


Name:			
Enrolment No:			
<b>UPES</b> <b>End Semester Examination, December 2023</b>			
<b>Course: Energy Transaction</b> <b>Program: BA. LL.B ( Energy Law )</b> <b>Course Code: CLEL5007</b>		<b>Semester: IX</b> <b>Time : 03 hrs.</b> <b>Max. Marks: 100</b>	
<b>SECTION A</b> <b>(5Qx2M=10Marks)</b>			
S. No.		Marks	CO
Q 1	Identify the major difference between normal contracts and energy contracts.	2	CO1
Q 2	Explain the main facilitators of energy business deals.	2	CO2
Q 3	Why the oil and gas mining leases and licenses are both conveyance and contracts?	2	CO1
Q 4	How the legal planning for a major contributing factor to nuclear new build programme success.	2	CO2
Q 5	Distinguish Request for Qualification and Request for Proposal.	2	CO2
<b>SECTION B</b> <b>(4Qx5M= 20 Marks)</b>			
Q 6	Discuss the Open Access in Inter-State Transmissions in Indian Power Sector.	5	CO2
Q 7	Analyse the nature of trading licenses in the electricity market	5	CO1
Q 8	What are the five key features constituting the system by which the national oil company (NOC) sells state oil?	5	CO2
Q 9	How the oil pricing benchmarks has been done?	5	CO1
<b>SECTION-C</b> <b>(2Qx10M=20 Marks)</b>			
Q 10	How far has competitive neutrality or maintaining a level playing field between the public and private sectors been achieved in the Indian energy transaction market?	10	CO2
Q 11	Identify the problem of variable Renewable Energy in Power Transactions – And also highlight how to address them.	10	CO3
<b>SECTION-D</b> <b>(2Qx25M=50 Marks)</b>			
Q 12	In 2014 the Indian Government decided to accelerate the nuclear option (which was slowed down by the Fukushima incident and 2010 Liability Act). The Indian		

	<p>government entered an agreement with the US which is known as the Indo-US civilian nuclear cooperation agreement, a broad framework agreement, a facilitative one that encourages engagement in nuclear commerce. This Agreement for cooperation between the Government of India and the Government of the United States of America concerning Peaceful Uses of Nuclear Energy was signed on 10th October 2008. To carry forward this collaboration, the Nuclear Power Corporation of India Limited (NPCIL) and M/s Westinghouse Electric Company (WEC), USA had signed a Memorandum of Understanding (MoU) that included negotiation of an early/pre-early Works Agreement. Signing a Memorandum of Understanding with the US entity WEC to establish a 50/50 joint venture to lead local constructor for the reactors to be built at Kovvada in Andhra Pradesh. The agreement will lay out timelines for developing the feasibility, conceptual, organization, regulatory, and economic studies for the engineering, procurement, construction, and operation of the Nuclear New Build. The plan was to develop, construct and operate at least four Gen III units with the first unit foreseen to start commercial operation in 2024. Indian government asked NPCIL to develop a nuclear awareness and qualification process along with WEC and between them to set up the “supply chain development process” aimed at developing new nuclear skills or recovering the skills used in the past.</p> <p><i>a. Identify the parties involved and types of agreements which are integral parts of the above-said deal.</i></p> <p><i>b. Briefly specify the relevant contents/clauses of each agreement to have a smooth energy transaction.</i></p> <p><i>c. Also mention other types of contractual frameworks that may surge later part of this nuclear plant development and its operation stages.</i></p>	<p><b>10</b></p> <p><b>10</b></p> <p><b>5</b></p>	<p><b>CO3</b></p>
<p>Q 13</p>	<p><i>Read the extract from the case law and answer questions a - e</i></p> <p>In the competitive bidding process, the bidders had the flexibility to choose escalable or non-escalable tariffs (that is, a tariff based on an increase in tariff formula). In this case, two major electricity producers quoted a non-escalable tariff with their distributors. This was because the only major component that required an escalable tariff was an increase in fuel (coal) price. And both of them had entered multiple long-term fuel supply agreements from coal mines in a foreign country at fixed/ predictable prices, so there was no need to factor in price escalation. Accordingly, the lowest tariff was arrived at and power producers began to sell power at the said tariff after executing Power Purchase Agreements (PPAs) with the state power procurers. In two-three years after the determination of the tariff, there was a massive jolt to the power producers in the form of new regulations passed by the foreign Government. The effect of these</p>		

	<p>regulations was that the coal price under the long-term fuel supply agreements was to be benchmarked to the international prices instead of the then prevailing pricing mechanisms. This meant that the price under those agreements had drastically increased, thereby making the tariff at which these price producers sold price to the power procurers very unviable.</p> <ol style="list-style-type: none"> <li>a. <i>Name the case and then write the contentions of the parties in detail at the different forums where the case had been travelled.</i></li> <li>b. <i>Identify the variety of transactions and agreements that take place in the Indian Power sector value chain.</i></li> <li>c. <i>Describe the main characteristics of the Power Purchase Agreement.</i></li> <li>d. <i>Analyze the Supreme Court's views on the grievances of the power producers on the force majeure as well as the change of law arguments.</i></li> <li>e. <i>Does the apex court decision offer clarity on the extent to which a tribunal/ court can go in balancing the competing interests of protecting consumers on the one hand and preserving the efficacy and competitiveness of the market players on the other hand?</i></li> </ol>	<b>25</b>	<b>CO3</b>
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