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Media Release

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**PENANG WATER RATES ARE REGULATED BY THE FEDERAL GOVERNMENT**

- **PBAPP is billing for water supply services in Penang according to water rate regulations set by the Federal Government.**
- **Water rates have been revised concurrently in 10 other Malaysian states and 3 federal territories, not just in Penang.**
- **Penang’s average domestic water rate for the first 35 m<sup>3</sup> per month is the 2nd lowest in Malaysia.**

PENANG, Friday, 26.4.2024: PBAPP is billing for water supply services in Penang according to Federal Government regulations that were published on 31.1.2024.

The 2024 “Water Services Industry (Rates for Water Supply Services) (State of Penang) (Amendment) Regulations” is a Federal Government regulation. It is not a PBAPP regulation or a Penang State Government regulation.

Since 2011, when Penang migrated to the National Water Services Industry Restructuring Initiative (NWSIRI), PBAPP has been compelled to follow Federal regulations as a licensed water supply operator.

Accordingly, since 1.2.2024, PBAPP has openly announced and publicised the water rates for Penang in a mass media release (dated 7.2.2024 that was widely reported by online and print media), its FB page, the [www.pba.com.my](http://www.pba.com.my) website as well as newspaper advertisements.

The following is a summary of the 1.2.2024 Penang water rates in accordance to specific categories of water consumption:

<b>DOMESTIC</b>	
Consumption band	RM per m <sup>3</sup> (1,000 litres)
0 – 20m <sup>3</sup>	RM0.62
20m <sup>3</sup> – 35m <sup>3</sup>	RM1.17
More than 35m <sup>3</sup>	RM2.07
Minimum charge	RM6.20 per month

<b>DOMESTIC BULK METER</b>	
Flat Rate	RM1.73 per m <sup>3</sup>
Minimum charge	RM17.30 per month

<b>NON-DOMESTIC</b>	
0 – 35m <sup>3</sup>	RM1.57 per m <sup>3</sup>
Exceeding 35m <sup>3</sup>	RM2.17 per m <sup>3</sup>
Minimum charge	RM15.70 per month

<b>HOUSES OF WORSHIP AND WELFARE INSTITUTIONS</b>	
Flat Rate	RM0.67 per m <sup>3</sup>
Minimum charge	RM6.70 per month

<b>SHIPPING</b>	
Flat Rate	RM7.07 per m <sup>3</sup>
Minimum charge	RM70.70 per month

Please note that 1m<sup>3</sup> is equivalent to 1,000 litres, or the volume of water that can fill 666.7 big (1.5L) drinking water bottles.

In accordance to Federal regulations, PBAPP cannot bill for water supply services in Penang at rates that are higher (or lower) than the exact rates specified.

Penang water consumers who have enquiries and/or issues with water bills are kindly requested to visit one of PBAPP's 9 Customer Care Centres at KOMTAR, Balik Pulau, Bayan Baru, Bukit Mertajam, Jawi, Kepala Batas, Perai Complex, Rifle Range or Taman Selat. Our personnel are ready to provide the appropriate assistance.

### **Clarification 1: Water Rates are Higher in All States in Peninsular Malaysia**

On 31.1.2024, the Federal Government did not only publish water rate regulations to revise water rates in Penang. It published other regulations to revise water rates in 10 other states in Peninsular Malaysia as well as the Federal Territories (FTs) of Kuala Lumpur, Labuan and Putrajaya.

So, water rates are not only higher in Penang. Water rates are higher throughout Peninsular Malaysia and in FT Labuan.

### **Clarification 2: Penang's domestic water rate for the first 35m<sup>3</sup> per month is the 2nd lowest in Malaysia**

Penang's average domestic rates for the first 35m<sup>3</sup> per month is RM0.86 per m<sup>3</sup>. PBAPP data shows that the majority of Penang domestic consumers (77.3%) are billed for 35m<sup>3</sup> or less per month in 2023.

In comparison, the average national domestic rate is RM1.00 per m<sup>3</sup>. Every other licensed water supply operator in Peninsular Malaysia bills a higher average domestic rate than RM0.86 per m<sup>3</sup> for the first 35m<sup>3</sup> per month, with the exception of Terengganu (RM0.69 per m<sup>3</sup>).

As such, Penang’s domestic water rate is the second lowest in Malaysia. Water consumers in all other Peninsular states, except Terengganu, are paying more for their domestic water supply.

**Clarification 3: Water rate is either the same or even lower whether it is billed monthly or bi-monthly**

There is no truth to the allegation that Penang water consumers pay more for water supply services because PBAPP issues bi-monthly water bills.

PBAPP has been issuing some of its water bills on a bi-monthly basis since it was corporatised in 1.3.1999, more than 25 years ago. The primary reason for this is cost-efficiency.

PBAPP saves costs by issuing bills on a bi-monthly basis because for the majority of Penang households, water bills are “relatively cheap” when compared to TNB bills for electricity, Astro bills for satellite TV services and mobile phone bills for a family.

Nevertheless, PBAPP’s bi-monthly water bills are calculated exactly in accordance to Federal regulations, in regard to the “m<sup>3</sup> per month” basis. Hence, the same water rates are charged in monthly and bi-monthly water bills in Penang.

<b>Example: PBAPP bill for 70m<sup>3</sup> domestic consumption in 2 months</b> (77.3% of Penang domestic consumers used 0 – 35m <sup>3</sup> per month in 2023)		
• Meter reading	70m <sup>3</sup>	2 months
• PBAPP billing calculation for consumption per month	70m <sup>3</sup> divided by 2	35m <sup>3</sup> per month
	0 - 20m <sup>3</sup> x RM 0.62 per m <sup>3</sup>	RM12.40
	20 - 35m <sup>3</sup> x RM1.17 per m <sup>3</sup>	RM17.55
	Total	RM29.95
• <b>PBAPP bill for 2 months</b>	<b>RM29.95 x 2</b>	<b>RM59.90</b>

\*Scenario based explanation are attached for further clarification.

**Clarification 4: Additional revenue for additional water infrastructure projects**

Please allow me to reiterate that Penang is a water-stressed state with limited raw water resources and unlimited socioeconomic potential.

PBAPP will generate additional revenue from the 2024 water rates. This additional revenue will primarily be used to help fund urgent water supply infrastructure development projects in support of the State Government’s “Penang2030” vision, such

as:

- PBAPP's Water Contingency Plan 2030 (WCP 2030) projects to tap 3 additional secondary raw water resources (the Expanded Mengkuang Dam, Sungai Kerian and Sungai Perai) as well as to increase water treatment capacity in Seberang Perai and treated water pumping capacity to Penang Island;
- A new 1,350mm Sungai Perai "River-crossing" Pipeline;
- Additional 400 million litre per day (MLD) pipelines to boost the drawdown capacity of the Expanded Mengkuang Dam to 1,000 MLD in order to minimise the threats of future Sungai Muda mishaps; and
- Pipeline and pipeline replacement projects to avoid unscheduled water supply interruptions and reduce non-revenue water (NRW) losses.

Water consumption in Penang has increased by about 63.6%, from 536 MLD in 1999 to 877 MLD in 2023. We have to focus on ensuring water supply sufficiency in Penang until 2030.

Thank You.

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**PERBADANAN BEKALAN AIR PULAU PINANG SDN BHD**

Domestic (New rates) 1.2.2024

Band Parameters	RM
0-20m <sup>3</sup>	0.62
20-35m <sup>3</sup>	1.17
>35m <sup>3</sup>	2.07
Minimum charge	6.20

A		B				C = B - A	
Samples of actual water bills (Bi-monthly) with new rates		Samples of actual water bills (Monthly) with new rates				Total Bill (Month 1 + Month 2)	Savings to consumers
<b>Scenario 1 - Bi-Monthly</b>		<b>Scenario 1 - Monthly</b>					
Total consumption : 70m <sup>3</sup> (2 months @ 1 cycle)		Month 1		Month 2			
	RM	<b>Total consumption : 25m<sup>3</sup></b>		<b>Total consumption : 45m<sup>3</sup></b>			
20m <sup>3</sup> x RM0.62	12.40	RM	12.40	RM	12.40		
15m <sup>3</sup> x RM1.17	17.55		5.85		17.55		
					20.70		
35m <sup>3</sup> : 1 month	29.95	Total	18.25	Total	50.65		
<b>Total water bill (Bi-Monthly) (RM29.95 x 2 months)</b>	<b>59.90</b>	<b>Total water bill</b>	<b>18.25</b>	<b>Total water bill</b>	<b>50.65</b>	<b>68.90</b>	<b>9.00</b>
<b>Scenario 2 - Bi-Monthly</b>		<b>Scenario 2 - Monthly</b>					
Total consumption : 46m <sup>3</sup> (2 months @ 1 cycle)		Month 1		Month 2			
	RM	<b>Total consumption : 8m<sup>3</sup></b>		<b>Total consumption : 38m<sup>3</sup></b>			
20m <sup>3</sup> x RM0.62	12.40	RM	6.20	RM	12.40		
3m <sup>3</sup> x RM1.17	3.51				17.55		
					6.21		
23m <sup>3</sup> : 1 month	15.91	Total	6.20	Total	36.16		
<b>Total water bill (Bi-Monthly) (RM15.91 x 2 months)</b>	<b>31.82</b>	<b>Total water bill</b>	<b>6.20</b>	<b>Total water bill</b>	<b>36.16</b>	<b>42.36</b>	<b>10.54</b>
<b>Scenario 3 - Bi-Monthly</b>		<b>Scenario 3 - Monthly</b>					
Total consumption : 73m <sup>3</sup> (2 months @ 1 cycle)		Month 1		Month 2			
	RM	<b>Total consumption : 54m<sup>3</sup></b>		<b>Total consumption : 19m<sup>3</sup></b>			
20m <sup>3</sup> x RM0.62	12.40	RM	12.40	RM	11.78		
15m <sup>3</sup> x RM1.17	17.55		17.55				
1.5m <sup>3</sup> x RM2.07	3.11		39.33				
36.5m <sup>3</sup> : 1 month	33.06	Total	69.28	Total	11.78		
<b>Total water bill (Bi-Monthly) (RM33.06 x 2 months)</b>	<b>66.11</b>	<b>Total water bill</b>	<b>69.28</b>	<b>Total water bill</b>	<b>11.78</b>	<b>81.06</b>	<b>14.95</b>
<b>Scenario 4 - Bi-Monthly</b>		<b>Scenario 4 - Monthly</b>					
Total consumption : 75m <sup>3</sup> (2 months @ 1 cycle)		Month 1		Month 2			
	RM	<b>Total consumption : 21m<sup>3</sup></b>		<b>Total consumption : 54m<sup>3</sup></b>			
20m <sup>3</sup> x RM0.62	12.40	RM	12.40	RM	12.40		
15m <sup>3</sup> x RM1.17	17.55		1.17		17.55		
2.5m <sup>3</sup> x RM2.07	5.18				39.33		
37.5m <sup>3</sup> : 1 month	35.13	Total	13.57	Total	69.28		
<b>Total water bill (Bi-Monthly) (RM35.13 x 2 months)</b>	<b>70.25</b>	<b>Total water bill</b>	<b>13.57</b>	<b>Total water bill</b>	<b>69.28</b>	<b>82.85</b>	<b>12.60</b>
<b>Scenario 5 - Bi-Monthly</b>		<b>Scenario 5 - Monthly</b>					
Total consumption : 90m <sup>3</sup> (2 months @ 1 cycle)		Month 1		Month 2			
	RM	<b>Total consumption : 40m<sup>3</sup></b>		<b>Total consumption : 50m<sup>3</sup></b>			
20m <sup>3</sup> x RM0.62	12.40	RM	12.40	RM	12.40		
15m <sup>3</sup> x RM1.17	17.55		17.55		17.55		
10m <sup>3</sup> x RM2.07	20.70		10.35		31.05		
45m <sup>3</sup> : 1 month	50.65	Total	40.30	Total	61.00		
<b>Total water bill (Bi-Monthly) (RM50.65 x 2 months)</b>	<b>101.30</b>	<b>Total water bill</b>	<b>40.30</b>	<b>Total water bill</b>	<b>61.00</b>	<b>101.30</b>	-