# Black Hills Energy Franchise and Sustainability

Providing natural gas service to customers in Erie, Colorado

October 7, 2025

Black Hills Energy Ready

## We're a regulated, publicly traded electric and natural gas provider, serving:

**Eight** states

**1.35 million** electric and natural gas utility customers

**800+** communities

Our Mission

Improving Life with Energy

Our Vision

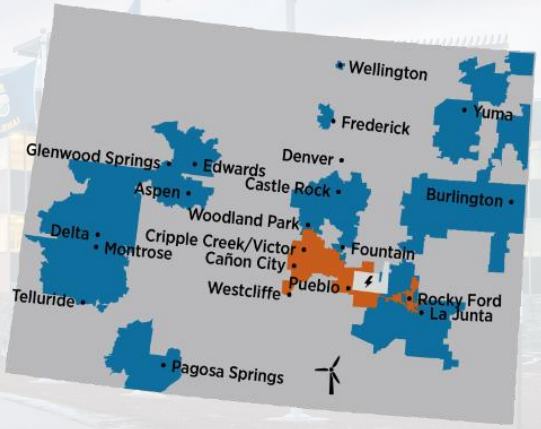
To be the Energy Partner of Choice

Black Hills Energy
Ready

# Colorado

## WE SERVE

- 101,455 electric customers
- 215,190 gas customers
- 449 employees
- 3,877 miles of powerline
- 10,215 miles of pipeline




Know Black Hills Energy

# Colorado: Our community impact

## $133.9 Million in 2024 direct economic impact*

### $640,000
### CHARITABLE GIVING

Included contributions and sponsorships to nonprofits, chambers and economic development organizations, United Way, energy assistance, in-kind donations, scholarships and investments in trees.

### $52,000
### ECONOMIC DEVELOPMENT

Aided economic development organizations and chambers of commerce working to strengthen communities.

### $65,000
### UNITED WAY PLEDGES

Benefited United Ways across Colorado including over $52,000 in employee pledges plus a 25% match from Black Hills Corp. Foundation.

### $156,000
### ENERGY ASSISTANCE

Raised for our energy assistance program, Black Hills Cares, that helped families in need. Company match is included.

### 700+
### VOLUNTEER HOURS

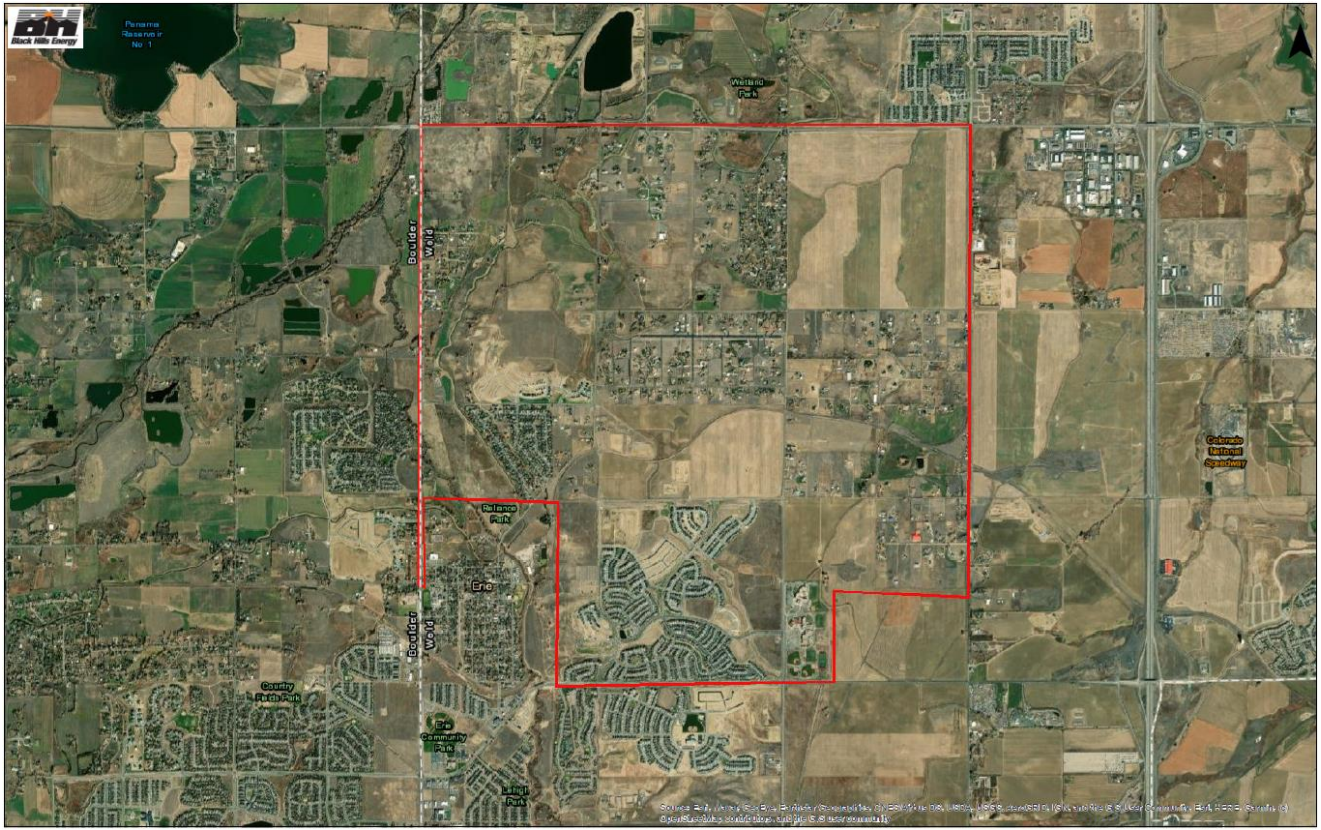
Company employees lending a hand in service to community organizations.

### 300+
### FIRST RESPONDERS & EXCAVATORS

Trained on emergency response and safe digging practices so everyone knows safety is our top priority and the rules around 811.

*includes charitable giving, employee compensation, taxes, etc.

# Service in Town of Erie



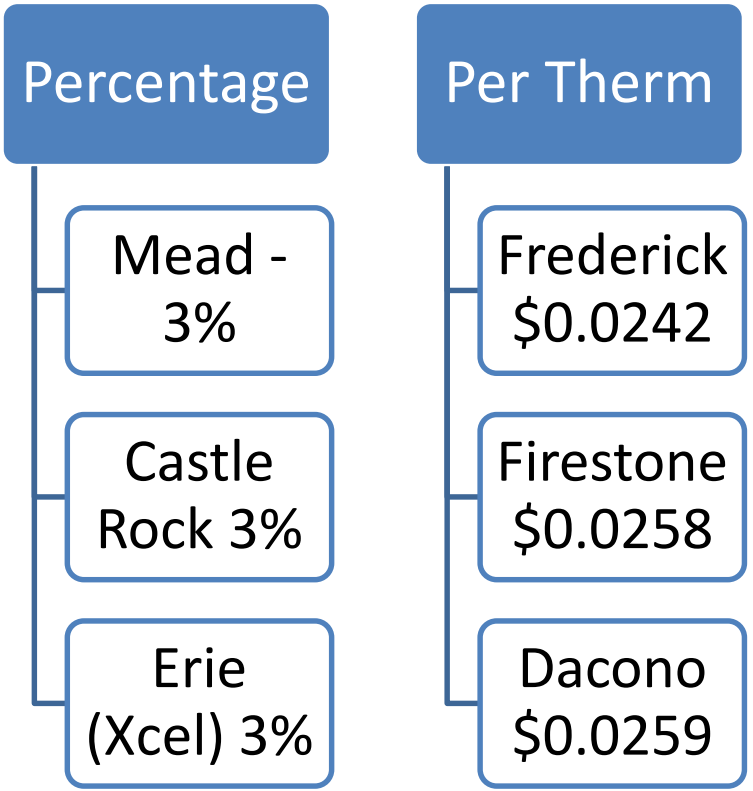
# Safety

Safety is the top priority at Black Hills Energy

- Damage prevention – Call Before you Dig
- Pipeline replacement
- Regulatory oversight

# Franchise Agreements

- Operating agreement between the utility and municipality
- Statutory process for adoption
- Colorado Public Utilities Commission approval
- Franchise fee



# Sustainability at Black Hills Energy

Our mission of improving life with energy means **we must be ready to make tomorrow even better than today**. This is why we are committed to creating a cleaner energy future that builds upon our responsibility to provide the safe, reliable and affordable energy that improves our customers' lives.

By investing in the success of our employees, continually innovating, thoughtfully utilizing resources and keeping people at the core of our decision-making, we are dedicated to the sustainability of our company, communities and planet.

# Our approach

- **People-centered:** Keep people at the center of our decision making
- **Mission-focused:** Deliver on our mission to improve life with energy
- **Authentic:** Build on our history of environmental stewardship

**Set ambitious, yet achievable goals for improving the climate using technology available today.**

# Our clean energy goals

**Natural Gas Utility Operations**

- 50% reduction in GHG emissions intensity by 2035

*Based on 2005 baseline levels*

# Our natural gas utilities

- We serve more than 1 million natural gas customers in six states
- Since 2005, we've reduced GHG emissions by over one third
- We operate a modern gas system, with no cast iron pipe since 2014 with nearly 99% of infrastructure comprised of materials with the lowest emissions factors.
- We are committed to completing replacement of all remaining unprotected pipe before 2035.

# Natural gas emissions reduction strategies

- EPA Methane Challenge
  - Committed to three best management practices
- ONE Future Coalition
  - Our Nation's Energy Future goals
- Renewable natural gas
  - Five projects in service
- Energy efficiency
  - $5.45 million budget for programs in 2025
- Emerging technology
  - Advanced operational practices, emerging appliances and alternate fuels

# Learn more

For more information about our Environmental, Social and Governance (ESG) commitments and our GHG reduction goals, visit **www.blackhillsenergy.com/sustainability.**

# Natural Gas Customer Survey

This summer, Black Hills Energy did a combination email & in-person survey of our residential customers. We got nearly 5,000 responses. 58 of over 2,000 customers in Erie There were some interesting takeaways:

1. Vast majority are aware of “Electrification.” (68 percent in Erie)
2. Overall, 89 percent say, its extremely important or somewhat to have the ability to choose natural gas for their home or business. (88 percent in Erie)
3. Customers strongly oppose or somewhat oppose being told to use only electric appliances. (68 percent in Erie, 23 percent no opinion)
4. 82 percent would strongly oppose or oppose forcing customers to switch appliances to electric. (62 percent in Erie, 20 no opinion)

# Natural Gas Customer Survey

**Cont.**

5. 83 percent of customers are aware the PUC is considering a regulation to collect money from all customers to assist people switching to electric appliances. (93 percent in Erie)
6. 83 percent of customers **do not** want to help pay for their neighbor's conversion to electric appliances. (80 percent in Erie)

We believe it is important to pay attention to what customer are saying about preserving their right to choose how to heat their homes and cook.