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Media Release

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## **IN THE PIPELINE: MULTI-BILLION RINGGIT WATER PROJECTS FOR PENANG**

- **PBAPP to kick-off 4 WCP 2030 projects in 2025 to increase treated water supply in Penang.**
- **PAAB has agreed to collaborate on 2 other WCP 2030 projects.**
- **6 Federal Government projects to reduce Penang's water risks, re: future prolonged droughts and "Sungai Muda Incidents".**
- **Perak-Penang Water Project: PETRA has issued a public tender for the appointment of consultant for physical works.**

PENANG, Wednesday, 8.1.2025: In response to increasing water consumption driven by socioeconomic growth as well as climate change, the State Government and PBAPP are working to expedite and implement multi-billion ringgit water projects for Penang.

PBAPP will start work on **4 Water Contingency Plan 2030 (WCP 2030) projects in 2025:**

| PBAPP WCP 2030 Projects |  | Projected investment | Benefits   |
|-------------------------|--|----------------------|--|
| 1.                      | New 13.0km x 1.8m treated water pipeline from the Sungai Dua Water Treatment Plant (WTP) to Butterworth. | RM128 million        | Increased pumping of treated water from Sungai Dua to consumers in all areas in Seberang Perai and the south-west district of Penang Island. |
| 2.                      | New 3.9km x 1.8m treated water pipeline from the Macallum Area to Bukit Dumbar.                          | RM44 million         | Increased pumping of treated water from Sungai Dua to consumers on Penang Island.  |

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|----|--|---------------|--|
| 3. | New 114 million litres per day (MLD) Mengkuang Dam WTP | RM250 million | Conversion of the Expanded Mengkuang Dam (EMD) into a “daily dam” that may be tapped daily to support better water supply services in Seberang Perai Tengah (SPT). |
| 4. | New 114 million litres per day (MLD) Sungai Kerian WTP | RM402 million | Additional 114 MLD water supply to boost water supply services in Seberang Perai Selatan (SPS).  |

The total projected investment for these 4 WCP 2030 projects is RM824 million.

The Penang State Government and PBAPP also **thank Pengurusan Aset Air Berhad (PAAB) for its commitment to collaborate on 2 other WCP 2030 projects in Penang:**

| WCP 2030 Projects |                              | Projected investment | Benefits   |
|-------------------|------------------------------|----------------------|--|
| 5.                | New 136 MLD Sungai Perai WTP | RM588 million        | Additional 136 MLD of treated water supply in Seberang Perai Tengah (SPT). |
| 6.                | New 114 MLD Sungai Muda WTP  | RM435 million        | Additional 114 MLD of treated water supply in Seberang Perai Utara (SPU).  |

PAAB has committed to provide funding for these 2 projects with an estimated value of RM1.023 billion. PBAPP will repay PAAB via favourable long-term financing terms.

At the same time, the Penang State Government and PBAPP will also seek the timely implementation of the following **6 Federal water projects for Penang:**

| Federal Projects |  | Benefits   |
|------------------|--|--|
| 1.               | The new RM214 million 440 MLD Lahar Yooi Pump House (Phase 2C of the Mengkuang Dam Expansion Project – MDEP) | Faster and more efficient refilling of the Expanded Mengkuang Dam (EMD) during annual wet seasons.   |
| 2.               | New 440 MLD Dual-Purpose Pipeline connecting the EMD and the Sungai Dua Canal                                | Increased drawdown of up to 1,040 MLD of raw water from the EMD for use in the Sungai Dua WTP during future emergencies such as “Sungai Muda Incidents”. |

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|----|--|--|
| 3. | Sungai Muda Off-River Storage Scheme (ORSS)  | “Mini-dam” to store raw water from the river to support 24 - 48 hours of treated water production to avoid water crises in Seberang Perai Utara (SPU).   |
| 4. | Sungai Kerian Off-River Storage Scheme (ORSS)  | “Mini-dam” to store raw water from the river to support 24 - 48 hours of treated water production to avoid water crises in Seberang Perai Selatan (SPS). |
| 5. | Bukit Panchor Dam upgrading works (currently under feasibility study by the consultant). | To provide additional storage to Bukit Panchor WTP.  |
| 6. | The new RM118 million Sungai Muda Barrage at Rantau Panjang.                             | To be able to access 1,500 MLD of raw water from Sungai Muda   |

The total projected investment for these six federal projects is between RM500 million and RM700 million. The Lahar Yooi Pump House and the 440 MLD Dual-Purpose Pipeline may be funded by “left-over Federal funds” from the MDEP. Penang will apply for Federal funding for the 2 ORSS projects under the 13<sup>th</sup> Malaysia Plan (2026 – 2030).

## PERAK-PENANG WATER PROJECT

**Finally, the Water Supply Department of the Ministry of Energy Transition and Water Transformation (PETRA) has issued a public tender for the appointment of a consultant for physical works for the “Raw Water Transfer Project from Sungai Perak for Water Supply in North Perak and Penang”.**

This Perak-Penang Water Project, driven by Prime Minister Dato’ Seri Anwar Ibrahim, will present the following 5 key benefits to Penang:

- Access to a second major water resource from the south (besides Sungai Muda in the north);
- Lower risks of a water crisis during future prolonged dry seasons;
- Water supply sufficiency for Penang beyond 2030;
- Increased water supply to support future economic progress in Seberang Perai Selatan (a targeted high-growth area); and
- More stable and evenly distributed treated water supply in the entire State of Penang, 24/7.

The Federal allocation for the Perak-Penang Water Project is reportedly about RM1.7 billion. More importantly, PETRA’s public tender exercise to appoint the consultant for physical works clearly shows that the Federal Government is committed towards implementing this project on time for Penang by Year 2030.

The Penang State Government and PBAPP would like to thank Dato' Seri Anwar and PETRA for their strong support to realise the biggest water supply project for Penang in the past 51 years, since the opening of the Muda River Water Scheme in 1973.

Our primary objectives are to sustain continuous good water supply, minimise water risks and ensure water supply sufficiency for a better future. We are working to further improve water supply services in Penang.

Thank You.

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