

SUBURBAN PROPANE PARTNERS LP

Form 424B3

August 10, 2009

Table of Contents

The information in this preliminary prospectus supplement and the accompanying prospectus is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are part of an effective registration statement filed with the Securities and Exchange Commission. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell, nor do they seek an offer to buy, these securities in any jurisdiction where the offer or sale is not permitted.

**Filed pursuant to Rule 424(b)(3)
Registration No. 333-161221**

SUBJECT TO COMPLETION, DATED AUGUST 10, 2009

**PRELIMINARY PROSPECTUS SUPPLEMENT
(To Prospectus dated August 10, 2009)**

Suburban Propane Partners, L.P.

2,200,000 Common Units

We are selling 2,200,000 common units of Suburban Propane Partners, L.P. Our common units are limited partner interests, which are inherently different from the capital stock of a corporation. Our common units are traded on the New York Stock Exchange under the symbol SPH. On August 7, 2009, the last sales price of our common units as reported by the NYSE was \$43.75 per common unit.

Investing in our common units involves risk. You should carefully consider each of the factors described under Risk Factors beginning on page S-6 of this prospectus supplement and page 4 of the accompanying prospectus, as well as the documents we previously have filed with the Securities and Exchange Commission that are incorporated by reference therein for more information, before you make any investment in our securities.

	Per Common Unit	Total
Public Offering Price	\$	\$
Underwriting Discounts and Commissions	\$	\$
Proceeds, Before Expenses, to Suburban Propane Partners, L.P.	\$	\$

The underwriters expect to deliver the common units on or about August , 2009.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the

accompanying prospectus. Any representation to the contrary is a criminal offense.

We have granted the underwriters a 30 day option, exercisable from the date of this prospectus supplement to purchase up to an additional 330,000 common units from us on the same terms and conditions set forth above if the underwriters sell more than 2,200,000 common units in this offering.

Joint Book-Running Managers

Wells Fargo Securities

BofA Merrill Lynch

Citi

Goldman, Sachs & Co.

Co-Managers

J.P. Morgan

Raymond James

The date of this prospectus supplement is August , 2009.

TABLE OF CONTENTS
PROSPECTUS SUPPLEMENT

	Page
<u>PROSPECTUS SUPPLEMENT SUMMARY</u>	S-1
<u>RISK FACTORS</u>	S-6
<u>USE OF PROCEEDS</u>	S-6
<u>CAPITALIZATION</u>	S-7
<u>PRICE RANGE OF COMMON UNITS AND DIVIDENDS</u>	S-8
<u>MATERIAL TAX CONSIDERATIONS</u>	S-9
<u>UNDERWRITING</u>	S-11
<u>LEGAL MATTERS</u>	S-15
<u>EXPERTS</u>	S-15
<u>FORWARD-LOOKING STATEMENTS</u>	S-16
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	S-17
<u>INCORPORATION OF INFORMATION FILED WITH THE SEC</u>	S-17

PROSPECTUS

	Page
ABOUT THIS PROSPECTUS	1
ABOUT SUBURBAN PROPANE PARTNERS, L.P.	1
FORWARD-LOOKING STATEMENTS	2
RISK FACTORS	4
USE OF PROCEEDS	13
DESCRIPTION OF COMMON UNITS	13
TAX CONSIDERATIONS FOR UNITHOLDERS	14
PLAN OF DISTRIBUTION	25
LEGAL MATTERS	26
EXPERTS	26
WHERE YOU CAN FIND MORE INFORMATION	27
INCORPORATION OF INFORMATION FILED WITH THE SEC	27

Table of Contents

**IMPORTANT NOTICE ABOUT INFORMATION IN THIS PROSPECTUS SUPPLEMENT
AND THE ACCOMPANYING PROSPECTUS**

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering of common units. The second part is the accompanying prospectus, which gives more general information about securities we may offer from time to time, some of which may not apply to this offering of common units.

If the information relating to the offering varies between the prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

You should rely only on the information contained or incorporated by reference in this prospectus supplement, the prospectus or any free writing prospectus prepared by or on behalf of Suburban. We have not, and the underwriters have not, authorized any other person to provide you with different or additional information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell the common units in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained or incorporated by reference in this prospectus supplement or in the prospectus is accurate as of any date other than the date on the front of that document. Our business, financial condition, results of operations and prospects may have changed since such date.

You should read and consider all information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus before making your investment decision.

S-ii

Table of Contents

PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information included or incorporated by reference in this prospectus supplement. It does not contain all of the information that may be important to you. You should read carefully the entire prospectus supplement, the accompanying prospectus, the documents incorporated by reference and the other documents to which we refer herein for a more complete understanding of this offering.

Unless the context otherwise requires, references to Suburban, the Partnership, we, us and our refer to Suburban Propane Partners, L.P. and its subsidiaries, unless the context otherwise requires. Unless we indicate otherwise, the information presented in this prospectus supplement assumes that the underwriters do not exercise their option to purchase additional common units.

SUBURBAN PROPANE PARTNERS, L.P.

Overview

Suburban Propane Partners, L.P., a publicly traded Delaware limited partnership, is a nationwide marketer and distributor of a diverse array of products meeting the energy needs of our customers. We specialize in the distribution of propane, fuel oil and refined fuels, as well as the marketing of natural gas and electricity in deregulated markets. In support of our core marketing and distribution operations, we install and service a variety of home comfort equipment, particularly in the areas of heating and ventilation. We believe, based on *LP/Gas Magazine* dated February 2009, that we are the fourth-largest retail marketer of propane in the United States, measured by retail gallons sold in the year 2008. As of June 27, 2009, we were serving the energy needs of approximately 900,000 active residential, commercial, industrial and agricultural customers through more than 300 locations in 30 states located primarily in the east and west coast regions of the United States, including Alaska. We sold approximately 386.2 million gallons of propane to retail customers and 76.5 million gallons of fuel oil and refined fuels during the year ended September 27, 2008. For the nine-month period ended June 27, 2009, we sold approximately 294.8 million gallons of propane to retail customers and 50.5 million gallons of fuel oil and refined fuels. Together with our predecessor companies, we have been continuously engaged in the retail propane business since 1928.

Our Strategy

Our business strategy is to deliver increasing value to our unitholders through initiatives, both internal and external, that are geared toward achieving sustainable profitable growth and increased quarterly distributions. The following are key elements of our strategy:

Internal Focus on Driving Operating Efficiencies, Right-Sizing Our Cost Structure and Enhancing Our Customer Mix. We focus internally on improving the efficiency of our existing operations, managing our cost structure and improving our customer mix. Through investments in our technology infrastructure, we continue to seek to improve operating efficiencies and the return on assets employed. Beginning at the end of fiscal 2005 and continuing throughout much of fiscal 2007, we implemented specific plans to streamline our operating footprint and management structure, eliminate redundant functions and assets through enhanced operating efficiencies, and refocus our service activities on offerings to support our existing customer base within our core operating segments. While the majority of the specific initiatives under these plans were executed by the end of fiscal 2007, our focus on operating efficiencies and on our cost structure is an ongoing process. Our internal efforts are particularly focused in the areas of route optimization, forecasting customer usage, inventory control, cash management and customer tracking.

In addition, we continually evaluate our customer base and, in particular, focus on customers that provide a proper return. In that regard, our efforts to strategically exit certain lower margin business in both our propane and fuel oil and refined fuels segments has resulted in a reduction in volumes sold, yet has had a favorable impact on overall segment profitability.

Growing Our Customer Base by Improving Customer Retention and Acquiring New Customers. We set clear objectives to focus our employees on seeking new customers and retaining existing customers by providing world-

S-1

Table of Contents

class customer service. We believe that customer satisfaction is a critical factor in the growth and success of our operations. ***Our Business is Customer Satisfaction*** is one of our core operating philosophies. We measure and reward our customer service centers based on a combination of profitability of the individual customer service center and net customer growth.

Selective Acquisitions of Complementary Businesses or Assets. Externally, we seek to extend our presence or diversify our product offerings through selective acquisitions. Our acquisition strategy is to focus on businesses with a relatively steady cash flow that will extend our presence in strategically attractive markets, complement our existing business segments or provide an opportunity to diversify our operations with other energy-related assets. While we are active in this area, we are also very patient and deliberate in evaluating acquisition candidates. There were no acquisitions completed during fiscal 2008, 2007 or 2006 as we focused internally on driving efficiencies, reducing costs and integrating the operations of Agway Energy Products, LLC, Agway Energy Services, Inc. and Agway Energy Services PA, Inc., which were acquired in fiscal 2004. However, during fiscal 2007 we completed a non-cash transaction in which we disposed of nine customer service centers considered to be in markets that were non-strategic to our operations in exchange for three customer service centers located in Alaska, thus expanding our presence in this strategically attractive market.

Selective Disposition of Non-Strategic Assets. We continuously evaluate our existing facilities to identify opportunities to optimize our return on assets by selectively divesting operations in slower growing markets, generating proceeds that can be reinvested in markets that present greater opportunities for growth. Our objective is to fully exploit the growth and profit potential of all of our assets. In that regard, on October 2, 2007 we completed the sale of our Tirzah, South Carolina underground granite propane storage cavern, and associated 62-mile pipeline, for approximately \$53.7 million in net proceeds which have been reinvested in the business.

Our Business Segments

We manage and evaluate our operations in six segments, four of which are reportable segments: Propane, Fuel Oil and Refined Fuels, Natural Gas and Electricity and Services. These business segments are described below.

Propane

Propane is a by-product of natural gas processing and petroleum refining. It is a clean burning energy source recognized for its transportability and ease of use relative to alternative forms of stand-alone energy sources. Our operations are concentrated in the east and west coast regions of the United States, including Alaska. In fiscal 2008, we serviced approximately 745,000 active propane customers.

We sell propane primarily to six customer markets: residential, commercial, industrial (including engine fuel), agricultural, other retail users and wholesale. Approximately 95% of the propane gallons sold by us in fiscal 2008 were to retail customers: 43% to residential customers, 32% to commercial customers, 9% to industrial customers, 6% to agricultural customers and 10% to other retail users. The balance of approximately 5% of the propane gallons sold by us in fiscal 2008 was for risk management activities and wholesale customers. Sales to residential customers in fiscal 2008 accounted for approximately 63% of our margins on retail propane sales, reflecting the higher-margin nature of the residential market.

Fuel Oil and Refined Fuels

We market and distribute fuel oil, kerosene, diesel fuel and gasoline to approximately 70,000 residential and commercial customers in the northeast region of the United States. Approximately 65% of the fuel oil and refined fuels gallons sold by us in fiscal 2008 were to residential customers, principally for home heating, 4% were to

commercial customers, 1% were to agricultural and 4% to other users. Fuel oil has a more limited use, compared to propane, for space and water heating in residential and commercial buildings. We sell diesel fuel and gasoline to commercial and industrial customers for use primarily to propel motor vehicles. Due to the low margin nature of the diesel fuel and gasoline businesses, at the end of fiscal 2005 we made a decision to reduce our emphasis on these activities and, in certain instances, exited the business. Sales of diesel and gasoline accounted for the remaining 26% of total volumes sold in this segment during fiscal 2008.

S-2

Table of Contents

Natural Gas and Electricity

We market natural gas and electricity through our wholly owned subsidiary Agway Energy Services, LLC (AES) in the deregulated markets of New York and Pennsylvania primarily to residential and small commercial customers. Historically, local utility companies provided their customers with all three aspects of electric and natural gas service: generation, transmission and distribution. However, under deregulation, public utility commissions in several states are licensing energy service companies, such as AES, to act as alternative suppliers of the commodity to end consumers. In essence, we make arrangements for the supply of electricity or natural gas to specific delivery points. The local utility companies continue to distribute electricity and natural gas on their distribution systems. The business strategy of this business segment is to expand its market share by concentrating on growth in the customer base and expansion into other deregulated markets that are considered strategic markets.

We serve nearly 74,000 natural gas and electricity customers in New York and Pennsylvania. During fiscal 2008, we sold approximately 4.1 million dekatherms of natural gas and 493.1 million kilowatt hours of electricity through the natural gas and electricity segment. Approximately 80% of our customers were residential households and the remainder was small commercial and industrial customers.

Services

We sell, install and service all types of whole-house heating products, air cleaners, humidifiers, de-humidifiers, hearth products and space heaters to the customers of our propane, fuel oil, natural gas and electricity products. We also offer services such as duct cleaning, air balancing and energy audits to those customers.

Recent Developments

Fiscal 2009 Results for the Nine-Month Period Ended June 27, 2009. On August 6, 2009, we reported our results for the first nine months of fiscal 2009. The fiscal year to date period ended June 27, 2009 was characterized by relatively normal temperatures throughout most of our service territories, a declining yet volatile commodity price environment with average posted prices remaining high compared to historical levels and the challenges presented by the economic recession. Although the adverse economic conditions had a negative impact on volumes, the decline in commodity prices in a relatively short period of time contributed to strong operating margins during the first nine months of fiscal 2009 that more than compensated for lower volumes. In addition, we continued to generate cost savings from operating efficiencies, particularly in the areas of employee and vehicle costs, which were more than offset by higher variable compensation attributable to higher earnings.

Our net income increased \$21.9 million, or 13.2%, to \$188.1 million, or \$5.73 per common unit, in the first nine months of fiscal 2009, compared to \$166.2 million, or \$5.08 per common unit, in the comparable period of the prior year. Earnings before interest, taxes, depreciation and amortization (EBITDA) for the first nine months of fiscal 2009 amounted to \$241.1 million, an increase of \$24.3 million, or 11.2%, compared to \$216.8 million in the comparable period of the prior year. Included in net income and EBITDA for the first nine months of the prior year was a \$43.7 million gain from the sale of the Tirzah, South Carolina, underground propane storage cavern and associated 62-mile pipeline.

From a liquidity perspective, we reported \$256.1 million of cash on hand as of June 27, 2009, representing an increase of \$118.4 million since September 27, 2008. In addition, we have available borrowing capacity under our new revolving credit facility of \$92.8 million after considering outstanding letters of credit of \$57.2 million. There have been no borrowings for working capital purposes since April 2006.

EBITDA represents net income before deducting interest expense, income taxes, depreciation and amortization. Our management uses EBITDA as a measure of liquidity and we are including it because we believe that it provides our investors and industry analysts with additional information to evaluate our ability to meet our debt service obligations and to pay our quarterly distributions to holders of our common units. EBITDA is not a recognized term under generally accepted accounting principles (GAAP) and should not be considered as an alternative to net income or net cash provided by operating activities determined in accordance with GAAP. Because EBITDA as determined by us excludes some, but not all, items that affect net income, it may not be comparable with EBITDA or similarly titled measures used by other companies.

S-3

Table of Contents

The following table sets forth (i) our calculations of EBITDA and (ii) a reconciliation of EBITDA, as so calculated, to our net cash provided by operating activities:

	Nine Months Ended	
	June 27, 2009	June 28, 2008
	(Dollars in thousands)	
Net income	\$ 188,119	\$ 166,205
Add:		
Provision for income taxes current and deferred	2,184	1,956
Interest expense, net	28,913	27,330
Depreciation and amortization	21,867	21,325
	241,083	216,816
EBITDA		
Add (subtract):		
Provision for income taxes current	(804)	(679)
Interest expense, net	(28,913)	(27,330)
Compensation cost recognized under Restricted Unit Plan	1,885	1,503
Gain on disposal of property, plant and equipment, net	(770)	(1,821)
Gain on disposal of discontinued operations		(43,707)
Changes in working capital and other assets and liabilities	11,017	(87,794)
Net cash provided by operating activities	\$ 223,498	\$ 56,988

Quarterly Distribution Increase. On July 23, 2009, we announced that our Board of Supervisors declared the twenty-second increase (since our recapitalization in 1999) in our quarterly distribution of \$0.825 per common unit for the three months ended June 27, 2009. This represents an increase of approximately 1.2% over the distribution of \$0.815 per common unit paid for the three months ended March 28, 2009 and an approximate 3.1% increase over the distribution of \$0.800 per common unit paid for the three months ended June 28, 2008. The distribution attributable to the quarter ended June 27, 2009 is payable on August 11, 2009 to holders of record of our common units as of August 4, 2009. Purchasers of our common units in this offering will not be entitled to receive the distribution for the quarter ended June 27, 2009.

New Revolving Credit Facility. On June 26, 2009, Suburban Propane, L.P., a Delaware limited partnership, entered into a new \$250 million senior secured credit facility (the Revolving Credit Facility) with a diverse group of thirteen banks led by Banc of America Securities LLC and Wells Fargo Securities, LLC (formerly known as Wachovia Capital Markets, LLC), as Joint Lead Arrangers and Joint Book Managers. Bank of America, N.A. is serving as Administrative Agent, Swing Line Lender and L/C Issuer. The new four-year Revolving Credit Facility provides for \$250 million of revolving lines of credit to replace our previous revolving credit agreement, which consisted of a \$175 million working capital facility and a separate \$108 million term loan, both of which were set to mature in March 2010. The Revolving Credit Facility may be increased in the future up to \$400 million at our request, under certain circumstances.

Proceeds from the Revolving Credit Facility will be used to provide liquidity for general partnership purposes, including working capital, capital expenditures and acquisitions. On June 26, 2009, we borrowed \$100 million under

the Revolving Credit Facility and, along with cash on hand, repaid the \$108 million previously outstanding under our term loan facility with Wachovia Bank, N.A. and terminated the term loan facility.

Debt Tender Offer. On August 10, 2009, we launched a cash tender offer (the tender offer) with our wholly owned subsidiary Suburban Energy Finance Corp. for up to \$175 million (the Tender Cap) of our 6.875% senior notes due December 2013 (the 2013 Notes), which were jointly issued by us and Suburban Energy Finance Corp; *provided, however* that we reserve the right to increase the Tender Cap at any time. We intend to finance the tender offer with a combination of cash on hand and net proceeds from this offering. The closing of the tender offer will be conditioned on, among other things, our having obtained net proceeds, after deducting underwriting discounts and

Table of Contents

commissions and offering expenses, of at least \$75 million in respect of this offering. The tender offer is not conditioned on any minimum amount of the 2013 Notes being tendered. The tender offer will expire at 9:00 a.m., New York City time, on September 8, 2009, unless extended. If the 2013 Notes with an aggregate principal amount in excess of \$175 million are tendered, we reserve the right to amend the terms of the tender offer to increase the amount of the 2013 Notes purchased. To the extent there are tender notes in excess of the Tender Cap, we will purchase the tendered 2013 Notes on a pro rata basis. An affiliate of Merrill Lynch, Pierce, Fenner & Smith Incorporated is the lead dealer manager for, and an affiliate of Wells Fargo Securities, LLC is a co-dealer manager for, the tender offer.

The Offering

Common units offered by us	2,200,000 common units; 2,530,000 common units if the underwriters exercise their option to purchase additional common units in full.
Common units outstanding after this offering	34,997,020 common units; 35,327,020 common units if the underwriters exercise their option to purchase an additional 330,000 common units in full.
Use of proceeds	We estimate that the net proceeds to us from this offering, after deducting underwriting discounts and commissions and estimated offering expenses, will be approximately \$ million (or approximately \$ million if the underwriters exercise their option to purchase additional common units in full). We intend to use the net proceeds from the offering and from the underwriters' exercise of their option to purchase additional common units, if any, along with cash on hand to fund the purchase of up to \$175 million of the 2013 Notes in the tender offer. Please read Summary Suburban Propane Partners, L.P. Recent Developments Debt Tender Offer and Use of Proceeds.
Cash distributions	<p>Under our Partnership Agreement, we must distribute all of our cash on hand at the end of each quarter, less reserves established by our Board of Supervisors in its discretion. We refer to this cash as available cash, and we define its meaning in our Partnership Agreement.</p> <p>On July 22, 2009, we declared a quarterly cash distribution for the quarter ended June 27, 2009 of \$0.825 per common unit, or \$3.30 per common unit on an annualized basis. The distribution attributable to the quarter ended June 27, 2009 is payable on August 11, 2009 to holders of record of our common units as of August 4, 2009.</p>
Estimated ratio of taxable income to distribution	We estimate that if you own common units you purchase in this offering through the record date for the distribution for the fourth calendar quarter of 2011, you will be allocated, on a cumulative basis, an amount of federal taxable income for that period that will be less than 20% of the cash distributed to you with respect to that period. Please read Material Tax Considerations in this prospectus supplement for the basis of this estimate.
Exchange listing	Our common units are traded on the New York Stock Exchange under the symbol SPH.

Table of Contents

RISK FACTORS

*An investment in our common units involves risk. You should carefully read the risk factors included under the caption **Risk Factors** beginning on page 4 of the accompanying prospectus, as well as the risk factors included in Item 1A. **Risk Factors** in our annual report on Form 10-K for the fiscal year ended September 27, 2008 and our quarterly report on Form 10-Q for the fiscal quarter ended June 27, 2009, together with all of the other information included or incorporated by reference in this prospectus supplement. If any of these risks were to occur, our business, financial condition, results of operations or prospects could be materially adversely affected. In such case, the trading price of our common units could decline, and you could lose all or part of your investment.*

USE OF PROCEEDS

We estimate that the net proceeds to us from this offering, after deducting underwriting discounts and commission and estimated offering expenses, will be approximately \$ million (or approximately \$ million if the underwriters exercise their option to purchase additional common units in full). We intend to finance the tender offer with the net proceeds from the offering and from the underwriters' exercise of their option to purchase additional common units, if any, together with cash on hand.

Assuming that at least \$175 million aggregate principal amount of the 2013 Notes are tendered, we estimate that we will use the net proceeds of this offering (and the net proceeds from the underwriters' exercise of their option to purchase additional common units, if any) together with approximately \$ million of cash on hand (or approximately \$ million of cash on hand if the underwriters exercise their option to purchase additional common units in full) to fund the purchase amount of the tender offer (including estimated premiums, expenses and accrued interest). Please read **Summary** Suburban Propane Partners, L.P. **Recent Developments** Debt Tender Offer. To the extent the net proceeds of the offering exceed the purchase price for the amount of 2013 Notes tendered in the tender offer, we intend to use the balance for general partnership purposes. Please read **Risk Factors**. An affiliate of Merrill Lynch, Pierce, Fenner & Smith Incorporated is the lead dealer manager for, and an affiliate of Wells Fargo Securities, LLC is the co-dealer manager for, the tender offer. As of August 7, 2009, a principal amount of \$425 million of 2013 Notes were outstanding, which mature on December 15, 2013.

If the tender offer is abandoned or fails to close for any reason, the net proceeds will be used for general partnership purposes, which may include working capital needs, repayment of indebtedness, capital expenditures and acquisitions.

Table of Contents**CAPITALIZATION**

The following table sets forth our cash and cash equivalents and our capitalization as of June 27, 2009:

on a consolidated historical basis; and

as adjusted to reflect the offering of common units in this offering and the application of the net proceeds therefrom as described in Use of Proceeds (assuming no exercise of the overallotment option).

You should read our financial statements and notes that are incorporated by reference into this prospectus supplement for additional information regarding us.

	As of June 27, 2009	
	Actual	As Adjusted for the Offering(1)
	(In thousands)	
Cash and cash equivalents	\$ 256,099	\$
Debt, including current maturities:		
Revolving credit facility	100,000	100,000
Senior notes due 2013	423,947	249,381
Total long-term debt	\$ 523,947	\$ 349,381
Partners' capital:		
Common unitholders	374,552	
General partner interest		
Total partners' capital	374,552	
Total capitalization	\$ 898,499	\$

(1) Assumes that \$175 million of the 2013 Notes are tendered and purchased in the tender offer at an aggregate purchase price of approximately \$177.8 million, including fees and expenses related to the tender offer. The actual amounts of 2013 Notes tendered and purchased may be more or less.

Table of Contents**PRICE RANGE OF COMMON UNITS AND DIVIDENDS**

Our common units are listed on the New York Stock Exchange under the symbol SPH. On August 7, 2009, the last sales price of our common units as reported by the NYSE was \$43.75 per common unit. As of August 7, 2009, we had issued and outstanding 32,797,020 common units, which were held by approximately 726 unitholders. The following table sets forth the range of high and low sales prices of the common units by quarter as reported by the New York Stock Exchange, as well as the amount of cash dividends paid per common unit for the periods indicated.

	Price Ranges		Cash
	High	Low	Distributions
			per Unit
Fiscal Year Ended September 29, 2007			
First Quarter	\$ 39.15	\$ 33.12	\$ 0.6875
Second Quarter	42.22	35.11	0.7000
Third Quarter	49.58	43.96	0.7125
Fourth Quarter	49.50	38.70	0.7500
Fiscal Year Ended September 27, 2008			
First Quarter	\$ 48.50	\$ 40.00	\$ 0.7625
Second Quarter	42.43	34.00	0.7750
Third Quarter	42.60	37.88	0.8000
Fourth Quarter	39.59	33.13	0.8050
Fiscal Year Ended September 26, 2009			
First Quarter	\$ 35.46	\$ 20.40	\$ 0.8100
Second Quarter	41.60	31.00	0.8150
Third Quarter	42.98	35.81	0.8250(1)
Fourth Quarter (through August 7, 2009)	46.41	40.71	(2)

(1) The distribution attributable to the quarter ended June 27, 2009 was declared on July 22, 2009 and is payable on August 11, 2009 to holders of record of our common units as of August 4, 2009.

(2) The distribution attributable to the quarter ending September 26, 2009 has not yet been declared or paid. We expect to declare and pay a cash distribution within 45 days following the end of the quarter.

Table of Contents

MATERIAL TAX CONSIDERATIONS

The tax consequences to you of an investment in our common units will depend in part on your own tax circumstances. For a discussion of the principal federal income tax considerations associated with our operations and the purchase, ownership and disposition of our common units, please read Tax Considerations for Unitholders beginning on page 17 in the accompanying prospectus. You are urged to consult with your own tax advisor about the federal, state, local and foreign tax consequences peculiar to your circumstances.

Partnership Tax Treatment

The anticipated after-tax economic benefit of an investment in our common units depends largely on our being treated as a partnership for federal income tax purposes. We have not requested, and do not plan to request, a ruling from the IRS on this or any other tax matter affecting us.

Despite the fact that we are a limited partnership under Delaware law, it is possible, in certain circumstances, for a partnership such as ours to be treated as a corporation for federal income tax purposes. If we were so treated, we would pay federal income tax on our taxable income at the corporate tax rate, which is currently a maximum of 35%, and would likely pay state income tax at varying rates. Distributions to you would generally be taxed again as corporate distributions, and no income, gains, losses, deductions or credits would flow through to you. Because a tax would be imposed upon us as a corporation, our cash available for distribution to you would be substantially reduced. Therefore, treatment of us as a corporation would result in a material reduction in the anticipated cash flow and after-tax return to our unitholders, likely causing a substantial reduction in the value of our common units.

Current law or our business may change so as to cause us to be treated as a corporation for federal income tax purposes or otherwise subject us to entity-level taxation. Members of Congress have proposed substantive changes to the current federal income tax laws that would affect certain publicly traded partnerships and legislation that would eliminate partnership tax treatment for certain publicly traded partnerships. Although no legislation is currently pending that would affect our tax treatment as a partnership, we are unable to predict whether any such changes or other proposals will ultimately be enacted. Any modification to the U.S. tax laws and interpretations thereof may or may not be applied retroactively. In addition, because of widespread state budget deficits and other reasons, several states are evaluating ways to subject partnerships to entity-level taxation through the imposition of state income, franchise and other forms of taxation.

Our Partnership Agreement provides that if a law is enacted or existing law is modified or interpreted in a manner that subjects us to taxation as a corporation or otherwise subjects us to entity-level taxation for federal, state or local income tax purposes, the minimum quarterly distribution amount and the target distribution amounts will be adjusted to reflect the impact of that law on us.

Ratio of Taxable Income to Distributions

We estimate that if you purchase common units in this offering and own them through the record date for the distribution for the fourth calendar quarter of 2011, then you will be allocated, on a cumulative basis, an amount of federal taxable income for that period that will be less than 20% of the cash distributed to you with respect to that period. These estimates are based upon the assumption that our available cash for distribution will be sufficient for us to make quarterly distributions of \$0.825 per unit to the holders of our common units, and other assumptions with respect to capital expenditures, cash flow and anticipated cash distributions. These estimates and assumptions are subject to, among other things, numerous business, economic, regulatory, competitive and political uncertainties

beyond our control. Further, the estimates are based on current tax law and certain tax reporting positions that we have adopted with which the Internal Revenue Service could disagree. Accordingly, we cannot assure you that the estimates will be correct. The actual percentage of distributions that will constitute taxable income could be higher or lower, and any differences could be material and could materially affect the value of the common units. For example, the percentage of distributions that will constitute taxable income to a purchaser of common units in this offering will be higher, and perhaps substantially higher, than our estimate with respect to the period described above, for example, if we make a future offering of common units and use the proceeds of the offering in a manner that does not produce substantial additional deductions during the period described above, such as to repay indebtedness outstanding at the time of this offering or to acquire property that is not eligible for depreciation or

Table of Contents

amortization for federal income tax purposes or that is depreciable or amortizable at a rate significantly slower than the rate applicable to our assets at the time of this offering. Please read "Tax Considerations for Unitholders" in the accompanying prospectus.

Tax-Exempt Organizations and Certain Other Investors

Ownership of common units by tax-exempt entities, regulated investment companies and foreign investors raises issues unique to such persons. Please read "Tax Considerations for Unitholders - Tax-Exempt Organizations and Certain Other Investors" in the accompanying prospectus.

S-10

Table of Contents

UNDERWRITING

Wells Fargo Securities, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc. and Goldman, Sachs & Co. are acting as joint book-running managers and representatives of the underwriters named below. Subject to the terms and conditions stated in the underwriting agreement dated the date of this prospectus supplement, each underwriter named below has agreed to purchase, and we have agreed to sell to that underwriter, the number of common units set forth opposite the underwriter's name.

Underwriter	Number of Common Units
Wells Fargo Securities, LLC	
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Citigroup Global Markets Inc.	
Goldman, Sachs & Co.	
J.P. Morgan Securities Inc.	
Raymond James & Associates, Inc.	
 Total	 2,200,000

The underwriting agreement provides that the obligations of the underwriters to purchase the common units included in this offering are subject to approval of legal matters by counsel and to other conditions. The underwriters are obligated to purchase all of the common units (other than those covered by the over-allotment option to purchase additional common units described below) if they purchase any of the common units.

Option to Purchase Additional Common Units

We have granted to the underwriters a 30 day option, exercisable from the date of this prospectus supplement, to purchase up to 330,000 additional common units at the public offering price less the underwriting discount. To the extent the option is exercised, each underwriter must purchase a number of additional common units approximately proportionate to that underwriter's initial purchase commitment.

Underwriting Discounts and Expenses

The underwriters propose to offer some of the common units directly to the public at the public offering price set forth on the cover page of this prospectus supplement and some of the common units to dealers at the public offering price less a concession not to exceed \$ _____ per common unit. After the offering, the underwriters may change the public offering price and the other selling terms. All compensation received by the underwriters in connection with this offering will not exceed eight percent of the gross offering proceeds.

The following table shows the underwriting discounts that we are to pay to the underwriters in connection with this offering. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional common units.

	No Exercise	Full Exercise
Per Unit	\$	\$
Total	\$	\$

We estimate that our total expenses of this offering, other than underwriting discounts and commissions, will be approximately \$.

Lock-Up Agreements

We, members of our Board of Supervisors, and our executive officers and certain of our affiliates have agreed that during the 60 days after the date of this prospectus supplement, we and they will not, without the prior written consent of the Representatives, directly or indirectly, offer for sale, contract to sell, sell, distribute, grant any option, right or warrant to purchase, pledge, hypothecate, enter into any derivative transaction with similar effect as a sale or otherwise dispose of any common units, any securities convertible into, or exercisable or exchangeable for, common units or any other rights to acquire such common units within the time period of the lock-up, other than

Table of Contents

(1) pursuant to employee benefit plans as in existence as of the date of this prospectus, (2) with respect to an individual, pursuant to any transfer of any or all of the common units owned by the unitholder (including but not limited to transfers to a spouse or an ex-spouse pursuant to marital separation or divorce arrangements), either during the unitholder's lifetime or on death, by gift, will or intestate succession to the immediate family of the unitholder or to a trust the beneficiaries of which are exclusively the unitholder and/or a member or members of its immediate family, or (3) pursuant to the underwriters' option to purchase additional securities; *provided, however*, that any such recipient of common units will agree to be bound by these provisions for the remainder of the 60 day period. The Representatives may, in their sole discretion, allow any of these parties to offer for sale, contract to sell, sell, distribute, grant any option, right or warrant to purchase, pledge, hypothecate, enter into any derivative transaction with similar effect as a sale or otherwise dispose of any common units, any securities convertible into, or exercisable or exchangeable for, common units or any other rights to acquire such common units prior to the expiration of the 60 day period in whole or in part at anytime without notice. The Representatives have informed us that in the event that consent to a waiver of these restrictions is requested by us or any other person, it, in deciding whether to grant its consent, will consider the unitholder's reasons for requesting the release, the number of units for which the release is being requested and market conditions at the time of the request for such release. However, the Representatives have informed us that as of the date of this prospectus supplement there are no agreements between it and any party that would allow such party to transfer any common units, nor does it have any intention of releasing any of the common units subject to the lock-up agreements prior to the expiration of the lock-up period at this time.

Listing

Our common units are listed on the New York Stock Exchange under the symbol SPH.

Passive Market Making

In connection with the offering, the underwriters may engage in passive market making transactions in the common units on the New York Stock Exchange in accordance with Rule 103 of Regulation M under the Securities Exchange Act of 1934 during the period before the commencement of offers or sales of common units and extending through the completion of distribution. A passive market maker must display its bids at a price not in excess of the highest independent bid of the security. However, if all independent bids are lowered below the passive market maker's bid that bid must be lowered when specified purchase limits are exceeded.

Price Stabilization, Short Positions and Penalty Bids

In connection with the offering, the representatives, on behalf of the underwriters, may purchase and sell common units in the open market. These transactions may include short sales, syndicate covering transactions and stabilizing transactions. Short sales involve syndicate sales of common units in excess of the number of common units to be purchased by the underwriters in the offering, which creates a syndicate short position. Covered short sales are sales of common units made in an amount up to the number of common units represented by the underwriters' over-allotment option. In determining the source of common units to close out the covered syndicate short position, the underwriters will consider, among other things, the price of common units available for purchase in the open market as compared to the price at which they may purchase units through the over-allotment option. Transactions to close out the covered syndicate short position involve either purchases of the common units in the open market after the distribution has been completed or the exercise of the over-allotment option. The underwriters may also make naked short sales of common units in excess of the over-allotment option. The underwriters must close out any naked short position by purchasing common units in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common units in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of bids for or purchases of common units in the open market while the offering is in progress.

The underwriters also may impose a penalty bid. Penalty bids permit the underwriters to reclaim a selling concession from a syndicate member when the representatives repurchase common units originally sold by that syndicate member in order to cover syndicate short positions or make stabilizing purchases.

Any of these activities may have the effect of preventing or retarding a decline in the market price of the common units. They may also cause the price of the common units to be higher than the price that would otherwise exist in the open market in the absence of these transactions. The underwriters may conduct these transactions on

S-12

Table of Contents

the New York Stock Exchange or in the over-the-counter market, or otherwise. If the underwriters commence any of these transactions, they may discontinue them at any time.

Affiliations/FINRA Rules

The underwriters and their affiliates have performed investment and commercial banking and advisory services for us and our affiliates from time to time for which they have received customary fees and expenses. The underwriters and their affiliates may, from time to time, engage in transactions with and perform services for us in the ordinary course of their business. Affiliates of Wells Fargo Securities, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc., Goldman, Sachs & Co., J.P. Morgan Securities Inc. and Raymond James & Associates, Inc. are lenders under our revolving credit facility. An affiliate of Merrill Lynch, Pierce, Fenner & Smith Incorporated is the lead dealer manager for, and an affiliate of Wells Fargo Securities, LLC is a co-dealer manager for, the tender offer.

Because the Financial Industry Regulatory Authority (FINRA), views our common units as interests in a direct participation program, this offering is being made in compliance with Rule 2810 of the Conduct Rules of The National Association of Securities Dealers, Inc. Investor suitability with respect to the common units will be judged similarly to the suitability with respect to other securities that are listed for trading on a national securities exchange.

Electronic Distribution

This prospectus supplement and the accompanying prospectus in electronic format may be made available on the websites maintained by one or more of the underwriters. The underwriters may agree to allocate a number of common units for sale to their online brokerage account holders. The common units will be allocated to underwriters that may make Internet distributions on the same basis as other allocations. In addition, common units may be sold by the underwriters to securities dealers who resell common units to online brokerage account holders.

Other than this prospectus supplement and the accompanying prospectus in electronic format, information contained in any website maintained by an underwriter is not part of this prospectus supplement or the accompanying prospectus or registration statement of which the accompanying prospectus forms a part, has not been endorsed by us and should not be relied on by investors in deciding whether to purchase common units. The underwriters are not responsible for information contained in websites that they do not maintain.

Indemnification

We and certain of our affiliates have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended, or to contribute to payments the underwriters may be required to make because of any of those liabilities.

Sales Outside the United States

No action has been taken in any jurisdiction (except in the United States) that would permit a public offering of the common units or the possession, circulation or distribution of this prospectus supplement, the accompanying prospectus or any other material relating to us or the common units in any jurisdiction where action for that purpose is required. Accordingly, the common units may not be offered or sold, directly or indirectly, and neither this prospectus supplement, the accompanying prospectus nor any other offering material or advertisements in connection with the common units may be distributed or published, in or from any country or jurisdiction, except in compliance with any applicable rules and regulations of any such country or jurisdiction.

Each of the underwriters may arrange to sell common units offered hereby in certain jurisdictions outside the United States, either directly or through affiliates, where they are permitted to do so. In that regard, Wells Fargo Securities, LLC may arrange to sell stock in certain jurisdictions through an affiliate, Wells Fargo Securities International Limited, or WFSIL. WFSIL is a wholly-owned indirect subsidiary of Wells Fargo & Company and an affiliate of Wells Fargo Securities, LLC. WFSIL is a U.K. incorporated investment firm regulated by the Financial Services Authority. Wells Fargo Securities is the trade name for certain corporate and investment banking services of Wells Fargo & Company and its affiliates, including Wells Fargo Securities, LLC and WFSIL.

S-13

Table of Contents

European Economic Area. In relation to each member state of the European Economic Area that has implemented the Prospectus Directive (each, a relevant member state), with effect from and including the date on which the Prospectus Directive is implemented in that relevant member state (the relevant implementation date), an offer of common units described in this prospectus supplement and the accompanying prospectus may not be made to the public in that relevant member state prior to the publication of a prospectus in relation to the common units that has been approved by the competent authority in that relevant member state or, where appropriate, approved in another relevant member state and notified to the competent authority in that relevant member state, all in accordance with the Prospectus Directive, except that, with effect from and including the relevant implementation date, an offer of common units may be offered to the public in that relevant member state at any time:

to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

to any legal entity that has two or more of (a) an average of at least 250 employees during the last financial year; (b) a total balance sheet of more than 43,000,000; and (c) an annual net turnover of more than 50,000,000, as shown in its last annual or consolidated accounts;

to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the representatives; or

in any other circumstances that do not require the publication of a prospectus pursuant to Article 3 of the Prospectus Directive;

provided that no such offer of common units shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospective Directive.

Each purchaser of common units described in this prospectus supplement and the accompanying prospectus located within a relevant member state will be deemed to have represented, acknowledged and agreed that it is a qualified investor within the meaning of Article 2(1)(e) of the Prospectus Directive.

For purposes of this provision, the expression an offer to the public in any relevant member state means the communication in any form and by any means of sufficient information on the terms of the offer and the securities to be offered so as to enable an investor to decide to purchase or subscribe the securities, as the expression may be varied in that member state by any measure implementing the Prospectus Directive in that member state, and the expression Prospectus Directive means Directive 2003/71/EC and includes any relevant implementing measure in each relevant member state.

United Kingdom. In addition, each underwriter: (a) has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the FSMA)) received by it in connection with the issue or sale of common units in circumstances in which Section 21(1) of the FSMA does not apply to us, and (b) has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the common units in, from or otherwise involving the United Kingdom.

Without limitation to the other restrictions referred to herein, this prospectus supplement and the accompanying prospectus are directed only at (1) persons outside the United Kingdom; (2) persons having professional experience in matters relating to investments who fall within the definition of investment professionals in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005; or (3) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the

Financial Services and Markets Act 2000 (Financial Promotion) Order 2005. Without limitation to the other restrictions referred to herein, any investment or investment activity to which this prospectus supplement and the accompanying prospectus relates is available only to, and will be engaged in only with, such persons, and persons within the United Kingdom who receive this communication (other than persons who fall within (2) or (3) above) should not rely or act upon this communication.

France. The prospectus supplement and the accompanying prospectus (including any amendment, supplement or replacement thereto) have not been prepared in connection with the offering of our securities that has been approved by the Autorité des marchés financiers or by the competent authority of another State that is a contracting party to the

S-14

Table of Contents

Agreement on the European Economic Area and notified to the Autorité des marchés financiers; no security has been offered or sold or will be offered or sold, directly or indirectly, to the public in France except to permitted investors, or Permitted Investors, consisting of persons licensed to provide the investment service of portfolio management for the account of third parties, qualified investors (investisseurs qualifiés) acting for their own account and/or corporate investors meeting one of the four criteria provided in article D. 341-1 of the French Code Monétaire et Financier and belonging to a limited circle of investors (cercle restreint d'investisseurs) acting for their own account, with qualified investors and limited circle of investors having the meaning ascribed to them in Article L. 411-2, D. 411-1, D. 411-2, D. 734-1, D. 744-1, D. 754-1 and D. 764-1 of the French Code Monétaire et Financier; neither this prospectus supplement, the accompanying prospectus nor any other materials related to the offer or information contained herein or therein relating to our securities has been released, issued or distributed to the public in France except to Permitted Investors; and the direct or indirect resale to the public in France of any securities acquired by any Permitted Investors may be made only as provided by articles L. 411-1, L. 411-2, L. 412-1 and L. 621-8 to L. 621-8-3 of the French Code Monétaire et Financier and applicable regulations thereunder.

Switzerland. Our securities may not and will not be publicly offered, distributed or re-distributed on a professional basis in or from Switzerland, and neither this prospectus supplement, the accompanying prospectus nor any other solicitation for investments in our securities may be communicated or distributed in Switzerland in any way that could constitute a public offering within the meaning of articles 652a or 1156 of the Swiss Federal Code of Obligations or of Article 2 of the Federal Act on Investment Funds of March 18, 1994. This prospectus supplement and the accompanying prospectus may not be copied, reproduced, distributed or passed on to others without the representatives' prior written consent. This prospectus supplement and the accompanying prospectus are not a prospectus within the meaning of Articles 1156 and 652a of the Swiss Code of Obligations or a listing prospectus according to article 32 of the Listing Rules of the Swiss exchange and may not comply with the information standards required thereunder. We will not apply for a listing of our securities on any Swiss stock exchange or other Swiss regulated market and this prospectus supplement and the accompanying prospectus may not comply with the information required under the relevant listing rules. The securities have not been and will not be approved by any Swiss regulatory authority. The securities have not been and will not be registered with or supervised by the Swiss Federal Banking Commission, and have not been and will not be authorized under the Federal Act on Investment Funds of March 18, 1994. The investor protection afforded to acquirers of investment fund certificates by the Federal Act on Investment Funds of March 18, 1994 does not extend to acquirers of our securities.

Dubai. This document relates to an exempt offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority. This document is intended for distribution only to persons of a type specified in those rules. It must not be delivered to, or relied on by, any other person. The Dubai Financial Services Authority has no responsibility for reviewing or verifying any documents in connection with exempt offers. The Dubai Financial Services Authority has not approved this document nor taken steps to verify the information set out in it, and has no responsibility for it. The securities which are the subject of the offering contemplated by this prospectus supplement (the **Securities**) may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Securities offered should conduct their own due diligence on the Securities. If you do not understand the contents of this document you should consult an authorized financial adviser.

LEGAL MATTERS

The validity of the common units offered in this prospectus supplement will be passed upon for us by Proskauer Rose LLP, New York, New York. Certain legal matters in connection with the common units offered hereby will be passed upon for the underwriters by Vinson & Elkins L.L.P., Houston, Texas.

EXPERTS

The financial statements and management's assessment of the effectiveness of internal control over financial reporting (which is included in Management's Report on Internal Control over Financial Reporting) incorporated in this prospectus supplement by reference to the Annual Report on Form 10-K for the year ended September 27, 2008, have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

S-15

Table of Contents

The balance sheet of Suburban Energy Services Group LLC incorporated in this prospectus supplement by reference to the Current Report on Form 8-K dated August 10, 2009, has been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

FORWARD-LOOKING STATEMENTS

This prospectus supplement and the information incorporated by reference in this prospectus supplement include forward-looking statements (Forward-Looking Statements) as defined in the Private Securities Litigation Reform Act of 1995 and Section 27A of the Securities Act of 1933, as amended (the Securities Act), relating to our future business expectations and predictions and financial condition and results of operations. Some of these statements can be identified by the use of forward-looking terminology such as *prospects, outlook, believes, estimates, intends, may, will, should, anticipates, expects* or *plans* or the negative or other variation of these or similar words, or by discussion of trends and conditions, strategies or risks and uncertainties. These Forward-Looking Statements involve certain risks and uncertainties that could cause actual results to differ materially from those discussed or implied in such Forward-Looking Statements (statements contained in this prospectus supplement identifying such risks and uncertainties are referred to as Cautionary Statements). The risks and uncertainties and their impact on our results include, but are not limited to, the following risks:

The impact of weather conditions on the demand for propane, fuel oil and other refined fuels, natural gas and electricity;

Volatility in the unit cost of propane, fuel oil and other refined fuels and natural gas, the impact of our hedging and risk management activities, and the adverse impact of price increases on volumes as a result of customer conservation;

Our ability to compete with other suppliers of propane, fuel oil and other energy sources;

The impact on the price and supply of propane, fuel oil and other refined fuels from the political, military or economic instability of the oil producing nations, global terrorism and other general economic conditions;

Our ability to acquire and maintain reliable transportation for its propane, fuel oil and other refined fuels;

Our ability to retain customers;

The impact of customer conservation, energy efficiency and technology advances on the demand for propane and fuel oil;

The ability of management to continue to control expenses;

The impact of changes in applicable statutes and government regulations, or their interpretations, including those relating to the environment and global warming and other regulatory developments on our business;

The impact of legal proceedings on our business;

The impact of operating hazards that could adversely affect our operating results to the extent not covered by insurance;

Our ability to make strategic acquisitions and successfully integrate them;

The impact of current conditions in the global capital and credit markets, and general economic pressures;

The consummation of the tender offer for the 2013 Notes; and

Other risks referenced from time to time in filings with the SEC and those factors listed or incorporated by reference into this prospectus supplement under Risk Factors.

Some of these Forward-Looking Statements are discussed in more detail in Risk Factors beginning on page S-7 of this prospectus supplement and page 4 of the accompanying prospectus. On different occasions, we or our representatives have made or may make Forward-Looking Statements in other filings with the SEC, press releases or oral statements made by or with the approval of one of our authorized executive officers. Readers are cautioned not to place undue reliance on Forward-Looking Statements, which reflect management's view only as of the date made. We undertake no obligation to update any Forward-Looking Statements or Cautionary Statements. All subsequent written and oral Forward-Looking Statements attributable to us or persons acting on our behalf are expressly qualified in their

S-16

Table of Contents

entirety by the Cautionary Statements in this prospectus supplement and in future SEC reports. For a more complete discussion of specific factors which could cause actual results to differ from those in the Forward-Looking Statements or Cautionary Statements, see the Risk Factors section of this prospectus supplement.

Forward-Looking Statements or Cautionary Statements should not be viewed as predictions, and should not be the primary basis upon which investors evaluate us. Any investor in Suburban should consider all risks and uncertainties disclosed in our SEC filings, described above under the Where You Can Find More Information section of this prospectus supplement, all of which are accessible on the SEC's website at www.sec.gov. We note that all website addresses given in this prospectus are for information only and are not intended to be an active link or to incorporate any website information into this document.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC under the Exchange Act. You may read and copy all or any portion of this information at the SEC's principal office in Washington, D.C., and copies of all or any part thereof may be obtained from the Public Reference Section of the SEC, 100 F Street, N.E., Washington, D.C. 20549 after payment of fees prescribed by the SEC. Please call the SEC at 1-800-SEC-0330 for further information about the public reference room.

The SEC also maintains an Internet website that contains reports, proxy statements and other information about issuers, like Suburban, who file electronically with the SEC. The address of that site is www.sec.gov.

Our Internet website address is www.suburbanpropane.com. This reference to our website is intended to be an inactive textual reference only. Our website and the information contained therein or connected thereto are not incorporated by reference into this prospectus.

Our common units are listed on the New York Stock Exchange, and reports, proxy statements and other information can be inspected at the offices of the NYSE at 20 Broad Street, New York, New York 10005.

We have filed with the SEC a registration statement on Form S-3 to register the common units to be sold in connection with this prospectus. As permitted by the rules and regulations of the SEC, this prospectus supplement and the accompany prospectus, which forms a part of the registration statement, does not contain all of the information included in the registration statement. For further information pertaining to us and the securities offered under this prospectus, reference is made to the registration statement and the attached exhibits and schedules. Although required material information has been presented in this prospectus supplement, statements contained in this prospectus supplement as to the contents or provisions of any contract or other document referred to in this prospectus may be summary in nature and in each instance reference is made to the copy of this contract or other document filed as an exhibit to the registration statement and each statement is qualified in all respects by this reference, including the exhibits and schedules filed therewith. You should rely only on the information incorporated by reference or provided in this prospectus supplement and the accompanying prospectus. We have not authorized anyone else to provide you with different information. You should not assume that the information in this prospectus supplement and the accompanying prospectus is accurate as of any date other than the date on the cover page of this prospectus supplement or the accompanying prospectus. Our business, financial condition, results of operations and prospectus may have changed since that date.

INCORPORATION OF INFORMATION FILED WITH THE SEC

The SEC allows us to incorporate by reference information into this prospectus supplement, which means that we can disclose important information to you by referring you to another document filed separately with the SEC. The

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information incorporated by reference is deemed to be part of this prospectus supplement from the date that we file that document, except for any information that is superseded by subsequent incorporated documents or by information that is contained directly in this prospectus supplement or the accompanying prospectus. This prospectus supplement incorporates by reference the documents set forth below that Suburban has previously filed with the SEC and that are not delivered with this prospectus supplement. These documents contain important information about Suburban and its financial condition.

Annual Report on Form 10-K for the year ended September 27, 2008, as filed on November 26, 2008.

S-17

Table of Contents

Quarterly Reports on Form 10-Q for the quarterly period ended December 27, 2008, as filed on February 5, 2009, for the quarterly period ended March 28, 2009, as filed on May 7, 2009, and for the quarterly period ended June 27, 2009, as filed on August 6, 2009.

Definitive Proxy Statement, filed with the SEC on May 26, 2009.

Definitive Additional Materials to our definitive Proxy Statement, filed with the SEC on June 25, 2009.

Registration Statement on Form S-8, filed with the SEC on July 24, 2009.

Current Reports on Form 8-K or 8-K/A dated and filed on the following dates (excluding any information in those documents that is deemed by the rules of the SEC to be furnished and not filed):

Dated	Filed
October 23, 2008	October 23, 2008
October 30, 2008	October 30, 2008
November 14, 2008	November 14, 2008
January 7, 2009	January 7, 2009
January 21, 2009	January 21, 2009
January 22, 2009	January 22, 2009
February 5, 2009	February 5, 2009
February 27, 2009	February 27, 2009
April 23, 2009	April 23, 2009
April 23, 2009	April 23, 2009
April 23, 2009	April 23, 2009
April 24, 2009	April 27, 2009
May 7, 2009	May 7, 2009
June 26, 2009	June 30, 2009
July 22, 2009	July 23, 2009
July 23, 2009	July 23, 2009
July 23, 2009	July 23, 2009
August 6, 2009	August 6, 2009
August 10, 2009	August 10, 2009

The description of our common units which is contained in our Current Report on Form 8-K filed with the Commission on October 19, 2006, including any amendment or report filed for the purpose of updating such description.

All documents filed by us pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act (excluding any information in those documents that is deemed by the rules of the SEC to be furnished and not filed) between the date of this prospectus supplement and the termination of the offering of securities under this prospectus supplement shall also be deemed to be incorporated herein by reference. Any statement contained in any document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of this prospectus supplement to the extent that a statement contained in this prospectus supplement or in any other subsequently filed document which also is or is deemed to be incorporated by reference in this prospectus supplement modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so

modified or superseded, to constitute a part of this prospectus.

We will provide you without charge, upon your written or oral request, a copy of any of the documents incorporated by reference in this prospectus supplement, other than exhibits to such documents which are not specifically incorporated by reference into such documents or this prospectus supplement. Please direct your requests to: Suburban Propane Partners, L.P., P.O. Box 206, Whippany, New Jersey 07981-0206, Telephone No.: (973) 503-9252, Attention: Investor Relations.

S-18

Table of Contents

PROSPECTUS

Suburban Propane Partners, L.P.

Common Units

This prospectus relates to the offer, from time to time, of common units representing limited partnership interests in Suburban Propane Partners, L.P. The common units may be offered for resale in amounts, at prices and on terms to be set forth in one or more accompanying prospectus supplements and may be offered separately or together, or in separate series

Our common units are limited partner interests, which are inherently different from the capital stock of a corporation. Our common units are traded on the New York Stock Exchange under the symbol SPH. On August 7, 2009, the last sales price of our common units as reported by the NYSE was \$43.75 per common unit.

We may offer and sell these common units to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continuous or delayed basis. This prospectus describes the general terms of our common units. The specific terms of any securities and the specific manner in which we will offer them will be included in a supplement to this prospectus relating to that offering. The prospectus supplement also may add, update or change information contained in this prospectus. We may also authorize one or more free writing prospectuses to be provided to you in connection with these offerings. This prospectus may be used to offer and sell securities only if accompanied by a prospectus supplement and any related free writing prospectus. You should read this prospectus and any prospectus supplement carefully before you invest. You should also read the documents we have referred you to in the **Where You Can Find More Information** section of this prospectus for information on us and our financial statements.

You should carefully consider each of the factors described under **Risk Factors beginning on page 4 of this prospectus and in the appropriate prospectus supplement before you make any investment in our securities.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is August 10, 2009

TABLE OF CONTENTS

	Page
<u>ABOUT THIS PROSPECTUS</u>	1
<u>ABOUT SUBURBAN PROPANE PARTNERS, L.P.</u>	1
<u>FORWARD-LOOKING STATEMENTS</u>	2
<u>RISK FACTORS</u>	4
<u>USE OF PROCEEDS</u>	13
<u>DESCRIPTION OF COMMON UNITS</u>	13
<u>TAX CONSIDERATIONS FOR UNITHOLDERS</u>	14
<u>PLAN OF DISTRIBUTION</u>	25
<u>LEGAL MATTERS</u>	26
<u>EXPERTS</u>	26
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	27
<u>INCORPORATION OF INFORMATION FILED WITH THE SEC</u>	27

Table of Contents

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement on Form S-3 filed with the Securities and Exchange Commission (the SEC) utilizing a shelf registration process. Under the shelf registration process, we may offer from time to time the common units described in this prospectus in one or more offerings. Each time we offer securities, we will provide you with this prospectus and a prospectus supplement that will describe, among other things, the specific amounts and prices of the securities being offered and the terms of the offering. We may also authorize one or more free writing prospectuses to be provided to you that may contain material information relating to these offerings. The prospectus supplement (and any related free writing prospectus that we may authorize to be provided to you) may also add, update or change information contained in this prospectus or in the documents we have incorporated by reference into this prospectus. If there is any inconsistency between the information in this prospectus and any prospectus supplement, you should rely on the information in that prospectus supplement. You should carefully read both this prospectus and any prospectus supplement, together with any related free writing prospectus, together with the information incorporated by reference, before deciding to invest in our securities.

You should rely only on the information contained in or incorporated by reference in this prospectus, any accompanying prospectus supplement or in any related free writing prospectus filed by us with the SEC. We have not authorized anyone to provide you with additional or different information. No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus, any accompanying prospectus supplement or any related free writing prospectus that we may authorize to be provided to you. You must not rely on any unauthorized information or representation. This prospectus and the accompanying prospectus supplement constitute an offer to sell only the securities offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. You should assume that the information appearing in this prospectus, any prospectus supplement or any related free writing prospectus is accurate only as of the date on the front of such document and that any information we have incorporated by reference is accurate only as of its respective date, regardless of the time of delivery of this prospectus, any applicable prospectus supplement or any related free writing prospectus, or any sale of a security. Our business, financial condition, results of operations and prospects may have changed since that date.

You should read both this prospectus, including the Risk Factors, and the accompanying prospectus supplement or any related free writing prospectus, together with the additional information described under the heading Where You Can Find More Information.

ABOUT SUBURBAN PROPANE PARTNERS, L.P.

Suburban Propane Partners, L.P., a publicly traded Delaware limited partnership, is a nationwide marketer and distributor of a diverse array of products meeting the energy needs of our customers. We specialize in the distribution of propane, fuel oil and refined fuels, as well as the marketing of natural gas and electricity in deregulated markets. In support of our core marketing and distribution operations, we install and service a variety of home comfort equipment, particularly in the areas of heating and ventilation. We believe, based on *LP/Gas Magazine* dated February 2009, that we are the fourth-largest retail marketer of propane in the United States, measured by retail gallons sold in the year 2008. As of June 27, 2009, we were serving the energy needs of approximately 900,000 active residential, commercial, industrial and agricultural customers through more than 300 locations in 30 states located primarily in the east and west coast regions of the United States, including Alaska. We sold approximately 386.2 million gallons of propane to retail customers and 76.5 million gallons of fuel oil and refined fuels during the year ended September 27, 2008. For the nine-month period ended June 27, 2009, we sold approximately 294.8 million gallons of propane to retail customers and 50.5 million gallons of fuel oil and refined fuels. Together with our predecessor companies, we

have been continuously engaged in the retail propane business since 1928.

We conduct our business principally through Suburban Propane, L.P., a Delaware limited partnership, which operates our propane business and assets (the Operating Partnership), and its direct and indirect subsidiaries. Our general partner, and the general partner of our Operating Partnership, is Suburban Energy Services Group LLC (the General Partner), a Delaware limited liability company. Since October 19, 2006, the General Partner has had no economic interest in either the Partnership or the Operating Partnership other than as a holder of 784 common units

Table of Contents

of the Partnership. Prior to October 19, 2006, the General Partner was majority-owned by senior management of the Partnership and owned an approximate combined 1.75% general partner interest in the Partnership and the Operating Partnership.

We are a publicly traded Delaware limited partnership. Our common units are listed on the New York Stock Exchange and traded under the symbol SPH. Our principal executive offices are located at 240 Route 10 West, Whippany, New Jersey 07981, and our phone number is (973) 887-5300. Our internet webpage is located at www.suburbanpropane.com; however, the information in, or that can be accessed through, our webpage is not part of this prospectus.

References in this prospectus to Suburban, the Partnership, we, us and our refer to Suburban Propane Partners, L.P. and its subsidiaries, unless the context otherwise requires.

FORWARD-LOOKING STATEMENTS

This prospectus and the information incorporated by reference in this prospectus include forward-looking statements (Forward-Looking Statements) as defined in the Private Securities Litigation Reform Act of 1995 and Section 27A of the Securities Act of 1933, as amended (the Securities Act), relating to our future business expectations and predictions and financial condition and results of operations. Some of these statements can be identified by the use of forward-looking terminology such as *prospects*, *outlook*, *believes*, *estimates*, *intends*, *may*, *will*, *should*, *anticipates*, *expects* or *plans* or the negative or other variation of these or similar words, or by discussion of trends and conditions, strategies or risks and uncertainties. These Forward-Looking Statements involve certain risks and uncertainties that could cause actual results to differ materially from those discussed or implied in such Forward-Looking Statements (statements contained in this prospectus identifying such risks and uncertainties are referred to as Cautionary Statements). The risks and uncertainties and their impact on our results include, but are not limited to, the following risks:

The impact of weather conditions on the demand for propane, fuel oil and other refined fuels, natural gas and electricity;

Volatility in the unit cost of propane, fuel oil and other refined fuels and natural gas, the impact of our hedging and risk management activities, and the adverse impact of price increases on volumes as a result of customer conservation;

Our ability to compete with other suppliers of propane, fuel oil and other energy sources;

The impact on the price and supply of propane, fuel oil and other refined fuels from the political, military or economic instability of the oil producing nations, global terrorism and other general economic conditions;

Our ability to acquire and maintain reliable transportation for our propane, fuel oil and other refined fuels;

Our ability to retain customers;

The impact of customer conservation, energy efficiency and technology advances on the demand for propane and fuel oil;

The ability of management to continue to control expenses;

The impact of changes in applicable statutes and government regulations, or their interpretations, including those relating to the environment and global warming and other regulatory developments on our business;

The impact of legal proceedings on our business;

The impact of operating hazards that could adversely affect our operating results to the extent not covered by insurance;

Our ability to make strategic acquisitions and successfully integrate them;

The impact of current conditions in the global capital and credit markets, and general economic pressures; and

Table of Contents

Other risks referenced from time to time in filings with the SEC and those factors listed or incorporated by reference into this prospectus under Risk Factors.

Some of these Forward-Looking Statements are discussed in more detail in Risk Factors beginning on page 4 of this prospectus. On different occasions, we or our representatives have made or may make Forward-Looking Statements in other filings with the SEC, press releases or oral statements made by or with the approval of one of our authorized executive officers. Readers are cautioned not to place undue reliance on Forward-Looking Statements, which reflect management's view only as of the date made. We undertake no obligation to update any Forward-Looking Statements or Cautionary Statements. All subsequent written and oral Forward-Looking Statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the Cautionary Statements in this prospectus and in future SEC reports. For a more complete discussion of specific factors which could cause actual results to differ from those in the Forward-Looking Statements or Cautionary Statements, see the Risk Factors section of this prospectus.

Forward-Looking Statements or Cautionary Statements should not be viewed as predictions, and should not be the primary basis upon which investors evaluate us. Any investor in Suburban should consider all risks and uncertainties disclosed in our SEC filings, described above under the Where You Can Find More Information section of this prospectus, all of which are accessible on the SEC's website at www.sec.gov. We note that all website addresses given in this prospectus are for information only and are not intended to be an active link or to incorporate any website information into this document.

Table of Contents

RISK FACTORS

*An investment in our securities involves risks. You should carefully consider the specific risk factors set forth below, as well as the other information contained in this prospectus, any prospectus supplement and any related free writing prospectus and the information we have incorporated herein by reference in evaluating an investment in Suburban. If any of these risk factors were actually to occur, our business, financial condition or results of operations could be materially adversely affected. When we offer and sell any securities pursuant to a prospectus supplement, we may include additional risk factors relevant to such securities in the prospectus supplement. Some factors in this section are Forward-Looking Statements. See *Forward-Looking Statements*.*

Risks Inherent in our Business Operations

Since weather conditions may adversely affect demand for propane, fuel oil and other refined fuels and natural gas, our results of operations and financial condition are vulnerable to warm winters.

Weather conditions have a significant impact on the demand for propane, fuel oil and other refined fuels and natural gas for both heating and agricultural purposes. Many of our customers rely heavily on propane, fuel oil or natural gas as a heating source. The volume of propane, fuel oil and natural gas sold is at its highest during the six-month peak heating season of October through March and is directly affected by the severity of the winter. Typically, we sell approximately two-thirds of our retail propane volume and approximately three-fourths of our retail fuel oil volume during the peak heating season.

Actual weather conditions can vary substantially from year to year, significantly affecting our financial performance. For example, average temperatures in our service territories were 6% warmer than normal for the year ended September 27, 2008 compared to 6% warmer than normal temperatures in fiscal 2007 and 11% warmer than normal temperatures in fiscal 2006, as reported by the National Oceanic and Atmospheric Administration (NOAA). Furthermore, variations in weather in one or more regions in which we operate can significantly affect the total volume of propane, fuel oil and other refined fuels and natural gas we sell and, consequently, our results of operations. Variations in the weather in the northeast, where we have a greater concentration of higher margin residential accounts and substantially all of our fuel oil and natural gas operations, generally have a greater impact on our operations than variations in the weather in other markets. We can give no assurance that the weather conditions in any quarter or year will not have a material adverse effect on our operations, or that our available cash will be sufficient to pay principal and interest on our indebtedness and distributions to unitholders.

Sudden increases in the price of propane, fuel oil and other refined fuels and natural gas due to, among other things, our inability to obtain adequate supplies from our usual suppliers, may adversely affect our operating results.

Our profitability in the retail propane, fuel oil and refined fuels and natural gas businesses is largely dependent on the difference between our product cost and retail sales price. Propane, fuel oil and other refined fuels and natural gas are commodities, and the unit price we pay is subject to volatile changes in response to changes in supply or other market conditions over which we have no control, including the severity of winter weather and the price and availability of competing alternative energy sources. In general, product supply contracts permit suppliers to charge posted prices at the time of delivery or the current prices established at major supply points, including Mont Belvieu, Texas, and Conway, Kansas. In addition, our supply from our usual sources may be interrupted due to reasons that are beyond our control. As a result, the cost of acquiring propane, fuel oil and other refined fuels and natural gas from other suppliers might be materially higher at least on a short-term basis. Since we may not be able to pass on to our customers

immediately, or in full, all increases in our wholesale cost of propane, fuel oil and other refined fuels and natural gas, these increases could reduce our profitability. We engage in transactions to manage the price risk associated with certain of our product costs from time to time in an attempt to reduce cost volatility and to help ensure availability of product during periods of short supply. We can give no assurance that future volatility in propane, fuel oil and natural gas supply costs will not have a material adverse effect on our profitability and cash flow, or that our available cash will be sufficient to pay principal and interest on our indebtedness and distributions to our unitholders.

Table of Contents

Because of the highly competitive nature of the retail propane and fuel oil businesses, we may not be able to retain existing customers or acquire new customers, which could have an adverse impact on our operating results and financial condition.

The retail propane and fuel oil industries are mature and highly competitive. We expect overall demand for propane to remain relatively constant over the next several years, while we expect the overall demand for fuel oil to be relatively flat to moderately declining during the same period. Year-to-year industry volumes of propane and fuel oil are expected to be primarily affected by weather patterns and from competition intensifying during warmer than normal winters, as well as from the impact of a sustained higher commodity price environment on customer conservation.

Propane and fuel oil compete in the alternative energy sources market with electricity, natural gas and other existing and future sources of energy, some of which are, or may in the future be, less costly for equivalent energy value. For example, natural gas is a significantly less expensive source of energy than propane and fuel oil. As a result, except for some industrial and commercial applications, propane and fuel oil are generally not economically competitive with natural gas in areas where natural gas pipelines already exist. The gradual expansion of the nation's natural gas distribution systems has made natural gas available in many areas that previously depended upon propane or fuel oil. Propane and fuel oil compete to a lesser extent with each other due to the cost of converting from one to the other.

In addition to competing with other sources of energy, our propane and fuel oil businesses compete with other distributors principally on the basis of price, service, availability and portability. Competition in the retail propane business is highly fragmented and generally occurs on a local basis with other large full-service multi-state propane marketers, thousands of smaller local independent marketers and farm cooperatives. Our fuel oil business competes with fuel oil distributors offering a broad range of services and prices, from full service distributors to those offering delivery only. Generally, our existing fuel oil customers, unlike our existing propane customers, own their own tanks. As a result, the competition for these customers is more intense than in our propane business, where our existing customers seeking to switch distributors may face additional transition costs and delays.

As a result of the highly competitive nature of the retail propane and fuel oil businesses, our growth within these industries depends on our ability to acquire other retail distributors, open new customer service centers, add new customers and retain existing customers. We believe our ability to compete effectively depends on reliability of service, responsiveness to customers and our ability to control expenses in order to maintain competitive prices.

Energy efficiency, general economic conditions and technological advances have affected and may continue to affect demand for propane and fuel oil by our retail customers.

The national trend toward increased conservation and technological advances, including installation of improved insulation and the development of more efficient furnaces and other heating devices, has adversely affected the demand for propane and fuel oil by our retail customers which, in turn, has resulted in lower sales volumes to our customers. In addition, recent economic conditions may lead to additional conservation by retail customers seeking to further reduce their heating costs, particularly during periods of sustained higher commodity prices as has been the case over the past three fiscal years. Future technological advances in heating, conservation and energy generation may adversely affect our financial condition and results of operations.

Current conditions in the global capital and credit markets, and general economic pressures may adversely affect our financial position and results of operations.

Our business and operating results are materially affected by worldwide economic conditions. Current conditions in the global capital and credit markets and general economic pressures have led to declining consumer and business confidence, increased market volatility and widespread reduction of business activity generally. As a result of this

turmoil, coupled with increasing energy prices, our customers may experience cash flow shortages which may lead to delayed or cancelled plans to purchase our products, and affect the ability of our customers to pay for our products. In addition, disruptions in the U.S. residential mortgage market, increases in mortgage foreclosure rates and failures of lending institutions may adversely affect retail customer demand for our products (in particular, products used for home heating and home comfort equipment) and our business and results of operations.

Table of Contents

Our operating results and ability to generate sufficient cash flow to pay principal and interest on our indebtedness, and to pay distributions to unitholders, may be affected by our ability to continue to control expenses.

The propane and fuel oil industries are mature and highly fragmented with competition from other multi-state marketers and thousands of smaller local independent marketers. Demand for propane and fuel oil is expected to be affected by many factors beyond our control, including, but not limited to, the severity of weather conditions during the peak heating season, customer conservation driven by high energy costs and other economic factors, as well as technological advances impacting energy efficiency. Accordingly, our propane and fuel oil sales volumes and related gross margins may be negatively affected by these factors beyond our control. Our operating profits and ability to generate sufficient cash flow may depend on our ability to continue to control expenses in line with sales volumes. We can give no assurance that we will be able to continue to control expenses to the extent necessary to reduce the effect on our profitability and cash flow from these factors.

The risk of terrorism and political unrest and the current hostilities in the Middle East may adversely affect the economy and the price and availability of propane, fuel oil and other refined fuels and natural gas.

Terrorist attacks and political unrest and the current hostilities in the Middle East may adversely impact the price and availability of propane, fuel oil and other refined fuels and natural gas, as well as our results of operations, our ability to raise capital and our future growth. The impact that the foregoing may have on our industry in general, and on us in particular, is not known at this time. An act of terror could result in disruptions of crude oil or natural gas supplies and markets (the sources of propane and fuel oil), and our infrastructure facilities could be direct or indirect targets. Terrorist activity may also hinder our ability to transport propane, fuel oil and other refined fuels if our means of supply transportation, such as rail or pipeline, become damaged as a result of an attack. A lower level of economic activity could result in a decline in energy consumption, which could adversely affect our revenues or restrict our future growth. Instability in the financial markets as a result of terrorism could also affect our ability to raise capital. Terrorist activity and hostilities in the Middle East could likely lead to increased volatility in prices for propane, fuel oil and other refined fuels and natural gas. We have opted to purchase insurance coverage for terrorist acts within our property and casualty insurance programs, but we can give no assurance that our insurance coverage will be adequate to fully compensate us for any losses to our business or property resulting from terrorist acts.

Our financial condition and results of operations may be adversely affected by governmental regulation and associated environmental and health and safety costs.

Our business is subject to a wide range of federal, state and local laws and regulations related to environmental and health and safety matters including those concerning, among other things, the investigation and remediation of contaminated soil and groundwater and transportation of hazardous materials. These requirements are complex, changing and tend to become more stringent over time. In addition, we are required to maintain various permits that are necessary to operate our facilities, some of which are material to our operations. There can be no assurance that we have been, or will be, at all times in complete compliance with all legal, regulatory and permitting requirements or that we will not incur significant costs in the future relating to such requirements. Violations could result in penalties, or the curtailment or cessation of operations.

Moreover, currently unknown environmental issues, such as the discovery of additional contamination, may result in significant additional expenditures, and potentially significant expenditures also could be required to comply with future changes to environmental laws and regulations or the interpretation or enforcement thereof. Such expenditures, if required, could have a material adverse effect on our business, financial condition or results of operations.

We are subject to operating hazards and litigation risks that could adversely affect our operating results to the extent not covered by insurance.

Our operations are subject to all operating hazards and risks normally associated with handling, storing and delivering combustible liquids such as propane, fuel oil and other refined fuels. As a result, we have been, and are

Table of Contents

likely to continue to be, a defendant in various legal proceedings and litigation arising in the ordinary course of business. We are self-insured for general and product, workers' compensation and automobile liabilities up to predetermined amounts above which third-party insurance applies. We cannot guarantee that our insurance will be adequate to protect us from all material expenses related to potential future claims for personal injury and property damage or that these levels of insurance will be available at economical prices, nor that all legal matters that arise will be covered by our insurance programs.

If we are unable to make acquisitions on economically acceptable terms or effectively integrate such acquisitions into our operations, our financial performance may be adversely affected.

The retail propane and fuel oil industries are mature. We foresee only limited growth in total retail demand for propane and flat to moderately declining retail demand for fuel oil. With respect to our retail propane business, it may be difficult for us to increase our aggregate number of retail propane customers except through acquisitions. As a result, we expect the success of our financial performance to depend, in part, upon our ability to acquire other retail propane and fuel oil distributors or other energy-related businesses and to successfully integrate them into our existing operations and to make cost saving changes. The competition for acquisitions is intense and we can make no assurance that we will be able to acquire other propane and fuel oil distributors or other energy-related businesses on economically acceptable terms or, if we do, to integrate the acquired operations effectively.

The adoption of climate change legislation by Congress could result in increased operating costs and reduced demand for the products and services we provide.

On June 26, 2009, the U.S. House of Representatives approved adoption of the American Clean Energy and Security Act of 2009, also known as the Waxman-Markey cap-and-trade legislation or ACESA. The purpose of ACESA is to control and reduce emissions of greenhouse gases, or GHGs, in the United States. GHGs are certain gases, including carbon dioxide and methane, that may contribute to the warming of the Earth's atmosphere and other climatic changes. ACESA would establish an economy-wide cap on emissions of GHGs in the United States and would require certain regulated entities to obtain GHG emission allowances corresponding to the annual emission of GHGs attributable to their products or operations. Regulated entities under ACESA include producers of natural gas liquids (NGLs), local natural gas distribution companies, and certain industrial facilities. Under ACESA, the number of authorized emission allowances would decline each year, resulting in an expected and progressive increase in the cost or value of the allowances. The net effect of maintaining emission allowances under ACESA would be to increase the costs associated with the combusting of carbon-based fuels such as natural gas, NGLs (including propane), and refined petroleum products.

The U.S. Senate has begun work on its own legislation for controlling and reducing domestic GHG emissions, and President Obama has indicated his support of legislation to reduce GHG emissions through an emission allowance system. Although it is not possible at this time to predict if or when the Senate may act on climate change legislation or how any Senate bill would be reconciled with ACESA, any adopted laws or regulations that restrict or reduce GHG emissions could require us to incur increased operating costs and could adversely affect demand for the products and services we provide.

The adoption of derivatives legislation by Congress could have an adverse impact on our ability to hedge risks associated with our business.

Congress is currently considering legislation to impose restrictions on certain transactions involving derivatives, which could affect the use of derivatives in hedging transactions. ACESA contains provisions that would prohibit private energy commodity derivative and hedging transactions. ACESA would expand the power of the Commodity Futures Trading Commission, or CFTC, to regulate derivative transactions related to energy commodities, including

oil and natural gas, and to mand