

## Water price hike needed to fund future projects - Penang CM

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Penang Chief Minister Chow Kon Yeow today justified the need for a hike in water tariff in the state, saying it is to fund projects in the future.

Speaking at a press conference, Chow said among the projects are submarine links (huge water pipelines) from Seberang Perai to the island, a water transfer scheme from Perak, and upgrades to water treatment plants in the state.

The funds will be used to build new pipelines to replace old ones, which in turn, will reduce water leaks, and ultimately, keep Penang clear of water rationing, he added.

The chief minister pointed out that the state's average water usage was 826 million litres per day (MLD). "By 2050, Penang's water demand is projected to be 128 percent higher, at 1,884 MLD.

"This is according to an independent Masterplan Study for Potable Water in Penang towards 2050 that was commissioned in 2009.

"Accordingly, PBAPP (Penang Water Supply Corporation) is planning to invest RM501 million in water supply projects for the benefit of Penang in the period of 2019 - 2021," Chow added, in the press conference with PBAPP CEO Jaseni Maidinsa.

Chow said PBA Holdings Bhd (the public-listed holdings company that owns PBAPP), which he chairs, reported profits after tax (PAT) totalling only RM137 million for the three-year period of 2015 to 2017.

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

Chow was slammed by Penang MCA leaders - who asked him where was his "conscience" when he announced that water rates would most likely be raised by 10 to 20 percent.

Chow said water rates in Penang had been reviewed only once in 10 years under Pakatan Harapan rule and the price remains lowest (RM5. 50) in the country.

"Without these projects, Penang faces a higher risk of a water crisis during a prolonged dry season with each passing year," Chow said.

"Please let me be clear - PBAPP is applying for a water tariff review in Penang solely to fund important water supply engineering projects for the future," Chow explained.

"If the tariff review is approved by the federal government, all the additional revenue from the water tariff review will be reinvested into projects right here in Penang, for the benefit of the people," he added.