Name:

Enrolment No:

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, December 2018

Course: International Energy Markets and Commercial Framework of Energy Industry **Semester: III**

Programme: MA Economics **Course Code:ECON 8003**

Time: 03 hrs. **Max. Marks: 100**

Instructions: Read carefully the instructions in each sections before you answer the questions.

SECTION A
Answer all questions

S. No.		Marks	CO
Q 1	Which region of the world is having largest demand for natural gas?	2	CO1
Q2	What is the shape of supply curve in a perfectly competitive energy market?	2	CO2
Q3	Which countires are the major suppliers of gas in the Asia pacific region?	2	CO2
Q4	Mention the type of following cost function in the energy industry. Represent it with the help of a suitable diagram $C(Q) = c(q_1 + q_2) < c(q_1) + c(q_2)$ C(Q)= Total Cost, $C(q_1)$= Cost of quantity1 , $C(q_2)$=Cost of quantity 2	2	CO3
Q5	Show with the help of suitable diagram how losses occurs due to marginal cost pricing under a natural monopoly	2	CO1
Q6	Define capacity factor with respect to power plant	2	CO1
Q7	Is dollar depreciation has any impact on oil price and oil demand?	2	CO3
Q8	How Volatility of Demand and Supply affects energy markets?	2	CO3
Q9	What is the shape of supply curve in a perfectly competitive energy market?	2	CO1
Q10	Mention two important characteristics of natural monopoly	2	CO1

SECTION B
Answer any four

Q 1		5	CO4
Q2	Analyze the commoditization of oil	5	CO1

Q3	Explain the pricing mechanism in the short run energy market	**5**	**CO4**
Q4	Discuss the present method of oil pricing in India	**5**	**CO4**
Q5	Analyze the existence of competition and monopoly in the energy sector market	**5**	**CO5**
SECTION-C **Answer all the questions**			
Q 1	Discuss the costs and benefits of alternative electricity generation options.	**15**	**CO5**
Q2	Elaborate the economics of renewable energy of any three energy systems. What are the drivers of renewable energy	**15**	**CO4**
SECTION-D			
Q1	Analyze the OPEC behavior of oil pricing. Discuss the application of cartel model, dominant firm model and limit pricing model of oil pricing	**30**	**CO5**

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SECTION A
Answer all questions

S. No.		Marks	CO
Q 1	Mention important conditions of efficiency outcomes in energy market	2	CO1
Q2	Why basic theoretical models of market needs to be changed for the analysis of energy market?	2	CO2
Q3	Why supply curve is kinked in energy market?	2	CO2
Q4	Mention the type of following cost function in the energy industry. Represent it with the help of a suitable diagram $C(Q) = c(q_1 + q_2) < c(q_1) + c(q_2)$	2	CO3
Q5	What is gas supply chain?	2	CO1
Q6	What is the total reserves of natural gas at present	2	CO1
Q7	Is dollar depreciation has any impact on oil price and oil demand?	2	CO3
Q8	Which region of the world is having largest demand for natural gas?	2	CO3
Q9	What is the shape of supply curve in a perfectly competitive energy market?	2	CO1
Q10	Which countires are the major suppliers of gas in the Asia pacific region?	2	CO1

SECTION B
Answer any four

Q 1	Discuss the technological advances in the future of coal based power generation	5	CO4
Q2	What are the advantages of natural gas	5	CO1

Q3	Explain the pricing mechanism in the short run energy market	**5**	**CO4**
Q4	Discuss the present method of oil pricing in India	**5**	**CO4**
Q5	Analyze the existence if competition and monopoly in the energy sector market	**5**	**CO5**
SECTION-C **Answer all the questions**			
Q 1	Distinguish between marginal cost pricing and average cost pricing. Analyze the implication of marginal cost pricing in energy market	**15**	**CO5**
Q2	Discuss the trend of power market India. What are the recent reforms in power sector in India that may affect power market?	**15**	**CO4**
SECTION-D			
Q1	Discuss the economics of electricity supply. Compare the cost structure of different electricity generating technologies.	**30**	**CO5**