

**ELECTRIC SERVICE TERRITORY
MEMORANDUM OF UNDERSTANDING**

WHEREAS, the City of Vermillion and Clay-Union Electric each have service territory within and outside the Vermillion city limits; and

WHEREAS, electric service territory maps dated September 10, 2014 are on file with the South Dakota Public Utilities Commission (SD PUC) defining the respective service territory of each electric service provider; and

WHEREAS, the 2014 maps on file with the SD PUC show the north 138 feet of Lot 1 Blk 2 Madison Park Addition as part of the Clay-Union Electric service territory; and

WHEREAS, the property owner of Lot 1 Blk 2 Madison Park Addition desires to develop the property and have it served by the City of Vermillion; and

WHEREAS, a building located at 1919 W. Cherry Street is provided with electrical service by Clay-Union Electric; and

WHEREAS, this building is built across the service territory boundary; and

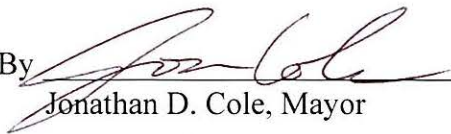
WHEREAS, the City of Vermillion and Clay-Union Electric desire to work together for the development, prosperity, and continued investment in the community.

NOW, THEREFORE, this Memorandum of Understanding and legally binding contract is entered into by and between the City of Vermillion and Clay-Union Electric to set forth in writing the following terms:

1. The City of Vermillion and Clay-Union Electric will cooperate with the SD PUC to revise maps and documentation to transfer the north 138 feet of Lot 1 Blk 2 Madison Park Addition into City of Vermillion service territory.
2. The City of Vermillion and Clay-Union Electric will cooperate with the SD PUC to revise maps and documentation to transfer territory in Lot 1 Alber's Subdivision to Clay-Union Electric service territory.
3. The City and Clay-Union Electric agree that the City of Vermillion will not make lost revenue payments on any developments that occur on the north 138 feet of Lot 1 Blk 2 Madison Park Addition.

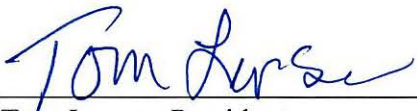
Dated in Vermillion, South Dakota this 6th day of April 2026.

CITY OF VERMILLION, a municipal
Corporation of the State of South Dakota

By 
Jonathan D. Cole, Mayor

Dated: 4/6/26

CLAY-UNION ELECTRIC

By 
Tom Larsen, President

Dated: 5/1/2026