



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

**Quarterly Report- Q4 2019**

**10/01/2019 – 12/31/2019**

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## 1 | Executive Summary

In Q4 2019, the production portfolio performed 4% below the predicted production for the quarter. 2019 production finished -7% below expectations. Q2, Q3 had an average irradiance 10% below expectations.

Financial portfolio performed 82% above expected income for Q4 – the reason for this is the client had an out of normal parameters demand for the month of November 2019. For the 2019 year the financial portfolio performed 12% above expected income.

|              | PVSyst         | Production Meter | Production Variance | Invoiced            | Accrued Credits | Value Created       | Projected Revenue   | Revenue Variance    |
|--------------|----------------|------------------|---------------------|---------------------|-----------------|---------------------|---------------------|---------------------|
| Month        | kWh            | kWh              | kWh                 | \$                  | \$              | \$                  | \$                  | \$                  |
| 19 - Oct     | 68,421         | 69,591           | 1,173               | \$ 15,003.19        |                 | \$ 15,003.19        | \$ 13,282.17        | \$ 1,721.02         |
| 19 - Nov     | 42,989         | 42,253           | -733                | \$ 14,719.65        |                 | \$ 14,719.65        | \$ 3,698.83         | \$ 11,020.82        |
| 19 - Dec     | 32,555         | 26,186           | -6,368              | \$ 4,630.44         |                 | \$ 4,630.44         | \$ 1,849.42         | \$ 2,781.02         |
| <b>Total</b> | <b>143,965</b> | <b>138,030</b>   | <b>-5,928</b>       | <b>\$ 34,353.28</b> | <b>\$ -</b>     | <b>\$ 34,353.28</b> | <b>\$ 18,830.42</b> | <b>\$ 15,522.86</b> |

\*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          | 144,518        | 149,449          | 4,931               | \$ 16,470.78         |                     | \$ 16,470.78         | \$ 14,459.06         | \$ 2,011.72         |
| 19– Q2           | 326,318        | 298,397          | -27,591             | \$ 52,833.76         |                     | \$ 52,833.76         | \$ 62,712.01         | \$ (9,878.25)       |
| 19 – Q3          | 308,377        | 272,575          | -35,795             | \$ 47,322.33         |                     | \$ 47,322.33         | \$ 71,958.84         | \$ (24,636.74)      |
| 19– Q4           | 143,965        | 138,030          | -5,928              | \$ 34,353.28         | \$ 36,690.62        | \$ 71,043.90         | \$ 18,830.42         | \$ 52,213.48        |
| <b>YTD Total</b> | <b>923,178</b> | <b>858,451</b>   | <b>-64,383</b>      | <b>\$ 150,980.15</b> | <b>\$ 36,690.62</b> | <b>\$ 187,670.77</b> | <b>\$ 167,960.33</b> | <b>\$ 19,710.21</b> |

\* Accrued Credits – True Up Invoice

## 2 | Portfolio Performance

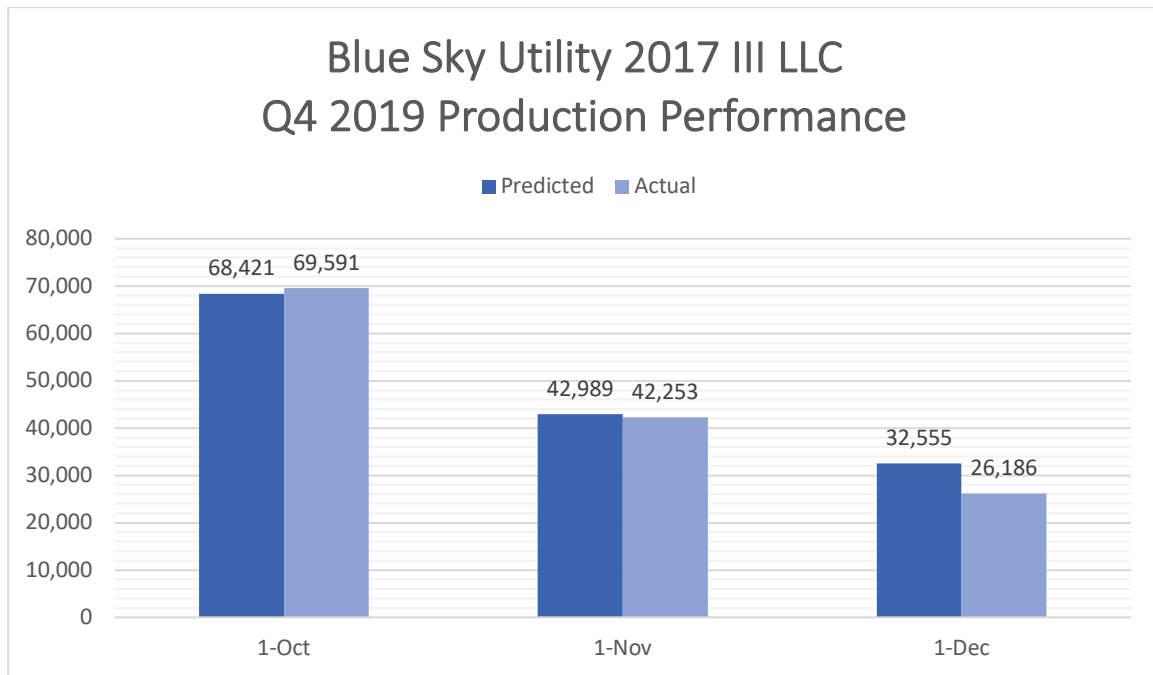
The predicted energy output for the Blue Sky Utility 2017 III LLC project during Q4 2019 was **143,965 kWh**. The actual energy output for the Blue Sky Utility 2017 III LLC project during Q4 2019 was **138,030 kWh**.

October 2019 and November 2019 performed as expected. December had rain or clouds 20 out of 31 days which dropped irradiance expectations -13% which equals **-6,368kWh** lost.

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 (PV Syst 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 <sup>2</sup>      | kWh/m <sup>2</sup>     | F                 | F                | % Variance                                    |
| 19-Oct | 124.5                   | 123.3                  | 67.58             | 62.38            | 1%                                            |
| 19-Nov | 70                      | 72.3                   | 54.08             | 49.89            | -3%                                           |
| 19-Dec | 46.4                    | 53.6                   | 50.69             | 46.14            | -13%                                          |

## 5 | Operations & Maintenance

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

| Colusa | Issue/Date | Corrective Action | Resolved/Not Resolved | kWh Lost |
|--------|------------|-------------------|-----------------------|----------|
| NA     |            |                   |                       |          |

No issues with any part of the system.

## 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 | \$ 15,003.19   | \$ 15,003.19 |
| 19 - Nov | \$ 14,719.65   | \$ 14,719.65 |
| 19 – Dec | \$ 4,630.44    | \$ 4,630.44  |

## 8 | Financials

Financials are attached below or sent in separate document.

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Accrual Basis

**Blue Sky Utility 2017 III LLC**  
**Balance Sheet**  
As of December 31, 2019

|                                           | Dec 31, 19          |
|-------------------------------------------|---------------------|
| <b>ASSETS</b>                             |                     |
| Current Assets                            |                     |
| Checking/Savings                          |                     |
| 10000 · Cash                              |                     |
| 10050 · Operating Acct - Amalgamated      | 989.75              |
| Total 10000 · Cash                        | 989.75              |
| 10250 · Amalgamated DSRA Account (3380)   | 19,695.13           |
| Total Checking/Savings                    | 20,684.88           |
| Accounts Receivable                       |                     |
| 11200 · Accounts Receivable - Unbilled    | 31,690.29           |
| Total Accounts Receivable                 | 31,690.29           |
| Other Current Assets                      |                     |
| 13000 · Other Current Assets              |                     |
| 13100 · DFC - Current Portion             | 1,700.00            |
| Total 13000 · Other Current Assets        | 1,700.00            |
| Total Other Current Assets                | 1,700.00            |
| Total Current Assets                      | 54,075.17           |
| Fixed Assets                              |                     |
| 14000 · Property, Plant & Equipment       |                     |
| 14100 · Plant Assets                      | 1,969,477.00        |
| 14500 · Capitalized Interest              | 44,450.00           |
| 14900 · Accumulated Depreciation          | -139,856.00         |
| Total 14000 · Property, Plant & Equipment | 1,874,071.00        |
| Total Fixed Assets                        | 1,874,071.00        |
| Other Assets                              |                     |
| 16000 · Other Assets                      |                     |
| 16100 · Restricted Cash - O&M Reserve     | 12,097.56           |
| 16200 · Restricted Cash - Min Pymt Res    | 19,574.15           |
| 16300 · Restricted Cash - Inv. Reserve    | 7,000.00            |
| 16500 · Deferred Financing Costs          | 10,908.23           |
| Total 16000 · Other Assets                | 49,579.94           |
| Total Other Assets                        | 49,579.94           |
| <b>TOTAL ASSETS</b>                       | <b>1,977,726.11</b> |

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Accrual Basis

**Blue Sky Utility 2017 III LLC**  
**Balance Sheet**  
As of December 31, 2019

|                                            | <u>Dec 31, 19</u>   |
|--------------------------------------------|---------------------|
| <b>LIABILITIES &amp; EQUITY</b>            |                     |
| <b>Liabilities</b>                         |                     |
| <b>Current Liabilities</b>                 |                     |
| <b>Other Current Liabilities</b>           |                     |
| 22000 · Taxes Payable                      |                     |
| 22200 · Commission Tax Payable             | 181.30              |
| <b>Total 22000 · Taxes Payable</b>         | 181.30              |
| 23000 · LT Debt - Current Portion          | 39,500.00           |
| 25100 · Interest Payable                   | 8,720.97            |
| <b>Total Other Current Liabilities</b>     | 48,402.27           |
| <b>Total Current Liabilities</b>           | 48,402.27           |
| <b>Long Term Liabilities</b>               |                     |
| 28000 · Long-term Debt                     |                     |
| 28100 · Amalgamted Bank Loan               | 1,080,235.00        |
| <b>Total 28000 · Long-term Debt</b>        | 1,080,235.00        |
| 29000 · Intercompany Payables              |                     |
| 29200 · Due to Sub I - Orland              | 14,721.00           |
| <b>Total 29000 · Intercompany Payables</b> | 14,721.00           |
| <b>Total Long Term Liabilities</b>         | 1,094,956.00        |
| <b>Total Liabilities</b>                   | 1,143,358.27        |
| <b>Equity</b>                              |                     |
| 32100 · Partner 1 Equit                    | 612,005.93          |
| 32300 · Membership Interest Equity         | 233,137.75          |
| 33000 · Retained Earnings                  | -30,645.85          |
| Net Income                                 | 19,870.01           |
| <b>Total Equity</b>                        | 834,367.84          |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>      | <b>1,977,726.11</b> |

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Accrual Basis

**Blue Sky Utility 2017 III LLC**  
**Profit & Loss**  
 October through December 2019

|                                              | Oct - Dec 19      |
|----------------------------------------------|-------------------|
| <b>Ordinary Income/Expense</b>               |                   |
| <b>Income</b>                                |                   |
| 40000 · Revenue                              |                   |
| 41000 · Tenant Revenue                       | 67,817.15         |
| 43000 · Sales Discounts                      | -3,690.28         |
| <b>Total 40000 · Revenue</b>                 | <b>64,126.87</b>  |
| <b>Total Income</b>                          | <b>64,126.87</b>  |
| <b>Gross Profit</b>                          | <b>64,126.87</b>  |
| <b>Expense</b>                               |                   |
| 60000 · Operating Expenses                   |                   |
| 61700 · Bank Service Charges                 | -10.00            |
| 62200 · Asset Management Fees                | 0.00              |
| 64000 · Facilities Expense                   |                   |
| 64100 · Repairs and Maintenance              |                   |
| 64150 · Amortization of O&M Expense          | 1,235.81          |
| <b>Total 64100 · Repairs and Maintenance</b> | <b>1,235.81</b>   |
| <b>Total 64000 · Facilities Expense</b>      | <b>1,235.81</b>   |
| <b>Total 60000 · Operating Expenses</b>      | <b>1,225.81</b>   |
| 63000 · Depreciation Expense                 | 16,782.72         |
| <b>Total Expense</b>                         | <b>18,008.53</b>  |
| <b>Net Ordinary Income</b>                   | <b>46,118.34</b>  |
| <b>Other Income/Expense</b>                  |                   |
| <b>Other Income</b>                          |                   |
| 71000 · Interest Income                      | 1.27              |
| <b>Total Other Income</b>                    | <b>1.27</b>       |
| <b>Other Expense</b>                         |                   |
| 72000 · Interest Exp                         |                   |
| 72100 · Interest Expense - DFC Amort         | 425.01            |
| 72200 · Interest Expense - Loan              | 19,050.00         |
| <b>Total 72000 · Interest Exp</b>            | <b>19,475.01</b>  |
| <b>Total Other Expense</b>                   | <b>19,475.01</b>  |
| <b>Net Other Income</b>                      | <b>-19,473.74</b> |
| <b>Net Income</b>                            | <b>26,644.60</b>  |