

4-6-2026

Penang to implement new water tariff from July 1, second lowest in Malaysia



GEORGE TOWN (June 4): Penang will implement a new water tariff for domestic and non-domestic consumers starting July 1 after its implementation was postponed for 12 months.

State Transport, Infrastructure and Digital Committee chairman Zairil Khir Johari said the average domestic water tariff rate for the first 35 cubic metres (m³) of water used per month has been set at RM0.93 per m³.

He said the adjustment involved a maximum increase in water bills of RM2.55 per month for 82% of domestic consumers or households who use 35m³ of water or less per month, equivalent to about 8.5 sen per day.

"For the first band, which is the first 20,000 litres (20m³), the increase is only three sen from 62 sen to 65 sen while for the use of 20,000 litres to 35,000 litres (20m³ to 35m³), the rate increases by 13 sen from RM1.17 to RM1.30.

"However, the average calculation is made based on the use of the first 35m³ because that is the benchmark commonly used in the tariff structure," he said at a press conference at Komtar, here on Thursday.

Zairil informed that Penang is still among the states with the cheapest water tariffs, in fact the second lowest in Malaysia after Perak (RM0.89) and is still below the national average (RM1.12).

Explaining further, he said that for non-domestic consumers, the average new tariff rate for the first 500m³ per month is RM2.28 per m³ and the maximum increase in water bills involves 27% non-domestic consumers such as factories, hotels, shopping malls, business premises and government offices that use 500m³ of water or less per month is RM77.70 per month or RM2.59 per day.

"Therefore, non-domestic consumers who use 500m³ per month will pay RM1,141.70 per month starting July 1, 2026 compared to RM1,064.00 per month previously. The difference is lower for those who use less than 500m³ per month," he said.

He said the tariff adjustment was necessary to ensure sustainable water supply services and support continued investment in the development and maintenance of water infrastructure in the state.

Meanwhile, Penang Water Supply Corporation (PBAPP) chief executive officer Datuk K Pathmanathan said the tariff adjustment only involved domestic and non-domestic consumers while houses of worship and welfare institutions, the shipping sector and other categories would not be subject to any increase with the tariff rates remaining unchanged.

He said for consumers with large households, they could apply for a rebate through the Family Friendly Rebate Scheme offered by PBAPP, which is a rebate of RM20 on each bi-monthly water bill for eligible households.

On July 30, 2025, the federal government gazetted new water rates for Penang as well as nine other states and the Federal Territory of Labuan, however, the State Executive Council had directed PBAPP to postpone the implementation of the new rates for a year until July 1, 2026.