

NOTICE

A meeting of the City of Evansville Common Council will be held at the location, on the date, and at the time stated below. Notice is further given that members of the Finance and Labor, Municipal Services, Plan Commission and Economic Development Committee may be in attendance. Requests for persons with disabilities who need assistance to participate in this meeting should be made by calling City Hall at (608)-882-2266 with as much notice as possible. Agendas, minutes, and packets can be found here: www.evansvillewi.gov/councilmeetings

City of Evansville Common Council
Special Meeting
City Hall, 31 S Madison St, Evansville WI 53536
Wednesday, September 16, 2026, 10:00 a.m.

AGENDA

1. Call to Order
2. Roll Call
3. Motion to Approve the Agenda
4. Civility Reminder
5. Citizen Appearances (Public comments on items on the agenda not requiring a public hearing and on matters which can be affected by Council action)
6. New Business
 - A. Discussion and Motion to Approve Substation Reimbursement Agreement with CHS
10. Adjourn

Abbey Barnes, Mayor

Substation Agreement

THIS AGREEMENT is dated as of the ____ day of ____ 2026, by and between EVANSVILLE WATER & LIGHT, a municipal electric utility of the City of Evansville, Wisconsin, owned and operated through its Utility Commission (“Utility”) and CHS Inc. (“CHS”), a Wisconsin corporation (individually, each, a “Party”, and together, Utility and CHS shall be referred to as “Parties”).

RECITALS

WHEREAS, CHS is a potential customer of the Utility served under the Utility’s CP-3 rate;

WHEREAS, CHS is planning to construct an oilseed processing facility on the east side of Evansville that is anticipated to increase its load requirements by approximately 12.5MW;

WHEREAS, to serve this estimated new load the Utility has determined that it must extend two dedicated 750 MCM Al feeders from the Union Townline Substation (“UTL Substation”) to the CHS processing facility, install related facilities at the UTL Substation, and modify two other existing circuits for a total of four (4) 12,470-volt services as described further below (“Project Orange”);

WHEREAS, CHS has opted to obtain this new extension service under the “Primary Metering, Secondary Service” service category, in accordance with which CHS will not own the distribution transformers, but will receive a 1.25% primary metering discount on their monthly energy charge, distribution demand charge and demand charge;

WHEREAS, it is anticipated that CHS will incur approximately \$6.7 million in costs for on-site and off-site facilities needed for the Project Orange extension, as described further below, which costs will be provided by CHS in the form of a deposit as further described below; and;

WHEREAS, it is also anticipated that Utility will purchase and own distribution transformers and metering transformers and meters, as described further below;

WHEREAS, Section 106.1 of Utility’s Electric Service Rules (“Service Rules”) permit Utility to require that CHS pay the service extension deposit prior to construction in accordance with the terms and conditions of this Agreement pursuant to section 106.14 of Utility’s Service Rules (the Service Rules are attached as Exhibit A to this Agreement);

WHEREAS, the Parties understand and acknowledge that Utility has already obtained a Certificate of Authority (“CA”) from the Public Service Commission of Wisconsin (“PSCW”) Docket 1880-CE-108, but is required to obtain PSCW approval to resume the authorized work with the current scope and estimated costs reflected in this Agreement before undertaking construction work to complete Project Orange;

NOW THEREFORE, in consideration of the above premises, and mutual covenants and agreements herein contained, the Parties hereby agree as follows:

AGREEMENT

1. Deposit

Utility will obtain a deposit from CHS estimated to be \$6,700,000 (“Deposit”), as detailed in the statement of values included at Exhibit B, prior to taking on any financial obligations required by this Agreement. The Deposit shall be designated as a “Contribution in Aid of Construction (“Contribution”) and paid by CHS to an account designated by Utility within ten (10) business days of Utility invoice date. Utility agrees to invoice estimated design fees upon execution of this Agreement, invoice equipment and material purchases prior to issuing purchase orders for the purchases, and invoice labor of installation prior to commencement of the installation. Invoiced amounts will be based on anticipated actual costs at the time of invoice to the extent feasible.

2. On-Site and Off-Site Costs to Be Paid With Deposit

- A. Upon obtaining the Deposit, Utility will purchase, install, and own the following on-site and off-site equipment needed to implement the Project Orange underground service extension per Section 103.4 of Utility’s Service Rules using Deposit funds:
- (i) Three (3) 833 kVA voltage regulators at the UTL Substation (off-site)
 - (ii) Two (2) circuit breakers, riser stands and associated feeder exit equipment at the UTL Substation (off-site)
 - (iii) Modifications to two existing Utility circuits to provide two 12,470-volt metering points (off-site)
 - (iv) Primary 750 MCM AL cable and associated materials from the UTL Substation to the site of the CHS facility for two additional 12,470-volt metering points (off-site)
 - (v) On-site primary 750 MCM AL cable, conduit, switchgear, and associated materials
 - (vi) Metering transformers and meters for all metering points beyond the first metering point (on-site)
 - (vii) All metering cabinets and meter sockets (on-site)
 - (viii) The difference in cost between the standard Utility distribution transformers required for the actual load and the size of transformers requested by CHS
- B. It is understood and acknowledged that Utility will acquire the permits needed to bore under the railroad and that costs associated with acquiring such permits shall be included as an off-site cost.

3. Utility Responsibilities and Costs

- A. Upon obtaining the Deposit, Utility will purchase and own the following on-site and off-site equipment:
 - (i) distribution transformers ranging in size from 500 kVA to 2500 kVA in nameplate capacity located on the site of the CHS facility;
 - (ii) metering transformers and meter to the first primary service.
- B. Costs to install the Utility transformers and metering are considered extension costs and will be paid from the Deposit.
- C. At least fifteen (15) days prior to Utility (x) placing the order for the equipment identified in Section 2(A)(i-iii) or (y) commencing construction activities for purposes of installing the equipment identified in Section 2, Utility shall provide CHS written notice of the intent to proceed as proposed and the cost of securing equipment compared to the estimate for same included in Section 2(B). Utility shall allow CHS five (5) business days to request a delay in ordering such equipment or commencing construction activities, with no penalty under this Agreement to the Utility with respect to the overall performance timelines under this Agreement.
- D. Utility agrees to provide CHS with temporary power in accordance with the Utility Service Rules.

4. Post- Construction True-Up

Upon completion of construction, the final Contribution charge shall be trued-up to equal the actual costs of construction in accordance with Utility's Service Rules, as follows:

- (i) Utility will provide an embedded cost credit ("Cost Credit") based on the pattern of peak load usage established by the average new monthly billed kW demand of CHS, not to exceed 12 months from energization.
- (ii) Per section 107.1(d) of Utility's Service Rules and Schedule OC-1, the Cost Credit is currently set under at \$16.05 per kW of average billed demand for CP-3 customers.
- (iii) The Cost Credit is subject to change based on PSCW requirements and subsequent changes to the Utility's tariff as approved by the PSCW, including such Cost Credit as may be applicable to CHS in the event that Utility seeks and obtains the establishment of a new CP-4 rate class.

5. Cost Estimate Increases

Per PSCW practice, project costs approved by the CA are subject to review by the PSCW to the extent they exceed estimated costs by 10 percent. Utility shall provide CHS with

quarterly reports required under Chapter PSC 112. Notwithstanding anything to the contrary, nothing in this Agreement forecloses any right of CHS to seek relief before or from the PSCW if additional administrative review of costs approved by the CA is undertaken. For clarity, CHS remains obligated to reimburse Utility for all lawfully incurred extension costs in accordance with Utility tariffs and PSCW requirements.

6. Performance Assurance

No later than the date the CHS processing facility is fully operational, CHS agrees to provide Utility with a deposit equal to the highest estimated gross bill for any two (2) consecutive billing periods selected by Utility, currently projected to be \$1,293,000. Such deposit shall be retained by Utility for the initial Term of this Agreement, as provided in Section 7, below, and shall bear interest from the date the deposit is made to the date it is applied or refunded at a rate to be determined by the PSCW. The deposit shall be refunded if CHS has made prompt payment each month during the Term of this Agreement. To the extent CHS does not make prompt payment, Utility reserves the right to seek additional performance assurance in the form of a parent guarantee. For purposes of this Section 6, payments received within ninety (90) days of the delivery of an invoice from Utility to CHS shall be considered prompt payment.

7. Term and Termination of This Agreement

- A. This Agreement shall become effective as of the date designated above in the preamble ("Effective Date") and shall remain in effect for a minimum term of three (3) years beginning on the date the Utility first furnishes services hereunder, which is scheduled for spring of 2028, unless terminated earlier by the terms of this Agreement. After expiration of such initial term, this Agreement shall continue until terminated upon thirty (30) days written notice given by either Party.
- B. CHS agrees that should this Agreement be terminated by either Party before the Utility recovers through monthly billings an amount equal to or greater than the Cost Credit, then CHS will pay the positive difference between (a) the Cost Credit refunded by Utility to CHS pursuant to Section 4, minus (b) amounts paid by CHS to Utility pursuant to monthly billings subsequent to energization. Such difference under this Section 7(B) shall be paid by CHS to Utility within three (3) months of the latest date Utility provides to CHS the final monthly billing for service and an invoice in a form agreed to by the Parties that provides the calculation of the difference under this Section 7(B) to CHS.
- C. The Utility has already obtained a CA from the PSCW for this project. Subsequently, the PSCW approved a delay in the authorized work, pending the execution of this Agreement. The Utility will need PSCW approval to resume the authorized work with the current scope and estimated costs and will file for such approval within fifteen (15) days of the execution of this Agreement. If Utility has not received approval from the PSCW within twelve (12) months of the Effective

Date of this Agreement, then CHS may terminate this Agreement unless the Parties mutually agree in writing to extend this deadline. Such termination shall be without liability of CHS to Utility, and within thirty (30) days of such termination, Utility shall pay to CHS any portion of the Contribution which has not been paid or incurred by Utility in furtherance of this Agreement.

Notwithstanding the previous sentence, it is understood and acknowledged that Utility shall timely seek approval from the PSCW and shall seek, to the extent possible, to mitigate such reimbursement obligations by reselling ordered equipment to third parties in the event that CHS terminates this Agreement.

- D. CHS may terminate this Agreement in writing prior to the commencement of the on-site or off-site construction activities necessary to install the equipment identified in Section 2. In the event of termination of this Agreement by CHS under Section 7(D), if Utility has obtained any of the equipment identified in Section 2(A) of this Agreement, Utility shall undertake commercially reasonable efforts to sell same at a price as close to the acquisition prices as practicable and shall provide an accounting to CHS of same. Within thirty (30) days of such termination, Utility shall pay to CHS any portion of the Contribution which has not been paid or incurred by Utility in furtherance of this Agreement, subject to the commercially reasonable efforts to sell any obtained equipment.
- E. Utility shall not be liable for delays in construction, procurement, energization, or performance resulting from causes beyond its reasonable control, including acts of God, governmental actions, permitting delays, labor disputes, supply chain disruptions, material shortages, contractor delays, equipment unavailability, or other force majeure events.

8. Miscellaneous

- A. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES IN CONNECTION WITH THIS AGREEMENT OR THE OBLIGATIONS SET FORTH HEREIN, WHETHER ARISING IN TORT, CONTRACT, INDEMNITY, STRICT LIABILITY OR OTHERWISE.
- B. Neither this Agreement nor any of the rights, interests, or obligations in this Agreement may be assigned or delegated, in whole or in part, by operation of law or otherwise, by either CHS or Utility without the prior written consent of the other, which consent shall not be unreasonably withheld. Any purported assignment or delegation in violation of this provision shall be void *ab initio*.
- C. This Agreement may be executed in counterparts, without the necessity that both Parties execute the same counterpart, each of which shall be deemed an original but which together will constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages hereto by facsimile or other

electronic transmission shall constitute effective execution and delivery of this Agreement and may be used in lieu of the original Agreement for all purposes. Signatures of representatives of the Parties transmitted by facsimile or other electronic transmission shall be deemed to be their original signatures for all purposes.

- D. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes and cancels any prior agreements, representations, warranties, or communications, whether oral or written, between the Parties relating to the subject matter hereof.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date designated above:

Evansville Water & Light, Wisconsin

Signature

Name

Title

Attest:

CHS. Inc.

Signature

Name

Title

Attest:

\\msnfs2\share\docs\WD\23423\17\A5132431.DOCX

Exhibit A

Evansville Utilities Service Rules

Exhibit B

Schedule of Values

SCHEDULE OF VALUES

<u>Description</u>	<u>Total Amount</u>	<u>Date</u>
Engineering	\$ 633,820	September-26
Permits	\$ 7,000	
Total	\$ 640,820	
<u>Equipment</u>		
Distribution Transformers	\$ 223,000	September-26 — December-26
Voltage Regulators	\$ 500,000	
15kV Circuit Breakers	\$ 110,000	
Off-site + On-site Line Material	\$ 3,492,646	
Total	\$ 4,325,646	
<u>Labor</u>		
Off-site + On-site Installations	\$ 1,733,534	February-27
Total	\$ 1,733,534	
Combined Total	\$ 6,700,000	
Notes:		
1.) Temporary power costs are not included in this table and will be a separate purchase order.		