

**August 6, 2010**

# **2010 Second Quarter Update**

**David Emery**  
*Chairman, President & CEO*

**Tony Cleberg**  
*Executive Vice President & CFO*

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# Investor Information

## COMPANY INFORMATION

**Black Hills Corporation**  
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NYSE Ticker: BKH

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## FORWARD LOOKING STATEMENTS

### CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This presentation includes “forward-looking statements” as defined by the Securities and Exchange Commission, or SEC. 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. 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, the risk factors described in Item 1A of Part I of our 2009 Annual Report on Form 10-K filed with the SEC, and other reports that we file with the SEC from time to time, and the following:

- Our ability to obtain adequate cost recovery for our utility operations through regulatory proceedings and receive favorable rulings in periodic applications to recover costs for fuel, transmission and purchased power in our regulated utilities and the timing in which the new rates would go into effect;
- Our ability to receive regulatory approval to recover in rate base our expenditures for new generation facilities or other utility infrastructure;
- Our ability to complete the construction, start up and operation of power generation facilities in a cost-effective and timely manner;
- The accounting treatment and earnings impact associated with interest rate swaps;
- The timing, volatility and extent of changes in energy and commodity prices, supply or volume, the cost and availability of transportation of commodities, changes in interest rates or foreign exchange rates and the demand for our services, any of which can affect our earnings, financial liquidity and the underlying value of our assets, including the possibility that we may be required to take future impairment charges under the SEC's full cost ceiling test for natural gas and oil reserves;
- Our ability to successfully integrate and profitably operate any recent and future acquisitions;
- The timing and extent of scheduled and unscheduled outages of our power generating facilities;
- Our ability to successfully complete labor negotiations with four of the six unions with whom we have collective bargaining agreements and for which we are currently in, or are soon to be in, contract renewal negotiations;
- Our ability to provide accurate estimates of proved oil and gas reserves and future production rates and associated costs;
- The extent of our success in connecting natural gas supplies to gathering, processing and pipeline systems;
- Capital market conditions and market uncertainties related to interest rates, which may affect our ability to raise capital on favorable terms;
- Changes in or compliance with laws and regulations, particularly those related to financial reform legislation, taxation, power generation, safety, protection of the environment and energy marketing;
- Weather and other natural phenomena;
- The effect of accounting policies issued periodically by accounting standard-setting policies;
- Macro- and micro-economic changes in the economy and energy industry, including the impact of (i) consolidation and changes in competition and (ii) general economic and political conditions, including tax rates or policies and inflation rates; 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.

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# Discussion Agenda

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Second Quarter Review

David Emery

*Chairman, President & CEO*

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Financial Update

Tony Cleberg

*Executive Vice President & CFO*

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Strategic Overview

David Emery

*Chairman, President & CEO*

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Q&A

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# Second Quarter Review

David Emery

*Chairman, President & CEO*

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# 2010 Second Quarter Summary

*Income from continuing operations and net income, as adjusted, was \$7.5 million or \$0.19 per share, compared to \$6.7 million or \$0.18 per share for the same period in 2009 (non-GAAP)*

## Utilities

**Income from continuing operations was \$6.3 million compared to \$5.0 million for Q2 2009**

- \$2.7 million increase in electric utilities
- \$1.3 million decrease in gas utilities

### Primary Performance Drivers

- Implemented interim rates at BHP, BHE-IA Gas, BHE-NE Gas
- BHE-COE transmission cost adjustment increase
- Decrease in interest expense due to:
  - Increase in BHE-COE Generation AFUDC
  - Capital structure adjustment and assignment of longer-term debt
- Increased income taxes associated with higher effective tax rate due to lower benefit from AFUDC due to commercial operation of Wygen III

## Non-Regulated Energy

**Income from continuing operations was \$4.2 million compared to \$2.8 million in Q2 2009**

- \$3.6 million increase in coal mining
- \$0.1 million increase in oil & gas
- \$1.1 million decrease in energy marketing
- \$1.2 million decrease in power generation

### Primary Performance Drivers

- Improved Coal Mining earnings due to increased production to serve Wygen III (approximately 600,000 tons per year) and increase in average coal prices
- Decrease in Coal Mining operating costs due to a new post mining topography plan and its effect on reclamation costs
- Increased Oil & Gas earnings due to an increase in the average hedged price of oil and gas
- Increase in Energy Marketing revenues and gross margin due to unrealized gains on coal marketing portfolio contracts acquired 6/1/2010 and increased crude oil volumes marketed
- Increase purchase power and operating expense due to extended outage at Wygen I

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# Utility Highlights

*Income from continuing operations \$6.3 million  
compared to \$5.0 million for Q2 2009*

## Electric Utilities

- Wygen III began commercial operation 4/1/2010; ahead of schedule and under-budget
  - SD PUC approved settlement agreement 7/7/2010 for \$15.2 million increase in annual utility revenues; new rates effective 4/1/2010 for SD BHP customers
  - WY PSC approved settlement agreement 5/13/2010 for \$3.1 million increase in annual utility revenues; new rates effective 6/1/2010 for WY BHP customers
  - On July 14, 2010, BHP sold a 23 percent ownership interest in Wygen III to the City of Gillette\* for \$62 million; the purchase terminates the current PPA and includes provision for buyer to share in the costs of operating the plant for the life of the facility
- Construction underway on utility and IPP gas-fired generation facilities to serve BHE – COE customers; air permit issued on 7/22/2010; procurement and construction contracts awarded; major equipment purchased
- CO PUC approved settlement agreement 8/5/2010 for \$17.9 million increase in annual utility revenues; new rates for BHE - COE customers effective 8/6/2010
- Completed agreement with the DOE for smart grid funding through matching grants totaling \$20.7 million; smart meter installations began in all three electric service territories 6/2010
- New all-time record peak load set at BHE-COE (384 MW on 7/19/2010) and new summer peak at CLFP (176 MW on 7/26/2010)

## Gas Utilities

- BHE – NE Gas implemented interim rates on 3/1/2010 for \$12.1 million annual revenue increase; awaiting final order from NE PSC
- BHE - IA Gas filed rate request 6/8/2010 for \$4.7 million increase in annual utility revenues; interim rates implemented 6/18/2010

\*Consolidated Wyoming Municipalities Electric Power System Joint Powers Board purchased 23 percent of Wygen III on behalf of the City of Gillette; the JPB exists for the purpose of, among other things, financing the City of Gillette electrical system

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# Non-Regulated Energy Highlights

*Income from continuing operations \$4.2 million  
compared to \$2.8 million in Q2 2009*

- Construction underway on gas-fired power generation facilities to serve BHE – COE customers; air permit issued on 7/22/2010; procurement and construction contracts awarded; major equipment purchased
- Enserco completed two year \$250 million committed stand alone credit facility 5/12/2010 (\$100 million accordion feature); replaced one year \$300 million committed credit facility
- Coal marketing added to Energy Marketing portfolio with \$2.25 million acquisition
- Improved Energy Marketing revenues
  - Unrealized coal marketing margins due to increase in coal market price and the value of "long" contract positions recently acquired
  - Increase in crude oil volumes marketed
- E&P capital spending continues to be limited due to low natural gas prices
- Improved Coal Mining earnings due to a new post mining topography plan and its effect on reclamation costs, increased production to serve Wygen III (approximately 600,000 tons per year) and increase in average coal prices

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# Corporate Highlights

*Growth projects on track; demonstrated ability to access the capital markets; integration efforts nearly complete*

- Completed \$500 million, unsecured corporate revolving credit facility (\$100 million accordion feature); expiring 4/14/2013
- Completed issuance of public debt offering of \$200 million aggregate principal amount of senior unsecured notes at 5.875% due 7/15/2020
- \$16.2 million non-cash unrealized loss from interest rate swaps
- Board of Directors approved a quarterly dividend on the common stock of \$0.36 per share, equivalent to an annual dividend rate of \$1.44 per share
- In July and August completed conversion of human resources and financial system to PeopleSoft 9.0 and unification of GIS mapping systems and work management systems; remaining unification plans for SCADA and outage management systems on track for completion in 2010
- Black Hills Corp. named by ComputerWorld magazine as one of the 100 best places to work in IT

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# Financial Update

**Tony Cleberg**

*Executive Vice President & CFO*

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# Quarterly EPS Analysis

<i>Earnings Per Share (EPS)</i>	Q2 2009	Q3 2009	Q4 2009	Q1 2010	Q2 2010
(Loss) Income from Continuing Operations	\$ 0.64	\$ (0.10)	\$ 0.84	\$ 0.81	\$ (0.22)
Exclude special gain items:					
Elkhorn sale – completed 3/2010	--	--	--	(0.04)	--
Unrealized gain on interest rate swaps	(0.53)	--	(0.30)	--	--
Add-back special loss items:					
Unrealized loss on interest rate swaps	--	0.15	--	0.05	0.41
Acquisition facility fee	0.05	--	--	--	--
Integration expenses	0.02	0.02	0.03	--	--
<b>Income from Continuing Ops As Adjusted*</b>	<b>\$ 0.18</b>	<b>\$ 0.07</b>	<b>\$ 0.57</b>	<b>\$ 0.82</b>	<b>\$ 0.19</b>

\* Non-GAAP measure

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# Q2 Income Statement

*In millions, except per share amounts*

	2010	2009	Comments – 2010 vs. 2009
Revenue	\$271.3	\$257.3	Improved Electric Utility revenues
Operating expense	(240.5)	(231.5)	Wygen III/Wygen I outage
<b>Operating income</b>	<b>30.8</b>	<b>25.8</b>	Elec Utility \$5.2M; Coal Mining \$3.7M; Power Gen \$(2.7)M
Interest expense	(22.6)	(23.3)	\$2.9M of deferred financing costs written off in 2009
Interest rate swap (non-cash)	(24.9)	31.7	Interest rates declined
Other income	2.9	4.1	AFUDC decrease \$1.0M
<b>Income before tax</b>	<b>(13.8)</b>	<b>38.3</b>	
Income tax	5.1	(13.7)	
<b>Net (loss) Income</b>	<b>(8.7)</b>	<b>24.6</b>	
Earnings (Loss) per share	\$(0.22)	\$0.64	
Weighted average common shares O/S	38.9	38.7	

# Q2 Revenue/Operating Income Roll-Up

<i>In millions</i>	Revenue		Operating Income (Loss)		
	2010	2009	2010	2009	Comments
<b>Utilities</b>					
Electric Utilities	\$ 135.5	\$ 118.6	\$ 19.0	\$ 13.8	Rate case/off-system sales
Gas Utilities	87.1	93.4	5.2	5.1	
Sub-Total - Utilities	222.6	212.0	24.2	18.9	
<b>Non-regulated Energy</b>					
Oil & Gas	18.7	17.8	1.3	1.6	
Power Generation	6.7	7.2	0.2	2.9	Wygen I outage & increased repair costs
Coal Mining	15.0	13.5	2.7	(1.0)	Improved reclamation costs
Energy Marketing	8.9	7.7	2.7	3.6	
I/C eliminations	(0.6)	(0.9)	–	0.2	
Sub-Total – Non-Regulated	48.7	45.3	6.9	7.3	
<b>Corporate</b>	–	–	(0.3)	(0.4)	
<b>Total</b>	<b>\$ 271.3</b>	<b>\$ 257.3</b>	<b>\$ 30.8</b>	<b>\$ 25.8</b>	

19% year-over-year improvement

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# Improved Balance Sheet and Liquidity

*Recent transactions and financings provide flexibility*

- Received \$62 million cash proceeds from sale of 23% interest in Wygen III power plant
- Completed \$200 million offering of 10 year, 5.875% senior unsecured notes
- Completed \$250 million stand-alone credit facility at Enserco
  - Renewal increased term of facility from 1 year to 2 years
  - Improved covenants under the new facility allowed for a reduction in capital investment in Enserco of more than \$40 million
- Completed \$500 million, 3 year revolving credit facility with \$100 million accordion feature

# Capital Structure

<i>In millions</i>	Jun. 30, 2009	Sept. 30, 2009	Dec. 31, 2009	Mar. 31, 2010	Jun. 30, 2010
<b>Short term debt:</b>					
Current maturities	\$ 32.1	\$ 32.1	\$ 35.2	\$ 24.4	\$ 4.5
Notes Payable	270.5	350.5	164.5	223.0	225.0
	<b>302.6</b>	<b>382.6</b>	<b>199.7</b>	<b>247.4</b>	<b>229.5</b>
<b>Long term debt</b>	<b>719.2</b>	<b>719.2</b>	<b>1,015.9</b>	<b>993.5</b>	<b>990.1</b>
<b>Total Debt</b>	<b>1,021.8</b>	<b>1,101.8</b>	<b>1,215.6</b>	<b>1,240.9</b>	<b>1,219.6</b>
<b>Cash</b>	<b>(122.4)</b>	<b>(137.7)</b>	<b>(112.9)</b>	<b>(136.0)</b>	<b>(64.0)</b>
<b>Net Debt</b>	<b>899.4</b>	<b>964.1</b>	<b>1,102.7</b>	<b>1,104.9</b>	<b>1,155.6</b>
Common stock	625.6	627.2	630.1	632.7	634.4
Retained earnings	470.9	454.9	473.9	491.2	468.4
AOCI	(16.4)	(19.6)	(19.2)	(15.9)	(20.4)
<b>Total Equity</b>	<b>1,080.1</b>	<b>1,062.5</b>	<b>1,084.8</b>	<b>1,108.0</b>	<b>1,082.4</b>
<b>Total Debt and Equity</b>	<b>\$ 2,101.9</b>	<b>\$ 2,164.3</b>	<b>\$ 2,300.4</b>	<b>\$ 2,348.9</b>	<b>\$ 2,302.0</b>
Debt to Capitalization	49%	51%	53%	53%	53%
Net Debt to Capitalization (Net of Cash)	45%	48%	50%	50%	52%
Long-term Debt to Total Debt	70%	65%	84%	80%	81%

- Completed \$500 million, unsecured corporate revolving credit facility (\$100 million accordion feature); expiring 4/14/2013
- Completed issuance of public debt offering of \$200 million aggregate principal amount of senior unsecured notes due 7/15/2020
- Completed \$250 million stand-alone credit facility at Enserco; increased term of facility from 1 year to 2 years

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# Strategic Overview

David Emery

*Chairman, President & CEO*

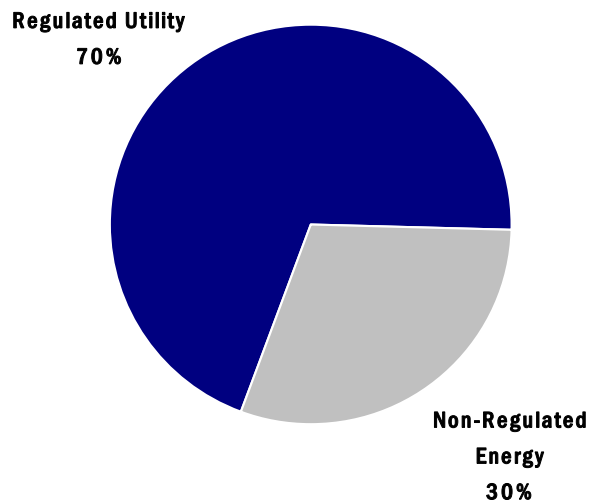
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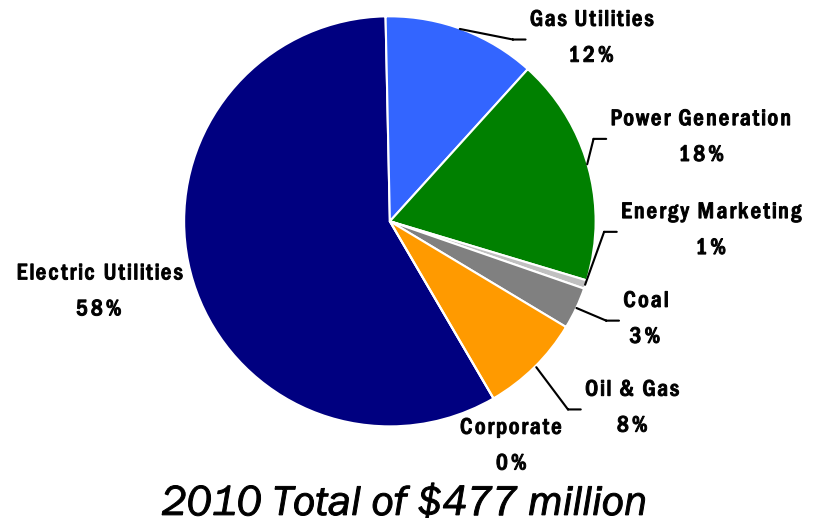
# Positioned For Continued Growth

*Diversified platform based on stable cash flows, more predictable earnings and increased efficiencies*

Asset Mix By Business Focus (approx)



2010 Forecasted Capex By Segment



- Balanced asset mix: approximately 2/3 regulated utility and 1/3 non-regulated energy
- Solid balance sheet, sufficient cash flows, and demonstrated access to capital markets
- Strong overall corporate risk and credit profile
- Current capital structure of approximately 53% total debt to total capitalization

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# Growth Capital Investments

*Excludes routine capital investments for maintenance of assets*

<i>Excludes routine capital expenditures for maintenance of assets (\$millions)</i>	2008 - 2009	~2010	~2011	Project Total
<b>Wygen III</b> 52% Black Hills ownership	\$161	\$10	–	\$185
<b>BHE - COE Generation (Utility)*</b>	\$48	\$202 - \$212		\$250 - \$260
<b>CO IPP Generation (PPA with BHE-COE)</b>	\$16	\$224 - \$249		\$240 - \$265
<b>Transmission Systems</b>	\$51	\$34	\$11	\$96
<b>Generation Upgrades</b> Wygen I & Neil Simpson II condenser upgrades - 16 MW	\$15	–	–	\$15
<b>Electric Utility AMI Projects**</b> Total of 206,000 AMI meters (BHP, CLFP and BHE-COE)	\$7	\$31	\$10	\$48
<b>Oil &amp; Gas ***</b> (limited pending natural gas price recovery )	\$114	\$38	\$64	\$216
<b><i>Approximate 2008-2011 TOTAL</i></b>	<b>\$412</b>	<b>\$624 - \$659</b>		<b>\$1,050 - \$1,085</b>

\* Capital for BHE-COE generation includes project related transmission investment

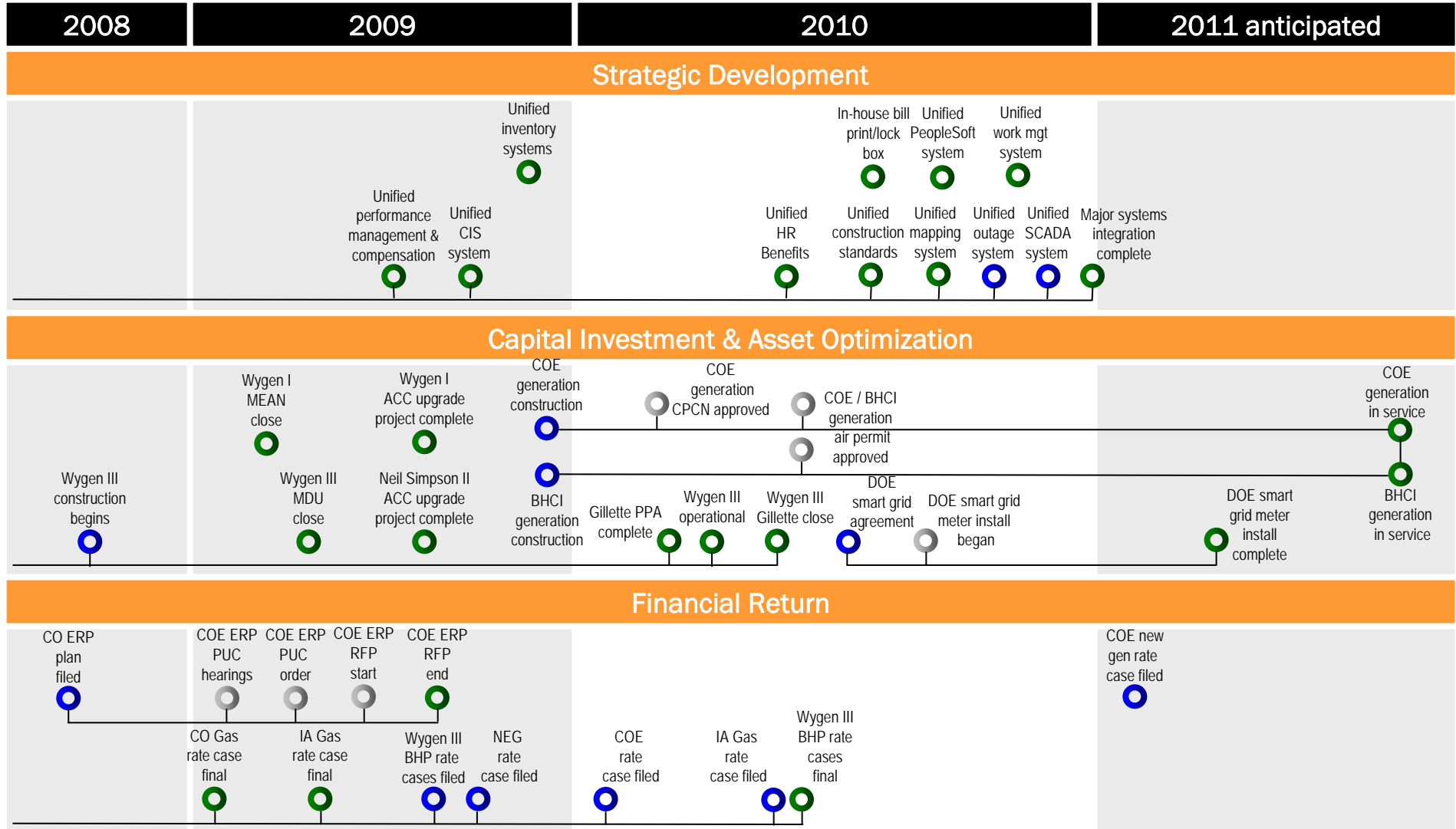
\*\* Includes \$20.7 million in matching funds made available through the American Recovery and Reinvestment Act of 2009 for 149,000 AMI meters

\*\*\* Development capital for our oil and gas properties expected to be limited during periods of low commodity prices.  
Strategy to invest \$65 - \$90 million per year only if economically feasible

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# Timeline of Events



**Legend**

- Project initiated ○
- Project milestone ○
- Project complete ●

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# BHE-COE Generation- 180 MW

*Two GE LMS-100 natural gas-fired turbines*

Capital Expenditure and Schedule Progress as of 6/30/2010			
Expenditures (\$250 -\$260 mill budget)	Procurement contracts awarded	Construction contracts awarded	Construction completed
\$90 million	100%	44%	5%

## Project milestones

- Land acquired; significant city and county agreements finalized – 7/2010
- Site grading complete – 7/2010
- Air permit issued by CO Department of Public Health and Environment - 7/22/2010
- Began full construction activity - 7/22/2010
- Substation access road construction complete
- Foundation complete – Q4 2010
- Mechanical and electrical contracts awarded – Q4 2010
- Cooling towers delivered – Q4 2010
- Delivery of two GE LMS-100 natural gas turbines – Q4 2010
- Generator step up transformers delivered – Q1 2011
- First firing of natural gas turbines – Q3 2011
- Commercial operation – Q1 2012

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# BHCI Generation – 200 MW

*Four 40 MW General Electric LM6000 natural gas-fired turbines  
and two 20 MW steam turbines (combined cycle)*

Capital Expenditure and Schedule Progress as of 6/30/2010			
Expenditures (\$240 - \$265 mill budget)	Procurement contracts awarded	Construction contracts awarded	Construction completed
\$61 million	79%	38%	2%

## Project milestones

- Land acquired; significant city and county agreements finalized – 7/2010
- Site clearing and grading complete – 7/2010
- Air permit issued by CO Department of Public Health and Environment - 7/22/2010
- Began full construction activity - 7/22/2010
- Mechanical and electrical contracts awarded – Q4 2010
- Cooling towers delivered – Q4 2010
- Foundation complete – Q4 2010
- Delivery of four GE LM6000 natural gas turbines – Q1 2011
- Generator step up transformers delivered – Q1 2011
- Delivery of two 20 MW steam turbines – Q1 2011
- First firing of natural gas and steam turbines – Q3 2011
- Commercial operation – Q1 2012

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# Regulatory Update

## 2010 Rate Cases Implemented

Jurisdiction	Effective Date	Revenue Increase	Return on Equity	Cap Structure	Rate Base	Status
BHP - WY	6/1/2010	\$3.1 million	10.5%	48% debt / 52% equity	\$27.0 million	Implemented
BHP - SD	4/1/2010	\$15.2 million	Black box settlement	Black box settlement	\$381 million	Implemented
BHE - COE	8/6/2010	\$17.9 million	10.5%	48% debt / 52% equity	Black box settlement	Implemented

## Rate Cases In-Progress (Reflects values included in rate case filing)

Jurisdiction	Date Filed	Proposed Revenue Increase	Proposed Return on Equity	Proposed Cap Structure	Proposed Rate Base	Status
BHE - NE Gas	12/1/2009	\$12.1 million	11.5%	48% debt / 52% equity	\$163.8 million	Interim rates implemented 3/1/2010
BHE - IA Gas	6/8/2010	\$4.7 million	11.25%	48% debt / 52% equity	\$109 million	Interim rates implemented 6/18/2010

- In response to a request from the Colorado Public Utilities Commission, Black Hills Energy – Colorado Electric will file a preliminary analysis regarding a future rate request that the utility expects to file in 2011 associated with the new utility generation facility, system improvements and the power purchase agreement with BHCI. The base annual revenue request is expected to be in the range of 8 percent to 15 percent over customer rates in place at the time the 2011 rate request is filed with the Colorado PUC. This estimate includes recognition of cost decreases in purchased capacity, energy and transmission that are components of the current utility rate structure
- Evaluating additional rate filings in 2010

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# Colorado Energy Legislation Update

*Evaluating capital investment opportunities*

<b>Renewable Standard to 30% by 2020</b> HB 10 - 1001	<b>Clean Air - Clean Jobs Act</b> HB 10 - 1365
<p><b>Summary:</b></p> <ul style="list-style-type: none"> <li>• Legislation requires investor-owned utilities to achieve 30% RES by 2020; replaces 2007 law that required 20% by 2020</li> <li>• Replaces solar requirement with distributed generation</li> <li>• Increases distributed generation requirement to 3% by 2020</li> </ul>	<p><b>Summary:</b></p> <ul style="list-style-type: none"> <li>• Requires investor-owned utilities to submit an emission control plan demonstrating a reduction in coal-fired power plant emissions on 50% of utility's coal-fired generation in Colorado</li> <li>• Allows utilities to develop and rate-base new generation constructed to replace retired coal-fired generation</li> <li>• Allows for annual rate adjustments including CWIP recovery</li> </ul>
<p><b>Status:</b></p> <ul style="list-style-type: none"> <li>• 2011 Renewable Compliance Plan due 10/1/2010</li> <li>• Opportunity for additional renewable and natural gas generation investments by utility or IPP</li> </ul>	<p><b>Status:</b></p> <ul style="list-style-type: none"> <li>• Coal Fired Generation Emission Reduction Plan filing due 8/13/2010</li> <li>• Evaluating conversion of WN Clark coal-fired generation plant in Colorado to biomass or replacement with additional natural gas generation</li> </ul>

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# BHEP – Williston Basin Bakken Shale

- Joint venture in Bakken Shale play has resulted in net daily production of 90 BOPD and 156 MMCFG
- Undeveloped lease interests covering 2,990 net acres with potential to drill 2.1 net wells (17 gross wells)
- Additional upside from potential to drill infill wells
- Actively leasing in new areas and reviewing opportunities to expand holdings and production in the Bakken Shale

Developed and Undeveloped Acreage	Gross Acres	Net Lease Acres	BHEP Net Acres
Developed	16,350	10,960	1,790
Undeveloped	22,200	16,520	2,990
Well Count	Gross		Net
Existing well count	31		1.58
Wells in progress	6		0.6
<i>2010 wells to be drilled</i>	5		0.65
<i>Future wells (1 per spacing)</i>	17		2.1
<i>Potential infill locations (assume 1 additional)</i>	59		4.9
Net Production	90 BOPD		156 MCDGD

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# Strategy Scorecard

## Strategy

## 2010 Progress & Future Initiatives

### UTILITIES

- + Acquire regulated utility properties in our geographic focus
- + Construct additional cost effective rate-base generation to serve existing customers
- + Balance integration of alternative and renewable energy with customer rate impacts
- + Pursue power marketing opportunities
- + Construct additional transmission to support generation development, increase reliability and address growing demand

- File BHE-CO Electric rate case – with an expected effective date in Q3 2010**
- Complete Wygen III generation facility ahead of schedule & under budget – 4/1/2010**
- Complete BHP WY rate case (bench order approval received on 5/11/2010)**
- File BHE-IA Gas rate case and implement interim rates - 6/8/2010**
- Complete BHP SD rate case (bench order approval received on 7/7/2010)**
- Complete sale of 23% ownership of Wygen III to City of Gillette - 7/14/2010**
- Complete BHE-NE Gas pending rate case (2010)
- File BHE-CO Electric generation related rate case so it is effective by Q1 2012 (2011)
- Complete installation of 149,500 smart grid meters and related infrastructure (2011)
- Complete construction of 180 MW rate base generation to serve BHE-CO Electric (Q4 2011)
- Complete Pumpkin Buttes to Windstar (BHP) transmission line and substation (Q4 2010)
- Develop plan to comply with CO HB1001 requirement of 30% renewable energy by 2020 (subject to rate cap)

### NON-REGULATED

- + Selectively grow power generation segment and contract large percentage of capacity and energy production to load-serving utilities
- + Efficiently utilize coal resources through expansion of mine-mouth generation and increased third-party coal sales
- + Increase oil and gas production through development of existing acreage and limited acquisitions
- + Expand our energy marketing business
- + Diligently manage energy marketing risks
- + Conduct business with diversified group of creditworthy counterparties
- + Maintain stand-alone energy marketing credit facility

- Increase annual coal production rate by 600,000 tons to serve Wygen III (2010)**
- Complete new committed stand-alone credit facility – Energy Marketing (2010)**
- Expand Energy Marketing business portfolio to include coal marketing**
- Invest \$20-\$40 million in oil and gas development (2010\*)
- Construct 200 MW facility to serve BHE–COE PPA (in service 1/2012)
- Invest \$65-\$90 million per year in oil and gas development (Future\*)

### SERVICE COMPANY (CORPORATE)

- + Prudently finance the corporation and its subsidiaries
- + Optimize systems and processes to minimize costs and create a platform for growth

- Implement employee benefits unification initiatives (2010)**
- Complete new corporate revolving credit facility (4/15/2010)**
- Improved Enserco credit facility covenants reducing corporate capital investment (Q2 2010)**
- Complete transition to PeopleSoft 9.0 system (8/2010)**
- Unify GIS mapping systems (8/2010)**
- Integrate work management systems (8/2010)**
- Complete debt issuance and equity offerings in 2010/2011
- Integrate outage management systems and SCADA (Q3 2010)

\* Development capital for our oil and gas properties is expected to be quite limited during periods of low oil and natural gas prices.

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# Summary

*Strong overall performance and strategic initiatives on track*

- Completed additional financings and transactions providing more liquidity for growth initiatives
- Completion of Wygen III power plant three months ahead of schedule and under-budget
- Construction underway on utility and IPP two gas-fired power generation facilities in CO
- Efficient cost recovery and significant capital investments provide strong earnings growth
- Expansion of Energy Marketing portfolio to include coal marketing; increase in crude oil volumes strengthen business portfolio
- Additional coal sales to Wygen III and more efficient mine reclamation plan improved earnings results
- Board of Directors approved a quarterly dividend on the common stock of \$0.36 per share, equivalent to an annual dividend rate of \$1.44 per share

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# Q&A

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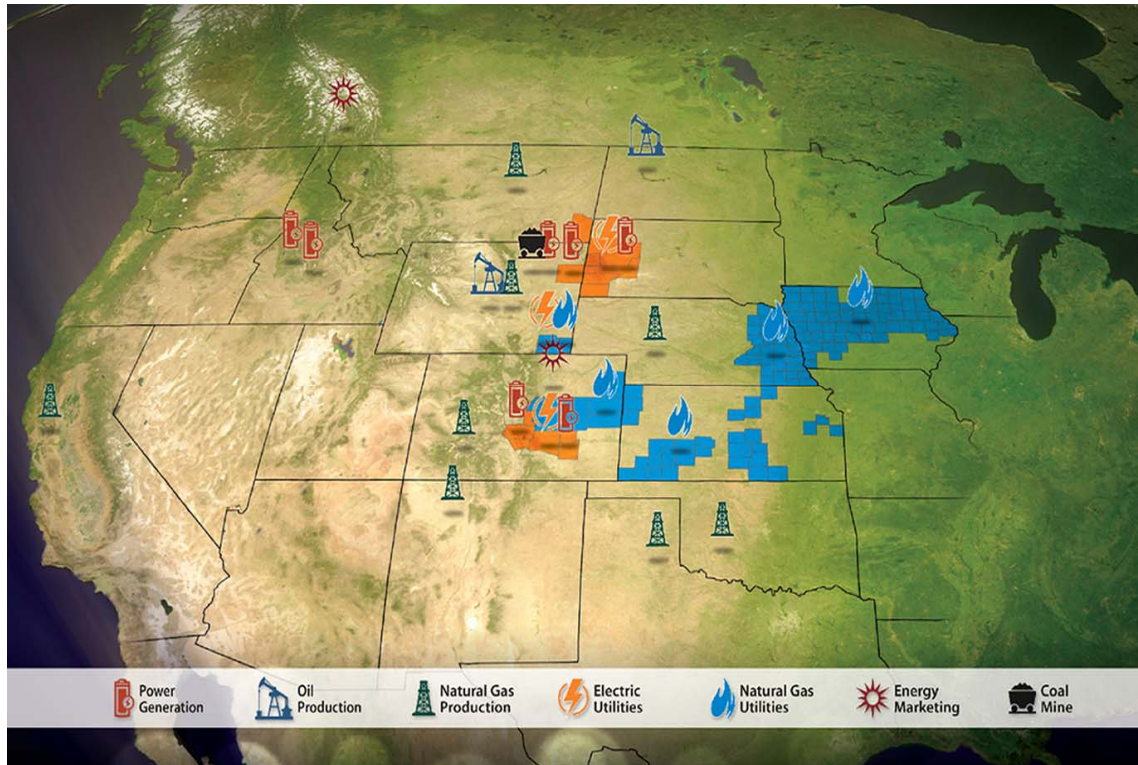
# Appendix

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# Black Hills Corporation

We are a diversified energy company with a tradition of exemplary service and a vision to be the energy partner of choice. Based in Rapid City, SD, with corporate offices in Denver, CO, and Omaha, NE, the company serves 763,300 utility customers in Colorado, Iowa, Kansas, Montana, Nebraska, South Dakota and Wyoming. The company's non-regulated businesses generate wholesale electricity, produce natural gas, oil and coal, and market energy. We partner to produce results that improve life with energy.



## Fuel, Generation & Utilities

### Utilities

#### Gas Utilities

- Colorado Gas
- Kansas Gas
- Nebraska Gas
- Iowa Gas

#### Electric Utilities

- Black Hills Power
- Cheyenne Light\*
- Colorado Electric

### Non-Regulated Energy

#### Power Generation

- Black Hills Electric Generation

#### Coal

- Wyodak Resources

#### Oil & Gas

- Black Hills Exploration & Production

#### Energy Marketing

- Enserco Energy

\* Supplies electric and gas utility service to Cheyenne, Wyoming and vicinity

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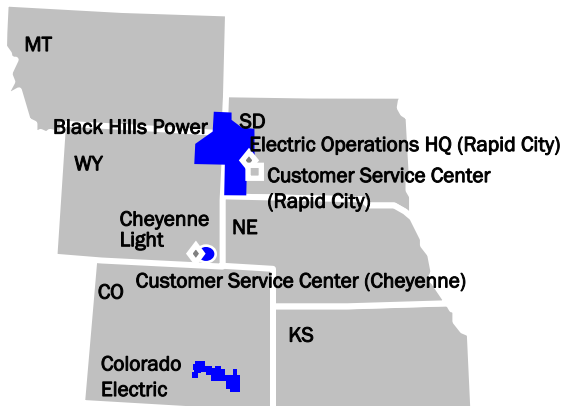


# Electric Utilities

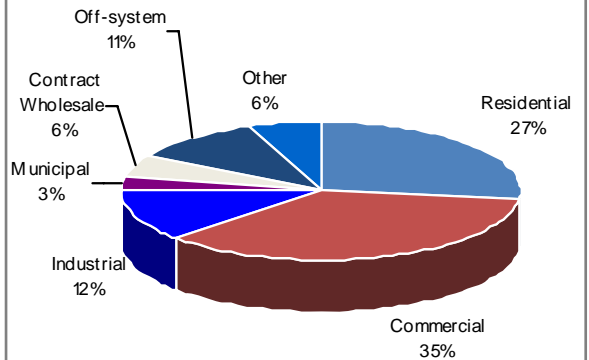
## Operational Summary

- BHC electric utilities generate, transmit and distribute electricity to approximately 202,025 customers
- Utility operations include BHP (SD, MT, & WY), CLFP (WY), and BHE – COE (CO)
- CLFP also distributes natural gas to 34,100 customers in Wyoming
- Assets includes 630 MW of generation and 8,135 miles of transmission and distribution lines\*
- Total system peak demand 921 MW (summer 2009)\*
- BHE-COE ranked No. 6 in Total Solar Watts per Customers in Solar Electric Power Association's 2009 Utility Solar Rankings report

## Service Areas



## Revenue by Customer Class



### Black Hills Power – serving ~66,900 electric customers / peak load of 430 MW (summer 2007)

- Wygen III power plant commercial operation 4/1/2010
- SD settlement agreement approved 7/7/2010 for \$15.2 million annual revenue increase
- WY settlement agreement approved 5/13/2010 for \$3.1 million annual revenue increase
- BHP supplies 10MW to MEAN through a five year PPA (7/2009)
- Rapid City AC-DC-AC transmission tie provides unique interconnection between the Western and Eastern transmission grids

### Cheyenne Light – serving ~40,900 electric customers / peak load of 176 MW (summer 2010)

- CLFP also distributes natural gas to approximately 34,100 customers in Wyoming
- CLFP electricity supply portfolio includes a 20 year PPA for 30 MW of wind energy from Silver Sage Wind Farm
- CLFP completed a 10 year PPA with BHW (through 2022) with option to purchase BHW's ownership interest in Wygen I plant

### Black Hills Energy – COE – serving ~93,300 electric customers / peak load of 384 MW (summer 2010)

- BHE - COE completed a 20 year 200 MW PPA with BHCI (9/28/2009)
- Air permit issued on 7/22/2010 for two gas-fired power generation facilities to serve BHE – COE customers on 1/1/2012; construction underway
- CO settlement agreement approved 8/5/2010 for \$17.9 million annual revenue increase

\*Information from 2009 Form 10-K

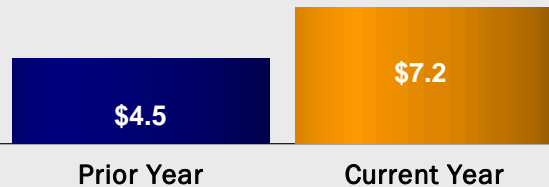
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# Electric Utilities Q2 Update

## Quarter Income Comparison

(from continuing operations in millions)

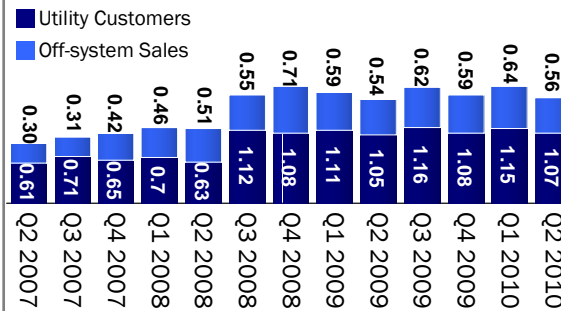


## Overview

- Wygen III in-service 4/1/2010; ahead of schedule and under budget
- SD PUC approved settlement agreement 7/7/2010 for \$15.2 million increase in annual utility revenues; new rates effective 4/1/2010
- WY PSC approved settlement agreement 5/13/2010 for \$3.1 million increase in annual utility revenues; new rates effective 6/1/2010
- CO PUC approved settlement agreement 8/5/2010 for \$17.9 million increase in annual utility revenues; new rates effective 8/6/2010
- BHP sold a 23 percent ownership interest in Wygen III on 7/14/2010 to the Consolidated Wyoming Municipalities Electric Power System Joint Powers Board for \$62 million; the purchase terminates the current PPA with the City of Gillette and includes provision for the buyer to share in the costs of operating the plant for the life of the facility
- Air permit issued on 7/22/2010 for two gas-fired power generation facilities to serve BHE - COE customers on 1/1/2012; construction underway
- Reached agreement with DOE for smart grid funding through matching grants totaling \$20.7 million for electric utility subsidiaries; began installing smart meters in all three electric service territories

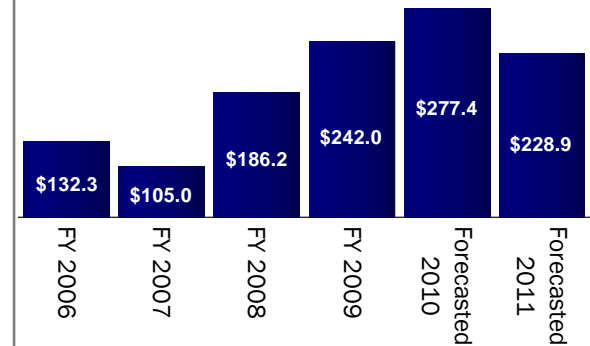
## Total MWh Sales

(in millions)

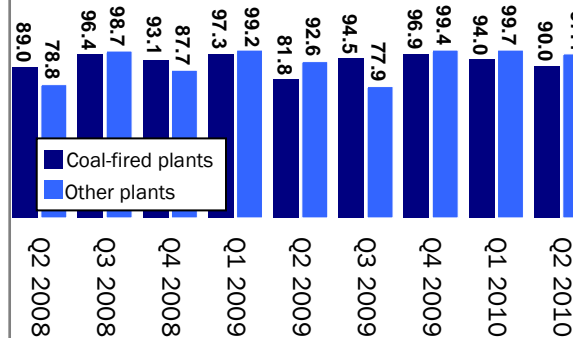


## Capital Expenditures

(in millions)



## Generation Availability (%)



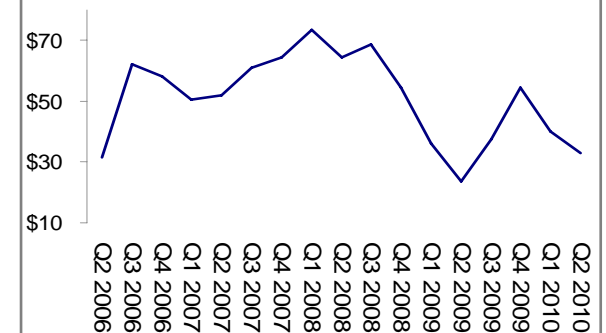
\*Reflects major planned but extended outages at Neil Simpson I and Neil Simpson II

\*\* Reflects unplanned outage at Pueblo Unit 5

\*\*\*Reflects unplanned outage at Wyodak

## Mid C Power Prices

(peak prices volume weighted - SNL)



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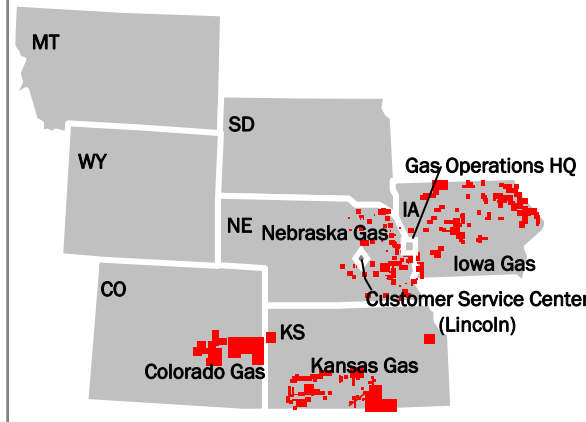


# Gas Utilities

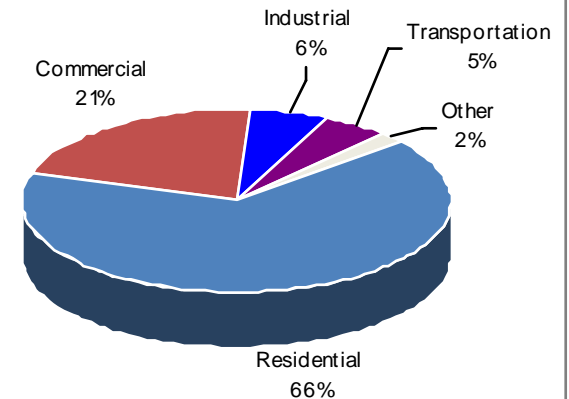
## Operational Summary

- Distributes natural gas to approximately 526,900 customers in CO, IA, KS, and NE
- Includes 626 miles of interstate gas transmission pipelines and 19,638 miles of gas distribution mains and service lines\*
- Expanding automated meter reading system to 13,000 customers in Fountain, CO, 25,000 customers in Dubuque, IA, 30,000 customers in Lawrence, KS and to 9,200 customers in 13 Nebraska communities

## Service Areas



## Revenue by Customer Class



### **BHE – CO Gas – serving ~69,400 gas customers**

- New rates implemented 4/1/2009 representing \$1.4 million annual revenue increase

### **BHE – IA Gas – serving ~149,700 gas customers**

- BHE-IA Gas filed rate increase 6/8/2010 for \$4.7 million annual revenue increase; interim rates implemented 6/18/2010
- Received 2010 Energy Star® Leadership In Housing Award from EPA

### **BHE – NE Gas – serving ~199,800 gas customers**

- BHE-NE Gas filed rate request for \$12.1 million annual revenue 12/1/2009; interim rates effective 3/1/2010; awaiting final order from NE PSC

### **BHE – KS Gas – serving ~109,400 gas customers**

- General rate moratorium until 1/1/2011

\*Information from 2009 Form 10-K

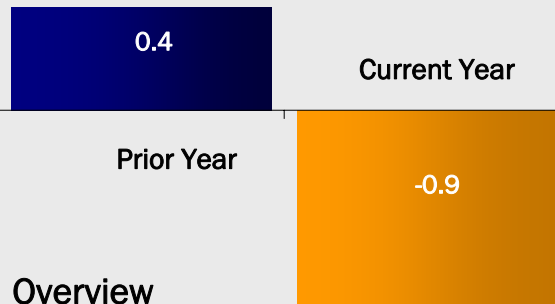
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# Gas Utilities Q2 Update

## Quarter Income Comparison

(from continuing operations in millions)

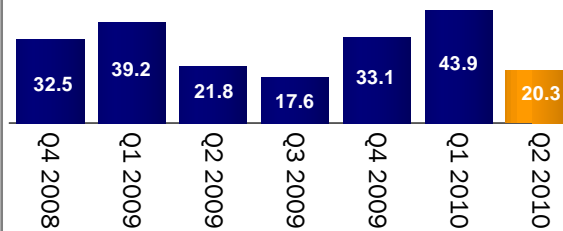


### Overview

- BHE - NE Gas implemented interim rates on 3/1/2010 for \$12.1 million annual utility revenue increase; awaiting final order from NE PSC
- BHE - IA Gas filed rate request 6/8/2010 for \$4.7 million increase in annual utility revenues; interim rates implemented 6/18/2010
- Expanding automated meter reading system to 13,000 customers in Fountain, CO, 25,000 customers in Dubuque, IA, 30,000 customers in Lawrence, KS and to 9,200 customers in 13 Nebraska communities
- Received 2010 Energy Star® Leadership In Housing Award from EPA
- BHE - KS Gas filed 5 year Energy Efficiency Plan with KCC

## Total Dth Sales

(in millions)

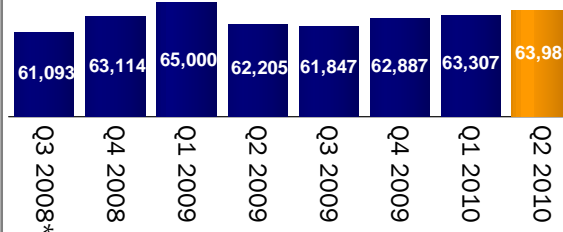


## Capital Expenditures

(in millions)

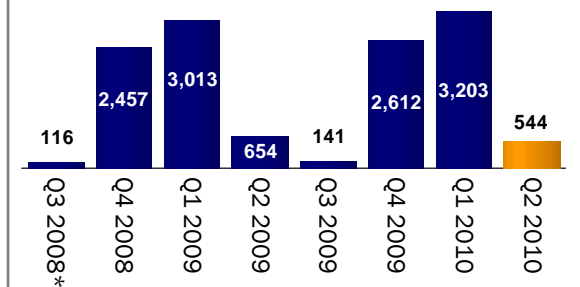


## Service Guard Customers



## Gas Utility Heating Degree Days

(Total for all gas service areas weighted by throughput)



Q1 2010 - 2% colder than normal

\* Black Hills Energy Gas Utilities acquired on 7/14/08

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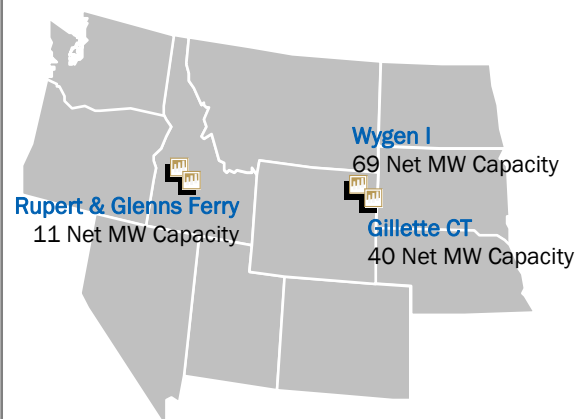


# Power Generation

## Operational Summary

- Smaller plant approach to incremental growth; facilitates technology implementation
- Operate IPP and utility assets with same core management and support team
- Includes 120 MW net generation capacity (reflects sale of 23.5% interest in Wygen I to MEAN in January 2009)\*\*\*
- Non-regulated plant availability was 99.3% in Q2 2010
- Anticipate opportunity to participate in utility RFPs for new generation projects in the Western Region

## Generation Locations – Owned Capacity



## Construction Projects Managed

Name	Fuel	Size	In-Service Date
Neil Simpson II (WY)	Coal	90MW	9/1995
Neil Simpson CT (WY)	Gas	40MW	6/2000
Valmont Unit #1 (CO)	Gas	40MW	5/2001*
Valmont Unit #2 (CO)	Gas	40MW	7/2001*
Gillette CT (WY)	Gas	40MW	4/2001
Harbor CC (CA)	Gas	28MW	6/2001*
Fountain Valley (CO)	Gas	240MW	7/2001*
Lange CT (SD)	Gas	40MW	3/2002
Las Vegas CC (NV)	Gas	224MW	9/2002*
Arapahoe CC (CO)	Gas	130MW	10/2002*
Wygen I (WY)	Coal	90MW	1/2003
Wygen II (WY)	Coal	95MW	2/2008
Valencia (NM)	Gas	149MW	6/2008*
Wygen III (WY)	Coal	110MW	4/2010
BHE-COE PPA (CO)	Gas	200MW	1/2012**
BHE-COE (CO)	Gas	180MW	1/2012**
<b>TOTAL</b>		<b>1,736MW</b>	<b>16 Projects</b>

## Power Generation

- Proven experience in planning, permitting, constructing and operating power plants
- Pursuing opportunities to provide gas-fired generation resources to other utilities; increased need for peaking facilities due to renewables
- Sell capacity and energy under combination of mid to long-term contracts
- Currently sell approximately 93% of our non-regulated generating capacity under contracts with terms greater than one year\*\*\*
- 200 MW 20 Year PPA with BHE – COE; \$240-\$265 million project to be completed by 1/1/2012; air permit issued on 7/22/2010; procurement and construction contracts awarded; major equipment purchased

\*7/2008, sold seven IPP plants with 974 MW of capacity for \$840 million

\*\* Under construction / project in-process

\*\*\*Information from 2009 Form 10-K

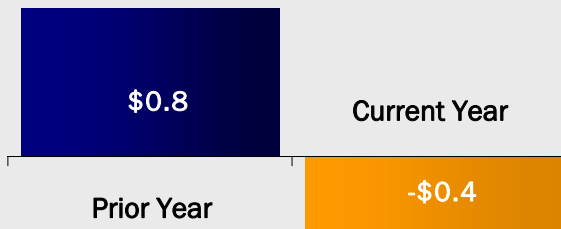
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# Power Generation Q2 Update

## Quarter Income Comparison

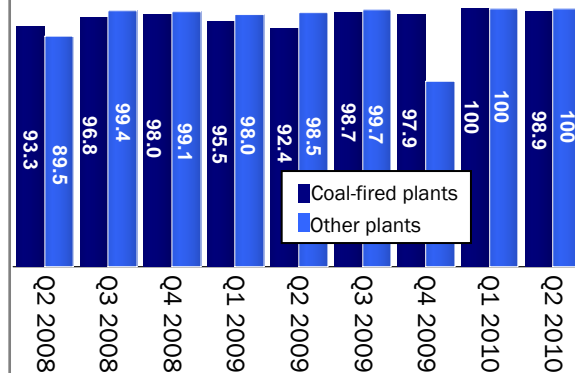
(from continuing operations in millions)



## Overview

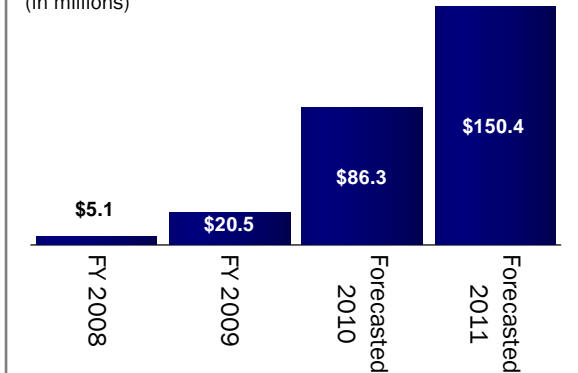
- Construction underway on 200 MW gas-fired power generation facilities to serve BHE – COE customers
  - Air permit issued by State of Colorado Dept of Public Health and Environment on 7/22/2010
  - Materials procurement and construction contracts awarded; major equipment purchased
- Completed Wygen I overhaul

## Generation Availability (%)



## Capital Expenditures

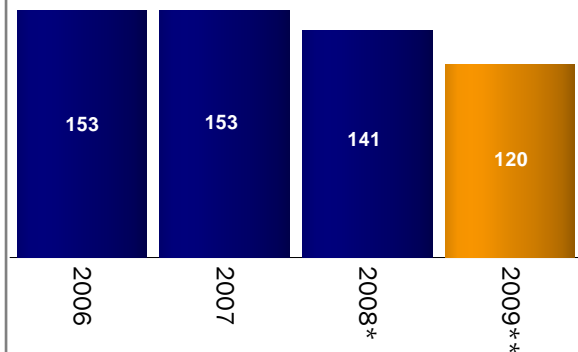
(in millions)



## Project Updates

- Air permit issued by CO Department of Public Health and Environment - 7/22/2010 for gas-fired power generation facilities to serve BHE – COE customers
- Procurement and construction contracts awarded; major equipment purchased

## MW of Generation Capacity



\* Reflects decommissioning of Ontario

\*\* Reflects 23.5% sale of Wygen I to MEAN

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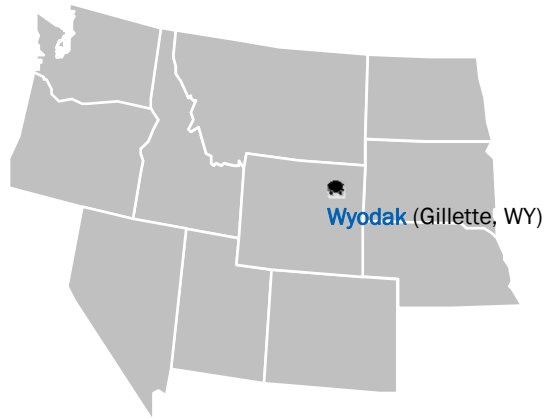


# Coal

## Operational Summary

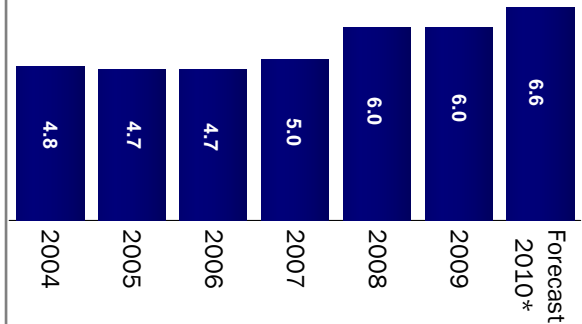
- Includes approximately 268 million tons of low-sulfur Powder River Basin coal for low-cost, mine-mouth generation: a 41 year supply at expected production rates\*
- Long-term assets matched to long-term contracts: BHP and CLFP contracts are life-of-plant; PacifiCorp plant contracts are long-term
- Coal supply supports potential expansion of low-cost baseload generation
- 600,000 tons of annual coal production; increase from 2009 for Wygen III (April 2010)

## Facility Location



## Coal Production\*

(millions of tons)



## Coal Mining

- Manage overburden removal to meet increased overburden to coal ratio
- Staffing and new shift schedules to meet increased production and overburden removal targets
- Ensure adequate profit margins on all coal sales contracts
- Pursuing other local/regional coal sales opportunities

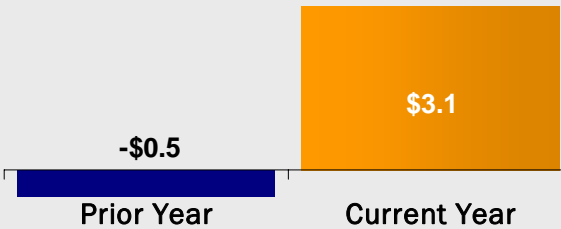
\*Information from 2009 Form 10-K



# Coal Q2 Update

## Quarter Income Comparison

(from continuing operations in millions)

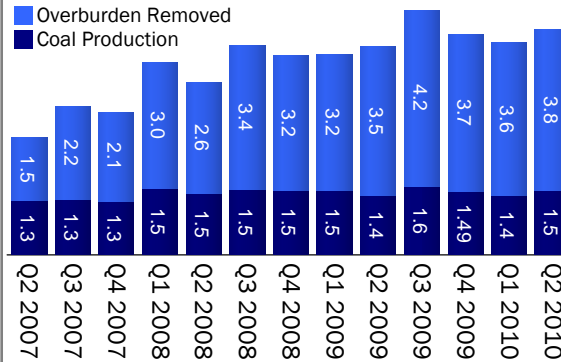


## Overview

- Continued increase in overburden removal
- Improved earnings due to increased production to serve Wygen III (approximately 600,000 tons per year) and increase in average coal prices
- Decrease in Coal Mining operating costs due to a new post mining topography plan and its effect on reclamation costs

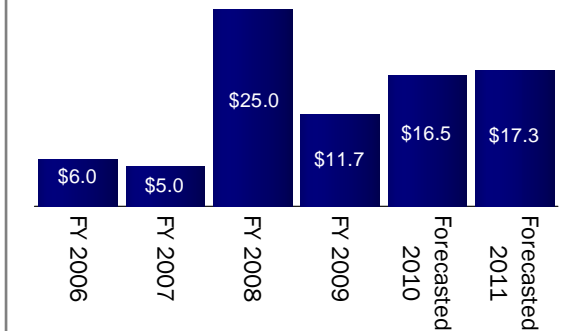
## Coal Production

(Coal in million tons | Overburden in million cubic yards)

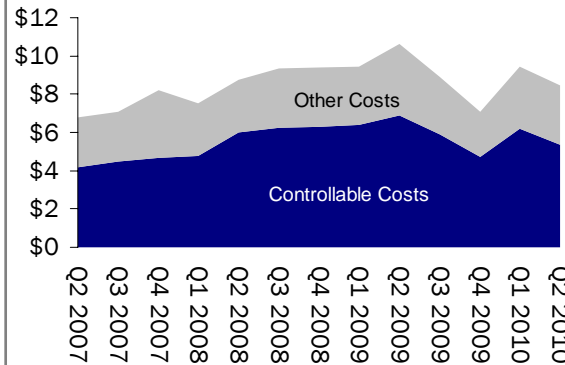


## Capital Expenditures

(in millions)



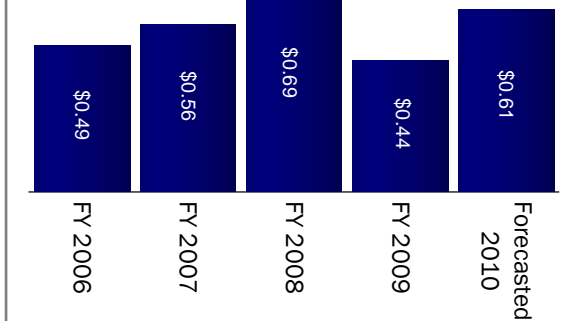
## Mining Cost Per Ton of Coal \*



## Mine Mouth Plant Advantage

### Average Delivered Fuel Cost

(\$/MMBtu delivered to BH regulated mine-mouth generation)



\* Controllable costs: depreciation, fuel, equipment, labor, etc.  
Other costs: property taxes, production taxes, royalties, etc.

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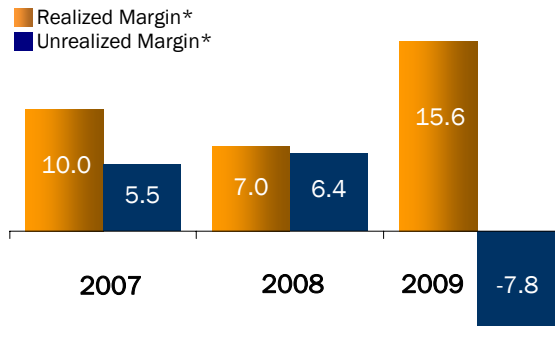


# Energy Marketing

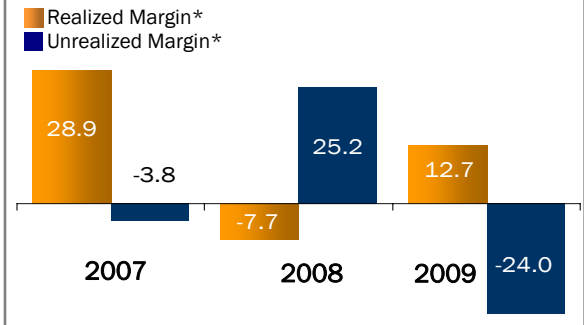
## Operational Summary

- Doing business as Enserco Energy Inc.
- Two primary offices located in Denver, CO and Calgary, Alberta
- Diversified energy commodities include natural gas, crude oil and coal
- Long-term transportation and storage contracts create strong upside potential
- Natural gas storage contracts with capacity of 7.3 Bcf\*
- Natural gas transportation contracts with 263 Bcf total volumes\*
- Conservative approach to risk management
- Maintain stand-alone committed credit facility

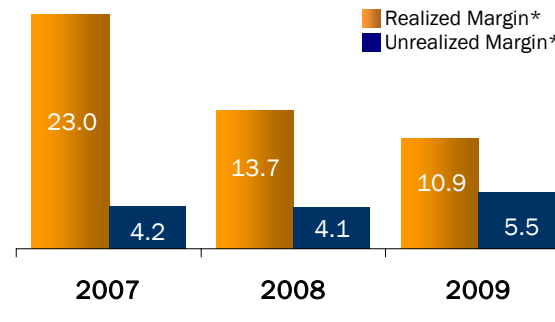
## Producer Services: Marketing services for independent natural gas and crude oil producers



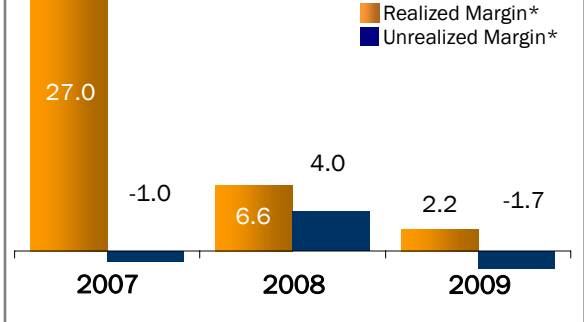
## Proprietary Trading: Utilize knowledge of the energy marketplace and customer relationships to create value



## Transportation: Balanced portfolio of short term and long term natural gas transportation contracts with geographic diversification



## Storage: Leased storage capacity with rights to inject or withdraw natural gas up to a predetermined maximum daily quantity for term of contracts

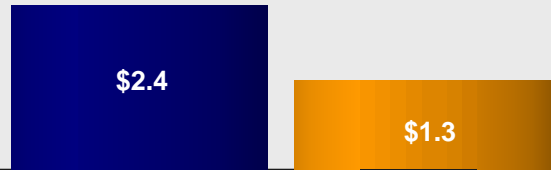


\*Information from 2009 Form 10-K

# Energy Marketing Q2 Update

## Quarter Income Comparison

(from continuing operations in millions)



Prior Year

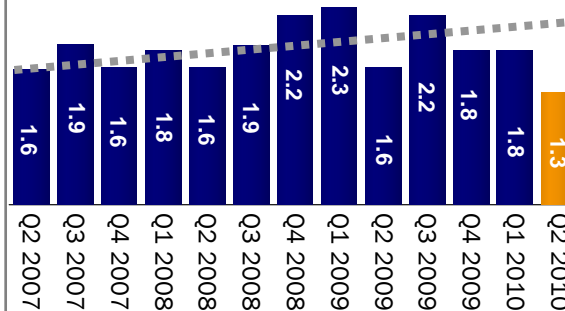
Current Year

## Overview

- Coal marketing added to Energy Marketing portfolio; June average daily sales 27,972 tons per day
- Improved revenues from unrealized coal marketing margins due to increase in coal market price and the value of "long" contract positions recently acquired; increase in crude oil volumes marketed
- Enserco completed two year \$250 million committed stand alone credit facility in May (\$100 million accordion feature); replaced \$300 million committed credit facility
- \$141.4 million of \$250 million stand-alone committed credit facility utilized as of 6/30/2010
- Eastern expansion of gas marketing strategy underway

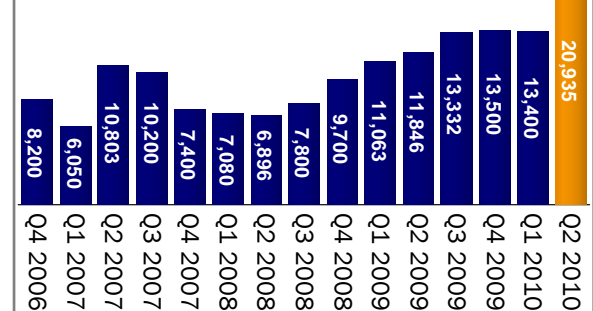
## Avg. Daily Natural Gas Volumes

(physical Bcf per day)



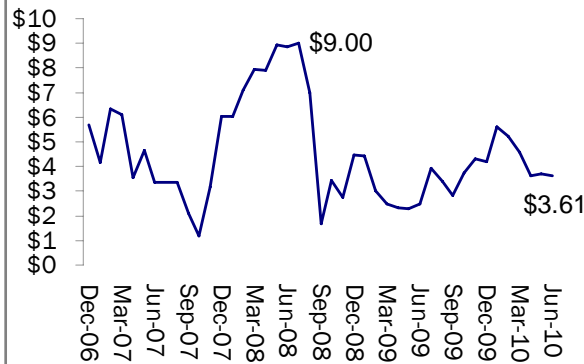
## Avg. Daily Crude Oil Volumes

(barrels per day)



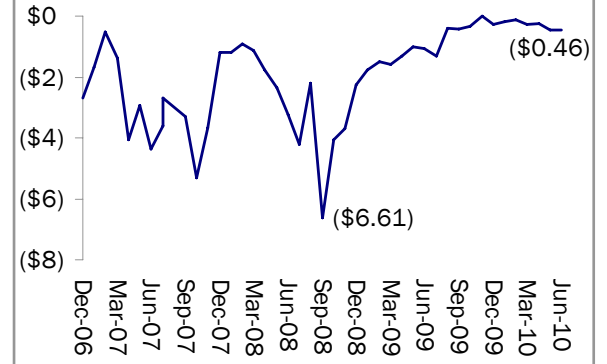
## Northwest Rockies Natural Gas

(monthly settlement price)



## Rockies Natural Gas Basis Diff.

(CIG basis and NYMEX monthly settlement difference)



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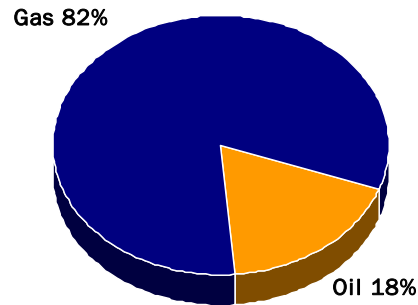


# Oil & Gas

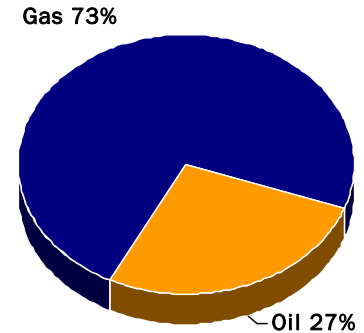
## Operational Summary

- Includes operated wells in San Juan, Powder River, Big Horn, Piceance and Denver-Julesberg Basins
- Includes non-operated wells in California, Louisiana, Montana, North Dakota, Oklahoma, Texas and Wyoming
- 119 Bcfe of reserves at year-end; 36% reduction compared to prior year mostly driven by low commodity prices\*
- Reserves in 2009 were determined consistent with revised SEC requirements using a 12-month average price calculated using the first-day-of-the-month price for each of the 12 months in the reporting period held constant for the life of the properties.
- Cash flows stabilized with ongoing commodity hedging strategy

## 2009 YE Production

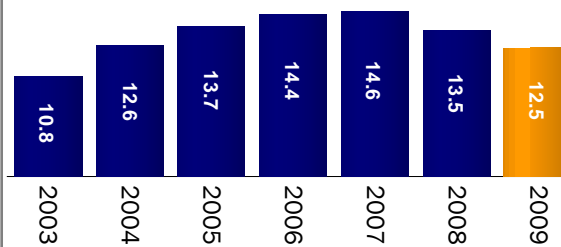


## 2009 YE Reserves



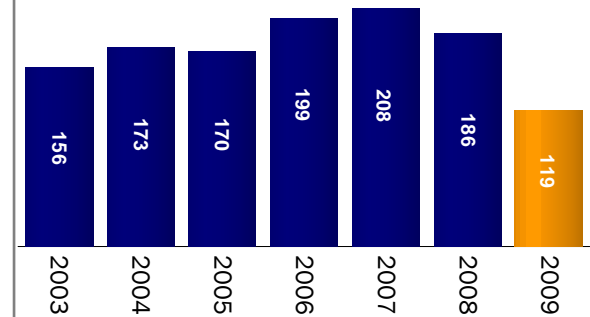
## Gas & Oil Production\*

(Bcfe)



## Gas & Oil Reserves\*

(Bcfe)



\*Information from 2009 Form 10-K

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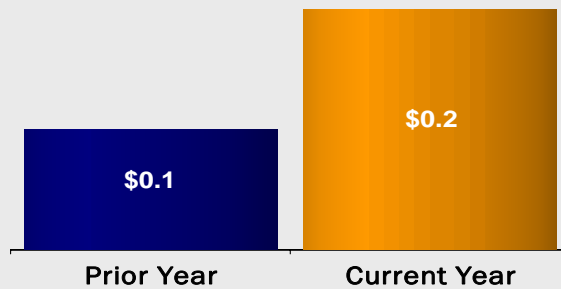




# Oil & Gas Q2 Update

## Quarter Income Comparison

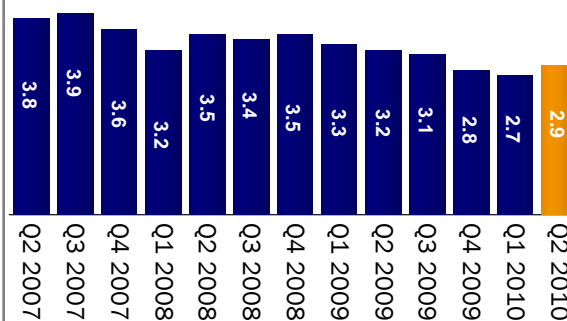
(from continuing operations in millions)



## Overview

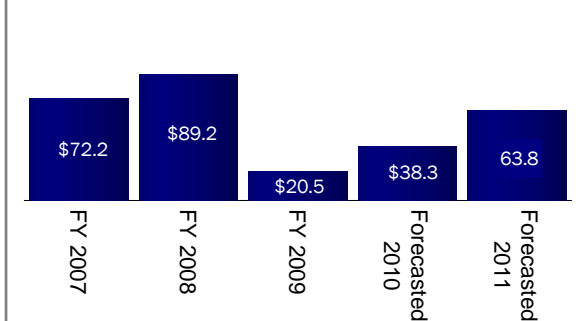
- Revenues improved due to an increase in average hedged price of oil and gas
- Capital spending limited due to low natural gas prices; long term strategy to invest \$65 - \$90 million per year if commodity prices improve
- Production lower than expected due to moderate drilling capital deployment
- Lower lease operating expenses

## Bcf Equivalent Sales



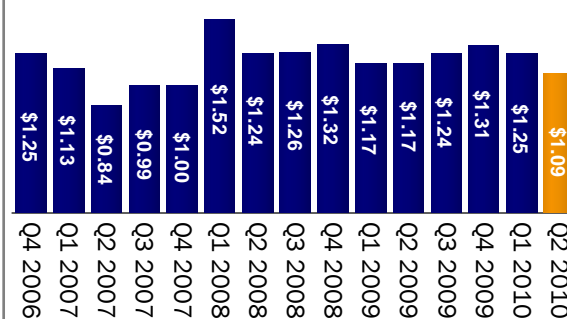
## Capital Expenditures\*\*

(in millions)

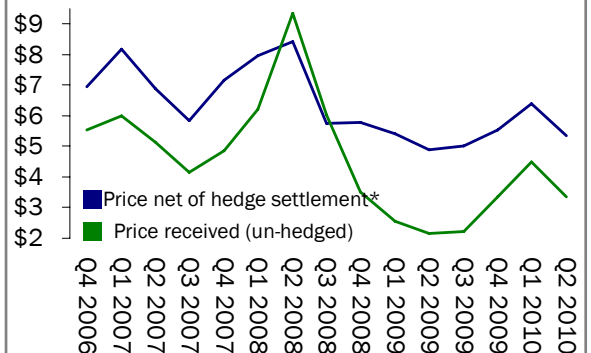


## Lease Operating Expenses

(LOE per Mcf)



## Average Nat Gas Price Received



\* Net of hedge settlement gain/loss

\*\* Development capital for our oil and gas properties is expected to be quite limited during periods of low oil and natural gas prices

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# Utility Energy Efficiency & Renewable Programs

*Expanding our renewable energy portfolio at reasonable rates for customers*

## **Black Hills Power**

- Partnered with South Dakota School of Mines & Technology in Rapid City, SD to construct a renewable energy research complex for wind and solar energy development
- Advanced Metering Infrastructure (AMI) project - installing 69,000 smart meters

## **Cheyenne Light**

- Happy Jack Wind Farm PPA (15 MW)
- Silver Sage Wind Farm PPA (10.2 MW) – In service on 10/1/2009
- Advanced Metering Infrastructure (AMI) project; installing 38,000 smart meters

## **BHE – Colorado Electric**

- 1.2 MW photovoltaic solar project installed at Colorado State University customer site
- 3 Year Energy Efficiency / Demand Side Management plan approved by CO PUC
- City of Pueblo LED street light pilot project
- Advanced Metering Infrastructure (AMI) project; installing 42,000 additional smart meters; phase two completed in 2009 (total of 98,500 meters)
- BHE-COE ranked No. 6 in Total Solar Watts per Customers in Solar Electric Power Association's 2009 Utility Solar Rankings report

## **BHE – Colorado Gas**

- 3 year Energy Efficiency / Demand Side Management plan approved by CO PUC
- Expanding automated meter reading system to 13,000 customers in Fountain, CO

## **BHE – Iowa Gas**

- Received 2009 Energy Star® Leadership In Housing Award from EPA
- Energy efficiency program includes customer rebates and website with customer tips
- Expanding automated meter reading system to 25,000 customers in Dubuque, IA

## **BHE – Nebraska Gas**

- Expanding automated meter reading system to 9,200 customers in 13 Nebraska communities

## **BHE – Kansas Gas**

- Expanding automated meter reading system to 30,000 customers in Lawrence, KS

## **Company-wide**

- 2009 Weatherization program – 118 homes weatherized in 41 communities
- 2009 Power of Trees program – 306 trees planted in 63 communities

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# Unification Update

*Building scalable platform of unified systems and processes to gain efficiencies and prepare for future growth*



## People

*Common values, aligned goals, consistent processes, & engaged employees*

### Initiatives:

- Benefits & Compensation Integration
- Performance Management
- Succession Planning
- Career Planning & Development
- Employee Engagement Survey

### Update

- New performance management process and software system launched in early 2009
- Consistent salary grade structure implemented BHC-wide in April 2009
- New unified incentive compensation program launched for 2009
- Employee benefits unification plans completed in Q4 2009; implementation in 2010



## Processes

*Integrate best practices to provide first-class service*

### Initiatives:

- Construction standards & inventory
- Accounting coding values consolidation
- New procurement approval process

### Update

- New office supply procurement and distribution process
- New administration of benefit process
- Payroll unification completed in Q4 2009
- Accounting code values consolidated 8/2/2010
- Distribution construction and inventory standards completed Q3 2010



## Systems

*From complex & expensive to scalable, efficient & economical*

### Initiatives:

- Customer Information System (CIS)
- Lawson to PeopleSoft Financial System
- Outage management system
- SCADA system
- GIS/Mapping system
- Utility Work Management
- Power Plant Work Management

### Update

- BHP CIS system integration completed 8/1/2009
- CLFP CIS system integration completed 11/1/2009
- New in-house bill print and payment processing facility started up in 12/2009
- PeopleSoft System implemented 8/2010
- GIS mapping system unification completed 7/2010
- Utility Work Management system unification completed 8/2010

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# Efficient Cost Recovery

Regulated Jurisdiction	Cost Recovery Mechanisms *							
	DSM/ Energy Efficiency	Capital Additions	Bad Debt	Weather Normal.	Fuel Cost	Trans- mission	Purchased Power	Fixed Cost Recovery
BHP - South Dakota					☑	☑	☑	
BHP - Wyoming					☑	☑	☑	
BHP - Montana					☑		☑	
BHP - FERC						☑		
CLFP - Electric Customers	☐				☑	☑	☑	
CLFP - Gas Customers	☐				☑	N/A	N/A	45%
BHE - COE	☑				☑	☑	☑	
BHE - CO Gas	☑				☑	N/A	N/A	43%
BHE - IA Gas	☑				☑	N/A	N/A	59%
BHE - KS Gas		☑	☑	☑	☑	N/A	N/A	57%
BHE - NE Gas		☑	☑	☐	☑	N/A	N/A	52%

\* Refer to pages 27-34 of the 2009 10K for more specific information.

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# Credit Facilities & Debt

*Proactively managing cash flows, capital expenditures and financing needs*

Primary Credit Facilities As of 6/30/2010	Capacity	Utilized	Available
Enserco Credit Facility (Committed / Stand-alone) – New May 2010 – Matures May 2012	\$ 250 million	\$ 141.4 million (LC)	\$ 108.6 million
Corporate Revolver – Matures April 2013	\$ 500 million	\$ 225 million \$ 36.5 million (LC)	\$ 238.5 million
Current Maturities of LTD	--	\$ 4.5 million	--
LTD – BH Wyoming Project Financing (Due 2016)	--	\$ 111.7 million	--
LTD – BHC (Due 2013)	--	\$ 225 million	--
LTD – BHC (Due 2014)	--	\$ 250 million	--
LTD – Other	--	\$ 223.4 million	--
LTD – BHP (Due 2039)	--	\$180 million	--

- Obtained \$500 million, unsecured corporate revolving credit facility with \$100 million accordion feature expiring 4/14/2013
- Enserco completed a two year \$250 million committed stand alone credit facility in May (\$100 million accordion feature); replaced \$300 million committed credit facility
- Completed issuance of public debt offering of \$200 million aggregate principal amount of senior unsecured notes due 7/15/2020

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# Credit Ratings

Black Hills Corporate	S&P	Moody's	Fitch
Long-Term Issuer	BBB-	Baa3	BBB
Senior Unsecured	BBB-	Baa3	BBB
<i>Outlook</i>	<i>Stable</i>	<i>Stable</i>	<i>Stable</i>

Black Hills Power	S&P	Moody's	Fitch
Long-Term Issuer	BBB-	Baa2	BBB
Senior Secured Debt	BBB+	A3	A-
<i>Outlook</i>	<i>Stable</i>	<i>Stable</i>	<i>Stable</i>

- 8/3/2009 – Moody's Investors Service upgraded senior secured debt rating of Black Hills Power to A3 from Baa1
- 7/14/2010 – S&P raised Black Hills Power senior secured debt rating to BBB+ from BBB

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# Vision: Be the energy partner of choice.



## Agility

We embrace change and challenge ourselves to adapt quickly to opportunities.



## Communication

Consistent, open and timely communication keeps us focused on our strategy and goals.



## Creating Value

We are committed to creating exceptional value for our shareholders, employees, customers and the communities we serve ... always.



## Customer Service

We are committed to providing a superior customer experience every day.



## Integrity

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



## Leadership

Leadership is an attitude. Everyone must demonstrate the care and initiative to do things right.



## Partnership

Our partnerships with shareholders, communities, regulators, customers and each other make us all stronger.



## Respect

We respect each other. Our unique talents and diversity anchor a culture of success.

# Mission: Improving life with energy.

*Improving life with energy*



**Black Hills Corporation**

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