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Press Statement by Ir. Jaseni Maidinsa,
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PENANG WATER TARIFF REVIEW 2015 TO REDUCE WATER CONSUMPTION AND MAKE PENANG 'GREEN'

PENANG, Friday, 20/3/2015: Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP) would like to reiterate that the Penang water tariff review was announced last year. PBAPP submitted a proposal to National Water Services Commission (SPAN) in July 2014. It was recommended by SPAN, approved and gazetted by the Ministry of Energy, Green Technology and Water (KeTTHA) on 15th February 2015.

The new water tariff will be introduced on 1st April 2015 to reduce water consumption and make Penang 'GREEN'.

The main objective of the water tariff review is to facilitate better water demand management by reducing water consumption so as to avoid water rationing. Some states such as Negeri Sembilan and Johor have conducted water rationing because of water shortage whilst certain parts of Selangor experienced water interruptions due to contaminated raw water sources during the current dry season.

The average increase for domestic water tariff is 16.7% whilst for ordinary trade, 18.8%.

The last increase for domestic water tariff of up to 40,000 litres per month was in 1993 whilst for consumption of more than 40,000 litres per month was last reviewed in 2001.

As for ordinary trade tariffs, it was last reviewed in 2010.

Even after the latest tariff review, Penang's average domestic water tariff for the first 35,000 litres per month at RM0.32 per 1,000 litres is still the lowest in Malaysia. In fact it is much lower than the national average of RM0.66 per 1,000 litres.

As for the ordinary trade tariffs, Penang's average tariff for 500,000 litres will be RM1.36 per 1,000 litres, as compared to national average of RM1.45 per 1,000 litres.

This water tariff review is in line with the Penang State Government intention to turn Penang into a "Green State" and PBAPP's mission to avoid water rationing at all costs in this age of climate change.

In 2014, the average domestic per capita consumption in Penang was 293 l/c/d. This is the highest in the country. The national average was 210 l/c/d in 2013, and Singapore recorded 152 l/c/d in 2013.

The latest Jan/Feb 2015 cycle has unfortunately seen an increase to 298 liters/capita/day (l/c/d).

In other words, Penang faces a risk of water rationing in the future during extended dry spells simply because per capita domestic water consumption is too high. We need to reduce consumption to lower the risk to 210 l/c/d or a reduction of the present consumption of 298 l/c/d by 30%.

The message is simple, to turn Penang into a "Green State" and prevent water rationing, Penang water consumers must use less water. If they continue to use too much water, it is not sustainable.

Think of our future and please use water wisely. For water-saving tips, please visit www.pba.com.my.

Thank You.

Ir. Jaseni Maidinsa,
CEO, PBAPP and PBA Holdings Bhd.

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