

**Blue Sky Utility 2017 LLC (Winery Square - Fairfield)**

**Quarterly Report- Q3 2018**

**7/1/2018 – 9/30/2018**

*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 LLC.*

# | Executive Summary

In Q3 2018, the system performed 3.35% below estimate. This variance is considered within an acceptable margin of error. The average billed $/kWh rate is $0.2140. The projected $/kWh rate is $0.2300.

Billing operations commenced in June and have continued on a monthly schedule. The value created from the system live date (1/3/18) to the commencement of invoicing is reflected in the accrued credits. The unbilled production is due to an overallocation of power to individual meters. This overallocated power is monetized as a monthly accrued credit on individual accounts which Blue Sky Utility will invoice for.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **PVSyst** | **Production Meter** | **Production Variance** | **Production invoiced** | **Production not invoiced** |
| **Month** | kWh | kWh | kWh | kWh | kWh |
| **18 - Jul** | 56,483 | 55,139 | (1,344) | 22,470 | 34,875 |
| **18 - Aug** | 54,038 | 51,165 | (2,873) | 20,156 | 28,993 |
| **18 - Sep** | 44,376 | 43,398 | (978) | 19,092 | 23,935 |
| **Q3 Total** | **154,897** | **149,702** | **(5,195)** | **61,718** | **87,803** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Invoiced** | **Accrued Credits** | **Value Created** | **Projected Revenue** | **Projected Revenue Variance** |
| **Month** | $ | $ | $ | $ | $ |
| **18 - Jul** | $4,905.20 | $7,535.61 | $12,440.81 | $12,991.09 | $(550.28) |
| **18 - Aug** | $5,519.94 | $6,209.52 | $11,729.46 | $12,428.74 | $(699.28) |
| **18 - Sep** | $5,339.57 | $5,401.93 | $10,741.50 | $10,206.48 | $535.02 |
| **Q3 Total** | **$15,764.71** | **$19,147.05** | **$34,911.76** | **$35,626.31** | **$(714.55)** |

# | Summary By Quarter

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Simulation PVSyst** | **Production Meter** | **Production Variance** | **Production Invoiced** | **Production not invoiced** |
| **Quarter** | kWh | kWh | kWh | kWh | kWh |
| **18 – Q1** | 80,676 | 91,530 | +10,854 | 0 | 0 |
| **18 – Q2** | 160,704 | 160,258 | (446) | 22,282 | 33,003 |
| **18 – Q3** | 154,897 | 149,702 | (5,195) | 61,718 | 87,803 |
| YTD Total | **396,277** | **401,490** | **+5,213** | **84,000** | **120,806** |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Invoiced** | **Accrued Credits\*** | **Value Created\*** | **Projected Revenue** | **Projected Revenue Variance\*\*** |
| **Quarter** | $ | $ | $ | $ | $ |
| **18 – Q1** | $5,179.91 | $0.00 | $5,179.91 | $9,047.37 | $(3,867.46) |
| **18 – Q2** | $11,772.63 | $27,123.27 | $38,895.90 | $39,513.95 | $(618.05) |
| **18 – Q3** | $15,764.71 | $19,147.05 | $34,911.76 | $35,774.87 | $(714.55) |
| YTD Total | **$32,717.25** | **$46,270.32** | **$78,987.57** | **$84,187.63** | **$(5,200.06)** |

\*18 - Q1 & Q2 Value Created reflects a time-adjusted & de-aggregated PG&E credit applied to participant accounts.

\*\*Q3 projected revenue is calculated using a % revenue schedule, projected total yearly kWh production, and projected $/kWh rate.

# | Portfolio Performance

The predicted energy output for the Blue Sky Utility 2017 LLC project during Q3 2018 was **154,897 kWh**.

The actual energy output for the Blue Sky Utility 2017 LLC project during Q3 2018 was **149,702 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 “estimated” 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”.

# | Forecasted vs. Actual Energy

The following graphs shows performance (*Actual*-metered energy v. *Estimated* PVsyst forecast) for Q3 2018.

# | 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 |
| **18 - Jul** | 225.97 | 219.20 | 72.67 | 63.39 | +1,221 |
| **18 - Aug** | 221.10 | 210.70 | 70.21 | 65.37 | +791 |
| **18 - Sep** | 182.55 | 170.00 | 69.42 | 60.94 | +2,003 |

# | Operations & Maintenance

The following table details all operations/maintenance related issues and corrective actions for Q3 2018.

|  |  |  |  |
| --- | --- | --- | --- |
| **Issue/Date** | **Corrective Action** | **Resolved/Not Resolved** | **kWh Lost** |
| n/a | n/a | n/a | n/a |

# |Availability

The overall availability for this quarter was **100.00%**.

# |Billings & Collections

|  |  |  |
| --- | --- | --- |
| **Month** | **Invoice Amount** | **Collections** |
| 18 – July | $4,905.20 | $5,903.17 |
| 18 – Aug | $5,519.94 | $4,905.20 |
| 18 - Sept | $5,339.57 | $5,519.94 |

# |Financials

Financials are attached below or sent in separate document.