



Department of Economics Course Outline

Course:	Economics 325 [Petroleum in the North American Economy]	Term:	Fall 2009
Time:	TR 18:00 – 19:15	Section:	01
Instructor:	Dr. M.C. Moore	Place:	A 142 (subject to change)
Office:	ES 602	Telephone:	220-4386
Office Hours:	TR 15:00 - 17:00	E-mail:	mcmoore@ucalgary.ca

Textbook(s):

Oil on the Brain, Lisa Margonelli

Additional reading to be available on Blackboard

Book(s) on Reserve:

None

Course Objectives:

The main objective of this course is to provide the student with a basis for understanding the structure and economics of the petroleum industry in North America. By the end of the course the student should be familiar with:

1. General characteristics of the petroleum production process, especially as it is unique to North America
2. Major investment needs and decisions regarding production facilities, exploration processes and market oversight
3. Economic and policy forces that guide, inform and influence industry decision-making in investment, supply forecasts and pricing
4. The nature and responsibility of regulatory oversight in this market .../2

Additional Resources that will be used in the Course:

In addition, the following specific resources from the previous website will be referred to during the course:

Alberta Energy and Utilities Board (AEUB) – Alberta's Energy Reserves and Supply Demand Outlook – http://www.eub.ca/docs/products/STs/st98_current.pdf

British Petroleum (BP) – Statistical Review of World Energy
<http://www.bp.com/productlanding.do?categoryId=6848&contentId=7033471>

National Energy Board (NEB) – Canada's Energy Future: Scenarios for Supply and Demand
<http://www.neb.gc.ca/clf-nsi/rnrgynfmtn/nrgyrprt/spplydmnd/spplynddmndt20252003/spplydmnd2003-eng.pdf>

National Energy Board (NEB) – Canadian Energy Overview
<http://www.neb.gc.ca/clf-nsi/rnrgynfmtn/nrgyrprt/nrgyvrw/cndnnrgyvrw2006/cndnnrgyvrw2006-eng.pdf>

National Energy Board (NEB) – Canada's Oilsands: Opportunities and Challenges to 2015
<http://www.neb.gc.ca/clf-nsi/rnrgynfmtn/nrgyrprt/lsnd/pprntnsndchllngs20152006/pprntnsndchllngs20152006-eng.pdf>

Stern Review Report on the Economics of Climate Change (Executive Summary)
http://www.hm-treasury.gov.uk/d/Executive_Summary.pdf

University of Calgary, Institute for Sustainable Energy, Environment and Economy
GHG Emissions and Mitigation Measures for the Oil and Gas Industry in Alberta
<http://www.ucalgary.ca/iseee/files/iseee/ABEnergyFutures-07.pdf>

US Department of Energy/Energy Information Administration (DOE/EIA) – Annual Energy Outlook (AEO)
<http://www.eia.doe.gov/oiaf/aeo/index.html>

Course Structure and Topics:

The Course is organized around readings and discussions in the following areas:

1. Defining North American Petroleum Supply Resources and Markets
2. Understanding the physical nature of petroleum and derivative products
3. The nature of supply and demand in the market
 - for crude
 - for finished products
 - for ancillary products
4. North American Supply and Demand
 - Supply by region and characteristic
 - Demand by region and characteristic
 - Import and Export Characteristics
5. Price setting and market trading
6. Regulation and Oversight throughout North America
7. Special Cases
8. Externalities and the Environment
9. Forecasting and Emerging Markets

Grade Determination and Final Examination Details:

Mid-term Exam	40%
Quiz Materials	20%
Final Exam	40%

Tests and final exams are marked on a numerical (percentage) basis, then converted to letter grades. The course grade is then calculated using the weights indicated above. As a guide to determining standing, these letter grade equivalences will generally apply:

A+	98 - 100	B	75 - 79	C-	60 - 62
A	90 - 97	B-	70 - 74	D+	55 - 59
A-	85 - 89	C+	67 - 69	D	50 - 54
B+	80 - 84	C	63 - 66	F	< 49

A passing grade on any particular component of the course is not required for a student to pass the course as a whole.

Non-programmable calculators will be allowed during the writing of tests or final examinations.

The final examination will be scheduled by the Registrar. It will last two hours and will be held in an assigned room. Examinations and quizzes may contain multiple choice questions.

Students' Union Vice-President, Academic

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www.ucalgary.ca/sue/

Notes:

- Students seeking reappraisal of a piece of graded term work (term paper, essay, etc.) should discuss their work with the Instructor *within fifteen days* of the work being returned to the class.

- **It is the student's responsibility to request academic accommodations. If you are a student with a documented disability who may require academic accommodation and have not registered with the Disability Resource Centre, please contact their office at 220-8237. Students who have not registered with the Disability Resource Centre are not eligible for formal academic accommodation. You are also required to discuss your needs with your instructor no later than fourteen (14) days after the start of this course.**

Safewalk / Campus Security: 403-220-5333

MCM/mi
2009-07-30