

Roll No: -----

UNIVERSITY OF PETROLEUM  
AND ENERGY STUDIES



End Semester Examination, April, 2017

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Program/course: BALLB (Hons) (Sec A and B)

Semester – X

Subject: Energy economics and Law

Max. Marks : 100

Code : LLBD 506

Duration : 3 Hrs

No. of page/s: 3

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Please answer all sections.  
All questions carry equal marks.  
Students are allowed to carry calculators.

**SECTION A (10x1= 10 Marks)**

**I. Please answer fill in the blanks: (10x1= 10 Marks)**

1. The Electricity Supply (Act), 1948 mandated the creation of ..... in the power sector
2. The GOI promulgated ..... for setting up of Independent Regulatory Bodies, viz. the Central Electricity Regulatory Commission (CERC) and the State Electricity Regulatory Commissions (SERCs) to determine tariffs.
3. ....MW is the installed capacity of India as on 28<sup>th</sup> February 2017.
4. .... is the Central Transmission Utility of India.
5. The ..... shall be the Apex Body to ensure integrated operation of power system in the concerned Region.
6. India's per capita consumption is ----cu.m
7. India's gas pricing mechanism is seeing a supply .....

8. Three objectives of gas pricing are ....., ..... and .....
9. Cross subsidies result in allocative .....
10. The global share of Natural Gas in primary energy mix is .....%

**II. Please answer in three sentences: (3x5=15 Marks)**

1. Role of CEA in the power sector
2. Role of NTPC in the power sector
3. Role of RLDC in the power sector.
4. Explain what is netback pricing
5. What do you understand by a HUB

**SECTION B (5X5=25 Marks)**

1. Explain the functions of CERC in detail.
2. There has been some draft amendments in the Electricity Act, 2003. Explain them.
3. Please explain the International Petroleum Fiscal regime and derive what is a Contractors Take.
4. What are Production Sharing Contracts? How are they divided? Please explain the different stages of deductions.
5. Please explain the factors which have impeded higher investments by the IOCs.

**SECTION C (15X2= 30 Marks)**

**Q1.** Consider a case where Rajasthan needs to buy 100 MW of electricity from Delhi for the month of March, 2017, DTL being the delivery point. Calculate the **landed cost** as per new POC regulations taking following into consideration:

a.)Tariff: 4 Rs/ Kwh

b.) Transmission loss at DTL, Delhi and Rajasthan being 1.5%, 1.8% and 1.6% respectively.

c.) Transmission charges at DTL, Delhi injection region, Rajasthan withdrawal region being .042 Rs/Kwh, .12 Rs/Kwh and .14 Rs/Kwh respectively.

**Q2.** Please explain the prevailing natural gas pricing regime in the country(India), and also the potential impact of pricing on the energy industry. In details explain the effects on the power , fertilizer and the petrochemicals sector.

**SECTION D (10X2 = 20 Marks)**

**Q1.** Bilateral trading of power constitutes around 80 percent of the short term power market. In light of the same, Explain the process of power trading through bilateral traders in India.

**Q2.** Give in details the mechanism of derivation of the domestic Gas Pricing as given by Rangarajan Committee Report. Please also give the New Domestic Pricing Mechanism.