



Blue Sky Utility Sub 1 LLC (NSG Orland)

Quarterly Report- Q4 2019

10/01/2019 – 12/31/2019

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1 | Executive Summary

In Q4 2019, the portfolio performed 1% above the predicted production for the quarter. In December the portfolio performed 24% below expectation which equals **-7,344kWh** lost. Rain and poor weather were the contributing factor. 22 days were below average irradiance. October and November performed above expectation by nearly 8%. 2019 production finished -5% below expectations – the main contributor was irradiance that was -6% below expected average.

The Q4 2019 financial portfolio performed 24% above expected income and 1% above expected income for overall 2019 financial performance.

	PVSyst	Production Meter	Production Variance	Invoiced	Accrued Credits	Value Created	Projected Revenue	Revenue Variance
Month	kWh	kWh	kWh	\$	\$	\$	\$	\$
19 - Oct	65,798	71,492	5,694	\$ 18,377.53		\$ 18,377.53	\$ 13,433.66	\$ 4,943.87
19 - Nov	40,850	43,220	2,370	\$ 1,172.18		\$ 1,172.18	\$ 3,241.02	\$ (2,068.84)
19 - Dec	30,730	23,386	-7,344	\$ 3,528.58		\$ 3,528.58	\$ 1,870.51	\$ 1,658.07
Total	137,378	138,098	720	\$ 23,078.29		\$ 23,078.29	\$ 18,545.19	\$ 4,533.10

Q4 Addendum PVSyst was updated and corrected late in Q3. All quarterly reports prior to Q3 reflect an older version of the PVSyst.

Summary by Quarter

	PVSyst	Production Meter	Production Variance	Invoiced*	Accrued Credits*	Value Created*	Projected Revenue	Revenue Variance
Quarter	kWh	kWh	kWh	\$	\$	\$	\$	\$
19 – Q1	139,313	141,455	2,142	\$19,740		\$ 19,740.00	\$ 14,623.99	\$ 5,116.01
19 – Q2	322,960	295,439	-27,521	\$62,210.41		\$ 62,210.41	\$ 63,427.26	\$ (1,216.85)
19 – Q3	303,807	283,422	-20,385	\$65,774.62		\$ 65,774.62	\$ 72,779.80	\$ (7,005.18)
19 – Q4	137,378	138,098	720	\$23,078.29		\$ 23,078.29	\$ 18,545.19	\$ 4,533.10
YTD Total	903,458	858,414	-45,044	170,803		\$ 170,803.32	\$ 169,376.24	\$ 1,427.08

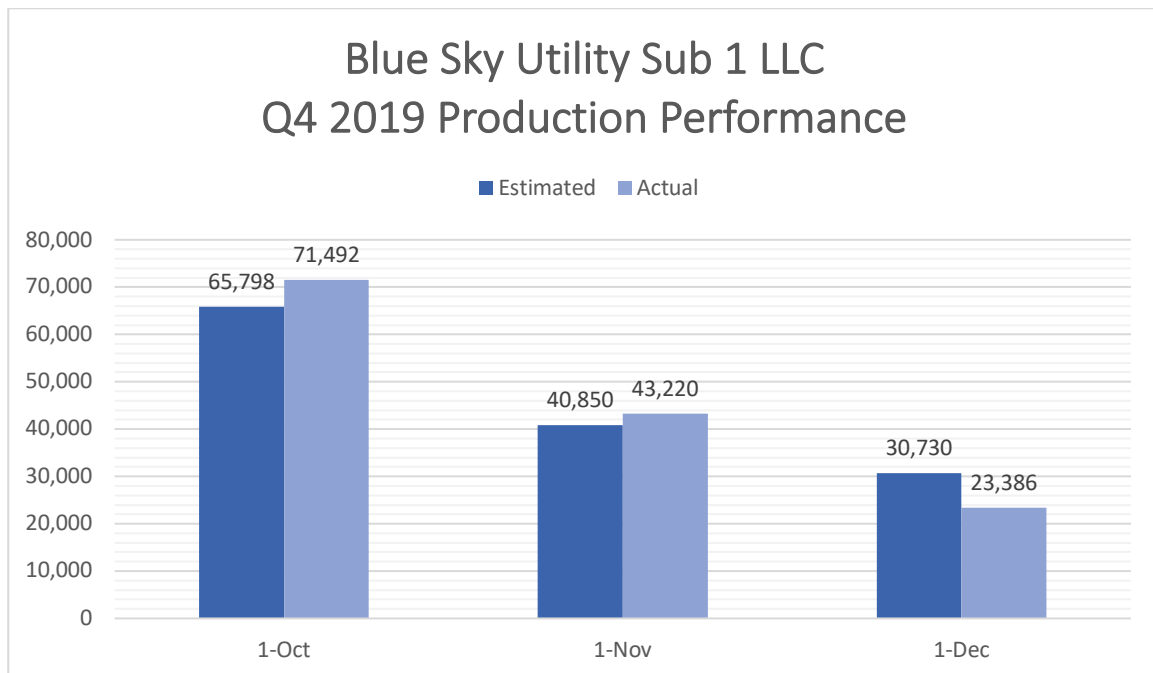
2 | Portfolio Performance

The predicted energy output for the Blue Sky Utility Sub 1 LLC project during Q4 2019 was **137,378 kWh**. The actual energy output for the Blue Sky Utility Sub 1 LLC project during Q4 2019 was **138,098 kWh**. In December the portfolio performed 24% below expectation which equals **-7,344kWh** lost. Rain and poor weather were the contributing factor. 22 days were below average irradiance. October and November performed above expectation by nearly 8%.

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 Q4 2019.



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
19-Oct	129.88	123	64.82	62.38	6%
19-Nov	80.26	72.3	56.8	49.89	11%
19-Dec	43.05	53.6	49.2	46.14	-20%

5 | Operations & Maintenance

The following table details all operations/maintenance related issues and corrective actions for Q4 2019.

There were no maintenance issues during Q4 2019.

Orland	Issue/Date	Corrective Action	Resolved/Not Resolved	kWh Lost
NA				

6 | Availability

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

7 | Billings & Collections

Month	Invoice Amount	Collections
19 – Oct	\$18,377.53	\$18,377.53
19 – Nov	\$1,172.18	\$1,172.18
19 – Dec	\$3,528.58	\$3,528.58

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 December 31, 2019

	Dec 31, 19
ASSETS	
Current Assets	
Accounts Receivable	
11000 · Accounts Receivable	
11200 · Accounts Receivable - Unbilled	3,528.21
Total 11000 · Accounts Receivable	3,528.21
Total Accounts Receivable	3,528.21
Other Current Assets	
11150 · Accounts Receivable - Billed	18,377.97
13000 · Other Current Assets	
13100 · DFC - Current Portion	1,700.00
Total 13000 · Other Current Assets	1,700.00
Total Other Current Assets	20,077.97
Total Current Assets	23,606.18
Fixed Assets	
14000 · Property, Plant & Equipment	
14100 · Plant Equipment	1,901,958.45
14500 · Capitalized Interest	44,450.00
14900 · Accumulated Depreciation	-135,167.25
Total 14000 · Property, Plant & Equipment	1,811,241.20
Total Fixed Assets	1,811,241.20
Other Assets	
16000 · Other Assets	
16100 · Restricted Cash - O&M Reserve	10,677.81
16200 · Restricted Cash - Min Pymt Res	40,870.06
16300 · Restricted Cash -Inv Res	6,900.00
16500 · Deferred Financing Costs	10,908.23
Total 16000 · Other Assets	69,356.10
18000 · Intercompany Receivables	
18200 · Due from Colusa (BSU 2017 III)	14,721.00
Total 18000 · Intercompany Receivables	14,721.00
Total Other Assets	84,077.10
TOTAL ASSETS	1,918,924.48

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Accrual Basis

Blue Sky Utility Sub 1 LLC
Balance Sheet
As of December 31, 2019

	Dec 31, 19
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
22000 · Taxes Payable	
22200 · Commission Taxes Payable	143.23
Total 22000 · Taxes Payable	143.23
23000 · LT Debt - Current Portion	39,500.00
25100 · Interest Payable	10,069.67
Total Other Current Liabilities	49,712.90
Total Current Liabilities	49,712.90
Long Term Liabilities	
28000 · Long-term Debt	
28100 · Loan 400119500	1,080,265.00
Total 28000 · Long-term Debt	1,080,265.00
Total Long Term Liabilities	1,080,265.00
Total Liabilities	1,129,977.90
Equity	
32100 · REA Equity	699,530.37
32300 · BSU Equity	90,083.49
33000 · Retained Earnings	-35,727.80
Net Income	35,060.52
Total Equity	788,946.58
TOTAL LIABILITIES & EQUITY	1,918,924.48

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Accrual Basis

Blue Sky Utility Sub 1 LLC
Profit & Loss
 October through December 2019

	Oct - Dec 19
Ordinary Income/Expense	
Income	
40000 · Revenues	
41000 · Tenant Revenues	53,784.13
43000 · Sales Discount	-3,535.40
Total 40000 · Revenues	50,248.73
Total Income	50,248.73
Gross Profit	50,248.73
Expense	
60000 · Operating Expenses	
61700 · Bank Service Charges	-10.00
62200 · Asset Management Fees	0.00
Total 60000 · Operating Expenses	-10.00
63000 · Depreciation Expense	16,220.07
64000 · Facilities Expenses	
64100 · Repairs and Maintenance	
64150 · O&M Amortization	1,847.53
Total 64100 · Repairs and Maintenance	1,847.53
Total 64000 · Facilities Expenses	1,847.53
Total Expense	18,057.60
Net Ordinary Income	32,191.13
Other Income/Expense	
Other Income	
71000 · Interest Income	1.09
Total Other Income	1.09
Other Expense	
72000 · Interest Expense	
72100 · Amortization of DFC	425.01
72200 · Interest Expense	19,050.00
Total 72000 · Interest Expense	19,475.01
Total Other Expense	19,475.01
Net Other Income	-19,473.92
Net Income	12,717.21