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UNIVERSITY OF PETROLEUM AND ENERGY STUDIES

End Semester Examination, May 2018

Program: B.A. (H)- Energy Economics
Subject (Course): Energy Sector Structure & Functioning
Course Code: ECON1009
No. of page/s: 3

Semester – II
Max. Marks : 100
Duration : 3 Hrs

SECTION – A (20 Marks)

Answer all the questions:

1. The body that functions as a semi-regulator granting permission for opening of coal mines (1 mark)
2. India's oldest mining company (1 mark)
3. Define: (5*2=10 marks)
 - a. API gravity
 - b. energy mix
 - c. sweet crude
 - d. natural monopoly
 - e. P-50
4. Define mega- major operators in exploration and production industry (2 marks)
5. Answer the following: (6 marks)
 - a. Renewable mix of India
 - b. Full form of HELP
 - c. Technical advisor to CERC.
 - d. Oil falls under list of the Indian Constitution.
 - e. Power falls under list of the Indian Constitution
 - f. Costliest benchmark crude

SECTION - B (20 marks)

Answer the any four questions:

(5 marks each)

6. “The discovery of substantial natural resources in a region be a curse in disguise”
Explain the above quote w.r.t. to energy resources.
7. Energy market is characterized by indivisibility of capital that changes the supply curve of the market. Explain with the help of a graph.
8. “There are two regulatory bodies in the oil and gas sector - the Petroleum and Natural Gas Regulatory Board, which is a regulator for the downstream activities like laying of pipelines and fuel marketing but without powers to review pricing. The Directorate General of Hydrocarbons (DGH) is a technical arm of the oil ministry which oversees upstream oil and gas exploration and production activities. Various committees have suggested creation of an independent, statutory regulator for the upstream oil sector. At a seminar organised by FICCI, PwC in a presentation reiterated the demand, calling for DGH to be made a statutory body like market regulator SEBI. Responding to this, Pradhan said the sector has not developed fully and still looks at the government for reforms.” – TOI, JAN 2018

In the light of above statement differentiate between the functioning of CERC and DGH.
9. Write a short note on bid evaluation criteria for the allotment of oil well.
10. “The RPO regime is an instrument for stimulating renewable energy investments.”
Discuss. Also, explain REC mechanism.

SECTION C (30 Marks)

Answer all the questions:

(15 marks each)

11. Power sector in India is dominated by the thermal power plants. Discuss the challenges of Indian power sector in lieu of problems faced by the Indian coal sector.
12. Exploration and production activities of Oil and Gas have some differences. Discuss the differences between both in details from exploration till the transportation activities.

SECTION D (30 Marks)

Answer all the questions:

(15 marks each)

13.

- a) Discuss the institutional arrangements of the Indian oil and gas sector. Draw suitable diagram.
- b) What were the advantages of NELP era? Why government replaced NELP with OALP?