

18.3.2019
PRESS STATEMENT

by Dato' Ir. Jaseni Maidinsa,
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Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP)

MBPP IS RESPONSIBLE FOR RESOLVING DISCONNECTED WATER SUPPLY ISSUES IN MBPP PREMISES

- **MBPP is responsible because MBPP tenants did not settle outstanding bills for water supply in MBPP premises.**
- **PBAPP disconnects and reconnects water supply in accordance to the legal provisions of the Water Services Industry Act 2006 (WSIA 2006).**
- **Water supply disconnection and reconnection regulations are standardised and applicable to all water consumers in Penang.**

PENANG, Monday, 18.3.2019: The Penang City Council (MBPP) should take action to resolve the issue of outstanding water bills incurred by its hawker tenants before expecting disconnected water meters to be reinstalled in its premises.

MBPP holds the responsibility to settle this issue because:

1. MBPP owns the hawker spaces and is conducting a rental scheme. The defaulting water consumers were MBPP tenants.
2. Water supply is being provided to tenants who are doing business in MBPP premises based on tenancy approvals from MBPP.
3. The locations of the disconnected water meters are in MBPP premises, and not the homes of the hawkers.
4. MBPP signs agreements with its tenants and collects rental deposits.



In a recent news story (StarMetro, 13.3.2019), MBPP Councillor Wong Yuee Harnng was quoted as saying that “new tenants of hawker spaces provided by MBPP should not be forced to pay the outstanding water bills of old tenants.”

This statement is wrong and misleading.

Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP) is in no position to force any prospective MBPP tenant to settle the water bills of another defaulting MBPP tenant.

However, if water supply to any premise has been disconnected due to outstanding water bills, PBAPP reserves the right to reconnect supply only after billing issues are settled.

PBAPP Acts in Accordance to the Law

As a licensed water operator, PBAPP supplies water in Penang in accordance of the provisions of the Water Services Industry Act 2006 (WSIA 2006).

The following sections of the Act are applicable in the MBPP cases:

- Section 37(2)(e): “No water distribution licensee shall be required to supply water to any premise if the supply of water had been previously disconnected as a result of the breach of this Act or its subsidiary legislation.”
- Section 89(1): “A water distribution licensee may disconnect the supply of water to a consumer by severing the service water pipe or cut off the water supply including the right to reduce the supply of water or pressure of the water supply.”
- Section 89(2)(a): “A water distribution licensee may exercise its powers under subsection (1) if the owner, management corporation, occupier or consumer fails to settle the amount for the water supplied; within thirty days from the date of presentation of the bill.”

PBAPP follows the law, not only in serving MBPP, but in serving 616,082 registered domestic and trade water consumers throughout the State of Penang. The same regulations are applicable for all consumers.



Insofar as water supply reconnections are concerned, a charge of RM35.00 per reconnection is applicable, in accordance to the following Federal regulations:

- Water Services Industry (Water Reticulation & Plumbing) Rules 2014; and
- Water Services Industry (Water Services Deposits, Fees & Charges) Regulations 2014.

Outstanding water bills and reconnection charges may be paid by anyone, be it home owners, tenants, landlords, businesses or government organisations.

It may be paid by one party or both parties involved in a property sale or rental transaction.

In MBPP's case, MBPP has the option to settle all the outstanding bills of its ex-tenants and the reconnection charges. PBAPP will reconnect water supply in 24-48 hours after receiving full payment.

Thank You.

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