

Birla Institute of Technology and Science, Pilani
First Semester 2017-2018
Mid-semester Test (Regular)

Course Name: ENERGY ECONOMICS AND POLICY (ECON F353)

Total Marks: (30) Weight 30%

Duration: 90 Min.

Date: 09/10/2017

Type: Close Book

Instructions for the students

1. There are five questions. All questions are compulsory.
2. All parts of a question should be answered consecutively. Each answer should start from a fresh page.
3. Assumptions made if any, should be stated clearly at the beginning of your answer

Q1. After nearly 40 years of ban on its oil exports, the United States of America has started supplying crude oil to India with a Very Large Crude Carrier (VLCC) docked at Paradip port in Odisha on last Monday to unload its 1.6 million barrels of crude oil. What prompted India to import crude oil from the United States (specify four reasons) and what are the three major factors that affected the price of crude oil recently ? [7 Marks]

Q2. At the Paris climate conference (COP21) in December 2015, 195 countries adopted the first-ever universal, legally binding global climate deal. The agreement sets out a global action plan to put the world on track to avoid dangerous climate change. Mention 10 major agreements taken in the Paris Climate Conference? [10 Marks]

Q3. Explain five major economic rationale for initiating Green Telecom in India? [5 Marks]

Q4. If the elasticity of substitution is low, then reductions in energy input availability will have significant negative feedback effects on the overall economy. Explain the importance of energy in the macro economy using isoquants [5 Marks]

Q5. What is carbon credit policy? Explain how does it operate? [3 marks]