



## News Release

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### **BLACK HILLS CORP. COMPLETES \$120 MILLION PROJECT FINANCING**

RAPID CITY, SD — December 9, 2009 — Black Hills Corp. (NYSE: BKH) announced today that its subsidiary, Black Hills Wyoming, LLC, completed \$120 million in project financing, secured by the company's Wygen I and Gillette CT generation facilities. The loan amortizes over a seven-year term with a maturity date of December 9, 2016 and has an interest rate of LIBOR plus 3.25 percent per annum. Black Hills Corp. plans to use the net proceeds to pay down a portion of short term borrowings on its corporate revolving credit facility.

“We continue to make progress replacing short-term debt with cost effective long-term financings. By completing our corporate bond issuance in May, the Black Hills Power first mortgage bond offering in October and now closing on this project financing, we have attained more favorable terms than were possible in late 2008 or earlier this year,” said David R. Emery, chairman, president and chief executive officer of Black Hills Corp. “We are well positioned to move forward with our substantial capital investment plans over the next several years and look forward to the associated earnings growth.”

The Bank of Nova Scotia was book-runner for the offering and Bayerische Landesbank, CoBank, and Union Bank were participating banks.

### **ABOUT BLACK HILLS CORPORATION**

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 more than 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](http://www.blackhillscorp.com).

**CAUTION REGARDING FORWARD-LOOKING STATEMENTS**

This news release includes “forward-looking statements,” including statements regarding our ability to move forward with our capital investment plans over the next several years and associated earnings growth. We make these forward-looking statements in reliance on the safe harbor protections provided under the Private Securities Litigation Reform Act of 1995. 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 and our third quarter 2009 Form 10-Q filed with the SEC, and other reports that we file with the SEC from time to time.

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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