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No further delays for water tariff hike in Penang - CM



THE Penang government will not consider any further delay to the water tariff increase in the state after its implementation was previously delayed for about a year.

Chief Minister Chow Kon Yeow said he had provided further clarification on the matter, including to the relevant Exco when it was raised at the State Legislative Assembly (DUN) sitting in May.

Chow said the new water tariff was gazetted by the Federal Government through the National Water Services Commission (SPAN) on July 30 last year, with several states already implementing the revised rates.

"Penang could actually have implemented the new tariff on August 1 last year, but we chose to delay it until July 1 (this year).

"So, if we take this period into account, then we have already delayed it for almost a year. We don't want to delay it any longer," he said.

Chow said this when asked to comment on the latest call from Bagan Member of Parliament, Lim Guan Eng, to postpone the implementation of the 20 sen per cubic metre water tariff increase for another year.

Lim had earlier said the delay would help ease cost-of-living pressures amid global economic uncertainties. He argued that PBAPP's pre-tax profit rose from RM23.1 million in the first quarter of 2025.

Chow said the implementation of the new tariff is important to ensure that state water operators have the financial capacity to finance various projects to strengthen the security of water supply in Penang.

"We (the state government) are currently looking at large investment opportunities of up to RM2 billion to strengthen the state's water security. That is not even counting the water supply agreement with Perak, which involves billions of ringgit.

"Therefore, although the additional revenue from the water tariff increase may only be around RM20 million, the amount is very important for the company to finance related works," he said. – July 17, 2026