



## **Blue Sky Utility 2017 III LLC (NSG Colusa)**

**Quarterly Report- Q2 2018**

**4/1/2018 – 6/30/2018**

*The information contained in this report is for informational purposes only and is not intended to provide tax, legal or investment advice. Adjustments and modifications to the information contained in this report may be identified after the date of distribution of this report. This report does not constitute a solicitation of any order to buy or sell securities. This report is confidential and proprietary to Blue Sky Utility 2017 III LLC.*

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## 1 | Executive Summary

In Q2 2018, the portfolio performed 0.99% above the predicted production for the quarter.

The project had a favorable April and May and overproduced the estimated energy generation by about 7.43% and 1.28% respectively. In June the project experienced below average production (due to cooler weather).

	Simulation PVSyst	Production Meter	Production Variance	Invoiced	Accrued Credits*	Value Created	Projected Revenue**	Revenue Variance
Month	kWh	kWh	kWh	\$	\$	\$	\$	\$
18-Apr	94,796	101,847	+ 7,051	\$15,240.15	\$ 4,698.53	\$19,938.38	\$17,347.67	+\$2,591.01
18-May	113,386	114,844	+1,458	\$13,163.37	\$14,192.57	\$27,355.94	\$20,749.64	+\$6,606.30
18-Jun	117,400	112,131	-5,269	\$12,837.16	\$10,698.92	\$23,536.08	\$21,484.20	+\$2,051.88
Q2 Total	325,582	328,823	+3,241	\$41,240.68	\$29,590.02	\$70,830.70	\$59,581.51	+\$11,249.19

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

\*\*Projected revenue rate: \$0.183/kWh produced

## Summary By Quarter

	Simulation PVSyst	Production Meter	Production Variance	Invoiced	Accrued Credits*	Value Created	Projected Revenue**	Revenue Variance
Quarter	kWh	kWh	kWh	\$	\$	\$	\$	\$
18 – Q1	143,040	134,995	-8,045	\$25,956.09	\$0.00	\$25,956.09	\$24,709.09	+\$1,261.01
18 – Q2	325,582	328,823	+3,241	\$41,240.68	\$29,590.02	\$70,830.70	\$59,581.51	+\$11,249.19
2018 Total	468,622	463,818	-4,804	\$67,196.77	\$29,590.02	\$96,786.79	\$84,290.60	+\$12,510.20

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

\*\*Projected revenue rate: \$0.183/kWh produced

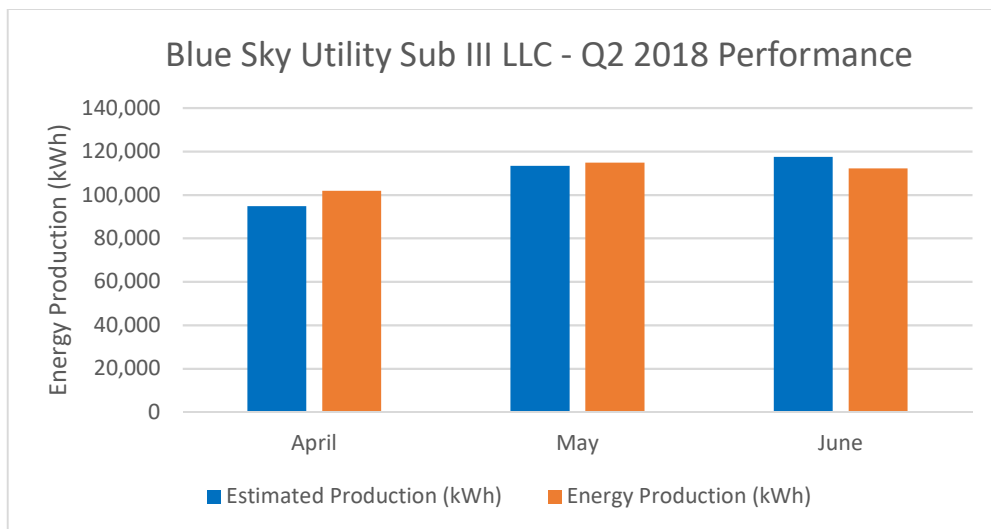
## 2 | Portfolio Performance

The predicted energy output for the Blue Sky Utility 2017 III, LLC project during Apr-May 2018 was **325,582 kWh**. The actual energy output for the Blue Sky Utility 2017 III, LLC project during Apr-May 2018 was **328,823 kWh**.

The performance of the portfolio is evaluated by comparing the produced energy to two quantities: (1) the energy forecasted/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

	Assumed Average Irradiance	Measured Average Irradiance	Assumed Average Temperature	Measured Average Temperature	Expected kWh production variance*
MONTH	W/m <sup>2</sup>	W/m <sup>2</sup>	°F	°F	(+/-) kWh
18-Apr	197.10	205.22	60.94	64.18	- 786
18-May	236.76	238.55	69.51	71.59	- 2,188
18-Jun	249.00	246.12	75.11	77.91	- 2,876

\*Taking the environmental data into account, we expected the system to underperform. The system actually outperformed our estimates. This was most likely due to panel washing early in Q2.

## 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 2017 III, 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 2017 III, LLC		
MONTH	INVOICE AMOUNTS (\$)	COLLECTIONS (\$)
18-Apr	\$15,240.15	\$9,756.77
18-May	\$13,163.37	\$15,240.15
18-Jun	\$12,837.16	\$13,163.37

## 8 | Financials

Financials are attached below or sent in separate document.

Blue Sky Utility 2017 III LLC  
**Balance Sheet**  
As of June 30, 2018

Jun 30, 18

**ASSETS**

**Current Assets**

**Checking/Savings**

**10000 · Cash**

10200 · New Resource Bank - Minimum Pay

47,493.22

10300 · New Resource Bank #2 - O&M Res

2.35

**Total 10000 · Cash**

47,495.57

**Total Checking/Savings**

47,495.57

**Accounts Receivable**

11200 · Accounts Receivable - Unbilled

-4.00

**Total Accounts Receivable**

-4.00

**Other Current Assets**

11150 · Accounts Receivable - Billed

-5,534.09

13000 · Other Current Assets

13100 · DFC - Current Portion

1,700.00

13200 · Prepaid Assets

3,824.00

**Total 13000 · Other Current Assets**

5,524.00

**Total Other Current Assets**

-10.09

**Total Current Assets**

47,481.48

**Fixed Assets**

14100 · Plant Assets

1,969,477.00

14500 · Capitalized Interest

44,450.00

17000 · Accumulated Depreciation

-39,159.68

**Total Fixed Assets**

1,974,767.32

**Other Assets**

16000 · Other Assets

16100 · Restricted Cash - O&M Reserve

18,788.20

16200 · Restricted Cash - Min Pymt Res

33,000.00

16300 · Restricted Cash - Inv. Reserve

7,000.00

16500 · Deferred Financing Costs

13,458.29

**Total 16000 · Other Assets**

72,246.49

**Total Other Assets**

72,246.49

**TOTAL ASSETS**

**2,094,495.29**

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

**Accounts Payable**

20000 · Accounts Payable

3,824.00

**Total Accounts Payable**

3,824.00

**Other Current Liabilities**

23000 · LT Debt - Current Portion

36,000.00

25100 · Interest Payable

5,506.85

**Total Other Current Liabilities**

41,506.85

**Total Current Liabilities**

45,330.85

**Long Term Liabilities**

28000 · Long-term Debt

28100 · Napa Resources Bank Loan

1,137,185.00

**Total 28000 · Long-term Debt**

1,137,185.00

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Accrual Basis

# Blue Sky Utility 2017 III LLC

## Balance Sheet

As of June 30, 2018

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	Jun 30, 18
29000 · Intercompany Payables	
29100 · Due to BSU LLC	38,191.33
Total 29000 · Intercompany Payables	38,191.33
Total Long Term Liabilities	1,175,376.33
Total Liabilities	1,220,707.18
Equity	
32100 · Partner 1 Equit	628,584.00
32300 · Membership Interest Equity	277,828.00
33000 · Retained Earnings	-10,588.36
Net Income	-22,035.53
Total Equity	873,788.11
TOTAL LIABILITIES & EQUITY	<u>2,094,495.29</u>

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08/07/18

Accrual Basis

# Blue Sky Utility 2017 III LLC

## Profit & Loss

April through June 2018

Apr - Jun 18

Ordinary Income/Expense	
Income	
40000 · Revenue	
41000 · Tenant Revenue	44,498.70
43000 · Sales Discounts	-4,449.87
Total 40000 · Revenue	40,048.83
Total Income	40,048.83
Gross Profit	40,048.83
Expense	
63000 · Depreciation Expense	16,782.72
Total Expense	16,782.72
Net Ordinary Income	23,266.11
Other Income/Expense	
Other Income	
71000 · Interest Income	2.35
Total Other Income	2.35
Other Expense	
72000 · Interest Exp	
72100 · Interest Expense - DFC Amort	19,475.01
Total 72000 · Interest Exp	19,475.01
Total Other Expense	19,475.01
Net Other Income	-19,472.66
Net Income	<u>3,793.45</u>



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