



**MODULE 2.1 BUSINESS MODELS AND
FINANCING SCHEMES -
INTRODUCTION**

www.SOWHATproject.eu



Recap from Module 1

In the previous module, Module 1, you could learn about:

- How to audit the energy consumption at an industrial site
- Potential ways to exploit waste heat and cold
- Waste heat and cold recovery technologies

In Module 2, we will add an economic perspective on industrial waste heat and cold recovery.

Attain a viable business case

Business models and financing schemes are important for attracting financing and to attain a viable business case.

To choose the most suitable business setup for a waste heat and cold project, several aspects need to be considered: business risks and possible contractual arrangements to overcome these, the costs and benefits of the investments as well as ways to finance the investment.

In this module the different aspects related to this are presented. The module consists of two parts presented on the following slides.

Drivers and barriers

- Efficient resource use, reduced cost and emissions – win-win
- High initial cost, difficulty to agree on pricing, ownership and responsibilities

Business risks

- Dependence on external partners
- Lack of know-how and legal framework in some countries

Contractual arrangements

- Ownership and responsibilities
- Time of commitment
- Exit paragraph

Module 2.3

Levelized Cost of Excess Heat (LCoEH)

- Economic assessments of excess heat
- Facilitates the pricing of excess heat and the economic comparison of different heating alternatives

Cost-Benefit Analysis (CBA)

- Socio-economic assessments of the costs and benefits from investments in excess heat and cold recovery technologies
- Useful for making decisions on large public sector investments and to attract financial support

Financing schemes

- Different types of financing schemes, with special focus on ESCO models
- Facilitates the viability of an investment

A semi-transparent red overlay covers the entire image. In the background, a laptop is visible. The screen shows a line graph with several data points connected by lines, and a circular icon is visible below the graph. The keyboard of the laptop is also visible in the foreground.

WELCOME TO EXPLORE MODULE 2!



SOWHAT

THANK YOU FOR YOUR PARTICIPATION

SOWHAT TEAM

