

The Heat Entrepreneurship Cluster of South Ostrobothnia HECSO



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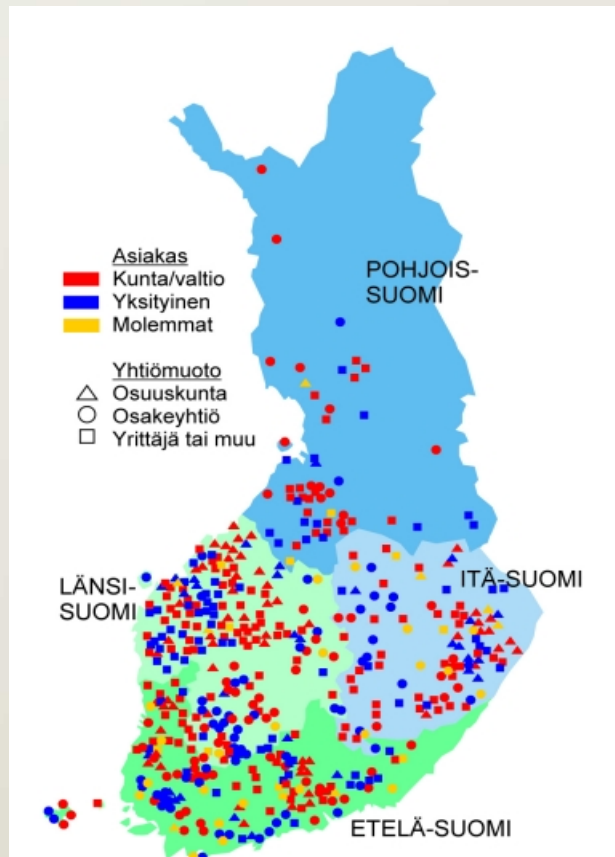
Heat entrepreneurship

- Finnish speciality in the bioenergy sector
- Small scale business, in which the entrepreneur sells heat to customers, not energywood or chips
- Paid for megawatts

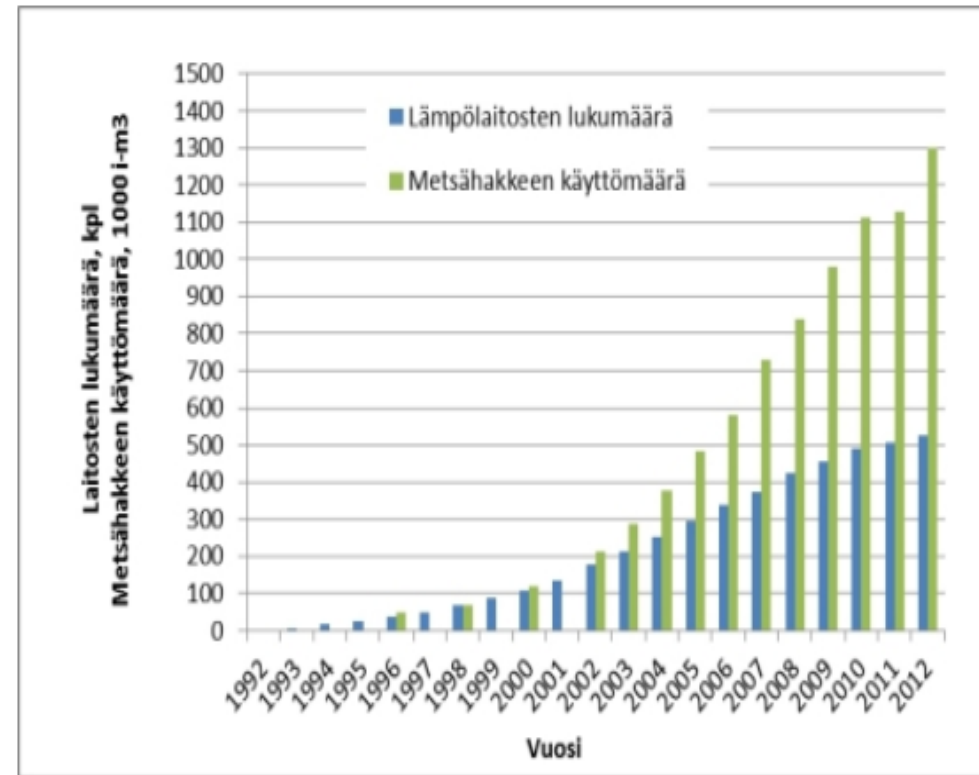
The History of heat entrepreneurship in Finland

- A new form of business was born in the Finnish countryside during the 1990s, when farmers started to produce heat from wood fuels, first supplying heat for schools and old people's homes and later expanding into municipal district heating and the provision of heat for industrial processes.
- There are about 520 such small-scale heating plants and 310 individual heat entrepreneurs in Finland (at the end of 2013), and almost 20% of them are located in South Ostrobothnia. South Ostrobothnia is the leading region for heat entrepreneurship in Finland at the moment.
- About a half of the plants are operated by individual entrepreneurs, while the rest function as limited companies and co-operatives. Usually the heat entrepreneur purchases the fuel, operates and maintains the heating plant, and earns income based on the amount of heat generated. In many cases the heat entrepreneur is also an investor and owner of the heating plant.
- This 'heat entrepreneurship' has boosted rural employment, while it has also replaced the use of imported oil and other fossil fuels in the region.

Heat entrepreneurship in Finland today



Heat entrepreneur operated heating plants 2012



Kuvan lähde: TTS - Työteho-seura

- The number of heating plants 1992 - 2012
- The use of wooden chips (1 000 m³)

Why heat entrepreneurship?

- Customer friendly way to use bioenergy
- Imported heating fuels have many disadvantages:
 - › They make you dependent on foreign actors and the economy
 - › Most of the money goes abroad, not into the local economy
 - › They give very little work and jobs to local people
 - › Fossil fuels are bad for the climate
- Biomass based heat entrepreneurship is the opposite:
 - › Decision making in own country / own region
 - › Local fuels - Money stays in the local economy
 - › Using local fuels creates jobs for local people
 - › Biomass based local fuels are good for the climate

HECSO

Heat Entrepreneurship

Cluster of South Ostrobothnia

- A new platform for international cooperation in the bioenergy sector, for example between Viljandi, Tartu and Põlvamaa regions in Estonia with South Ostrobothnia region in Finland
- Focus on heat entrepreneurship
- HECSO offers know-how and practical training in:
 - › Heat entrepreneurship business models, agreements, and financial aspects
 - › Energy wood harvesting chains and energy wood storage (machines, methods)
 - › Energy wood processing (machines, methods)
 - › Energy wood heat power plants (equipment, installations, maintenance)
 - › Energy saving

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Thank you!



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