

20.6.2022

Media Release 3:

PBA Holdings Bhd (PBAHB) 22nd Annual General Meeting

ADDRESSING A SURGE IN PENANG WATER DEMAND

DATO' JASENI MAIDINSA, CEO, PBAHB and PBAPP.

- **Domestic water consumption in Penang has shot up by 70 MLD (14.0%), from 500 MLD in 2019 to 570 MLD in May 2022.**
- **Trade (business) water consumption, which had dropped in 2020 and 2021, is also rising rapidly.**

PENANG, Monday, 20.6.2022: Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP) is striving to address a huge surge in water demand in Penang.

- In June 2022, all water treatment plants (WTPs) in Penang are operating at optimal capacity. On average, PBAPP distributed 945 million litres of treated water per day (MLD) to consumers' taps in Penang in May 2022. This monthly average is the highest we have reported since PBAPP was corporatised in 1999.
- Urgent cloud seeding operations will be carried out from June to December 2022 to refill the Air Itam Dam because its effective capacity had dropped by 58.8% in 6 months (from 89.3% on 1.1.2022 to 30.5% on 12.6.2022).
- PBAPP has deployed water tankers and static water tanks to a few end-of-line (EOL) and higher ground areas in Seberang Perai Selatan (SPS). We have been diverting more water to SPS. We are also implementing the SPS-Water Supply Contingency Plan 2022 (SPS-WSCP) to prioritise water supply to 32,993 water consumers in SPS, from 6.01pm – 6.00am daily.

Key causes of the present water supply issues in Penang

In a previous 9-year timespan (2010 – 2019), the total recorded water consumption in Penang increased by 61 MLD (7.8%), from 782 MLD in 2010 to 843 MLD in 2019.

However, in the past 3 years, total water consumption in Penang rose by 102 MLD (12.1%), from 843 MLD in 2019 to 945 MLD in May 2022.

(Please refer to Appendix A: “Total Water Consumption in Penang, 2010 – May 2022.”)

As expected during the 2 Covid-19 pandemic years of 2020 and 2021, trade (business) water consumption dropped by 30 MLD (8.7%), from 343 MLD in 2019 to 313 MLD in 2020 and 2021. Since Malaysia entered the endemic phase, trade consumption is on the rise again and reached 375 MLD in May 2022.

On the other hand, domestic water consumption increased by 47 MLD (9.4%) during the pandemic years, from 500 MLD in 2019 to 547 MLD in 2021. In month of May 2022, it hit an all-time high of 570 MLD.

(Please refer to Appendix B: “Penang Water Consumption Analysis/Trends 2018 – May 2022.”)

The water supply engineering data shows unequivocal surge in water consumption in Penang in recent years. The likely causes are:

- **Domestic Consumption:** Changes in domestic consumer behaviours and routines in response to the Covid-19 global pandemic. These behaviours and routines are still prevalent in the endemic phase because domestic water consumption has not decreased.

Please note that according to statistics published by the Department of Statistics Malaysia (DOSM), Penang’s population increased minimally by 2,000 people in the period 2019 – 2021.

- **Trade Consumption:** After a 2-year hiatus, trade water consumption in Penang has increased in Penang since commencement of Malaysia’s economy entered the endemic phase from 1.4.2022.

Moreover, new factories built in Seberang Perai, in the period 2019 – 2021, are now “coming online.”

Globally, the Covid-19 pandemic has altered the course of history in just 2 years. Its impact will be felt for years to come. In Penang, the pandemic has changed the water supply outlook towards 2030; and the impact will be felt for years to come as well.

To date, PBAPP's Water Supply Command Centre has not detected any major issues/faults in Penang's water supply infrastructure. PBAPP has not decreased the volume of treated water being supplied in Penang.

In fact, there is an increase in treated water production because all our WTPs are running at optimal capacity. If we had not been running at optimal capacity in May 2022, we would not have been able to distribute 945 MLD to consumers' taps; and 945 MLD is significantly higher than the 860 MLD we distributed in 2021.

A 12.1% surge in Penang water consumption over the past 3 years is extraordinary. Water consumption had increased by only 7.8% in the timeframe 2010 – 2019. The possibility of such a surge had not been taken into account when PBAPP developed its Raw Water Contingency Plan 2030 (RWCP 2030).

Besides implementing the emergency response measures mentioned earlier, PBAPP is now reviewing the RWCP 2030. The 5 original RWCP 2030 projects were:

- 2022 Phase 2, Sungai Dua WTP Sedimentation Tanks Upgrade Project
- 2023 Package 12A, Sungai Dua WTP
- 2025 Phase 1, Mengkuang Dam WTP
- 2028 Phase 1, Sungai Muda WTP
- 2028 Sungai Perai Water Supply Scheme

Now, PBAPP will expedite the implementation of these projects and may add more projects to the RWCP 2030 portfolio. In planning ahead, we must now plan to accommodate an average increase of 4.03% in water consumption per year.

PBAPP understands the difficulties that some of our customers in SPS are facing right now. These are extraordinary times.

We apologise for the inconvenience and request for your patience. PBAPP does not give up. We will strive on to efficiently address all water supply issues, not only for the good of SPS, but for the entire state of Penang.

Thank You.

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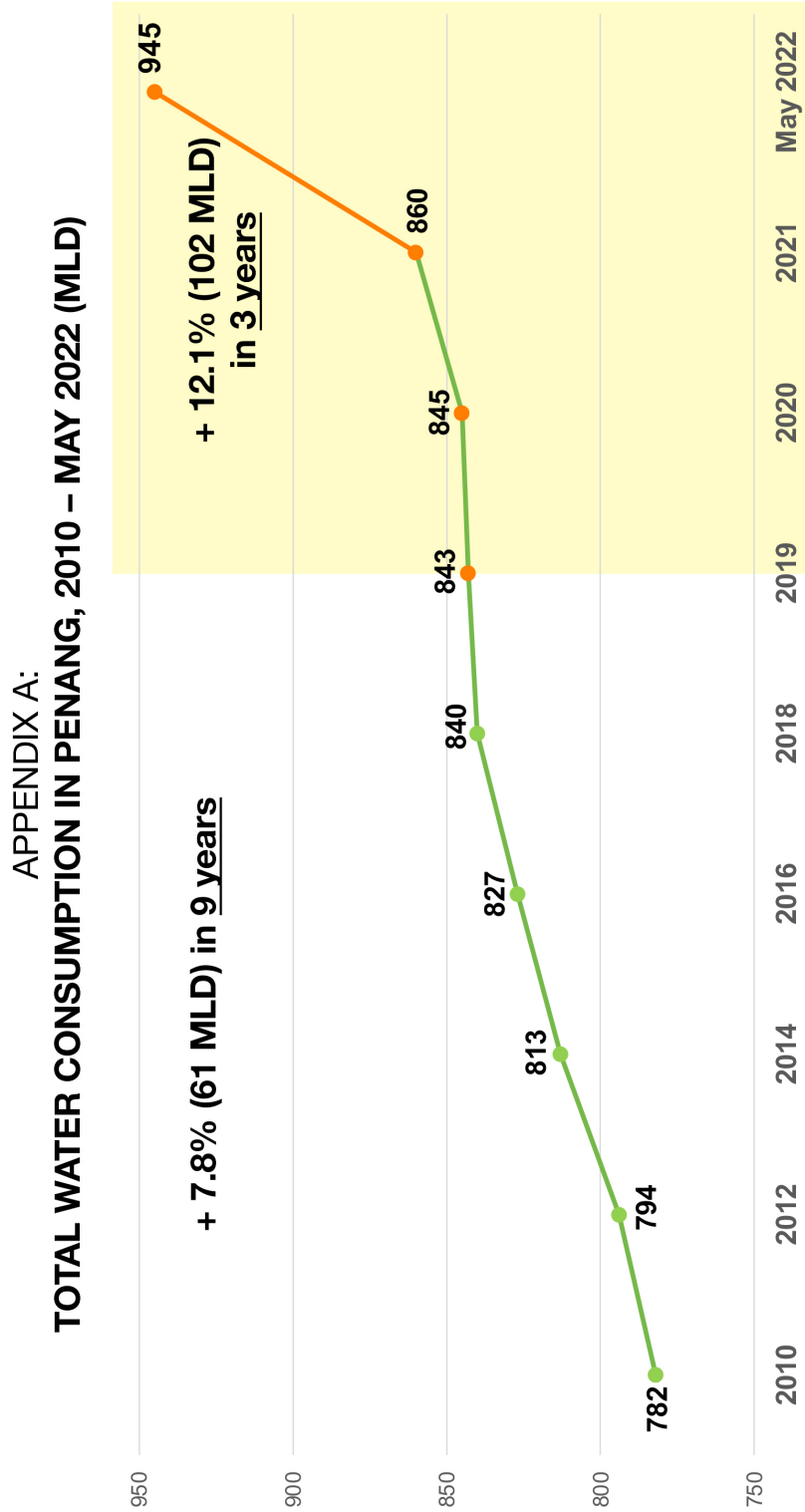


PBAHB

PBA Holdings Bhd
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Memenuhi segala keperluan bekalan air anda

Meeting all your water supply needs



APPENDIX B:
PENANG WATER CONSUMPTION ANALYSIS/TRENDS, 2018 – MAY 2022 (MLD)

