



**Blue Sky Utility 2017 II LLC  
(Hanford Mall)**

Quarterly Report- Q3  
06/1/2020 – 09/30/2020

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## 1 | Executive Summary

In Q3 2020, the portfolio performed (14.60)% below the predicted production model for the quarter, this amounts to (123,160.00) kWh. Year to date the portfolio performed (4.14)% below the predicted production for the period. This total amounts to (88,904.00) kWh. The reason for the below performance was the irradiance was lower than expected, and the California wildfires contributed to heavy soiling. The removal of tomato plant from the nearby tomato farms during last 2 months of Q3 contributed also to high soiling.

In Q3 2020, the financial income was (55.78)% below the predicted financial model for the quarter, this amounts to (\$127,154.52) Year to date, the financial income was (47.28)% below the predicted financial model for the quarter, this amounts to (\$196,013.24)

The reason for the loss of income is that the delay in Blue Sky Utility's installation of LED upgrades to the project coupled with the SCE rate change. The LED upgrades being installed in Q4 and their effect both on the project's income and the average rate per solar kWh should allow this project to revert back to its predicted income.

Summary of Quarter by Month								
Month	PVSyst kWh	Production Meter kWh	Production Variance kWh	Invoiced \$	Accrued Credits \$	Value Created \$	Projected Revenue \$	Revenue Variance \$
Jul	309,624	287,380	(22,244)	\$ 27,948.84	\$ -	\$ 27,948.84	\$ 85,029.54	\$ (57,080.70)
Aug	295,915	248,527	(47,388)	\$ 42,080.31	\$ -	\$ 42,080.31	\$ 80,255.95	\$ (38,175.64)
Sep	237,967	184,439	(53,528)	\$ 30,755.16	\$ -	\$ 30,755.16	\$ 62,653.34	\$ (31,898.18)
<b>Total</b>	<b>843,506</b>	<b>720,346</b>	<b>(123,160)</b>	<b>\$100,784.31</b>	<b>\$ -</b>	<b>\$ 100,784.31</b>	<b>\$ 227,938.83</b>	<b>\$ (127,154.52)</b>

### Summary by Quarter

	PVSyst kWh	Production Meter kWh	Production Variance kWh	Invoiced* \$	Accrued Credits* \$	Value Created* \$	Projected Revenue \$	Revenue Variance \$
<b>Quarter</b>	<b>kWh</b>	<b>kWh</b>	<b>kWh</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
20 - Q1	423,244	484,603	61,359	\$ 23,706.13	\$ -	\$ 23,706.13	\$ 23,531.28	\$ 174.85
20 - Q2	879,091	851,988	(27,103)	\$ 46,228.42	\$ 47,848.31	\$ 94,076.73	\$ 163,110.30	\$ (69,033.57)
20 - Q3	843,506	720,346	(123,160)	\$ 100,784.31	\$ -	\$ 100,784.31	\$ 227,938.83	\$ (127,154.52)
20 - Q4	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
<b>YTD Total</b>	<b>2,145,841</b>	<b>2,056,937</b>	<b>(88,904)</b>	<b>\$170,718.86</b>	<b>\$ 47,848.31</b>	<b>\$ 218,567.17</b>	<b>\$ 414,580.41</b>	<b>\$ (196,013.24)</b>

## 2 | Portfolio Performance

The predicted energy output for the Blue Sky Utility 2017 II LLC (Hanford Mall) project during Q3-2020 was 843,506.00 kWh. The actual energy output for the project during Q3-2020 was 720,346.00 kWh.

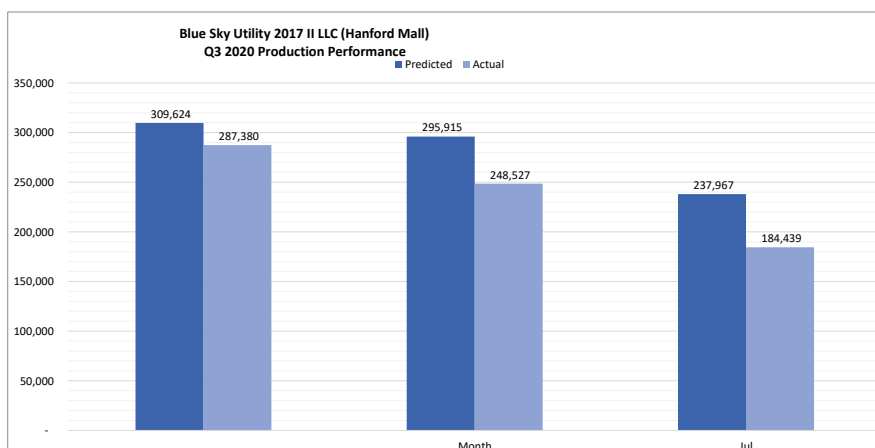
The reason for this performance:

California wildfires contributed to high soiling and the lower then predicated irradiance in August (-71%) and Spetember (-21%). The removal of tomato plants on the tomato farms during Q3 contributed to additional soiling..

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 Q3.



## 4 | Weather Adjusted Performance

Measured Avg Irradiance	Assumed Avg Irradiance	Measured Avg Temp	Assumed Avg Temp	Weather adjusted expected production variance
kWh/m^2	kWh/m^2	F	F	% Variance
233	242.9	95	83.51	-4%
189	227	96	80	-17%
135	171	84	75	-21%

## 5 | Operations & Maintenance

The following table details all operations/maintenance related issues and corrective actions for Q3-2020:

**Operations:**

Panels with hotspots were replaced in June.

**Cleaning:**

Panels were cleaned in June, August and September.

## 6 | Availability

The overall availability for this quarter was 86%. The Data Logger did not report for 12 days.

## 7 | Billings & Collections

Invoiced	Collected	Accrued Credit	Assumed Bad Debt	Recoverable Credits
\$ 23,706.13	\$ 23,706.13	\$ -	\$ -	\$ -
\$ 46,228.42	\$ 9,448.31	\$ 47,848.31	\$ -	\$ 47,848.31
\$ 100,784.31	\$ 137,564.42	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -	\$ -
<b>\$ 170,718.86</b>	<b>\$ 170,718.86</b>	<b>\$ 47,848.31</b>	<b>\$ -</b>	<b>\$ 47,848.31</b>

**Notes:**

Consistently following up with SCE to update the assets rate schedule to reflect solar credits to invoice client.

(Hanford changed owners and SCE needs to reactivate the solar rates for the new entity).

LED lightning retrofit is taking place to increase income on this asset.

SGIP Applications submitted to assist in the install of batteries to increase income of this asset.

**Assumed bad-debt Details:**

Assumed bad-debt is \$ 0.00

## 8 | Financials

Financials are attached below or sent in separate document.

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Accrual Basis

**Blue Sky Utility 2017 II LLC**  
**Balance Sheet**  
As of September 30, 2020

	<u>Sep 30, 20</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
10000 · Cash and Cash Equivalents	
10100 · New Resource Bank #3.3794 - OPA	523.25
Total 10000 · Cash and Cash Equivalents	523.25
Total Checking/Savings	523.25
Other Current Assets	
11150 · Accounts Receivable - Billed	123,929.97
13000 · Other Current Assets	
13100 · DFC - Current Portion	4,211.65
Total 13000 · Other Current Assets	4,211.65
Total Other Current Assets	128,141.62
Total Current Assets	128,664.87
Fixed Assets	
14000 · Property, Plant & Equipment	
14100 · Plant Equipment	5,607,710.91
14500 · Capitalized Interest	45,103.00
14900 · Accumulated Depreciation	-533,876.58
Total 14000 · Property, Plant & Equipment	5,118,937.33
Total Fixed Assets	5,118,937.33
Other Assets	
16000 · Other Assets	
16100 · Restricted Cash - O&M Reserve	16,352.00
16200 · Restricted Cash - Min Pymt Res	219.78
16500 · Deferred Financing Costs	26,172.63
Total 16000 · Other Assets	42,744.41
Total Other Assets	42,744.41
<b>TOTAL ASSETS</b>	<b><u>5,290,346.61</u></b>

11:34 AM

10/02/20

Accrual Basis

**Blue Sky Utility 2017 II LLC**  
**Balance Sheet**  
 As of September 30, 2020

	Sep 30, 20
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
20000 · Accounts Payable	
20100 · A/P owed to BPI	361,557.91
<b>Total 20000 · Accounts Payable</b>	361,557.91
<b>Total Accounts Payable</b>	361,557.91
<b>Other Current Liabilities</b>	
22000 · Taxes Payable	
22200 · Commission Taxes Payable	554.96
<b>Total 22000 · Taxes Payable</b>	554.96
23000 · LT Debt - Current Portion	227,875.00
25000 · Other Current Liabilities	
25100 · Interest Payable	46,693.12
25150 · Interest Payable - DSA	56,859.91
25200 · Rent Payable	106,761.38
<b>Total 25000 · Other Current Liabilities</b>	210,314.41
<b>Total Other Current Liabilities</b>	438,744.37
<b>Total Current Liabilities</b>	800,302.28
<b>Long Term Liabilities</b>	
27000 · Due to Deferred Dev. Fee BSU	1,056,130.00
28000 · Long-term Debt	
28100 · Loan 400121300	1,442,800.00
<b>Total 28000 · Long-term Debt</b>	1,442,800.00
29000 · Other LT Liabilities	
29200 · Due to Boronda	6,000.00
29300 · Due to Orland (Sub I LLC)	8,000.00
<b>Total 29000 · Other LT Liabilities</b>	14,000.00
<b>Total Long Term Liabilities</b>	2,512,930.00
<b>Total Liabilities</b>	3,313,232.28

Blue Sky Utility 2017 II LLC  
Balance Sheet  
As of September 30, 2020

	Sep 30, 20
Equity	
32100 · BSU Portfolio1 Equity	2,282,266.89
33000 · Retained Earnings	-192,902.93
Net Income	-112,249.63
Total Equity	1,977,114.33
TOTAL LIABILITIES & EQUITY	5,290,346.61

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Accrual Basis

**Blue Sky Utility 2017 II LLC**  
**Profit & Loss**  
 January through September 2020

	Jan - Sep 20
Ordinary Income/Expense	
Income	
40000 · Revenue	
41000 · Tenant Billings	170,804.10
Total 40000 · Revenue	170,804.10
Total Income	170,804.10
Gross Profit	170,804.10
Expense	
60000 · Operating Expenses	
61000 · Selling, General & Admin	
61700 · Bank Service Charges	30.25
63000 · Depreciation Expense	141,320.34
Total 61000 · Selling, General & Admin	141,350.59
Total 60000 · Operating Expenses	141,350.59
64000 · Facilities Expense	
64300 · Rent Expense	54,203.82
Total 64000 · Facilities Expense	54,203.82
Total Expense	195,554.41
Net Ordinary Income	-24,750.31
Other Income/Expense	
Other Income	
71000 · Interest Income	5.61
Total Other Income	5.61
Other Expense	
72000 · Loan Interest	
72100 · Amortization of DFC	6,317.46
72200 · Interest Expense	81,187.47
Total 72000 · Loan Interest	87,504.93
Total Other Expense	87,504.93
Net Other Income	-87,499.32
Net Income	<b>-112,249.63</b>