

Roll No: -----



UNIVERSITY OF PETROLEUM AND ENERGY STUDIES

End Semester Examination, December 2017

Program: BA LLB (HONS) - Energy Laws

Semester – V

Subject (Course): Energy Economics

Course Code: LLBD507

No. of page/s: 3

Max. Marks : 100

Duration : 3 Hrs

SECTION-A

All questions in this section are compulsory. Each question carries 2 marks. (5×2=10)

1. The Electricity Supply Act, 1948 emphasized mainly on three things. Name them
2. What is valley filling and peak clipping?
3. Answer the following:
 - a. Clearance of for hydro projects is necessary due to concern of dam safety and inter-State issues.
 - b. Can transmission utilities participate in power trading?
4. Define club goods.
5. Define positive externality.

SECTION-B

All questions in this section are compulsory. Each question carries 5 marks. (4×5=20)

6. “In an era, where are focus is also towards supply side management (renewables, fuel substitution) why do we need Demand Side Management?”
7. What do mean by scale effect? Explain by defining environmental kuznet curve.

8. How by imposing tax on the equilibrium price the market failure that arise due to negative externality can be avoided?
9. Can energy efficiency and economic efficiency be achieved simultaneously? Comment.

SECTION-C

Each question carries 15 marks. (15×2= 30)

10. “The cost-effectiveness often depends on the perspective of the party”. Why do we need to check the cost effectiveness of DSM options? Discuss in detail three tests used to analyze the cost effectiveness of DSM Options.
11. Discuss the evolution of Power sector since Pre- Independence period till current times in detail.

SECTION-D

This section carries 40 marks. Attempt only 2.

12. “Global oil prices are plummeting and they are falling fast. As a result, Venezuela, which has the world’s largest known crude oil supplies, is left with an economy that is barreling out of control. On January 22, Venezuela's oil price fell to \$21.50 a barrel, compared to over \$100 a barrel in 2014. As prices continue to fall, Venezuela’s surplus of oil stocks grow. Rising oil surplus, however, does not translate into food, medical supplies, and political and domestic stability in Venezuela, as President Maduro is quickly finding out. A country rich in one of the world’s most demanded natural resources, Venezuela is depends so deeply” (Year: 2016)

Define the concept of Dutch Disease. Why resource rich countries like Venezuela grow slower? Discuss how these countries can escape the problem of Dutch disease. Take necessary assumptions to answer this question if required. (20)

14. What do you mean by load management? Discuss in detail load control methods and load management options. (20)
15. A number of end-use areas can be easily identified for better utilization of energy resources, where, commercial & residential and transportation sector being the major areas. Discuss how can we save energy in the above two sector. Also, discuss the market barriers to energy efficiency market. (20)

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13. Define common goods.
14. Define positive externality.
15. Answer the following:
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 - d. Can transmission utilities participate in power trading?
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20. Can energy efficiency and economic efficiency be achieved simultaneously? Comment.
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