



August 24, 2001

STAR GAS PARTNERS ACQUIRES RHODE ISLAND HEATING OIL DISTRIBUTOR FROM SOUTHERN UNION COMPANY

STAMFORD, CT (August 24, 2001) -- Star Gas Partners, L.P. (the "Partnership") (NYSE: SGU, SGH), a diversified energy distributor and services provider, specializing in heating oil, propane, electricity and natural gas, announced today the acquisition of assets of ProvEnergy Oil from Southern Union Company (NYSE:SUG), a natural gas utility based in Austin, TX. ProvEnergy, based in Providence, RI, serves approximately 15,000 customers, with annual home heating oil volume of approximately 12 million gallons.

Commenting on the acquisition, Star Gas CEO Irik Sevin, said, "This transaction is an example of the continued success of our disciplined, yet very active acquisition program, focused on acquiring heating oil and propane businesses of all sizes that meet our profile. We are pleased that Southern Union's decision to focus on its core natural gas distribution business afforded us this opportunity."

Star Gas Partners, L.P., is a leading distributor of home heating oil, propane and deregulated natural gas and electricity. Star is the nation's largest retail distributor of home heating oil, serving approximately 500,000 customers through its Petro and Meenan Oil subsidiaries. Star is also the nation's eighth largest retail propane distributor, serving approximately 260,000 customers throughout the Midwest and Northeast. Star owns a controlling 72.7% interest in Total Gas and Electric, which sells natural gas and electricity in the Northeast and Mid Atlantic to 55,000 customers.

This news announcement contains certain forward-looking information that is subject to certain risks and uncertainties as indicated from time to time in the Partnership's 10-K, 10-Q, 8-K and other filings with the Securities and Exchange Commission. Included risks and uncertainties are the effects of the weather on the Partnership's financial results, competitive and propane and heating oil pricing pressures and other factors impacting the propane, home heating oil, natural gas and electricity distribution industries.