

16.6.2026

Media Release 3: PBA Holdings Bhd (PBAHB) 26th Annual General Meeting

DATO' IR. PATHMANATHAN K.,
CEO, PBAHB and PBAPP.

PENANG'S BRIGHTER FUTURE CANNOT BE COMPROMISED BY A LACK OF WATER

PENANG, Tuesday, 16.6.2026: Penang's socioeconomic growth trajectory towards 2032 cannot be compromised, held back or delayed by insufficient water supply.

As such, PBAPP and the Federal Government are fully committed towards the completion of 12 major water projects by 2031 to cater for a projected 34.3% (or more) increase in water consumption in Penang.

In 2025, Penang's water consumption was 865 million litres per day (MLD). It is projected to increase to 1,162 MLD (or more) by 2032, driven by the following key socioeconomic developments:

- Factory expansion and opening projects (by Intel, Osram, Siliconware Precision and Western Digital);
- On-going massive property development projects (including Andaman Island, Penang International Commercial City, The Dew and The Skyline in Paya Terubong);
- Commencement of works for the Batu Kawan Industrial Park 3 (BKIP3), PERDA's 5,000 new homes in Seberang Perai Utara (SPU), PDC's Linear Waterfront Development in Bayan Lepas, Silicon Island A and at least 6 other property development projects in Seberang Perai.

PBAPP Response

In response to the foreseeable increase in Penang water consumption, PBAPP is implementing 6 Water Contingency Plan 2030 (WCP 2030) projects which are scheduled for completion by 2031.

1. 114 million litres per day (MLD) Mengkuang Park Water Treatment Plant (WTP) in Seberang Perai Tengah (SPT), to be completed by end-2026.
2. 114 MLD Sungai Kerian WTP in Seberang Perai Selatan (SPS), to be completed by 2030.

3. 136 MLD Sungai Perai Water Supply Scheme in SPT, to be completed by 2031.
4. 114 MLD Sungai Muda WTP in Seberang Perai Utara (SPU), to be completed by 2031.

These 4 WTP projects are aimed at increasing PBAPP's maximum designed water treatment capacity by 478 MLD; and reducing Seberang Perai's dependency on treated water from the Sungai Dua WTP.

There are 2 remaining WCP 2030 projects involve the laying of major treated water pipelines:

5. 1.8m x 13.0km treated water pipeline from the 1,342 MLD Sungai Dua WTP to the Butterworth take-off point of the 3rd Penang Twin Submarine Pipelines (3rd PTSP).
6. 1.8m x 3.9km treated water pipeline from the Macallum Area landing point of the 3rd PTSP to the Bukit Dumbar Reservoir and Pumping Station Complex.

These pipelines will allow PBAPP to pump a maximum of 600 MLD of treated water from Sungai Dua to Penang Island by 2030, as compared to 400 MLD presently.

7. In addition to these WCP 2030 projects, PBAPP has also engaged a company to construct and commission an additional WTP at Sungai Kerian.

This "add-on" 80 MLD WTP is being developed on a build-operate-transfer (BOT) basis to supply more treated water in SPS by 2027.

Federal Support

On its part, the Federal Government (through the Water Supply Division of the Ministry of Energy Transition and Water Transformation, or PETRA) has also pledged to complete the following water supply projects in the timeframe from 2027 to 2029:

8. A new Sungai Muda Barrage at Rantau Panjang in SPU to facilitate more effective and efficient abstraction of water from the river daily.
9. Mengkuang Dam Expansion Plan projects in SPU: the 440 MLD Lahar Yooi Raw Water Pump House to support faster refilling of the Expanded Mengkuang Dam (EMD) during wet seasons; and a new 400 MLD "reversible flow pipeline" to boost the maximum drawdown capacity of the EMD from 600 MLD to 1,000 MLD during dry seasons and emergency scenarios.
10. Raw water resource projects at Sungai Kerian (SPS), as related to the expansion of the Bukit Panchor Dam and an off-river storage scheme (ORSS).

11. Water intake works at Titi Kerawang and Teluk Awak in Teluk Bahang to enhance water supply services in Daerah Barat Daya (DBD) on the island.
12. A comprehensive study on raw water resources for water supply in the State of Penang to serve as an updated reference for future water supply projects.

Total Water Supply Investment: RM2.9 billion

The estimated investment for the 6 remaining WCP 2030 projects is RM2.098 billion. The 80 MLD project at Sungai Kerian is on a BOT basis. The value of the 5 Federal projects is RM838 million.

In total, these 12 water projects represent a total investment of about RM2.9 billion over 5 years. This multi-billion ringgit investment encapsulates the depth of the Federal Government, Penang State Government and PBAPP's commitments to ensure water supply sufficiency in Penang in the 2030s.

Thank You.

Issued by : Syarifah Nasywa bt Syed Feisal Barakbah
Corporate Communications Unit
Email : comms@pba.com.my