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Vattenfall buys heat company in Pärnu, Estonia

Vattenfall has acquired 99,95 per cent of the shares in Pärnu Soojus (Pärnu Heat). The remainder of the shares belongs to the City of Pärnu. The company, which was founded in 1971, currently sells 75 per cent of the district heat consumed in Pärnu (120 GWh).

Pärnu's city council decided on 21 December 2000 to sell Pärnu Soojus to Vattenfall. The agreement was signed 30 January.

This agreement means that Vattenfall is now the largest generator and seller of heat in Estonia's fifth largest city. Vattenfall is planning investments in order to modernise the district heating plant.

In 1999, Vattenfall bought the strategically important Ülejõe Soojusvõrk utility, which distributes 25 per cent of Pärnu's district heat.

"The acquisition of Pärnu Soojus is a logical step for Vattenfall's operations in Pärnu. Together with Ülejõe Soojusvõrk it gives us the opportunity to develop the district heating network and generation throughout Pärnu," says Teet Eelmer, project manager for Vattenfall Estonia OÜ.

In 1999, Pärnu Soojus generated 163 GWh of heat, and sales amounted to EEK 48 million (equivalent to SEK 27 million). The customers are industrial companies and property companies.

Pärnu, "the summer capital of Estonia", is situated on the coast in south-west Estonia. The city has a population of 51 800.

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Vattenfall is one of the largest energy companies in Europe, accounting for 25 percent of total electricity sales in the Nordic region. The total electricity generation is 85 TWh. Vattenfall is a leading operator of regional and local distribution networks. About 2.4 millions customers get their energy solutions or other services from Vattenfall. The Group also conducts operations in the areas of heating and natural gas, as well as transmission services and consulting for the energy sector. Vattenfall's biggest customers are energy companies, industrial enterprises, and retail customers in the Nordic region. Vattenfall is also active in Germany, Poland, the Netherlands, and the Baltic countries.