 60 potential project opportunities across service territories rich with agriculture and livestock
- Evaluating other potential regulated and non-regulated RNG investments, programs and/or partnerships
- Voluntary RNG and carbon offset customer program approved in Kansas and Nebraska

[See more at www.blackhillsenergy.com/RNG](http://www.blackhillsenergy.com/RNG)



Wastewater renewable natural gas production facilities in Lincoln, Nebraska enabled by interconnection to Black Hills' natural gas system

Supporting Emissions-Reduction Technologies



Hydrogen Research

Evaluating feasibility of hydrogen use and production via natural gas generation plants

- In September 2022, joined Open Hydrogen Initiative (OHI) to objectively measure carbon intensity of hydrogen production and advance hydrogen market transparency
- Supporting Hydrogen pilot project: study engineering modifications required for General Electric LM6000 combustion turbine generator to accommodate a blended fuel mix of hydrogen and pipeline natural gas.
 - Partnering with GE, Black & Veatch, and Tallgrass Energy; Wyoming Energy Authority awarded the project to Black Hills' natural gas generation



Carbon Capture Research

Evaluating carbon capture, utilization and storage (CCUS) to comply with Wyoming legislation

- Filing annual reports with Wyoming PSC in 2022 through 2024 to demonstrate how we will comply with HB200, which requires evaluation of CCUS options
- Engaging third party (Black and Veatch) to study CCUS in coal plants located in Gillette, Wyoming



Clean Energy Ventures Investment

New Venture Capital Fund to support ESG efforts in natural gas utilities

- Fund will concentrate on sustainability, reliability, and resilience imperatives for natural gas utility sector
- Focus on early-stage ESG investments in decarbonization, renewable natural gas, hydrogen and other clean energy solutions.



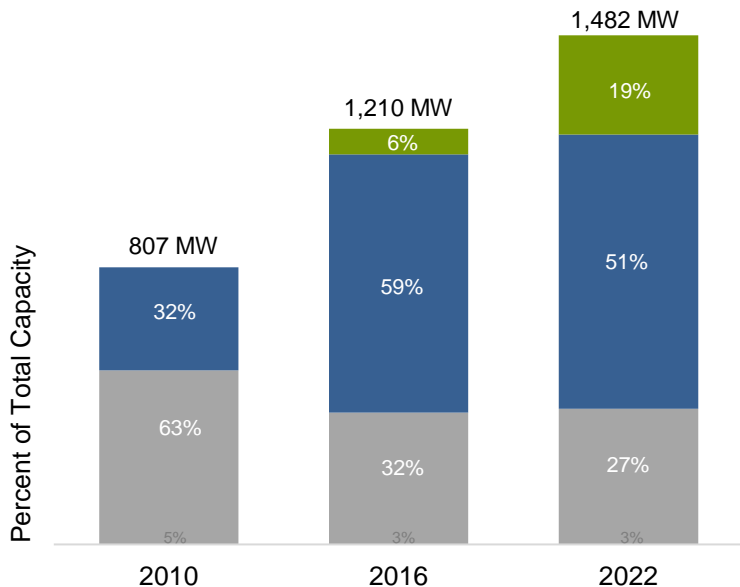
Battery Research Collaboration

Planning to join NSF IUCRC Center for Solid-State Energy Storage consortium

- Collaboration between several universities, National Science Foundation and industry to develop solid-state battery technologies

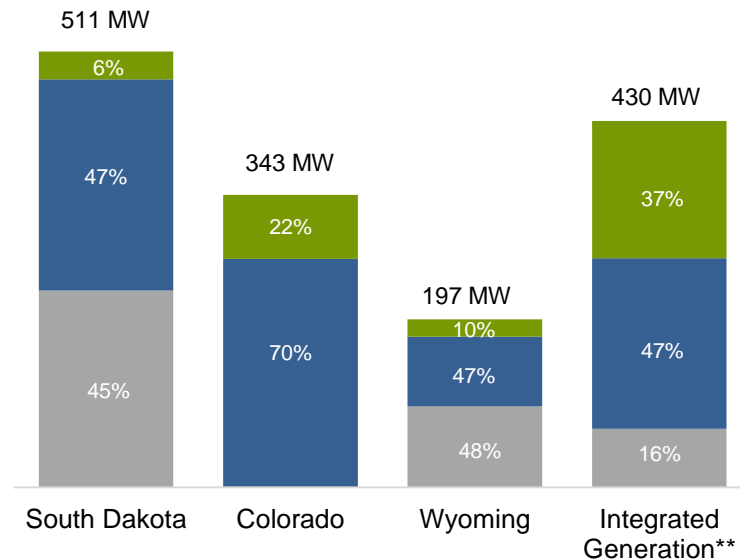
Responsibly Integrating Renewable Energy

Owned Electric Generation Capacity *



Capacity Mix by Location *

(Dec. 31, 2022)



■ Natural Gas and Diesel Oil ■ Wind ■ Coal

* 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

** Integrated generation includes generation assets in Gillette, Wyoming (68.9 MW), Pueblo, Colorado (274 MW) and Joice, Iowa (87.1 megawatts)

Inflation Reduction Act Benefits to Black Hills

Increased Cashflow and Earnings Opportunities with Lower Customer Costs



Transferability of Tax Credits

Near-term monetization of production tax credits for existing wind facilities

Enables more competitive bids to drive generation ownership and associated earnings growth



Clean Energy Tax Incentives

Reduces cost of energy transition for customers

Supports resource plans for 550 MW of new clean energy additions

Supports integration of alternative fuels such as RNG and hydrogen



Alternative Minimum Tax

No impact; well below \$1 billion income threshold

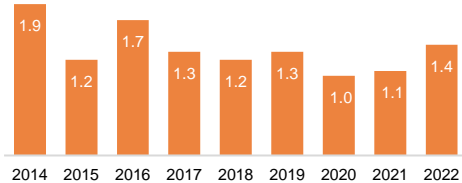
Social Responsibility

Safety Focus

Proactive Team and Culture

- TCIR better than industry average and 27% improved since 2014

⚠ Total Case Incident Rate*



- 27% reduction in preventable motor vehicle accidents in 2022 versus 2021
- OSHA VPP Star Status at Cheyenne Prairie Generating Station and Pueblo Airport Generating Station
- Strong safety culture including trainings and stop work authority
- Crisis response full-scale mock drills and response plans

* TCIR is defined as the average number of work-related injuries incurred per 200,000 hours worked during a one-year period (represents approximately 100 workers)

** 2022 estimated direct economic impact includes franchise fees, wages and benefits, property and other taxes, payments to suppliers, and other community impact

Great Workplace

Engaged and Inclusive

- Achievers 50 Most Engaged Workplaces (2019-2021)
- InHersight's 20 Best Utility Companies to Work For (2019, 2021)
- Diversity and inclusion programs
 - Aspire employee resource group for women
 - Veteran's engagement team (VET)
 - EDGE resource group for racially/ethnically diverse employees
 - New Connections resource group for new employees
- Support of the Guard and Reserve (ESGR) supporting civilian employment of national guard members
- Department of Labor's Gold Medallion Award for veteran employment (2020-21)

Community Support

Developing Thriving Local Economies

- \$1.36 billion direct economic impact**
- 34,000+ employee volunteer hours valued at nearly \$1 million
- Local economic development, community sponsorships
- Culture of encouraging volunteerism
- Black Hills Cares energy assistance
- Employee United Way contributions
- Tree giveaway programs for customers



In 2022, charitable support for our communities totaled \$5.3 million, including \$600,000+ by employees to 45 United Way organizations across our states

Governance

Diverse, Experienced Oversight and Alignment of Stakeholder Interests

Board Composition

- 40% of board members are gender or ethnically diverse
- Average Board tenure of 6.4 years
- 9 of 10 directors are independent
- Independent board chair
- Diverse experience across multiple industries and sectors

Corporate Governance

- Plurality plus voting policy
- Annual board and committee evaluations
- All board committees have authority to retain independent advisors paid for by company
- Code of Business Conduct applies to all employees and Board of Directors
- Code of Ethics for financial officers
- Hedging and pledging company stock prohibited
- Mandatory retirement age for directors
- Board engagement in succession planning process

Compensation Policies

- Maintain robust stock ownership guidelines for directors and executives
- Annual advisory vote on executive compensation
- Board authority to claw back incentive compensation
- Compensation philosophy aligns compensation practices with stakeholder interests

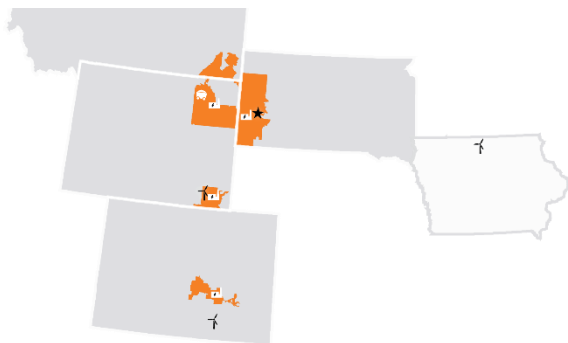
Business Overview



Our Cheyenne Prairie Generating Station in Wyoming, is one of the most advanced, reliable and efficient power generation facilities in the country.

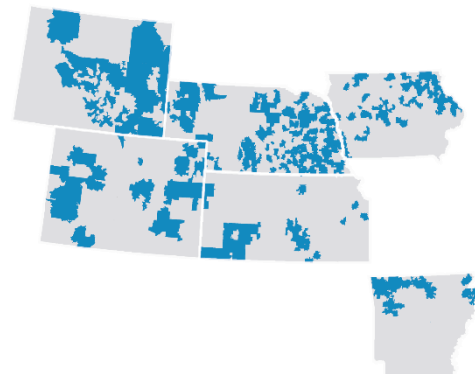
Operations Overview

Electric Utilities*



- Three electric utilities which generate, transmit and distribute electricity to approximately 220,000 customers in CO, SD, WY and MT
- 1.5 gigawatts** of generation
- 9,024 miles of transmission and distribution
- Efficient mine-mouth operations in Gillette, Wyoming fueled by low-sulfur Powder River Basin coal; mine production contracted to on site generation
- East-West interconnection in SD optimizes off-system sale of power and improves system reliability (1 of only 7 east-west interconnections in U.S.)

Natural Gas Utilities*



- 7 natural gas utilities^ which distribute natural gas to approximately 1,107,000 customers in AR, CO, IA, KS, NE and WY
- 4,713 miles of intrastate gas transmission pipelines and 42,222 miles of gas distribution mains and service lines
- Seven natural gas storage facilities in AR, CO and WY with 17.4 Bcf of underground gas storage working capacity
- 52,600 customers served through Choice Gas Program (unbundled natural gas supply)

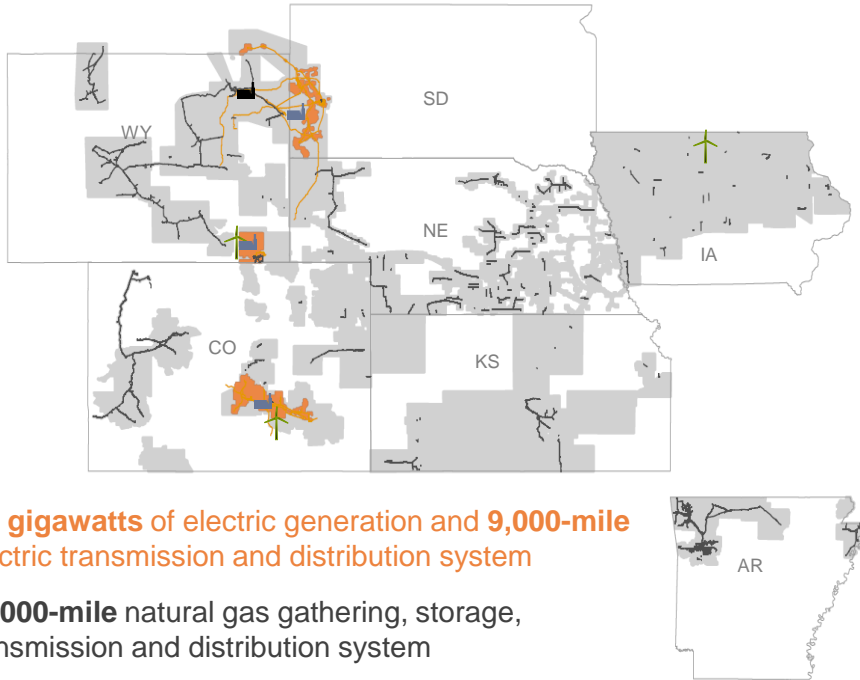
* Information from 2022 Form 10-K Annual Report Filing as of Dec. 31, 2022

** Includes 49.9% third party ownership of Black Hills Colorado IPP reported as noncontrolling interest

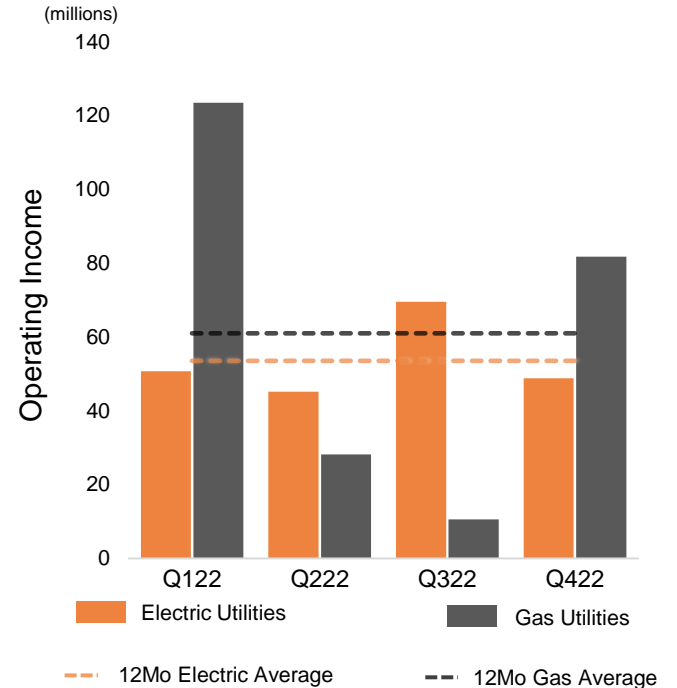
^ Excludes minor entities and Shoshone pipeline

Strategic Diversity

Large Systems Across Stable, Growing and Constructive Jurisdictions

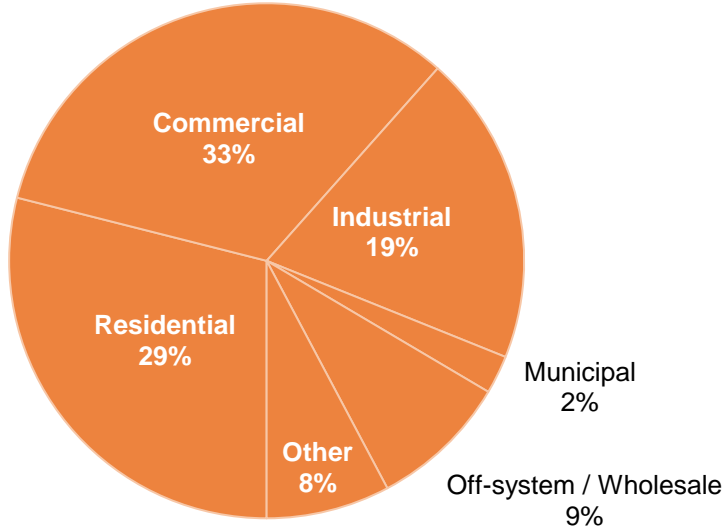


Complementary Seasonality of Electric and Gas Business Mix



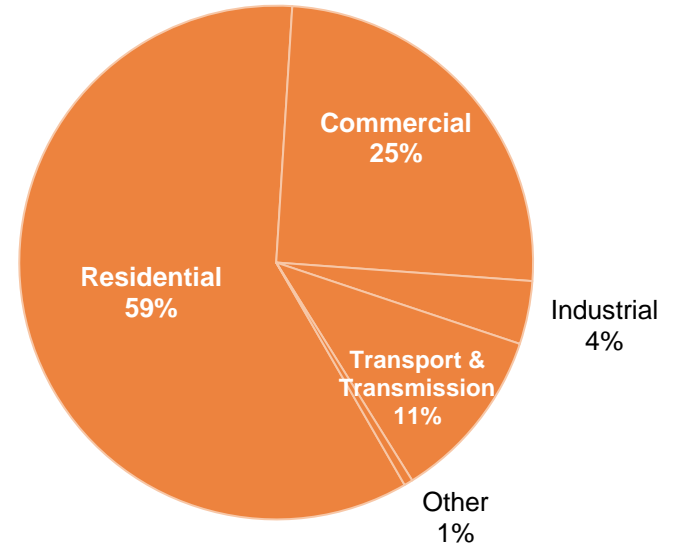
Diverse Mix of Customer Class

Electric Utilities Mix of Residential, Commercial and Industrial



Electric Utilities Revenue*

Gas Utilities Primarily Residential and Commercial



Gas Utilities Revenue*

* Information from 2022 10-K filing for year ending Dec. 31, 2022

Integrated Electric Utility

Generation Resources

- 1,482 MW of generation capacity across Colorado, Iowa, South Dakota and Wyoming

Transmission Network

- 1,892 miles of electric transmission in SD, WY and CO

Distribution Systems

- 7,132 miles of electric distribution in SD, WY and CO

Gillette Energy Complex

- 717 megawatts of mine-mouth generation on site (partially owned by third parties)
- Efficient coal delivery under life of plant contracts
 - Fixed price plus escalators serving 450 MW
 - Cost Plus Return serving 295 MW

Cheyenne Prairie Generating Station

- Combined-Cycle Gas-Fired Plants
 - 100 MW – 2014 (100% owned: 58% SDE / 42% WYE)
- Gas-fired Combustion Turbine
 - 40 MW – 2014 (100% owned by WYE)

Pueblo Airport Generation *

- Combined- Cycle Gas-Fired Plants
 - Two 100 MW Plants – 2012 (50.1%* owned by Power Generation with 20-yr PPA to COE)
- Simple Cycle Gas-Fired Plants
 - Two 100 MW plants – 2011 (100% owned by COE)
- Gas-Fired Combustion Turbine
 - 40 MW – 2016 (100% owned by COE)

Ben French/Lange

(Rapid City, SD – 100% owned by SDE)

Combustion Turbines

- 40 MW gas – 2002
- 100 MW gas/oil – 1977-79
- 10 MW oil – 1965

Top of Iowa Wind

- 87 MW owned by Power Generation

Corriedale Wind

- 52.5 MW - 2020 (62% SDE / 38% WYE)

Busch Ranch I Wind

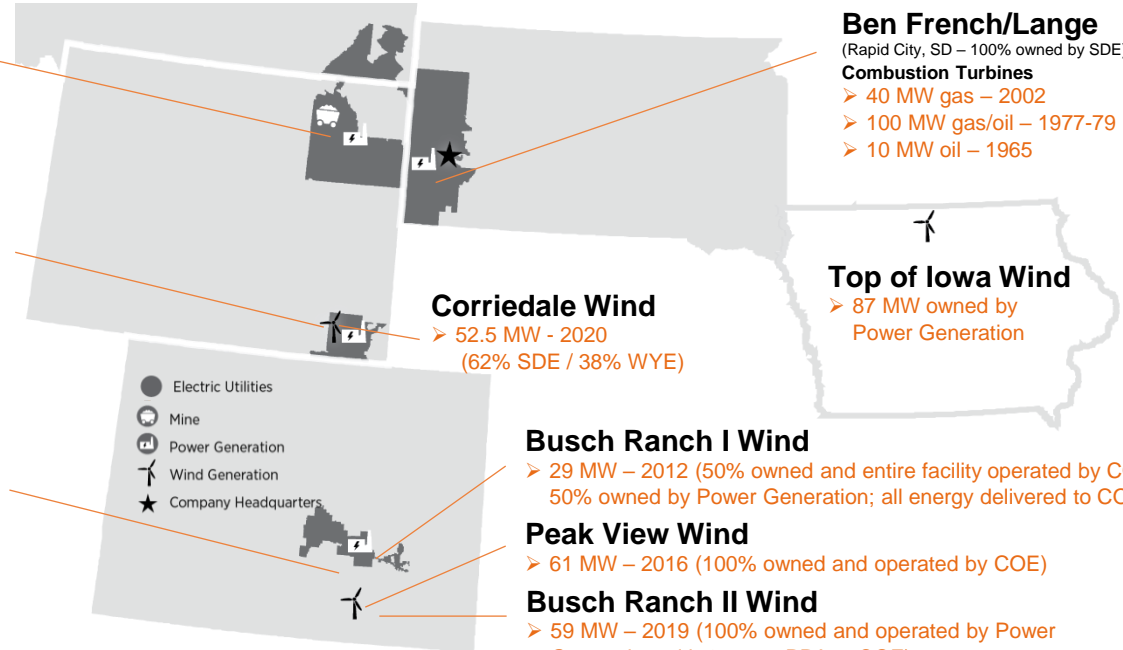
- 29 MW – 2012 (50% owned and entire facility operated by COE, other 50% owned by Power Generation; all energy delivered to COE)

Peak View Wind

- 61 MW – 2016 (100% owned and operated by COE)

Busch Ranch II Wind

- 59 MW – 2019 (100% owned and operated by Power Generation with 25-year PPA to COE)



* 49.9% third party ownership of Colorado generation subsidiary reported as noncontrolling interest
Note: information from 2022 Form 10-K Annual Report Filing as of Dec. 31, 2022; totals approximated

Full Service Natural Gas Utility

Gas Supply

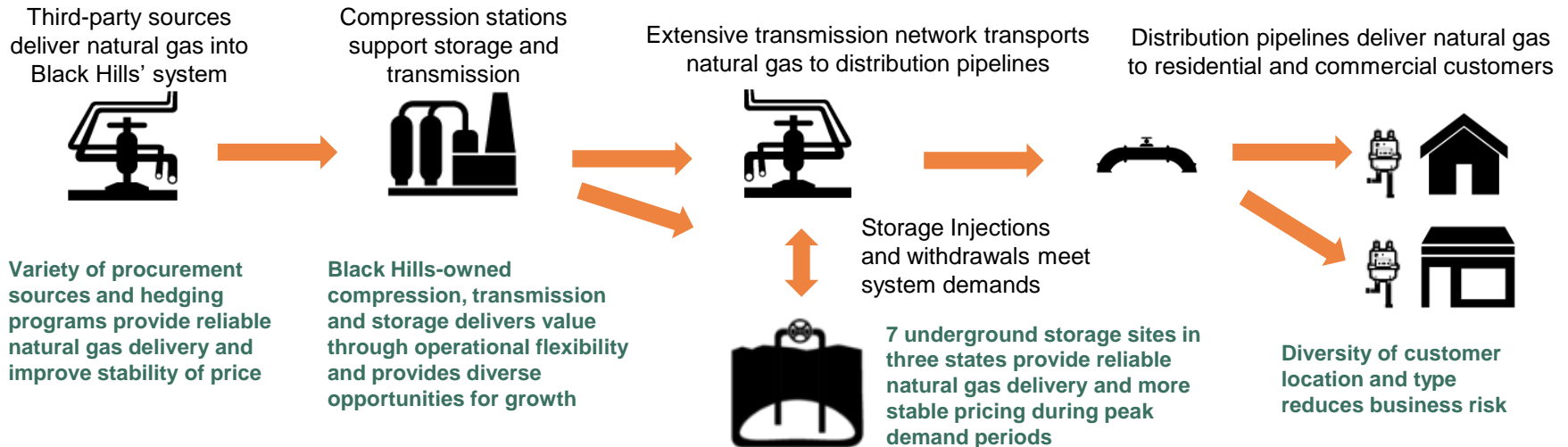
- Diverse procurement sources and hedging programs
- 515 miles of gathering lines

Storage and Transmission

- 4,713 miles of intrastate transmission
- 50,000 horsepower of compression
- 7 natural gas storage sites in AR, CO and WY with 55 million Mcf total capacity
- 161 million Dth natural gas transported in 2022

Distribution

- 30,162-mile natural gas distribution system
- 1.1 million customers with 12,060 miles of service lines
- 107 million Dth natural gas distributed to customers in 2022

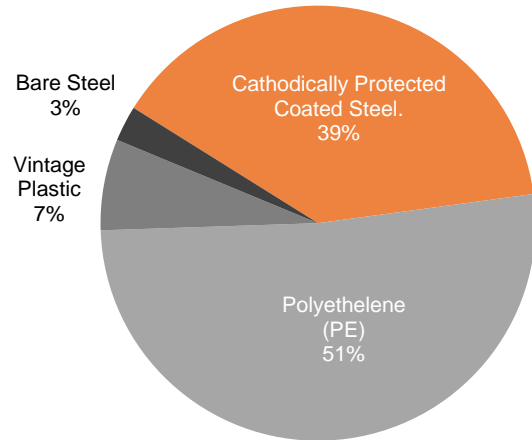


Note: information from 2022 Form 10-K Annual Report Filing as of Dec. 31, 2022; totals approximated

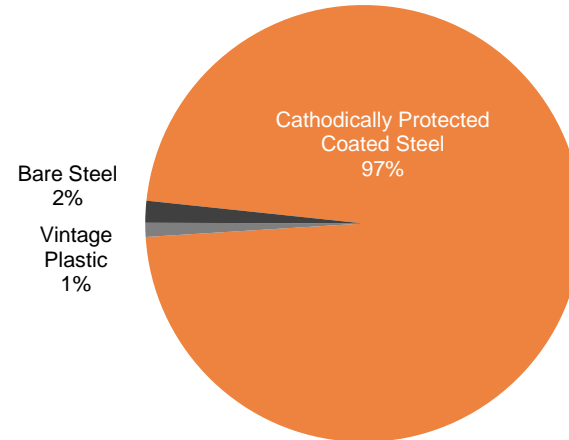
Natural Gas Infrastructure

Risk-assessed Replacement of At-risk Materials

30,162-mile Distribution System Material Type



4,713-mile Transmission System Material Type



System miles from 2022 Form 10-K Annual Report Filing as of Dec. 31, 2022
Material type information as of Dec. 31, 2021, from March 2022 filings with Pipeline Hazardous Materials Safety Administration

Electric Generation - Contracts

Capacity Primarily Serves Black Hills' Regulated Electric Utilities

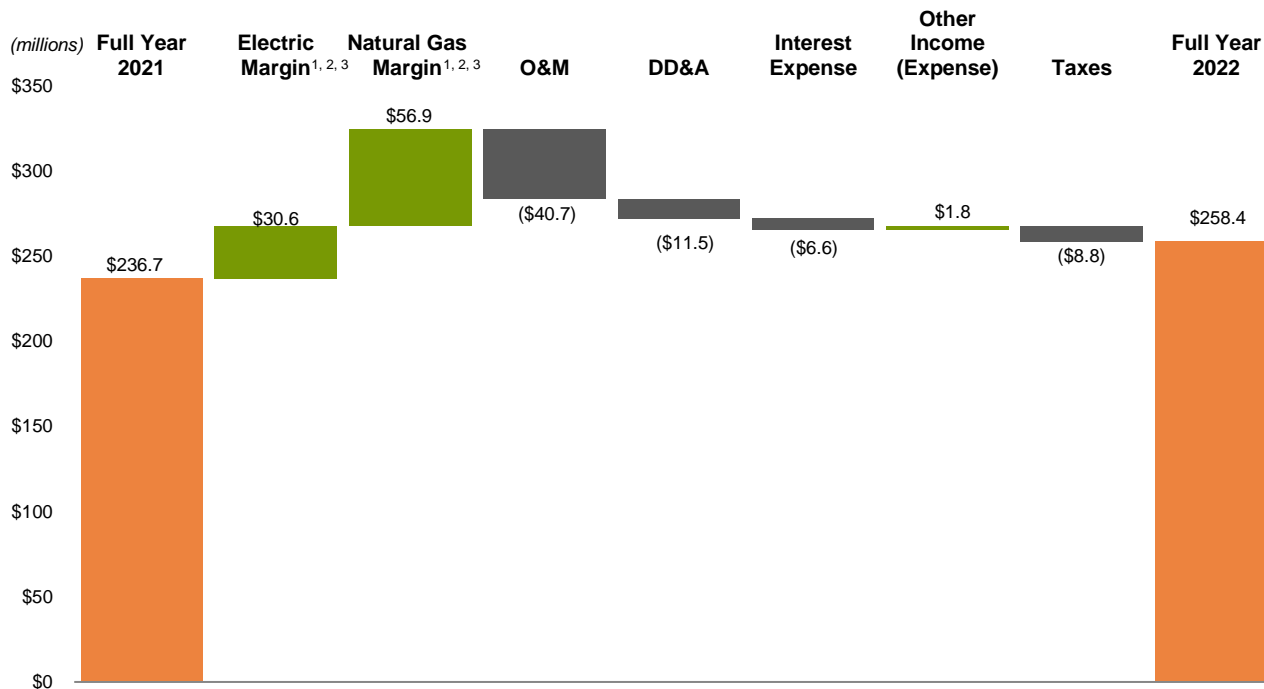
Plant	Owned Capacity	Contracted	Contracted as % Total Co. Owned	Counter-Party	Expiration	Comments
Pueblo Airport Generating Station*	200 MW	200 MW	47.2%	Colorado Electric	Dec. 31, 2031	Excess power and capacity for benefit of Colorado Electric
Wygen I	68.9 MW	65 MW	14.2%	Wyoming Electric	Dec. 31, 2032	
Busch Ranch I	14.5 MW	14.5 MW	3.4%	Colorado Electric	Oct. 16, 2037	
Busch Ranch II	59.4 MW	59.4 MW	14.2%	Colorado Electric	Nov. 26, 2044	
Top of Iowa	87.1 MW					
Total	429.9 MW	334.5 MW	79.0%			

Note Information from 2022 Form 10-K Annual Report Filing as of Dec. 31, 2022

* A third party owns a 49.9% non-operating ownership of Colorado IPP (PAGS) which is reported as noncontrolling interest

2022 Earnings Drivers

Change in Net Income Available for Common Stock



- ▲ New rates and rider recovery and Uri carrying cost recovery true-up
- ▲ Weather
- ▲ Off-system sales
- ▲ Customer Growth
- ▼ Higher depreciation on larger asset base
- ▼ Higher outside services, cloud computing and vehicle fuel expense
- ▼ Wygen I contract pricing and Q4 2021 outage
- ▼ Higher debt balance and interest rates

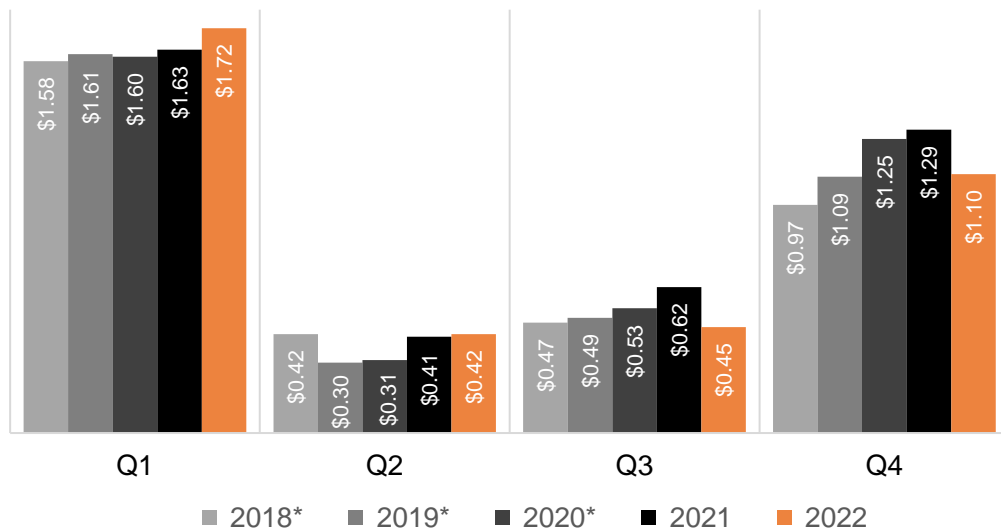
¹ Utility margin, a non-GAAP measure defined in the Appendix

² Utility margin positive impact of \$17.0 million (\$2.5 million electric positive impact and \$14.5 million natural gas positive impact), net of tax, related to weather

³ Natural Gas margins positively impacted by \$10.3 million pre-tax, \$7.9 million after tax, one-time adjustment to reflect commission-authorized rates for Winter Storm Uri costs

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
2018*	\$1.63	\$0.45	\$0.42	\$1.05	\$3.54
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

Weather impact versus normal

	Q1	Q2	Q3	Q4	FY / YTD
2018*	\$0.05	\$0.02	(\$0.05)	\$0.07	\$0.09
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

Mark-to-Market energy contract impact

	Q1	Q2	Q3	Q4	FY / YTD
2018*	—	\$0.01	—	\$0.01	\$0.02
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)

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
2018*	\$1.58	\$0.42	\$0.47	\$0.97	\$3.43
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

(differences in totals due to rounding)

Non-GAAP Financial Measures

Gas and Electric Utility Margin

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

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

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

EBITDA

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

Note: continued on next page

Non-GAAP Financial Measures

Net Income Available for Common Stock and EPS, as adjusted

We have provided non-GAAP earnings data reflecting adjustments for special items as specified in the GAAP to non-GAAP adjustment reconciliation table in this presentation. Operating Income (loss), as adjusted, Income (loss) from continuing operations, as adjusted, and Net income (loss), as adjusted, are defined as Segment Revenue, Operating Income (loss), Income (loss) from continuing operations and Net income (loss), adjusted for expenses, gains and losses that the company believes do not reflect the company's core operating performance. The company believes that non-GAAP financial measures are useful to investors because the items excluded are not indicative of the company's continuing operating results. The company's management uses these non-GAAP financial measures as an indicator for evaluating current periods and planning and forecasting future periods.

Earnings per share, as adjusted and earnings from continuing operations, per share, as adjusted

Earnings per share from continuing operations available for common stock, as adjusted, and earnings from continuing operations, per share, as adjusted, are Non-GAAP financial measures. Earnings per share, as adjusted, and earnings from continuing operations available for common stock, per share, as adjusted, are defined as GAAP Earnings per share and GAAP earnings from continuing operations, adjusted for expenses, gains and losses that the Company believes do not reflect the Company's core operating performance. Examples of these types of adjustments may include unique one-time non-budgeted events, impairment of assets, acquisition and disposition costs, and other adjustments noted in the earnings reconciliation tables in this presentation. The Company is not able to provide a forward-looking quantitative GAAP to Non-GAAP reconciliation for this financial measure because we do not know the unplanned or unique events that may occur later during the year.

Limitations on the Use of Non-GAAP Measures

Non-GAAP measures have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. Our presentation of these non-GAAP financial measures should not be construed as an inference that our future results will not be affected by unusual, non-routine, or non-recurring items.

Non-GAAP measures should be used in addition to and in conjunction with results presented in accordance with GAAP. Non-GAAP measures should not be considered as an alternative to net income, operating income or any other operating performance measure prescribed by GAAP, nor should these measures be relied upon to the exclusion of GAAP financial measures. Our non-GAAP measures reflect an additional way of viewing our operations that we believe, when viewed with our GAAP results and the reconciliation to the corresponding GAAP financial measures, provide a more complete understanding of factors and trends affecting our business than could be obtained absent this disclosure. Management strongly encourages investors to review our financial information in its entirety and not rely on a single financial measure.

Non-GAAP Financial Measures

Earnings before Interest, Income Taxes, Depreciation and Amortization

<i>(in thousands)</i>	Three Months Ended Dec. 31		Twelve Months Ended Dec. 31	
	2021	2022	2021	2022
Net income	\$ 74,324	\$ 76,054	\$ 251,260	\$ 270,758
Depreciation, depletion and amortization	61,082	62,299	235,953	250,909
Interest expense, net	38,584	43,661	152,404	160,989
Income tax expense (benefit)	836	9,285	7,169	25,205
EBITDA	\$ 174,826	\$ 191,299	\$ 646,786	\$ 707,861

Non-GAAP Financial Measures

Annual Earnings and EPS, as adjusted	Earnings, as adjusted (in millions)							Earnings Per Share, as adjusted						
	2016	2017	2018	2019	2020	2021	2022	2016	2017	2018	2019	2020	2021	2022
Net income (loss) available for common stock (GAAP)	\$ 73.0	\$ 177.0	\$ 258.4	\$ 199.3	\$ 227.6	\$ 236.7	\$ 258.4	\$ 1.37	\$ 3.21	\$ 4.66	\$ 3.28	\$ 3.65	\$ 3.74	\$ 3.97
Loss from discontinued operations (GAAP)	64.2	17.1	6.9	-	-	-	-	1.20	0.31	0.12	-	-	-	-
Net income from continuing operations available for common stock (GAAP)	137.1	194.1	265.3	199.3	227.6	236.7	258.4	2.57	3.52	4.78	3.28	3.65	3.74	3.97
<u>Adjustments, after tax</u>														
Acquisition / integration costs	29.7	2.8	-	-	-	-	-	0.56	0.05	-	-	-	-	-
Tax reform and other tax items	-	(11.7)	4.0	-	-	-	-	-	(0.21)	0.07	-	-	-	-
Legal restructuring - income tax benefit	-	-	(72.8)	-	-	-	-	-	-	(1.31)	-	-	-	-
Impairment of investment	-	-	-	15.2	5.3	-	-	-	-	-	0.25	0.08	-	-
<i>Rounding</i>	0.1	0.1	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-GAAP adjustments	29.8	(8.8)	(68.8)	15.2	5.3	-	-	0.56	(0.16)	(1.24)	0.25	0.08	-	-
Net income from continuing operations available for common stock, as adjusted (Non-GAAP)	\$ 166.9	\$ 185.3	\$ 196.5	\$ 214.5	\$ 232.9	\$ 236.7	\$ 258.4	\$ 3.13	\$ 3.36	\$ 3.54	\$ 3.53	\$ 3.73	\$ 3.74	\$ 3.97

Income Statement

(in millions, except earnings per share)

	Fourth Quarter		Full Year	
	2021	2022	2021	2022
Revenue	\$ 562.5	\$ 791.4	\$ 1,949.1	\$ 2,551.8
Fuel, purchased power and cost of natural gas sold	(246.3)	(436.9)	(741.9)	(1,230.6)
Operations and maintenance expense	(141.2)	(162.2)	(561.8)	(615.1)
Depreciation, depletion and amortization	(61.1)	(62.3)	(236.0)	(250.9)
Operating income	114.0	130.0	409.4	455.2
Interest expense, net	(38.6)	(43.7)	(152.4)	(161.0)
Other income (expense), net	(0.2)	(1.0)	1.4	1.7
Income before taxes	75.2	85.3	258.4	295.9
Income tax (expense)	(0.8)	(9.3)	(7.2)	(25.2)
Net income before non-controlling interest	\$ 74.3	\$ 76.1	\$ 251.3	\$ 270.8
Net income attributable to non-controlling interest	(3.2)	(3.6)	(14.5)	(12.4)
Net income available to common stock	\$ 71.2	\$ 72.5	\$ 236.7	\$ 258.4
EPS - Net income available for common stock	\$ 1.11	\$ 1.11	\$ 3.74	\$ 3.97
Diluted shares outstanding	64.1	65.4	63.3	65.0
EBITDA*	\$ 174.8	\$ 191.3	\$ 646.8	\$ 707.9

* Non-GAAP measure defined and reconciled to GAAP on slides 58-61

Capital Structure

(\$ in millions)

	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22
Capitalization					
Short-term Debt	\$ 420	\$ 342	\$ 335	\$ 501	\$ 1,061
Long-term Debt	4,127	4,128	4,130	4,131	3,607
Total Debt	4,547	4,470	4,465	4,632	4,668
Equity*	2,787	2,872	2,885	2,887	2,995
Total Capitalization	\$ 7,334	\$ 7,342	\$ 7,350	\$ 7,519	\$ 7,663
Net Debt to Net Capitalization					
Debt	\$ 4,547	\$ 4,470	\$ 4,465	\$ 4,632	\$ 4,668
Cash and Cash Equivalents	(9)	(16)	(10)	(12)	(21)
Net Debt	4,538	4,454	4,455	4,621	4,647
Net Capitalization	\$ 7,325	\$ 7,325	\$ 7,340	\$ 7,507	\$ 7,642
Debt to Capitalization	62.0%	60.9%	60.7%	61.6%	60.9%
Net Debt to Capitalization (Net of Cash)	62.0%	60.8%	60.7%	61.5%	60.8%
Long-term Debt to Total Debt	90.8%	92.4%	92.5%	89.2%	77.3%

* Excludes noncontrolling interest

Strategic Objectives



Profitable Growth

Achieve consistent growth that creates value

- Meet growing demand through innovative solutions and customer-focused, cost effective, rate-based utility assets
- Enhance reliability and satisfaction
- Acquire small utility systems within or near existing service territories

READY.

Valued Service

Deliver reliable and highly valued products and services

- Invest in infrastructure to maintain safety and reliability of electric and gas systems
- Cost effectively integrate additional renewable resources



Better Every Day

Continuously improve to achieve industry-leading results

- Achieve top-tier performance in a culture of continuous improvement
- Improve efficiencies through continued deployment of technology



Great Workplace

Promote a workplace that inspires individual growth and pride in what we do

- Be the safest company in our industry
- Be one of the best places to work
- Improve the wellness of employees
- Be a workplace of choice for women and minorities

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.



BH
Black Hills Energy

LINE
SUSTAIN

BH
Black Hills Corporation
Ready