



News Release

Media Contacts:

Janaan Harp 402-680-8928
24-Hour Media Line 866-243-9002

BEFORE THE FIRST FROST, CHECK YOUR HOME'S THERMAL ENVELOPE: WHY INSULATION IS SO IMPORTANT TO SAVING ON ENERGY COSTS

Free home energy audit qualifies customers for the home envelope rebate program

WEST DES MOINES, Iowa, Sept. 22, 2009—Shorter days and cooler weather mean winter is right around the corner. Black Hills Energy encourages customers to prepare for the winter heating season by having their homes' weather-stripping and insulation efficiency levels inspected before the winter's first frost.

"The typical U.S. family spends \$1,900 a year on home utility bills, and heating and cooling account for 50 percent to 70 percent of those costs," said Matt Daunis, Black Hills Energy's director of energy efficiency. "Inadequate insulation and air leaks are leading causes of energy waste in most homes. However, weatherproofing and installing adequate insulation are important steps customers can take to keep money in the form of energy from leaking out of their home," continued Daunis.

Proper sealing and insulation of a home's walls, foundation, crawlspaces, attics, windows and doors – the "thermal envelope" – not only saves homeowners hard-earned money, but also qualifies Iowa natural gas customers for a rebate from Black Hills Energy.

The company offers up to \$200 in rebates on home materials to seal gaps and up to \$750 in rebates for insulation. To qualify for the thermal envelope rebate program, customers first must receive a free home energy audit – valued at \$150 – offered through Black Hills Energy. A professional energy auditor will provide recommendations specific to the needs of each homeowner, which may include measures that qualify customers for thermal envelope rebates.

"Becoming energy efficient is easy, and the best place for homeowners to start is with a free energy audit. And before the heating season sets in, I encourage customers to contact us to schedule a home energy audit so they can learn about the many ways to increase their efficiency levels, save on their energy bills and receive rebates from Black Hills Energy," said Daunis.

As heat naturally flows from warmer to cooler spaces, cold winter temperatures cause heat to move from living spaces to the outdoors and to unheated attics, garages and basements. To maintain a constant temperature, a home's heating system works continuously to replace heat loss. Proper insulation of attics,

walls, crawlspaces and basements keeps the flow of heat from escaping outside or to unoccupied living quarters.

Insulating effectiveness is rated on thermal resistance, or resistance to heat flow, known as “R-value.” The R-value is a factor of the type of material, its thickness and its density. The greater the R-value, the greater the insulation’s effectiveness.

Another effective measure is to seal gaps that allow air leaks. Air leaks around doors and windows are the most common, and account for 7 percent to 12 percent of a building’s heating and cooling loss. Weather-stripping is an important component of preventing unnecessary air leaks. In addition, leaks between the living space and other unconditioned areas of the house – such as attics, basements and crawlspaces – are often much greater and less obvious sources of energy loss.

“Weather-stripping and insulation aren’t just for winter,” said Daunis. “By sealing around leaky doors and windows and insulating attics and crawlspaces, customers can save on both winter heating costs and summer cooling costs, while keeping their home comfortable year-round on less energy.”

To learn more about the energy efficiency rebates and incentives available to Black Hills Energy’s residential, commercial and industrial natural gas customers in Iowa, call 888-567-0799 or visit www.BHEHowTo.com.

Purchases and installations must be completed by Dec. 31, 2009, for the 2009 rebate program. Rebate applications for eligible energy efficiency measures completed in 2009 must be received by Jan. 31, 2010, to qualify.

Black Hills Energy serves 149,500 natural gas customers in 130 Iowa communities. Black Hills Energy is part of Black Hills Corp. (NYSE: BKH) — 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.

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