

Name:	
Enrolment No:	

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, December 2019

Course: Understanding Energy Sector	Semester: I
Programme: MA- Economics (with specialization in Energy Economics)	SCode: ECON 7003
Time: 03 hrs.	Max. Marks: 100
Instructions:	

SECTION A

S. No.		Marks	CO1
Q 1	Statement of question		
A	State whether the following statements are True or False with reasons. 1. Demand for energy is a derived demand. 2. All essential services are public utilities while all public utilities are not essential services.	02	
B	Differentiate distribution of power between central, state and concurrent with the help of an example	03	
F	Give the names of four energy ministry and one department in India?	02	
G	Give the two examples of unit conversion on the basis volume and mass conversion	02	
F	Explain the concept of GDP Elasticity with the help of an example.	03	
G	What is the concept of Gross Energy Requirement (GER)?	04	
H	Explain the full names of the following: CERC, SERC, CSP, UREDA, CFA, FOR, IREDA, BHEL	04	

SECTION-B

Q	Attempt all the given questions:		CO2
1	Explain energy sector as public utility along with its characteristics?	07	
2	What implications do you perceive about electricity as concurrent responsibility?	07	
3	What is Peak Load Pricing? Explain with the help of an example and diagram.	06	

SECTION-C

Q	Attempt any Three Questions		CO3,
A	Discuss and explain average cost pricing, marginal cost pricing and market price with the help of diagram.	15	
B	India is transforming into a more open and free market economy. Explain with respect to the implication on energy sector in India	15	
C	Explain the interlinkages of energy sector with special reference to Oil and Gas Sector of India and also discuss the calculation of T&D losses for a state.	15	
D	Discuss the economics of discriminatory charging in detail with the help of an example.	15	

SECTION-D

	The following table presents components of Price Build Up of Domestic LPG (Subsidized) at Delhi	10+5	CO4
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Price Build Up of Domestic LPG (Subsidized) at Delhi

Sr. No.	Elements	Units	Effective 1st April, 2014
01.	FOB Price at Arab Gulf of LPG	\$/MT	874.95
02.	Ocean Freight from AG to Indian Ports	\$/MT	46.11
03.	C&F (Cost & Freight) Price	\$/MT	921.06
	Or	Rs./Cylinder	800.08
04.	Excise Duty	Rs./Cylinder	0.00
05.	Custom Duty	Rs./Cylinder	NIL
06.	Subsidy by Central Government	Rs./Cylinder	22.58
07.	Marketing Cost of OMCs	Rs./Cylinder	10.52
08.	Bottling Charges (Filling and Cylinder Cost)	Rs./Cylinder	38.68
09.	VAT (including VAT on distributor commission) applicable for Delhi	Rs./Cylinder	0.00
10.			
11.	Price Charged to distributor (Bottling Plant Price)	Rs./Cylinder	373.41
12.	Inland Freight and Delivery Charges	Rs./Cylinder	39.45
	Marketing Margin of OMCs	Rs./Cylinder	6.84
13.	Distributor Commission: Establishment Charges –Rs. 24.24/cylinder & Delivery Charges- Rs. 16.47/cylinder	Rs./Cylinder	40.71
14.	Import Charges	Rs./Cylinder	6.47

You are required to calculate following inputs from the above given information:

- a. Import Parity Price
- b. Refinery Transfer Price (RTP) for domestic LPG
- c. Total Desired Price
- d. Under recovery to Oil marketing companies
- e. Retail Selling Price

Categorize the companies and institutions of power sector and oil and gas sector on the continuum of producing to service providing.