

STAR GAS PARTNERS LP
Form DEFA14A
February 14, 2006

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

STAR GAS PARTNERS, L.P.

(Name of Registrant as Specified in its Charter)

Not applicable

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box)

No filing fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11:

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

6) Amount Previously Paid:

7) Form, Schedule or Registration Statement No.:

8) Filing Party:

9) Date Filed:

STAR GAS PARTNERS, L.P.

CLEARWATER HOUSE

2187 ATLANTIC STREET

P.O. BOX 120011

STAMFORD, CONNECTICUT 06912-0011

February 13, 2006

Dear Star Gas Unitholder:

As an owner of Star Gas common units (NYSE:SGU) (Star Gas or the Partnership), we sent you proxy materials earlier this month regarding a **recapitalization** that is **critical to the value of your investment**. The special meeting of unitholders is fast approaching and I am sending you this letter to urge you to **make your vote count before it is too late**.

The Star Gas Board and management team, after carefully considering alternatives and receiving advice from independent financial advisors, unanimously support the recapitalization.

FAILURE TO VOTE WILL HAVE THE SAME EFFECT AS A VOTE AGAINST THIS IMPORTANT INITIATIVE!

Kindly take a moment to read the proxy materials and **vote by phone, via the internet**, or kindly **mail** in your proxy in the enclosed pre-addressed, postage-paid envelope. Instructions for each voting method are included on the enclosed proxy card.

Since the proposed recapitalization was announced on December 5, 2005, the price of your units has appreciated significantly, rising from \$1.32 to \$2.54, **INCREASING THE VALUE OF YOUR SGU UNITS 92%** as of the date of this mailing. In addition, on February 6th, Star Gas announced much improved fiscal first quarter operating results.

However, our ability to continue to improve, which we believe should ultimately benefit our unitholders, could be in jeopardy if the proposed recapitalization is not approved. As you know, Star Gas' agreement with its senior noteholders will terminate if the recapitalization proposals are not approved. And that event could lead to a costly and protracted dispute with bondholders that might be devastating to unitholder value.

As a reminder, under the recapitalization, **COMMON UNITHOLDERS ARE BEING OFFERED THE RIGHT TO PURCHASE ADDITIONAL UNITS AT \$2.00 PER UNIT** a significant discount to the current SGU market price, as of today.

But, should this recapitalization not receive enough votes, **these rights will not be available** and, as outlined in the proxy materials, **there could also be adverse effects on both the Partnership and the value of your investment in Star Gas**.

For these compelling reasons, we urge you to act today to protect the value of your Star Gas investment. Your vote is important, no matter how many or how few units you own.

Once again, thank you for your continued support.

Regards,

Joseph P. Cavanaugh

Chief Executive Officer

PS Should you have any questions or concerns about the vote, feel free to call Georgeson Shareholder, the firm assisting us in this solicitation, toll-free at **800/960-7546** and speak with a representative who should be able to address your inquiry.

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February 13, 2006

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Since the proposed recapitalization was announced on December 5, 2005, the price of your units has appreciated significantly, rising from \$1.89 to \$2.13, **INCREASING THE VALUE OF YOUR SGH UNITS APPROXIMATELY 13%** as of the date of this mailing. In addition, on February 6th, Star Gas announced much improved fiscal first quarter operating results.

However, our ability to continue to improve, which we believe should ultimately benefit our unitholders, could be in jeopardy if the proposed recapitalization is not approved. As you know, Star Gas agreement with its senior noteholders will terminate if the recapitalization proposals are not approved. And that event could lead to a costly and protracted dispute with bondholders that might be devastating to unitholder value.

As a reminder, under the recapitalization, **SGH UNITHOLDERS WILL BE ABLE TO CONVERT THEIR SECURITIES TO COMMON UNITS ON A ONE-FOR-ONE BASIS**.

But, should this recapitalization not receive enough votes, as outlined in the proxy materials, **there could be adverse effects on both the Partnership and the value of your investment in Star Gas**.

For these compelling reasons, we urge you to act today to protect the value of your Star Gas investment. Your vote is important, no matter how many or how few units you own.

Once again, thank you for your continued support.

Regards,

Joseph P. Cavanaugh

Chief Executive Officer

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