

## Public consultation on Penang's proposed water tariff review begins

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*Penang Water Supply Corporation chief executive Datuk Jaseni Maidinsa speaks to the press at the SPICE Convention Centre in Bayan Lepas September 8, 2020. — Picture by Sayuti Zainudin*

GEORGE TOWN, May 24 — Penang's water supply operator has proposed a water tariff review and a public consultation exercise on the proposal is now on Penang Water Supply Corporation's (PBAPP) website.

The public consultation exercise, conducted by National Water Services Commission (SPAN), is from today until June 6.

Additional documents on the proposed tariff review, which was made back in 2019, are also available for viewing at SPAN's website.

According to PBAPP, SPAN is also conducting public consultation for water tariff reviews in other states such as Kedah, Perak, Melaka, Negri Sembilan and Johor.

SPAN had also conducted similar exercises involving tariff reviews for Kelantan, Terengganu, Pahang, Selangor and FT Labuan in 2019 and 2020.

PBAPP Chief Executive Officer Datuk Jaseni Maidinsa said one of the reasons for the tariff review was the projection of increased water demand.

"Penang's average water consumption was 845 million litres per day (MLD) in 2020 and the water demand is projected to reach 1,696 MLD by 2040 and 1,884 MLD in 2050," he said.

He said Penang has also become over dependent on Sungai Muda as a raw water resource where 80 per cent of raw water was extracted from the river.

"PBAPP must tap a second major raw water resource for Penang towards 2050, such as Sungai Perak," he said.

He said PBAPP needed sufficient funds to construct the proposed Sungai Kerian Water Treatment Plant to treat raw water from Sungai Perak before the proposed Sungai Perak Raw Water Transfer Scheme comes online.

He said climate change and abnormally low rainfall in water catchment areas has exacerbated Penang's raw water risks so Penang needs to implement its Penang Water Supply Initiative 2050 contingency projects to mitigate raw water risks.

Finally, he said Penang's current domestic water tariff at 32 sen per 1,000 litres for the first 35,000 litres per month is the lowest in the country.

"These low existing tariffs make it impossible for PBAPP to raise sufficient funds for its proposed capex," he said.

He said Penang's per capita domestic consumption was 299 litres per capita per day (LCD) as compared to the national average of 240 LCD.

He attributed this higher consumption to its low tariffs and believes that by reviewing the domestic tariffs, it will motivate more consumers to save water and reduce consumption.

"PBAPP is applying for water tariff review in Penang to effectively address Penang's present raw water risks and ensure water supply security now and in the future," he said.