

Water tariff review needed for future of Penang, says PBAPP

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PETALING JAYA: The proposed water tariff review is not aimed at putting more money into Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP)'s pockets, but to protect the future of Penang and its people, its CEO said today.

Datuk Jaseni Maidinsa said the proceeds from the proposed review would be used to fund important water supply projects for the future based on eight key points.

PBAPP will invest RM501 million in water supply projects from 2019 to 2021 due to eight key reasons. They are:

- > Penang's average daily water demand has increased by 11.02%, from 744 million litres per day (MLD) in 2008 to 826 MLD in 2017.
- > Penang's water demand is projected to reach 1,884 MLD by 2050, according to the independent "Masterplan Study for Potable Water in Penang towards 2050".
- > PBAPP's customer base has increased by 26.96%, from 476,179 consumers in 2008 to 604,547 consumers in 2017.
- > The number of trade water consumers (including multinational manufacturing companies, international hotels and all kinds of businesses) in Penang has increased by 47.42%, from 58,707.
- > Penang needs to have sufficient water to support projects for the future, such as the "Gurney Wharf", "Batu Kawan Masterplan" and "Penang South Reclamation - Three Islands Project".
- > PBAPP must consistently stay ahead of Penang's water demand to ensure that the people continue to benefit from future socioeconomic progress.
- > Due to planning, development and funding considerations, major water supply projects cannot be realised in a year or two. For example, the projected development period for the Sungai Perak Raw Water Transfer Scheme (SPRWTS) is 7 years.
- > The state government has implemented a "No Water Rationing" policy and PBAPP's primary objective is to implement water supply projects to avoid water rationing in Penang at all costs.

Jaseni urged the MCA to think about the good of Penang and its people in the future as it had appealed for the cancellation of the proposed water tariff review.

"Things have changed in Penang, significantly, since 2008," he said. "Due primarily to increased domestic water consumption, PBAPP's water subsidies for 2017 and 2018 amounted to RM163.2 million. In 2017, PBA Holdings Bhd reported operational profits after tax (PAT) of RM37.28 million."

On Jan 14, PBAPP proposed a water tariff revision to raise funding for RM501 million in investments between 2019 and 2021.