Outline of JCM Project
"Replacement and Installation of High Efficiency Heat Only Boiler (HOB) for Hot Water Supply Systems"

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1. Outline of JCM Project of HOB

- Mongolian Side: ANU-SERVICE CO., LTD.
- Japanese Side: SUURI-KEIKAKU CO., LTD.
- Bornuur soum
  - EKOEFKKT 650 kW three
  - Construction of Hot Water Supply System in center of Bornuur soum (Infrastructure)
- 118th school in Ulaanbaatar City
  - CARBOROBOT 300 kW (new of two & existing one)
  - Expansion of Capacity of HOB
Project Site (Bornuur soum)

- Ulaanbaatar
- Mongolia

- cutcherry
- dormitory
- school

Boiler Building (under construction)

Bornuur Soum
Project Site (118^{th} School in UB city)

118^{th} school
Outline of Project (1)

• The project is the infrastructure building in Bornuur soum, composed of the installation of Heat Only Boilers (HOBs) as well as pipe laying work, electrical construction and boiler building construction.

• The project will alter the current heat supply system in Bornuur soum of individual building-based heating, under which the low efficiency HOBs and stoves are used.

• The centralized control system of high efficiency HOBs will be installed in this project.
Outline of Project (2)

• The improvement of boiler efficiency leads to CO2 emission reductions and other air pollutants, because the fuel consumptions are reduced.

• The 118th School Project is installed the new HOBs.
  – New Construction of the Kindergarten and Another School Building

• The installation of high-efficiency latest model boilers at 118th school in Ulaanbaatar city. The project also leads to the reduction of coal consumptions to mitigate CO2 emissions as well as air pollutants.
Outline of Project (3)

• We will develop the system of the remote control and the automatic record by the telemeter, as the core of the MRV activity.
Construction Process of JCM Project in Bornuur soum
Construction Process of JCM Project in 118th School of UB City
Opening Ceremony of JCM Project in 118th school (13/11/2014)
2. JCM Model Project Benefit (part1)

- Host Country Side (ANU-SERVICE CO., LTD.)
  - 1) **Shortening** of the Investment Payback Time
  - 2) Effectiveness of **advertising** in Mongolia.
    - Since JCM Model Project is implemented, ANU-SERVICE CO., LTD. has the effectiveness of advertising about the environmental load-reducing boiler.
  - 3) This JCM Model Project needs the management for fifteen years. This is the **entry barrier** for the bad boiler management company of Mongolia.
    - However, it is the heavy duty for Japanese side (SUURI-KEIKAKU) to manage HOBs for 15 years.
2. JCM Model Project Benefit (part 2)

• Japanese Side (SUURI-KEIKAKU CO., LTD.)
  – It is for the following purpose that the environmental consultant firm, SUURI-KEIKAKU, conducts JCM Model Project as a business operator.
  – To contribute the GHG mitigation as a consultant.
  – To deepen understanding about the JCM scheme which Japan promotes, and to cooperate with the improvement.
3. Issues of JCM Model Project (part 1)

- It is very difficult for SUURI-KEIKAKU to manage HOBs for the long period called the depreciation period. It is also very difficult for Japanese company to manage the facilities in the foreign country.

- The request of the further support for MRV Activity.
  - The support for the initial cost is the "JCM Model Project". I think that the another incentive for the MRV Activity is needed.
3. Issues of JCM Model Project (part2)

• A gap of the fiscal year with host country and Japan. The cold and hard winter period is long in Mongolia, and enforcement of the construction is difficult from around October to around March.

• It is hard that the foreign firms different in the culture continue to implement the JCM Model Project jointly. There are often collisions within international consortium.

• Within the international consortium, how far should we decide in the contract the respective responsibilities? Since JCM is developing the scheme now, absolutely, there is a risk that may remain uncertain part.
Thank you!

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