

ABSTRACT

Electricity has almost become a basic need of the human beings in this ever developing and competitive world. It has revolutionized the way of human life remarkably from the day that Thomas Alva Edison invented the incandescent electric light bulb. It has become the most crucial factor for the social and economic development of any country and Sri Lanka is no exception to that. The population of the World increases day by day and the needs of these people increases exponentially. Since the resources available are limited, it should be used judiciously. Forecasting and planning is essential to manage the resources carefully and it requires perfect synchronization between production and consumption. An accurate picture of the future, considering the government plans to become a middle income earning country, the infrastructure facilities should be developed to attract the prospective investors, and it should be based on the past experiences and lessons learnt.

The electricity industry in Sri Lanka faces the serious problems of finding it difficult to meet the demand of the customers and the high prices involved in electricity generation due to banking on thermal power diesel to augment the shortfall. Since the country needs to bridge the gap between the electricity supply and demand in a cost effective method, forecasting, planning and implementing the required initiatives will be very important.

Many subjects dealt in this research are vast enough to require separate volumes. However, effort has been made to select the most important topics which are essential such as population, relationship between electricity demand and supply, increasing the capacities of the present power generating systems, establishing new viable methods of generating power, reducing the wastage through educating the customers, technological developments, regional cooperation and preventing energy piracy, to manage the electricity demand of the country has been considered.

All the independent and dependent variables were found to be significant in explaining the methods of managing the electricity demand of the country. The primary and secondary data collected have been analysed and presented to derive thought provoking and viable recommendations.