

**APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY**  
**THIRD SEMESTER M. TECH DEGREE EXAMINATION**  
**Electrical & Electronics Engineering**  
**04EE7405—Power System Economics**

Max. Marks : 60

Duration: 3 Hours

**PART A**

*Answer All Questions*

*Each question carries 3marks*

1. Define PoolCo model
2. What is meant by TRANSCO?
3. Discuss the relationship between long run and short run costs.
4. Draw the flow chart used in VaR calculation for short term generation asset valuation.
5. Briefly explain ATC.
6. Briefly explain equal area criteria.
7. What is meant by equivalent hours load factor?
8. Discuss the effect of capacitors on T and D losses.

**PART B**

*Each question carries 6 marks*

9. Explain electricity market models.  
OR
10. Discuss the role DISCOs and RETAILCOs.
11. Define monopolistic and oligopolistic method.  
OR
12. Explain AGC and pricing.
13. Explain framework for VaR calculation.  
OR
14. Explain generation capacity valuation.
15. Discuss the role of FACTS devices in competitive power market.  
OR
16. Explain distributed generation in restructured markets.
17. How steady state voltage stability is achieved with reactive power devices.  
OR
18. Explain the criteria for stability.
19. Discuss the methods for loss reduction.  
OR
20. Discuss about the reactive power requirements of transformers.