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WRITTEN STATEMENT FOR THE RECORD
FOR THE HEARING ON MAY 13, 2025
MAINE LEGISLATURE
JOINT COMMITTEE ON ENERGY, UTILITIES, AND TECHNOLOGY

BY REPRESENTATIVES OF NAUTILUS SOLAR ENERGY, LLC
396 SPRINGFIELD AVENUE, 2ND FLOOR
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DATE OF SUBMISSION: Monday, May 12, 2025

Chairs Sen. Lawrence and Rep. Sachs, and Members of the Committee

Thank you, Chairpersons and Members of the Committee, for the opportunity to testify today.

My name is Nick Addivinola – I live in York, ME and have so for the past eleven years and am a native New Englander. My son is in 6th grade and attends York Middle School. My wife also works in Maine. We are both active members of the community whether it be coaching youth soccer, volunteering in the school system or helping out several animal rescues in the state. My family and I intend to call Maine home for a long time to come.

I also serve as the Vice President of Mergers and Acquisitions at Nautilus Solar Energy. We are a long-term owner, operator and financier of distributed solar projects, and have served as financiers for local Maine developers over the past five years. To date, we have invested close to \$400 million in development, construction, and interconnection upgrades in this state, helping to expand access to clean energy for nearly 14,000 Maine households and small businesses. We also employ almost 30 local contractors and sub-contractors for every project we have developed. This significant investment was deployed due to the contractual certainty provided by executed Net Energy Billing agreements and the funds already dispersed to our local development partners were calculated based on the fair market value of the projects as dictated by the Net Energy Billing contracts and legislation. For this reason, we respectfully oppose LD 1936 and any retroactive change to Maine's Net Energy Billing (NEB) program.

Nautilus has been an active and committed participant in Maine's NEB program since its inception. Although we are an out-of-state developer, we have been involved from the onset, investing substantial capital and resources into the state. Our projects have not only supported Maine's clean energy transition but have also brought significant economic

and community benefits. We entered the market in good faith, playing by the rules and diligently adhering to all grandfathering requirements, affidavit submissions, and deadlines.

We believe that treating out-of-state developers differently than in-state developers is unfair and counterproductive. LD1936's provision to allow the Public Utilities Commission (PUC) to set and regularly revise compensation rates specifically for nonresident program owners creates a problematic precedent. Investors need predictability and consistency when planning long-term energy projects. Allowing the PUC to reset rates arbitrarily makes the financial modeling required for these projects inherently uncertain, significantly undermining their bankability. It also sends a concerning signal to the investment community, suggesting that infrastructure projects in Maine may be subject to shifting and unpredictable compensation structures.

On a related note, I would urge caution on other NEB reform considerations that aim to retroactively change the NEB compensation structure. Our company has entered legally binding contracts with solar developers, lenders, and subscribers based on the existence of awarded NEB contracts and the legislative framework. Honoring our commitments and adhering to contractual arrangements are not only core values for our business but are also critical components of our risk management strategy and investment criteria. Imposing retroactive changes to the compensation methodology would force us to restructure our financings and break our commitments to our customers and trusted partners. Bills that propose retroactive changes directly penalize investors and companies like ours who made significant investment and long-term commitments within the bounds of the existing contractual NEB framework.

Proponents of NEB reform argue that the current NEB crediting structure results in a windfall for developers. However, the reality is that the industry has faced numerous challenges, including supply chain and labor constraints, inflation, rising interest rates, federal policy uncertainty, and tariffs. Treating out-of-state developers differently or enacting retroactive changes would not only undermine investment stability in Maine but also set a dangerous precedent for infrastructure development across other states. Adherence to contracts is essential for successful infrastructure development, and retroactive changes would create a climate of deep uncertainty for future business investment in Maine and beyond.

We urge the Maine Legislature to consider the long-term impacts of these changes on investor confidence and the continued growth of renewable energy in the state.

Net Energy Billing projects provide important, broad benefits. Our projects fund significant grid upgrades that improve reliability and reduce long-term system costs for all ratepayers. We create local construction jobs, provide lease income for Maine landowners, and help diversify the state's energy supply in ways that strengthen economic resilience.

Looking ahead, upholding existing commitments will be vital to maintaining Maine's reputation as a fair and reliable environment for investment and innovation. Stable, long-term investments, even from out-of-state, are necessary for Maine to continue delivering cost savings, grid improvements, and clean energy options for its residents and businesses.

Thank you for your time and consideration. I would be happy to answer any questions.

Sincerely,
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