

Nexamp Testimony – LD 359
Committee on Energy, Utilities and Technology
Jake Springer
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Thank you, Chair Lawrence, Chair Sachs, and members of the Energy, Utilities and Technology Committee for the opportunity to submit testimony for this hearing.

I am testifying today in opposition to: **LD 359, An Act to Prohibit Net Energy Billing by Certain Customers.**

Nexamp is a vertically integrated clean energy company with nearly two decades of experience in this region developing, constructing, operating and maintaining solar and energy storage projects. We are the long-term owners for all our projects, managing the assets through their whole lifecycle until decommissioning, and we work directly with the customers participating in our projects providing them a guaranteed discount on the credits they receive.

Nexamp has some 40 projects in Maine and through the Net Energy Billing (NEB) program we serve almost 20,000 customers in the state. In doing so we have invested hundreds of millions of dollars building these projects and upgrading the distribution grid infrastructure that supports the state. We are proud of what we have been able to build in Maine and to serve the Mainers who have chosen to participate in these projects. Our customers are Maine businesses of all sizes—including hospitals, breweries and ski areas—as well as municipalities and school districts. But the vast majority are residential customers who are saving on average \$232 each year by participating in one of our projects.

LD 359, as outlined in the proposed sponsor amendment, may not appear at first glance to be as extreme as some of the other NEB-related bills currently in front of the committee, but it would fundamentally undermine the NEB program, putting underwater the investments that customers all of types have made under NEB.

The development of solar projects requires incurring large costs up front that are offset over time as the project produces power and generates revenue. The NEB program establishes the revenue that projects are eligible to receive over their lifespan and simply changing that revenue via statute—however simple that may seem—is a drastic move that will jeopardize every single project and the financing structures that underly them.

LD 359 essentially proposes a bait and switch. Once decisions have been made based on existing state laws, contracts have been signed, materials have been procured, and projects have been constructed, installed and are operating—to the tune of hundreds of millions of dollars in investment—LD 359 proposes to simply change the rules and the underlying compensation framework that made it all possible.



It is important to note that the program as it exists today was established by the Legislature, and that companies who have developed projects, and customers who have participated did so based on the law and the program as it was designed. The NEB program has been modified by the Legislature on more than a few occasions already, but any changes the Legislature contemplates should not be designed to penalize those who in good faith operated under the framework that the Legislature established and encouraged.

While members of the Committee undoubtedly have a broad range of views on the NEB program generally, proposals like LD 359 should give all lawmakers pause. This is not just about clean energy businesses like Nexamp or the Maine consumers who have supported these specific investments. More broadly, retroactive changes like those considered under LD 359 undermine investment and confidence in doing business in Maine. Policies enacted by the Legislature to attract private investment, such as NEB, rely on the credibility of the state and the predictability of state policy to secure the investment. Retroactive actions like that proposed in LD 359 completely undermine this premise.

Simply put, Maine cannot expect to grow new industries or attract private capital if it is willing to pull out the rug on hundreds of millions of dollars of investment with the stroke of a pen.

Nexamp is ready and willing to discuss improvements to the existing NEB program so it can deliver for all Maine consumers and to chart a path forward for future distributed solar and energy storage to achieve the state's goals. But we cannot support efforts that unwind the progress made to date and that undermine existing investments. LD 359 is focused on the past when we should be looking forward.

We strongly urge you to oppose LD 359.

Respectfully,

Jake Springer
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Nexamp