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PBAPP to apply for water tariff review this year

17/03/2022 12:23 PM

GEORGE TOWN, March 17 (Bernama) -- Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP) will submit a water tariff review application to raise funds for the implementation of the Raw Water Contingency Plan 2030 (RWCP 2030) projects.

Its chief executive officer Datuk Jaseni Maidinsa said the application would be submitted to the National Water Services Commission (SPAN) this year, and subject to federal government approval.

“The last water tariff review in Penang was in 2015 and PBAPP has applied for a water tariff review in 2019.

“However, the Minister of Environment and Water (KASA) issued statements in 2020 and 2021 that the federal government has postponed all water tariff reviews following the impact of the COVID-19 pandemic on the Malaysian economy,” he said in a statement today.

He said Penang’s average domestic water tariff for the first 35,000 litres of domestic consumption was RM0.32 per 1,000 litres and it was the lowest in Malaysia.

Jaseni said PBAPP was not looking for higher profits. The additional funds raised would be reinvested into the RWCP 2030 projects.

He said the main rationale behind the proposed Penang water tariff review 2022 was that the state could not cope with the increase in water demand without the RWCP 2030 projects.

“Five projects under RWCP 2030, scheduled for completion in the period 2022 to 2028 are Phase 2 of Sungai Dua Water Treatment Plant (LRA) sedimentation tanks upgrades; Package 12A of Sungai Dua LRA: an additional new water treatment module; Phase 1 of Mengkuang Dam LRA; Phase 1 of Sungai Muda LRA, and Sungai Prai Water Supply Scheme,” he said.

He said the main objective of these projects was to ensure water adequacy in Penang as the state continued its journey towards post-pandemic socio-economic recovery.

“The existing unsustainable water tariff will result in RM97.3 million in domestic subsidies in 2021. Penang's water consumption is projected to reach 1,532 million litres per day (MLD) by 2030 and 2,178 MLD by 2050, based on an independent water supply engineering study completed in 2021,” he said.