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via eFiling

Patricia Van Gerpen, Executive Director
South Dakota Public Utilities Commission
500 E. Capitol
Pierre, SD 57501

Re: *In the Matter of the Complaint by Oak Tree Energy LLC against NorthWestern Energy for refusing to enter into a Purchase Power Agreement - Docket EL11-006*

Dear Ms. Van Gerpen:

On June 17, 2013, NorthWestern Energy and Oak Tree Energy, LLC requested a 10-day extension of a schedule deadline set by the Public Utilities Commission in its *Amended Final Decision and Order; Notice of Entry* in docket EL11-006. The Commission had required the parties to enter into good-faith negotiations and reach agreement on a power purchase agreement within 30 days of the date of entry of the above-referenced Order.

The parties continue to discuss key commercial terms and conditions of the contract. However, the parties have not resolved the following issues:

1. Allocation of expenses for ancillary services;
2. Discretionary right of NorthWestern Energy to curtail energy; and
3. Appropriate value of performance security.

The parties intend to promptly initiate a proceeding before the Commission requesting expedited review of the ancillary service expense allocation issue and either or both of the other issues if the parties cannot resolve them beforehand.

Oak Tree's acknowledgement is attached to this correspondence.

Sincerely,

/s/ *Timothy P. Olson*

Timothy P. Olson
Senior Corporate Counsel & Corporate Secretary

cc: Service List

