

4th May 2017

PRESS STATEMENT

*by Dato' Ir. Jaseni Maidinsa,
Chief Executive Officer,
PBA Holdings Bhd (PBAHB) and
Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP)*

WCS REDUCES DOMESTIC CONSUMPTION AND PROMOTES WATER CONSERVATION

- **In the period 2011 – 2016, the WCS stopped Penang's domestic consumption from increasing to 300 litres/capita/day (l/c/d).**
- **The WCS supports Penang's 'no rationing' policy.**
- **In 2017, Penang domestic water consumers are encouraged to voluntarily use 10% less water at home.**

PENANG, Thursday, 4/5/2017: The primary objective of the water conservation surcharge (WCS) is to encourage Penang's 504,400 domestic water consumers to save water at home.

As a water demand management initiative, the WCS stopped Penang's domestic per capita consumption from increasing to, or exceeding, 300 litres/capita/day (l/c/d).

In the period 2000 – 2010, Penang's per capita domestic consumption increased from 255 l/c/d to 291 l/c/d. This reflected an average increase of 1.28% per annum over a period of 11 years. Based on this 1.28% growth trend, per capita domestic consumption would have been 295 l/c/d in 2011, 299 l/c/d in 2012 and 303 l/c/d in 2013.

On 1/11/2010, the WCS was introduced at RM0.24 per 1,000 litres, only for domestic consumption above 35,000 litres per month. On 1/9/2013, it was revised to RM0.48 per 1,000 litres, only for domestic consumption above 35,000 litres per month.

As a result, per capita domestic consumption in Penang was contained to 286 l/c/d in 2016.

Please refer to APPENDIX A: PER CAPITA DOMESTIC CONSUMPTION IN PENANG (l/c/d) and THE IMPACT OF WCS.

TARIFFS AND DOMESTIC CONSUMPTION

There is a correlation between domestic tariffs and per capita domestic water consumption. Domestic water consumers use less water if they have to pay more for water supply.

Since per capita domestic consumption is based on domestic water consumption divided by population, let us look at 6 Malaysian states that have reported 99% or higher water supply coverage for accurate comparisons.

In Johor, the average domestic tariff per 1,000 litres, for the first 35,000 litres per month, is RM1.31. The per capita domestic consumption in Johor was 221 l/c/d in 2015.

In Melaka, the average domestic tariff is RM0.89 per 1,000 litres. The per capita domestic consumption was 235 l/c/d in 2015.

In Penang, the average domestic tariff is RM0.32 per 1,000 litres. Our per capita consumption was 286 l/c/d in 2016.

Please refer to APPENDIX B: DOMESTIC WATER TARIFFS (first 35,000 litres per month) and PER CAPITA DOMESTIC CONSUMPTION FOR 6 MALAYSIAN STATES (99% or higher water supply coverage) and SINGAPORE.

257 L/C/D TARGET FOR 2017

On 28/4/2017, we submitted an application to the National Water Services Commission (SPAN) to review the WCS to RM1.00 per 1,000 litres.

Instead of raising tariffs, Penang is seeking to review the WCS. This WCS review aims to convince 25% of domestic consumers, who use more than 35,000 litres of water per month, to save water.

The WCS does NOT affect 75% of domestic consumers who use less than 35,000 litres per month. It does NOT affect 85,397 trade category consumers in Penang.

The overall aim is to reduce domestic consumption by 10%, from 286 l/c/d in 2016 to 257 l/c/d in 2017.

EVERYONE SHOULD USE 10% LESS

While raising the WCS, we are also appealing to ALL 504,400 registered domestic water consumers in Penang to use water wisely at home in 2017. Even if you are using less than 35,000 litres per month, please help us to achieve the 257 l/c/d target by using 10% less water at home.

The 257 l/c/d target has been set to get all domestic consumers involved in water saving to avoid rationing in Penang. **Our main priority is no rationing.**

We must ensure that we can have enough water for all in Penang until 2020 because the Mengkuang Dam Expansion Project and Sungai Perak Raw Water Transfer Scheme have been delayed by the Federal Government. Meanwhile, Kedah still allows the logging of trees in Ulu Muda, the water catchment for Sungai Muda.

We are not asking for a drastic reduction. We are just asking for 10% less.

257 l/c/d is not a difficult target. Please remember: Penang's per capita domestic consumption was 255 l/c/d in 2000, about 17 years ago.

Other states that charge more for domestic water supply have achieved less than 250 l/c/d. Let us show them that Penang can achieve 257 l/c/d in 2017 with the lowest domestic tariffs in Malaysia.

Thank You.

*Dato' Ir. Jaseni Maidinsa,
Chief Executive Officer,
PBA Holdings Bhd (PBAHB) and
Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP).*

Issued by : Puan Syarifah Nasywa bt Syed Feisal Barakbah
Corporate Communications Unit
Tel : 04-200 6607
Email : syarifah@pba.com.my

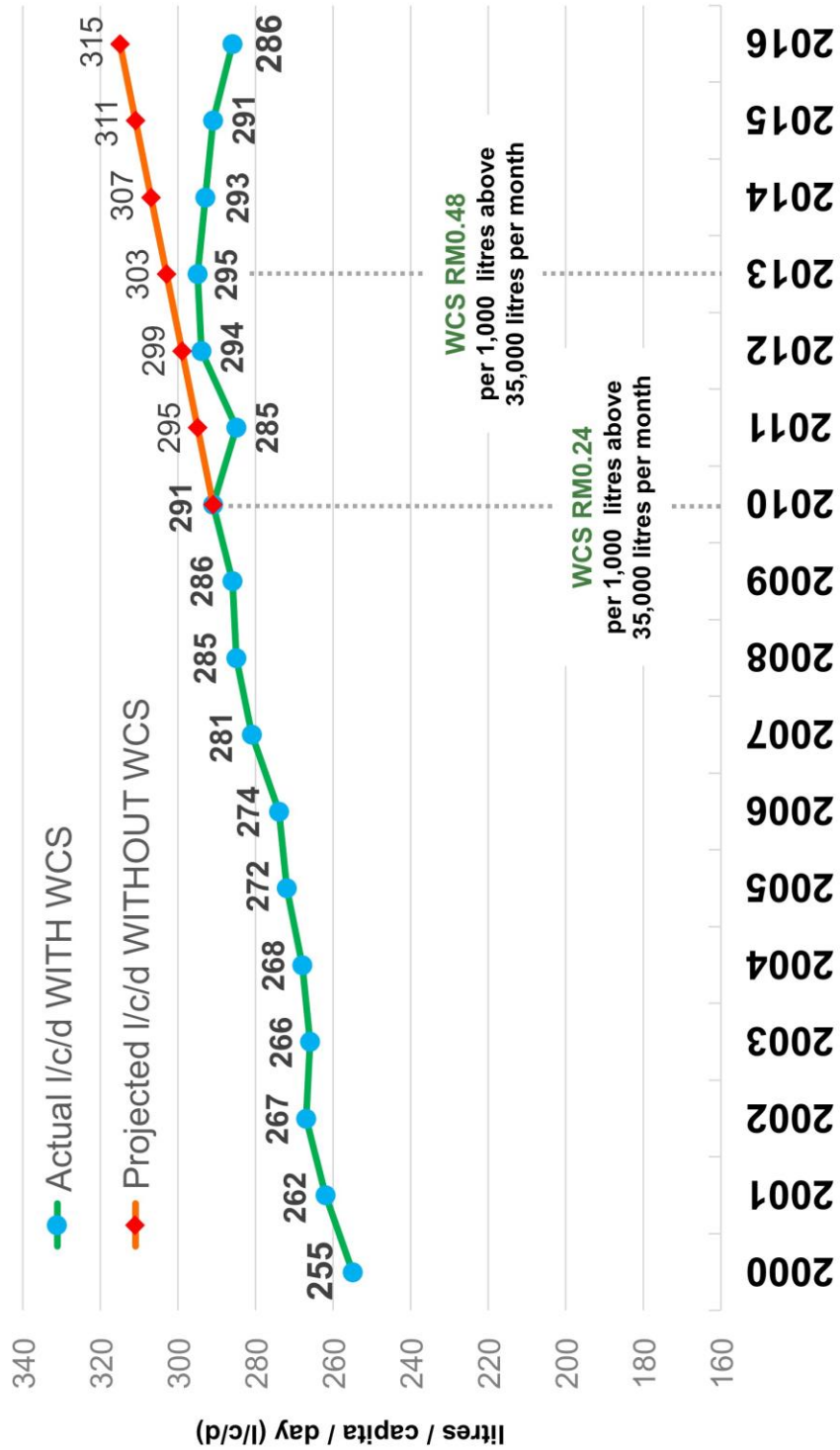


PBA

Perbadanan Bekalan Air
Pulau Pinang Sdn Bhd
(475961-X)

Memenuhi segala keperluan bekalan air anda
Meeting all your water supply needs

APPENDIX A: PER CAPITA DOMESTIC CONSUMPTION IN PENANG (l/c/d) and THE IMPACT OF WCS.





PBA

Perbadanan Bekalan Air
Pulau Pinang Sdn Bhd
(475961-X)

Memenuhi segala keperluan bekalan air anda
Meeting all your water supply needs

APPENDIX B: DOMESTIC WATER TARIFFS (1st 35,000 litres per month) and PER CAPITA DOMESTIC CONSUMPTION FOR 6 MALAYSIAN STATES (99% or higher water supply coverage) and SINGAPORE.

