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Press Release

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PBAPP STEPS UP WATER DEMAND MANAGEMENT TO AVOID RATIONING IN PENANG

- **PBAPP is focusing on water demand management because the Federal Government has delayed the Sungai Perak Raw Water Transfer Scheme (SPRWTS) and the Mengkuang Dam Expansion Project (MDEP). Meanwhile, Kedah is continuing to log the Ulu Muda water catchment areas.**
- **The 2017 target to reduce per capita domestic consumption by 10%, from 286 l/c/d to 257 l/c/d.**

PENANG, Wednesday, 24/5/2017: Water demand management (WDM) strategies are being intensified in Penang to ensure water supply sufficiency towards 2020.

WDM refers to the practice of encouraging and convincing water consumers to reduce water consumption or to use water wisely. This approach supports sustainable water management, water conservation, environment-friendliness (in terms of lower discharges of wastewater) and efficient cost management (in terms of reductions in domestic water subsidies).

Penang's WDM target for 2017 is to **reduce domestic per capita consumption by 10%, from 286 l/c/d to 257 l/c/d.**

PENANG'S 3 KEY WATER DEMAND MANAGEMENT INITIATIVES

The following WDM initiatives are being implemented by Perbadanan Bekalan Air Pulau Pinang Sdn Bhd (PBAPP):

1. Raising the value of the WCS:

PBAPP has applied to the National Water Services Commission (SPAN), the national water services regulator to revise Penang's **water conservation surcharge (WCS)** to RM1.00 per 1,000 litres, only for domestic consumption above 35,000 litres per month.

Please note that the WCS does not affect about 75% of domestic consumers who use less than 35,000 litres per month. All trade consumers are also not affected.

As such, the WCS strategically targets high volume domestic consumers in Penang. The objective is to convince them to use water wisely at home.

2. Promoting water saving devices (WSDs):

WSDs include tap equipment, showers, toilet fittings, urinal fittings, washing machines and dishwashers that 'automatically' save water. WSDs are promoted in Australia, Hong Kong, New Zealand, the United Kingdom and the USA. Upon installation, WSDs may reduce water consumption by up to 70%.

PBAPP has distributed **free water saving thimbles**, at World Water Day 2017, to all State Assemblymen, and at the PBA Holdings Bhd AGM on 23/5/2017. When installed into existing taps, these thimbles will automatically cut down water usage.

PBAPP is also requesting the Penang State Government to change building by-laws to require mandatory installation of WSDs in all new development projects.

3. Increasing public awareness and education:

Public support and cooperation are crucial for the success of WDM initiatives. To get consumers involved, PBAPP actively promotes public awareness and education of water issues via the mass media.

PBAPP will also continue to support, organise and participate in events such as 'World Water Day', to highlight the importance of water conservation in Penang.

On the mobile platform, PBAPP launched the 'myPBA' app in February 2017. Besides allowing consumers to pay water bills using

connected smart phones and tablets, 'myPBA' publicises water saving tips, WSDs and latest water news.

Facts and figures on water saving, WSDs and water-related issues are also published on www.pba.com.my and www.pbahb.com.my, the websites for PBAPP and PBA Holdings Bhd respectively.

PBAPP is planning to embark on a water conservation roadshow to various factory premises and popular shopping malls. We are also formulating a comprehensive plan to increase public awareness and education via social media.

RATIONALE FOR WATER DEMAND MANAGEMENT

WDM is relevant in Penang because of the following facts and figures:

- Penang is highly dependent on **only one raw water resource**, Sungai Muda. Meanwhile, Kedah is approving logging in Ulu Muda, the water catchment for Sungai Muda.
- **Climate change** has altered rainfall patterns in North Malaysia. Penangites have to get into the habit of conserving water to minimise the risks of a water crisis during a prolonged dry season.
- The **Mengkuang Dam Expansion Project (MDEP)**, undertaken by the Federal Government, has been delayed. It is projected that the Mengkuang Dam can only be commissioned by August 2019.
- The Federal Government has also delayed the implementation of the proposed **Sungai Perak Raw Water Transfer Scheme (SPRWTS)** for the benefit of North Perak and Penang.

- Penang's **per capita domestic water consumption** in 2016 was 286 litres/capita/day (l/c/d), the highest in Malaysia. It is 36.8% higher than the national average of 209 l/c/d in 2015 and 93.2% higher than the 148 l/c/d recorded in Singapore.

Moreover, domestic water consumptions accounts for about 60% of the total water consumption in Penang. Hence, a reduction in domestic consumption will have a big impact on water conservation.

In fact, the Ministry of Energy, Green Technology and Water (KeTTHA) has instructed Penang to reduce per capita domestic consumption *before* requesting for the SPRWTS.

PENANG'S MAIN CONCERN IS RAW WATER

In the period 2008 - 2016, PBAPP invested a total of RM484 million in 262 water supply projects for the benefit of Penang. These investments were necessary because Penang's water demand increased by 11.2% in just 8 years, from 744 million litres per day (MLD) in 2008 to 827 MLD in 2016.

PBAPP's projects sustained 100% urban and 99.8% rural supply coverage despite the 11.2% increase in water demand. These projects also ensured that the quality of Penang's treated water exceeds the parameters of the Quality Assurance Programme set by the Ministry of Health.

However, PBAPP's projects cannot address Penang's raw water needs because Penang is a small state with only one primary raw water resource: Sungai Muda.

As such, although Penang's water treatment reserve is high, at 34.8%, PBAPP cannot produce more treated water to meet higher demand if it cannot abstract sufficient raw water.

PBAPP has no power to gazette and conserve Ulu Muda as a water catchment in Kedah, or to direct the implementation of the Sungai Perak Raw Water Transfer Scheme (SPRWTS) in Perak.

Such responsibilities are the responsibilities of the Federal Government.

In 2011, when Penang signed on for the National Water Services Restructuring Initiative (NWSRI), the Federal Government agreed to fund and implement raw water resource projects for Penang.

As such, while managing water demand in Penang, PBAPP will continue to remind the Federal Government of its 5 key obligations to:

- a. **Ban all logging activities in Ulu Muda** to protect water supply for Perlis, Kedah and Penang in the Northern Corridor Economic Region, or NCER;
- b. **Compensate Kedah** after it gazettes and conserves Ulu Muda as the most important water catchment in the NCER;
- c. **Complete the Mengkuang Dam expansion scheme** as per the revised schedule of works in 2017 and hand over the expanded dam in accordance of specifications by August 2019;
- d. **Formulate a NCER water crisis management plan**, before the next prolonged dry season, to avoid a crisis in Perlis, Kedah, Penang and North Perak; and
- e. **Implement the Sungai Perak Raw Water Transfer Scheme (SPRWTS)** now because it will take at least 7 years to complete. By 2025, Penang will definitely need to tap a second raw water resource to meets its future water demand until 2050.

Thank You.

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