



News Release

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BLACK HILLS CORPORATION COMPLETES NEW COMMITTED CREDIT FACILITY FOR ENERGY MARKETING BUSINESS

RAPID CITY, SD — May 8, 2009 — Black Hills Corp. (NYSE: BKH) energy marketing subsidiary Enserco Energy today announced the completion of a \$240 million committed stand-alone credit facility to replace its previously uncommitted \$300 million credit facility, which was due to expire May 8th. BNP Paribas, Fortis Capital Corp. and Societe Generale are co-lead arranger banks and The Bank of Tokyo Mitsubishi UFJ and U.S. Bank are participating banks. All of the banks are participants to the expiring facility. Later this month, the company expects to close an additional \$60 million of funding with new facility lenders, raising the total committed facility to \$300 million.

“Despite the challenging capital markets and a struggling economy, we are pleased to have solid interest and support from both existing and new bank lenders in moving to a committed facility for our energy marketing business. Enserco has a great track record of managing risk and credit and we believe a committed credit facility provides an additional level of certainty that aligns with our conservative approach to managing this business,” said David R. Emery, chairman, president and CEO of Black Hills Corporation.

ABOUT BLACK HILLS CORP.

Black Hills Corp. — a diversified energy company with a tradition of exemplary service and a vision to be the energy partner of choice — is based in Rapid City, S.D., with corporate offices in Golden, Colo., and Omaha, Neb. The company serves 759,000 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. Black Hills employees partner to produce results that improve life with energy. More information is available at www.blackhillscorp.com.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This news release 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 news release 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, including the risk factors described in Item 1A of Part I of our 2008 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 complete additional financings;
- The impact of the global financial credit crisis on counterparty credit risk;
- The ability to continue to manage our energy marketing business profitably; 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