



July 16, 2003

## **STAR GAS PARTNERS, L.P. AND STAR GAS FINANCE COMPANY ANNOUNCE COMPLETION OF EXCHANGE OFFER FOR THEIR 10-1/4% SENIOR NOTES DUE 2013**

Stamford, CT, July 17, 2003 -- Star Gas Partners, L.P. (the "Partnership" or "Star") (NYSE: SGU, SGH) and its wholly owned subsidiary, Star Gas Finance Company, announced today that \$200 million of their outstanding 10-1/4% Senior Notes due 2013, representing 100% of the outstanding senior notes, have been validly tendered and accepted in exchange for registered, publicly tradable notes with substantially identical terms. The exchange offer terminated at 5 p.m. (EDT) on July 16, 2003. The notes had been issued on February 6, 2003 in a Rule 144A offering to qualified institutional buyers.

Star Gas Partners, L.P. is a leading distributor of home heating oil, propane and deregulated natural gas and electricity. Star Gas Partners, L.P. is the nation's largest retail distributor of home heating oil and the nation's seventh largest retail propane distributor. Star Gas Partners, L.P., through its wholly owned subsidiary Total Gas & Electric, also sells natural gas and electricity in the Northeast, Mid-Atlantic and Florida.

This news announcement contains certain forward-looking information that is subject to certain risks and uncertainties as indicated from time to time in Star Gas Partners, L.P.'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 Star Gas Partners, L.P.'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.