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Penang's domestic water rates are rational, reasonable: PBAPP



GEORGE TOWN: Penang's domestic water rates are rational and reasonable, the Penang Water Supply Corporation (PBAPP) said today.

This was despite continuous criticisms hurled against them, especially on social media, following the recent tariff hike.

PBAPP chief executive officer K. Pathmanathan said Penang's average domestic water rate was the second lowest for domestic water consumption up to 35m³ (35,000 litre) per month.

He said the majority (77.3 per cent) of Penang domestic consumers consumed 35m³ or less per month.

Since Jan 30, this year, new water rates have been regulated by the federal government for 11 states in Peninsular Malaysia and the three Federal Territories of Kuala Lumpur, Labuan and Putrajaya.

"Water rates are higher throughout Malaysia, and not only in Penang.

"Nevertheless, the average household domestic water bill in Penang is still relatively lower than the bills for electricity, fuel, Internet connection and mobile phone services," he said today.

Elaborating, Pathmanathan said Penang's domestic water rates were last reviewed in 2015.

He said in the period from 2015 to 2023, the costs of producing and supplying treated water to consumers in Penang had increased by 30 per cent.

"PBAPP's electricity costs to pump water throughout the state have gone up significantly. Since the implementation of TNB's Imbalance Cost Past-Through (ICPT) in 2023, PBAPP's electricity bill has increased by 22.3 per cent.

"In the nine-year period from 2015 to 2023, PBAPP's total water subsidy for domestic water consumption in Penang amounted to RM834.74 million. This level of subsidy is no longer sustainable," he added.

Pathmanathan said there are 593,255 domestic consumers in Penang, of whom 77.3 per cent used 35m³ or less per month.

He said the costs to produce and supply 1m³ of treated water was higher than the RM0.86 per m³ average domestic rate for consumption of up to 35m³ per month.

"So, in 2024, PBAPP still subsidises domestic water consumption for the benefit of the majority of Penangites, albeit at a lower and acceptable level.

"Penang's per capita domestic consumption was 284 litres/capita/day (LCD) in 2023, as compared to national average of 237 LCD in 2022. Singapore's per capita domestic consumption statistic for 2023 is 141 LCD."

The data shows that an average Penang domestic consumer uses more water at home than an average Malaysian consumer; and significantly more water than an average Singaporean consumer.

"As such, those who wish to pay less for their Penang household water bill have the option to use less water," he said.

On April 26, Pathmanathan said despite higher charges, the average domestic water rate in Penang remains the second lowest in the country.

On Jan 17, Chief Minister Chow Kon Yeow said Penang is still enjoying among the lowest water tariff in the country despite the new water tariff announced by the National Water Services Commission (SPAN).