



News Release

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BLACK HILLS POWER FILES REQUEST FOR WIND PROJECT WITH SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

RAPID CITY, SD, APRIL 28, 2011 – Black Hills Corp. (NYSE:BKH) utility subsidiary Black Hills Power today announced that it filed a request for a declaratory ruling from the South Dakota Public Utilities Commission. The request asks the commission to confirm that a proposed 20-megawatt wind farm near Belle Fourche, S.D., is reasonable and cost effective considering other renewable electricity alternatives and is an appropriate resource addition to meet the company's resource or customer needs.

“This \$38 million capital project will be the first wind development in western South Dakota and is a great step forward for this region,” said Chuck Loomis, vice president of operations, Black Hills Power. “The energy landscape continues to change, and this is the right project for our customers considering South Dakota's renewable energy objective that was enacted by the South Dakota Legislature in 2008 and federal tax incentives for renewable energy projects that are currently available. A unique opportunity exists for us to add this wind generation resource near our service area and our existing transmission lines at favorable terms.”

This project advances Black Hills Power's progress toward the state's objective that 10 percent of all electricity sold be obtained from renewable, recycled and conserved energy resources by 2015. Work already completed by the developer makes this project nearly construction-ready. This project will complement Black Hills Power's existing coal-fired and natural-gas-fired generation fleet.

The 20-MW wind farm site was developed in part by Renewable Solutions LLC. “This wind farm will provide valuable economic development for the region while providing Black Hills Power with a cost effective source of power generation for the next 30 years,” said project developer Mark Eilers, president of Renewable Solutions.

If the declaratory ruling is approved, all remaining permits will be obtained, and the wind project will be constructed by Black Hills Power in Butte County north of Belle Fourche with commercial operation expected before Dec. 31, 2012.

Black Hills Power

Black Hills Power is the legacy utility business of Black Hills Corp. (NYSE: BKH) and has been delivering energy for more than 125 years. The electric utility serves 66,900 customers in 25 communities in western South Dakota, northeastern Wyoming and southeastern Montana.

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.

Renewable Solutions, LLC

Renewable Solutions, LLC is a Minneapolis based company engaged in the development of renewable energy projects across the upper midwest.

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, including statements regarding obtaining permits, costs, and construction timelines, 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 factors discussed above, the risk factors described in Item 1A of Part I of our 2010 Annual Report on Form 10-K 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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