

PBAPP plans to invest in water supply projects with additional revenue

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GEORGE TOWN, Jan 14 (Bernama) -- The Penang Water Supply Corporation (PBAPP) will use the additional revenue from the tariff rate increase to fund essential water supply projects in the state.

Penang Chief Minister, Chow Kon Yeow, who is also PBAPP chairman said the revenue which would be generated from the new water tariff would be put back into PBAPP capital expenditure to improve the delivery of treated water to consumers.

He said PBAPP planned to invest RM501 million in five key water supply projects to be implemented between 2019 and 2021.

He said the projects were primarily to avoid water rationing in the state.

"If the water tariff review is approved by the federal government, the additional revenue will be reinvested into projects in the state for the benefit of the people," he told a press conference here today.

"PBAPP needs to raise sufficient funding to realise Penang's water supply engineering projects for the future," he added.

He said without these projects, Penang would face higher risk of water crisis during prolonged dry seasons each year.

The five key projects identified by PBAPP are the 1,200mm Butterworth-Penang Island Twin Submarine Pipeline (3rd Submarine Pipeline), Sungai Perak Raw Water Transfer Scheme, upgrading of all existing water treatment plants, reservoirs and pumping stations, replacing and installing new pipelines.

Chow added that in 2017, Penang's average water demand was 826 million litres per day (MLD) and the amount had continued to increase every year.

"According to an independent Masterplan Study for Potable Water in Penang towards 2050 that was commissioned in 2009, Penang's water demand is projected to be 128 per cent higher, at 1,884 MLD by 2050," he said.

Meanwhile Chow said it was up to the Water, Land and Natural Resources Ministry and the National Water Services Commission (SPAN) to decide on the proposed tariff review and announce on the new rate.

"We are still waiting for the cabinet decision before the new water tariff rate can be implemented," he said.

Last Wednesday, Chow announced that the water tariff rates in Penang would increase by about 20 percent this year in line with efforts by the federal government to restructure the water supply services industry in the country.