



Penang proposes RM3 to RM18.80 water tariff hike for homes, businesses

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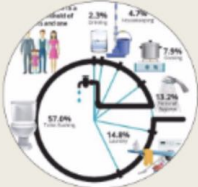


Penang says it has sufficient water supply but needs to raise tariffs for future demand. (Bernama pic)

GEORGE TOWN: The Penang Water Supply Corporation (PBAPP) has urged residential and commercial users in the state to submit their feedback on the water tariff hike it proposed in 2019. The proposal was reviewed by the National Water Services Commission (SPAN) and released to the public for their views today.

PBAPP has proposed a RM3 to RM15 increase for residential users, depending on usage. This is expected to affect 75% of residential accounts.

Commercial users will see a hike of RM3 to RM18.80, and a maximum hike of RM69.19 for those who use more than 100 cubic metres of water monthly.

The corporation has also proposed to remove companies placed under the “trade (special)” category to a single category for commercial users.

 Domestik	 Bil/ Tarif Sedia Ada	 Bil/Tarif Baharu
<p>En. Lim tinggal di George Town dengan penggunaan air 25m³ sebulan</p>	<p>0 – 20 m³: RM0.22 > 20 – 40 m³: RM0.46 > 40 – 60 m³: RM0.68 > 60 – 200 m³: RM1.17 > 200 m³: RM1.30</p> <p>Surcaj Konservasi Air >35m³: RM0.48/ m³</p> <p>RM6.70 untuk penggunaan 25m³ sebulan</p>	<p>0 – 20 m³: RM0.55 > 20 – 35 m³: RM1.10 > 35 m³: RM2.00</p> <p>RM16.50 untuk penggunaan 25m³ sebulan iaitu peningkatan bil air sebanyak RM9.80 sebulan</p>

A scenario by PBAPP showing a RM9.80 increase for a household that uses 25 cubic metres a month under the proposed tariff hike. <https://www.bernama.com.my/bernama/tariff-hike-for-homes-businesses/>



Penang has the cheapest water tariffs in the country, with most residential users paying an average of RM5.55 per month.

In a statement, PBAPP CEO Jaseni Maidinsa said the current low tariffs were making it impossible for the company to raise funds for capital expenditure and to invest in newer water infrastructure.

“While Penang has sufficient water supply today, it must ensure that it does not run out of water in the near future. In the water industry, supply must always exceed demand.

“As such, PBAPP must constantly invest in water supply infrastructure development as well as upgrading and maintenance to maintain the status quo in the years to come,” he said.

In approving the proposed tariff hike, SPAN said the water company required funds to meet future demand aside from wanting to prevent wastage that could arise from low water bills.

It also noted that Penang’s nine water treatment plants, with a design capacity of 1,599 million litres a day (MLD), only drew 1,105 MLD last year, and had a reserve of 31% margin, which was healthy.

The regulator said despite healthy margins, the adjustment of tariffs was necessary as old piping had to be replaced to reduce leaks or non-revenue water (NRW), while more water was needed for Balik Pulau and the upcoming Penang South Reclamation (PSR) project by 2030.

Pengguna Domestik				
Jalur Penggunaan (m ³)	Jumlah Akaun (%)	Bil Bulanan (RM)		Kenaikan Bil Bulanan (RM)
		Tarif Sedia Ada	Tarif Baharu	
0 - 20	48.2%	2.50 – 3.96	5.50 – 9.89	3.00 – 5.93
>20 - 35	27.2%	>3.96 – 10.34	>9.89 – 25.20	5.93 – 14.86
>35	22.4%	>10.34	>25.20	>14.86
Pengguna Bukan Domestik – Perniagaan Biasa				
Jalur Penggunaan (m ³)	Jumlah Akaun (%)	Bil Bulanan (RM)		Kenaikan Bil Bulanan (RM)
		Tarif Sedia Ada	Tarif Baharu	
0 - 35	72.05%	12.00 – 30.53	15.00 – 49.34	3.00 – 18.81
>35	27.95%	>30.53	>49.34	>18.81
Pengguna Bukan Domestik – Perniagaan Khas				
Jalur Penggunaan (m ³)	Jumlah Akaun (%)	Bil Bulanan (RM)		Penurunan/ Kenaikan Bil Bulanan (RM)
		Tarif Sedia Ada	Tarif Baharu	
0 - 35	60.17%	12.00 – 99.27	15.00 – 49.34	-49.93* – 3.00
>35	35.83%	>99.27	>49.34	-49.93*

A table showing the old and new water tariffs proposed for select categories of water users in Penang.



SPAN also revealed that PBAPP's capital expenditure proposal to carry out water-related projects cost an estimated RM500.8 million.

According to Jaseni, the hike in tariffs would reduce the state's reliance on water drawn from Sungai Muda, as the "threat of mishaps of negative development" upstream could affect the state.

He said the new tariffs would allow Penang to build a new water treatment plant at Sungai Kerian, where a raw water transfer project from a river in Perak would allow it to sustain enough water by 2050.

"The extra funds would help upgrade its existing water treatment plant in Butterworth which supplies to over 80% of the state, a water supply scheme to draw water from Sungai Prai and a desalination plant."

Penangites are the highest consumers of water at 299 litres per capita per day (LCD) compared with the national average of 240 LCD.

Those who would like to take part in SPAN's survey can head to https://apps.span.gov.my/rundingan_awam/pen804. The survey is open from today until June 6.