

Explanatory Note

On February 28, 2019, Clearway Energy LLC (the "Company") filed with the Securities and Exchange Commission its Annual Report on Form 10-K for the year ended December 31, 2018.

This Amendment No. 1 to Form 10-K (this "Amendment") of the Company is being filed solely to amend Item 15 of Part IV to include the consolidated financial statements of DGPV Holdco 3 LLC and Subsidiaries ("DGPV Holdco 3") as required under Rule 3-09 of Regulation S-X. The financial statements of DGPV Holdco 3 for its fiscal year ended December 31, 2018 were not available at the time the Company filed its Annual Report on Form 10-K. The required financial statements are now provided as Exhibit 99.1 to this Amendment.

Item 15(c) is the only portion of the Company's Annual Report on Form 10-K being supplemented or amended by this Amendment. Except as set forth herein, this Amendment does not change or update any other information set forth in the original filing of the Company's Annual Report on Form 10-K for the year ended December 31, 2018, and does not reflect events occurring after the original filing of the Company's Annual Report on Form 10-K for the year ended December 31, 2018. This Amendment consists solely of the preceding cover page, this explanatory note, the information required by Item 15(c) of Form 10-K as provided in Exhibit 99.1, an updated exhibit index, a signature page, and the certifications required to be filed as exhibits hereto.

Item 15 — Exhibits, Financial Statement Schedules

(a)(1) Financial Statements

The following consolidated financial statements of Clearway Energy LLC and related notes thereto, together with the reports thereon of KPMG LLP, were included in Item 15 of Clearway Energy LLC's Annual Report on Form 10-K filed on February 28, 2019:

Consolidated Statements of Operations — Years ended December 31, 2018, 2017 and 2016

Consolidated Statements of Comprehensive Income — Years ended December 31, 2018, 2017 and 2016

Consolidated Balance Sheets — As of December 31, 2018 and 2017

Consolidated Statements of Cash Flows — Years ended December 31, 2018, 2017 and 2016

Consolidated Statements of Members' Equity — Years ended December 31, 2018, 2017 and 2016

Notes to Consolidated Financial Statements

(a)(2) Not applicable

(a)(3) Exhibits: See Exhibit Index submitted as a separate section of this report

(b) Exhibits

See Exhibit Index submitted as a separate section of this report

(c) Separate financial statements of subsidiaries not consolidated and fifty percent or less owned persons

The following financial statements of DGPV Holdco 3 LLC and Subsidiaries are required under Rule 3-09 of Regulation S-X and are incorporated by reference to Item 15 of this report. They should be read in conjunction with the Consolidated Financial Statements:

DGPV Holdco 3 LLC Consolidated Financial Statements for the years ended December 31, 2018 and 2017 are included as Exhibit 99.1 to Amendment No. 1 to Clearway Energy LLC's Annual Report on Form 10-K

EXHIBIT INDEX

Number	Description	Method of Filing
2.1	Purchase and Sale Agreement, dated as of May 5, 2014, by and between NRG Gas Development Company, LLC and NRG Yield Operating LLC.	Incorporated herein by reference to Exhibit 2.1 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on May 9, 2014.
2.2	Purchase and Sale Agreement, dated as of May 5, 2014, by and between NRG Solar PV LLC and NRG Yield Operating LLC.	Incorporated herein by reference to Exhibit 2.2 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on May 9, 2014.
2.3	Purchase and Sale Agreement, dated as of May 5, 2014, by and between NRG Solar PV LLC and NRG Yield Operating LLC.	Incorporated herein by reference to Exhibit 2.3 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on May 9, 2014.
2.4	Purchase and Sale Agreement, dated June 3, 2014, by and among NRG Yield, Inc., NRG Yield Operating LLC, Terra-Gen Finance Company, LLC, NTD AWAM Holdings, LLC, CHIPS Alta Wind X Holding Company, LLC and CHIPS Alta Wind XI Holding Company, LLC.	Incorporated herein by reference to Exhibit 10.1 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on June 9, 2014.
2.5	Purchase and Sale Agreement, dated as of November 4, 2014, by and between NRG Wind LLC and NRG Yield Operating LLC.	Incorporated herein by reference to Exhibit 2.1 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on November 7, 2014.
2.6	Purchase and Sale Agreement, dated as of November 4, 2014, by and between NRG Arroyo Nogales LLC and NRG Yield Operating LLC.	Incorporated herein by reference to Exhibit 2.2 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on November 7, 2014.
2.7*^	Purchase and Sale Agreement, dated as of June 17, 2015, by and between EFS Desert Sun, LLC and NRG Yield Operating LLC.	Incorporated herein by reference to Exhibit 2.1 to Clearway Energy, Inc.'s Quarterly Report on Form 10-Q filed on August 4, 2015.
2.8	Purchase and Sale Agreement, dated as of September 17, 2015, by and between NRG Energy Gas & Wind Holdings, Inc. and NRG Yield Operating LLC.	Incorporated herein by reference to Exhibit 2.1 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on September 21, 2015.
2.9	Purchase and Sale Agreement, dated as of August 8, 2016, between NRG Solar CVSR Holdings 2 LLC and NRG Yield Operating LLC.	Incorporated herein by reference to Exhibit 2.1 to Clearway Energy, Inc.'s Current Report on Form 8-K, filed on August 9, 2016.
2.10*	Purchase and Sale Agreement, dated as of February 6, 2018, by and between NRG Gas Development Company, LLC and NRG Yield Operating LLC.	Incorporated herein by reference to Exhibit 2.10 to Clearway Energy, Inc.'s Annual Report on Form 10-K, filed on March 1, 2018.
3.1	Certificate of Formation of NRG Yield Operating LLC.	Incorporated herein by reference to Exhibit 3.01(a) to the Company's Registration Statement on Form S-4 filed on April 13, 2015.
3.2	Certificate of Amendment of Certificate of Formation of NRG Yield Operating LLC.	Incorporated herein by reference to Exhibit 3.01(b) to the Company's Registration Statement on Form S-4 filed on April 13, 2015.
3.3	Third Amended and Restated Limited Liability Company Agreement of Clearway Energy Operating LLC.	Incorporated herein by reference to Exhibit 3.33 to the Company's Annual Report on Form 10-K filed on February 28, 2019.
3.4	Certificate of Formation of NRG Yield LLC.	Incorporated herein by reference to Exhibit 3.03(a) to the Company's Registration Statement on Form S-4 filed on April 13, 2015.
3.5	Certificate of Amendment of Certificate of Formation of NRG Yield LLC.	Incorporated herein by reference to Exhibit 3.03(b) to the Company's Registration Statement on Form S-4 filed on April 13, 2015.
3.6	Fourth Amended and Restated Limited Liability Company Agreement of NRG Yield LLC, dated as of August 31, 2018, by and between NRG Yield, Inc. and Zephyr Renewables LLC.	Incorporated herein by reference to Exhibit 10.6 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on September 5, 2018.
4.1	Indenture, dated August 5, 2014, among NRG Yield Operating LLC, the guarantors named therein and Law Debenture Trust Company of New York.	Incorporated herein by reference to Exhibit 4.1 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on August 5, 2014.

4.2	<u>Form of 5.375% Senior Note due 2024.</u>	Incorporated herein by reference to Exhibit 4.2 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on August 5, 2014.
4.3	<u>Registration Rights Agreement, dated October 1, 2018, among Clearway Energy Operating LLC, the guarantors named therein and RBC Capital Markets, LLC, as representative of the initial purchasers.</u>	Incorporated herein by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on October 2, 2018.
4.4	<u>Supplemental Indenture, dated as of November 7, 2014, among NRG Yield Operating LLC, the guarantors named therein and Law Debenture Trust Company of New York.</u>	Incorporated herein by reference to Exhibit 4.1 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on November 13, 2014.
4.5	<u>Supplemental Indenture, dated as of February 25, 2015, among NRG Yield Operating LLC, the guarantors named therein and Law Debenture Trust Company of New York.</u>	Incorporated herein by reference to Exhibit 4.1 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on February 27, 2015.
4.6	<u>Third Supplemental Indenture, dated as of April 10, 2015, among NRG Yield Operating LLC, NRG Yield LLC, the other guarantors named therein and Law Debenture Trust Company of New York.</u>	Incorporated herein by reference to Exhibit 4.07 to the Company's Registration Statement on Form S-4 filed on April 13, 2015.
4.7	<u>Fourth Supplemental Indenture, dated as of May 8, 2015, among NRG Yield Operating LLC, the guarantors named therein and Law Debenture Trust Company of New York.</u>	Incorporated herein by reference to Exhibit 4.1 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on May 8, 2015.
4.8	<u>Indenture, dated June 29, 2015, among NRG Yield, Inc., NRG Yield Operating LLC and NRG Yield LLC, as Guarantors, and Wilmington Trust, National Association, as Trustee.</u>	Incorporated herein by reference to Exhibit 4.1 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on June 29, 2015.
4.9	<u>Form of 3.25% Convertible Senior Note due 2020.</u>	Incorporated herein by reference to Exhibit 4.2 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on June 29, 2015.
4.10	<u>Indenture, dated August 18, 2016, among NRG Yield Operating LLC, the guarantors named therein and Law Debenture Trust Company of New York.</u>	Incorporated herein by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K, filed on August 18, 2016.
4.11	<u>Form of 5.000% Senior Note due 2026.</u>	Incorporated herein by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K, filed on August 18, 2016.
4.12	<u>Registration Rights Agreement, dated August 18, 2016, among NRG Yield Operating LLC, the guarantors named therein and J.P. Morgan Securities LLC, as representative of the initial purchasers.</u>	Incorporated herein by reference to Exhibit 4.3 to the Registrant's Current Report on Form 8-K, filed on August 18, 2016.
4.13	<u>Fifth Supplemental Indenture, dated as of January 29, 2018, among NRG Yield Operating LLC, the guarantors named therein and Delaware Trust Company (as successor in interest to Law Debenture Trust Company of New York).</u>	Incorporated herein by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K, filed on January 31, 2018.
4.14	<u>Sixth Supplemental Indenture, dated as of June 12, 2018, among NRG Yield Operating LLC, the guarantors named therein and Delaware Trust Company (as successor in interest to Law Debenture Trust Company of New York).</u>	Incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on June 12, 2018.
4.15	<u>Supplemental Indenture, dated as of January 29, 2018, among NRG Yield Operating LLC, the guarantors named therein and the Delaware Trust Company (as successor in interest to Law Debenture Trust Company of New York).</u>	Incorporated herein by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K, filed on January 31, 2018.
4.16	<u>Second Supplemental Indenture, dated as of June 12, 2018, among NRG Yield Operating LLC, the guarantors named therein and Delaware Trust Company (as successor in interest to Law Debenture Trust Company of New York).</u>	Incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on June 12, 2018.
4.17	<u>Seventh Supplemental Indenture, dated as of July 17, 2018, among NRG Yield Operating LLC, the guarantors named therein and Delaware Trust Company (as successor in interest to Law Debenture Trust Company of New York).</u>	Incorporated herein by reference to Exhibit 4.3 to the Company's Quarterly Report on Form 10-Q filed on August 2, 2018.
4.18	<u>Third Supplemental Indenture, dated as of July 17, 2018, among NRG Yield Operating LLC, the guarantors named therein and Delaware Trust Company (as successor in interest to Law Debenture Trust Company of New York).</u>	Incorporated herein by reference to Exhibit 4.4 to the Company's Quarterly Report on Form 10-Q filed on August 2, 2018.

4.19	<u>Eighth Supplemental Indenture, dated as of August 30, 2018, among NRG Yield Operating LLC, the guarantors named therein and Delaware Trust Company (as successor in interest to Law Debenture Trust Company of New York).</u>	Incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on September 6, 2018.
4.20	<u>Fourth Supplemental Indenture, dated as of August 30, 2018, among NRG Yield Operating LLC, the guarantors named therein and Delaware Trust Company (as successor in interest to Law Debenture Trust Company of New York).</u>	Incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on September 6, 2018.
4.21	<u>Indenture, dated October 1, 2018, among Clearway Energy Operating LLC, the guarantors named therein and Delaware Trust Company, as trustee.</u>	Incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on October 2, 2018.
4.22	<u>Form of 5.750% Senior Notes due 2025</u>	Incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on October 2, 2018.
4.23	<u>Ninth Supplemental Indenture, dated as of October 25, 2018, among Clearway Energy Operating LLC, the guarantors named therein and Delaware Trust Company (as successor in interest to Law Debenture Trust Company of New York).</u>	Incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on October 31, 2018.
4.24	<u>Fifth Supplemental Indenture, dated as of October 25, 2018, among Clearway Energy Operating LLC, the guarantors named therein and Delaware Trust Company (as successor in interest to Law Debenture Trust Company of New York).</u>	Incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on October 31, 2018.
4.25	<u>First Supplemental Indenture, dated as of October 25, 2018, among Clearway Energy Operating LLC, the guarantors named therein and Delaware Trust Company.</u>	Incorporated herein by reference to Exhibit 4.3 to the Registrant's Current Report on Form 8-K filed on October 31, 2018.
10.1	<u>Third Amended and Restated Right of First Offer Agreement, dated as of August 31, 2018, by and between NRG Yield, Inc. and NRG Energy, Inc.</u>	Incorporated herein by reference to Exhibit 10.5 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on September 5, 2018.
10.2.1	<u>Right of First Offer Agreement, dated as of August 31, 2018, by and among NRG Yield, Inc., Zephyr Renewables LLC and solely for purposes of Section 2.4, GIP III Zephyr Acquisition Partners, L.P.</u>	Incorporated herein by reference to Exhibit 10.3 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on September 5, 2018.
10.2.2	<u>First Amendment to Right of First Offer Agreement, dated February 14, 2019, by and between Clearway Energy Group LLC and Clearway Energy, Inc.</u>	Incorporated herein by reference to Exhibit 10.1 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on February 14, 2019.
10.3	<u>Master Services Agreement, dated as of August 31, 2018, by and among NRG Yield, Inc., NRG Yield LLC, NRG Yield Operating LLC and Zephyr Renewables LLC.</u>	Incorporated herein by reference to Exhibit 10.1 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on September 5, 2018.
10.4	<u>Master Services Agreement, dated as of August 31, 2018, by and among Zephyr Renewables LLC, NRG Yield, Inc., NRG Yield LLC, and NRG Yield Operating LLC.</u>	Incorporated herein by reference to Exhibit 10.2 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on September 5, 2018.
10.5	<u>Termination Agreement, dated as of August 31, 2018, by and among NRG Yield, Inc., NRG Yield LLC, NRG Yield Operating LLC and NRG Energy, Inc.</u>	Incorporated herein by reference to Exhibit 10.9 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on September 5, 2018.
10.6.1	<u>Amended and Restated Credit Agreement, dated April 25, 2014, by and among NRG Yield Operating LLC, NRG Yield LLC, Royal Bank of Canada, as Administrative Agent, the lenders party thereto, Royal Bank of Canada, Goldman Sachs Bank USA and Bank of America, N.A., as L/C Issuers and RBC Capital Markets as Sole Left Lead Arranger and Sole Left Lead Book Runner.</u>	Incorporated by reference to Exhibit 10.1 to Clearway Energy, Inc.'s Current Report on Form 8-K filed on April 28, 2014.
10.6.2	<u>First Amendment to Amended & Restated Credit Agreement, dated June 26, 2015, by and among NRG Yield Operating LLC, NRG Yield LLC, Royal Bank of Canada and the Lenders party thereto.</u>	Incorporated herein by reference to Exhibit 10.9 to Clearway Energy, Inc.'s Quarterly Report on Form 10-Q filed on August 4, 2015.

10.6.3

[Second Amendment to Amended & Restated Credit Agreement, dated February 6, 2018, by and among NRG Yield Operating LLC, NRG Yield LLC, the guarantors party thereto, Royal Bank of Canada, as Administrative Agent, and the lenders party thereto.](#)

Incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 12, 2018.

10.6.4	Third Amendment to Amended and Restated Credit Agreement and Administrative Agent Resignation and Appointment Agreement, dated as of April 30, 2018, by and among NRG Yield Operating LLC, NRG Yield LLC, the guarantors party thereto, Royal Bank of Canada, as Resigning Administrative Agent, JPMorgan Chase Bank, N.A., as Successor Administrative Agent, and the lenders party thereto.	Incorporated herein by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on May 3, 2018.
10.6.5	Fourth Amendment to Amended and Restated Credit Agreement, dated as of November 30, 2018, by and among Clearway Energy Operating LLC, Clearway Energy LLC, the guarantors party thereto, JPMorgan Chase Bank, N.A., as administrative agent, and the lenders party thereto.	Incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on December 6, 2018.
10.7^	Amended and Restated Limited Liability Company Agreement of NRG RPV Holdco 1 LLC, dated as of April 9, 2015.	Incorporated herein by reference to Exhibit 10.1 to Clearway Energy, Inc.'s Quarterly Report on Form 10-Q filed on August 4, 2015.
10.8^	Amended and Restated Limited Liability Company Agreement of NRG DGPV Holdco 1 LLC, dated as of May 8, 2015.	Incorporated herein by reference to Exhibit 10.2 to Clearway Energy, Inc.'s Quarterly Report on Form 10-Q filed on August 4, 2015.
10.9^	Amendment No. 1 to Amended and Restated Limited Liability Company Agreement of NRG RPV Holdco 1 LLC, dated as of March 1, 2016, by and between NRG Yield RPV Holding LLC and NRG Residential Solar Solutions LLC.	Incorporated herein by reference to Exhibit 10.1 to Clearway Energy, Inc.'s Quarterly Report on Form 10-Q filed on May 5, 2016.
10.10^	Amendment No. 2 to Amended and Restated Limited Liability Company Agreement of NRG DGPV Holdco 1 LLC, dated as of March 1, 2016, by and among NRG Yield DGPV Holding LLC, NRG Renew DG Holdings LLC and NRG Renew LLC.	Incorporated herein by reference to Exhibit 10.2 to Clearway Energy, Inc.'s Quarterly Report on Form 10-Q filed on May 5, 2016.
10.11^	Amended and Restated Limited Liability Company Agreement of NRG DGPV Holdco 2 LLC, dated as of March 1, 2016, by and among NRG Yield DGPV Holding LLC, NRG Renew DG Holdings LLC, and NRG Renew LLC.	Incorporated herein by reference to Exhibit 10.3 to Clearway Energy, Inc.'s Quarterly Report on Form 10-Q filed on May 5, 2016.
10.12	Amendment No. 2 to Amended and Restated Limited Liability Company Agreement of NRG RPV Holdco 1 LLC, dated as of August 5, 2016, by and between NRG Yield RPV Holding LLC and NRG Residential Solar Solutions LLC.	Incorporated herein by reference to Exhibit 10.1 to Clearway Energy, Inc.'s Quarterly Report on Form 10-Q, filed on August 9, 2016.
10.13†	Employment Agreement, dated as of May 6, 2016, between NRG Yield, Inc. and Christopher S. Sotos.	Incorporated herein by reference to Exhibit 10.1 to Clearway Energy, Inc.'s Current Report on Form 8-K/A, filed on August 9, 2016.
10.14†	Amendment, dated January 1, 2018 to Employment Agreement between NRG Yield, Inc. and Christopher Sotos.	Incorporated herein by reference to Exhibit 10.28 to Clearway Energy, Inc.'s Annual Report on Form 10-K, filed on March 1, 2018.
10.15	Assignment and Assumption Agreement, effective as of February 26, 2019, among Clearway Energy Operating LLC and GIP III Zephyr Carlsbad Holdings, LLC.	Incorporated herein by reference to Exhibit 10.15 to the Company's Annual Report on Form 10-K filed on February 28, 2019.
21.1	Subsidiaries of Clearway Energy LLC.	Incorporated herein by reference to Exhibit 21.1 to the Company's Annual Report on Form 10-K filed on February 28, 2019.
31.1	Rule 13a-14(a)/15d-14(a) certification of Christopher S. Sotos.	Filed herewith.
31.2	Rule 13a-14(a)/15d-14(a) certification of Chad Plotkin.	Filed herewith.
31.3	Rule 13a-14(a)/15d-14(a) certification of Mary-Lee Stillwell.	Filed herewith.
32	Section 1350 Certification.	Furnished herewith.
99.1	Financial Statements of DGPV Holdco 3 LLC and Subsidiaries for the years ended December 31, 2018 and 2017.	Filed herewith.
101 INS	XBRL Instance Document.	Previously filed with the Company's Annual Report on Form 10-K filed on February 28, 2019
101 SCH	XBRL Taxonomy Extension Schema.	Previously filed with the Company's Annual Report on Form 10-K filed on February 28, 2019
101 CAL	XBRL Taxonomy Extension Calculation Linkbase.	Previously filed with the Company's Annual Report on Form 10-K filed on February 28, 2019
101 DEF	XBRL Taxonomy Extension Definition Linkbase.	Previously filed with the Company's Annual Report on Form 10-K filed on February 28, 2019
101 LAB	XBRL Taxonomy Extension Label Linkbase.	Previously filed with the Company's Annual Report on Form 10-K filed on February 28, 2019

† Indicates exhibits that constitute compensatory plans or arrangements.

* This filing excludes schedules pursuant to Item 601(b)(2) of Regulation S-K, which the registrant agrees to furnish supplementary to the Securities and Exchange Commission upon request by the Commission.

^ Portions of this exhibit have been redacted and are subject to a confidential treatment request filed with the Secretary of the Securities and Exchange Commission pursuant to Rule 24b-2 under the Securities Exchange Act of 1934, as amended.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CLEARWAY ENERGY LLC
(Registrant)

/s/ CHRISTOPHER S. SOTOS

Christopher S. Sotos

Chief Executive Officer

(Principal Executive Officer)

Date: March 29, 2019

CERTIFICATION

I, Christopher S. Sotos, certify that:

1. I have reviewed this annual report on Form 10-K/A of Clearway Energy LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ CHRISTOPHER S. SOTOS

Christopher S. Sotos
Chief Executive Officer
(Principal Executive Officer)

Date: March 29, 2019

CERTIFICATION

I, Chad Plotkin, certify that:

1. I have reviewed this annual report on Form 10-K/A of Clearway Energy LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ CHAD PLOTKIN

Chad Plotkin
Chief Financial Officer
(Principal Financial Officer)

Date: March 29, 2019

CERTIFICATION

I, Mary-Lee Stillwell, certify that:

1. I have reviewed this annual report on Form 10-K/A of Clearway Energy LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ MARY-LEE STILLWELL

Mary-Lee Stillwell
Chief Accounting Officer
(Principal Accounting Officer)

Date: March 29, 2019

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Clearway Energy LLC on Form 10-K/A for the year ended December 31, 2018, as filed with the Securities and Exchange Commission on the date hereof (the "Form 10-K/A"), each of the undersigned officers of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to such officer's knowledge:

- (1) The Form 10-K/A fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Form 10-K/A fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Form 10-K/A.

Date: March 29, 2019

/s/ CHRISTOPHER S. SOTOS

Christopher S. Sotos

Chief Executive Officer

(Principal Executive Officer)

/s/ CHAD PLOTKIN

Chad Plotkin

Chief Financial Officer

(Principal Financial Officer)

/s/ MARY-LEE STILLWELL

Mary-Lee Stillwell

Chief Accounting Officer

(Principal Accounting Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of this Form 10-K/A or as a separate disclosure document.

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Clearway Energy LLC and will be retained by Clearway Energy LLC and furnished to the Securities and Exchange Commission or its staff upon request.

DGPV HOLDCO 3 LLC AND SUBSIDIARIES

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The Members

DGPV HoldCo 3 LLC:

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of DGPV HoldCo 3 LLC and its subsidiaries, which comprise the consolidated balance sheet as of December 31, 2018, and the related consolidated statements of operations, members' equity (deficit), and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the 2018 consolidated financial statements referred to above present fairly, in all material respects, the financial position of DGPV HoldCo 3 LLC and its subsidiaries as of December 31, 2018, and the results of their operations and their cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

Other Matter

The accompanying consolidated balance sheet of DGPV HoldCo 3 as of December 31, 2017, and the related statements of operations, members' equity (deficit), and cash flows for the period from September 26, 2017 to December 31, 2017 were not audited, reviewed, or compiled by us and, accordingly, we do not express an opinion or any other form of assurance on them.

(signed) KPMG LLP

Philadelphia, Pennsylvania

March 28, 2019

DGPV HOLDCO 3 LLC AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2018 and 2017

(In thousands)

Assets	2018	2017*
Current assets:		(unaudited)
Cash	\$ 5,035	\$ 1,127
Restricted cash	16,022	4,095
Accounts receivable – trade, net	7,942	577
Accounts receivable – affiliate	—	677
Derivative instruments	184	—
Prepayments and other current assets	758	505
Total current assets	29,941	6,981
Property, plant, and equipment, net	247,759	132,240
Intangible asset for power purchase agreement, net	1,427	1,487
Derivative instruments	1,489	157
Other non-current assets	310	310
Total assets	\$ 280,926	\$ 141,175
Liabilities and Member's Equity		
Current liabilities:		
Short-term debt – affiliate	\$ 1,604	\$ 1,949
Current portion of long-term debt	27,050	—
Accounts payable – trade	13,342	2,465
Accounts payable – affiliate	6,929	96,259
Accrued interest expense	1,141	239
Derivative instruments	72	—
Accrued liabilities	7	313
Total current liabilities	50,145	101,225
Other liabilities:		
Long-term debt	133,277	33,215
Derivative instruments	992	17
Deferred rent	411	98
Asset retirement obligations	1,953	955
Total non-current liabilities	136,633	34,285
Total liabilities	186,778	135,510
Redeemable noncontrolling interest	(294)	6,517
Commitments and contingencies		
Equity:		
Member's equity (deficit)	96,094	(852)
Noncontrolling interest	(1,652)	—
Total equity	94,442	(852)
Total liabilities and member's equity	\$ 280,926	\$ 141,175

See accompanying notes to consolidated financial statements.

* Not covered by the report included herein.

DGPV HOLDCO 3 LLC AND SUBSIDIARIES

Consolidated Statements of Operations

(In thousands)

	Year ended December 31, 2018	September 26, through December 31, 2017*
		(Unaudited)
Operating revenues:		
Electric revenue	\$ 7,417	\$ 597
Renewable energy certificates	2,895	—
Renewable energy certificates – affiliate	6,804	677
Government incentives	83	—
Total operating revenues	<u>17,199</u>	<u>1,274</u>
Operating costs and expenses:		
Cost of operations	3,604	585
Cost of operations – affiliate	1,199	12
Depreciation and accretion	5,234	296
Total operating costs and expenses	<u>10,037</u>	<u>893</u>
Operating income	7,162	381
Other income (expense):		
Interest income	127	—
Interest expense	(4,460)	(646)
Total other expense	<u>(4,333)</u>	<u>(646)</u>
Net income (loss) before noncontrolling interest	2,829	(265)
Less: noncontrolling interest	(54,498)	(28,844)
Net income	<u>\$ 57,327</u>	<u>\$ 28,579</u>

See accompanying notes to consolidated financial statements.

*Not covered by the report included herein.

DGPV HOLDCO 3 LLC AND SUBSIDIARIES
Consolidated Statements of Members' Equity (Deficit)
(In thousands)

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Noncontrolling interest</u>	<u>Total member's equity (deficit)</u>
Balance at September 26, 2017*	\$ —	\$ —	—	\$ —
Net income	—	28,579	—	28,579
Cash contributions	70,904	—	—	70,904
Cash distributions	(37,832)	—	—	(37,832)
Distributions to Clearway Renew, non-cash	(61,663)	—	—	(61,663)
Balance at December 31, 2017*	\$ (28,591)	\$ 28,579	—	\$ (12)
Net income (loss)	—	57,327	(4,349)	52,978
Cash contributions	120,782	—	5,066	125,848
Cash distributions	(79,970)	—	(2,369)	(82,339)
Distributions to Clearway Renew, non-cash, net	(2,033)	—	—	(2,033)
Balance at December 31, 2018	\$ 10,188	\$ 85,906	(1,652)	\$ 94,442

See accompanying notes to consolidated financial statements.

*Not covered by the report included herein.

DGPV HOLDCO 3 LLC AND SUBSIDIARIES

Consolidated Statements of Cash Flows

(In thousands)

	Year ended December 31, 2018	September 26, through December 31, 2017*
Cash flows from operating activities:		(unaudited)
Net income (loss)	\$ 2,829	\$ (265)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and accretion	5,234	296
Amortization of intangible asset	60	13
Amortization of debt issuance costs	810	308
Changes in derivative instruments	(468)	(140)
Cash provided (used) by changes in other working capital:		
Accounts receivable – trade	(6,368)	(577)
Accounts receivable – affiliate	676	(677)
Prepayments and other current assets	(253)	(505)
Other non-current assets	—	(310)
Accounts payable – trade	1,687	2,465
Accounts payable – affiliate	(9,204)	3,303
Accrued interest expense	902	239
Accrued liabilities	(178)	181
Deferred rent	313	98
Net cash (used) provided by operating activities	(3,960)	4,429
Cash flows from investing activity:		
Capital expenditures	(52,039)	—
Acquisition of membership interests	(147,014)	(106,317)
Net cash used by investing activity	(199,053)	(106,317)
Cash flows from financing activities:		
Proceeds from short-term debt – affiliate	500	845
Proceeds from issuance of long-term debt	132,289	37,832
Payment of debt issuance costs	(5,680)	—
Contributions from noncontrolling interests, net of distributions	46,035	35,361
Contributions from member	125,674	70,904
Distributions to member	(79,970)	(37,832)
Net cash provided by financing activities	218,848	107,110
Net increase in cash and restricted cash	15,835	5,222
Cash and restricted cash at beginning of period	5,222	—
Cash and restricted cash at end of period	\$ 21,057	\$ 5,222
Supplemental disclosures:		
Interest paid	\$ 2,703	\$ —
Interest paid by affiliate	513	239
Non-cash investing and financing activities:		
Increase to fixed assets for capitalized asset retirement costs	887	899
Reduction to fixed assets for accrued government incentives	(997)	—
Additions to fixed assets for accrued capital expenditures	8,820	—
Debt issuance costs incurred not paid	306	4,925
Non-cash contributions	6,645	—
Non-cash distribution – developer fee on fixed assets	(8,678)	(61,663)
Accounts payable – affiliate for capital expenditures	(82,653)	88,427

See accompanying notes to consolidated financial statements.

*Not covered by the report included herein.

DGPV HOLDCO 3 LLC AND SUBSIDIARIES

Notes to Consolidated Financial Statements

(Amounts as of and for the period ending December 31, 2017 are not covered by the report included herein)

(1) Nature of Business

DGPV Holdco 3, LLC, or the Company, a Delaware limited liability company, is a partnership between Clearway Renew DG Holdings, LLC, a subsidiary of Clearway Renew LLC, and DGPV Holding LLC, a subsidiary of Clearway Energy Operating LLC. Clearway Renew LLC is a wholly owned subsidiary of Clearway Energy Group LLC, or Clearway Energy Group, which is a wholly owned subsidiary of Global Infrastructure Partners III, or GIP. Clearway Energy Operating LLC is a wholly owned subsidiary of Clearway Energy LLC, which is a partnership between Clearway Energy, Inc. and Clearway Energy Group.

On August 31, 2018, NRG Energy, Inc., or NRG, transferred its full ownership interest in Clearway Energy, Inc. to Clearway Energy Group, and subsequently sold 100% of its interest in Clearway Energy Group to GIP, including its interests in the Company, referred to as the GIP Transaction. The GIP Transaction did not impact the Company's direct ownership structure.

The Company was formed on April 26, 2017 as a partnership to facilitate investment in an operating portfolio of distributed solar assets, primarily comprised of community solar projects and commercial distributed solar projects developed by Clearway Energy Group. The Company owns an interest in two portfolios of solar projects that participate in tax equity arrangements with tax equity investors, through its wholly owned subsidiaries, Chestnut Borrower, LLC, or Chestnut Borrower, and Renew Solar CS4 Borrower LLC, or CS4 Borrower. See Note 3, *Tax Equity Arrangements*, for a more detailed description of each tax equity arrangement. Each of the portfolios owns, operates and maintains solar energy systems that sell power to customers through long-term power purchase agreements, or PPAs. The commercial distributed solar projects sell power to a single commercial offtaker and the community solar projects sell power to a group of offtakers in one location.

The Company is governed by an Amended and Restated Operating Agreement, or Operating Agreement. On September 26, 2017, the Operating Agreement was amended to add Clearway DGPV Holding LLC, or DGPV Holding, as the Class A Member. Under the Operating Agreement, Clearway Renew DG Holdings, LLC, or Renew DG Holdings, is the Class B Member and the Manager of the Company. As Manager, Renew DG Holdings conducts and directs all operating activities of the Company. Contributions are made to the Company pursuant to requests made by the Manager on behalf of a fund company and calculated using specific modeling guidelines outlined in the Operating Agreement.

Contributions by DGPV Holding are calculated to equal an amount that enables DGPV Holding to achieve an annual yield based on available cash flow of 9.0% on average over the first ten years. Contributions by Renew DG Holdings are calculated based on the purchase price of a project less the relevant contribution from the Fund's tax equity partner and the contribution from DGPV Holding. Pursuant to the Operating Agreement, all tax basis income, gain, loss, deduction and credit, as well as all cash available for distribution, of the Company are allocated at 1% and 99% to the Class B Member and Class A Member, respectively.

(a) Chestnut Fund

The Company's wholly owned subsidiary, Chestnut Borrower, was formed on April 26, 2017 for the purpose of acting as a borrower of term loans for the Chestnut Fund, as described in note 6, *Long-Term Debt*, and Chestnut Borrower owns a 100% of Chestnut Class B LLC, the Class B Member of the Clearway Chestnut Fund LLC, or Chestnut Fund, tax equity arrangement. Chestnut Class B LLC, or Chestnut Class B, is the Managing Member of Chestnut Fund and conducts and directs all operating activities of the fund. The Class A Member of Chestnut Fund, or Investor Member, is Firstar Development, LLC, or Firstar, an affiliate of U.S. Bancorp.

Chestnut Fund's 100% owned subsidiaries and related solar facilities are listed below:

Project company	Facility	Type	Location	Facility capacity (kWdc)	Commercial operations date	PPA offtaker	PPA term in years
Black Cat Road Solar, LLC	77 Black Cat Rd	Community	MA	1,321	08/30/17	Ahold USA/Various (a)	20
Brook St Solar 1, LLC	134 Brook St A, B & C	Community	MA	6,480	09/06/17	Target Ahold USA/Various (a)	15/20
Solar Mule, LLC	Colby College	Commercial	ME	1,811	09/18/17	Colby College	27 (b)
Big Lake Holdco LLC	Big Lake	Community	MN	6,912	10/01/17	Various	25
Solar West Shaft LLC	N Adams-West Shaft Rd	Community	MA	1,346	10/10/17	Ahold USA/Raytheon/Various (a)	20
DG Foxborough Elm LLC	Elm Street	Community	MA	2,614	10/12/17	Town of Foxborough/Various (a)	20
Redbrook Solar 1 LLC	Redbrook B, C & D	Community	MA	5,568	11/09/17	Ahold USA/Various (a)	20
Northfield Holdco LLC	Northfield	Community	MN	6,962	12/01/17	Various	25
Waterford Holdco LLC	Waterford	Community	MN	3,767	12/01/17	Various	25
Center St Solar 1 LLC	1077 Center St A, B & C	Community	MA	3,870	12/21/2017 & 01/03/2018	Target Raytheon/Various (a)	15/20
TOS Solar 1, LLC	725 Guelphwood	Community	MA	646	12/30/17	Target/Various (a)	15/20
TOS Solar 2, LLC	726 Guelphwood	Community	MA	1,341	12/30/17	Target/Various (a)	15/20
Stafford St Solar 1, LLC	466 Stafford St Site A	Community	MA	2,776	12/31/17	Target/Various (a)	15/20
Stafford St Solar 3, LLC	466 Stafford St Site C	Community	MA	1,388	12/31/17	Raytheon/Various (a)	20
ETCAP NES CS MN 02 LLC (c)	Nystuen	Community	MN	1,055	05/01/18	100% residential	25
ETCAP NES CS MN 06 LLC (c)	Armstrong	Community	MN	3,714	05/01/18	Various	25
Stafford St Solar 2, LLC	466 Stafford St Site B	Community	MA	2,776	05/09/18	Target/Various (a)	15/20
Bullock Road Solar 1, LLC	247 & 249 Bullock	Community	MA	5,754	07/25/18	Various	20
Mapleton Solar LLC	Mapleton	Community	MN	5,080	09/01/18	Various	25
Osakis Solar LLC	Osakis	Community	MN	7,213	09/01/18	Various	25
Solar Wauwinet LLC	85 Wauwinet Rd-Barre	Community	MA	1,294	09/17/18	Target/Various (a)	15/20
Minisink Solar 1 LLC	Minisink North	Community	NY	2,495	10/26/18	100% residential	20
Minisink Solar 2 LLC	Minisink South	Community	NY	2,795	11/01/18	100% residential	20
DG Marathon LLC	Sage Stone	Community	MA	2,614	01/04/19	Ahold USA/Various (a)	20
				<u>81,592</u>			

(a) 50% sold through community solar services agreements and 50% sold to named customer through net metering purchase agreements.

(b) The initial term of 27 years shall automatically extend for 3 years, then for 1 year in perpetuity unless terminated by either party.

(c) Mechanics liens have been filed on the project by certain engineering, procurement and construction contractors due to disputes between the contractor and subcontractor.

(b) CS4 Fund

The Company's wholly owned subsidiary, CS4 Borrower, was formed on July 9, 2018 for the purpose of acting as the borrower under a credit agreement for the CS4 Fund, as described in note 6, *Long-Term Debt*, and CS4 Borrower owns 100% of Renew Solar CS4 Class B LLC, the Class B Member of the Renew Solar CS4 Fund LLC, or CS4 Fund, tax equity arrangement. Renew Solar CS4 Class B LLC, or CS4 Class B, is the Managing Member of CS4 Fund and conducts and directs all operating activities of the fund. The Class A Member of CS4 Fund, or Investor Member, is PNC Commercial, LLC, or PNC, an indirect wholly owned subsidiary of PNC Financial Services Group, Inc. CS4 Borrower's wholly owned subsidiary Renew Solar CS4 Seller LLC, or CS4 Seller, acquires the project entities from a subsidiary of Clearway Renew, funds the construction of the projects, and in turn, sells these projects to CS4 Fund.

CS4 Fund's 100% owned subsidiaries and related solar facilities are listed below:

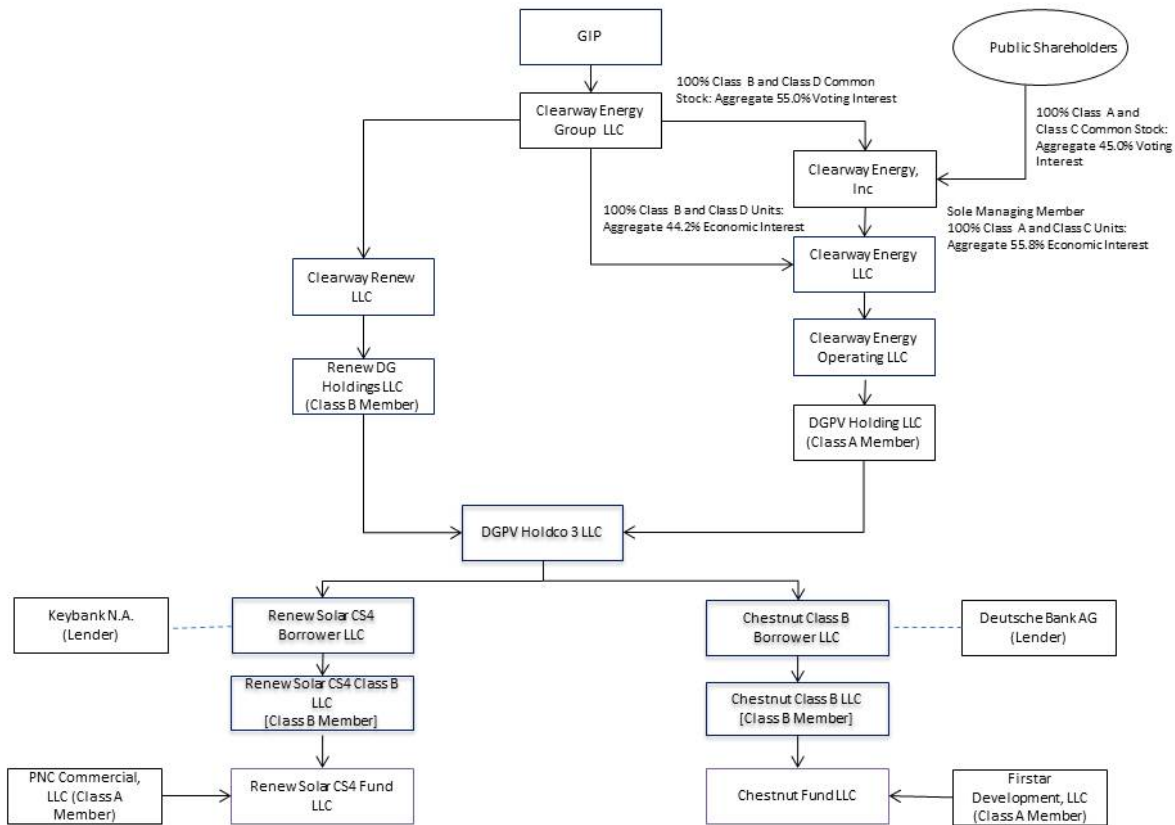
Project company	Location	Facility capacity (kWdc)	Commercial operations date	PPA offtaker	PPA terms
Montevideo Solar LLC	Minnesota	7,497	1/1/2019	Various	25 years
Chisago Holdco LLC	Minnesota	3,937	N/A ^(a)	Various	25 years
CMR Solar LLC	New York	2,808	N/A ^(a)	NYSERDA/Various ^(b)	10/20 years
Frontenac Holdco LLC	Minnesota	7,208	N/A ^(a)	Various	25 years
Bluestone Solar LLC	New York	3,013	N/A ^(a)	Various	20 years
Underhill Solar LLC	New York	3,011	N/A ^(a)	NYSERDA/Various ^(b)	10/20 years
		<u>27,474</u>			

(a) Projects have not yet begun commercial operations.

(b) 1,000 kWdc sold to New York State Energy Research and Development Authority, or NYSERDA, through the 10-year PPA and the remainder through community solar customer agreements.

CS4 Borrower also owns two additional project companies, Rollingsstone Holdco LLC and Sartell Solar LLC, held by CS4 Seller, which have not yet been sold into CS4 Fund.

The following diagram provides further information related to the Company's ownership structure.



(2) Summary of Significant Accounting Policies

(a) Basis of Presentation and Principles of Consolidation

The Company's consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States, or U.S. GAAP. The Accounting Standards Codification, or ASC, established by the Financial Accounting Standards Board, or FASB, is the source of authoritative U.S. GAAP to be applied by nongovernmental entities.

The consolidated financial statements include the Company's accounts and operations of those of its subsidiaries. All significant intercompany transactions and balances have been eliminated in the consolidated financial statements. The usual condition for a controlling financial interest is ownership of a majority of the voting interests of an entity. However, a controlling financial interest may also exist through arrangements that do not involve controlling voting interests. As such, the Company applies the guidance of ASC 810, *Consolidations*, to determine when an entity that is not controlled through its voting interests should be consolidated.

The Company has elected not to push down the effects of the GIP Transaction to its consolidated financial statements and accordingly, there was no change in basis of presentation related to the GIP Transaction.

(b) Restricted Cash

The following table provides a reconciliation of cash and restricted cash reported within the consolidated balance sheets that sum to the total of the same such amounts shown in the consolidated statements of cash flows as of December 31, 2018 and 2017 (in thousands):

	2018	2017
Cash	\$ 5,035	\$ 1,127
Restricted cash	16,022	4,095
Cash and restricted cash shown in the consolidated statements of cash flows	<u>\$ 21,057</u>	<u>\$ 5,222</u>

As of December 31, 2018, restricted cash consists of \$5 million held at Renew Solar CS4 Borrower LLC for debt service and \$10 million held at Chestnut Class B Borrower LLC for distributions and to satisfy reserves for performance obligations. As of December 31, 2017, restricted cash consisted of cash collateral related to the Chestnut Class B Borrower LLC debt agreement.

(c) Accounts Receivable – Trade

Accounts receivable represent trade receivables from sales of electricity to residential, commercial and municipal customers. Also included in accounts receivable – trade as of December 31, 2018 are receivables for the sale of renewable energy credits to a former affiliate, NRG Power Marketing LLC and receivables related to government incentives. The Company reviews its accounts receivable by aging category to identify significant customer balances with known collections issues. In evaluating the allowance, the Company makes judgments about the creditworthiness of its customers based on ongoing credit evaluations. The Company also considers current economic trends that might impact the level of future credit losses. As of December 31, 2018 and 2017, the allowance for doubtful accounts was \$11 thousand and \$0, respectively.

(d) Debt Issuance Costs

Debt issuance costs consist of legal fees and closing costs incurred by the Company in obtaining its financings. These costs are capitalized and amortized as interest expense on a basis which approximates the effective interest method over the term of the financing obligation and are presented as a direct deduction from the carrying amount of the related debt.

Amortization expense, included in interest expense in the consolidated statements of income, was \$810 thousand for the year ended December 31, 2018 and \$308 thousand for the period from September 26, 2017 through December 31, 2017.

(e) Property, Plant, and Equipment

The Company purchased certain of its solar installations from Clearway Renew and its subsidiaries through its acquisitions of wholly owned project subsidiaries listed in note 1, *Nature of Business*. The acquisitions were recorded as a transfer of assets under common control and accordingly, the assets are recorded at Clearway Renew's historical cost. The excess of the purchase price over the historical cost was recorded as a developer fee as a non-cash reduction to member's equity.

Significant additions or improvements extending asset lives are capitalized as incurred, while repairs and maintenance that do not improve or extend the life of the respective asset are charged to expense as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. Certain assets and their related accumulated depreciation amounts are adjusted for asset retirements and disposals with the resulting gain or loss included in cost of operations in the consolidated statements of income. See note 4, *Property, Plant, and Equipment*, for additional information.

Interest incurred on funds borrowed to finance capital projects is capitalized until the project under construction is ready for its intended use. The amount of interest capitalized for the period from September 7, 2018 through December 31, 2018 was \$506 thousand.

(f) Intangible Asset

Intangible asset for power purchase agreement represents the fair value of the out-of-market component of the PPA acquired at the DG Foxborough Elm LLC facility determined at acquisition date, when Clearway Renew acquired the project from a third-party. The Company recognizes specifically identifiable intangible assets when specific rights and contracts are acquired. This definite-lived intangible asset is amortized as a reduction to operating revenues on a straight line basis over the term of the PPA (through October 2042), which is 25 years from the date the facility achieved commercial operations.

As of December 31, 2018 and 2017, the intangible asset subject to amortization consists of the following (in thousands):

	<u>2018</u>	<u>2017</u>
Intangible asset for power purchase agreement	\$ 1,500	\$ 1,500
Less accumulated amortization	(73)	(13)
Net intangible asset for power purchase agreement	<u>\$ 1,427</u>	<u>\$ 1,487</u>

Aggregate amortization expense was \$60 thousand and \$13 thousand for the year ended December 31, 2018 and for the period from September 26, 2017 through December 31, 2017, respectively, which was recorded as a reduction to operating revenues in the consolidated statements of income. Estimated amortization expense for each of the next five years is \$60 thousand.

(g) Asset Impairments

Long-lived assets that are held and used are reviewed for impairment whenever events or changes in circumstances indicate carrying values may not be recoverable. Such reviews are performed in accordance with ASC 360, *Property, Plant, and Equipment*. An impairment loss is indicated if the total future estimated undiscounted cash flows expected from an asset are less than its carrying value. An impairment charge is measured by the difference between an asset's carrying amount and fair value with the difference recorded in operating costs and expenses in the consolidated statements of income. Fair values are determined by a variety of valuation methods, including third-party appraisals, sales prices of similar assets, and present value techniques. There were no indicators of impairment loss as of December 31, 2018.

Prior to the Company's assets being transferred from entities under common control, an impairment review was conducted which determined that the cash flows for the DG Marathon LLC project were below its carrying value, due to negative cash flows forecasted to occur after the solar renewable energy credits expire, and the assets were considered impaired. The fair value of the project was determined using an income approach by applying a discounted cash flow methodology to the long-term budget for the project. The income approach considered project specific assumptions for future cash flows. A \$2.4 million impairment loss was measured as the difference between the carrying amount and the fair value of the assets, and was recognized in 2017 at the DG Marathon LLC project prior to the transfer to the Company, which has been reflected in the historical cost of the purchase from Clearway Renew as of December 31, 2017.

(h) Deferred Rent

The Company records rent expense on a straight line basis over the life of the lease term. The cumulative difference between the payments made and the expense recognized is recorded in deferred rent on the consolidated balance sheets.

(i) Income Taxes

The Company is classified as a partnership for federal and state income tax purposes. Therefore, federal and state income taxes are assessed at the partner level. Accordingly, no provision has been made for federal or state income taxes in the accompanying consolidated financial statements.

(j) Revenue Recognition

On January 1, 2018, the Company adopted the guidance in ASC 606, *Revenue from Contracts with Customers*, or ASC 606, using the modified retrospective method applied to contracts which were not completed as of the adoption date, with no adjustment required to the financial statements upon adoption. Following the adoption of ASC 606, the Company's revenue recognition of its contracts with customers remains materially consistent with its historical practice. The comparative information has not been restated and continues to be reported under the accounting standards in effect for those periods. The Company's policies with respect to its various revenue streams are detailed below. In general, the Company applies the invoicing practical expedient to recognize revenue for the revenue streams detailed below, except in circumstances where the invoiced amount does not represent the value transferred to the customer.

Electric Revenue

The Company's electric revenue is related to energy contract revenue from the PPAs listed in note 1, *Nature of Business*. The contractual rates could be fixed or increase annually during the terms of the PPAs, ranging from 15-27 years. Electric revenue is billed and paid on a monthly basis.

The PPA at Solar Mule, LLC is accounted for as an operating lease in accordance with ASC 840, *Leases*, or ASC 840. ASC 840 requires the minimum lease payments received to be amortized over the term of the lease and contingent rentals are recorded when the achievement of the contingency becomes probable. Judgment is required by management in determining the economic life of each generating facility, in evaluating whether certain lease provisions constitute minimum payments or represent contingent rent and other factors in determining whether a contract contains a lease and whether the lease is an operating lease or capital lease. The lease has no minimum lease payments and all of the rental income under this lease is recorded as contingent rent on an actual basis each period when electricity is produced by the solar facility and delivered to the offtaker at the rate billable per kWh under the terms of the PPA.

For PPAs accounted for as executory contracts under ASC 606, revenue is recognized on an accrual basis each period, as electricity is produced by the solar facility and delivered to the offtaker at the rate billable per kWh under the terms of the PPA.

The Company's electric revenue is summarized as follows (in thousands):

	Year ended December 31, 2018	September 26, through December 31, 2017
Energy revenue	\$ 7,205	\$ 556
Lease revenue	272	54
Contract amortization	(60)	(13)
Total electric revenue	\$ 7,417	\$ 597

Renewable Energy Certificates, or RECs

The Company has entered into agreements with NRG Power Marketing LLC, or PML, a wholly owned subsidiary of NRG, to purchase and sell RECs generated from 2017 through 2028 by the Massachusetts projects in accordance with vintage years, quantities, and prices in the REC agreements with PML. Prices range between \$123.16 and \$270.00 per REC. PML sells the RECs to third parties. Revenue is recognized as the REC is generated based on actual production multiplied by the contract rates. REC revenue is billed and paid on a quarterly basis. REC revenue from PML is recorded as Renewable energy certificates – affiliate prior to the GIP Transaction, and as Renewable energy certificates after the GIP Transaction, in the consolidated statements of income.

Government Incentives

The Company is entitled to state performance based incentives, or PBIs, paid by The New York State Energy Research and Development Authority, or NYSERDA, for the Minisink Solar 1 LLC and Minisink Solar 2 LLC projects, not to exceed \$900,607 for Minisink Solar 1 LLC and \$1,092,655 for Minisink Solar 2 LLC. The incentive payments for each project will consist of one payment at commercial operation date for 50% of the awarded amount, which was recorded to property, plant, and equipment, and two annual performance-based payments each of which is estimated to be 25% of the incentive. The two annual performance based payments are earned monthly based upon the actual electricity produced by the project multiplied by a \$0.111/kWh rate. PBI revenue is recorded as Government incentives in the consolidated statements of income.

Contract Balances

The following table reflects the contract assets in the Company's consolidated balance sheets as of December 31, 2018 and 2017 (in thousands):

	2018	2017
Accounts receivable - contracts with customers	\$ 7,927	\$ 557
Accounts receivable - leases	15	20
Total accounts receivable - trade	\$ 7,942	\$ 577

(k) Derivative Financial Instruments

The Company accounts for derivative financial instruments in accordance with ASC 815, *Derivatives and Hedging*, which requires the Company to recognize all derivative instruments on the balance sheet as either assets or liabilities and to measure them at fair value each reporting period unless they qualify for a normal purchase normal sale exception. The Company uses interest rate swaps to manage its interest rate exposure on long-term debt, which are not designated as cash flow hedges. Changes in the fair value of non-hedge derivatives are immediately recognized in earnings. See note 5, *Accounting for Derivative Instruments and Hedging Activities*, for more information.

(l) Concentrations of Credit Risk

Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash, restricted cash, accounts receivable – trade, accounts receivable – affiliate, and derivative instruments. The Company maintains its cash and restricted cash in bank deposit accounts and believes it is not exposed to any significant credit risk. Accounts receivable are concentrated with residential, commercial, and municipal customers. The energy industry may impact the Company's overall exposure to credit risk, either positively or negatively, in that the customer may be similarly affected by changes in economic, industry, or other conditions. Municipal entities are generally subject to budget decisions made at superior governmental levels, which may impede or delay the Company's collection of accounts receivable from these customers. However, the Company believes that the credit risk posed by such concentrations is offset by the diversification and creditworthiness of its customer base. The Company is exposed to credit losses in the event of noncompliance by counterparties on its derivative financial instruments.

Due to the concentration of sales of RECs to PML, the Company is exposed to credit risk of potential nonperformance by them, which could impact liquidity if this customer were to experience financial difficulties. As of December 31, 2018 and 2017, accounts receivable – trade with PML totaled \$5.5 million and accounts receivable – affiliate with PML totaled \$677 thousand, respectively. The maximum amount of loss due to credit risk, should the customer fail to perform, is the amount of the outstanding receivable, and any losses associated with replacing this customer.

(m) Fair Value of Financial Instruments

The Company accounts for the fair value of financial instruments in accordance with ASC 820, *Fair Value Measurement*, or ASC 820. The Company does not hold or issue financial instruments for trading purposes. The carrying amounts of cash, restricted cash, accounts receivable – trade, accounts receivable – affiliate, accounts payable – trade, accounts payable – affiliate and accrued liabilities approximate fair value because of the short-term maturity of these instruments and are classified as Level 1 within the fair value hierarchy.

Derivative instruments consisting of interest rate swaps are recorded at fair value on the Company's consolidated balance sheet on a recurring basis and are classified as Level 2 within the fair value hierarchy as the fair value can be determined based on observable values of underlying interest rates. The fair value of each contract is discounted using a risk free interest rate. In addition, the Company applies a credit reserve to reflect credit risk, which for interest rate swaps is calculated utilizing the bilateral method based on published default probabilities. The credit reserve is added to the discounted fair value to reflect the exit price that a market participant would be willing to receive to assume the Company's liabilities or that a market participant would be willing to pay for the Company's assets. For further discussion of interest rate swaps, see note 5, *Accounting for Derivatives Instruments and Hedging Activities*.

The carrying value of long-term debt approximates fair value at December 31, 2018 and 2017 as the debt carries a variable interest rate. The fair value of long-term debt is based on current interest rates for similar instruments with equivalent credit quality and is classified as Level 3 inputs within the fair value hierarchy.

ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels as follows:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access as of the measurement date.
- Level 2 – Inputs other than quoted prices included within Level 1 that are directly observable for the asset or liability or indirectly observable through corroboration with observable market data.
- Level 3 – Unobservable inputs for the asset or liability only used when there is little, if any, market activity for the asset or liability at the measurement date.

In accordance with ASC 820, the Company determines the level in the fair value hierarchy within which each fair value measurement in its entirety falls, based on the lowest level input that is significant to the fair value measurement in its entirety.

(n) Asset Retirement Obligations

The Company accounts for its asset retirement obligations, or AROs, in accordance with ASC 410-20, *Asset Retirement Obligations*, or ASC 410-20. Retirement obligations associated with long-lived assets included within the scope of ASC 410-20 are those for which a legal obligation exists under enacted laws, statutes, and written or oral contracts, including obligations arising under the doctrine of promissory estoppel, and for which the timing and/or method of settlement may be conditional on a future event. ASC 410-20 requires the Company to recognize the fair value of a liability for an ARO in the period in which it is incurred and a reasonable estimate of fair value can be made.

Upon initial recognition of a liability for an ARO, the Company capitalizes the asset retirement cost by increasing the carrying amount of the related long-lived asset by the same amount. Over time, the liability is accreted to its future value, while the capitalized cost is depreciated over the useful life of the related asset. The Company's AROs are the estimated cost to remove the above ground solar equipment and restore the site to conditions similar to the surrounding parcels.

The following table represents the balance of the ARO obligation as of December 31, 2018 and 2017, along with the additions and accretion expense related to the Company's ARO for the year ended December 31, 2018 (in thousands):

Balance as of December 31, 2017	\$	955
Additions		887
Accretion expense		111
Balance as of December 31, 2018	\$	1,953

(o) Comprehensive Income

The Company's total comprehensive income is equal to its net income for the year ended December 31, 2018 and the the period from September 26, 2017 through December 31, 2017.

(p) Redeemable Noncontrolling Interests

The tax equity investor in the Chestnut Fund, Firstar, has the right to redeem its interests for cash or other assets and accordingly, the Company has included the noncontrolling interest attributable to Firstar as a component of temporary equity in the mezzanine section of the consolidated balance sheets. The following table reflects the changes in the Company's redeemable noncontrolling interest balance for the year ended December 31, 2018 and the period from September 26, 2017 through December 31, 2017 (in thousands):

Balance as of September 26, 2017	\$	—
Cash contributions		35,361
Net loss attributable to noncontrolling interest		(28,844)
Balance as of December 31, 2017	\$	6,517
Cash contributions		44,266
Cash distributions		(928)
Net loss attributable to noncontrolling interest		(50,149)
Balance as of December 31, 2018	\$	(294)

(q) Tax Equity Arrangements

The Company has determined that the appropriate methodology for calculating its noncontrolling interest and redeemable noncontrolling interest is a balance sheet approach using the hypothetical liquidation at book value, or HLBV, method. Under the HLBV method, the amount reported as noncontrolling interests and redeemable noncontrolling interests represent the amount that each tax equity investor would hypothetically receive at each balance sheet date under the liquidation provisions of the contractual agreements assuming the net assets were liquidated at their recorded amounts determined in accordance with GAAP. The tax equity investors' interest in the results of operations are determined as the difference in the noncontrolling interest or redeemable noncontrolling interest at the start and end of each reporting period, after taking into account any capital transactions. The calculations utilized to apply the HLBV method include estimated calculations of taxable income or losses for the reporting period. These amounts are reconciled to the taxable income or loss included within the tax return once the tax return is filed.

(r) Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(3) Tax Equity Arrangements

(a) Chestnut Fund

The Company's wholly owned subsidiary Chestnut Class B LLC is the Class B Member and the Managing Member of the Chestnut Fund tax equity arrangement and it conducts and directs all operating activities of the fund. The Investor Member is Firstar. Chestnut Fund is a VIE and Chestnut Class B LLC is the primary beneficiary due to its role as Managing Member and the ability to direct the activities that most significantly impact the economics of the tax equity arrangement.

The summarized financial information for Chestnut Fund as of December 31, 2018 and 2017 is as follows (in thousands):

	2018	2017
Current assets	\$ 13,490	\$ 2,438
Property, plant, and equipment, net	182,416	132,240
Intangible asset for power purchase agreement, net	1,427	1,487
Other non-current assets	310	310
Total assets	197,643	136,475
Accounts payable – affiliate	3,473	86,869
Other current and non-current liabilities	7,290	4,317
Total liabilities	10,763	91,186
Redeemable noncontrolling interests	(294)	6,517
Net assets less redeemable noncontrolling interests	\$ 187,174	\$ 38,772

(b) CS4 Fund

The Company's wholly owned subsidiary Renew Solar CS4 Class B LLC is the Class B Member and Managing Member of the CS4 Fund tax equity arrangement, and conducts and directs all operating activities of the fund. The Investor Member is PNC. CS4 Fund is a VIE and Renew Solar CS4 Class B LLC is the primary beneficiary due to its role as Managing Member and the ability to direct the activities that most significantly impact the economics of the tax equity arrangement.

The summarized financial information for CS4 Fund as of December 31, 2018 is as follows (in thousands):

	2018
Current assets	\$ —
Property, plant, and equipment, net	43,274
Total assets	43,274
Accounts payable – affiliate	57,126
Other current and non-current liabilities	2,750
Total liabilities	59,876
Noncontrolling interests	(1,652)
Net assets less noncontrolling interests	\$ (14,950)

(4) Property, Plant, and Equipment

The Company's major classes of property, plant, and equipment as of December 31, 2018 and 2017 were as follows (in thousands):

	2018	2017	Depreciable lives
Plant equipment	\$ 184,558	\$ 101,867	10 - 30 years
Construction in progress	68,564	30,613	—
Total property, plant, and equipment	253,122	132,480	
Less accumulated depreciation	(5,363)	(240)	
Net property, plant, and equipment	\$ 247,759	\$ 132,240	

(a) Chestnut Fund

Chestnut Fund purchased its solar installations through the acquisition of membership interests in its subsidiaries from Clearway Renew. The purchase price of the acquired property, plant, and equipment was \$64.4 million and \$194.7 million in 2018 and 2017, respectively, which approximates the fair market value determined through third-party appraisal. As of December 31, 2018 and 2017, \$5.8 million and \$88.4 million of the purchase price, respectively, was payable to Clearway Renew and was recorded on the Company's consolidated balance sheets in accounts payable – affiliate. As described in note 2, *Summary of Significant Accounting Policies*, the acquisitions were a transfer of assets under common control. Accordingly, the assets are recorded at Clearway Renew's historical cost. The purchase price less the historical cost is recorded as a developer fee and a corresponding reduction to equity. In addition, Chestnut Fund recorded an ARO of \$613 thousand and \$899 thousand in 2018 and 2017, respectively, as part of property, plant, and equipment. In 2018, \$997 thousand was recorded as a reduction to property, plant, and equipment for a NYSERDA government incentive award related to the Minisink Solar 1 LLC and Minisink Solar 2 LLC facilities reaching commercial operation. For additional information on the award, see note 2(j), Revenue Recognition.

Chestnut Fund completed the following acquisitions of membership interests in its subsidiaries in 2017 and 2018, with the purchase price allocated primarily to property, plant, and equipment (in thousands):

Project company	Purchase price	Historical cost	Developer fee	Acquisition date	Placed in service date
Black Cat Road Solar, LLC	\$ 5,183	\$ 3,801	\$ 1,382	August 14, 2017	August 30, 2017
Brook St Solar 1, LLC	25,593	18,853	6,740	August 14, 2017	September 6, 2017
Solar Mule, LLC	4,211	3,142	1,069	September 1, 2017	September 18, 2017
Big Lake Holdco LLC	18,583	14,559	4,024	August 14, 2017	October 1, 2017
Solar West Shaft LLC	4,550	3,326	1,224	August 14, 2017	October 10, 2017
DG Foxborough Elm LLC ^(b)	10,183	7,838	2,345	September 27, 2017	October 12, 2017
Redbrook Solar 1 LLC	21,090	15,416	5,674	September 27, 2017	November 9, 2017
Northfield Holdco LLC	17,639	12,740	4,899	October 27, 2017	December 1, 2017
Waterford Holdco LLC	9,218	6,453	2,765	October 27, 2017	December 1, 2017
Center St Solar 1 LLC	13,529	10,437	3,092	August 14, 2017	December 21, 2017 & January 3, 2018
TOS Solar 1, LLC	2,023	1,328	695	October 27, 2017	December 30, 2017
TOS Solar 2, LLC	4,210	3,014	1,196	October 27, 2017	December 30, 2017
Stafford St Solar 1, LLC	10,367	7,892	2,475	August 14, 2017	December 31, 2017
Stafford St Solar 3, LLC	5,448	4,143	1,305	August 14, 2017	December 31, 2017
ETCAP NES CS MN 02 LLC	3,147	1,977	1,170	January 25, 2018	May 1, 2018
ETCAP NES CS MN 06 LLC	10,684	7,088	3,596	January 25, 2018	May 1, 2018
Stafford St Solar 2, LLC	10,553	8,072	2,481	August 14, 2017	May 9, 2018
Bullock Road Solar 1, LLC	20,687	15,794	4,893	August 14, 2017	July 25, 2018
Mapleton Solar LLC	14,235	9,792	4,443	March 29, 2018	September 1, 2018
Osakis Solar LLC	18,993	13,598	5,395	March 29, 2018	September 1, 2018
Solar Wauwinet LLC	5,345	4,091	1,254	October 27, 2017	September 17, 2018
Minisink Solar 1 LLC	7,746	5,273	2,473	January 25, 2018	October 26, 2018
Minisink Solar 2 LLC	8,673	5,936	2,737	January 25, 2018	October 31, 2018
DG Marathon LLC	7,215	4,201	3,014	September 27, 2017	January 4, 2019 ^(a)
Total acquisitions	259,105	188,764	70,341		
less: 2017 acquisitions	194,744	133,081	61,663		
2018 acquisitions	\$ 64,361	\$ 55,683	\$ 8,678		

(a) Project is under construction as of December 31, 2018.

(b) Included in the historical cost of Foxborough is \$1.5 million for an intangible asset, as described further in note 2(f), *Summary of Significant Accounting Policies*.

(b) CS4 Fund

CS4 Fund purchased its solar installations through the acquisition of membership interests in its subsidiaries from CS4 Seller, a wholly owned subsidiary of the Company. CS4 Seller funded the construction of the projects through borrowings under the financing arrangement for CS4 Borrower, as further described in note 6, *Long-term Debt*. As of December 31, 2018, CS4 Borrower had Construction in progress of \$65.3 million, which included \$43.3 million acquired by CS4 Fund and \$22 million at subsidiaries of CS4 Seller.

(5) Accounting for Derivative Instruments and Hedging Activities

(a) Interest Rate Swaps

In accordance with the financing agreements described in note 6, *Long-Term Debt*, Chestnut Fund Borrower and CS4 Borrower each entered into a series of fixed for floating forward interest rate swaps for at least 80% and not more than 105% of the expected borrowings under the term loan, intended to hedge the risks associated with floating interest rates. Chestnut Fund and CS4 Borrower will pay their counterparties the equivalent of a fixed interest payment on a predetermined notional value, and quarterly each borrower will receive the equivalent of a floating interest payment based on a three-month LIBOR from the effective date through the termination date. The swaps are not designated as cash flow hedges. All unrealized gains and losses are recognized in the consolidated statements of income.

(b) Volumetric Underlying Derivative Transactions

The notional amount of the interest rate swaps decreases in proportion to the loan.

The following table summarizes the outstanding notional amounts and terms of the forward starting interest rate swaps as of December 31, 2018 and 2017:

Effective date	Notional amount (in thousands)		Fixed Rate	Termination Date
	2018	2017		
January 30, 2019	\$ 46,869	\$ 46,869	2.380%	January 30, 2040
January 30, 2019	11,755	11,755	2.502%	January 30, 2041
January 30, 2019	29,742	29,742	2.495%	January 30, 2041
January 30, 2019	7,709	—	3.065%	October 30, 2041
	<u>\$ 96,075</u>	<u>\$ 88,366</u>		

(c) Fair Value of Derivative Transactions

The following table summarizes the Company's derivative assets and liabilities on the consolidated balance sheets as of December 31, 2018 and 2017 (in thousands):

	2018	2017
Derivatives not designated as cash flow hedges:		
Derivative assets:		
Interest rate contracts current	\$ 184	\$ —
Interest rate contracts long-term	1,489	157
Total assets	<u>\$ 1,673</u>	<u>\$ 157</u>
Derivative liabilities:		
Interest rate contracts current	\$ 72	\$ —
Interest rate contracts long-term	993	17
Total liabilities	<u>\$ 1,065</u>	<u>\$ 17</u>

(d) Impact of Derivative Instruments on the Consolidated Statements of Income

The following table presents the amounts of unrealized gains associated with changes in the fair value of derivative instruments, which are recorded to interest expense in the consolidated statements of income (in thousands):

	Year ended December 31, 2018	Year ended December 31, 2017
Unrealized mark-to-market gain on interest rate swap contracts	\$ 468	\$ 140
Total unrealized gain	<u>\$ 468</u>	<u>\$ 140</u>

(6) Long-Term Debt

(a) Chestnut Borrower Credit Agreement

In July 2017, the Company entered into a credit agreement with Deutsche Bank AG, (subsequently amended in June 2018), for term loans of up to \$120.3 million and letters of credit of up to \$7.5 million. In January 2019, the letters of credit commitment amount under the credit agreement was increased to \$7.9 million. The loans bear annual interest at a rate of LIBOR plus an applicable margin, which is 2.50% per annum through the fifth anniversary of the financial closing date, or July 2022, and 2.75% per annum thereafter through the maturity date in March 2024. In addition to interest on the outstanding borrowings, the Company will pay a commitment fee on the unused portions of the term loan and letter of credit commitments equal to 0.75% per year. The borrowings are secured by the Company's interests in the project companies.

As of December 31, 2018, the Company had issued a letter of credit for a commitment of \$8.5 million to support the Company's debt service reserve requirements. The Company pays a letter of credit fee of 2.50% per annum on issued amounts under the letter of credit facility on a quarterly basis, which is recorded in interest expense in the consolidated statements of income.

As of December 31, 2018 and 2017, long-term debt consists of the following (in thousands):

	<u>2018</u>	<u>2017</u>
Total long-term debt (including current maturities)	\$ 117,570	\$ 37,832
Less current maturities	(5,646)	—
Less debt issuance costs, net	(4,368)	(4,617)
Long-term debt	<u>\$ 107,556</u>	<u>\$ 33,215</u>

Distributions from the Company are subject to compliance with the terms and conditions defined in the credit agreement, including a covenant to meet a required debt service coverage ratio of at least 1.20 to 1.0. At December 31, 2018, the Company was in compliance with various restrictive covenants defined in the credit agreement; however the Company's distributions are limited due to an event of default under the credit agreement arising from the placement of mechanic's liens at the Armstrong and Nystuen facilities.

Long-term debt maturities as of December 31, 2018 are summarized as follows (in thousands):

Year ending December 31:	
2019	\$ 5,646
2020	7,666
2021	7,841
2022	7,143
2023	6,463
Thereafter	82,811
	<u>\$ 117,570</u>

(b) CS4 Borrower Credit Agreement

In September 2018, the Company entered into a credit agreement with three financial institutions for construction loans up to \$97.4 million that will convert to a term loan by June 30, 2019, an investment tax credit bridge loan, or ITC bridge loan, for up to \$89.9 million and letter of credit facilities up to \$4.9 million. The construction loan and the ITC bridge loan both have an interest rate of LIBOR plus an applicable margin of 1.75% per annum. The ITC bridge loan matures upon the conversion of the construction loans to a term loan. The Company pays quarterly commitment fees of 0.625% per annum on any unused portion of all of the financing commitments described above, with the exception of the term loan. The term loan will bear annual interest at a rate of LIBOR plus an applicable margin, which is 2.00% per annum through the third anniversary of the term conversion, and 2.25% per annum thereafter through the maturity date in June 2026. The construction loan and the ITC bridge loan, and the future term loan, will be secured by the Company's membership interests in the project companies.

As of December 31, 2018, the Company had no issued letters of credit outstanding. The Company pays an availability fee of 1.75% per annum on issued amounts under the letter of credit facility on a quarterly basis, which is recorded in interest expense in the consolidated statement of income.

As of December 31, 2018, long-term debt consists of the following (in thousands):

	2018
Construction loan	\$ 20,387
ITC bridge loan	32,164
Total long-term debt (including current maturities)	52,551
Less current maturities	(21,404)
Less debt issuance costs	(5,425)
Long-term debt	\$ 25,722

Distributions from the Company are subject to compliance with the terms and conditions defined in the credit agreement, including a covenant to meet a required debt service coverage ratio of at least 1.20 to 1.0. As of December 31, 2018, the Company was in compliance with the various restrictive covenants defined in the credit agreement.

Long-term debt maturities as of December 31, 2018 are summarized as follows (in thousands):

Year ending December 31:	
2019	\$ 21,404
2020	1,492
2021	1,486
2022	1,371
2023	1,010
Thereafter	25,788
	\$ 52,551

(7) Related Party Transactions

The Company has the following related party transactions and relationships in addition to the acquisition of solar energy systems from Clearway Renew described in note 4, *Property, Plant, and Equipment* and renewable energy certificate revenue described in note 2(j), *Summary of Significant Accounting Policies*. Amounts due to related parties are recorded as accounts payable – affiliate and amounts due to the Company from related parties are recorded as accounts receivable – affiliate on the Company’s consolidated balance sheets. These account balances are netted by affiliate party.

Both Chestnut Fund and CS4 Fund have asset management agreements with Solar Asset Management LLC, a subsidiary of Clearway Renew, where Solar Asset Management LLC performs administrative services related to the acquired project companies and receives an asset management fee in an annual amount per project. The Funds will also reimburse Solar Asset Management LLC for certain out-of-pocket costs. Chestnut Fund incurred costs under the agreement of \$185 thousand and \$12 thousand for the year ended December 31, 2018 and the period from September 26, 2017 through December 31, 2017, respectively. These costs are included in cost of operations – affiliate in the consolidated statements of income. CS4 Fund did not incur any costs under the agreement for the year ended December 31, 2018.

Effective January 1, 2018, Chestnut Fund has an operations and maintenance agreement with Clearway Renewable Operation & Maintenance LLC, or RENOM, a subsidiary of Clearway Energy Group, to operate and maintain the PV Systems owned by the acquired project companies. RENOM receives a fee in a set annual amount for each project plus reimbursable costs, with an annual escalation of 2.25%. The fee is also subject to adjustments for additional site maintenance, panel washing and replacement costs. The Company incurred costs under the agreement of \$488 thousand for the year ended December 31, 2018. These costs are included in cost of operations – affiliate in the consolidated statements of income. CS4 Fund has a similar agreement in place, with no costs incurred as of December 31, 2018.

Subject to the Chestnut Fund Limited Liability Company Agreement, in the event that additional working capital is required by to cause the assets to be properly operated and maintained and to pay for the costs, expenses, obligations and liabilities of Chestnut Fund, then the Company shall have the right, but not the obligation, to provide all or part of the funds needed by the Company in the form of a member loan. This loan was funded through an intercompany borrowing from the Company's Class B Member, Renew DG Holding. As of December 31, 2018 and 2017, \$1.6 million and \$1.9 million, respectively, was outstanding under a member loan, which is recorded in short-term debt – affiliate on the consolidated balance sheets.

(8) Commitments and Contingencies

In the normal course of business, the Company is subject to various claims and litigation. Management of the Company expects that these various litigation items will not have a material adverse effect on the results of operations, cash flows, or financial position of the Company.

Land Leases

The projects owned by the Company entered into various land lease agreements through 2053 where their respective solar energy facilities are located. During the terms of the leases, the Company will operate the solar energy facilities to supply electric energy to the customers of the previously described community solar installations. The Company is responsible for all operating costs, repairs and maintenance, and insurance related to the facilities. Lease expense is recognized on a straight-line basis when the agreements include escalating payments over the lease term. For the year ended December 31, 2018 and the period from September 26, 2017 through December 31, 2017, the Company recorded rent expense of \$2.4 million and \$123 thousand, respectively, which is included in cost of operations in the consolidated statement of income.

Future minimum payments under noncancelable land leases as of December 31, 2018 are estimated as follows (in thousands):

Year ending December 31:	CS4 Fund	Chestnut Fund
2019	\$ 204	1,377
2020	254	1,399
2021	258	1,422
2022	263	1,475
2023	267	1,499
Thereafter	7,706	29,815
	<u>\$ 8,952</u>	<u>36,987</u>

(9) Subsequent Events

On January 15, 2019, CS4 Borrower borrowed an additional \$1.5 million under the construction loan and \$8.5 million under the ITC bridge loan.

On January 28, 2019, Chestnut Fund made the second installment payment related to DG Marathon LLC of \$6.0 million, of which \$1.8 million was contributed by its tax equity investor and \$4.2 million was contributed by the Company.

On January 31, 2019, Chestnut Fund Borrower borrowed an additional \$2.6 million under the term loan in accordance with its credit agreement.

On February 19, 2019, CS4 Fund acquired Sartell Solar LLC from CS4 Seller and made its first installment payment of \$4.2 million, of which \$1.5 million was contributed by the tax equity investor and \$2.7 million was contributed by the Company.

On March 21, 2019, CS4 Borrower borrowed an additional \$27.7 million under the construction loan and \$16.5 million under the ITC bridge loan.

The Company has evaluated subsequent events from the balance sheet date through March 28, 2019, the date at which the consolidated financial statements were available to be issued, and determined that there are no other items to disclose.