

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE

SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED): APRIL 16, 2001

STAR GAS PARTNERS, L.P.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN CHARTER)

DELAWARE	33-98490	06-1437793
----- (STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	----- (COMMISSION FILE NUMBER)	----- (IRS EMPLOYER IDENTIFICATION NO.)
2187 ATLANTIC STREET, STAMFORD, CT		06902
----- (ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)		----- (ZIP CODE)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: 203-328-7300

Item 5. Other Events.

Adoption of Rights Agreement

On April 16, 2001, Star Gas Partners, L.P., a Delaware limited partnership (which we refer to as "we", "us" or the "partnership" in this Report), adopted a rights agreement between the partnership and American Stock Transfer & Trust Company as rights agent. Under the rights agreement, we have declared a distribution of one right to purchase one Class A common unit for each outstanding common unit, senior subordinated unit, junior subordinated unit and general partner unit of the partnership. The distribution is payable on April 27, 2001 to unitholders of record as of the close of business on that date. The rights agreement also provides, subject to specified exceptions and limitations, that units issued or delivered from after the record date through the distribution date will be entitled to and accompanied by rights. The rights are in all respects subject to and governed by the provisions of the rights agreement. We have summarized selected portions of the rights agreement and the rights below. For a complete description of the rights, we encourage you to read the summary below and the rights agreement, a copy of which (including all exhibits thereto) is filed as Exhibit 4.1 hereto and incorporated herein by this reference.

Detachment of Rights; Exercisability

The rights are attached to all certificates representing our currently outstanding units and will attach to all unit certificates we issue prior to the "distribution date." That date will occur, except in some cases, on the earlier of:

- ten (10) days following a public announcement that a person or group of affiliated or associated persons, who we refer to collectively as an "acquiring person," has acquired, or obtained the right to acquire, beneficial ownership of 15% or more of either our outstanding common units or the aggregate of our outstanding senior subordinated units and junior subordinated units; or

- ten (10) business days following the start of a tender offer or exchange offer that would result in a person becoming an acquiring person.

Our general partner may defer the distribution date in some circumstances. Also, some inadvertent acquisitions of our units will not result in a person becoming an acquiring person if the person promptly divests itself of sufficient units.

Until the distribution date:

- unit certificates will evidence the rights;
- the rights will be transferable only with those certificates;
- new unit certificates will contain a notation incorporating the rights agreement by reference; and

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- the surrender for transfer of any unit certificate will also constitute the transfer of the rights associated with the units represented by the certificate.

The rights are not exercisable until the distribution date and will expire at the close of business on April 16, 2011, unless we redeem or exchange them at an earlier date as described below.

As soon as practicable after the distribution date, the rights agent will mail certificates representing the rights to holders of record of units as of the close of business on the distribution date. From that date on, only separate rights certificates will represent the rights. We will issue rights with all units issued prior to the distribution date. We will also issue rights with units issued after the distribution date in connection with some employee benefit plans or upon conversion of some securities. Except as otherwise determined by our board of directors, we will not issue rights with any other units issued after the distribution date.

Flip-In Event

A "flip-in event" will occur under the rights agreement when a person becomes an acquiring person otherwise than pursuant to a "permitted offer." The rights agreement defines "permitted offer" as a tender or exchange offer for all outstanding units at a price and on terms that our general partner determines to be fair to and otherwise in the best interests of our unitholders.

If a flip-in event occurs, each right, other than any right that has become null and void as described below, will become exercisable following the end of the subordination period (as defined in the partnership agreement) to receive the number of Class A common units, or in some specified circumstances, cash, property or other securities, which has a "current per unit market price" equal to two (2) times the exercise price of the right. Please refer to the rights agreement for the definition of "current per unit market price."

Flip-Over Event

A "flip-over event" will occur under the rights agreement when, at any time from and after the time a person becomes an acquiring person:

- we are acquired or we acquire such person in a merger or other business combination transaction, other than specified mergers that follow a permitted offer; or
- 50% or more of our assets, cash flow or earning power is sold, leased or transferred.

If a flip-over event occurs, each holder of a right, except rights that are voided as described below, will thereafter have the right to receive, on exercise of the right, a number of common units or equivalent securities of the acquiring company that has a current market price equal to two (2) times the exercise price of the right.

When a flip-in event or a flip-over event occurs, all rights that then are or previously were (under certain circumstances specified in the rights agreement)

beneficially owned by an acquiring person (or specified related parties) will become null and void.

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Class A Common Units

After the distribution date and following the end of the subordination period, each right will entitle the holder to purchase Class A common units, which is the term our partnership agreement uses to describe common units following the end of the subordination period.

Antidilution

The number of rights associated with a unit, the number of Class A common units issuable upon exercise of a right and the exercise price of the right are subject to adjustment in the event of a unit distribution on, or a subdivision, combination or reclassification of, our common units occurring prior to the distribution date. The exercise price of the rights and the number of Class A common units or other securities or property issuable on exercise of the rights are subject to adjustment from time to time to prevent dilution in the event of some specified transactions affecting the common units.

With some exceptions, we will not be required to adjust the exercise price of the rights until cumulative adjustments amount to at least 1% of the exercise price. The rights agreement also will not require us to issue fractional Class A common units and, in lieu of the fractional portion of any units, we will make a cash payment based on the market price of the common units.

Redemption of Rights

At any time until the time a person becomes an acquiring person, we may redeem the rights in, whole, but not in part, at a price of \$.01 per right, payable, at our option, in cash, securities or such other consideration as our general partner may determine. Upon such redemption, the rights will terminate and the only right of the holders of rights will be to receive the \$.01 redemption price.

Exchange of Rights

At any time after the occurrence of a flip-in event and prior to a person's becoming the beneficial owner of 50% or more of our outstanding units or the occurrence of a flip-over event, we may exchange the rights, other than rights owned by an acquiring person or an affiliate or an associate of an acquiring person, which will have become void, in whole or in part, at an exchange ratio of one Class A common unit, and/or other equity securities deemed to have the same value as one Class A common unit, per right, subject to adjustment.

Substitution

If we have an insufficient number of authorized but unissued Class A common units available to permit an exercise or exchange of rights upon the occurrence of a flip-in event, we may substitute other specified types of property for Class A common units so long as the total value received by the holder of the rights is equivalent to the value of the Class A common units that the unitholder would otherwise have received. We may substitute cash, property, equity securities or debt, reduce the exercise price of the rights or use any combination of the foregoing.

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No Rights as a Unitholder; Taxes

Until a right is exercised, a holder of rights will have no rights to vote or receive distributions or any other rights as a holder of our units. Unitholders may, depending upon the circumstances, recognize taxable income in the event that the rights become exercisable for our Class A common units, or other consideration, or for the common units or equivalent securities of the acquiring company or are exchanged as described above.

Amendment of Terms of Rights

Our general partner may amend any of the provisions of the rights agreement,

other than some specified provisions relating to the principal economic terms of the rights and the expiration date of the rights, at any time prior to the time a person becomes an acquiring person. Thereafter, our general partner may only amend the rights agreement in order to cure any ambiguity, defect or inconsistency or to make changes that do not materially and adversely affect the interests of holders of the rights, excluding the interests of any acquiring person.

Adoption of Amendments to Partnership Agreement

EFFECTIVE AS OF APRIL 17, 2001, THE GENERAL PARTNER HAS ADOPTED AMENDMENT NO. 1 (REFERRED TO AS "AMENDMENT NO. 1") TO THE AMENDED AND RESTATED PARTNERSHIP AGREEMENT (REFERRED TO AS THE "PARTNERSHIP AGREEMENT") OF THE PARTNERSHIP TO PROVIDE FOR NEW ARTICLE 36 WHICH IS SUBSTANTIALLY THE SAME AS SECTION 203 OF THE DELAWARE GENERAL CORPORATION LAW.

NEW ARTICLE 36 PROHIBITS AN "INTERESTED HOLDER," WHICH IS DEFINED GENERALLY AS A PERSON OR GROUP OWNING 15% OR MORE OF THE PARTNERSHIP'S OUTSTANDING UNITS, FROM ENGAGING IN A "BUSINESS COMBINATION" WITH THE PARTNERSHIP FOR THREE YEARS FOLLOWING THE DATE SUCH PERSON BECAME AN INTERESTED HOLDER UNLESS:

- (i) Before such person or group became an interested holder, the general partner approved either the transaction in which the interested holder became an interested holder or the proposed business combination;
- (ii) Upon consummation of the transaction that resulted in the interested holder becoming an interested holder, the interested holder owns at least 85% of the outstanding units at the time the transaction commenced (excluding units held by the general partner and its affiliates); or
- (iii) Following the transaction in which such person or group became an interested holder, the business combination is approved by the general partner and authorized at a meeting of the unitholders by the affirmative vote of the holders of two-thirds of the outstanding units that are not owned by the interested holder.

Amendment No. 1 also includes certain amendments to the terms of the partnership agreement that are necessary in order to implement the rights agreement.

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Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

- (A) FINANCIAL STATEMENTS OF BUSINESSES ACQUIRED: NONE
- (B) PRO FORMA FINANCIAL INFORMATION: NONE
- (C) EXHIBITS:

EXHIBIT NUMBER -----	EXHIBIT -----
3.1	AMENDMENT NO. 1 DATED AS OF APRIL 17, 2001 TO AMENDED AND RESTATED PARTNERSHIP AGREEMENT OF STAR GAS PARTNERS, L.P.
4.1	UNIT PURCHASE RIGHTS AGREEMENT, DATED APRIL, 17, 2001 BY AND BETWEEN STAR GAS PARTNERS, L.P. AND AMERICAN STOCK TRANSFER & TRUST COMPANY, INCLUDING THE FORM OF RIGHTS CERTIFICATE AND THE SUMMARY OF RIGHTS ATTACHED THERETO EXHIBITS A AND B, RESPECTIVELY. (INCORPORATED BY REFERENCE TO THE PARTNERSHIP'S REGISTRATION STATEMENT ON FORM 8-A FILED APRIL 18, 2001)
99.1	PRESS RELEASE, DATED APRIL 17, 2001

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

STAR GAS PARTNERS, L.P.
BY: STAR GAS, LLC, AS GENERAL PARTNER

BY: /s/ IRIK P. SEVIN

NAME: IRIK P. SEVIN
TITLE: CHAIRMAN OF THE BOARD
AND CHIEF EXECUTIVE OFFICER

DATE: APRIL 17, 2001

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INDEX TO EXHIBITS

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99.1	PRESS RELEASE, DATED APRIL 17, 2001

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AMENDMENT NO. 1 TO
AMENDED AND RESTATED
AGREEMENT OF LIMITED PARTNERSHIP OF
STAR GAS PARTNERS, L.P.

THIS AMENDMENT NO. 1 (the "Amendment") dated as of April 17, 2001 TO THE AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP dated as of March 26, 1999 (the "Partnership Agreement") of STAR GAS PARTNERS, L.P. (the "Partnership"), is entered into by and among STAR GAS LLC, a Delaware limited liability company, as the General Partner, and those persons who are or become partners in the Partnership or parties hereto as provided herein. In consideration of the covenants, conditions and agreements contained herein, the parties hereto hereby agree as follows:

R E C I T A L S:

WHEREAS, the General Partner proposes to enter into a Unit Purchase Rights Agreement dated as of the date hereof (the "Rights Agreement"), with American Stock Transfer & Trust Company, as rights agent (the "Rights Agent"), pursuant to which the Partnership shall, among other things, declare a distribution of one right (a "Right"), to purchase one Class A Common Unit for each outstanding Unit;

WHEREAS, in order to effect the transactions contemplated by the Rights Agreement, it is necessary to amend the Partnership Agreement as provided herein;

WHEREAS, the General Partner proposes to further amend the Partnership Agreement to adopt a provision limiting business combinations with interested holders that is substantially the same as Section 203 of the Delaware General Corporation Law; and

WHEREAS, the General Partner has the authority to adopt certain amendments to the Partnership Agreement without the approval of any Limited Partner or Assignee to reflect, among other things: (i) subject to the terms of Section 4.4 of the Partnership Agreement, any change that is necessary or desirable in connection with the authorization for issuance of any class or series of Partnership Securities pursuant to Section 4.4 and (ii) a change that, in the sole discretion of the General Partner, does not adversely affect the Limited Partners in any material respect.

NOW, THEREFORE, the Partnership Agreement is hereby amended as follows:

1. Upon the Distribution Date (as such term is defined in the Rights Agreement), the Partnership Agreement shall be amended automatically as follows:

a. To incorporate by this reference into the Partnership Agreement as new Article XXXV all of the terms and provisions of the Rights Agreement.

b. To amend Article V to add the following new Section 5.9:

"Section 5.9 Special Provisions Relating to Adjustment of Minimum Quarterly Distribution and Target Level Distributions in Connection with Rights.

(a) Upon the date (the "Trigger Date") of a Triggering Event (as defined in the Rights Agreement), the Minimum Quarterly Distribution, First Target Distribution, Second Target Distribution and Third Target Distribution (collectively, the "Distribution Levels") shall each automatically be adjusted so that the Distribution Levels thereafter shall equal the result obtained by multiplying the Distribution Levels in effect immediately prior to the date of a Triggering Event by the Distribution Ratio (defined below).

(b) The distribution ratio (the "Distribution Ratio") shall equal a fraction the numerator of which shall be the number of Units

outstanding on the Trigger Date, plus the number of Class A Common Units or other Partnership Securities, as the case may be, that the aggregate exercise price of the Rights would purchase at the current per unit market price for the Common Units on the Trigger Date and the denominator of which shall be the number of Units outstanding on the Trigger Date, plus the number of Class A Common Units or other Partnership Securities, as the case may be, that would be issuable upon the exercise in full of the Rights; provided, however, that if the General Partner shall have exercised the option pursuant to Section 24 of the Rights Agreement to exchange all or a part of the then outstanding and exercisable Rights for Class A Common Units or other Partnership Securities, as the case may be, then the Distribution Ratio shall be adjusted accordingly to reflect the number of Class A Common Units or other Partnership Securities, as the case may be, that would be issuable in connection within such exchange."

- c. To amend Section 15.3 of the Partnership Agreement to add the following new paragraph (f):

"(f) Notwithstanding anything to the contrary contained herein, following the Distribution Date the Partnership shall not supplement or amend the terms of the Partnership Agreement in any manner that may materially adversely affect the interests of the holders of Rights (other than an Acquiring Person or an Affiliate or an Associate of an Acquiring Person as such capitalized terms are defined in the Rights Agreement)."

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2. The Partnership Agreement is hereby amended, effective immediately, to add the following new Article XXXVI:

ARTICLE XXXVI

Business Combinations with Interested Holders.

36.1 Limitation on Business Combinations

(a) Notwithstanding any other provisions of this Agreement, the Partnership shall not engage in any Business Combination (as defined below) with any Interested Holder (as defined below) for a period of 3 years following the time that such Holder became an Interested Holder, unless:

(1) prior to such time the General Partner approved either the Business Combination or the transaction which resulted in the Holder becoming an Interested Holder, or

(2) upon consummation of the transaction which resulted in the Holder becoming an Interested Holder, the Interested Holder owned at least 85% of the Outstanding Units at the time the transaction commenced, excluding for purposes of determining the number of Outstanding Units those Units owned by the General Partner and its Affiliates, or

(3) at or subsequent to such time the Business Combination is approved by the General Partner and authorized at a meeting of Holders, and not by written consent, by the affirmative vote of at least 662/3% of the Outstanding Units which are not owned by the Interested Holder.

- (b) The restrictions contained in this section shall not apply if:

(1) The Partnership, by action of its Holders, adopts an amendment to this Agreement expressly electing not to be governed by this section, provided that, in addition to any other vote required by law, such amendment to this Agreement must be approved by the affirmative vote of a majority of the Outstanding Units. An amendment adopted pursuant to this paragraph shall not be effective until 12 months after the adoption of such amendment and shall not apply to any Business Combination between the Partnership and any person who became an Interested Holder on or prior to such adoption;

(2) a Holder becomes an Interested Holder inadvertently and (i) as soon as practicable divests itself of ownership of sufficient Units so that the Holder ceases to be an Interested Holder and (ii) would not, at any time within the 3 year period immediately prior to a Business Combination between the

Partnership and such Holder, have been an Interested Holder but for the inadvertent acquisition of ownership;

(3) the Business Combination is proposed prior to the consummation or abandonment of and subsequent to the earlier of the public announcement or the notice required hereunder of a proposed transaction which (i) constitutes one of the transactions described in the second sentence of this paragraph; (ii) is with or by a Person who either was not an Interested

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Holder during the previous 3 years or who became an Interested Holder with the approval of the General Partner and (iii) is approved or not opposed by a Person that was the General Partner (the "Original General Partner") prior to any Person becoming an Interested Holder during the previous 3 years or was recommended for appointment to succeed such General Partner by the Original General Partner. The proposed transactions referred to in the preceding sentence are limited to (x) a merger or consolidation of the Partnership (except for a merger in respect of which no vote of the Holders is required); (y) a sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions), whether as part of a dissolution or otherwise, of assets of the Partnership or of any direct or indirect majority-owned subsidiary of the Partnership (other than to any direct or indirect wholly-owned subsidiary or to the Partnership) having an aggregate market value equal to 50% or more of either the aggregate market value of all of the assets of the Partnership determined on a consolidated basis or the aggregate market value of all the Outstanding Units of the Partnership; or (z) a proposed tender or exchange offer for 50% or more of the Outstanding Units of the Partnership. The Partnership shall give not less than 20 days notice to all Interested Holders prior to the consummation of any of the transactions described in clauses (x) or (y) of the second sentence of this paragraph;

36.2 Definitions Applicable to Article XXXVI

As used in this section only, the term:

(a) "Business Combination," when used in reference to the Partnership and any Interested Holder of the Partnership means:

(i) any merger or consolidation of the Partnership or any direct or indirect majority-owned subsidiary of the Partnership with (A) the Interested Holder, or (B) with any other corporation, partnership, unincorporated association or other entity if the merger or consolidation is caused by the Interested Holder and as a result of such merger or consolidation subsection (a) of this section is not applicable to the surviving entity;

(ii) any sale, lease, exchange, mortgage, pledge, transfer or other disposition (in one transaction or a series of transactions), except proportionately as a Holder of the Partnership, to or with the Interested Holder, whether as part of a dissolution or otherwise, of assets of the Partnership or of any direct or indirect majority-owned subsidiary of the Partnership which assets have an aggregate market value equal to 10% or more of either the aggregate market value of all the assets of the Partnership determined on a consolidated basis or the aggregate market value of all the Outstanding Units of the Partnership;

(iii) any transaction which results in the issuance or transfer by the Partnership or by any direct or indirect majority-owned subsidiary of the Partnership of any securities of the Partnership or of such subsidiary to the Interested Holder, except (A) pursuant to the exercise, exchange or

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conversion of securities exercisable for, exchangeable for or convertible into securities of the Partnership or any such subsidiary which securities were outstanding prior to the time that the Interested Holder became such, (B) pursuant to a merger of the Partnership with or into a single direct or indirect wholly-owned subsidiary of the Partnership in a transaction that would meet the requirements of Section 251(g) of the Delaware General Corporation Law, if the Partnership was a corporation, (C) pursuant to a dividend or distribution paid or made, or the exercise, exchange or conversion of securities exercisable for, exchangeable for or convertible

into securities of the Partnership or any such subsidiary which security is distributed, pro rata to all holders of a class or series of securities of such Partnership subsequent to the time the Interested Holder became such, (D) pursuant to an exchange offer by the Partnership to purchase Units made on the same terms to all holders of said Units, or (E) any issuance or transfer of Units by the Partnership, provided however, that in no case under (B)-(D) above shall there be an increase in the Interested Holder's proportionate share of the securities of any class or series of the Partnership or of the Units of the Partnership;

(iv) any transaction involving the Partnership or any direct or indirect majority-owned subsidiary of the Partnership which has the effect, directly or indirectly, of increasing the proportionate share of the securities of any class or series, or securities convertible into the securities of any class or series, of the Partnership or of any such subsidiary which is owned by the Interested Holder, except as a result of immaterial changes due to fractional unit adjustments or as a result of any purchase or redemption of any Units not caused, directly or indirectly, by the Interested Holder; or

(v) any receipt by the Interested Holder of the benefit, directly or indirectly (except proportionately as a Holder of such Partnership) of any loans, advances, guarantees, pledges, or other financial benefits (other than those expressly permitted in subparagraphs (i)-(iv) above) provided by or through the Partnership or any direct or indirect majority owned subsidiary.

(b) "control," including the term "controlling," "controlled by" and "under common control with," means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise. A Person who is the owner of 20% or more of the outstanding voting securities of any corporation, partnership, unincorporated association or other entity shall be presumed to have control of such entity, in the absence of proof by a preponderance of the evidence to the contrary. Notwithstanding the foregoing, a presumption of control shall not apply where such Person holds voting securities, in good faith and not for the purpose of circumventing this section, as an agent, bank, broker, nominee, custodian or trustee for one or more owners who do not individually or as a group have control of such entity.

(c) "Interested Holder" means any Person (other than the Partnership and any direct or indirect majority-owned subsidiary of the Partnership) that (i) is the owner of 15% or more of the Outstanding Units of the Partnership, or (ii) is an affiliate or associate of the Partnership and was the owner of 15% or more of the Outstanding Units of the Partnership at any time within the 3-year period immediately prior to the date at which it is sought to be determined whether such Person is an Interested Holder, and the Affiliates and Associates of such Person; provided, however, that the term "Interested Holder" shall not include any Person whose ownership of Units in excess of the 15% limitation set forth herein is the result of action taken solely by the Partnership provided that such person shall be an Interested Holder if thereafter such Person acquires additional Units, except as a result of further Partnership action not caused, directly or indirectly, by such Person. For the purpose of determining whether a person is an Interested Holder, the Outstanding Units shall include Units deemed to be owned by the Person through application of paragraph (e) of this subsection but shall not include any other unissued Units

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which may be issuable pursuant to any agreement, arrangement or understanding, or upon exercise of conversion rights, warrants or options, or otherwise.

(d) "Person" means any individual, corporation, partnership, unincorporated association or other entity.

(e) "owner" including the terms "own" and "owned" when used with respect to any Units means a person that individually or with or through any of its affiliates or associates:

(i) beneficially owns such Units, directly or indirectly; or

(ii) has (A) the right to acquire such Units (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding, or upon the exercise of conversion

rights, exchange rights, warrants or options, or otherwise; provided, however, that a person shall not be deemed the owner of Units tendered pursuant to a tender or exchange offer made by such person or any of such person's affiliates or associates until such tendered Units is accepted for purchase or exchange; or (B) the right to vote such Units pursuant to any agreement, arrangement or understanding; provided, however, that a person shall not be deemed the owner of any Units because of such person's right to vote such Units if the agreement, arrangement or understanding to vote such Units arises solely from a revocable proxy or consent given in response to a proxy or consent solicitation made to 10 or more persons; or

(iii) has any agreement, arrangement or understanding for the purpose of acquiring, holding, voting (except voting pursuant to a revocable proxy or consent as described in item (B) of clause (ii) of this paragraph), or disposing of such Units with any other person that beneficially owns, or whose affiliates or associates beneficially own, directly or indirectly, such Units.

3. Capitalized terms that are used herein without definition shall have the meanings ascribed to them in the Partnership Agreement unless otherwise indicated.

4. The Partnership Agreement, as amended hereby, remains in full force and effect.

5. This Amendment shall be construed in accordance with and governed by the laws of the State of Delaware, without regard to the principles of conflicts of laws.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

GENERAL PARTNER:

STAR GAS LLC

By: _____
Name:
Title:

LIMITED PARTNERS:

All Limited Partners now and hereafter admitted as limited partners of the Partnership, pursuant to the Powers of Attorney now and hereafter executed in favor of, and granted and delivered to, the General Partner.

By: STAR GAS LLC

General Partner, as attorney-in-fact for all Limited Partners pursuant to the Powers of Attorney granted pursuant to Section 1.4 of the Partnership Agreement.

By: _____
Name:
Title:

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[LOGO OF STAR GAS]

News Announcement

CONTACT:

Richard F. Ambury
Treasurer
203/328-7300

Robert L. Rinderman, David C. Collins
Jaffoni & Collins Incorporated
212/835-8500 or SGU@jcir.com

FOR IMMEDIATE RELEASE

STAR GAS PARTNERS ADOPTS UNITHOLDER RIGHTS PLAN AND
AMENDMENTS TO PARTNERSHIP AGREEMENT

Stamford, CT, April 17, 2001 -- Star Gas Partners Ltd. (NYSE: SGU) announced today that it has adopted a Unitholder Rights Plan (the "Plan").

In accordance with the Plan, the General Partner of the Partnership has authorized and declared a distribution of one unit purchase right (a "Right") for each Partnership Unit outstanding as of the close of business on April 27, 2001 (the "Record Date"), each Right representing the right to purchase one Class A Common Unit on the terms and conditions of the Plan. Under the Plan, the Rights will initially trade together with Star Gas Partners' Common Units and Senior Subordinated Units and will not be exercisable until the occurrence of certain events relating to the acquisition of 15% or more of the outstanding common units or subordinated units by a person or group. The Rights will expire on April 16, 2011, unless earlier redeemed, exchanged or amended by the General Partner.

The issuance of the Rights is not a taxable event, will not affect the reported financial condition or results of operations (including earnings per share) of Star Gas Partners and will not change the manner in which the Common Units and Senior Subordinated Units are currently traded.

In connection with the adoption of the Unitholder Rights Plan, the General Partner has also adopted an amendment to the Partnership Agreement of the Partnership to provide for a provision substantially the same as Section 203 of the Delaware General Corporation Law (Business Combinations With Interested Unitholders).

These actions were not taken in response to any pending or contemplated transactions.

Star Gas Partners, L.P., is a leading distributor of home heating oil, propane and deregulated natural gas and electricity serving approximately 755,000 customers. Through its wholly owned Petro subsidiary, Star is the nation's largest retail distributor of home heating oil, serving approximately 385,000 customers in the Northeast and Mid-Atlantic. Star is the nation's seventh largest retail propane distributor, serving approximately 260,000 customers throughout the Midwest, Northeast and South. Star owns a controlling 72.7% interest in Total Gas and Electric, which sells natural gas and electricity to approximately 110,000 customers in the Northeast and Mid Atlantic.

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.

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