

ABSTRACT

Electricity is one of the important elements in everyday human life. In the modern era, electricity has become the primary needs of the community, thus encouraging a high level of electricity demand to the PT PLN (Persero) as a provider of electricity were authorized by the government. PT PLN (Persero) has been trying to adjust the number of requests to the availability of existing power. This study aims to analyze the factors that influence the demand for electricity in Central Java in 2014-2016.

This study analyzes three independent variables, population, power capacity installed and Gross Regional Domestic Product (GRDP) per capita on the dependent variable electricity demand, using secondary data, the panel, which is a cross section of ten units of the branch of PT PLN (Persero) Distribution Central Java and time series for three years. Analysis of the data used in the study is in the form of panel data regression using the fixed effect model (FEM).

The result shows that the variables of the population has a significant and positively influence the demand for electricity. Variable power capacity installed also has a significant and positively influence the demand for electricity. As for the GRDP per capita variables do not have significant influence, but positively influence the electricity demand.

Keywords: Electricity Demand, Population, Power Capacity Installed, the GRDP per capita, Fixed Effect Model.