

# Installation of new efficient district heating system



## CLIENT

- A Mongolian company operating in construction, maintenance and rehabilitation of water infrastructures, power transmission lines, electrical substations and district heating infrastructures.

## PROJECT

- The company decided to invest in a new district heating system to provide heat to different facilities located in Uvs province. The new system mainly includes heat only boiler and distribution system, and is to replace the decentralized boilers installed in different facilities. Such boilers results very old, inefficient and oversized. The new and modern boiler and distribution system allow a 30% energy saving compared to the existing situation in the Province.

## FINANCIAL STRUCTURE

- Loan USD 150,900

## TECHNICAL ASSISTANCE

- The MonSEFF team met the company and, based on the gathered data, calculated the energy and cost savings related to the investment.



## EXPECTED IMPACT

- Payback period: 8 years
- Internal rate of return (IRR): 11%
- Energy saving: 4,430 MWh/year
- Costs Saving: 53,100 USD/year
- Carbon emission reductions: 1,500 tonnes per year
- Other benefits: Reduction of pollutants emission; lowers level of failure and reduced risk of heating interruptions; improvement management of heating in the district.

DONOR: EBRD Special Shareholder Fund



**European Bank**  
for Reconstruction and Development