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## **PRESS RELEASE**

# **PBAPP WATER SUCCESS STORY: COMPLETED PACKAGE 1 OF PENANG'S NEW TWIN SUBMARINE PIPELINE PROJECT COSTING RM9.2MILLION ENSURING NO WATER RATIONING IN PENANG FOR THE NEXT 10 YEARS**

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PENANG, Monday (19/3/2018): Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP) has completed Package 1 of the new Butterworth-Penang Island Twin Submarine Pipeline Project.

Penang Chief Minister YAB Tuan Lim Guan Eng said the key rationale for this RM125 million new submarine pipeline project were:

1. Efficient delivery of more treated water from the Sungai Dua Water Treatment Plant to Penang Island, in order to address future water demand;
2. Replacement of the first twin submarine pipeline that was commissioned in 1973 (45 years old); and
3. Ensuring that Penang lives up to its "No Water Rationing" policy in the future, for the benefit of the people and thousands of businesses on the island.

PBAPP water success story: completed package 1 of Penang's new twin submarine pipeline project costing RM9.2million ensuring no water rationing in Penang for the next 10 years

The new twin submarine pipeline project is being developed in 3 packages:

- Package 1, which encompasses the laying of 0.9km of 1,800mm land pipelines in the Macallum area in George Town has been completed at a cost of about RM9.2 million.
- Package 2A and 2B involves the laying of 0.8km of 1,800mm land pipelines in Butterworth. PBAPP is awaiting approval from the Majlis Perbandaran Seberang Prai (MPSP), Lembaga Lebuhraya Malaysia (LLM) and Keretapi Tanah Melayu Berhad (KTMB) to commence

work. The combined projected cost for Package 2A and 2B is RM15.2 million.

- Package 3 will see the laying of 3.2km of 1,200mm twin submarine pipelines from Butterworth to the Macallum area on Penang Island. The open tender is scheduled to be called by May 2018.

YAB Tuan Lim was on a technical visit to the completed Package 1 site in the Macallum area on Penang Island today.

PBAPP and PBA Holdings CEO Dato' Ir. Jaseni said the entire project was scheduled for completion by December 2020.

“When completed, the new Butterworth-Penang Twin Submarine Pipeline will deliver up to 315 MLD (million litres per day) of treated water from the Sungai Dua WTP to PBAPP’s pump houses and treated water reservoirs at Bukit Dumbar on Penang Island. The treated water will then be re-pumped to water consumers throughout the southern parts of Penang Island and also Balik Pulau,” he said.

YAB Lim said the beneficiaries of this project include 500,000 people and thousands of businesses located in the areas from Green Lane to the south-west districts of Penang Island, comprising both domestic and trade water consumers.

He said forward looking projects such as these had also helped Penang to achieve the highest water reserve margin in Malaysia in 2016 (please refer to Appendix A) of 34.1%, which allowed Penang to succeed in not imposing water rationing since 2008, the only state to escape water rationing in Malaysia.

Penang has also succeeded with the lowest domestic water tariffs in Malaysia at RM0.32 per 1,000 litres for the first 35,000 litres and the most consistently profitable water operator in Malaysia. The success has been made possible because of our 4P partnership of public, private, people and professional.

“It should be reiterated that Penang is the only state in Malaysia that has publicly declared a No Water Rationing policy. The implementation of the New Butterworth-Penang Island Twin Submarine Pipeline project reflects our unwavering commitment to this policy by making sure that supply is

always ahead of demand,” YAB Lim added.

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Appendix A:

## Water Reserve Margins 2016

State	2016			
	No. of WTPs	WTP Design Capacity	Production	Water Reserve Margin
		MLD		%
<b>Penang</b>	<b>9</b>	<b>1,599</b>	<b>1,054</b>	<b>34.1</b>
FT Labuan	6	101	72	29.2
Perak	46	1,846	1,317	28.7
Terengganu	12	846	616	27.2
N. Sembilan	23	1000	779	22.1
Pahang	76	1414	1111	21.4
Sarawak	93	1675	1328	20.7
Melaka	9	639	510	20.1
Johor	44	1986	1661	16.4
Sabah	73	1304	1221	6.4
Kelantan	35	500	471	5.8
Perlis	4	233	230	1.0
Selangor	34	4606	4807	0.0
Kedah	36	1308	1361	0.0
<b>Malaysia</b>	<b>500</b>	<b>19056</b>	<b>16536</b>	<b>13.2</b>

Source: Malaysia Water Industry Guide 2017