

"ESP-Industry" JSC

St. Petersburg

Owners:	"Proletarsky Zavod" JSC - 24%, "FSP" Ltd. Co. - 76%
Staff:	full-time - 1 person, part-time - 15 persons
Previous financing:	\$ 500,000, including own funds - \$ 340,000, raised funds - \$ 160,000
Current financing:	\$ 0
Volume of investment required:	\$ 2,500,000
Intended use of the investments required:	20% - for creating exhibition and demonstration objects, 60% - for creating pilot objects, 20% - for expansion of production

Company description

The enterprise, an industrial structure set up for realization of the "Development of Small Energy In the Regions of Kareliya Republic Without the Centralized Power Supply" Program, was founded in 1998 together with "Proletarsky Zavod" JSC production facilities.

In 1996 in accordance with the decree of Kareliya Republic Government the Technical proposition on use of new power technologies (EPCT) was developed by enterprise employees. The Technical proposition was used as the basis of the Program. Later founders of EPCT became the founders of "FSP" Ltd. Co. and "FSP-Industry" closed JSC.

In 1998 "FSP" Ltd.Co. became the leading enterprise for realization of the program. The new energy resources saving technologies for electric power complexes (EPCT) and the profit deriving from introduction of EPCT in Kareliya, alongside with use of industrial potential of the "Proletarsky Zavod" Closed JSC, were planned to be the basis for existence and development of the enterprise. As a result of crisis the financing of the Program was never started. Today the enterprise takes steps to renew and realize the Program, and is trying to attract a strategic investor for realization of the complex of actions for demonstration of advantages of technologies (EPCT).

Sphere and directions of activity

Fuel and energy complex. Research, design, technological operations. Development, manufacture, installation and service of equipment for environmental-friendly small energy using alternative power sources.

Products/Services/Technologies

Electric power complexes' technologies (EPCT) is a method of uninterrupted power supply of consumers from electric power systems working with renewable power sources. In 2000 this method was protected by the Russian Federation patent. The technical and design solutions within the framework of the EPCT technologies allow to:

1. Create any standard block -modular uninterrupted local power systems of any power and in any place.
2. Work with any kind of renewable power sources under one control system.
3. Install power systems equipment at any location in immediate proximity to consumers which results in complete minimisation of power line construction.
4. Ensure real power balance in a "generation - consumption of power" system.
5. Make the operation of an electric power system completely automated.
6. Guarantee the highest level of environmental safety.
7. Reduce expenditures for use of unrenovable power sources to 80-100%.
8. Guarantee large-scale and even mass production of standard equipment.
9. Create special features, for example: different standards in one system on consumer's demand

Achievements

The key system and design solutions for EPCT was carried out in the period of 1996-98 on stationary and portable experimental modules of an electric power complex. This volume of researches is sufficient for further operations to create

pilot local power objects. However, in this case it is necessary to carry out additional research and development to use new generation EPST equipment.

The new conceptual and technological solutions on power supply of a remote consumer was adopted as the special Program for Development of Small Energy in Kareliya Republic Regions Without Centralized Power Supply" in accordance with the Technical proposition of 1996. EPCT was accepted as the basic design solution (EU and Russia) on the "Belomorie" ("White Sea") Program.

Winner of the Bulgarian Academy of Sciences competition on alternative power sources.

Prospects of Development

At present time, due to the specificity of the enterprise, the company sees prospects for its development only in attracting a venture strategic investor to introduce a new EPST technologies on the market within the framework of standard innovation strategy. After receiving the investments in 2002 the following perspective of development is determined:

1. Creation of demonstration and exhibition objects in 2003 and carrying out R&D.
2. Creation of pilot power objects in 2004-2005 and carrying out development work.
3. Creation of primary production in 2006 with the annual output of power equipment with the capacity of 2000 Kw.
4. In future: steady raising of the rate of production and sale of licences for production of the new type of equipment all over the world.

Sales volume (over the last 12 months): \$ 0

year	
2002	\$ 0
2003	\$ 0
2004	\$ 0
2005	\$ 3,000,000
2006	\$ 6,300,000
2007	\$ 9,900,000
2008	\$ 13,500,000