



Steve Schock of  
Black Hills Power

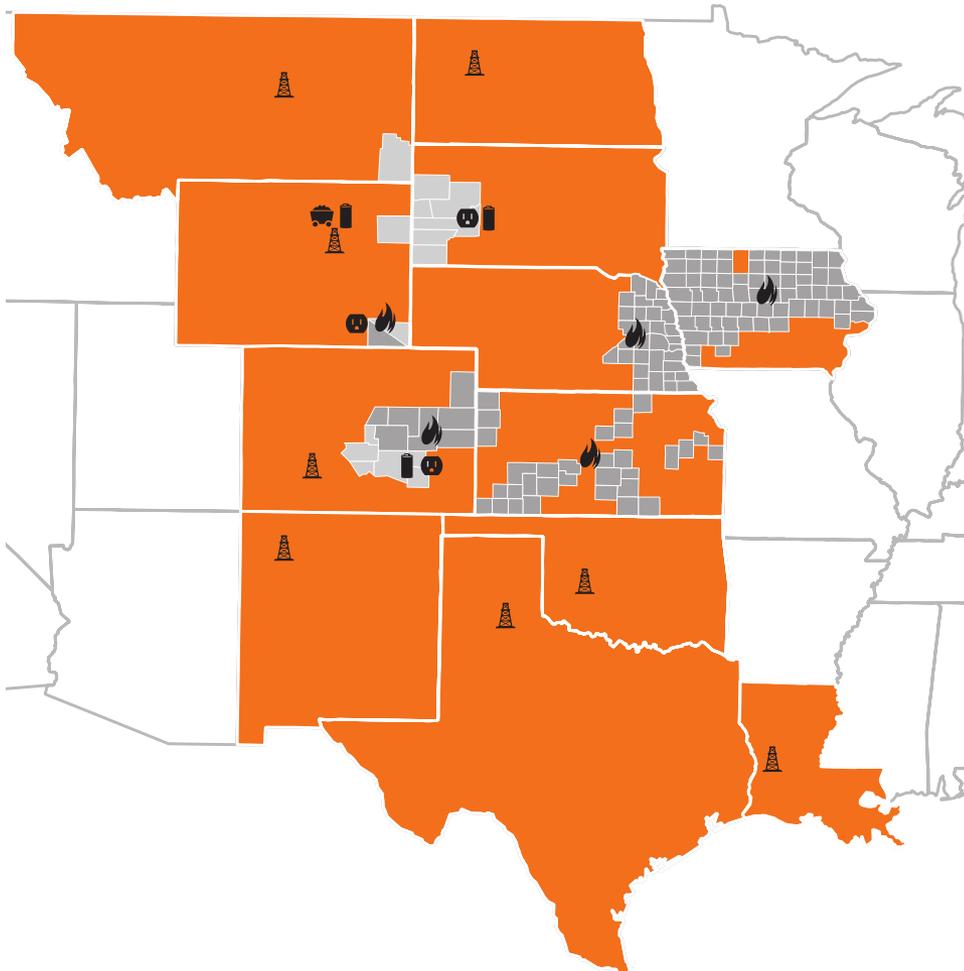
# EPA's Proposed Green House Gas Existing Source Rule

South Dakota Public Utilities Commission Forum  
July 31, 2014



# Black Hills Corporation Overview

A growth-oriented, vertically-integrated energy company with a tradition of exemplary service and a vision to be the **energy partner of choice**. Based in Rapid City, S.D., the company serves 777,000 electric and gas utility customers in Colorado, Iowa, Kansas, Montana, Nebraska, South Dakota and Wyoming. The company generates wholesale electricity and produces natural gas, crude oil and coal. Employees partner to produce results that *improve life with energy*.



## Utilities, Power Generation & Fuel Production

### Utilities

#### Electric Utilities

- Black Hills Power
- Cheyenne Light\*
- Colorado Electric

#### Gas Utilities

- Colorado Gas
- Iowa Gas
- Kansas Gas
- Nebraska Gas

### Non-Regulated Energy

#### Power Generation

- Black Hills Electric Generation

#### Coal Mining

- Wyodak Resources

#### Oil and Gas

- Black Hills Exploration and Production

\* Utility supplies electric and gas service to Cheyenne, Wyo. and vicinity

# South Dakota



-  Black Hills Power
-  Black Hills Corporate Headquarters
-  Power Generation

## Fast Facts

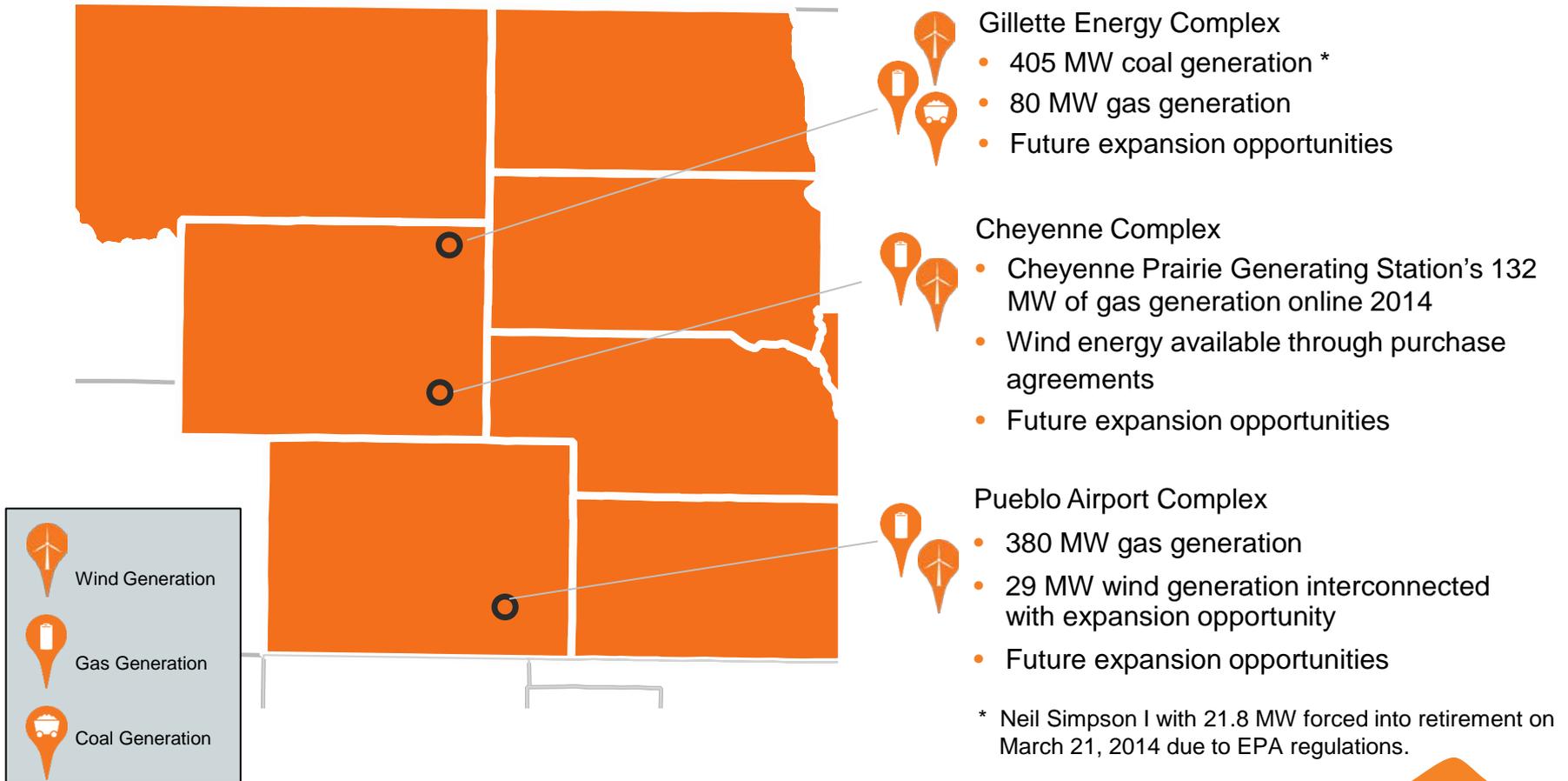
- More than 66,000 customers
- More than 550 employees
- 3,058 total miles of transmission and distribution lines
- 23 communities served

## Major Communities Served

- Belle Fourche
- Box Elder
- Custer
- Deadwood
- Edgemont
- Hill City
- Hot Springs
- Keystone
- Lead
- Newell
- Rapid City
- Summerset
- Spearfish
- Sturgis
- Whitewood

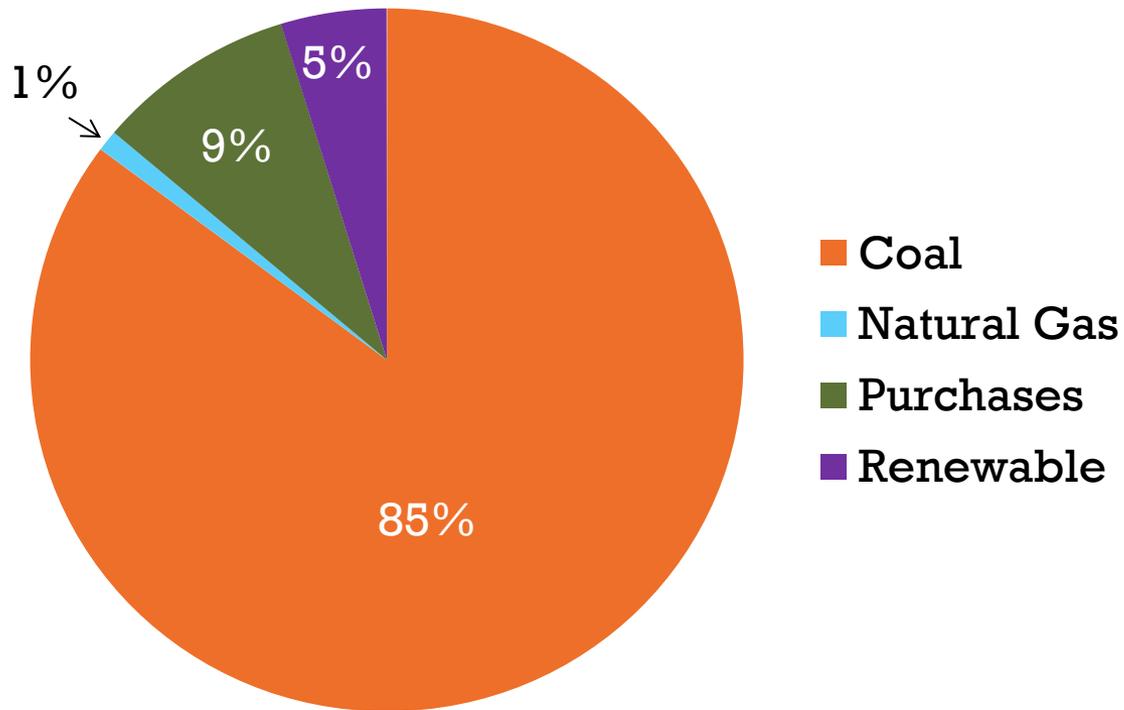
# Black Hills Corporation Resource Strategy

- State-of-the-art generation fleet: average age of 14.3 years
- Shared staff, facilities, land, infrastructure
- Each location has advantageous fuel supply logistics and/or wind potential



# Black Hills Power Resource Mix

**2013 BHP Electricity Usage**



Source: SD Renewable, Recycled, and Conserved Energy Objective Annual Report for 2013

# Black Hills Power's Impacted Generation Sources

Utility	Unit	Fuel Type	Location	Ownership Interest %	Owned Capacity (MW)	Year Installed
BHP	Wygen III	Coal	Gillette, WY	52	57.2	2010
BHP	Neil Simpson II	Coal	Gillette, WY	100	90	1995
BHP	Wyodak	Coal	Gillette, WY	20	72.4	1978
<i>BHP</i>	<i>Osage</i>	<i>Coal</i>	<i>Osage, WY</i>	<i>100</i>	<i>34.5</i>	<i>1948-1952</i>
<i>BHP</i>	<i>Ben French</i>	<i>Coal</i>	<i>Rapid City, SD</i>	<i>100</i>	<i>25</i>	<i>1960</i>
<i>BHP</i>	<i>Neil Simpson I</i>	<i>Coal</i>	<i>Gillette, WY</i>	<i>100</i>	<i>21.8</i>	<i>1969</i>
BHP	Neil Simpson CT	Gas	Gillette, WY	100	40	2000
BHP	Lange CT	Gas	Rapid City, SD	100	40	2002
BHP	Ben French Diesel #1-5	Oil	Rapid City, SD	100	10	1965
BHP	Ben French Diesel CTs #1-4	Gas/Oil	Rapid City, SD	100	80	1977-1979
BHP	Cheyenne Prairie	Gas	Cheyenne, WY	42	55	2014

Note: Osage, Ben French and Neil Simpson I were retired on March 21, 2014 due to EPA regulations

Source: 2013 10-K

# VISION

Be the Energy Partner of Choice.

# MISSION

Improving Life with Energy.

## COMPANY VALUES



### Agility

We embrace change and challenge ourselves to adapt quickly to opportunities.



### Customer Service

We are committed to providing a superior customer experience every day.



### Partnership

Our partnerships with shareholders, communities, regulators, customers and each other make us all stronger.



### Communication

Consistent, open and timely communication keeps us focused on our strategy and goals.



### Integrity

We hold ourselves to the highest standards based on a foundation of unquestionable ethics.



### Respect

We respect each other. Our unique talents and diversity anchor a culture of success.



### Creating Value

We are committed to creating exceptional value for our shareholders, employees, customers and the communities we serve...always.



### Leadership

Leadership is an attitude. Everyone must demonstrate the care and initiative to do things right.



### Safety

We commit to live and work safely every day.