

19.4.2023

Media Release

IR. PATHMANATHAN K. CEO, PBA HOLDINGS BHD AND PBAPP.

SPRWTS: AN INTER-STATE RAW WATER TRANSFER SCHEME THAT REPRESENTS GOOD NEWS FOR PENANG AND PERAK

- SPRWTS optimises an existing raw water resource that is under-utilised.
- It is the most cost-effective solution that will have the lowest impact on future water tariffs.
- It is a long-term solution that may potentially address the raw water needs of Penang and Perak until 2050.

PENANG, Wednesday, 19.4.2023: The news that the Prime Minister is receptive to the implementation of the Sungai Perak Raw Water Transfer Scheme (SPRWTS) is good news for Penang and its people.

Moreover, the implementation of the SPRWTS should also be regarded as good news for the people of Perak, especially the residents of North Perak.

On 15.4.2023, *Buletin Mutiara* reported that the Prime Minister YAB Datuk Seri Anwar Ibrahim was receptive to 3 issues raised by Penang Chief Minister YAB Tuan Chow Kon Yeow on behalf of the Penang State Government. One of these issues is the SPRWTS.

FEDERAL GOVERNMENT TECHNICAL REPORT

In August 2022, the (previous) Ministry of Environment and Water (KASA) shared a report entitled "Option Evaluation and Pre-Engineering Design Study for the Proposed Water Transfer Scheme from Sungai Perak for Water Supply in North Perak and Penang." The following are some excerpts:

"This final report updates the projected water and irrigation demands for North Perak and Penang, based on the latest information available from LAP (Lembaga Air Perak) and PBAPP, as well as the future demands for other districts in Perak obtained from the NAWABS (National Water Balance Management System) study by JPS (Department of Irrigation and Drainage).



It also provides the preliminary assurance that <u>1,500 MLD is available to be abstracted</u> from Sungai Perak, with minimal or no disruption the activities of other stakeholders in the project area.

Raw Water Transfer Requirements

Description	Actual Requirement (MLD)	Proposed System Capacity (MLD)
Demand for North Perak 2050	314	300
Demand for Penang	714	700
Additional flow into BMD		
(Bukit Merah Dam in Perak)		500
Total Raw Water Transfer Capacity		1500

Water quality sampling were done at Sungai Perak, Sungai Ijok and Bukit Merah Dam to obtain in-situ samples which were then tested at accredited labs. All samples obtained show good quality raw water and is classified under Class IIA raw water suitable for drinking water."

This technical report clearly reflects 2 key facts:

- The SPRWTS will benefit Penang and Perak; and
- This raw water transfer scheme is viable from the water supply engineering standpoint.

KEY RATIONALES

The 3 key rationales for the SPRWTS are:

- 1. It optimises an existing raw water resource (Sungai Perak) for the benefit of Penang and Perak. The sharing of resources for regional development and socioeconomic growth is in line with the overall goals of the Northern Corridor Economic Region (NCER). In terms of contributions to the national GDP in 2021, Penang and Perak are the two key NCER states which contributed a total of RM175.7 billion.
- 2. It is a cost-effective solution. The development costs of the SPRWTS are lower than the costs of developing separate solutions for Penang and Perak. Treating raw (river) water to produce potable water is still the most economical option for water supply operations. As such, the <u>SPRWTS will have the lowest impact on future water tariffs in Penang and Perak</u>.



3. It is a long-term solution. The SPRWTS has the potential of meeting Penang and Perak's raw water needs until 2050.

PENANG NEEDS A SECOND MAJOR RAW WATER RESOURCE

PBAPP needs to tap a second (and alternative) raw water resource for Penang because the state has become "over-dependent" on Sungai Muda as its one and only primary raw water resource. The consequences include:

- Insufficient raw water resources to meet future water demand. Penang's water consumption increased by 62% in 23 years, from 536 MLD in 1999 to 868 MLD in 2022. If Penang's water demand continues to escalate at this pace towards 2050, PBAPP may not be able to abstract sufficient raw water from Sungai Muda to meet Penang's treated water demand beyond 2030.
- High risks of a water crisis during prolonged dry seasons caused by climate change, including the current dry season that began in January 2023. About 80% of the raw water that is used by PBAPP to produce treated water for Penang daily is abstracted from Sungai Muda. Whenever there is a shortage of raw water from Sungai Muda during a prolonged dry season, there will inevitably be a state-wide water crisis in Penang.
- Vulnerability to mishaps and accidents involving Sungai Muda in Kedah such as the highly murky water phenomenon resulting from flash floods in Kedah that disrupted water supply services in Penang in July 2022.

As such, PBAPP regards the SPRWTS to be the most rational water resource solution for Penang. It will reduce the state's water risks significantly towards 2050.

However, the SPRWTS is a large-scale inter-state raw water transfer project that will take years to realise. As far as Penang is concerned, it must be commissioned before 2030 to mitigate the risks of a major water crisis.

Thank You.

Issued by	:	Syarifah Nasywa bt Syed Feisal Barakbah Corporate Communications Unit
Tel Email	:	04-200 6607 syarifah@pba.com.my