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APRIL 9, 2012

Single bill in the pipeline

> Plan to tie in IWK sewerage charges with water bill

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PETALING JAYA: A proposal for a single bill combining water and sewerage charges has received the nod from the Energy, Green Technology and Water Ministry.

However, its minister Datuk Peter Chin Fah Kui said several issues need to be resolved before the proposal can be implemented.

He said that until the ongoing

nationwide water restructuring exercise is completed, it will be difficult to implement the combined billing.

"The ministry supports the proposal, but it is difficult to coordinate the water industry and the sewerage (services)," he told *theSun*.

"There is also the matter of regulations. Enabling legislation must be in place for single billing to become a reality, and the entire matter must be looked at holistically."

Chin said the ministry is not dismissing the possibility of implementing single billing in stages, or state by state.

"The Perak water authority will be signing the water restructuring agreement with Pengurusan Asset Air Berhad by the end of the month, and Pahang and Terengganu will follow suit by the end of the year," he said, adding that the ministry will look into the possibility of implementing single billing in those states first.

Indah Water Konsortium (IWK), the government-owned concession which manages sewerage services nationwide, had recently indicated that a merged billing system is in the works.

Its communications manager Shahrul Nizam Sulaiman told *theSun* that a single bill, issued on a monthly basis, is the best way forward. "This will also pave the way for sewerage charges to be volumetric in line with water usage," said Shahrul.

He said the whole concept of moving towards volumetric charges will be the "user pays" principle, which he said is the best practice.

IWK has faced difficulties in collecting payment as most consumers have somehow not felt compelled to pay for sewerage charges, mainly because it is unlike utilities such as water and electricity where supply can be terminated for non-payment.

To date, IWK is being owed a

sum to the tune of RM750 million in unpaid bills.

Shahrul said IWK will also be revising its bill-issuing frequency in the 2012 financial year from once every six months to once every three months.

"This is to ensure that customers are aware of our existence and services that are been provided," he said.

He said all IWK bills are heavily subsidised by the government and that the true costs of providing modern sewerage are not being directly passed onto consumers.

"What is charged to the customers is well below IWK's operating costs," Shahrul said.

The proposal for a single bill was raised late last year, when iMalaysia Development Bhd (iMADB) was touted to buy over IWK.

The plan was to link water use to sewerage, where low-end users will not need to pay sewerage charges while heavy users will be charged according to the volume of water they use.

It also proposes for industrial users to be charged differently, but no further details have been made available.

In an immediate response, Association of Water and Energy Research president S.

Piarapakaran said that if a single billing system is in the works, then IWK must work out a fair rate for all, as the current flat rate is unfair to some.

"There must be transparency in making the decision, be it to be based on volumetric rate or a flat rate. IWK must explain its costs and what the charges are based upon so people will know what they are paying for," he said.

Federation of Consumer Associations (Fomca) CEO Datuk Paul Selvaraj said whatever mechanism IWK chooses to use in billing users must be the result of thorough consultation with all stakeholders. "Until something concrete is decided, it is not fair to make any comment now. All we call for is transparency and careful deliberation," he said.