

Reading Comprehension Passage 9

This sample text has been prepared for the Master of Electrical Engineering entrance exam by Alpha Consulting Group.

The MASSPOWER project and its development represents a future model for how power generation projects may be put together in the new competitive energy arena in the United States and in many countries throughout the world. Gone are the days when electric utilities built large central generation stations on a cost-of-service basis as the only alternative to providing electric power and gone also are the early days of cogeneration when thinly capitalized entrepreneurs obtained power contracts while working out of their suitcases. The advent of formal competitive bidding programs as the way of supplying new electric power has expedited the maturing of the nonutility power generation industry.

The survivors of the inevitable consolidation we are currently witnessing, will need to take considerable market and financial risk before reasonable assurance can be obtained about a project's success. MASSPOWER was one of the first projects to be developed in this new climate and to have such a significant amount of development capital put at risk. Understanding its development process can help understand what it will take to be successful at profitably building power plants in the future.

Questions

1-The author believes that those interested in the Mass power project

- 1) have accepted its financial risk
- 2) do not fully understand its difficulties
- 3) are thinking of finding a way to ensure its success before building power plants
- 4) have accepted that power generation based on cost of service is a good alternative to MASSPOWER generation.

2- The passage provides information that would answer all of the following questions, EXCEPT.....

- 1) what is considered on inviting program?
- 2) What does the author think of large central power stations?
- 3)does MASSPOWER project present a positive competitive energy activity?
- 4) does the author suggest the MASSPOWER project as the only alternative to providing electric powers?

3-We may conclude from the passage that

- 1) the project initially conceived should be centered around important factors
- 2) MASSPOWER project will be of little success unless profitable power plants are developed
- 3) if all the details of the development process are digested, the MASSPOWER project can be a success
- 4) the entrepreneurs should have the required knowledge and skills to plan improved strategies

Answers

1==> 1

2==> 4

3==> 3