

General Announcement

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Submitted**Company Information**

Main Market Company

New Announcement

Submitting Investment Bank/Advisor (if applicable)**Submitting Secretarial Firm (if applicable)**

* Company name

* Stock name

* Stock code

* Contact person

* Designation

* Contact number

E-mail address

SECURITIES SERVICES (HOLDINGS) SDN BHD

PBA HOLDINGS BHD

PBA

5041

THUM SOOK FUN

COMPANY SECRETARY

04-2631966- Ext 184

sspg@pd.jaring.my

Type *

Announcement

Subject *:

OTHERS

(Note : INFORMATION ENTERED IN THE DESCRIPTION FIELD WILL BE DISPLAYED AS THE TITLE OF THE ANNOUNCEMENT IN BURSA MALAYSIA'S WEBSITE)

Description *:-

(Note : Please enter the announcement description in this field and the announcement details in the Announcement Details/Table Section or attach the full announcement details as an attachment)

PBA HOLDINGS BHD ("PBAHB" or "the Company")

- Water Tariff Revision Proposal

Announcement Details/Table Section :-

(This field is for the details of the announcement, if applicable)

PBA Holdings Bhd ("PBAHB") wishes to inform that its subsidiary, Perbadanan Bekalan Air Pulau Pinang ("PBAPP") has reviewed the existing water tariff structure, after obtaining consent from the Penang State Government, and decided to submit an application to National Water Services Commission (or known as "SPAN") in relation to the water tariff revision proposal (hereinafter referred to as "Application") pursuant to Water Services Industry Act 2006 ("WSIA").

Please refer to the attachment for announcement details.

This announcement is dated 25 April 2014.

Attachment(s):- (please attach the attachments here)[PBAHB-Water Tariff Revision Proposal.pdf](#)

Company Name : **PBA HOLDINGS BHD (“PBAHB or “Company”)**

Subject : **WATER TARIFF REVISION PROPOSAL**

Announcement Details :

1. Introduction

PBA Holdings Bhd (“PBAHB”) wishes to inform that its subsidiary, Perbadanan Bekalan Air Pulau Pinang (“PBAPP”) has reviewed the existing water tariff structure, after obtaining consent from the Penang State Government, and decided to submit an application to National Water Services Commission (or known as “SPAN”) in relation to the water tariff revision proposal (hereinafter referred to as “Application”) pursuant to Water Services Industry Act 2006 (“WSIA”).

2. Background Information

2.1 PBAPP is the water operator for Penang State, which operates and maintains the treatment, distribution and supply of treated water in the State of Penang.

2.2 Following the execution of a Master Agreement by PBAPP with the Government of Malaysia, the State Government of Penang and Pengurusan Aset Air Berhad (“PAAB”) on 2 June 2011, PBAPP had been awarded by Ministry of Energy, Water and Communications (the “Minister”) on 2 June 2011 for a Service License issued pursuant to Section 9 of the WSIA.

2.3 Under WSIA Licensing framework, the water tariff revision proposal shall subject to the approval from SPAN.

2.4 The rationale for PBAPP to propose and submit the Application for the water tariff revision proposal was after due consideration of the following factors, among others:

2.4.1 It is not sustainable for Penangites to use 311 liters per capita per day (l/c/d) which is 50% above the national average of 212 l/c/d. This review in tariffs is to educate the Penang Domestic consumers to reduce their consumption pattern.

2.4.2 To make conservation of water resources a priority, so that Penang can survive the long drought without any rationing.

- 2.4.3 The tariff review will not affect the first band of water tariff 0-20 m³ at 22 sen/m³ so as to reward those who save water nor penalise conscientious water users. PBAPP stresses that even after we raise water tariffs, Penang will still enjoy the lowest domestic water tariffs in Malaysia and for Trade tariffs, we are still below the national average. (refer to attachment 1&2).
 - 2.4.4 Funding requirements to support capital projects to be undertaken by PBAPP, including construction of reservoirs, water treatment plants, trunk mains, pumping stations and other related water supply infrastructures in order to ensure the current level of service and meeting the future water supply needs.
 - 2.4.5 To relief the burden of the new water tariffs on large families who are paying Water Conservation Surcharge ("WCS") PBAPP is giving a 60% discount on WCS beginning 1 May 2014 for those families with 8 or more family members upon application.
 - 2.4.6 To inculcate a water saving culture in Penang for a sustainable water supply management.
- 2.5 The last revision to the existing water tariff structure was in 1993/2001 for the domestic rates and 2010 for the Trade rates.

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3. Details of the Water Tariff Revision Proposal

The proposed changes to the existing water tariff based on the respective categories as follows:

Tariff Code	Band [in Cu m.]	Current Rates [RM]	Proposed Rates [RM]	Changes [RM]	Changes [%]	Average % increase in Rates
1	DOMESTIC CONSUMERS					
	Min charge	2.50	3.00	0.50	20.00	
	First 20	0.22	0.22	-	-	
	20 - 40	0.42	0.46	0.04	9.52	
	40 - 60	0.52	0.68	0.16	30.77	20.05
	60 - 200	0.90	1.17	0.27	30.00	
	> 200	1.00	1.30	0.30	30.00	
5	Domestic Bulk Supply - (No change)					
	Min charge	26.00	26.00	-	-	
	> 90	0.35	0.35	-	-	
	Water Conservation Surcharge					
	> 35	0.48	0.48	-	-	
2	TRADE CONSUMERS					
	Trade Ordinary					
	Min charge	10.00	12.00	2.00	20.00	
	First 20	0.66	0.85	0.19	28.79	
	20 - 40	0.89	1.05	0.16	17.98	
	40 - 200	1.15	1.30	0.15	13.04	18.8
	>200	1.27	1.45	0.18	14.17	
3	Trade Special					
	Min charge	10.00	12.00	2.00	20.00	
	Flat rate	1.52	3.00	1.48	97.37	
4	Trade Shipping					
	Min charge	10.00	12.00	2.00	20.00	
	Flat rate	2.54	4.23	1.69	66.54	

4. Approval Required

The above Water Tariff Revision Proposal is subject to the approval by SPAN.

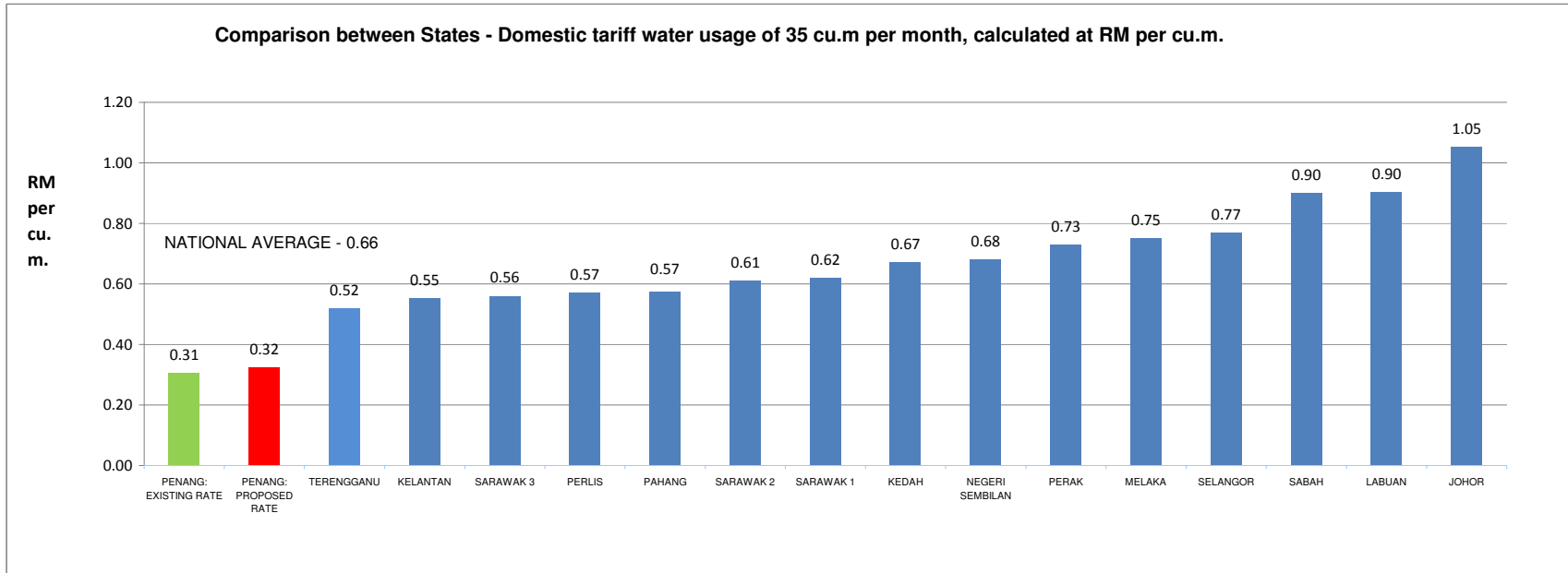
The company will announce the effective date of its new water tariff rates upon obtaining the approval from SPAN.

This announcement is dated 25 April 2014.

PERBADANAN BEKALAN AIR PULAU PINANG SDN BHD (475961-X)
WATER TARIFF PROJECT 2014

DOMESTIC TARIFF

Attachment 1



PENANG: EXISTING RATE

PENANG: PROPOSED RATE

Sarawak 1 - Sibul, Kuching, Sri Aman, Limbang, Sarikei, Kapit, Miri

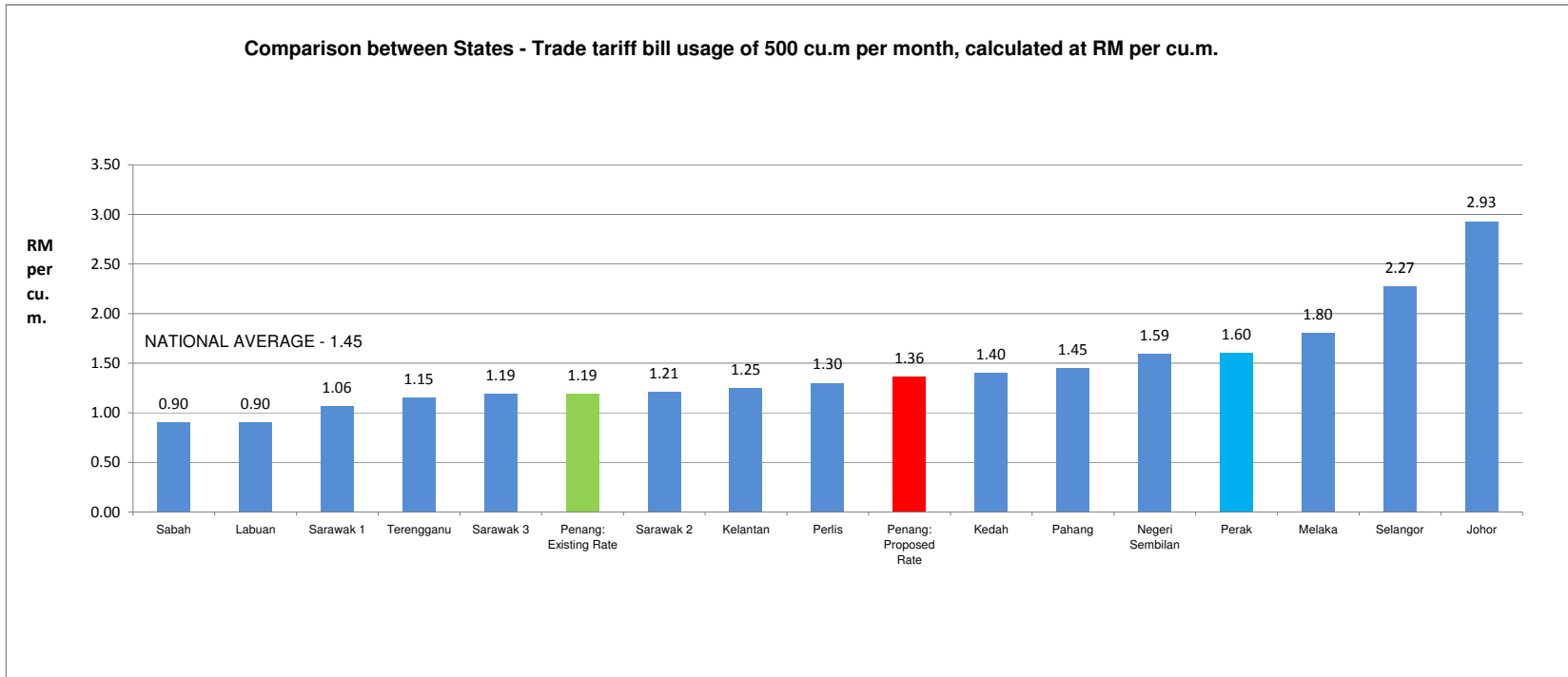
Sarawak 2 - Bintulu

Sarawak 3- Other parts of Sarawak

PERBADANAN BEKALAN AIR PULAU PINANG SDN BHD (475961-X)
WATER TARIFF PROJECT 2014

NON-DOMESTIC TARIFF

Attachment 2



PENANG: EXISTING RATE

PENANG: PROPOSED RATE

Sarawak 1 - Sibu, Kuching, Sri Aman, Limbang, Sarikei, Kapit, Miri

Sarawak 2 - Bintulu

Sarawak 3- Other parts of Sarawak