UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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) May 10, 2007

STAR GAS PARTNERS, L.P.
(Exact name of registrant as specified in its charter)

Delaware	001-14129	06-1437793
(State or other jurisdiction of incorporation)	(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) 328-7310

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

|_| Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

|_| Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

|_| Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

|_| Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On May 10, 2007, Star Gas Partners, L.P., a Delaware partnership (the "Partnership"), issued a press release announcing its financial results for its fiscal second quarter ending March 31, 2007. A copy of the press release is furnished within this report as Exhibit 99.1.

The information in this report is being furnished, and is not deemed as "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be deemed incorporated by reference in any filings under the Securities Act of 1933, as amended, unless specifically stated so therein.

ITEM 7.01. REGULATION FD DISCLOSURE

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

Exhibit 99.1 A copy of the Star Gas Partners, L P. Press Release dated May 10, 2007

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: Kestrel Heat, LLC (General Partner)

By: /s/ Richard F. Ambury

Name: Richard F. Ambury
Title: Chief Financial Officer
Principal Financial & Accounting Officer
Date: May 10, 2007

Exhibit 99.1

Star Gas Partners, L.P. Reports Fiscal 2007 Second Quarter Results

STAMFORD, Conn.--(BUSINESS WIRE)--May 10, 2007--Star Gas Partners, L.P. (the "Partnership" or "Star") (NYSE: SGU), a home energy distributor and services provider specializing in heating oil, today announced financial results for its fiscal 2007 second quarter and the six-month period ended March 31, 2007.

Three months ended March 31, 2007, compared to three months ended March 31, 2006

The Partnership reported a 7.0 percent increase in total revenue to $576.9 million due to an increase in home heating oil volume of 6.9 percent. The home heating oil volume increase was due to 14.1 percent colder temperatures, reduced by net customer attrition. For the twelve months ended March 31, 2007, Star's net customer attrition rate was 5.0 percent, which compares favorably to 6.6 percent and 7.1 percent for fiscal 2006 and fiscal 2005, respectively. For the fiscal 2007 second quarter, Star lost approximately 5,300 accounts (net), or 1.3 percent of its home heating oil customer base, as compared to the fiscal 2006 second quarter in which Star lost 10,500 accounts (net), or 2.4 percent of its home heating oil customer base.

Home heating oil per gallon margins rose by 6.8 cents per gallon due largely to an increase in the margins realized on sales to variable priced customers. The Partnership is not expecting that the 6.8 cent per gallon increase in per gallon margins will continue for the remainder of fiscal 2007. The net service and installation results improved by $2.0 million to a $2.3 million loss as the Partnership continues to control its service department costs and increase service billings.

Total operating expenses (delivery, branch, general and administrative) increased by $11.0 million, or 17.2 percent, to $74.9 million. This change was due to an increase in operating costs of $3.7 million, or 5.5 percent, primarily due to the 6.9 percent increase in home heating oil volume and a comparative quarterly increase of $7.3 million relating to Star's weather insurance contract. Due to the warm temperatures experienced in November and December 2006, the Partnership recorded $7.2 million under its weather insurance contract at December 31, 2006 in accordance with the Emerging Issues Task Force Bulletin 99-2, "Accounting for Weather Derivatives." Temperatures in January and February 2007 were colder than the base temperature under the contract and the Partnership lowered the expected proceeds under the contract, which increased operating expenses by $2.9 million. During the fiscal 2006 second quarter, temperatures were warm and the Partnership received $4.4 million of weather insurance proceeds, which reduced operating costs. As a result, the comparative period change in operating expenses relating to weather insurance was $7.3 million.

The change in fair value of derivative instruments during the fiscal 2007 second quarter resulted in the recording of an $18.5 million net credit due to the expiration of certain hedged positions ($13.8 million) and an increase in the market value of unexpired hedges ($4.7 million). In the fiscal 2006 second quarter, the change in fair value of derivative instruments also resulted in an $11.2 million net credit due to the expiration of certain hedged positions ($6.2 million) and an increase in the market value of unexpired hedges ($5.0 million).

Operating income increased $20.6 million to $82.9 million, as an increase in product gross profit of $21.7 million, a reduction in net service and installation expense of $2.0 million, a favorable change in the impact of derivative instruments of $7.2 million and lower depreciation and amortization of $0.6 million were reduced by a volume-driven $3.7 million increase in operating costs and the comparable period change in weather insurance of $7.3 million.

Interest expense decreased $2.8 million to $5.1 million. Total debt outstanding declined by $124.3 million due to the Partnership's recapitalization ($92.5 million) that was completed on April 28, 2006, and lower working capital borrowings ($31.5 million). Interest income increased by $0.7 million to $1.6 million due to higher invested cash balances.

Income tax expense increased by $3.4 million to $3.8 million and represents certain state income tax, alternative minimum federal tax and capital taxes. The $3.4 million increase is due to the increase in 2007's estimated taxable income by jurisdiction, versus 2006.

Net income increased $20.8 million to $74.9 million, as a $20.6 million increase in operating income and lower net interest expense of $3.6 million were reduced by an increase in income tax expense of $3.4 million.

EBITDA increased $20.0 million to $90.2 million, as the impact of the additional volume sold and higher margins resulted in an increase in EBITDA of $20.1 million and a $7.2 million increase relating to the change in fair value of derivative instruments was reduced by $7.3 million due to the difference arising in weather insurance. EBITDA should not be considered as an alternative to net income (as an indicator of operating performance) or as an alternative to cash flow (as a measure of liquidity or ability to service debt obligations), but provides additional information for evaluating the Partnership's ability to make the Minimum Quarterly Distribution. The Partnership is not required to make the Minimum Quarterly Distribution until February 2009, for the quarter ending December 31, 2008.

Star Gas Partners Chief Executive Officer Joseph P. Cavanaugh, stated, "We continue to reap the benefits of Star's 2006 recapitalization as well as incremental improvement in our ongoing battle against customer attrition and focus on customer retention during the quarter. We are pleased with the recent success of our acquisition program as we have completed three acquisitions since January 1, 2007 and are continuing to evaluate several additional candidates. At March 31, 2007, we had over $179.7 million of working capital and are considering various alternatives for the use of our excess liquidity, primarily the purchase of additional home heating oil distributors."

Mr. Cavanaugh, who is retiring as Chief Executive Officer of the Partnership at the end of May, added, "It has been a privilege to work with the enthusiastic and loyal employees here at Star Gas. The transition to our incoming CEO, Dan Donovan, will be a seamless one, and I am confident that Dan will provide great leadership as his skills and experience are perfect for leading Star forward."

Six months ended March 31, 2007, compared to six month ended March 31, 2006

The Partnership experienced a 4.9 percent decrease in revenues to $907.2 million, as a decline in volume was partially reduced by an increase in selling prices.

Home heating oil volume declined 19.4 million gallons, or 6.2 percent, to 294.3 million gallons. The home heating oil volume decline was primarily due to net customer attrition of 5.0 percent for the twelve months ended March 31, 2007, as temperatures were less than 1.0 percent colder. Star lost 9,400 accounts (net), or 2.3 percent of its home heating oil customer base, as compared to the six months ended March 31, 2006 in which the Partnership lost 17,700 accounts (net), or 4.0 percent of its home heating oil customer base. This reduction in net losses of 8,300 accounts was due to a reduction in gross customer losses of 9,200 accounts, offset by lower gross customer gains of 900 accounts.

Home heating oil per gallon margins increased by 4.5 cents due largely to the increase in margins realized on sales to variable priced customers. The net service and installation results improved by $3.6 million.

Total operating expenses (delivery, branch, general and administrative) decreased by $3.6 million, or 2.8 percent, to $126.1 million largely due to a reduction in legal and professional expenses.

The change in fair value of derivative instruments resulted in the recording of a $12.1 million net credit due to the expiration of certain hedged positions ($11.3 million) and an increase in market value for unexpired hedges ($0.8 million). The change in fair value of derivative transactions resulted in a $29.3 million net charge during the first half of fiscal 2006 due to the expiration of certain hedged positions ($27.9 million) and a decrease in market value for unexpired hedges ($1.4 million).

Operating income increased $49.7 million to $91.5 million. The majority of this increase relates to the changes in the fair value of derivative instruments of $41.5 million. The balance of the change, or $8.2 million, was due to lower operating costs including net service and installation totaling $7.2 million, and lower depreciation and amortization expense of $1.7 million, partially offset by a decrease in product gross profit of $0.7 million.

Interest expense decreased by $5.3 million due to the decline in average debt outstanding. Total debt outstanding declined by $112.4 million due to the recapitalization ($92.5 million) and lower working capital borrowings ($19.4 million). Interest income increased by $1.7 million to $3.4 million, due to higher invested cash balances.

Income tax expense increased by $3.2 million to $3.9 million. Income tax expense increased due to the increase in 2007's estimated taxable income by jurisdiction versus 2006.

Net income increased by $53.9 million to $79.6 million, due to a $49.7 million increase in operating income and lower net interest expense of $6.9 million, reduced by higher income tax expense of $3.2 million.

EBITDA increased $48.0 million to $106.2 million, of which $41.5 million relates to the change in fair value of derivative instruments and $6.5 million is largely due to lower operating costs. EBITDA is a non-GAAP financial measure (see below reconciliation) that should not be considered as an alternative to net income (as an indicator of operating performance) or as an alternative to cash flow (as a measure of liquidity or ability to service debt obligations).

REMINDER: Star Gas management will host a conference call and webcast today at 11:00 a.m. (ET). Conference call dial-in is 800/263-9163 or 212/676-5380 (international callers). A webcast is also available at www.star-gas.com and at www.vcall.com.

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; anticipated proceeds from weather insurance; 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 customers and retain existing customers; our ability to effect strategic acquisitions or redeploy underperforming assets; the impact of litigation; the ongoing impact of the business process redesign project at the heating oil segment 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 and its Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2007, 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.

STAR GAS PARTNERS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands)	March 31, 2007	September 30, 2006
	(unaudited)	
ASSETS		
Current assets		
Cash and cash equivalents	$ 59,715	$ 91,121
Receivables, net of allowance of $9,811 and $6,532, respectively	200,142	87,393
Inventories	48,814	75,859
Fair asset value of derivative instruments	4,030	3,766
Weather insurance contract	4,305	-
Prepaid expenses and other current assets	32,749	37,741
Total current assets	349,755	295,880
Property and equipment, net	40,881	42,377
Long-term portion of accounts receivables	2,600	3,513
Goodwill	166,926	166,522
Intangibles, net	51,499	61,007
Deferred charges and other assets, net	9,694	10,899
Long-term assets held for sale	648	1,010
Total assets	$ 622,003	$ 581,208
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities		
Accounts payable	$ 21,725	$ 21,544
Fair liability value of derivative instruments	3,523	13,790
Current maturities of long-term debt	49	96
Accrued expenses and other current liabilities	74,083	62,651
Unearned service contract revenue	39,079	36,634
Customer credit balances	31,588	73,863
Total current liabilities	170,047	208,578
Long-term debt	173,954	174,056
Other long-term liabilities	25,082	25,249
Partners' capital (deficit)		
Common unitholders	274,073	194,818
General partner	47	(293)
Accumulated other comprehensive loss	(21,200)	(21,200)
Total partners' capital	252,920	173,325
Total liabilities and partners' capital	$ 622,003	$ 581,208

STAR GAS PARTNERS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

Three Months Ended   Six Months Ended

(in thousands, except per unit data - unaudited)	March 31, 2007	March 31, 2006	March 31, 2007	March 31, 2006
		(restated)		(restated)
Sales:				
Product	$534,856	$495,797	$815,258	$854,666
Installations and service	42,068	43,324	91,910	98,836
Total sales	576,924	539,121	907,168	953,502
Cost and expenses:				
Cost of product	385,922	368,588	592,158	630,868
Cost of installations and service	44,384	47,661	94,858	105,356
Change in the fair value of derivative instruments	(18,462)	(11,230)	(12,147)	29,333
Delivery and branch expenses	68,988	57,917	115,820	116,915
Depreciation and amortization expenses	7,316	7,924	14,688	16,409
General and administrative expenses	5,924	6,001	10,274	12,795
Operating income	82,852	62,260	91,517	41,826
Interest expense	(5,136)	(7,958)	(10,244)	(15,498)
Interest income	1,579	849	3,373	1,707
Amortization of debt issuance costs	(571)	(642)	(1,141)	(1,273)
Income before income taxes and cumulative effect of change in accounting principles	78,724	54,509	83,505	26,762
Income tax expense	3,845	440	3,910	690
Income before cumulative effect of change in accounting principles	74,879	54,069	79,595	26,072
Cumulative effect of change in accounting principles - change in inventory pricing method	-	-	-	(344)
Net income	$ 74,879	$ 54,069	$ 79,595	$ 25,728
General Partner's interest in net income	320	488	340	229
Limited Partners' interest in net income	$ 74,559	$ 53,581	$ 79,255	$ 25,499
Basic and diluted income per Limited Partner Unit:				
Net income before cumulative effect of change in accounting principles	$ 0.98	$ 1.49	$ 1.05	$ 0.72
Net income	$ 0.98	$ 1.49	$ 1.05	$ 0.71
Weighted average number of Limited Partner units outstanding:				
Basic	75,774	35,903	75,774	35,903
Diluted	75,774	35,903	75,774	35,903

SUPPLEMENTAL INFORMATION

Earnings (loss) before interest, taxes, depreciation and amortization from continuing operations (EBITDA)

The Partnership uses EBITDA as a measure of liquidity and it is being included because the Partnership believes that it provides investors and industry analysts with additional information to evaluate the Partnership's ability to pay quarterly distributions. EBITDA is not a recognized term under generally accepted accounting principles ("GAAP") and should not be considered as an alternative to net income/(loss) or net cash provided by operating activities determined in accordance with GAAP. Because EBITDA as determined by the Partnership excludes some, but not all of the items that affect net income/(loss), it may not be comparable to EBITDA or similarly titled measures used by other companies. The following tables set forth (i) the calculation of EBITDA and (ii) a reconciliation of EBITDA, as so calculated, to cash provided by operating activities.

STAR GAS PARTNERS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
RECONCILIATION OF EBITDA

	Three Months Ended March 31,	
(in thousands)	2007	2006 (restated)
Income (loss) from continuing operations	$74,879	$54,069
Plus:		
Income tax expense	3,845	440
Amortization of debt issuance costs	571	642
Interest expense, net	3,557	7,109
Depreciation and amortization expense	7,316	7,924
EBITDA(a)	$90,168	$70,184
Add/(subtract)		
Income tax expense	(3,845)	(440)
Interest expense, net	(3,557)	(7,109)
Provision for losses on accounts receivable	2,653	2,482
Change in fair value of derivative instruments	(18,462)	(11,230)
(Gain) loss on sales of fixed assets, net	(92)	(878)
(Increase) decrease in weather insurance contract	2,895	--
Change in operating assets and liabilities	(76,320)	(19,822)
Net cash used in operating activities	($6,560)	$33,187

	Three Months Ended March 31,	
	2007	2006
Home heating oil gallons sold (millions)	195.1	182.5

(a) EBITDA was increased for the change in fair value of derivative instruments by $18.5 million and $11.2 million, respectively, for the three months ended March 31, 2007 and March 31, 2006.

SUPPLEMENTAL INFORMATION

STAR GAS PARTNERS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
RECONCILIATION OF EBITDA

Six Months Ended

(in thousands)	March 31, 2007	March 31, 2006 (restated)
Income (loss) from continuing operations	$79,595	$26,072
Plus:		
Income tax expense	3,910	690
Amortization of debt issuance costs	1,141	1,273
Interest expense, net	6,871	13,791
Depreciation and amortization expense	14,688	16,409
EBITDA(a)	$106,205	$58,235
Add/(subtract)		
Income tax expense	(3,910)	(690)
Interest expense, net	(6,871)	(13,791)
Provision for losses on accounts receivable	4,605	4,459
Change in the fair value of derivative instruments	(12,147)	29,333
(Gain) loss on sales of fixed assets, net	(339)	(451)
Increase in weather insurance contract	(4,305)	--
Change in operating assets and liabilities	(110,683)	(157,346)
Net cash used in operating activities	($27,445)	($80,251)

	Six Months Ended March 31, 2007	Six Months Ended March 31, 2006
Home heating oil gallons sold (millions)	294.3	313.7

(a) EBITDA was increased for the change in fair value of derivative instruments by $12.1 million for the six months ended March 31, 2007 and was reduced by $29.3 million for the six months ended March 31, 2006.

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