

Vital reason for water hike

PBAPP: Need to reduce subsidy as well as consumption

THE domestic water tariffs in Penang were reviewed only once between 2008 and 2017 and not four times as alleged, according to Chief Minister Chow Kon Yeow.

He said the Penang Water Supply Corporation (PBAPP) reviewed the water tariff only in 2015 which affected both domestic and commercial water consumers.

“The subsidy must be reduced to free up funds for important water projects such as the twin submarine pipeline and Sungai Perak Raw Water Transfer Schemes.

Jaseni Maidinsa



Chow highlighting at a press conference that Penang had reviewed the water tariff only once between 2008 and 2017 and not four times as alleged. With him is Jaseni.

He said the introduction and review of the water conservation surcharge (WCS) could not be regarded as a domestic water tariff review as the move was aimed at reducing Penang's per capita domestic consumption.

“It's not true that the state had increased water tariff four times since 2008 as claimed by certain quarters.

“We only introduced WCS at RM0.24 per 1,000 litres, only for domestic consumption above 35,000 litres per month, in 2010.

“In the same year, we also implemented a trade tariff review but only for commercial users and not for domestic users,” said Chow at a press conference

in Komtar, Penang.

Chow said PBAPP also reviewed the WCS from RM0.24 per 1,000 litres to RM0.48 per 1,000 litres in 2013, but there were no tariff reviews.

It was earlier reported that Penang was likely to see a rise in water tariff rates following indications by the state government that the increases were on the horizon.

To this, former Prime Minister Datuk Seri Najib Tun Razak was quoted as saying that the proposed increase of the water tariff in Penang would be the fourth hike since Pakatan Harapan, previously known as Pakatan Rakyat, took

over the state administration about a decade ago.

Chow said 77% of Penang's domestic water consumers who use less than 35,000 litres per month do not pay WCS.

PBAPP chief executive officer Datuk Jaseni Maidinsa said the key rationale for the PBAPP tariff review application was because water subsidies amounted to RM163.2mil in 2017 and 2018.

“This level of subsidy is not sustainable.

“It must be reduced to free up funds for important water supply projects such as the Butterworth-Penang Island Twin Submarine Pipeline and the Sungai Perak Raw

Water Transfer Schemes,” he said.

Jaseni pointed out that Penang was a water stressed state and the demand for water is projected to increase from 826 million litres per day (MLD) in 2017 to 1,884 MLD in 2050.

He said that in the age of climate change, PBAPP must minimise the danger of water rationing in a state with limited raw water resources.

“For now, PBAPP is able to meet all of Penang's water supply needs.

“But as a responsible water supply operator, we have to plan and act wisely to ensure water supply sustainability and security for the future.”

