

Three ministers ordered us to review water prices - Penang water company

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The Penang Water Supply Corporation (PBAPP) has said that three consecutive ministers in charge of water resources had asked the company to review water tariffs.

This is the third consecutive day that the state government has spoken up to defend the impending 10 to 20 percent hike in water prices, which has been criticised by the opposition as being without "conscience."

Former premier Najib Abdul Razak had blasted the move, saying it would be the fourth time the Penang government had increased water prices.

However, PBAPP CEO Jaseni Maidinsa said that Penang's water tariffs had only been reviewed once in 2015 since Pakatan Rakyat (now Harapan) took over the state in 2008.

"It is only a water tariff review when it affects everyone, domestic and trade consumers.

"We have explained it many times but certain parties have failed to understand," he said at a press conference in Komtar today.

Jaseni noted that in 2010, a water conservation surcharge (from 0.24 sen to 0.48 sen for domestic consumption above 35,000 litres) was imposed as part of an initiative to manage water demand, which had been requested by the federal minister.

"We are only doing what the minister asked us to do so we can achieve our KPIs (key performance indicators).

"The current and two previous ministers (in charge) of water resources have instructed us to review the water tariff, so we have to comply.

"The reason why we are asked to do so is because we have the highest (water) consumption (rates) in the country. This is not something we are proud of," he added.

Accompanying Jaseni at the press conference were Chief Minister Chow Kon Yeow, along with state excos Jagdeep Singh Deo, Chong Eng and Dr Afif Bahardin.



Water conservation surcharge

Chow said the state's water conservation surcharge cannot be regarded in the same light as a water tariff review, as the former was aimed at reducing domestic consumption per capita in Penang.

"Seventy-seven percent of Penang's domestic water consumers who use less than 35,000 litres per month do not pay the water conservation surcharge.

"The surcharge only affects 23 percent of domestic water consumers in Penang who use more than 35,000 litres per month," he added.

Unlike domestic tariff reviews, Chow said, the surcharge is "avoidable."

"Domestic water consumers may avoid paying the water conservation surcharge at any time, by reducing their water consumption to less than 35,000 litres per month."

The chief minister added that households with eight persons or more could apply for a 60 percent rebate on the surcharge.

On Jan 9, Chow announced that the water conservation surcharge would be removed once water tariffs had been revised.

Penang MCA leaders had subsequently claimed that the revised water prices would result in more pressure on the economy, despite the surcharge being removed.