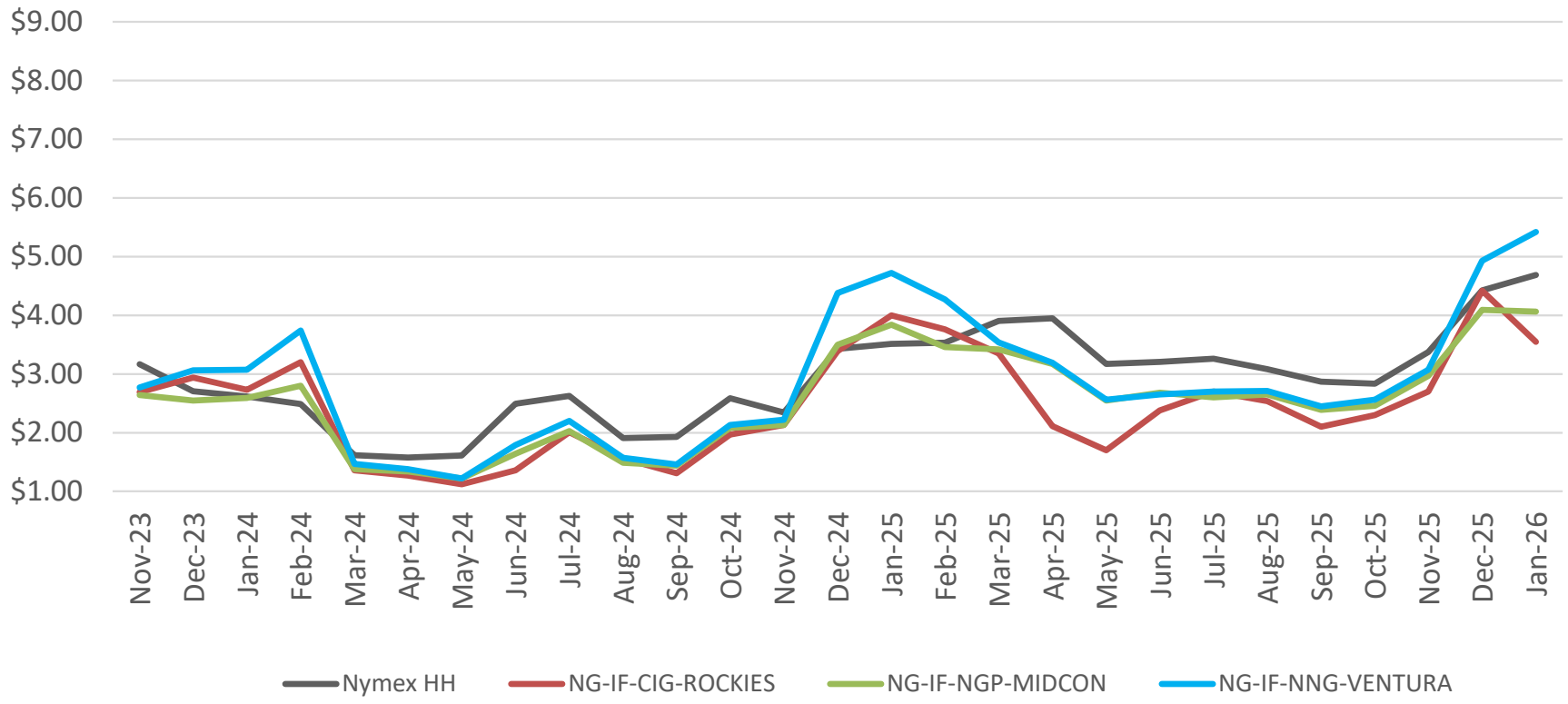
Black Hills Energy

Quarterly Update – Gas Supply

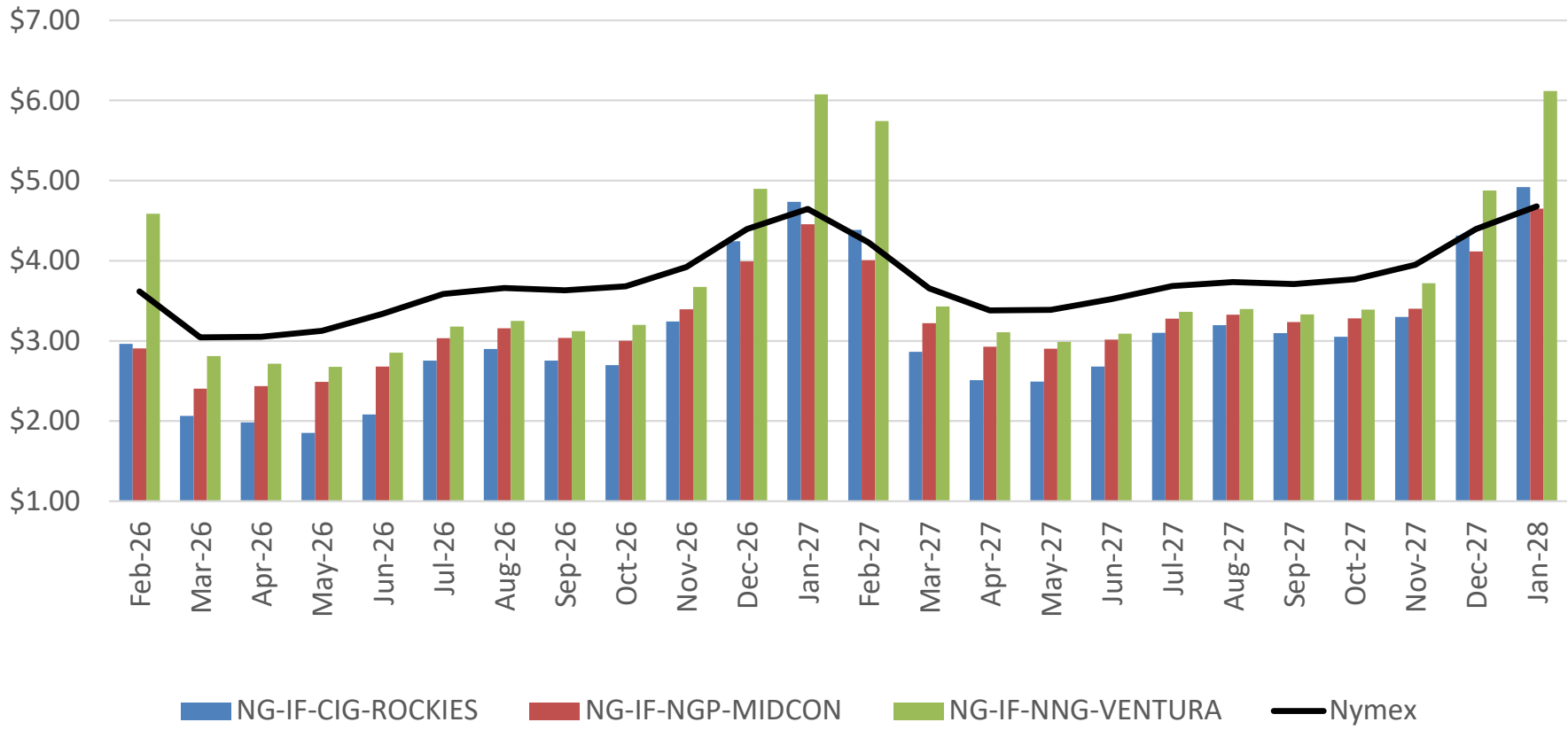
Winter 2025-2026 Update

January 13, 2026

Natural Gas Pricing - Historical

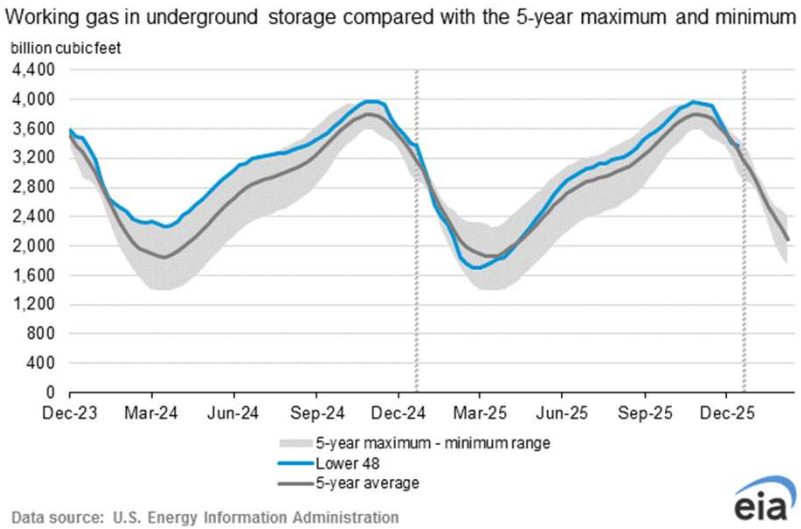


Future Natural Gas Pricing



Market Update

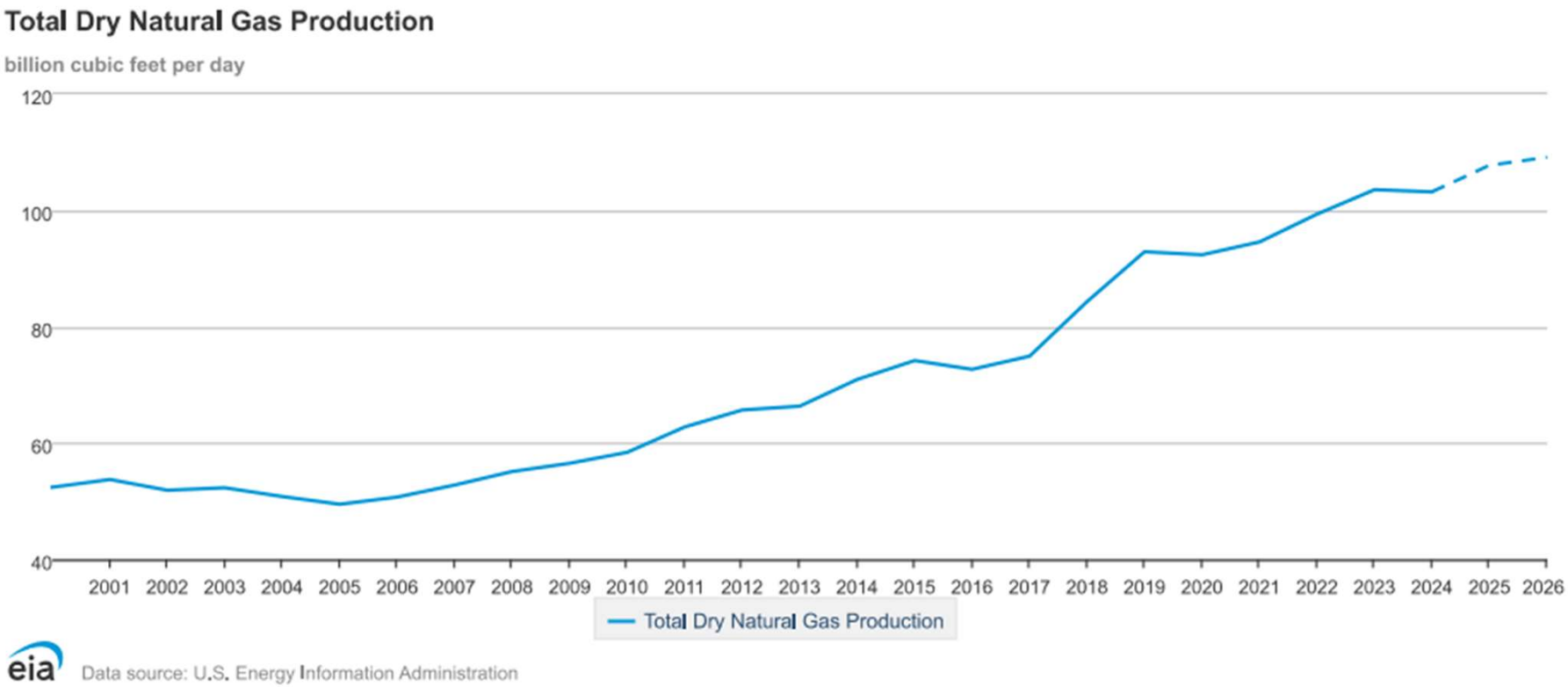
- National production levels continue to rise. Dry gas production is currently around 109 Bcf/day, ~5 Bcf/day higher than year-ago levels.
- EIA national storage report shows inventory currently 1.6% lower than year-ago and 1.7% higher than the five-year-average.



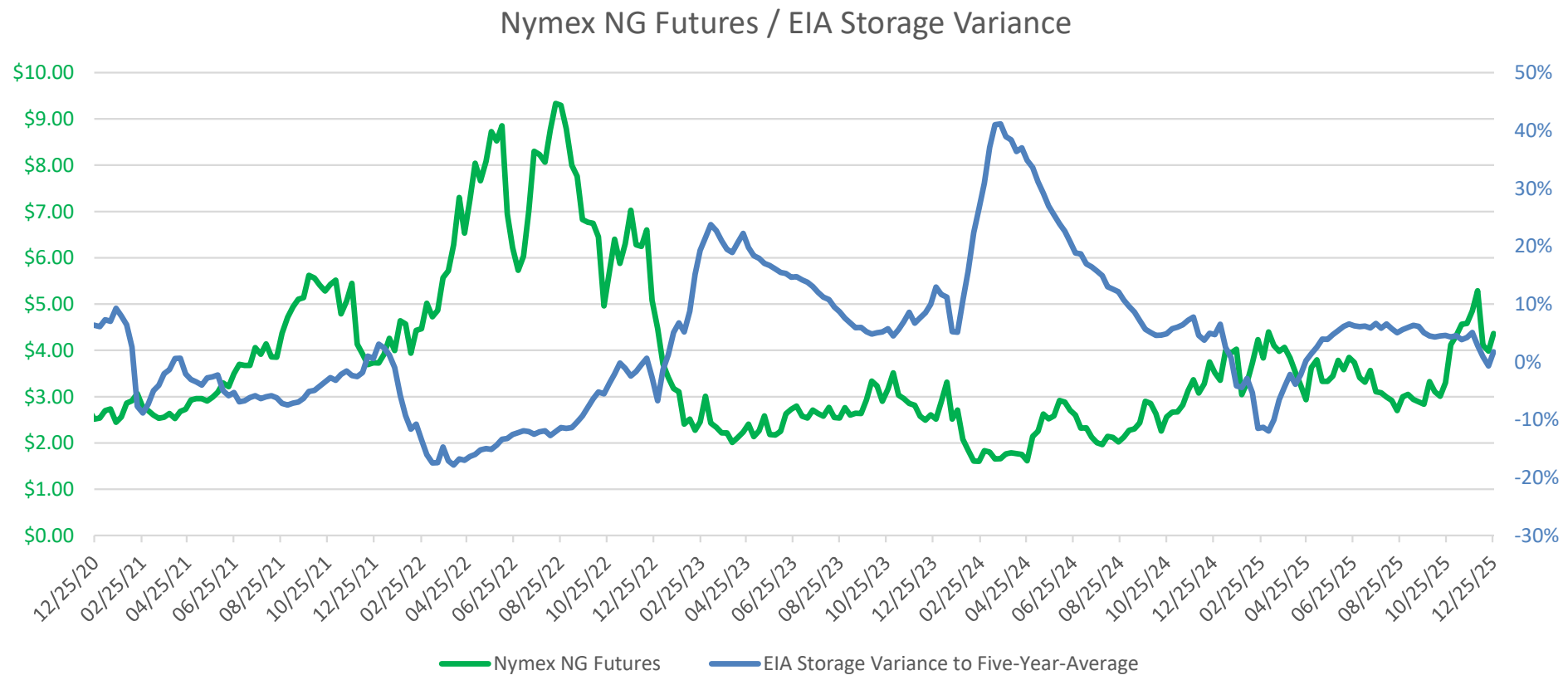
	Stocks billion cubic feet (Bcf)				Historical Comparisons: Year ago (12/26/24)		5-year average (2020-24)	
Region	12/26/25	12/19/25	net change	implied flow	Bcf	% change	Bcf	% change
East	736	751	-15	-15	752	-2.1	771	-4.5
Midwest	865	904	-39	-39	921	-6.1	929	-6.9
Mountain	264	266	-2	-2	263	0.4	207	27.5
Pacific	307	303	4	4	295	4.1	252	21.8
South Central	1,203	1,190	13	13	1,200	0.3	1,159	3.8
Salt	343	323	20	20	349	-1.7	331	3.6
Nonsalt	859	867	-8	-8	851	0.9	828	3.7
Total	3,375	3,413	-38	-38	3,430	-1.6	3,317	1.7

Totals may not equal sum of components because of independent rounding.

Domestic Production



Storage - Price Relationship

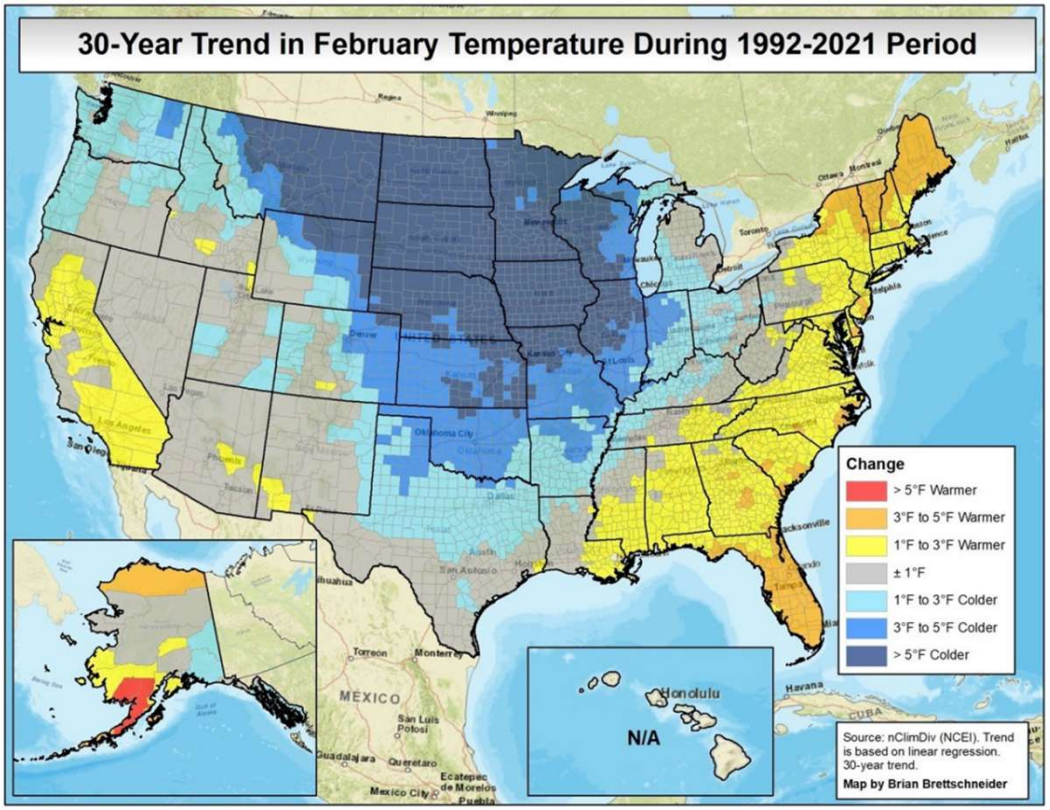


Weather 2025

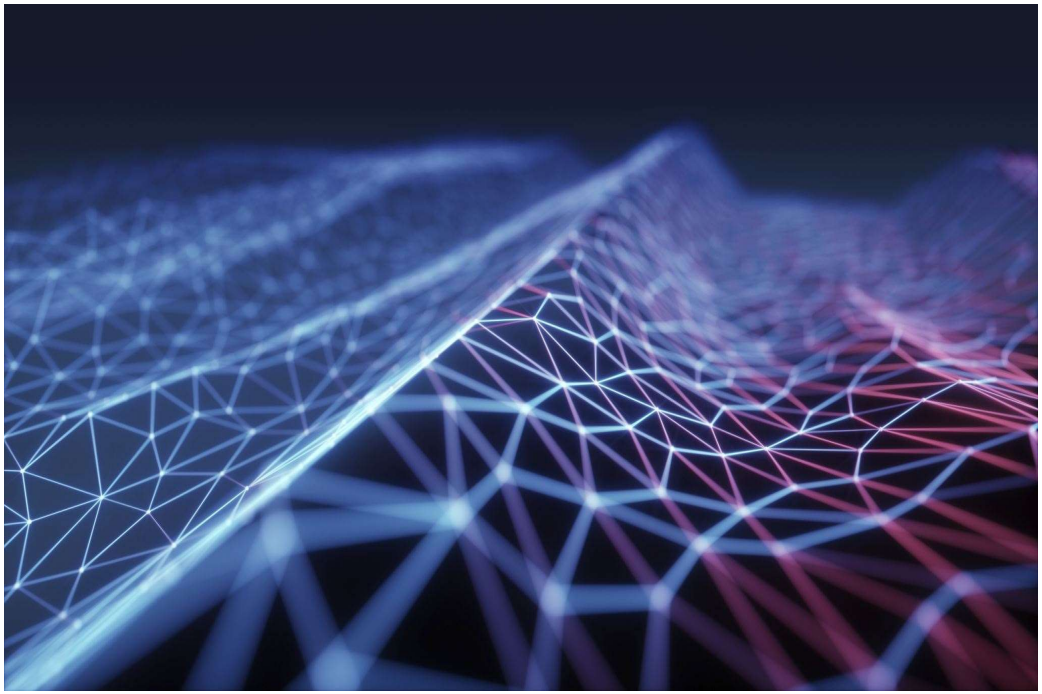
- Black Hills Nebraska 2025 annual weather was warmer than normal
  - 8% warmer than average
  - 9% colder than 2024

- Winter 2025-2026 is off to a mild start
  - November 2025 ~ 8% warmer than average and about 6% colder than Nov. 2024
  - December 2025 ~8% warmer than average; 4% colder than Dec. 2024
  - Nov – Dec 2025 ~8% warmer than average; about 5% colder than Nov - Dec 2024

February -- Historically the Coldest Month



Items On Our Radar Screen

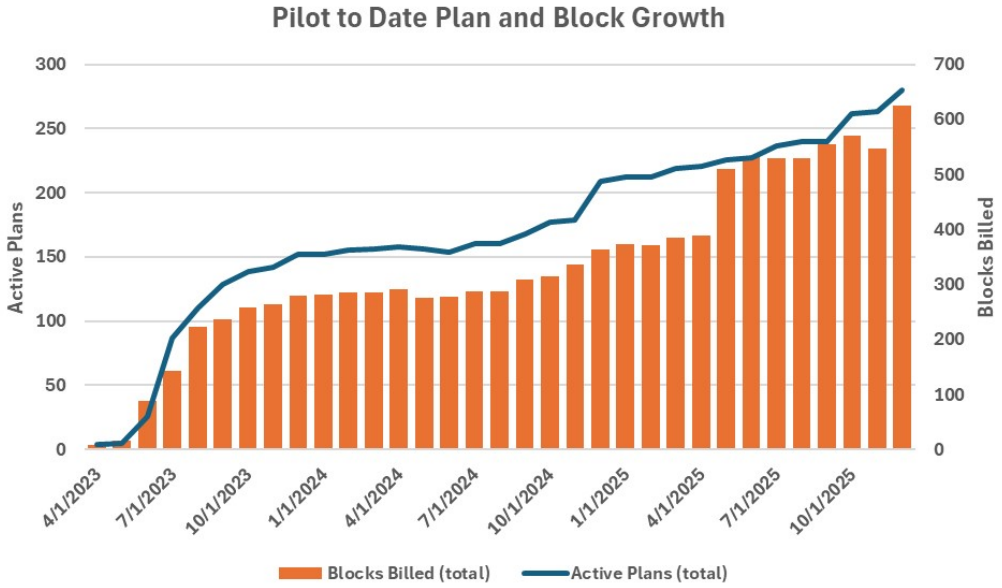


- LNG EXPORT CAPACITY
  - Exports expected to increase by 28% from 2024 to 2025; 12% increase (+2 Bcf/day) expected in 2026
- DATA CENTER LOADS
  - Potential impacts to supply and pipeline capacity

Black Hills Energy
Green Forward

January 13, 2026

Green Forward Participation



	Plans	Blocks	Blocks per Month
Residential	277	446	1.6
Commercial	5	180	36.0
Total	282	626	2.2

Density of Plans by Area (Top 3)

Lincoln – 53%

Papillion – 23%

Norfolk – 5%

Density of Blocks by Area (Top 3)

Lincoln – 39%

Papillion – 26%

Alliance – 20%

**Customers voluntarily subscribe to purchase blocks.*

***Densities based on last billed month*

****Percentages are a comparison to total plans & blocks.*

Target Assumption - 1.8

Nebraska is leading the pack

#1 state for subscriptions and block purchases.

2.6% average monthly growth rate in 2025.

1 in every 1000 residential gas utility households is subscribed.

225,000+ therms of natural gas usage offset to date (equivalent 3,375 homes)[1]

More than 1,100 metric tons of CO_2 emissions reduced.[2]

[1] *A monthly equivalent of home usage, based on 2024 Nebraska residential average monthly usage of 67 therms*

[2] *Based on a conversion of 0.05307 metrics tons of CO_2 per dekatherm*

Green Forward Product Content

Carbon Offsets + RNG Thermal Certificates

Carbon offsets are created from projects that reduce or prevent the release of carbon emissions that would otherwise be released into the atmosphere.

Carbon offsets can be derived from several sources and are grouped into categories, including, but not limited to, renewable energy development, landfill methane avoidance and destruction, energy efficiency, and improved forestry management.

Renewable natural gas (RNG) transforms organic waste into renewable energy that can be delivered through existing infrastructure to fuel vehicles and run your natural gas appliances. Some projects that produce RNG also create carbon offsets.

A renewable natural gas (RNG) certificate represents the environmental attributes, or greenhouse gas reduction benefit, associated with RNG. There are tremendous emissions reduction benefits from the use of RNG as it represents the beneficial use of methane that would have been released into the environment, whereas combustion of fossil natural gas represents the release of new carbon emissions into the atmosphere.