

# IMPACT OF SOCIO ECONOMIC FACTORS TO CHANGING ENERGY CONSUMPTION EXPENDITURE OF THE URBAN SECTOR (WITH SPECIAL REFERENCE TO ARACHCHIKATTUWA DIVISIONAL SECRETARIAT DIVISION)

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Industrial Revolution causes a dramatic change in energy system, away from locally gathered, traditional fuel such as biomass to commercially traded fossil fuels. New innovations are given high priority to the energy. Then pattern of energy usage is changed day by day. According to the oxford dictionary definition, the power derived from physical or chemical resource to provide light and heat or to work machines is called energy. Energy used in respiratory activities including growth, reproduction and combustion of food and fuel.

**Keywords:** : *Economy, Energy system, Expenditure*

## 1. INTRODUCTION

In an economy, energy is used for many purposes. Energy is used by the household sector for heating, cooking, lighting, air conditioning and hot water heating. Energy is utilized for highway vehicles, air, Main and railway made by the transportation sector. Many industries as primary metals, paper, food, stone, glass, and clay, petroleum and coal, chemical and other industries are used energy for their working process. Agriculture sector also used energy for many purposes such as preparation land, planting, cropping and other activities. Energy as coal, diesel, wind, solar and other are used for electrical power generation. Then, energy plays a crucial role in an economy.

The share of hydro electricity, biomass and petroleum consumed in Sri Lanka was 5%, 70%, and 25%, respectively

in 1972 while it was 8%, 45% and 47%, respectively in 2006, showing drastic drop in the share of biomass and a use in petroleum products. Thus indigenous renewable sources of energy provide 55% of the national primary energy need. All petroleum products are imported, and used for transport, electricity generation, household, commercial and industrial requirements. Electricity and petroleum products are the main form of commercial energy and increasing amount of biomass is also commercially growth and traded (Central Bank Annual Report, 2006).

Considering Sri Lankan situation, household sector is a major driver of energy consumption. In 2007, the largest energy consumer was the household and commercial sector, using a share of 48% of country's total energy demand. Transport