

A 79% RETURN ON INVESTMENT AS A YIELD OF REPLACEMENT OF A CENTRALIZED BOILER BY TWO NEW BOILERS

A leading machinery construction company dealing with the development and production of hydraulic boosters and chassis for industrial machines and aircrafts requested the RUSEFF experts to assess the potential for energy saving opportunities.

The experts identified significant savings potential in the heating system and recommended the centralized boiler be replaced with two new hot water boilers. This allows for the reduction of the annual energy consumption due to more efficient heat generation by the new boilers.

The proposed investment of USD 505 000 will result in energy savings equivalent of 2 664 MWh per annum, annual savings of USD 218 000, a payback period of just under 3 years, yielding a significant 79% return on investment in terms of energy savings.



Company

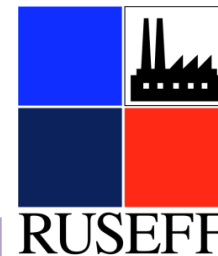
Economic sector	Machinery construction
Region	Nizhniy Novgorod

Project Goal and Main Investment

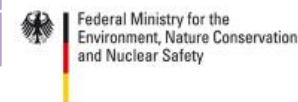
Project goals	<ul style="list-style-type: none"> Reduction of energy costs
Main investments	<ul style="list-style-type: none"> Construction and equipment
Investment size	USD 505 000

Results

Project Results	<ul style="list-style-type: none"> Energy savings equivalent to 2 664 MWh per year Energy savings: 13.5% Emission reduction equivalent to just over 600 tonnes CO₂ per year
Financial viability	<ul style="list-style-type: none"> Annual cost savings: USD 218 000 Payback period: 2.9 years IRR: 79 %



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