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BERNAMA > NEWS

Penang Government Will Not Pay Compensation For Drawing Water From Sungai Muda

GEORGE TOWN, May 24 (Bernama) -- The Penang government stands by its rights to draw raw water from Sungai Muda without paying the Kedah government.

PBA Holdings Bhd and Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP) chief executive officer, Datuk Jaseni Maidinsa said if Kedah needed compensation, the state should seek it from the federal government.

"There are a few good reasons for Penang to stand by its water rights as Sungai Muda is a naturally flowing river.

"We have been drawing water from Sungai Muda for 43 years, downstream of Kedah's treatment plants and irrigation intakes. Our abstraction activities have not, in any way, affected or compromised Kedah's capability to draw water upstream," he told reporters after the PBA Holdings annual general meeting, here, today.

Apart from that, he said in 2011, Penang signed an agreement with the federal government to migrate to the National Water Services Restructuring Initiative and the agreement was that the federal government was obligated to guarantee raw water supply to Penang.

He said today more than 80 per cent of Penang's raw water was sourced from Sungai Muda daily.

However, Jaseni said the Penang government and PBAPP would support any bid by Kedah to seek compensation from the federal government, specifically for gazetting and protecting the water catchments in Ulu Muda.

"Compensation is only relevant and due after the Ulu Muda catchments are properly surveyed, mapped out, gazetted and protected by law."

He said gazetting the Ulu Muda catchments would help to sustain and secure continuous good water supply not only for Penang but for Perlis and Kedah as well.

Last Sunday, it was reported that the Kedah government was hoping that the federal government would consider giving the state an appropriate compensation for its raw water supply from Muda River being consumed freely by Penang.

Menteri Besar Datuk Seri Ahmad Bashah Md Hanipah said Penang had simply treated the raw water and raked in hefty profits by selling it for domestic and industrial use, while the Kedah government had to spend money to maintain the dam.

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