



News Release

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CHEYENNE LIGHT, FUEL AND POWER HOSTS COMMUNITY OPEN HOUSES TO DISCUSS PROPOSED CHEYENNE PRAIRIE GENERATING STATION

CHEYENNE, Wyo. — Jan. 23, 2012 — Cheyenne is experiencing positive development, and Cheyenne Light, Fuel & Power is a partner in making sure the community's homes and businesses have the energy they need. Cheyenne Light has begun the regulatory process to construct a natural-gas-fired power plant called the Cheyenne Prairie Generating Station. The proposed facility would be within city limits, adding to the local tax base, creating jobs and continuing Cheyenne Light's reliable service.

In addition to meeting the community's growing energy demand, the natural-gas fired turbines will position Cheyenne Light to meet current and future U.S. Environmental Protection Agency emission regulations and policies. The units will be capable of backing up intermittent renewable generation resources, such as wind, as needed in the future.

Cheyenne Light is currently undergoing the industrial siting permit process. The Cheyenne Prairie Generating Station will include state-of-the-art emissions controls. Moreover, Cheyenne Light respects all state and federal requirements and is working diligently to ensure that the generating station will meet or exceed all regulations, including conducting studies on environmental, noise, endangered species and cultural impact.

As part of that process, Cheyenne Light wants to hear from all interested customers and provide them with more information about the project. Community open houses are scheduled for 3 p.m. to 7 p.m. Wednesday, Jan. 25, and 11 a.m. to 3 p.m. Saturday, Feb. 18, at the Cheyenne Holiday Inn, 204 West Fox Farm Road.

CHEYENNE PRAIRIE GENERATING STATION FAST FACTS

Location: Three miles east of Cheyenne in Laramie County, within city limits.

Energy Generation: One 37 megawatt simple cycle combustion turbine wholly owned by Cheyenne Light, Fuel and Power. One 95 megawatt combined cycle combustion turbine jointly owned with Black Hills Power, a Black Hills Corporation utility subsidiary, with Cheyenne Light owning 40 megawatts and Black Hills Power owning 55 megawatts.

Timeline: Nov 1, 2011 – Certificate of Public Convenience and Necessity filed with the Wyoming Public Service Commission.

2011-2012 – File appropriate air permits with EPA and State of Wyoming.

Fourth Quarter 2012 – If approved by the Wyoming Public Service Commission, construction begins.

2014 – Facility begins serving customers.

Cheyenne Light, Fuel & Power Company

Cheyenne Light, Fuel and Power Company, a subsidiary of Black Hills Corp. (NYSE: BKH), serves 39,000 electric customers and 34,000 natural gas customers in the greater Cheyenne, Wyo., area.

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 Papillion, Neb. The company serves 762,000 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' 2,100 employees partner to produce results that improve life with energy. More information is available at www.blackhillscorp.com.

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