



January 17, 2007

STAR GAS PARTNERS, L.P. ANNOUNCES FILING OF FISCAL 2006 ANNUAL REPORT ON FORM 10-K

STAMFORD, CT (January 17, 2007) -- Star Gas Partners, L.P. (the "Partnership" or "Star") (NYSE: SGU) today announced that the Partnership has filed its Annual Report on Form 10-K for the fiscal year ended September 30, 2006 with the Securities and Exchange Commission.

As previously announced in the Partnership's press release dated December 28, 2006, Star determined that the Partnership's accounting for derivative transactions did not comply with the technical requirements of SFAS 133 in order to qualify for hedge accounting. As a result, the Form 10-K includes amended and restated financial statements for each of the fiscal years ended September 30, 2005 and 2004 as well as the Partnership's quarterly reports for the periods ended June 30, 2006, March 31, 2006, December 31, 2005, September 30, 2005, June 30, 2005, March 31, 2005 and December 31, 2004, with respect to the accounting and disclosures for certain derivative transactions under SFAS 133. In addition, prior to June 30, 2006, the Partnership did not include the amortization of an unrecognized gain in the calculation of pension expense, resulting in an overstatement of pension expense for fiscal years 1999 to 2005 of \$1.7 million. The Partnership has restated its results to record the amortization of the unrecognized gain.

Star Gas Partners, L.P., is the nation's largest retail distributor of home heating oil. Additional information is available by obtaining the Partnership's SEC filings and by visiting Star's website at www.star-gas.com.

Forward Looking Information

This news release includes "forward-looking statements" which represent the Partnership's expectations or beliefs concerning future events that involve risks and uncertainties, including those associated with the effect of weather conditions on our financial performance, the price and supply of home heating oil, the consumption patterns of our customers, our ability to obtain satisfactory gross profit margins, our ability to obtain new accounts and retain existing accounts, our ability to effect strategic acquisitions or redeploy assets, the impact of litigation, the continuing impact of the business process redesign project and our ability to address issues related to that project, natural gas conversions, future union relations and the outcome of current and future union negotiations, the impact of current and future environmental, health and safety regulations, customer creditworthiness, and marketing plans. All statements other than statements of historical facts included in this news release are forward-looking statements. Although the Partnership believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. Important factors that could cause actual results to differ materially from the Partnership's expectations ("Cautionary Statements") are disclosed in this news release and in the Partnership's Annual Report on Form 10-K for the year ended September 30, 2006 including without limitation and in conjunction with the forward-looking statements included in this news release. All subsequent written and oral forward-looking statements attributable to the Partnership or persons acting on its behalf are expressly qualified in their entirety by the Cautionary Statements. Unless otherwise required by law, the Partnership undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise after the date of this news release.

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