

# Protecting Penang's future

## PBAPP: Water tariff review needed to realise long-term vision

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THE proceeds from the proposed Penang water tariff review will be used solely to fund important water projects for the future, said Penang Water Supply Corporation (PBAPP) chief executive officer Datuk Jaseni Maidinsa.

He said the state government was implementing various socio-economic projects now to achieve the Penang 2030 vision of becoming a family-focused, green and smart state that inspires the nation.

"The aspirations of 'Penang 2030' cannot be achieved if Penang does not have enough water supply.

"Moreover, the people of Penang expect to enjoy continuous good water supply with no water rationing towards 2030 and beyond," he said in a press statement.

Jaseni said that as such, PBAPP was planning to invest RM501mil in water supply projects between 2019 and 2021, for several key reasons.

"Penang's average daily water demand has increased by 11%, from 744 million litres per day (MLD) in 2008 to 826 MLD in 2017."



Jaseni says PBAPP must stay ahead of the increasing water demand to ensure that the people continue to benefit from progress.

He also said Penang's water demand was projected to reach 1,884 MLD by 2050, according to the independent 'Masterplan Study for Potable Water in Penang towards 2050'.

Jaseni also noted that Penang's population had increased from 1.55 million people in 2008 to 1.76 million people in 2017, adding

that PBAPP's customer base has increased from 476,179 consumers in 2008 to 604,547 consumers in 2017.

Another reason, he said, was that the number of trade water consumers (including multinational manufacturing companies, hotels and all kinds of businesses) in Penang has almost doubled, from 58,707 trade consumers in 2008 to 86,546 consumers in 2017.

"Penang needs sufficient water to support projects for the future, such as the Gurney Wharf, Batu Kawan Masterplan and Penang South Reclamation — Three Islands Project.

"According to an online portal, Penang's per capita GDP in 2016 was RM47,332, the second highest in Malaysia after Kuala Lumpur.

"PBAPP must consistently stay ahead of Penang's water demand to ensure that the people continue to benefit from progress."

Jaseni also said that due to planning, development and funding considerations, major water supply projects could not be realised in a year or two.

"For example, the projected development period for the Sungai Perak Raw Water Transfer Scheme (SPRWTS) is seven years.

"The state government has implemented a 'No Water Rationing' policy in Penang for the benefit of the people.

"We must remember that Penang is a water-stressed state. PBAPP's primary objective is to avoid water rationing in Penang at all costs," he said.

On Penang MCA handing Chief Minister Chow Kon Yeow a letter objecting to the likely increase in water tariff rates, Jaseni urged MCA to "think about the good of Penang".

Jaseni said things have changed significantly in Penang since 2008.

"Due primarily to increased domestic water consumption, PBAPP's water subsidies for 2017 and 2018 amounted to RM163.2mil. In 2017, PBA Holdings Bhd reported operational profits after tax (PAT) of RM37.28mil.

"How may we continue to justify RM80mil a year subsidies when PBAPP needs to raise sufficient funds for projects to ensure water sustainability and security for Penang in the future?"

"The proposed tariff review is not aimed at putting more money into PBAPP's pockets. It is to protect the future of Penang and its people," he said.