



**THE CONSTRUCTION OF A BIOFUEL (WOOD CHIP) BOILER HOUSE, ZEPCE**

<b>Project title</b>	The construction of a biofuel (wood chip) boiler house with a capacity of 4.4 MW in Zepce
<b>Sector</b>	Energy sector - Energy efficiency
<b>Location</b>	Municipality of Zepce – Zenica - Dobož canton
<b>Location description</b>	The site for the building is placed in city center, less than 1 kilometer from the main road M17.1. The boiler house will be located on the plot where the current boiler house is located. The location is equipped with complete infrastructure connections (electricity, water, sewage, telephone, roads).
<b>Company description/ Project background</b>	The municipality of Zepce, as a unit of local self-government, was established by law and represents the citizens of the municipality of Zepce, protects their interests and promotes development. The municipality deals with all issues of local importance that are not excluded from its competence or assigned to the competence of another authority based on the Constitution or the law. In addition to its own competences, the municipality performs the tasks of federal and cantonal authorities entrusted to it by these authorities in accordance with the Law. In accordance with the above, some of the most important strategic projects that the Municipality has implemented so far are: Construction of a waste water treatment station, phase I of the collection collector of the town of Zepce; Expansion of the system of organized collection of household waste to suburban parts of the municipality of Zepce; Promotion of energy efficiency in the municipality of Zepce through activities to optimize the public lighting system; Construction of the Music School "Katarina Kosaca Kotromanac" and many others.
<b>Project status</b>	Conceptual project and Feasibility study
<b>Project description</b>	In the city of Zepce, there is central heating that is currently used by 13 public institutions, 94 business entities and 356 households. Currently, a 6.3 MW coal-fired boiler plant is used as a source of heat energy, which in 2019. The Municipality of Žepče bought from "Krivaja in bankruptcy". The mentioned boiler house is too big for the current needs of Zepce (out of 6.3 MW of installed power, about 2.2 MW is



	<p>used), which is why the operating costs are extremely high. In addition, the boiler house is very old and in poor condition, so the maintenance costs are high. It is planned that the Municipality of Zepce, in cooperation with JP "Komunalno" Zepce, will build a boiler house with a capacity suitable for the needs of Zepce and with energy that pollutes the environment to a much lesser extent. The goal of the project is the construction of a biofuel (wood chip) boiler house with a capacity of 4.4 MW which will be owned by the Municipality, which will be of a modular type so that it can be used with optimal utilization, and which will emit a minimum of harmful products into the environment. With this, Zepce would be provided with a source of heat energy that is economically profitable and environmentally acceptable for a longer period.</p> <p>The total number of inhabitants who will benefit from this project is about 5,000. There is a possibility of expanding the hot water network in the future to nearby suburban settlements, which would increase the number of users by an additional 2,500. All 31,219 inhabitants of the Municipality of Zepce will also benefit indirectly from the investment, as the new energy source will significantly reduce the emission of harmful substances into the environment.</p>	
<b>Estimated total investment cost</b>	2.000.000,00 EUR	
<b>Inputs provided by local partner</b>	<b>Value</b>	<b>Description</b>
	400.000,00 EUR	Funds from the budget of the municipality of Zepce for the: Preparation of feasibility study, main project documentation and permits; Allocation of a building plot owned by the municipality.
<b>Inputs required from foreign partner</b>	<b>Value</b>	<b>Description</b>
	1.600.000,00 EUR	Providing of all equipment and tools, and materials for construction and equipping.
<b>Form of cooperation with foreign partner</b>	<b>Financial</b>	<b>Technical</b>
	Grant	- Management expertise - Technical expertise
<b>Supporting information available</b>	For additional information about this project, please contact FIPA either by e-mail: <a href="mailto:fipa@fipa.gov.ba">fipa@fipa.gov.ba</a> or phone number: +387 33 278 080.	