



FOR IMMEDIATE RELEASE

AIG HIGHSTAR CAPITAL II, L.P. ANNOUNCES ACQUISITION OF INTERSTATE WASTE SERVICES, INC.

NEW YORK – November 21, 2006 -- AIG Highstar Capital II, L.P. (Highstar II), a private equity fund sponsored by AIG Global Investment Group has acquired Interstate Waste Services, Inc. (IWS) from a seller group which includes Summer Street Capital Partners LLC and Ironwood Capital.

IWS is a Sloatsburg, New York based company that specializes in the collection and transportation of non-hazardous solid waste in 21 municipalities in the northern New Jersey and lower Hudson Valley region of New York. IWS owns and manages a network of strategically located transfer stations and owns and operates a high volume material recycling facility. Currently, IWS controls over 3,400 tons per day of waste through its collection and transfer station operations.

Commenting on the purchase, Highstar II Managing Director Michael Walsh stated, "With the IWS transaction, Highstar II is acquiring an excellent business and a strong and experienced management team. The combination of IWS's collection and transfer station operations with the landfill and long haul operations of North East Waste Services will create the largest privately held, vertically integrated waste business in the northeast United States with a first class management team and significant growth opportunities. In particular, we are pleased that IWS founders Frank Celli and Mike DiBella will remain as Chief Executive Officer and Vice President of Collection Operations, respectively, and will retain an ongoing ownership interest in the combined IWS and North East Waste Services businesses. We look forward to supporting the continued growth of the IWS and North East Waste businesses, consistent with Highstar's standards of integrity, customer focus, community support and commercial innovation."

Also remarking on the sale of IWS, Frank E. Celli, CEO of IWS, stated, "We are excited to partner with the Highstar Team in the continued growth of IWS and North East Waste Services. The combination provides considerable opportunities to leverage the existing assets and continue our growth through acquisition strategy."

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AIG Highstar Capital II, L.P.

AIG Highstar Capital II, L.P. (Highstar II) is a leveraged buyout fund sponsored by AIG Global Investment Group. Highstar II and its predecessor fund, AIG Highstar Capital, L.P. (collectively, the Highstar Funds), seek investment opportunities in infrastructure related businesses and assets with stable cash flows and value enhancement opportunities. The Highstar Funds have made investments and investment commitments in gas transmission and storage, power generation, waste-to-energy, water and waste water and transportation businesses and assets. The Highstar Funds are based in New York City and Houston.

AIG Global Investment Group

AIG Global Investment Group (AIGGIG) is a worldwide leader in asset management, with extensive capabilities in equity, fixed income, multi-manager hedge funds, private equity, and real estate. AIGGIG manages more than US \$635 billion in assets, and employs over 1,800 professionals in 44 offices around the world as of September 30, 2006. Total assets under management include approximately US \$540 billion of AIG affiliated assets. AIGGIG comprises a group of international companies which provide investment advice and market asset management products and services to clients around the world. The member companies of AIGGIG are subsidiaries of American International Group, Inc. (NYSE:AIG).

Summer Street Capital Partners

Summer Street Capital Partners (www.summerstreetcapital.com) is a Buffalo, NY based private equity firm with \$200 million in capital. The fund invests \$5-\$20 million per transaction in small market buyouts and growth financings including acquisitions, family transitions and recapitalizations. Investors include the New York State Common Retirement Fund and financial institutions such as JP Morgan Chase, and HSBC Capital.

Ironwood Capital

Ironwood Capital is a fund management company headquartered in Avon, Connecticut and Boston, Massachusetts. Founded in 1986 as an investment banking and financial advisory firm, Ironwood Capital raised over \$5 billion on behalf of its clients before entering the fund management business in 2000. The Ironwood Mezzanine Fund LP, and its affiliated fund, the Ironwood Equity Fund LP, manage \$150 million in capital, which is invested in growing middle market companies with revenues of between \$10 and \$100 million.

Law firms were Paul Hastings, Janofsky & Walker acting on behalf of Highstar II and McCarter and English acting on behalf of IWS.

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