



Blue Sky Utility Sub 1 LLC

(NSG Orland)

Quarterly Report- Q2
04/1/2020 – 6/30/2020

*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 Sub 1 LLC***

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1 | Executive Summary

In Q2 2020, the portfolio performed -10% below the predicted production model for the quarter – this amounts to - 33,597kWh. Year to date the portfolio performed below the predicted production for the period – this total amounts to 293,276kWh. The reason for the decrease in production is due to lower than expected irradiance levels.

In Q2 2020, the financial income was 21% above the predicted financial model for the quarter – this amounts to \$13,490.78. The reason for the above performance is that the true-up period for this asset was in April 2020 – allowing for the collection of accrued credits.

Month	PVSyst kWh	Production Meter kWh	Production Variance kWh	Invoiced \$	Accrued Credits \$	Value Created \$	Projected Revenue \$	Revenue Variance \$
Apr	95,335	87,615	-7,720	\$ 10,771.66	\$ 19,282.29	\$ 30,053.95	\$ 10,667.92	\$ 19,386.03
May	114,726	98,316	-16,410	\$ 14,348.54	\$ 3,112.59	\$ 17,461.13	\$ 24,284.77	\$ (6,823.64)
June	116,915	107,445	-9,466	\$ 17,939.93	\$ 10,084.19	\$ 28,024.12	\$ 27,095.73	\$ 928.39
Total	326,976	293,376	-33,596	\$ 43,060.13	\$ 32,479.07	\$ 75,539.20	\$ 62,048.42	\$ 13,490.78

Summary by Quarter

Quarter	PVSyst kWh	Production Meter kWh	Production Variance kWh	Invoiced* \$	Accrued Credits* \$	Value Created* \$	Projected Revenue \$	Revenue Variance \$
20 – Q1	142,295	160,247	17,952	\$ 27,908.83	\$ -	\$ 27,908.83	\$ 14,623.99	\$ 13,284.84
20 – Q2	326,976	293,376	-33,596	\$ 43,060.13	\$ 32,479.07	\$ 75,539.20	\$ 62,048.42	\$ 13,490.78
20 – Q3								
20 – Q4								
YTD Total	469,271	453,623	-15,644	\$ 70,968.96	\$ 32,479.07	\$ 103,448.03	\$ 76,672.41	\$ 26,775.62

2 | Portfolio Performance

The predicted energy output for the Blue Sky Utility Sub 1 LLC (NSG Orland) project during Q2–2020 was 326,976kWh. The actual energy output for the project during Q2–2020 was 293,376kWh.

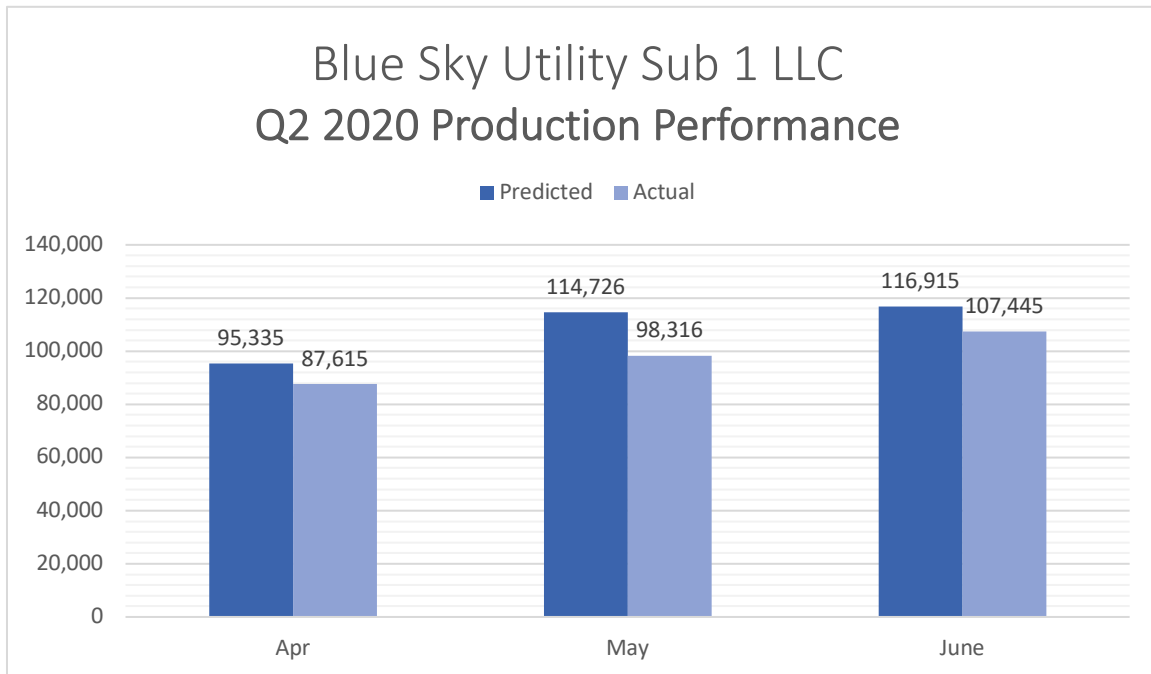
The reason for this performance:

Irradiance was below expected model: -7% in April, -13 in May, and -10% in June.

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 graph shows performance (*Actual*-metered energy v. *Predicted*- PVSYST forecast) for Q2.



4 | Weather Adjusted Performance

	Measured Avg Irradiance	Assumed Avg Irradiance	Measured Avg Temp	Assumed Avg Temp	Weather adjusted expected production variance
Month	kWh/m^2	kWh/m^2	F	F	% Variance
APR	173	186	65	61	-7%
MAY	201	231	71	67	-13%
JUN	222	247	79	74	-10%

5 | Operations & Maintenance

The following table details all operations/maintenance related issues and corrective actions for Q2-2020

Operations:

No issues in Q2.

Cleaning:

Panels were cleaned in June 2020.

6 | Availability

The overall availability for this quarter was **100%** and there were no outages.

7 | Billings & Collections

Month	Invoiced	Collected
20-Q1	\$ 27,908.83	\$ 27,908.83
20-Q2	\$ 43,060.13	\$ 43,060.13
20-Q3		
20-Q4		
Total	\$ 70,968.96	\$ 70,968.96

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, 2020

	Jun 30, 20
ASSETS	
Current Assets	
Checking/Savings	
10000 · Cash and Cash Equivalents	
10050 · Orland Operating Account	1,185.52
Total 10000 · Cash and Cash Equivalents	1,185.52
Total Checking/Savings	1,185.52
Other Current Assets	
11150 · Accounts Receivable - Billed	17,967.34
13000 · Other Current Assets	
13100 · DFC - Current Portion	1,700.00
Total 13000 · Other Current Assets	1,700.00
Total Other Current Assets	19,667.34
Total Current Assets	20,852.86
Fixed Assets	
14000 · Property, Plant & Equipment	
14100 · Plant Equipment	1,901,958.45
14500 · Capitalized Interest	44,450.00
14900 · Accumulated Depreciation	-167,607.39
Total 14000 · Property, Plant & Equipment	1,778,801.06
Total Fixed Assets	1,778,801.06
Other Assets	
16000 · Other Assets	
16100 · Restricted Cash - O&M Reserve	10,680.46
16200 · Restricted Cash - Min Pymt Res	47,602.80
16300 · Restricted Cash -Inv Res	6,900.00
16500 · Deferred Financing Costs	10,058.21
Total 16000 · Other Assets	75,241.47
18000 · Intercompany Receivables	
18200 · Due from Colusa (BSU 2017 III)	14,721.00
Total 18000 · Intercompany Receivables	14,721.00
Total Other Assets	89,962.47
TOTAL ASSETS	1,889,616.39

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Accrual Basis

Blue Sky Utility Sub 1 LLC
Balance Sheet
As of June 30, 2020

	Jun 30, 20
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
22000 · Taxes Payable	
22200 · Commission Taxes Payable	229.54
Total 22000 · Taxes Payable	229.54
23000 · LT Debt - Current Portion	47,150.00
25100 · Interest Payable	12,298.66
Total Other Current Liabilities	59,678.20
Total Current Liabilities	59,678.20
Long Term Liabilities	
28000 · Long-term Debt	
28100 · Loan 400119500	1,052,215.00
Total 28000 · Long-term Debt	1,052,215.00
Total Long Term Liabilities	1,052,215.00
Total Liabilities	1,111,893.20
Equity	
32100 · REA Equity	699,530.37
32300 · BSU Equity	90,083.49
33000 · Retained Earnings	-667.28
Net Income	-11,223.39
Total Equity	777,723.19
TOTAL LIABILITIES & EQUITY	1,889,616.39

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Accrual Basis

Blue Sky Utility Sub 1 LLC
Profit & Loss
January through June 2020

	Jan - Jun 20
Ordinary Income/Expense	
Income	
40000 · Revenues	
41000 · Tenant Revenues	66,789.02
43000 · Sales Discount	-6,624.90
	60,164.12
Total 40000 · Revenues	60,164.12
Total Income	60,164.12
Gross Profit	60,164.12
Expense	
60000 · Operating Expenses	
62200 · Asset Management Fees	0.00
	0.00
Total 60000 · Operating Expenses	0.00
63000 · Depreciation Expense	32,440.14
64000 · Facilities Expenses	
64100 · Repairs and Maintenance	
64150 · O&M Amortization	0.00
	0.00
Total 64100 · Repairs and Maintenance	0.00
Total 64000 · Facilities Expenses	0.00
Total Expense	32,440.14
Net Ordinary Income	27,723.98
Other Income/Expense	
Other Income	
71000 · Interest Income	2.65
	2.65
Total Other Income	2.65
Other Expense	
72000 · Interest Expense	
72100 · Amortization of DFC	850.02
72200 · Interest Expense	38,100.00
	38,950.02
Total 72000 · Interest Expense	38,950.02
Total Other Expense	38,950.02
Net Other Income	-38,947.37
Net Income	-11,223.39