



**MASENO UNIVERSITY**  
**UNIVERSITY EXAMINATIONS 2015/2016**

**FOURTH YEAR SECOND SEMESTER EXAMINATION FOR THE  
DEGREE OF BACHELOR OF SCIENCE IN ECONOMICS TECHNOLOGY  
WITH INFORMATION TECHNOLOGY**

**MAIN CAMPUS**

**AEC 420: ENERGY ECONOMICS**

Date: 15<sup>th</sup> January, 2016

Time: 11.00 - 1.00pm

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**INSTRUCTIONS:**

- **Answer THREE Questions in total**
- **Answer Question ONE and any other TWO Questions.**
- **Question ONE carries 30 marks and the other questions carries 20 marks each.**

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ISO 9001:2008 CERTIFIED



Q 1. The stock of energy resource in terms of the number of barrels of oil remaining in an oil field or biomass of forest measures the state of existing energy resource.

- a) What is the growth trend of these forms of energy? (5mks)
- b) Distinct between mineral and energy resource. (5mks)
- c) Discuss the pattern of energy use by sector in Kenya. (10mks)
- d) Explain the dynamic nature of international oil industry. (10mks)

Q 2. The total reserve left of a non-renewable resource is 100 tones; the production rate is 2% p.a.

- a) Determine the production reserve ratio (5mks)
- b) Explain conservation measures undertaken by the government to conserve energy. (15mks)

Q 3.

- a) Discuss stages of depletion theories (5mks)
- b) Discuss why renewable energy are appropriate for rural area (15mks)

Q 4. a) Discuss market structure of oil industry in Kenya. (10mks)

b) Why is there an energy crisis? (10mks)

Q 5. a) Differentiate between renewable and non renewable resources of energy. (5mks)

b) Outline conservation measures undertaken by the government to conserve energy resource. (15mks)

