



Blue Sky Utility Sub 1 LLC (NSG Orland)

Quarterly Report- Q2 2018

4/1/2018 – 6/30/2018

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1 | Executive Summary

In Q2 2018, the portfolio performed 7.56% below the predicted production for the quarter.

In April, May and June, the project experienced below average production (due to weather).

	Simulation PVSyst	Production Meter	Production Variance	Invoiced	Accrued Credits*	Value Created	Projected Revenue**	Revenue Variance
Month	kWh	kWh	kWh	\$	\$	\$	\$	\$
18-Apr	95,457	87,105	- 8,352	\$15,618.68	\$1,261.55	\$16,880.23	\$17,611.82	- \$731.59
18-May	114,960	105,658	- 9,303	\$15,166.56	\$10,864.08	\$26,030.64	\$21,210.12	+ \$4,820.52
18-Jun	119,413	112,131	- 7,282	\$16,506.09	\$3,064.11	\$19,570.20	\$22,031.70	- \$2,461.50
Q2 Total	329,380	304,894	-24,936	\$47,291.33	\$15,189.74	\$62,481.07	\$60,853.64	+ \$1,627.43

*The \$ value of the solar generation credits generated during the billing period

**Projected revenue rate: \$0.1845/kWh produced

Summary By Quarter

*The \$ value of the solar generation credits generated during the billing period

	Simulation PVSyst	Production Meter	Production Variance	Invoiced	Accrued Credits*	Value Created	Projected Revenue**	Revenue Variance
Quarter	kWh	kWh	kWh	\$	\$	\$	\$	\$
18 – Q1	141,700	134,526	- 7,174	\$26,764.73	\$0.00	\$26,764.73	\$26,143.65	+ \$621.08
18 – Q2	329,830	304,894	-24,936	\$47,291.33	\$18,416.13	\$65,707.46	\$60,853.64	+ \$1,627.43
Q2 2018	471,530	439,420	-32,110	\$74,056.06	\$18,416.13	\$92,472.19	\$86,997.29	+ \$ 2,248.51

**Projected revenue rate: \$0.1845/kWh produced

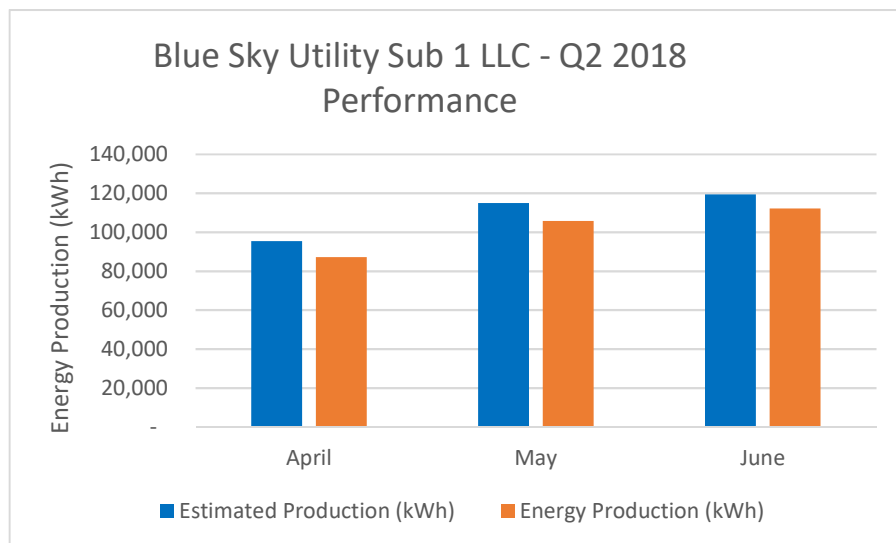
2 | Portfolio Performance

The predicted energy output for Blue Sky Utility Sub 1 LLC project during Apr-June 2018 was **329,830 kWh**. The actual energy output for the Blue Sky Utility Sub 1 LLC project during Apr-June 2018 was **304,894 kWh**.

The performance of the portfolio is evaluated by comparing the produced energy to two quantities: (1) the energy forecast modeled during pre-acquisition of each array (PVsyst model), to which the quantities are labeled as “predicted” will be associated, and (2) the energy expected using the same model as the forecast, but applied to the actual irradiance, temperature, and wind speed observed at the site during the reporting period. Quantities associated with the specific energy production are labeled as “actual”.

3 | Forecasted vs. Actual Energy

The following graphs shows performance (*Actual*-metered energy v. *Predicted*- PVSYST forecast) for Q2 2018.



4 | Weather Adjusted Performance

Blue Sky Utility Sub 1 LLC					
	Assumed Average Irradiance	Measured Average Irradiance	Assumed Average Temperature	Measured Average Temperature	Expected Production Variance*
MONTH	W/m ²	W/m ²	°F	°F	(+/-) kWh
18-Apr	197.10	196.71	62.12	61.22	-792
18-May	236.70	231.13	67.51	66.49	-2,218
18-Jun	249.00	242.17	75.43	73.84	-2,925

*Based on environmental data we expected the system to underperform, which it did.

5 | Operations & Maintenance

The following table details all operations/maintenance related issues and corrective actions for Q2 2018.

Project SVP	Issue/Date	Corrective Action	Resolved/Not Resolved	kWh Lost
Blue Sky Utility Sub 1 LLC	n/a	n/a	n/a	0

6 | Availability

The overall availability for this quarter was **100.00%** and there were no outages.

7 | Billings & Collections

Blue Sky Utility Sub 1 LLC		
MONTH	INVOICE AMOUNTS (\$)	COLLECTIONS (\$)
18-Apr	\$15,618.68	\$15,007.53
18-May	\$15,166.56	\$15,618.68
18-Jun	\$16,506.09	\$15,166.56

8 | Financials

Financials are attached below or sent in separate document.

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Accrual Basis

Blue Sky Utility Sub 1 LLC

Balance Sheet

As of June 30, 2018

Jun 30, 18

ASSETS

Current Assets

Checking/Savings

10000 · Cash and Cash Equivalents

10100 · Napa Resources Bank - #1.3422

22,114.94

Total 10000 · Cash and Cash Equivalents

22,114.94

Total Checking/Savings

22,114.94

Accounts Receivable

11000 · Accounts Receivable

11200 · Accounts Receivable - Unbilled

9,447.85

Total 11000 · Accounts Receivable

9,447.85

Total Accounts Receivable

9,447.85

Other Current Assets

11150 · Accounts Receivable - Billed

15,007.50

13000 · Other Current Assets

13100 · DFC - Current Portion

1,700.00

13200 · Prepaid Asset

3,927.00

Total 13000 · Other Current Assets

5,627.00

Total Other Current Assets

20,634.50

Total Current Assets

52,197.29

Fixed Assets

14000 · Property, Plant & Equipment

14100 · Plant Equipment

1,901,958.45

14500 · Capitalized Interest

44,450.00

14900 · Accumulated Depreciation

-37,846.83

Total 14000 · Property, Plant & Equipment

1,908,561.62

Total Fixed Assets

1,908,561.62

Other Assets

16000 · Other Assets

16100 · Restricted Cash - O&M Reserve

18,954.89

16200 · Restricted Cash - Min Pymt Res

33,000.00

16300 · Restricted Cash - Inv Res

6,900.00

16500 · Deferred Financing Costs

13,458.29

Total 16000 · Other Assets

72,313.18

Total Other Assets

72,313.18

TOTAL ASSETS

2,033,072.09

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

20000 · Accounts Payable

3,927.00

Total Accounts Payable

3,927.00

Other Current Liabilities

23000 · LT Debt - Current Portion

36,000.00

25100 · Interest Payable

6,858.46

Total Other Current Liabilities

42,858.46

Total Current Liabilities

46,785.46

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Accrual Basis

Blue Sky Utility Sub 1 LLC

Balance Sheet

As of June 30, 2018

	Jun 30, 18
Long Term Liabilities	
28000 · Long-term Debt	
28100 · Loan 400119500	1,137,215.00
Total 28000 · Long-term Debt	1,137,215.00
29000 · Other LT Liabilities	
29100 · Due To BSU LLC	38,231.38
Total 29000 · Other LT Liabilities	38,231.38
Total Long Term Liabilities	1,175,446.38
Total Liabilities	1,222,231.84
Equity	
31xxx · Partner 1 Equity	716,108.45
32300 · Membership Interest Equity	123,023.65
33000 · Retained Earnings	-10,867.45
Net Income	-17,424.40
Total Equity	810,840.25
TOTAL LIABILITIES & EQUITY	<u>2,033,072.09</u>

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Accrual Basis

Blue Sky Utility Sub 1 LLC

Profit & Loss

April through June 2018

Apr - Jun 18

Ordinary Income/Expense	
Income	
40000 · Revenues	
41000 · Tenant Revenues	48,274.88
43000 · Sales Discount	-4,827.49
Total 40000 · Revenues	43,447.39
Total Income	43,447.39
Gross Profit	43,447.39
Expense	
60000 · Operating Expenses	
61700 · Bank Service Charges	30.00
Total 60000 · Operating Expenses	30.00
63000 · Depreciation Expense	16,220.07
Total Expense	16,250.07
Net Ordinary Income	27,197.32
Other Income/Expense	
Other Income	
71000 · Interest Income	2.37
Total Other Income	2.37
Other Expense	
72000 · Interest Expense	19,475.01
Total Other Expense	19,475.01
Net Other Income	-19,472.64
Net Income	<u>7,724.68</u>