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## **Carlyle Group Sewer Sludge Business May Increase Health Risks to Communities**

**SEIU calls on Carlyle to disclose information about potential health hazards to environmental groups, local govts that contract with Carlyle-owned Synagro Technologies**

WASHINGTON, DC – People who live near the operations of a Carlyle Group sewer sludge business could be at an increased health risk if Carlyle does not provide information to those communities about toxins and other hazards associated with its business. Washington, DC-based Carlyle, a giant global buyout firm, owns Synagro Technologies, a company that processes municipal waste products, transports the resulting “sewer sludge,” and distributes it for land application. Residents living near sites where sewer sludge has been applied have reported significant health complaints that they associate with the sludge application.

By taking Synagro private in an April 2007 leveraged buyout worth \$772 million, Carlyle is able to avoid requirements that Synagro provide to the public, shareholders, and federal agencies such as the SEC certain information about its business practices. As a result of the buyout, Synagro may no longer be required to disclose publicly the existence of regulatory inquiries or legal complaints against the company resulting from health hazards caused by Synagro products and product distribution. Private equity buyout firms such as the Carlyle Group are not required to publicly disclose information about the business practices of the companies they own.

Anything sent to a sewer can potentially end up in sludge, including human waste, fertilizer run-off, chemical run-off, or discharges from hospitals or manufacturing plants. According to the EPA, sewer sludge, also known as “biosolids” is “the solid, semi-solid, or liquid residue generated during the treatment of domestic sewage.” Indeed, the National Research Counsel has stated that “[t]oxic chemicals, infectious organisms, and endotoxins or cellular material may all be present in biosolids.”

“The Carlyle Group should come clean about its Synagro sewer sludge,” said Stephen Lerner, Director of the SEIU Private Equity Project. “People have a right to know about the products being produced and distributed in their neighborhoods, especially when those products may contribute to health hazards. Despite these health risks, the Carlyle Group seems to be allergic to the principles of transparency and disclosure. Carlyle should commit to full transparency about Synagro’s environmental impact.”

To highlight the health risks that could go undetected if Carlyle refuses to disclose information about its sewer sludge business, SEIU held a demonstration today outside

Carlyle's Washington DC offices with demonstrators dressed in hazmat suits. This week SEIU began contacting environmental groups, and state and municipal governments that contract with Synagro to raise concerns about Carlyle's lack of transparency and to encourage these groups to join the call for Carlyle to disclose potential risks of its sewer sludge business.

The focus on Carlyle's sewer sludge business is part of a larger national effort by SEIU to hold Carlyle accountable for the impact of its actions on taxpayers, workers, and communities. More information is available at [www.CarlyleExposed.org](http://www.CarlyleExposed.org)

Sewer sludge produced by the Carlyle Group's Synagro Technologies has been accused of causing serious health problems. According to news reports, several individuals filed suit against a Synagro subsidiary in 2006 alleging that soon after applications of Synagro products on a neighboring property, they started suffering from running noses, burning eyes, even pneumonia and lung scarring.

Affected municipalities also are exploring their options to address concerns about Synagro products; among the strategies they are considering are lawsuits, injunctions, studies of government leases with the company, and city ordinances. In other cases, residents have had to try to deal with the problem themselves; one school located near a Synagro facility produced calendars for parents to track especially noxious days and report them to city government officials.