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News Release

U.S. EPA AWARDS BLACK HILLS ENERGY 2010 ENERGY STAR® LEADERSHIP IN HOUSING AWARD IN IOWA

WEST DES MOINES, Iowa, June 21, 2010 – Black Hills Energy has received a 2010 ENERGY STAR® Leadership in Housing Award from the U.S. Environmental Protection Agency. This award recognizes the contribution Black Hills Energy has made to energy-efficient construction by verifying and incenting the construction of 270 ENERGY STAR qualified homes last year throughout its Iowa service territory. According to ENERGY STAR, these homes will save Black Hills Energy customers approximately \$84,000 on utility bills each year.

“Black Hills Energy is honored to receive the ENERGY STAR award from the U.S. Environmental Protection Agency for the second consecutive year,” said Linn Evans, president and chief operating officer - utilities. “We are committed to helping customers be more energy efficient without sacrificing comfort in their homes and offices. By doing simple things like adjusting thermostats when away, customers can reduce energy waste that can lead to potential savings on their monthly bill.”

To earn the ENERGY STAR qualification, a home must meet strict guidelines for energy efficiency set by the EPA. These homes are at least 15 percent more efficient than homes built to local code, and include additional energy-saving features that typically make them 20 percent to 30 percent more efficient than standard homes.

“EPA is privileged to work with a diverse group of utilities, state programs, and home builder associations who effectively support ENERGY STAR Qualified Homes,” said Sam Rashkin, National Director of ENERGY STAR for Homes. “Thanks to the leadership of these sponsors, home buyers across the country have greater access to ENERGY STAR Qualified Homes that cost less to own while improving comfort, indoor air quality, durability, and our environment.”

ENERGY STAR qualified homes offer homebuyers all the features they want in a new home, plus energy-saving features such as effective insulation systems, high performance

windows, tight construction and ducts, properly-sized and installed efficient heating and cooling equipment, efficient products, and third-party verification of energy performance.

For more information about the energy efficiency programs available to Black Hills Energy's residential, commercial and industrial natural gas customers in Iowa, visit www.BHEhowto.com or call 888-567-0799.

Black Hills Energy – Iowa*

Black Hills Energy serves 149,700 natural gas customers in 130 Iowa communities, and is a proud recipient of the U.S. EPA 2010 ENERGY STAR® Leadership in Housing Award. Black Hills Energy is part of Black Hills Corp. (NYSE: BKH).

*Black Hills/Iowa Gas Utility Company, LLC d/b/a Black Hills Energy

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 Denver, and Omaha, Neb. The company serves 763,300 natural gas and electric 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.

About ENERGY STAR

ENERGY STAR was introduced by the U.S. Environmental Protection Agency in 1992 as a voluntary market-based partnership to reduce greenhouse gas emissions through increased energy efficiency. Today, ENERGY STAR offers businesses and consumers energy-efficient solutions to save energy, money and help protect the environment for future generations. More than 17,000 organizations are ENERGY STAR partners committed to improving the energy efficiency of products, homes, buildings and businesses. For more information about ENERGY STAR, visit www.energystar.gov or call toll-free 1-888-STAR-YES (1-888-782-7937).

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