CENTRAL HEATING SYSTEM, TESLIC MUNICIPALITY

Project title	Heating of the urban area of Teslic, decentralized biomass-fired boiler plants
Sector	Energy Sector
Location	Teslic Municipality
Location description	Teslic municipality is situated in the northern part of central BiH. It is 175 km far from Sarajevo, 100 km from highway Zagreb-Belgrade, and 25 km far from the future highway Vc. Railroad track in Doboj is 25 km far from Teslic.
Project background	The Municipality of Teslic is Local Self-Government unit that consists of 49 local communities spread on 846 km^2 with no organized system of heat energy supply. The buildings are heated by individual heating systems in each building.
Project status	Pre-feasibility study of heating of the urban part of Teslic municipality has been prepared (November 2015).
Project description	This project idea concerns central heating system in Teslic urban area, and economic analysis of the preliminary study considered four possible technical solutions for heating of the central urban area of Teslic. The fourth variant – decentralized pellet-fired boiler plants, proved to be the optimum technical and technological solution. The territory of Teslic town is inhabited by about 10,000 people in more than 200 collective residential buildings suitable for a centralized heating system (due to relatively short energy supply lines). Besides, biomass-pellet supply systems exist in the close vicinity as well as several pellet suppliers in Teslic. Since there is no centralized heating system in the urban area of Teslic, the potential investor would have no competition in heat energy supply sector.
Estimated total investment cost	App. 5,000,000 EUR (10,000,000 KM)
Inputs provided by local partner	Local administration support in the process of obtaining necessary permits, providing plant location, and linking the investor with suppliers and labour force.
Inputs required from foreign partner	The investor is expected to use own funds to enable project implementation and to choose an environmentally acceptable solution. Also, the selected heating system is expected to allow consumer price in line with the average market prices.
Form of cooperation with foreign partner	An investment by the interested investor in full (100% ownership) or PPP as a joint venture between the investor and local administration.
Supporting information available	For additional information about this project, please contact FIPA either by e-mail: fipa@fipa.gov.ba or phone number: +387 33 278 080.