



Coogee Chemicals Pty Ltd

ABN 37 008 747 500

02 February 2024

Naomi Menon  
Director, Competition Exemption  
Australian Competition and Consumer Commission  
23 Marcus Clare St  
CANBERRA ACT 2601

Dear Naomi,

**Subject: Water Services Association of Australia Limited Application for  
Authorization AA1000657 – Interested Party Consultation**

Coogee welcomes the opportunity to provide comment and information to support the Water Services Association of Australia (WSAA) application and to help improve security of supply concerns for gaseous chlorine supply to ensure safe drinking water in Australia.

Established in 1971 and headquartered in Kwinana, Western Australia (WA), Coogee Chemicals (Coogee) is a private company, proudly fully Australian owned, and independent ([www.coogee.com.au](http://www.coogee.com.au)). The company is a major bulk terminal operator, chemical manufacturer, and operates its own dangerous goods transport fleet. Coogee currently owns and operates from 13 sites in Australia (present in all States other than Tasmania and Northern Territory) and has a joint venture in Malaysia and a manufacturing site outside Chicago, USA. Coogee Chemicals operates 4 Major Hazard Facilities (MHFs).

Coogee is Australia's largest (by volume) manufacturer of chlorine and chlorine-based products which are supplied to industrial and water treatment customers across Australia.

Our Brisbane chlor-alkali manufacturing facility manufactures caustic soda, hypochlorite and hydrochloric acid for supply to water treatment, mining and industrial customers along the East Coast of Australia.

Coogee operates two separate chlor-alkali manufacturing operations in Western Australia. These sites supply chlorine by pipeline to industrial customers requiring 24/7 high reliability supply and separately manufacture related products including caustic soda, hypochlorite and hydrochloric acid for supply to water treatment, mining and industrial customers.

Coogee currently has no installed capability for filling chlorine drums and cylinders to support supply of pure chlorine for water treatment. That said, the two chlor-alkali plants in Western Australia have existing liquefaction and liquid chlorine storage infrastructure. Further, Coogee has made significant investment in the establishment of a chlorine drum / cylinder storage depot at our main operating site at Kwinana, Western Australia. This is currently used for the storage and dispatch of imported chlorine drums from South East Asia. Coogee also has a facility established in Mt Isa, Queensland that stores and dispatches chlorine drums to meet local customer demand. The Mt Isa facility has successfully operated since 2018 in the provision of liquid chlorine drums to the local market.

However, both QLD and WA import models have a high cost base due to the need to purchase chlorine from a third-party, the cost of filling drums, the transport / handling and shipping costs – which are compounded by limited volume. Coogee feels this model may not be sustainable long term for its customers. This is likely why in various communications the chlorine drum market in Australia is referred to as having a ‘fortress position’ – very high barriers to entry currently.

In 2023, Coogee completed a significant expansion of its chlor-alkali manufacturing capacity in WA which included the additional production of pure gaseous / liquid chlorine for the potential supply to water treatment customers across Australia. Coogee is well aware that water treatment authorities in various States continue to express concerns of security of supply with only one main supplier in Australia. Coogee is well placed with our installed pure liquid chlorine capacity to offer a second source of competitive domestic supply.

That said, the process of coordinating with multiple stakeholders in multiple states is extremely difficult and the approach of WSAA operating as an independent representative undertaking the process as laid out in this application is likely the only successful approach to achieve an alternate chlorine drum supplier within Australia.

At considerable cost to itself, Coogee has completed detailed engineering design and cost estimate for construction of a drum and cylinder filling facility in WA to enable chlorine supply nationally.

Coogee is prepared to invest in the construction of a drum and cylinder filling facility and the considerable additional cost of establishing a national supply chain if an adequate supply arrangement could be established to ensure payback of the capital. If suitable commercial arrangements are not achievable with the water treatment utilities, Coogee will be looking to sell the new spare chlorine capacity to other consumers to recover its spent capital, and this opportunity for a second drummed chlorine facility in Australia, will be missed.

Coogee will make its production capacities, cost estimates and market assessment available to the ACCC with confidence this information can be kept confidential.

Yours sincerely



Tim Odgers  
Business Development Manager