SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2004

Commission file number 1-13692
Commission file number 33-92734-01
Commission file number 333-72986-02
Commission file number 333-72986-01

AMERIGAS PARTNERS, L.P.
AMERIGAS FINANCE CORP.
AMERIGAS EAGLE FINANCE CORP.
AP EAGLE FINANCE CORP.
(EXACT NAME OF REGISTRANTS AS SPECIFIED IN THEIR CHARTERS)

Delaware	23-2787918
Delaware	23-2800532
Delaware	23-3074434
Delaware	23-3077318
(STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION)	(I.R.S. EMPLOYER IDENTIFICATION NO.)

460 North Gulph Road, King of Prussia, PA 19406
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES) (ZIP CODE)

(610) 337-7000
(REGISTRANTS' TELEPHONE NUMBER, INCLUDING AREA CODE)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

TITLE OF CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
Common Units representing limited partner interests	New York Stock Exchange,Inc.

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: None

INDICATE BY CHECK MARK WHETHER EACH REGISTRANT (1) HAS FILED ALL REPORTS REQUIRED TO BE FILED BY SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 DURING THE PRECEDING 12 MONTHS (OR FOR SUCH SHORTER PERIOD THAT THE REGISTRANT WAS REQUIRED TO FILE SUCH REPORTS) AND (2) HAS BEEN SUBJECT TO SUCH FILING REQUIREMENTS FOR THE PAST 90 DAYS. YES [X] NO [ ]

INDICATE BY CHECK MARK IF DISCLOSURE OF DELINQUENT FILERS PURSUANT TO ITEM 405 OF REGULATION S-K IS NOT CONTAINED HEREIN, AND WILL NOT BE CONTAINED, TO THE BEST OF REGISTRANT'S KNOWLEDGE, IN DEFINITIVE PROXY OR INFORMATION STATEMENTS INCORPORATED BY REFERENCE IN PART III OF THIS FORM 10-K OR ANY AMENDMENT TO THIS FORM 10-K. [ ]

The aggregate market value of AmeriGas Partners, L.P. Common Units held by nonaffiliates of AmeriGas Partners, L.P. on March 31, 2004 was approximately $1,563,865,441. At December 1, 2004, there were outstanding 54,477,272 Common Units representing limited partner interests.

DOCUMENTS INCORPORATED BY REFERENCE: Portions of the AmeriGas Partners, L.P. Annual Report for the year ended September 30, 2004 are incorporated by reference in Part II of this Form 10-K.

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act) Yes [X] No [ ]

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PART I:

ITEM 1. BUSINESS

GENERAL

AmeriGas Partners, L.P. ("AmeriGas Partners" or the "Partnership") is a publicly traded limited partnership formed under Delaware law on November 2, 1994. We are the largest retail propane distributor in the United States, distributing more than one billion gallons of propane annually. As of September 30, 2004, we served approximately 1.3 million residential, commercial, industrial, agricultural and motor fuel customers from approximately 650 district locations in 46 states.

We are a holding company and we conduct our business principally through our subsidiary, AmeriGas Propane, L.P. ("AmeriGas OLP") and its subsidiary, AmeriGas Eagle Propane, L.P. ("Eagle OLP" and together with AmeriGas OLP, the "Operating Partnership"), both Delaware limited partnerships. Our common units ("Common Units"), which represent limited partner interests, are traded on the New York Stock Exchange under the symbol "APU." Our executive offices are located at 460 North Gulph Road, King of Prussia, Pennsylvania 19406, and our telephone number is (610) 337-7000. In this report, the terms "Partnership" and "AmeriGas Partners," as well as the terms "our," "we," and "its," are used sometimes as abbreviated references to AmeriGas Partners, L.P. itself or AmeriGas Partners, L.P. and its consolidated subsidiaries, including the Operating Partnership.

AmeriGas Propane, Inc. is our general partner (the "General Partner") and is responsible for managing our operations. The General Partner is a wholly owned subsidiary of UGI Corporation ("UGI"), a public company listed on the New York Stock Exchange and the Philadelphia Stock Exchange. Through various subsidiaries, UGI has been in the propane distribution business for over 40 years. The General Partner has an effective 46% ownership interest in the Partnership. See Notes 1 and 2 to the Partnership's Consolidated Financial Statements.

We have three co-registrants: AmeriGas Finance Corp., formed on March 13, 1995; AmeriGas Eagle Finance Corp., formed on February 22, 2001; and AP Eagle Finance Corp., formed on April 12, 2001 (each, a "Finance Corp." and together the "Finance Corp."). Each Finance Corp. was formed to serve as co-obligor for one of our series of senior notes. Each Finance Corp. has nominal assets and conducts no business operations. Accordingly, this report contains no discussion of the results of operations, liquidity or capital resources of any Finance Corp. The Finance Corp. executive offices are located at 460 North Gulph Road, King of Prussia, Pennsylvania 19406; telephone number (610) 337-7000.

BUSINESS STRATEGY

Our strategy is to increase market share through acquisitions and internal growth, leverage our national and local economies of scale, and achieve operating efficiencies through productivity improvements. We regularly consider and evaluate opportunities for growth through the acquisition of local, regional and national propane distributors. Acquisitions are an important part of our strategy, because only modest growth in total demand for propane is foreseen. We may choose to finance future acquisitions with debt, equity, cash or a combination of the three.

We compete for acquisitions with others engaged in the propane distribution business. Although we believe there are numerous potential acquisition candidates in the industry, there can be no assurance that we will find attractive candidates in the future, or that we will be able to acquire such candidates on economically acceptable terms. Internal growth will be provided in part from expansion of our PPX Prefilled Propane Xchange(R) and Strategic Accounts programs. In addition, we believe opportunities exist to grow our business internally through sales and marketing programs designed to attract and retain customers.

GENERAL PARTNER INFORMATION

The Partnership's website can be found at www.amerigas.com. The Partnership makes available free of charge at this website (under the "Investor Relations & Corporate Governance - SEC filings" caption) copies of its reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, including its Annual Report on Form 10-K, its Quarterly Reports on Form 10-Q and its Current Reports on Form 8-K. The General Partner's Principles of Corporate Governance, Code of Ethics for the Chief Executive Officer and Senior Financial Officers, Code of Business Conduct and Ethics for Directors, Officers and Employees, and charters of the Corporate Governance, Audit and Compensation/Pension Committees of the Board of Directors of the General Partner are also available on the Partnership's website, under the caption "Investor Relations & Corporate Governance - Corporate Governance." All of these documents are also available free of charge by writing to Robert W. Krick, Vice President and Treasurer, AmeriGas Propane, Inc., P.O. Box 965, Valley Forge, PA 19482.

FORWARD-LOOKING STATEMENTS

Some information contained in this Annual Report on Form 10-K may contain forward-looking statements. Such statements use forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will," or other similar words. These statements discuss plans, strategies, events or developments that we expect or anticipate will or may occur in the future.

A forward-looking statement may include a statement of the assumptions or bases underlying the forward-looking statement. We believe that we have chosen these assumptions or bases in good faith and that they are reasonable. However, we caution you that actual results almost always vary from assumed facts or bases, and the differences between actual results and assumed facts or bases can be material, depending on the circumstances. When considering forward-looking statements, you should keep in mind the following important factors which could affect our future results and could cause those results to differ materially from those expressed in our forward-looking statements: (1) adverse weather conditions resulting in reduced demand; (2) cost volatility and availability of propane, and the capacity to transport propane to our market areas; (3) changes in laws and regulations, including safety, tax and accounting matters; (4) competitive pressures from the same and alternative energy sources; (5) failure to acquire new customers thereby reducing or limiting an increase in revenues; (6) liability for environmental claims; (7) customer conservation measures and improvements in energy efficiency and technology resulting in reduced demand; (8) adverse labor relations; (9) large customer, counterparty or supplier defaults; (10) liability in excess of insurance coverage for personal injury and property damage arising from explosions and other catastrophic events, including acts of terrorism, resulting from operating hazards and risks incidental to transporting, storing and distributing propane, butane and ammonia; (11) political, regulatory and economic

conditions in the United States and foreign countries; and (12) interest rate fluctuations and other capital market conditions.

These factors are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results. We undertake no obligation to update publicly any forward-looking statement whether as a result of new information or future events except as required by the federal securities laws.

GENERAL INDUSTRY INFORMATION

Propane is separated from crude oil during the refining process and also extracted from natural gas or oil wellhead gas at processing plants. Propane is normally transported and stored in a liquid state under moderate pressure or refrigeration for economy and ease of handling in shipping and distribution. When the pressure is released or the temperature is increased, it is usable as a flammable gas. Propane is colorless and odorless; an odorant is added to allow its detection. Propane is clean burning, producing negligible amounts of pollutants when properly consumed.

The primary customers for propane are residential, commercial, agricultural, motor fuel and industrial users to whom natural gas is not readily available. Propane is typically more expensive than natural gas, competitive with fuel oil when operating efficiencies are taken into account and, in most areas, cheaper than electricity on an equivalent energy basis.

PRODUCTS, SERVICES AND MARKETING

As of September 30, 2004, the Partnership distributed propane to approximately 1.3 million customers from locations in 46 states. The Partnership also sells, installs and services propane appliances, including heating systems. In certain markets, the Partnership also installs and services propane fuel systems for motor vehicles. Typically, district locations are found in suburban and rural areas where natural gas is not available. Districts generally consist of an office, appliance showroom, warehouse and service facilities, with one or more 18,000 to 30,000 gallon storage tanks on the premises. As part of its overall transportation and distribution infrastructure, the Partnership operates as an interstate carrier in 48 states throughout the United States. It is also licensed as a carrier in Canada.

The Partnership sells propane primarily to five markets: residential, commercial/industrial, motor fuel, agricultural and wholesale. Approximately 82% of the Partnership's fiscal year 2004 sales (based on gallons sold) were to retail accounts and approximately 18% were to wholesale customers. Sales to residential customers in fiscal 2004 represented approximately 42% of retail gallons sold; industrial/commercial customers 33%; motor fuel customers 12%; and agricultural customers 7%. Transport gallons, which are large-scale deliveries to retail customers other than residential, accounted for 6% of 2004 retail gallons. No single customer represents, or is anticipated to represent, more than 5% of the Partnership's consolidated revenues.

The Partnership continues to expand its PPX Prefilled Propane Xchange program ("PPX (R)"). At September 30, 2004, PPX was available at approximately 21,800 retail locations throughout the United States. Sales of our PPX grill cylinders to retailers are included in the

commercial/industrial market. The PPX program enables consumers to exchange their empty 20-pound propane grill cylinders for filled cylinders at various retail locations such as home centers, mass merchandisers and grocery and convenience stores.

In the residential market, which includes both conventional and manufactured housing, propane is used primarily for home heating, water heating and cooking purposes. Commercial users, which include motels, hotels, restaurants and retail stores, generally use propane for the same purposes as residential customers. Industrial customers use propane to fire furnaces, as a cutting gas and in other process applications. Other industrial customers are large-scale heating accounts and local gas utility customers who use propane as a supplemental fuel to meet peak load deliverability requirements. As a motor fuel, propane is burned in internal combustion engines that power over-the-road vehicles, forklifts and stationary engines. Agricultural uses include tobacco curing, chicken brooding and crop drying. In its wholesale operations, the Partnership principally sells propane to large industrial end-users and other propane distributors.

Retail deliveries of propane are usually made to customers by means of bobtail and rack trucks. Propane is pumped from the bobtail truck, which generally holds 2,400 to 3,000 gallons of propane, into a stationary storage tank on the customer's premises. The Partnership owns most of these storage tanks and leases them to its customers. The capacity of these tanks ranges from approximately 120 gallons to approximately 1,200 gallons. The Partnership also delivers propane to retail customers in portable cylinders with capacities of 4 to 24 gallons. Some of these deliveries are made to the customer's location, where empty cylinders are either picked up for replenishment or filled in place.

PROPANE SUPPLY AND STORAGE

The Partnership has over 200 domestic and international sources of supply, including the spot market. Supplies of propane from the Partnership's sources historically have been readily available. During the year ended September 30, 2004, over 90% of the Partnership's propane supply was purchased under supply agreements with terms of 1 to 3 years. Approximately 83% of the volumes purchased under those agreements were from 10 suppliers, including BP Products North America Inc. and its affiliate BP Marketing Inc. (approximately 28%); Dynegy Midstream Services (approximately 17%); and Enterprise Products Operating LP and its affiliate Canadian Enterprises Gas Products Ltd. (approximately 14%). The availability of propane supply is dependent upon, among other things, the severity of winter weather, the price and availability of competing fuels such as natural gas and crude oil, and the availability of imported supply. Although no assurance can be given that supplies of propane will be readily available in the future, management currently expects to be able to secure adequate supplies during fiscal year 2005. If supply from major sources were interrupted, however, the cost of procuring replacement supplies and transporting those supplies from alternative locations might be materially higher and, at least on a short-term basis, margins could be affected. Aside from BP, Dynegy and Enterprise Products, no single supplier provided more than 10% of the Partnership's total propane supply in fiscal year 2004. In certain market areas, however, some suppliers provide 70% to 80% of the Partnership's requirements. Disruptions in supply in these areas could also have an adverse impact on the Partnership's margins.

During fiscal year 2004, 92% of the Partnership's supply contracts provided for pricing based upon (i) index formulas using the current prices established at major storage points such as Mont Belvieu, Texas, or Conway, Kansas, or (ii) posted prices at the time of delivery. In

addition, some agreements provided maximum and minimum seasonal purchase volume guidelines. The percentage of contract purchases, and the amount of supply contracted for at fixed prices, will vary from year to year as determined by the General Partner. The Partnership uses a number of interstate pipelines, as well as railroad tank cars, delivery trucks and barges, to transport propane from suppliers to storage and distribution facilities. The Partnership stores propane at large storage facilities in Arizona, Pennsylvania and Virginia, as well as at smaller facilities in several other states.

Because the Partnership's profitability is sensitive to changes in wholesale propane costs, the Partnership generally seeks to pass on increases in the cost of propane to customers. There is no assurance, however, that the Partnership will always be able to pass on product cost increases fully, particularly when product costs rise rapidly. Product cost increases can be triggered by periods of severe cold weather, supply interruptions, increases in the prices of base commodities such as crude oil and natural gas, or other unforeseen events. The General Partner has adopted supply acquisition and product cost risk management practices to reduce the effect of volatility on selling prices. These practices currently include the use of summer storage, forward purchases and derivative commodity instruments such as options and propane price swaps. See "Management's Discussion and Analysis of Financial Condition and Results of Operations - Market Risk Disclosures."

The following graph shows the average prices of propane on the propane spot market during the last five fiscal years at Mont Belvieu, Texas and Conway, Kansas, two major storage areas.

AVERAGE PROPANE SPOT MARKET PRICES

[AVERAGE PROPANE SPOT PRICES CHART]

	Mont Belvieu	Conway
Oct-99	45.4550	43.3900
Nov-99	43.4410	38.7780
Dec-99	42.9532	35.2314
Jan-00	56.1090	42.2140
Feb-00	59.7500	47.2630
Mar-00	51.1820	47.8180
Apr-00	46.88	43.64
May-00	51.31	50.81
Jun-00	55.47	56.22
Jul-00	54.88	56.29
Aug-00	58.54	63.52
Sep-00	64.21	70.95
Oct-00	61.82	64.05
Nov-00	60.71	60.45
Dec-00	77.63	79.75
Jan-01	77.27	83.03
Feb-01	59.39	63.03
Mar-01	54.94	57.12
Apr-01	54.37	60.26
May-01	51.20	56.90
Jun-01	43.17	47.70
Jul-01	38.87	43.27
Aug-01	41.54	45.71
Sep-01	41.67	46.53
Oct-01	39.48	44.19
Nov-01	33.04	35.19
Dec-01	30.43	30.34
Jan-02	29.05	26.60
Feb-02	31.20	27.92
Mar-02	37.95	35.93
Apr-02	41.52	40.07
May-02	40.69	38.09
Jun-02	37.51	35.25
Jul-02	37.19	35.47
Aug-02	41.49	41.53
Sep-02	47.17	45.93
Oct-02	47.95	47.12
Nov-02	47.26	48.01
Dec-02	52.40	52.32
Jan-03	60.38	57.70
Feb-03	77.30	73.03
Mar-03	62.77	57.09
Apr-03	50.42	50.28
May-03	54.09	55.41
Jun-03	55.98	59.71
Jul-03	53.01	58.90
Aug-03	54.84	63.63
Sep-03	52.00	59.44
Oct-03	55.44	65.21
Nov-03	54.66	58.12
Dec-03	62.87	64.15
Jan-04	74.35	67.56
Feb-04	69.98	61.99
Mar-04	58.64	56.35
Apr-04	60.62	58.55
May-04	67.65	64.37
Jun-04	67.12	64.27
Jul-04	74.21	71.65
Aug-04	83.84	86.44
Sep-04	80.18	81.98

COMPETITION

Propane competes with other sources of energy, some of which are less costly for equivalent energy value. Propane distributors compete for customers against suppliers of electricity, fuel oil and natural gas, principally on the basis of price, service, availability and portability. Electricity is a major competitor of propane, but propane generally enjoys a competitive price advantage over electricity for space heating, water heating and cooking. Fuel oil is also a major competitor of propane and is generally less expensive than propane. Operating efficiencies and other factors such as air quality and environmental advantages, however, generally make propane competitive with fuel oil as a heating source. Furnaces and appliances that burn propane will not operate on fuel oil, and vice versa, and, therefore, a conversion from one fuel to the other requires the installation of new equipment. Propane serves as an alternative to natural gas in rural and suburban areas where natural gas is unavailable or portability of product is required. Natural gas is generally a

less expensive source of energy than propane, although in areas where natural gas is available, propane is used for certain industrial and

commercial applications and as a standby fuel during interruptions in natural gas service. The gradual expansion of the nation's natural gas distribution systems has resulted in the availability of natural gas in some areas that previously depended upon propane. However, natural gas pipelines are not present in many regions of the country where propane is sold for heating and cooking purposes.

In the motor fuel market, propane competes with gasoline and diesel fuel as well as electric batteries and fuel cells. Wholesale propane distribution is a highly competitive, low margin business. Propane sales to other retail distributors and large-volume, direct-shipment industrial end-users are price sensitive and frequently involve a competitive bidding process.

The retail propane industry is mature, with only modest growth in total demand for the product foreseen. Therefore, the Partnership's ability to grow within the industry is dependent on its ability to acquire other retail distributors and to achieve internal growth, which includes expansion of the PPX program (through which consumers can exchange an empty propane grill cylinder for a filled one) and Strategic Accounts program (through which the Partnership encourages large, multi-location propane users to enter into a supply agreement with it rather than with many small suppliers), as well as the success of its sales and marketing programs designed to attract and retain customers. The failure of the Partnership to retain and grow its customer base would have an adverse effect on its results.

The domestic propane retail distribution business is highly competitive. The Partnership competes in this business with other large propane marketers, including other full-service marketers, and thousands of small independent operators. In recent years, some rural electric cooperatives and fuel oil distributors have expanded their businesses to include propane distribution and the Partnership competes with them as well. The ability to compete effectively depends on providing high quality customer service, maintaining competitive retail prices and controlling operating expenses.

Based on the most recent annual survey by the American Petroleum Institute, the 2002 domestic retail market for propane (annual sales for other than chemical uses) was approximately 11.9 billion gallons and, based on LP-GAS magazine rankings, 2003 sales volume of the ten largest propane companies (including AmeriGas Partners) represented approximately 36% of domestic retail sales. Management believes the Partnership's 2004 retail volume represents 9% of the domestic retail market.

TRADE NAMES, TRADE AND SERVICE MARKS

The Partnership markets propane principally under the "AmeriGas(R)," "America's Propane Company(R)" and "PPX Prefilled Propane Xchange(R)" trade names and related service marks. UGI owns, directly or indirectly, all the right, title and interest in the "AmeriGas" and related trade and service marks. The General Partner owns all right, title and interest in the "America's Propane Company" and "PPX Prefilled Propane Xchange" trade names and related service marks. The Partnership has an exclusive (except for use by UGI, AmeriGas, Inc. and the General Partner), royalty-free license to use these names and trade and service marks. UGI and the General Partner each have the option to terminate its respective license agreement (on 12 months prior notice in the case of UGI), without penalty, if the General Partner is removed as general partner of the Partnership other than for cause. If the General Partner ceases to serve as the general partner of the Partnership for cause, the General Partner has the option to terminate its license agreement upon payment of a fee equal to the fair market value of the licensed trade names. UGI has a similar termination option, however, UGI must provide 12 months prior notice in addition to paying the fee.

SEASONALITY

Because many customers use propane for heating purposes, the Partnership's retail sales volume is seasonal, with approximately 59% of the Partnership's fiscal year 2004 retail sales volume occurring during the five-month peak heating season from November through March. As a result of this seasonality, sales are higher in the Partnership's first and second fiscal quarters (October 1 through March 31). Cash receipts are greatest during the second and third fiscal quarters when customers pay for propane purchased during the winter heating season.

Sales volume for the Partnership traditionally fluctuates from year-to-year in response to variations in weather, prices, competition, customer mix and other factors, such as conservation efforts and general economic conditions. For historical information on national weather statistics, see "Management's Discussion and Analysis of Financial Condition and Results of Operations."

GOVERNMENT REGULATION

The Partnership is subject to various federal, state and local environmental, safety and transportation laws and regulations governing the storage, distribution and transportation of propane and the operation of bulk storage LPG terminals. These laws include, among others, the Resource Conservation and Recovery Act, the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA" or, the "Superfund Law"), the Clean Air Act, the Occupational Safety and Health Act, the Homeland Security Act of 2002, the Emergency Planning and Community Right to Know Act, the Clean Water Act and comparable state statutes. CERCLA imposes joint and several liability on certain classes of persons considered to have contributed to the release or threatened release of a "hazardous substance" into the environment without regard to fault or the legality of the original conduct. Propane is not a hazardous substance within the meaning of federal and state environmental laws. However, the Partnership owns and operates real property where such hazardous substances may exist. See Notes 2 and 10 to the Partnership's Consolidated Financial Statements.

All states in which the Partnership operates have adopted fire safety codes that regulate the storage and distribution of propane. In some states these laws are administered by state agencies, and in others they are administered on a municipal level. The Partnership conducts training programs to help ensure that its operations are in compliance with applicable governmental regulations. With respect to general operations, National Fire Protection Association ("NFPA") Pamphlets No. 54 and No. 58, which establish a set of rules and procedures governing the safe handling of propane, or comparable regulations, have been adopted as the industry standard in a majority of the states in which the Partnership operates. The latest version of NFPA Pamphlet No. 58, adopted by a number of states, requires certain stationary cylinders that are filled in place to be re-qualified periodically. Management believes that the policies and procedures currently in effect at all of its facilities for the handling, storage and distribution of propane are consistent with industry standards and are in compliance in all material respects with applicable environmental, health and safety laws.

With respect to the transportation of propane by truck, the Partnership is subject to regulations promulgated under the Federal Motor Carrier Safety Act and the Homeland Security Act of 2002. These regulations cover the security of and transportation of hazardous materials and are administered by the United States Department of Transportation ("DOT"). The Natural Gas Safety Act of 1968 required the DOT to develop and enforce minimum safety regulations for the transportation of gases by pipeline. The DOT's pipeline safety code applies to, among other things, a propane gas system which supplies 10 or more customers from a single source and a propane gas system any portion of which is located in a public place. The code requires operators of all gas systems to provide training and written instructions for employees, establish written procedures to minimize the hazards resulting from gas pipeline emergencies, and keep records of inspections and testing. Operators are subject to the Pipeline Safety Improvement Act of 2002, which, among other things, protects from adverse employment actions employees who provide information to their employers or to the federal government as to pipeline safety.

EMPLOYEES

The Partnership does not directly employ any persons responsible for managing or operating the Partnership. The General Partner provides these services and is reimbursed for its direct and indirect costs and expenses, including all compensation and benefit costs. At

September 30, 2004, the General Partner had approximately 6,100 employees, including approximately 330 temporary and part-time employees, working on behalf of the Partnership. UGI also performs certain financial and administrative services for the General Partner on behalf of the Partnership and is reimbursed by the Partnership.

ITEM 2. PROPERTIES

As of September 30, 2004, the Partnership owned approximately 89% of its district locations. In addition, the Partnership subleases three one-million barrel underground storage caverns in Arizona to store propane and butane for itself and third parties. The Partnership also owns a 600,000 barrel refrigerated, above-ground storage facility located on leased property in California. The California facility, which the Partnership operates, is currently leased to several refiners for the storage of butane.

The transportation of propane requires specialized equipment. The trucks and railroad tank cars utilized for this purpose carry specialized steel tanks that maintain the propane in a liquefied state. As of September 30, 2004, the Partnership operated a transportation fleet with the following assets:

APPROXIMATE QUANTITY	EQUIPMENT TYPE	% OWNED	% LEASED
430	Trailers	94	6
240	Tractors	39	61
180	Railroad tank cars	0	100
2,600	Bobtail trucks	19	81
350	Rack trucks	20	80
2,150	Service and delivery trucks	21	79

Other assets owned at September 30, 2004 included approximately 900,000 stationary storage tanks with typical capacities of 121 to 2,000 gallons and approximately 2.3 million portable propane cylinders with typical capacities of 1 to 120 gallons. The Partnership also owned approximately 5,300 large volume tanks which are used for its own storage requirements. AmeriGas OLP has debt secured by liens and mortgages on its real and personal property. AmeriGas OLP owns approximately 67% of the Partnership's property, plant and equipment.

ITEM 3. LEGAL PROCEEDINGS

With the exception of the matter set forth below, no material legal proceedings are pending involving the Partnership, any of its subsidiaries, or any of their properties, and no such proceedings are known to be contemplated by governmental authorities other than claims arising in the ordinary course of the Partnership's business.

Swiger, et al. v. UGI/AmeriGas, Inc. et al. Plaintiffs Samuel and Brenda Swiger and their son (the "Swigers") sustained personal injuries and property damage as a result of a fire that

occurred when propane that leaked from an underground line ignited. In July 1998, the Swigers filed a class action lawsuit against AmeriGas Propane, L.P. (named incorrectly as "UGI/AmeriGas, Inc."), in the Circuit Court of Monongalia County, West Virginia (Civil Action No. 98-C-298), in which they sought to recover an unspecified amount of compensatory and punitive damages and attorney's fees, for themselves and on behalf of persons in West Virginia for whom the defendants had installed propane gas lines, allegedly resulting from the defendants' failure to install underground propane lines at depths required by applicable safety standards. The court recently granted the plaintiffs' motion to include customers acquired from Columbia Propane in August 2001 as additional potential class members, and to amend their complaint to name additional parties consistent with such ruling. In 2003, the defendants settled the individual personal injury and property damage claims of the Swigers. Class counsel has indicated that the class is seeking compensatory damages in excess of $12 million plus punitive damages, civil penalties and attorneys' fees. The defendants believe they have good defenses to the claims of the class members and intend to vigorously defend against the remaining claims in this lawsuit.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted to a vote of security holders during the last fiscal quarter of the 2004 fiscal year.

PART II:

ITEM 5. MARKET FOR REGISTRANT'S COMMON UNITS, RELATED SECURITY HOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Each Common Unit represents a limited partner interest in the Partnership. Common Units are listed on the New York Stock Exchange, which is the principal trading market for such securities, under the symbol "APU." The following table sets forth, for the periods indicated, the high and low sale prices per Common Unit, as reported on the New York Stock Exchange ("NYSE") Composite Transactions tape, and the amount of cash distributions paid per Common Unit.

	PRICE RANGE		CASH
2004 FISCAL YEAR	HIGH	LOW	DISTRIBUTION
Fourth Quarter	$29.64	$25.91	$0.55
Third Quarter	29.98	25.09	0.55
Second Quarter	30.19	27.84	0.55
First Quarter	28.37	24.80	0.55

	PRICE RANGE		CASH
2003 FISCAL YEAR	HIGH	LOW	DISTRIBUTION
Fourth Quarter	$27.13	$22.50	$0.55
Third Quarter	27.25	24.00	0.55
Second Quarter	25.09	23.30	0.55
First Quarter	24.73	20.25	0.55

As of November 1, 2004, there were 1,549 record holders of the Partnership's Common Units. Effective November 18, 2002, the Partnership's subordinated units, representing limited partner interests, were converted to Common Units.

The Partnership makes quarterly distributions to its partners in an aggregate amount equal to its Available Cash, as defined in the Third Amended and Restated Agreement of Limited Partnership of AmeriGas Partners, L.P., which is an exhibit to this report. Available Cash generally means, with respect to any fiscal quarter of the Partnership, all cash on hand at the end of such quarter, plus all additional cash on hand as of the date of determination resulting from borrowings subsequent to the end of such quarter, less the amount of cash reserves established by the General Partner in its reasonable discretion for future cash requirements. Certain reserves are maintained to provide for the payment of principal and interest under the terms of the Partnership's debt agreements and other reserves may be maintained to provide for the proper conduct of the Partnership's business, and to provide funds for distribution during the next four fiscal quarters. The information concerning restrictions on distributions required by Item 5 of this

report is incorporated herein by reference to Notes 4 and 5 to the Partnership's Consolidated Financial Statements which are incorporated herein by reference. Prior to the termination of the subordination period effective November 18, 2002, Distributions of Available Cash to the General Partner on its subordinated units, representing limited partner interests ("Subordinated Units") were subject to the prior rights of holders of the Common Units to receive the Minimum Quarterly Distribution ("MQD") for each quarter during the subordination period, and to receive any arrearages in the distribution of the MQD on the Common Units for prior quarters during the subordination period. In December 2002, the General Partner determined that the cash-based performance and distribution requirements for termination of the subordination period were achieved in respect of the quarter ended September 30, 2002. As a result, effective November 18, 2002, the subordinated units held by the General Partner were converted to Common Units.

PARTNERSHIP TAX MATTERS

As required by federal tax regulations, the Partnership changed its taxable year-end from September 30 to December 31. Accordingly, Common Unitholders who owned Common Units during the 12-month period ended September 30, 2004 and the 3-month period ending December 31, 2004 will receive two 2004 Federal Schedule K-1s in March 2005. If a Common Unitholder receives two 2004 K-1s, he or she should combine the K-1s and report the total on his or her 2004 federal income tax return. In future years, Unitholders of the Partnership will receive one K-1 covering the calendar year.

ITEM 6. SELECTED FINANCIAL DATA

	Year Ended September 30,				
	2004	2003	2002	2001 (a)	2000 (a)
	(Thousands of dollars, except per unit)				
FOR THE PERIOD:					
INCOME STATEMENT DATA:					
Revenues	$ 1,775,900	$ 1,628,424	$ 1,307,880	$ 1,418,364	$ 1,120,056
Income before accounting changes	$ 91,854	$ 71,958	$ 55,366	$ 53,015	$ 15,196
Cumulative effect of accounting changes (b)	-	-	-	12,494	-
Net income (c) (d)	$ 91,854	$ 71,958	$ 55,366	$ 65,509	$ 15,196
Limited partners' interest in net income	$ 90,935	$ 71,238	$ 54,812	$ 64,854	$ 15,044
Income per limited partner unit - basic and diluted:					
Income before accounting changes	$ 1.71	$ 1.42	$ 1.12	$ 1.18	$ 0.36
Cumulative effect of accounting changes	-	-	-	0.28	-
Net income (c) (d)	$ 1.71	$ 1.42	$ 1.12	$ 1.46	$ 0.36
Cash distributions declared per limited partner unit	$ 2.20	$ 2.20	$ 2.20	$ 2.20	$ 2.20
AT PERIOD END:					
BALANCE SHEET DATA:					
Current assets	$ 298,116	$ 250,244	$ 238,401	$ 241,935	$ 197,347
Total assets	1,550,227	1,496,088	1,486,176	1,508,097	1,266,722
Current liabilities (excluding debt)	292,402	253,255	250,984	250,187	181,003
Total debt	901,351	927,286	955,784	1,005,904	887,234
Minority interests	7,749	7,005	6,232	5,641	2,587
Partners' capital	289,038	253,683	228,366	203,505	155,971
OTHER DATA:					
EBITDA (e)	$ 255,910	$ 234,364	$ 209,649	$ 220,338	$ 157,326
Capital expenditures (including capital leases)	$ 62,303	$ 53,429	$ 53,472	$ 39,204	$ 30,427
Retail propane gallons sold (millions)	1,059.1	1,074.9	987.5	866.8	817.7
Degree days - % (warmer) colder than normal (f)	(4.9)	0.2	(10.0)	2.6	(13.7)

(a) Arthur Andersen LLP audited the Partnership's consolidated financial statements for 2001 and 2000.

(b) Includes cumulative effect of accounting changes associated with the Partnership's changes in accounting for tank fee revenue and tank installation costs and the adoption of Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities."

(c) Pro forma net income and net income per limited partner unit after applying retroactively the changes in accounting for tank installation costs and tank fee revenue are as follows: 2000 - $14,989 and $0.35, respectively.

(d) SFAS No. 142, "Goodwill and Other Intangible Assets," was adopted effective October 1, 2001. Net income and net income per limited partner unit adjusted to reflect the impact of SFAS No. 142 as if it had been adopted at the beginning of the periods presented are as follows: 2001 - $89,079 and $1.98; 2000 - $38,313 and $0.90, respectively.

(e) EBITDA (earnings before interest expense, income taxes, depreciation and amortization) should not be considered as an alternative to net income (as an indicator of operating performance) or as an alternative to cash flow (as a measure of liquidity or ability to service debt obligations) and is not a measure of performance or financial condition under accounting principles generally accepted in the United States. Management believes EBITDA is a meaningful non-GAAP measure used by investors to compare the Partnership's operating performance with other companies within the propane industry. Weather significantly impacts demand for propane and profitability because many customers use propane for heating purposes.

(f) Deviation from average heating degree days based upon national weather statistics provided by the National Oceanic and Atmospheric Administration (NOAA) for 335 airports in the United States, excluding Alaska.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") relates to AmeriGas Partners and the Operating Partnerships. AmeriGas Finance Corp., AmeriGas Eagle Finance Corp. and AP Eagle Finance Corp. have nominal assets and do not conduct any operations but act as co-obligors of certain AmeriGas Partners' debt securities. Accordingly, discussions of the results of operations and financial condition and liquidity of these entities are not presented. Our MD&A should be read in conjunction with our consolidated financial statements and related notes thereto incorporated by reference in this Annual Report on Form 10-K.

EXECUTIVE SUMMARY

AmeriGas Partners, the largest retail propane marketer in the United States, achieved record financial results during Fiscal 2004. This year's increase in net income per unit reflects the benefits realized from the Partnership's growth and expense containment strategies. The Partnership was able to achieve these results notwithstanding warmer than normal weather and a high product cost environment. Weather and product cost volatility are risks that face all competitors in this industry.

The propane industry is mature, with residential customer growth estimated to be approximately 2%. Given the industry's maturity, the Partnership's growth strategy focuses on acquisition of other propane marketers and internal growth achieved by exploiting its geographical coverage and by offering superior customer service.

During Fiscal 2004, weather was 4.9% warmer than normal and our product costs increased approximately 13% compared to the prior year. The Partnership's earnings before interest expense, income taxes, depreciation and amortization ("EBITDA") grew 9% to $255.9 million compared to Fiscal 2003. The negative effects of warmer winter weather and price-induced customer conservation on propane volumes were partially offset by volume growth from acquisitions and growth in our Prefilled Propane Xchange(R) ("PPX") program, Strategic Accounts and the base business. The Partnership managed its margins effectively during a year of rising propane product costs while experiencing the benefits on operating expenses of the management realignment completed in late Fiscal 2003.

In Fiscal 2005 and beyond, the Partnership will continue to focus on growing its traditional customer base. The Partnership expects to achieve base business growth by improving customer service and the effectiveness of its sales force, while maintaining competitive prices. In addition, the Partnership will control operating and administrative expenses by executing a series of initiatives to enhance productivity.

ANALYSIS OF RESULTS OF OPERATIONS

The following analysis compares the Partnership's results of operations for (1) the year ended September 30, 2004 ("Fiscal 2004") with the year ended September 30, 2003 ("Fiscal 2003") and (2) Fiscal 2003 with the year ended September 30, 2002 ("Fiscal 2002").

The following table provides gallon, weather and certain financial information for the Partnership and should be read in conjunction with "Fiscal 2004 Compared to Fiscal 2003" and "Fiscal 2003 Compared to Fiscal 2002":

(Dollars in millions)

	Year Ended September 30,		
	2004	2003	2002
Gallons sold (millions):			
Retail	1,059.1	1,074.9	987.5
Wholesale	225.0	209.8	195.3
	1,284.1	1,284.7	1,182.8
Revenues:			
Retail propane	$ 1,480.1	$ 1,375.5	$ 1,102.8
Wholesale propane	159.6	127.1	88.8
Other	136.2	125.8	116.3
	$ 1,775.9	$ 1,628.4	$ 1,307.9
Total margin (a)	$ 746.7	$ 718.1	$ 654.8
EBITDA (b)	$ 255.9	$ 234.4	$ 209.6
Operating income	$ 176.7	$ 164.0	$ 145.3
Net income	$ 91.9	$ 72.0	$ 55.4
Degree days - % (warmer) colder than normal (c)	(4.9)%	0.2%	(10.0)%

(a) Total margin represents total revenues less total cost of sales.

(b) EBITDA (earnings before interest expense, income taxes, depreciation and amortization) should not be considered as an alternative to net income (as an indicator of operating performance) or as an alternative to cash flow (as a measure of liquidity or ability to service debt obligations) and is not a measure of performance or financial condition under accounting principles generally accepted in the United States of America. Management believes EBITDA is a meaningful non-GAAP financial measure used by investors to compare the Partnership's operating performance with other companies within the propane industry and to evaluate our ability to meet loan covenants. Weather significantly impacts demand for propane and profitability because many customers use propane for heating purposes. The following table includes reconciliations of net income to EBITDA for the fiscal years presented:

	Year Ended September 30,		
	2004	2003	2002
Net income	$ 91.9	$ 72.0	$ 55.4
Income tax expense	0.2	0.6	0.3
Interest expense	83.2	87.2	87.8
Depreciation	75.5	70.4	62.0
Amortization	5.1	4.2	4.1
EBITDA	$ 255.9	$ 234.4	$ 209.6

(c) Deviation from average heating degree days based upon national weather statistics provided by the National Oceanic and Atmospheric Administration ("NOAA") for 335 airports in the United States, excluding Alaska.

FISCAL 2004 COMPARED WITH FISCAL 2003

Based upon heating degree day data, temperatures in Fiscal 2004 were 4.9% warmer than normal compared to temperatures that were essentially normal in Fiscal 2003. Retail propane volumes sold during Fiscal 2004 decreased slightly compared to Fiscal 2003 as the effects of warmer than normal winter weather more than offset volume growth from acquisitions, principally the October 2003 acquisition of Horizon Propane LLC ("Horizon Propane"). In addition, Fiscal 2004 retail propane volumes were also negatively affected by customer conservation driven by record-high propane product costs. Low margin wholesale volumes increased primarily reflecting greater product cost hedging activities.

Retail propane revenues increased $104.6 million as a $124.8 million increase due to higher average selling prices was partially offset by a $20.2 million decrease due to the lower retail volumes sold. Wholesale propane revenues increased $32.5 million reflecting (1) a $23.3 million increase due to higher average selling prices and (2) a $9.2 million increase due to the higher volumes sold relating to product cost hedging activities. In Fiscal 2004, the propane industry experienced sustained higher propane product costs which resulted in higher average retail and wholesale selling prices. Total propane cost of sales increased $115.4 million principally reflecting the effects of significantly higher propane product costs.

Despite lower retail volumes sold as a result of the warmer weather, total margin increased $28.6 million due to higher average retail propane margins per gallon and greater margin from non-propane sales and services. As a result of significantly higher propane product costs, the Partnership increased average retail selling prices realizing higher average margins per gallon while remaining competitive in the marketplace. Average PPX margin per gallon decreased in Fiscal 2004 as selling prices were lowered in response to competition in the marketplace. The effects of lower average PPX selling prices on PPX margin per gallon were partially offset by effective cost management initiatives. Margin from non-propane sales and services increased $6.9 million principally reflecting higher margin from tank rentals, PPX cylinder sales and hauling and terminal sales and services.

EBITDA increased $21.5 million in Fiscal 2004 reflecting (1) the previously mentioned increase in total margin, (2) the absence of a $3.0 million loss on extinguishment of long-term debt incurred in Fiscal 2003, and (3) a $2.8 million increase in other income. These increases were partially offset by a $12.6 million increase in operating and administrative expenses principally due to higher compensation, distribution, administrative and general insurance expenses, partially offset by the absence of $3.8 million of expenses associated with initiating the management realignment in Fiscal 2003 and the continued beneficial effects on Fiscal 2004 operating expenses of the realignment. Although EBITDA is not a measure of performance or financial condition under accounting principles generally accepted in the United States of America, management believes EBITDA is a meaningful non-GAAP financial measure used by investors to compare the Partnership's operating performance with other companies within the propane industry and to evaluate the Partnership's ability to meet loan covenants. Other income in Fiscal 2004 increased principally due to greater income from finance charges.

Operating income in Fiscal 2004 increased $12.7 million as the previously mentioned increases in margin and other income were partially offset by (1) higher depreciation and amortization expense related to recent acquisitions, (2) higher depreciation associated with PPX and (3) the aforementioned increase in operating expenses. Net income in Fiscal 2004 increased to $91.9 million from $72.0 million in Fiscal 2003 due to the increase in operating income, a $4.0 million decrease in interest expense and the absence of the $3.0 million loss on extinguishment of long-term debt incurred in Fiscal 2003. Interest expense decreased principally as a result of lower long-term debt outstanding.

FISCAL 2003 COMPARED WITH FISCAL 2002

Weather based upon heating degree days was essentially normal during Fiscal 2003 compared to weather that was 10.0% warmer than normal in Fiscal 2002. Although temperatures nationwide averaged near normal during Fiscal 2003, our overall results reflect weather that was significantly warmer in the West and generally colder than normal in the East. Retail propane volumes sold increased 87.4 million gallons in Fiscal 2003 due principally to the effects of the colder weather and, to a much lesser extent, volume growth from acquisitions and customer growth. These increases were achieved notwithstanding the effects of price-induced customer conservation and, with respect to commercial and industrial customers, continuing economic weakness.

Retail propane revenues increased $272.7 million reflecting (1) a $175.1 million increase due to higher average selling prices and (2) a $97.6 million increase due to the higher retail volumes sold. Wholesale propane revenues increased $38.3 million reflecting (1) a $31.7 million increase due to higher average selling prices and (2) a $6.6 million increase due to the higher volumes sold. The higher retail and wholesale selling prices reflect significantly higher propane product costs during Fiscal 2003 resulting from, among other things, higher crude oil and natural gas prices and lower propane inventories. Other revenues from ancillary sales and services were $125.8 million in Fiscal 2003 and $116.3 million in Fiscal 2002. Total cost of sales increased $257.3 million reflecting the higher propane product costs and higher volumes sold.

The $63.3 million increase in total margin is principally due to the higher propane gallons sold and, to a lesser extent, slightly higher average retail propane unit margins. Notwithstanding the previously mentioned significant increase in the commodity price of propane, retail propane unit

margins were slightly higher than the prior year reflecting the effects of the higher average selling prices and the benefits of favorable propane product cost hedging activities.

EBITDA increased $24.8 million in Fiscal 2003 reflecting the previously mentioned increase in total margin and a $4.6 million increase in other income partially offset by a $40.6 million increase in operating and administrative expenses and a $2.3 million increase in losses associated with early extinguishments of long-term debt. Operating and administrative expenses increased principally due to higher medical and general insurance expenses, higher distribution expenses as a result of the previously mentioned greater retail volumes, and higher incentive compensation and uncollectible accounts expenses. In addition, the Partnership incurred $3.8 million of costs during Fiscal 2003 associated with a realignment of the Partnership's management structure announced in June 2003. Other income in Fiscal 2003 includes a gain of $1.1 million from the settlement of certain hedge contracts and greater income from finance charges and asset sales while other income in the prior year was reduced by a $2.1 million loss from declines in the value of propane commodity option contracts. Operating income in Fiscal 2003 increased less than the increase in EBITDA due to higher depreciation expense principally associated with PPX partially offset by the previously mentioned increase in losses associated with early extinguishments of long-term debt. Net income increased $16.6 million reflecting the increase in operating income partially offset by the previously mentioned increase in losses associated with the early extinguishments of long-term debt.

FINANCIAL CONDITION AND LIQUIDITY

CAPITALIZATION AND LIQUIDITY

The Partnership's debt outstanding at September 30, 2004 totaled $901.4 million. There were no amounts outstanding under AmeriGas OLP's Credit Agreement at September 30, 2004.

AmeriGas OLP's Credit Agreement expires on October 15, 2008 and consists of (1) a $100 million Revolving Credit Facility and (2) a $75 million Acquisition Facility. The Revolving Credit Facility may be used for working capital and general purposes of AmeriGas OLP. The Acquisition Facility provides AmeriGas OLP with the ability to borrow up to $75 million to finance the purchase of propane businesses or propane business assets or, to the extent it is not so used, for working capital and general purposes, subject to restrictions in the AmeriGas Partners Senior Notes indentures. Issued and outstanding letters of credit under the Revolving Credit Facility, which reduce the amount available for borrowings, totaled $45.9 million at September 30, 2004. AmeriGas OLP's short-term borrowing needs are seasonal and are typically greatest during the fall and winter heating-season months due to the need to fund higher levels of working capital.

AmeriGas OLP also has a credit agreement with the General Partner to borrow up to $20 million on an unsecured, subordinated basis, for working capital and general purposes. UGI has agreed to contribute up to $20 million to the General Partner to fund such borrowings.

AmeriGas Partners periodically issues debt and equity securities and expects to continue to do so. It has issued debt securities and Common Units in underwritten public offerings in each of the last three fiscal years. Most recently, it issued debt securities in April 2004 and Common Units in May 2004, both in underwritten public offerings. Proceeds of public offerings are used to reduce indebtedness and for general Partnership purposes, including funding acquisitions.

AmeriGas Partners has effective debt and equity shelf registration statements with the U.S. Securities and Exchange Commission ("SEC") under which it may issue up to an additional (1) 1.4 million AmeriGas Partners Common Units and (2) up to $446.2 million of debt or equity pursuant to an unallocated shelf registration statement.

AmeriGas OLP must maintain certain financial ratios in order to borrow under its Credit Agreement including a minimum interest coverage ratio and a maximum debt to EBITDA ratio, as defined. AmeriGas OLP's ratios calculated as of September 30, 2004 permit it to borrow up to the maximum amount available. For a more detailed discussion of the Partnership's credit facilities, see Note 5 to Consolidated Financial Statements. Based upon existing cash balances, cash expected to be generated from operations, borrowings available under its Credit Agreement, and the expected refinancing of its maturing long-term debt, the Partnership's management believes that the Partnership will be able to meet its anticipated contractual commitments and projected cash needs in Fiscal 2005.

PARTNERSHIP DISTRIBUTIONS

The Partnership makes distributions to its partners approximately 45 days after the end of each fiscal quarter in a total amount equal to its Available Cash for such quarter. Available Cash generally means:

1. all cash on hand at the end of such quarter,

2. plus all additional cash on hand as of the date of determination resulting from borrowings after the end of such quarter,

3. less the amount of cash reserves established by the General Partner in its reasonable discretion.

Since its formation in 1995, the Partnership has paid the Minimum Quarterly Distribution of $0.55 ("MQD") on all limited partner units outstanding. The amount of Available Cash needed annually to pay the MQD on all units and the general partner interests in Fiscal 2004, 2003 and 2002 was approximately $118 million, $112 million and $109 million, respectively. Based upon the number of Partnership units outstanding on September 30, 2004, the amount of Available Cash needed annually to pay the MQD on all units and the general partner interests is approximately $120 million. A reasonable proxy for the amount of cash available for distribution that is generated by the Partnership can be calculated by subtracting from the Partnership's EBITDA (1) interest expense and (2) capital expenditures needed to maintain operating capacity. Partnership distributable cash as calculated under this method for Fiscal 2004, 2003 and 2002 is as follows:

Year Ended September 30,	2004	2003	2002
(Millions of dollars)			
Net income	$ 91.9	$ 72.0	$ 55.4
Income tax expense	0.2	0.6	0.3
Interest expense	83.2	87.2	87.8
Depreciation	75.5	70.4	62.0
Amortization	5.1	4.2	4.1
EBITDA	255.9	234.4	209.6
Interest expense	(83.2)	(87.2)	(87.8)
Maintenance capital expenditures	(23.1)	(22.0)	(20.7)
Distributable cash	$ 149.6	$ 125.2	$ 101.1

Although distributable cash is a reasonable estimate of the amount of cash available for distribution by the Partnership, it does not reflect, among other things, the impact of changes in working capital and the amount of distributable cash used to finance growth capital expenditures, which can significantly affect cash available for distribution. Distributable cash should not be considered as an alternative to net income (as an indicator of operating performance) or as an alternative to cash flow (as a measure of liquidity or ability to service debt obligations) and is not a measure of performance or financial condition under accounting principles generally accepted in the United States of America. Management believes distributable cash is a meaningful non-GAAP measure for evaluating the Partnership's ability to declare and pay the MQD pursuant to the terms of the Partnership Agreement. The Partnership's definition of distributable cash may be different from that used by other companies. Although the level of distributable cash in Fiscal 2002 was less than the full MQD, other sources of cash, including cash from equity offerings and borrowings and changes in working capital, were more than sufficient to permit the Partnership to pay the full MQD. The ability of the Partnership to pay the MQD on all units depends upon a number of factors. These factors include (1) the level of Partnership earnings; (2) the cash needs of the Partnership's operations (including cash needed for maintaining and increasing operating capacity); (3) changes in operating working capital; and (4) the Partnership's ability to borrow under its Credit Agreement, to refinance maturing debt and to increase its long-term debt. Some of these factors are affected by conditions beyond our control including weather, competition in markets we serve, the cost of propane and changes in capital market conditions.

CONVERSION OF SUBORDINATED UNITS

In December 2002, the General Partner determined that the cash-based performance and distribution requirements for the conversion of the remaining 9,891,072 Subordinated Units, all of which were held by the General Partner, had been met in respect of the quarter ended September 30, 2002. As a result, these Subordinated Units were converted to a like number of Common Units effective November 18, 2002. The conversion of the Subordinated Units did not result in an increase in the total number of AmeriGas Partners limited partner units outstanding.

CONTRACTUAL CASH OBLIGATIONS AND COMMITMENTS

The Partnership has certain contractual cash obligations that extend beyond Fiscal 2004 including obligations associated with long-term debt, lease obligations and propane supply contracts. The following table presents significant contractual cash obligations as of September 30, 2004 (in millions):

	Payments Due by Period				
	Total	Less than 1 year	2 - 3 years	4 - 5 years	After 5 years
Long-term debt	$ 886.0	$ 57.0	$ 169.1	$ 178.0	$ 481.9
Operating leases	194.5	40.7	64.4	44.3	45.1
Propane supply contracts	12.8	12.8	-	-	-
Total	$ 1,093.3	$ 110.5	$ 233.5	$ 222.3	$ 527.0

CASH FLOWS

OPERATING ACTIVITIES. Due to the seasonal nature of the Partnership's business, cash flows from operating activities are generally strongest during the second and third fiscal quarters when customers pay for propane consumed during the heating season months. Conversely, operating cash flows are generally at their lowest levels during the first and fourth fiscal quarters when the Partnership's investment in working capital, principally accounts receivable and inventories, is generally greatest. The Partnership uses its Revolving Credit Facility to satisfy its seasonal operating cash flow needs. Cash flow from operating activities was $177.7 million in Fiscal 2004, $139.3 million in Fiscal 2003 and $159.5 million in Fiscal 2002. Cash flow from operating activities before changes in operating working capital was $179.9 million in Fiscal 2004, $153.3 million in Fiscal 2003 and $122.8 million in Fiscal 2002. Changes in operating working capital used $2.3 million and $14.0 million of operating cash flow in Fiscal 2004 and 2003, and provided $36.7 million in Fiscal 2002, respectively. The increase in Fiscal 2004 and 2003 working capital cash needs primarily reflects the effects of higher propane product costs on customer accounts receivable, inventories and accounts payable.

INVESTING ACTIVITIES. Cash flow used in investing activities was $90.5 million in Fiscal 2004, $72.5 million in Fiscal 2003 and $44.4 million in Fiscal 2002. We spent $61.7 million for property, plant and equipment (comprising $23.1 million of maintenance capital expenditures and $38.6 million of growth capital expenditures) in Fiscal 2004 compared to expenditures of $52.9 million (comprising maintenance capital expenditures of $22.0 million and growth capital expenditures of $30.9 million) in Fiscal 2003. Proceeds from disposals of assets increased $6.3 million principally due to strategic divestitures of certain district locations. During Fiscal 2004, the Partnership acquired Horizon Propane and several other propane distribution businesses for total cash consideration of $42.6 million.

FINANCING ACTIVITIES. Cash flow used by financing activities was $92.4 million in Fiscal 2004, $68.3 million in Fiscal 2003 and $100.3 million in Fiscal 2002. Financing activity cash flow is primarily the result of repayments and issuances of long-term debt, borrowings under our Credit Agreement, distributions on limited partner units and proceeds from issuances of Common Units.

In April 2004, AmeriGas OLP repaid $53.8 million face amount of maturing First Mortgage Notes. In conjunction with this repayment, AmeriGas Partners issued $28 million face amount of 8.875% Senior Notes due 2011 at an effective rate of 7.18%, and contributed the net proceeds of $30.1 million to AmeriGas OLP.

In May 2004, AmeriGas Partners sold 2,000,000 Common Units in an underwritten public offering at a public offering price of $25.61 per unit. In June 2004, the underwriters partially exercised their overallotment option in the amount of 100,000 Common Units. The net proceeds of the public offering totaling $51.2 million and the associated capital contributions from the General Partner were contributed to AmeriGas OLP and used to reduce indebtedness under its bank credit agreement and for general partnership purposes.

RELATED PARTY TRANSACTIONS

Pursuant to the Partnership Agreement and a Management Services Agreement among AmeriGas Eagle Holdings, Inc. ("AEH"), the general partner of AmeriGas Eagle Propane, L.P. ("Eagle OLP"), and AmeriGas Propane, Inc. (the "General Partner"), the General Partner is entitled to reimbursement for all direct and indirect expenses incurred or payments it makes on behalf of the Partnership. These costs, which totaled $304.6 million in 2004, $284.3 million in 2003 and $262.4 million in 2002, include employee compensation and benefit expenses of employees of the General Partner and general and administrative expenses.

UGI Corporation ("UGI") provides certain financial and administrative services to the General Partner. UGI bills the General Partner for all direct and indirect corporate expenses incurred in connection with providing these services and the General Partner is reimbursed by the Partnership for these expenses. Such corporate expenses totaled $11.3 million in 2004, $8.3 million in 2003 and $6.3 million in 2002. In addition, UGI and certain of its subsidiaries provide office space and automobile liability insurance to the Partnership. These expenses totaled $2.7 million in 2004, $1.7 million in 2003 and $1.5 million in 2002.

Subsequent to the Columbia Propane acquisition and prior to the sale of the Partnership's 50% ownership interest in Atlantic Energy (see Note 17 to Consolidated Financial Statements), the Partnership purchased propane on behalf of Atlantic Energy, Inc. ("Atlantic Energy"). Atlantic Energy reimbursed AmeriGas OLP for its purchases plus interest as Atlantic Energy sold such propane to third parties or to AmeriGas OLP itself. The total dollar value of propane purchased on behalf of Atlantic Energy was $30.0 million, $17.2 million and $11.4 million in 2004, 2003 and 2002, respectively. Purchases of propane by AmeriGas OLP from Atlantic Energy during 2004, 2003 and 2002 totaled $29.3 million, $23.9 million and $12.1 million, respectively.

In November 2004, in conjunction with the Partnership's sale of its 50% ownership interest in Atlantic Energy, UGI Asset Management, Inc. ("UGI Asset Management") and AmeriGas OLP entered into a Product Sales Agreement whereby UGI Asset Management has agreed to sell and AmeriGas OLP has agreed to purchase a minimum of 25 million gallons of propane annually at the Atlantic Energy terminal in Chesapeake, Virginia. The Product Sales Agreement will take effect on April 1, 2005 and continue for a primary term of five years with an option to extend the agreement for up to an additional five years. The price to be paid for product purchased under the

agreement will be determined annually using a contractual formula that takes into account published index prices and the locational value of deliveries at the Atlantic Energy terminal.

Prior to the sale of Atlantic Energy, the General Partner provided it with other services including accounting, insurance and other administrative services and was reimbursed for the related costs. Such costs were not material during 2004, 2003 or 2002. In addition, AmeriGas OLP entered into product cost hedging contracts on behalf of Atlantic Energy. When these contracts were settled, AmeriGas OLP was reimbursed the cost of any losses, or distributed the proceeds of any gains, to Atlantic Energy.

Amounts due from Atlantic Energy at September 30, 2004 and 2003 totaled $2.8 million and $2.0 million, respectively, which amounts are included in accounts receivable - related parties in the Consolidated Balance Sheets.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off balance sheet arrangements that are expected to have an effect on the Partnership's financial condition, change in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

MARKET RISK DISCLOSURES

Our primary financial market risks include commodity prices for propane and interest rates on borrowings.

The risk associated with fluctuations in the prices the Partnership pays for propane are principally a result of market forces reflecting changes in supply and demand for propane and other energy commodities. The Partnership's profitability is sensitive to changes in propane supply costs, and the Partnership generally attempts to pass on increases in such costs to customers. The Partnership may not, however, always be able to pass through product cost increases fully, particularly when product costs rise rapidly. In order to reduce the volatility of the Partnership's propane market price risk, we use contracts for the forward purchase or sale of propane, propane fixed-price supply agreements, and over-the-counter derivative commodity instruments including price swap and option contracts. Over-the-counter derivative commodity instruments utilized by the Partnership to hedge forecasted purchases of propane are generally settled at expiration of the contract. In order to minimize credit risk associated with derivative commodity contracts, we carefully monitor established credit limits with the contract counterparties. Although we use derivative financial and commodity instruments to reduce market price risk associated with forecasted transactions, we do not use derivative financial and commodity instruments for speculative or trading purposes.

The Partnership has both fixed-rate and variable-rate debt. Changes in interest rates impact the cash flows of variable-rate debt but generally do not impact its fair value. Conversely, changes in interest rates impact the fair value of fixed-rate debt but do not impact their cash flows.

Our variable rate debt includes borrowings under AmeriGas OLP's Credit Agreement. This agreement has interest rates that are generally indexed to short-term market interest rates. At September 30, 2004 and 2003, there were no borrowings outstanding under this agreement.

Based upon weighted average borrowings outstanding under these agreements during Fiscal 2004 and Fiscal 2003, an increase in short-term interest rates of 100 basis points (1%) would have increased our interest expense by $0.2 million during each fiscal year.

The remainder of our debt outstanding is subject to fixed rates of interest. A 100 basis point increase in market interest rates would result in decreases in the fair value of this fixed rate debt of $36.7 million and $42.6 million at September 30, 2004 and 2003, respectively. A 100 basis point decrease in market interest rates would result in increases in the fair market value of this debt of $38.9 million and $45.5 million at September 30, 2004 and 2003, respectively.

Our long-term debt is typically issued at fixed rates of interest based upon market rates for debt having similar terms and credit ratings. As these long-term debt issues mature, we may refinance such debt with new debt having interest rates reflecting then-current market conditions. This debt may have an interest rate that is more or less than the refinanced debt. In order to reduce interest rate risk associated with near-term forecasted issuances of fixed-rate debt, from time to time we enter into interest rate protection agreements.

The following table summarizes the fair values of unsettled market risk sensitive derivative instruments held at September 30, 2004 and 2003. It also includes the changes in fair value that would result if there were an adverse change in (1) the market price of propane of 10 cents per gallon and (2) interest rates on ten-year U.S. treasury notes of 50 basis points:

	Fair Value	Change in Fair Value
	(Millions of dollars)	
September 30, 2004		
Propane commodity price risk	$ 13.1	$ (13.8)
Interest rate risk	(1.7)	(3.7)
September 30, 2003		
Propane commodity price risk	$ (0.6)	$ (24.3)
Interest rate risk	(0.2)	(2.1)

Because the Partnership's derivative instruments generally qualify as hedges under SFAS 133, we expect that changes in the fair value of derivative instruments used to manage propane price or interest rate risk would be substantially offset by gains or losses on the associated underlying transactions.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements and related disclosures in compliance with generally accepted accounting principles requires the selection and application of appropriate accounting principles to the relevant facts and circumstances of the Partnership's operations and the use of estimates made by management. The Partnership has identified the following critical accounting policies that are most important to the portrayal of the Partnership's financial condition and results of operations. Changes in these policies could have a material effect on the financial

statements. The application of these accounting policies necessarily requires management's most subjective or complex judgments regarding estimates and projected outcomes of future events which could have a material impact on the financial statements. Management has reviewed these critical accounting policies, and the estimates and assumptions associated with them, with its Audit Committee. In addition, management has reviewed the following disclosures regarding the application of these critical accounting policies with the Audit Committee.

LITIGATION ACCRUALS. The Partnership is involved in litigation regarding pending claims and legal actions that arise in the normal course of its business. In accordance with accounting principles generally accepted in the United States of America, the Partnership establishes reserves for pending claims and legal actions when it is probable that a liability exists and the amount or range of amounts can be reasonably estimated. Reasonable estimates involve management judgments based on a broad range of information and prior experience. These judgments are reviewed quarterly as more information is received and the amounts reserved are updated as necessary. Such estimated reserves may differ materially from the actual liability, and such reserves may change materially as more information becomes available and estimated reserves are adjusted.

DEPRECIATION AND AMORTIZATION OF LONG-LIVED ASSETS. We compute depreciation on property, plant and equipment on a straight-line basis over estimated useful lives generally ranging from 2 to 40 years. We also use amortization methods and determine asset values of intangible assets other than goodwill using reasonable assumptions and projections. Changes in the estimated useful lives of property, plant and equipment and changes in intangible asset amortization methods or values could have a material effect on our results of operations.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

In December 2003, the Financial Accounting Standards Board ("FASB") revised Financial Interpretation No. 46, "Consolidation of Variable Interest Entities" ("FIN 46"), which was originally issued in January 2003 and clarifies Accounting Research Bulletin No. 51, "Consolidated Financial Statements." FIN 46 was effective immediately for variable interest entities created or obtained after January 31, 2003. For variable interest entities created or acquired before February 1, 2003, FIN 46 was effective beginning with our interim period ended March 31, 2004. If certain conditions are met, FIN 46 requires the primary beneficiary to consolidate certain variable interest entities. The Partnership has not created or obtained any variable interest entities prior to, or after January 31, 2003. Therefore, the adoption of FIN 46 did not affect the Partnership's financial position or results of operations.

Effective April 2004, the Partnership adopted Emerging Issues Task Force Issue No. 03-6, "Participating Securities and the Two-Class Method under FASB Statement No. 128" ("EITF 03-6"), which results in the calculation of net income per limited partner unit for each period according to distributions declared and participation rights in undistributed earnings, as if all of the earnings for the period had been distributed. In periods with undistributed earnings above certain levels, the calculation according to the two-class method results in an increased allocation of undistributed earnings to the general partner and a dilution of the earnings to the limited partners. Due to the seasonality of the propane business, the dilutive effect of EITF 03-6 on net income per limited

partner unit will typically impact the first three fiscal quarters. EITF 03-6 did not impact net income per limited partner unit for the 2004 fiscal year.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

"Quantitative and Qualitative Disclosures About Market Risk" are contained in Management's Discussion and Analysis of Financial Condition and Results of Operations under the caption "Market Risk Disclosures" and are incorporated here by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements and financial statement schedules referred to in the index contained on pages F-2 and F-3 of this report are incorporated herein by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures

The General Partner's management, with the participation of the Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Partnership's disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Partnership's disclosure controls and procedures as of the end of the period covered by this report were designed and functioning effectively to provide reasonable assurance that the information required to be disclosed by the Partnership in reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. The General Partner believes that a controls system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

(b) Change in Internal Control over Financial Reporting

No change in the Partnership's internal control over financial reporting occurred during the Partnership's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Partnership's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Not applicable.

PART III:

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE GENERAL PARTNER

We do not directly employ any persons responsible for managing or operating the Partnership. The General Partner and UGI provide such services and are reimbursed for direct and indirect costs and expenses including all compensation and benefit costs. See "Certain Relationships and Related Transactions" and Note 11 to the Partnership's Consolidated Financial Statements.

The Board of Directors of the General Partner established a committee (the "Audit Committee") consisting of three individuals, currently, Messrs. Marrazzo, Van Dyck and Vincent, who are neither officers nor employees of the General Partner or any affiliate of the General Partner. The Board of Directors of the General Partner has determined that all members of the Audit Committee qualify as "audit committee financial experts" within the meaning of the Securities and Exchange Commission regulations. The Board of Directors considered Mr. Vincent's professional experience to be "other relevant experience" within the meaning of the applicable regulations. See "Directors and Executive Officers of the General Partner" below, for a description of Mr. Vincent's professional experience. Each member of the Audit Committee is "independent" as defined by the New York Stock Exchange listing standards. The Audit Committee has the authority to (i) make determinations or review determinations made by management in transactions that require special approval by the Committee under the terms of the Partnership Agreement and (ii) at the request of the General Partner, review specific matters as to which the General Partner believes there may be a conflict of interest, in order to determine if the resolution of such conflict is fair and reasonable to the Partnership. In addition, the Audit Committee acts on behalf of the Board of Directors in fulfilling its responsibility to:

- oversee the financial reporting process and the adequacy of controls relative to financial and business risk;

- monitor the independence of the Partnership's independent accountants and the performance of the independent accountants and internal audit staff; and

- provide a means for open communication among the independent accountants, management, internal audit staff and the Board of Directors.

The Audit Committee has sole authority to appoint, retain, fix the compensation of and oversee the work of the independent auditors. A copy of the current charter of the Audit Committee is posted on the Partnership's website, www.amerigas.com; see "Investor Relations - Corporate Governance."

The General Partner has adopted a Code of Ethics for the Chief Executive Officer and Senior Financial Officers that applies to the General Partner's Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer. The Code of Ethics is included as an exhibit to this Report and is posted on the Partnership's website, www.amerigas.com; see "Investor Relations - Corporate Governance."

DIRECTORS AND EXECUTIVE OFFICERS OF THE GENERAL PARTNER

The following table sets forth certain information with respect to the directors and executive officers of the General Partner. Directors are elected annually by AmeriGas, Inc., as the sole shareholder of the General Partner. AmeriGas, Inc. is a wholly owned subsidiary of UGI. Executive officers are elected for one-year terms. There are no family relationships between any of the directors or any of the executive officers or between any of the executive officers and any of the directors.

NAME	AGE	POSITION WITH THE GENERAL PARTNER
Lon R. Greenberg	54	Chairman, Director
Eugene V. N. Bissell	51	President, Chief Executive Officer and Director
Thomas F. Donovan	71	Director
Richard C. Gozon	66	Director
William J. Marrazzo	55	Director
James W. Stratton	68	Director
Stephen A. Van Dyck	61	Director
Roger B. Vincent	59	Director
William D. Katz	51	Vice President - Human Resources
Robert H. Knauss	51	Vice President and General Counsel and Corporate Secretary
Martha B. Lindsay	52	Vice President - Finance and Chief Financial Officer
David L. Lugar	47	Vice President - Supply and Logistics
Carey M. Monaghan	53	Vice President - Sales and Marketing
William J. Stanczak	49	Controller and Chief Accounting Officer

Mr. Greenberg is a director (since 1994) and Chairman of the General Partner. He previously served as President and Chief Executive Officer of the General Partner from 1996 until July 2000. He is also a director (since 1994) and Chairman (since 1996), Chief Executive Officer (since 1995), and President (since 1994) of UGI Corporation, having previously been

Senior Vice President - Legal and Corporate Development of UGI (1989 to 1994). Mr. Greenberg previously served as Vice President and General Counsel of AmeriGas, Inc. (1984 to 1994). He also serves as a director of UGI Utilities, Inc.

Mr. Bissell is President, Chief Executive Officer and a director of the General Partner (since July 2000). He previously served as Senior Vice President - - Sales and Marketing of the General Partner (October 1999 to July 2000), having served as Vice President - Sales and Operations (1995 to 1999). Previously, he was Vice President - Distributors and Fabrication, BOC Gases (1995), having been Vice President - National Sales (1993 to 1995) and Regional Vice President (Southern Region) for Distributor and Cylinder Gases Division, BOC Gases (1989 to 1993). From 1981 to 1987, Mr. Bissell held various positions with UGI Corporation and its subsidiaries, including Director, Corporate Development. He is a member of the Board of Directors of the National Propane Gas Association.

Mr. Donovan was elected a director of the General Partner on April 25, 1995. He retired as Vice Chairman of Mellon Bank on January 31, 1997, a position he had held since 1988. He continues to serve as a director of UGI Corporation and UGI Utilities, Inc.

Mr. Gozon was elected a director of the General Partner on February 24, 1998. He retired as Executive Vice President of Weyerhaeuser Company in 2002 (an integrated forest products company) and Chairman of Norpac (North Pacific Paper Company, a joint venture with Nippon Paper Industries), positions he had held since 1994. Mr. Gozon was formerly a director (1984 to 1993), President and Chief Operating Officer of Alco Standard Corporation (a provider of paper and office products) (1988 to 1993); Executive Vice President and Chief Operating Officer (1987); Vice President (1982 to 1988); and President (1979 to 1987) of Paper Corporation of America. He also serves as a director of UGI Corporation, UGI Utilities, Inc., AmeriSource Bergen Corp., and Triumph Group, Inc.

Mr. Marrazzo was elected a director of the General Partner on April 23, 2001. He is Chief Executive Officer and President of WHYY, Inc., a public television and radio company in the nation's fourth largest market (since 1997). Previously, he was Chief Executive Officer and President of Roy F. Weston, Inc. (1988 to 1997); Water Commissioner for the Philadelphia Water Department (1971 to 1988) and Managing Director for the City of Philadelphia (1983 to 1984). He also serves as a director of American Water Corporation and Woodard & Curran Engineers.

Mr. Stratton was elected a director of the General Partner on April 25, 1995. He has been the Chairman, Chief Executive Officer and a director of Stratton Management Company (investment advisory and financial consulting firm) since 1972. In addition, Mr. Stratton is a director of UGI Corporation, UGI Utilities, Inc., Stratton Growth Fund, Inc., Stratton Monthly Dividend REIT Shares, Inc., Stratton Small-Cap Value Fund and Teleflex, Inc.

Mr. Van Dyck was elected a director of the General Partner on June 15, 1995. He is Chairman of the Board of Maritrans Inc. (since 1987) having served as Chief Executive Officer (1987 to 2003). Maritrans is one of the nation's largest independent marine transporters of petroleum. He also serves as a director of the Board of West of England Mutual Insurance Association, the American Petroleum Institute, the Chamber of Shipping of America and Seamans' Church Institute.

Mr. Vincent was elected a director of the General Partner on January 8, 1998. He is President of Springwell Corporation, a corporate finance advisory firm located in New York (since 1989). Mr. Vincent served in various capacities at Bankers Trust Company (1971 to 1989), including positions with direct and oversight responsibilities for credit management. Mr. Vincent is also a director of the ING Funds.

Mr. Katz is Vice President - Human Resources of the General Partner (since December 1999), having served as Vice President - Corporate Development (1996 to 1999). Previously, he was Vice President - Corporate Development of UGI Corporation (1995 to 1996). Prior to joining UGI Corporation, Mr. Katz was Director of Corporate Development with Campbell Soup Company for over five years. He also practiced law for approximately 10 years, first with the firm of Jones, Day, Reavis & Pogue, and later in the Legal Department at Campbell Soup Company.

Mr. Knauss is Vice President and General Counsel of the General Partner (since October 2003) and UGI Corporation (since September 2003). He is also Corporate Secretary of the General Partner (since 1994). Prior to October 2003, Mr. Knauss served as Vice President - Law and Associate General Counsel of the General Partner (1996 to 2003). Previously he was Group Counsel - Propane (1989 to 1996) of UGI Corporation. He joined UGI Corporation as Associate Counsel in 1985. Before joining UGI Corporation, Mr. Knauss was an associate at the firm of Ballard, Spahr, Andrews & Ingersoll in Philadelphia, Pennsylvania.

Ms. Lindsay is Vice President - Finance and Chief Financial Officer of the General Partner (since 1998). She previously served as Vice President and Treasurer (1994 to 1997) and as Treasurer (1994) of Tambrands Inc., a manufacturer of personal products. Prior to 1994, Ms. Lindsay held the positions of Assistant Treasurer (1990 to 1993), and Director of Business Development (1987 to 1989) at Tambrands Inc.

Mr. Lugar is Vice President - Supply and Logistics of the General Partner (since September 2000). Previously, he served as Director - NGL Marketing for Conoco, Inc., where he spent 20 years in increasingly responsible positions in propane marketing, operations, and supply.

Mr. Monaghan is Vice President - Sales and Marketing of the General Partner (since May 2000). Prior to joining the General Partner, he was Vice President-General Manager, Dry Soup for Campbell Soup Company (since 1997), where he also served as a Business Director and General Manager of a number of Campbell Soup Divisions for the 10 prior years.

Mr. Stanczak is Controller and Chief Accounting Officer of the General Partner (since September 2004). Previously he held the position of Director-Corporate Accounting and Reporting of UGI Corporation (2003 to 2004). Mr. Stanczak also served as Controller of the Gas Utility Division of UGI Utilities, Inc., a subsidiary of UGI Corporation, from 1991 to 2003.

UGI Corporation has appointed John L. Walsh, age 49, to the position of President and Chief Operating Officer of UGI effective no later than April 1, 2005. In connection with that appointment, the Corporate Governance Committee of the Board of Directors of the General Partner has recommended that Mr. Walsh be elected to the General Partner's Board of Directors effective on the date he assumes the position of President of UGI. Mr. Walsh is currently Chief

Executive of the Industrial and Special Products Division of The BOC Group plc (industrial gases business) and has been an Executive Director of BOC since 2001. He joined BOC in 1986 as Vice President - Special Gases and has held various senior management positions in BOC including President of Process Gas Solutions, North America (2000 to 2001) and President of BOC Process Plants (1996 to 2000). Prior to joining BOC, Mr. Walsh was a Vice President of UGI's industrial gas division prior to its sale to BOC in 1989. From 1981 until 1986, Mr. Walsh held several management positions with affiliates of UGI.

DIRECTOR INDEPENDENCE

The Board of Directors of the General Partner has determined that, other than Mr. Bissell and Mr. Greenberg, no director has a material relationship with the Partnership and each is an "independent director" as defined under the rules of the New York Stock Exchange. The Board of Directors established the following guidelines to assist it in determining director independence:

(i) service by a director on the Board of Directors of UGI Corporation and its subsidiaries in and of itself will not be considered to result in a material relationship between such director and the Partnership; and

(ii) if a director serves as an officer, director or trustee of a non-profit organization, charitable contributions to that organization by the Partnership and its affiliates in an amount up to $50,000 per year will not be considered to result in a material relationship between such director and the Partnership.

NON-MANAGEMENT DIRECTORS

Non-management directors meet at regularly scheduled executive sessions without management present. The General Partner's Principles of Corporate Governance provide that meetings of non-management directors are chaired by the Chair of the Executive Committee. The General Partner's Principles of Corporate Governance are available on the Partnership's website at www.amerigas.com\Investor Relations & Corporate Governance\Principles of Corporate Governance.

COMMUNICATIONS WITH THE BOARD OF DIRECTORS AND NON-MANAGEMENT DIRECTORS

Interested persons wishing to communicate directly with the Board of Directors or the non-management directors as a group may do so by sending written communications addressed to them c/o AmeriGas Propane, Inc., P.O. Box 965, Valley Forge, PA 19482. Any communications directed to the Board of Directors or the non-management directors as a group from employees or others that concern complaints regarding accounting, internal controls or auditing matters will be handled in accordance with procedures adopted by the Audit Committee of the Board.

All other communications directed to the Board of Directors or the non-management directors as a group are initially reviewed by the General Counsel. The Chairman of the Corporate Governance Committee is advised promptly of any such communication that alleges misconduct on the part of management or raises legal, ethical or compliance concerns about the policies or practices of the General Partner.

On a periodic basis, the Chairman of the Corporate Governance Committee receives updates on other communications that raise issues related to the affairs of the Partnership but do not fall into the two prior categories. The Chairman of the Corporate Governance Committee determines which of these communications he would like to see. The Corporate Secretary will maintain a log of all such communications that will be available for review upon request of any member of the Board for one year.

Typically, the General Partner does not forward to the Board of Directors communications from Unitholders or other parties which are of a personal nature or are not related to the duties and responsibilities of the Board, including junk mail, customer complaints, job inquiries, surveys and polls, and business solicitations.

These procedures have been posted on the Partnership's website at www.amerigas.com\Investor Relations & Corporate Governance\Contact AmeriGas Propane, Inc. Board of Directors.

SECTION 16(a) - BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires the directors and certain officers of the General Partner and any 10% beneficial owners of the Partnership to send reports of their beneficial ownership of Common Units and changes in beneficial ownership to the Securities and Exchange Commission. Based on our records, we believe that during Fiscal 2004 all of such reporting persons complied with all Section 16(a) filing requirements applicable to them, except that Mr. Stanczak inadvertently omitted from his initial Form 3, 750 phantom restricted units of AmeriGas Partners held by his wife under an employee compensation plan. Mr. Stanczak filed an amended Form 3 to report these phantom units on October 29, 2004.

ITEM 11. EXECUTIVE COMPENSATION

The following table shows cash and other compensation paid or accrued to the General Partner's Chief Executive Officer and each of its four other most highly compensated executive officers, (collectively, the "Named Executives") for the last three fiscal years.

SUMMARY COMPENSATION TABLE

NAME AND PRINCIPAL POSITION	FISCAL YEAR	ANNUAL COMPENSATION SALARY	ANNUAL COMPENSATION BONUS (1)	ANNUAL COMPENSATION OTHER ANNUAL COMPEN-SATION (2)	LONG TERM COMPENSATION AWARDS RESTRICTED UNIT/STOCK AWARDS (3)	LONG TERM COMPENSATION AWARDS SECURITIES UNDERLYING OPTIONS/ SARS	LONG TERM COMPENSATION PAYOUTS LTIP PAYOUTS	ALL OTHER COMPENSATION (4)
Eugene V. N.	2004	$383,458	$ 864,059	$ 3,052	$ 420,150	52,000	$0	$ 86,079
Bissell, President	2003	$372,080	$ 245,281	$ 2,520	$ 238,500	52,500	$0	$ 60,277
and Chief Executive					$ 238,500			
Officer	2002	$352,656	$ 109,941	$ 585	$ 190,145	35,000	$0	$ 42,717
Lon R. Greenberg,	2004	$801,788	$1,179,856	$ 13,649	$ 1,186,500	180,000	$0	$ 42,250
Chairman (5)	2003	$757,008	$1,075,981	$ 12,824	$ 972,140	180,000	$0	$ 28,757
	2002	$705,015	$ 521,092	$ 15,342	$ 785,200	120,000	$0	$ 28,033
					$ 785,200			
					$ 785,200			
William D. Katz,	2004	$202,023	$ 150,500	$ 7,605	$ 64,423	12,000	$0	$ 25,252
Vice President -	2003	$194,038	$ 68,211	$ 1,350	$ 47,700	12,000	$0	$ 26,288
Human Resources					$ 47,700			
	2002	$184,860	$ 32,915	$ 5,061	$ 38,029	8,000	$0	$ 18,008
Robert H. Knauss,	2004	$221,960	$ 181,010	$ 1,913	$ 101,700	19,000	$0	$ 4,994
Vice President and	2003	$202,143	$ 71,032	$ 1,838	$ 47,700	12,000	$0	$ 27,346
General Counsel (5)					$ 47,700			
	2002	$196,172	$ 34,935	$ 1,612	$ 38,029	8,000	$0	$ 19,117
Martha B. Lindsay,	2004	$200,758	$ 140,631	$ 3,944	$ 64,423	12,000	$0	$ 24,139
Vice President -	2003	$196,698	$ 69,129	$ 1,200	$ 47,700	12,000	$0	$ 26,774
Finance and Chief					$ 47,700			
Officer	2002	$190,060	$ 33,840	$ 1,908	$ 38,029	8,000	$0	$ 18,577

(1) Messrs. Greenberg and Knauss participate in the UGI Annual Bonus Plan. All other Named Executives participate in the AmeriGas Propane, Inc. Annual Bonus Plan. Awards under both Plans are for the year reported, regardless of the year paid. Awards under both Plans are based on the achievement of business and/or financial performance objectives which support business plans and goals. Bonus opportunities vary by position and for the fiscal year 2004 ranged from 0 to 150% of base salary for Mr. Bissell, 0 to 196% of base salary for Mr. Greenberg, 0 to 80% of base salary for Mr. Katz, 0 to 104% of base salary for Mr. Knauss, and 0 to 90% of base salary for Ms. Lindsay.

(2) Amounts represent tax payment reimbursements for certain benefits.

(3) Effective January 1, 2004, the Board of Directors of AmeriGas Propane, Inc. approved phantom performance-contingent restricted Common Unit awards ("Restricted Units") to the Named Executives, other than Messrs. Greenberg and Knauss, under the 2000 AmeriGas Propane, Inc. Long-Term Incentive Plan. Each Restricted Unit represents the right to receive a Common Unit of AmeriGas Partners or an amount based on the value of a Common Unit, if specified performance goals and other conditions are met. Distribution equivalents will accumulate on the Restricted Units awarded. These distribution equivalents may be leveraged based on performance described below. The award has a performance measurement period of January 1, 2004 through December 31, 2006. If the recipient ceases to be employed by the General Partner before December 31, 2006, other than by reason of retirement, disability or death, all awards of Restricted Units and distribution equivalents will be forfeited. The performance requirement is that the Partnership's total unitholder return ("TR") during the relevant measurement period equals the median TR of a peer group of publicly traded limited partnerships. The actual amount of the award may be higher or lower than the original grant, or even zero, based on the Partnership's TR percentile rank relative to that of the partnerships in the peer group. The maximum payout potential is 200% of the original award. At the discretion of the General Partner, Restricted Unit awards may be paid out in Common Units, in cash, or in a combination of Units and cash.

Effective January 1, 2003, the Board of Directors of AmeriGas Propane, Inc. approved three Restricted Units awards to the Named Executives, other than Mr. Greenberg, under the 2000 AmeriGas Propane, Inc. Long-Term Incentive Plan. Distribution equivalents will accumulate on the Restricted Units awarded. These distribution equivalents may be leveraged based on performance described below. Each award has a separate performance measurement period as follows: January 1, 2003 through December 31, 2003; January 1, 2003 through December 31, 2004; and January 1, 2003 through December 31, 2005. The performance period for all three awards will end on December 31, 2005. The performance requirement for the first performance measurement period of January 1, 2003 through December 31, 2003 was not met and therefore that award was forfeited. If the recipient ceases to be employed by the General Partner before December 31, 2005, other than by reason of retirement, disability or death, all awards of Restricted Units and distribution equivalents will be forfeited. The performance requirement is that the Partnership's total unitholder return ("TR") during the relevant measurement period equals the median TR of a peer group of publicly traded limited partnerships. The actual amount of the award may be higher or lower than the original grant, or even zero, based on the Partnership's TR percentile rank relative to that of the partnerships in the peer group. The maximum payout potential is 200% of the original award. At the discretion of the General Partner, Restricted Unit awards may be paid out in Common Units, in cash, or in a combination of Units and cash.

Effective January 1, 2002, the Board of Directors of AmeriGas Propane, Inc. approved Restricted Unit awards to the Named Executives, other than Mr. Greenberg, under the 2000 AmeriGas Propane, Inc. Long-Term Incentive Plan. Distribution equivalents will accumulate on the Restricted Units awarded. The performance requirement was evidence of AmeriGas' meaningful progress toward the achievement of its strategic objectives during 2002, including the Partnership's acquisition integration, productivity improvement, internal growth and cash generation goals. The Restricted Units reported for fiscal year 2002 are equal to 85% of the original award based on achievement of goals at that level.

Effective January 1, 2004, the Board of Directors of UGI approved phantom performance-contingent unit awards ("Performance Units") to Messrs. Greenberg and Knauss under the UGI Corporation 2004 Omnibus Equity Compensation Plan. Each Performance Unit represents the right to receive a share of UGI Common Stock ("Stock") or an amount based on the value of a share of Stock, if specified performance goals and other conditions are met. The Performance Unit awards have a performance measurement period of January 1, 2004 through December 31, 2006. Dividend equivalents will accumulate on the Performance Units. These dividend equivalents will also be leveraged based on UGI's total shareholder return ("TSR") performance as described below and distributed when the performance period on the Performance Units ends on December 31, 2006. If the recipient ceases to be employed by the Company before December 31, 2006, other than by reason of retirement, death or disability, awards of Performance Units and dividend equivalents will be forfeited. The performance requirement is that UGI's TSR during the performance period equals the median of a peer group. The peer group is the group of companies that comprises the S&P Utilities Index. The actual amount of the award may be higher or lower than the original grant, or even zero, based on UGI's TSR percentile rank relative to the companies in the S&P Utilities Index. The maximum payout potential is 200% of the original award. The maximum number of shares to be issued in respect of awards of Performance Units will be the target number of shares originally awarded. All leverage on Performance Unit awards will be paid in cash.

Effective January 1, 2003, the Board of Directors of UGI approved phantom performance-contingent restricted stock awards ("Restricted Shares") to Mr. Greenberg under the UGI Corporation 2000 Stock Incentive Plan. Each Restricted Share represents the right to receive a share of Stock or an amount based on the value of a share of Stock, if specified performance goals and other conditions are met. Dividend equivalents will accumulate on the Restricted Shares. These dividend equivalents will also be leveraged based on UGI's total shareholder return ("TSR") performance as described below and distributed when the performance period on the Restricted Shares ends on December 31, 2005. If the recipient ceases to be employed by the Company before December 31, 2005, other than by reason of retirement, death or disability, awards of Restricted Shares and dividend equivalents will be forfeited. The performance requirement is that UGI's TSR during the performance period equals the median of a peer group. The peer group is the group of companies that comprises the S&P Utilities Index. The actual amount of the award may be higher or lower than the original grant, or even zero, based on UGI's TSR percentile rank relative to the companies in the S&P Utilities Index. The maximum payout potential is 200% of the original award. The maximum number of shares to be issued in respect of awards of Restricted Shares will be the target number of shares originally awarded. All leverage on Restricted Share awards will be paid in cash.

Effective January 1, 2002, the Board of Directors of UGI approved three Restricted Share awards to Mr. Greenberg under the UGI Corporation 2000 Stock Incentive Plan. Dividend equivalents will accumulate on the Restricted Shares awarded. These dividend equivalents will also be leveraged based on UGI's TSR performance and distributed when the performance period on the Restricted Shares ends on December 31, 2004. Each award has a separate

performance measurement period as follows: January 1, 2002 through December 31, 2002; January 1, 2002 through December 31, 2003; and January 1, 2002 through December 31, 2004. The performance period for all three awards will end on December 31, 2004. If the recipient ceases to be employed by the Company before December 31, 2004, other than by reason of retirement, disability or death, awards of Restricted Shares and dividend equivalents will be forfeited. The performance requirement is that UGI's TSR during the relevant performance measurement period equals the median of a peer group. The peer group is the group of companies that comprises the S&P Utilities Index. The actual amount of the award may be higher or lower than the original grant, or even zero, based on UGI's TSR percentile rank relative to the companies in the S&P Utilities Index. The maximum payout potential is 200% of the original award. The maximum number of shares to be issued in respect of awards of Restricted Shares will be the target number of shares originally awarded. All leverage on Restricted Share awards will be paid in cash.

The dollar values shown in the Restricted Unit/Stock Awards column of the table above for all years represent the aggregate value of each award on the date of grant, determined by multiplying the number of Restricted Units awarded by the closing price of a Common Unit of AmeriGas Partners, or in the case of Messrs. Greenberg and Knauss, the number of Restricted Shares and Performance Units awarded by the closing price of UGI Common Stock, on the New York Stock Exchange on the effective dates of the respective grants.

Based on the closing unit price of AmeriGas Partners, L.P. Common Units on the New York Stock Exchange on September 30, 2004, Mr. Bissell's 43,500 Restricted Units had a market value of $1,284,555; Mr. Knauss' 5,700 Restricted Units had a market value of $168,321; Mr. Katz's 8,000 Restricted Units had a market value of $236,240; and Ms. Lindsay's 8,000 Restricted Units had a market value of $236,240. Based on the closing stock price of UGI Common Stock on the New York Stock Exchange on September 30, 2004, Mr. Greenberg's 191,000 Restricted Shares and Performance Units had a market value of $7,116,660; and Mr. Knauss' 3,000 Performance Units had a market value of $111,780.

(4) The amounts represent contributions by the General Partner or UGI in accordance with the provisions of the AmeriGas Propane, Inc. Employee 401(k) Savings Plan (the "AmeriGas Employee Savings Plan"), the UGI Utilities, Inc. Employee 401(k) Savings Plan (the "UGI Employee Savings Plan"), allocations under the UGI Corporation Supplemental Executive Retirement Plan (the "UGI Executive Retirement Plan"), and/or allocations under the AmeriGas Propane, Inc. Supplemental Executive Retirement Plan (the "AmeriGas Executive Retirement Plan"). During fiscal years 2004, 2003 and 2002, the following contributions were made to the Named Executives: (i) under the AmeriGas Employee Savings Plan: Mr. Bissell, $9,673, $8,541 and $4,957; Mr. Katz, $9,952, $10,064 and $4,730; and Ms. Lindsay, $10,154, $10,192 and $4,687; (ii) under the UGI Employee Savings Plan: Mr. Greenberg, $4,500, $4,500 and $3,825; (iii) under the UGI Executive Retirement Plan: Mr. Greenberg, $37,750, $24,257 and $24,208; (iv) under the AmeriGas Executive Retirement Plan: Mr. Bissell, $76,406, $51,736 and $37,760; Mr. Katz, $25,252, $16,224 and $13,278; and Ms. Lindsay, $24,139, $16,582 and $13,890. Mr. Knauss became an employee of UGI Corporation on October 1, 2003. During fiscal years 2003 and 2002, the following contributions were made to Mr. Knauss: (i) under the AmeriGas Employee Savings Plan: $10,029 and $4,506; and (ii) under the AmeriGas Executive Retirement Plan: $17,317 and $14,611. During fiscal year 2004, the following contributions were made to Mr. Knauss (i) under the UGI Employee Savings Plan: $4,500; and (ii) under the UGI Executive Retirement Plan: $494.

(5) Compensation reported for Mr. Greenberg is attributable to his position of Chairman, President and Chief Executive Officer of UGI Corporation. Compensation reported for Mr. Knauss in 2004 is attributable to his position of Vice President and General Counsel of UGI Corporation. Compensation for these individuals is also reported in the UGI Proxy Statement for the 2005 Annual Meeting of Shareholders and is not additive. The General Partner does not compensate Mr. Greenberg or Mr. Knauss.

OPTION EXERCISES IN LAST FISCAL YEAR

The following table shows information on UGI stock option exercises in the last fiscal year for each of the Named Executives.

UGI STOCK OPTION EXERCISES IN LAST FISCAL YEAR
AND FISCAL YEAR-END OPTION VALUES

NAME	SHARES ACQUIRED ON EXERCISE (#)	VALUE REALIZED (1)	NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS AT FISCAL YEAR END (#)		VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS AT FISCAL YEAR END (2)	
			EXERCISABLE	UNEXERCISABLE	EXERCISABLE	UNEXERCISABLE
Eugene V. N. Bissell	58,875	$ 611,987	0	104,500	$ 0	$ 890,680
Lon R. Greenberg	200,000	$ 3,823,983	580,000	360,000	$12,165,625	$ 3,059,400
William D. Katz	21,000	$ 276,011	0	24,000	$ 0	$ 203,960
Robert H. Knauss	0	$ 0	12,000	31,000	$ 183,400	$ 226,990
Martha B. Lindsay	10,000	$ 189,180	24,500	24,000	$ 477,275	$ 203,960

(1) Value realized is calculated based on the difference between the option exercise price and the closing market price of UGI's Common Stock on the date of exercise multiplied by the number of shares to which the exercise relates.

(2) The closing price of UGI's Common Stock as reported on the New York Stock Exchange Composite tape on September 30, 2004 was $37.26 and is used in calculating the value of unexercised options.

OPTION GRANTS IN LAST FISCAL YEAR

The following table shows information on grants of UGI stock options during fiscal year 2004 to each of the Named Executives.

OPTION GRANTS IN LAST FISCAL YEAR

NAME	INDIVIDUAL GRANTS				GRANT DATE VALUE
	NUMBER OF SECURITIES UNDERLYING OPTIONS GRANTED	% OF TOTAL OPTIONS GRANTED TO EMPLOYEES IN FISCAL YEAR (1)	EXERCISE OR BASE PRICE	EXPIRATION DATE	GRANT DATE PRESENT VALUE (2)
Eugene V. N. Bissell	52,000	7.25%	$33.97	12/31/2013	$ 219,960
Lon R. Greenberg	180,000	25.09%	$33.97	12/31/2013	$ 761,400
William D. Katz	12,000	1.67%	$33.97	12/31/2013	$ 50,760
Robert H. Knauss	19,000	2.65%	$33.97	12/31/2013	$ 80,370
Martha B. Lindsay	12,000	1.67%	$33.97	12/31/2013	$ 50,760

(1) A total of 717,500 options were granted to employees and executive officers of UGI and its subsidiaries, including the General Partner, during fiscal year 2004 under the UGI 2004 Omnibus Equity Compensation Plan. Under the Plan, the option exercise price is not less than 100% of the fair market value of UGI's

Common Stock on the effective date of the grant. The options shown above become exercisable in three equal annual installments beginning on the first anniversary of the grant date. All options are nontransferable and generally exercisable only while the optionee is employed by UGI or an affiliate, with exceptions for exercise following retirement, disability and death. Options are subject to adjustment in the event of recapitalizations, stock splits, mergers, and other similar corporate transactions affecting UGI's Common Stock.

(2) Based on the Black-Scholes options pricing model. The assumptions used in calculating the grant date present value are as follows:

- - Three years of closing monthly stock price and dividend observations were used to calculate the stock volatility and dividend yield assumptions.	
- - Stock volatility	18.36%
- - Stock's dividend yield	4.96%
- - Length of option term	10 years
- - Annualized risk-free interest rate	4.58%
- - Discount of risk of forfeiture	3% per year

All options were granted at fair market value. The actual value, if any, the executive may realize will depend on the excess of the stock price on the date the option is exercised over the exercise price. There is no assurance that the value realized by the executive will be at or near the value estimated by the Black-Scholes model.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth information as of the end of the Partnership's 2004 fiscal year with respect to compensation plans under which equity securities of the Partnership are authorized for issuance.

PLAN CATEGORY	(a) NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS	(b) WEIGHTED AVERAGE EXERCISE PRICE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS	(c) NUMBER OF SECURITIES REMAINING AVAILABLE FOR FUTURE ISSUANCE UNDER EQUITY COMPENSATION PLANS (EXCLUDING SECURITIES REFLECTED IN COLUMN (a))
Equity compensation plans approved by security holders (1)	142,786	0	514,300
Equity compensation plans not approved by security holders	0	0	0
TOTAL	142,786	0	514,300

(1) The AmeriGas Propane, Inc. 2000 Long-Term Incentive Plan and the AmeriGas Propane, Inc. Discretionary Long-Term Incentive Plan for Non-Executive Key Employees, were approved pursuant to Section 6.4 of the Partnership Agreement.

RETIREMENT BENEFITS

The following Pension Plan Benefits Table shows the annual benefits payable upon retirement to Messrs. Greenberg and Knauss under the Retirement Income Plan for Employees of UGI Utilities, Inc. (the "Retirement Plan") and the UGI Corporation Supplemental Executive Retirement Plan. The amounts shown assume the executive retires in 2004 at age 65, and that the aggregate benefits are not subject to statutory maximums. Messrs. Greenberg and Knauss had, respectively, 24 years and 18 years of credited service under these Plans at September 30, 2004. Messrs. Bissell and Katz have vested annual retirement benefits of approximately $3,300 and $2,800, respectively, based on prior credited service with UGI and its subsidiaries. Neither Mr. Bissell nor Mr. Katz currently participate in the Retirement Plan.

PENSION PLAN BENEFITS TABLE

	ANNUAL PLAN BENEFIT FOR YEARS CREDITED SERVICE SHOWN (2)							
FINAL 5-YEAR AVERAGE ANNUAL EARNINGS (1)	5 YEARS	10 YEARS	15 YEARS	20 YEARS	25 YEARS	30 YEARS	35 YEARS	40 YEARS
$ 200,000	$ 19,000	$ 38,000	$ 57,000	$ 76,000	$ 95,000	$ 114,000	$ 133,000	$ 136,800 (3)
$ 400,000	$ 38,000	$ 76,000	$114,000	$152,000	$ 190,000	$ 228,000	$ 266,000	$ 273,600 (3)
$ 600,000	$ 57,000	$114,000	$171,000	$228,000	$ 285,000	$ 342,000	$ 399,000	$ 410,400 (3)
$ 800,000	$ 76,000	$152,000	$228,000	$304,000	$ 380,000	$ 456,000	$ 532,000	$ 547,200 (3)
$ 1,000,000	$ 95,000	$190,000	$285,000	$380,000	$ 475,000	$ 570,000	$ 665,000	$ 684,000 (3)
$ 1,200,000	$114,000	$228,000	$342,000	$456,000	$ 570,000	$ 684,000	$ 798,000	$ 820,800 (3)
$ 1,400,000	$133,000	$266,000	$399,000	$532,000	$ 665,000	$ 798,000	$ 931,000	$ 957,600 (3)
$ 1,600,000	$152,000	$304,000	$456,000	$608,000	$ 760,000	$ 912,000	$1,064,000	$1,094,400 (3)
$ 1,800,000	$171,000	$342,000	$513,000	$684,000	$ 855,000	$1,026,000	$1,197,000	$1,231,200 (3)
$ 2,000,000	$190,000	$380,000	$570,000	$760,000	$ 950,000	$1,140,000	$1,330,000	$1,368,000 (3)
$ 2,200,000	$209,000	$418,000	$627,000	$836,000	$1,045,000	$1,254,000	$1,463,000	$1,504,800 (3)

(1) Consists of (i) base salary, commissions and cash payments under the Annual Bonus Plan, and (ii) deferrals thereof permitted under the Code.

(2) Annual benefits are computed on the basis of straight life annuity amounts. These amounts include pension benefits, if any, to which a participant may be entitled as a result of participation in a pension plan of a subsidiary during previous periods of employment. The amounts shown do not take into account exclusion of up to 35% of the estimated primary Social Security benefit. The Retirement Plan provides a minimum benefit equal to 25% of a participant's final 12-months' earnings, reduced proportionately for less than 15 years of credited service at retirement. The minimum Retirement Plan benefit is not subject to Social Security offset.

(3) The maximum benefit under the Retirement Plan and the UGI Supplemental Executive Retirement Plan is equal to 60% of a participant's highest consecutive 12 months' earnings during the last 120 months.

SEVERANCE PAY PLAN FOR SENIOR EXECUTIVE EMPLOYEES

Named Executives Employed by UGI Corporation. The UGI Corporation Senior Executive Employee Severance Pay Plan (the "UGI Severance Plan") assists certain senior level employees of UGI, including Messrs. Greenberg and Knauss, in the event their employment is terminated without fault on their part. Benefits are payable to a senior executive covered by the UGI Severance Plan if the senior executive's employment is involuntarily terminated for any reason other than for cause or as a result of the senior executive's death or disability.

The UGI Severance Plan provides for cash payments equal to a participant's compensation for a period of time ranging from 3 months to 15 months (30 months in the case of Mr. Greenberg), depending on length of service. In addition, a participant receives the cash equivalent of his or her target bonus under the Annual Bonus Plan, pro-rated for the number of months served in the fiscal year. However, if the termination occurs in the last two months of the fiscal year, the Chief Executive Officer has the discretion to determine whether the participant will receive a pro-rated target bonus, or the actual annual bonus which would have been paid after the end of the fiscal year, assuming that the participant's entire bonus was contingent on meeting the applicable financial performance goal. Certain employee benefits are continued under the Plan for a period of up to 15 months (30 months in the case of Mr. Greenberg). UGI has the option to pay a participant the cash equivalent of those employee benefits. All payments under the Severance Plan can be reduced by an amount equal to the fair market value of certain equity-based awards, other than stock options, payable to the participant after the termination of employment.

In order to receive benefits under the UGI Severance Plan, a senior executive is required to execute a release which discharges UGI and its subsidiaries from liability for any claims the senior executive may have against any of them, other than claims for amounts or benefits due to the executive under any plan, program or contract provided by or entered into with UGI or its subsidiaries. The senior executive is also required to ratify post-employment activities agreements and to cooperate in attending to matters pending at the time of his or her termination of employment.

Named Executives Employed by AmeriGas Propane. The AmeriGas Propane, Inc. Executive Employee Severance Pay Plan (the "AmeriGas Severance Plan") assists certain senior level employees of the General Partner including Messrs. Bissell and Katz and Ms. Lindsay in the event their employment is terminated without fault on their part. Specified benefits are payable to a senior executive covered by the AmeriGas Severance Plan if the senior executive's employment is involuntarily terminated for any reason other than for cause or as a result of the senior executive's death or disability.

The AmeriGas Severance Plan provides for cash payments equal to a participant's compensation for three months (6 months in the case of the Chief Executive Officer). In addition, a participant receives the cash equivalent of his or her target bonus under the Annual Bonus Plan, pro-rated for the number of months served in the fiscal year. However, if the termination occurs in the last two months of the fiscal year, the Chief Executive Officer has the discretion to determine whether the participant will receive a pro-rated target bonus, or the actual annual bonus which would have been paid after the end of the fiscal year, assuming that the participant's entire bonus was contingent on meeting the applicable financial performance goal. The Plan also provides for separation pay equal to one day's pay per month of service, not to exceed 12

months' compensation. Minimum separation pay ranges from six to twelve months' base salary, depending on the executive's employment grade. Certain employee benefits are continued under the Plan for a period not exceeding 15 months (18 months in the case of the Chief Executive Officer). This period is called the "Employee Benefit Period." The General Partner has the option to pay a participant the cash equivalent of those employee benefits. All payments under the Severance Plan can be reduced by an amount equal to the fair market value of certain equity-based awards, other than stock options, payable to the participant after the termination of employment.

In order to receive benefits under the AmeriGas Severance Plan, a senior executive is required to execute a release which discharges the General Partner and its affiliates from liability for any claims the senior executive may have against any of them, other than claims for amounts or benefits due to the executive under any plan, program or contract provided by or entered into with the General Partner or its affiliates. The senior executive is also required to ratify post-employment activities agreements and to cooperate in attending to matters pending at the time of his or her termination of employment.

CHANGE OF CONTROL ARRANGEMENTS

Named Executives Employed By UGI Corporation. Messrs. Greenberg and Knauss each have an agreement with UGI Corporation which provides certain benefits in the event of a change of control. The agreements operate independently of the UGI Severance Plan and are automatically extended in one-year increments unless, prior to a change of control, UGI terminates an agreement. In the absence of a change of control, each agreement will terminate when, for any reason, the executive terminates his or her employment with UGI or its subsidiaries.

A change of control is generally deemed to occur if: (i) any person (other than the executive, his or her affiliates and associates, UGI or any of its subsidiaries, any employee benefit plan of UGI or any of its subsidiaries, or any person or entity organized, appointed, or established by UGI or its subsidiaries for or pursuant to the terms of any such employee benefit plan), together with all affiliates and associates of such person, acquires securities representing 20% or more of either (x) the then outstanding shares of common stock of UGI or (y) the combined voting power of UGI's then outstanding voting securities; (ii) individuals who at the beginning of any 24-month period constitute the Board of Directors (the "Incumbent Board") and any new director whose election by the Board, or nomination for election by UGI's shareholders, was approved by a vote of at least a majority of the Incumbent Board, cease for any reason to constitute a majority thereof; (iii) UGI is reorganized, merged or consolidated with or into, or sells all or substantially all of its assets to, another corporation in a transaction in which former shareholders of UGI do not own more than 50% of the outstanding common stock and the combined voting power, respectively, of the then outstanding voting securities of the surviving or acquiring corporation after the transaction; or (iv) UGI is liquidated or dissolved.

Severance benefits are payable under the agreements if there is a termination of the executive's employment without cause at any time within three years after a change of control. In addition, following a change of control, the executive may elect to terminate his or her employment without loss of severance benefits in certain specified contingencies, including

termination of officer status; a significant adverse change in authority, duties, responsibilities or compensation; the failure of UGI to comply with and satisfy any of the terms of the agreement; or a substantial relocation or excessive travel requirements.

An executive who is terminated with rights to severance compensation under an agreement will be entitled to receive an amount equal to 1.0 (2.5 in the case of Mr. Greenberg) times his or her average total cash remuneration for the preceding five calendar years. If the severance compensation payable under the agreement, either alone or together with other payments to an executive, would constitute "excess parachute payments," as defined in Section 280G of the Code the executive will also receive an amount to satisfy the executive's additional tax burden.

Named Executives Employed by the General Partner. Messrs. Bissell and Katz, and Ms. Lindsay each have an agreement with the General Partner which provides certain benefits in the event of a change of control. The agreements operate independently of the AmeriGas Severance Plan, and are automatically renewed annually for one-year terms unless, prior to a change of control, the General Partner terminates an agreement. In the absence of a change of control, each agreement will terminate when, for any reason, the executive terminates his or her employment with the General Partner or any of its subsidiaries.

A change of control is generally deemed to occur if: (i) a change of control of UGI, as defined above, occurs, (ii) the General Partner, AmeriGas Partners or the Operating Partnership is reorganized, merged or consolidated with or into, or sells all or substantially all of its assets to, another corporation or partnership in a transaction in which the former shareholders of the General Partner, or former limited partners, as the case may be, do not own more than 50% of the outstanding common stock and combined voting power, or the outstanding common units of such partnership, after the transaction, (iii) the General Partner, AmeriGas Partners or the Operating Partnership is liquidated or dissolved, (iv) UGI and its subsidiaries fail to own more than fifty percent of the general partnership interests of AmeriGas Partners or the Operating Partnership, (v) UGI and its subsidiaries fail to own more than fifty percent of the combined voting power of the General Partner's then outstanding voting securities, or (vi) AmeriGas Propane, Inc. is removed as the general partner of AmeriGas Partners by vote of the limited partners, or AmeriGas Propane, Inc. is removed as the general partner of AmeriGas Partners or the Operating Partnership as a result of judicial or administrative proceedings.

The agreements provide for payment of severance benefits if there is a termination of the executive's employment without cause at any time within three years after a change of control. In addition, following a change of control, the executive may elect to terminate his or her employment without loss of severance benefits in certain situations, including termination of officer status; a significant adverse change in authority, duties, responsibilities or compensation; the failure of the General Partner to comply with any of the terms of the agreement; or a substantial relocation or excessive travel requirements.

An executive who is terminated with rights to severance compensation under a change of control agreement will receive an amount equal to 1.0 (1.5 in the case of Mr. Bissell) times his or her average total cash remuneration for the preceding five calendar years. If the severance compensation payable either alone or together with other payments to an executive, would constitute "excess parachute payments," as defined in Section 280G of the Code, the executive will also receive an amount to satisfy the executive's additional tax burden.

BOARD OF DIRECTORS

Officers of the General Partner receive no additional compensation for service on the Board of Directors or on any Committee of the Board. Effective October 1, 2003, the General Partner paid non-management directors an annual retainer of $40,000. The annual retainer for members of the Audit Committee is $50,000 and the annual retainer for the Chairman of the Audit Committee is $55,000. The Directors are also offered employee rates on propane purchases. The General Partner reimburses directors for expenses incurred by them (such as travel expenses) in serving on the Board and Committees. The General Partner determines all expenses allocable to the Partnership, including expenses allocable to the services of directors.

COMPENSATION/PENSION COMMITTEE

The members of the General Partner's Compensation/Pension Committee are Richard C. Gozon (Chairman), Thomas F. Donovan and William J. Marrazzo.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

OWNERSHIP OF LIMITED PARTNERSHIP UNITS BY CERTAIN BENEFICIAL OWNERS

The following table sets forth certain information regarding each person known by the General Partner to have been the beneficial owner of more than 5% of the Partnership's voting securities representing limited partner interests as of November 1, 2004. AmeriGas Propane, Inc. is the sole general partner of the Partnership.

TITLE OF CLASS	NAME AND ADDRESS (1) OF BENEFICIAL OWNER	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP OF PARTNERSHIP UNITS	PERCENT OF CLASS
	UGI Corporation	24,525,004 (2)	45.0%
	AmeriGas, Inc.	24,525,004 (3)	45.0%
	AmeriGas Propane, Inc.	24,525,004 (4)	45.0%
Common Units	Petrolane Incorporated	7,839,911 (4)	14.0%

(1) The address of each of UGI and AmeriGas Propane, Inc. is 460 North Gulph Road, King of Prussia, PA 19406. The address of each of AmeriGas, Inc. and Petrolane Incorporated is 100 Kachel Boulevard, Green Hills Corporate Center, Reading, PA 19607.

(2) Based on the number of units held by its indirect, wholly-owned subsidiaries, Petrolane Incorporated ("Petrolane") and AmeriGas Propane, Inc.

(3) Based on the number of units held by its direct and indirect, wholly-owned subsidiaries, AmeriGas Propane, Inc. and Petrolane.

(4) AmeriGas Propane, Inc.'s beneficial ownership includes 7,839,911 Common Units held by its subsidiary, Petrolane. Beneficial ownership of those Common Units is shared with UGI Corporation and AmeriGas, Inc.

OWNERSHIP OF PARTNERSHIP COMMON UNITS BY THE DIRECTORS AND EXECUTIVE OFFICERS OF THE GENERAL PARTNER

The table below sets forth as of October 1, 2004 the beneficial ownership of Partnership Common Units by each director and each of the Named Executives currently serving the General Partner, as well as by the directors and all of the executive officers of the General Partner as a group. No director, Named Executive or executive officer beneficially owns more than 1% of the Partnership's Common Units. The total number of Common Units beneficially owned by the directors and executive officers of the General Partner as a group represents less than 1% of the Partnership's outstanding Common Units.

NAME OF BENEFICIAL OWNER	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP OF PARTNERSHIP COMMON UNITS (1)
Lon R. Greenberg	6,500 (2)
Thomas F. Donovan	1,000
Richard C. Gozon	5,000
James W. Stratton	1,000 (3)
Stephen A. Van Dyck	1,000
Roger B. Vincent	6,000
William J. Marrazzo	500 (4)
Eugene V. N. Bissell	16,748 (5)
Robert H. Knauss	12,003
Martha B. Lindsay	8,391 (6)
William D. Katz	10,248
Directors and executive officers as a group (14 persons)	70,080

(1) Sole voting and investment power unless otherwise specified.

(2) Of the Units shown, 4,500 are held by Mr. Greenberg's adult children.

(3) Mr. Stratton's Units are held jointly with his spouse.

(4) Mr. Marrazzo's Units are held jointly with his spouse.

(5) Mr. Bissell's Units are held jointly with his spouse.

(6) Of the Units shown for Ms. Lindsay, 400 are held jointly with her children.

The General Partner is a wholly owned subsidiary of AmeriGas, Inc. which is a wholly owned subsidiary of UGI. The table below sets forth, as of October 1, 2004, the beneficial ownership of UGI Common Stock by each director and each of the Named Executives, as well as by the directors and the executive officers of the General Partner as a group. Including the

number of shares of stock underlying exercisable options, Mr. Greenberg is the beneficial owner of approximately 1.6% of UGI's Common Stock. All other directors, Named Executives and executive officers own less than 1% of UGI's outstanding shares. The total number of shares beneficially owned by the directors and executive officers as a group (including 732,150 shares subject to exercisable options), represents approximately 2% of UGI's outstanding shares.

NAME OF BENEFICIAL OWNER	NUMBER OF UGI SHARES AND NATURE OF BENEFICIAL OWNERSHIP EXCLUDING UGI STOCK OPTIONS (1)(2)	NUMBER OF EXERCISABLE UGI STOCK OPTIONS	TOTAL
Lon R. Greenberg	217,313 (3)	580,000	797,313
Thomas F. Donovan	14,852 (2)	16,250	31,102
Richard C. Gozon	43,552 (2)	32,450	76,002
James W. Stratton	31,596 (2)(4)	32,450	64,046
Stephen A. Van Dyck	0	0	0
Roger B. Vincent	0	0	0
William J. Marrazzo	0	0	0
Eugene V.N. Bissell	56,190 (5)	0	56,190
Robert H. Knauss	6,756	12,000	18,756
Martha B. Lindsay	8,917 (6)	24,500	33,417
William D. Katz	10,409 (7)	0	10,409
Directors and executive officers as a group (14 persons)	403,141	732,150	1,135,291

(1) Sole voting and investment power unless otherwise specified.

(2) Included in the number of shares shown are Stock Units ("Units") acquired through the UGI Corporation 1997 Directors' Equity Compensation Plan and the 2004 Omnibus Equity Compensation Plan. Effective January 1, 2004, the Directors' Equity Compensation Plan was merged into the 2004 Plan. Each Unit will be converted to one share of UGI common stock and paid out to directors upon their retirement or termination of service. The number of Units included for the directors is as follows: Messrs. Donovan (7,986), Gozon (32,748) and Stratton (23,792).

(3) Mr. Greenberg holds 132,330 shares jointly with his spouse and 9,810 shares are represented by units held in the UGI Stock Fund of the 401(k) Employee Savings Plan.

(4) Mr. Stratton holds 7,804 shares jointly with his spouse.

(5) Mr. Bissell holds these shares jointly with his spouse.

(6) Of the shares shown for Ms. Lindsay, 750 are held jointly with her children.

(7) Mr. Katz holds 2,064 shares jointly with his spouse.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The General Partner employs persons responsible for managing and operating the Partnership. The Partnership reimburses the General Partner for the direct and indirect costs of providing these services, including all compensation and benefit costs. For fiscal year 2004, these costs totaled approximately $304.6 million.

The Operating Partnership has a revolving line of credit up to a maximum of $20 million from the General Partner available until October 15, 2008, the termination date of the Revolving Credit Facility. Any loans under this agreement will be unsecured and subordinated to all senior debt of the Operating Partnership. The commitment fees for this line of credit are computed on the same basis as the facility fees under the Revolving Credit Facility, and totaled $70,972 in fiscal year 2004. Interest rates are based on one-month offshore interbank borrowing rates. The interest rate for a recent Credit Facility borrowing from July 15, 2004 to July 16, 2004 was 4.25%. See Note 5 to the Partnership's Consolidated Financial Statements, which are filed as an exhibit to this report.

The Partnership and the General Partner also have extensive, ongoing relationships with UGI and its affiliates. UGI performs certain financial and administrative services for the General Partner on behalf of the Partnership. UGI does not receive a fee for such services, but is reimbursed for all direct and indirect expenses incurred in connection with providing these services, including all compensation and benefit costs. A wholly owned subsidiary of UGI provides the Partnership with excess automobile liability insurance with limits of $500,000 per occurrence and in the aggregate excess of $500,000 per occurrence. Another wholly owned subsidiary of UGI leases office space to the General Partner for its headquarters staff. In addition, a UGI master policy provides accidental death and business travel and accident insurance coverage for employees of the General Partner. The General Partner is billed directly by the insurer for this coverage. As discussed under "Business -- Trade Names; Trade and Service Marks," UGI and the General Partner have licensed the trade names "AmeriGas" and "America's Propane Company" and the related service marks and trademark to the Partnership on a royalty-free basis. The Partnership obtains management information services from the General Partner, and reimburses the General Partner for its direct and indirect expenses related to those services. The rental payments and insurance premiums charged to the Partnership by UGI and its affiliates are comparable to amounts charged by unaffiliated parties. In fiscal year 2004, the Partnership paid UGI and its affiliates, including the General Partner, approximately $14.0 million for the services and expense reimbursements referred to in this paragraph.

During fiscal year 2004, the Partnership had revenues of approximately $1.6 million from propane sales in the ordinary course to its affiliate, UGI Utilities, Inc. In addition, the Partnership had propane purchase and sales transactions in the ordinary course with its affiliate, UGI Energy Services, Inc. totaling approximately $300,000. The highest amounts due from affiliates of the Partnership during fiscal year 2004 and at November 1, 2004 were $2.7 million and $2.2 million, respectively.

During fiscal year 2004, the Partnership purchased propane on behalf of Atlantic Energy, Inc. ("Atlantic Energy"), a 50% owned joint venture with Conoco, Inc. Atlantic Energy reimbursed AmeriGas OLP for its purchases plus interest at the rate of 8% as Atlantic Energy sold such propane to third parties or to the Partnership itself. The total dollar value of propane

purchased on behalf of Atlantic Energy was $30.0 million and $17.2 million in fiscal years 2004 and 2003, respectively. Purchases of propane by AmeriGas OLP from Atlantic Energy during fiscal years 2004 and 2003 totaled $29.3 million and $23.9 million, respectively.

AmeriGas OLP also provided other services to Atlantic Energy including marketing, billing, accounting, insurance and other administrative services and is reimbursed for the related costs. In addition, AmeriGas OLP entered into product cost hedging contracts on behalf of Atlantic Energy. When these contracts were settled, AmeriGas OLP was reimbursed the cost of any losses by, or distributed the proceeds of any gains to, Atlantic Energy. Conoco Inc. has agreed to indemnify AmeriGas OLP for one-half of any losses arising from its hedging activities on behalf of Atlantic Energy to the extent that AmeriGas OLP was not indemnified for such losses by Atlantic Energy.

The highest amounts due from Atlantic Energy during fiscal year 2004 and at November 1, 2004 were $5.4 million and $3.2 million, respectively. On November 24, 2004, the Partnership sold its 50% interest in Atlantic Energy, Inc. to an affiliate. See Note 11 to the Partnership's Consolidated Financial Statements.

Mary Ann Stanczak, the wife of William J. Stanczak, Controller and Chief Accounting Officer of the General Partner, is employed by the General Partner, as well. The salary range for her grade level is $63,500 to $95,300 per annum.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The aggregate fees billed by PricewaterhouseCoopers LLP, the Partnership's independent public accountants, in fiscal years 2004 and 2003 were as follows:

	2004		2003	
	FEES	% OF TOTAL	FEES	% OF TOTAL
AUDIT FEES				
For professional services rendered for (1) the audit of the annual consolidated financial statements of the Partnership and its subsidiaries, and (2) the reviews of the interim financial statements included in the Quarterly Reports on Form 10-Q of the Partnership.	$411,715	51.3%	$395,500	51.0%
AUDIT RELATED FEES				
For professional services rendered for (1) the audit of an employee benefit plan of the Partnership, and (2) acquisition due diligence.	$ 13,400	1.7%	$48,946	6.0%
TAX FEES				
For professional services rendered for (1) preparation of Substitute Schedule K-l forms for unitholders of the Partnership, and (2) tax planning and advice.	$376,554	47.0%	$332,000	43.0%
ALL OTHER FEES	$ 0	0.0%	$ 0	0%
TOTAL FEES	$801,669		$776,446	

In the course of its meetings, the Audit Committee considered whether the provision by PricewaterhouseCoopers LLP of the professional services described under "Tax Fees" is compatible with PricewaterhouseCoopers LLP's independence. The Committee concluded that the independent auditor is independent from the Partnership and its management.

Consistent with SEC policies regarding auditor independence, the Audit Committee has responsibility for appointing, setting compensation and overseeing the work of the Partnership's

independent accountants. In recognition of this responsibility, the Audit Committee has a policy of pre-approving all audit and permissible non-audit services provided by the independent accountants.

Prior to engagement of the Partnership's independent accountants for the next year's audit, management submits a list of services and related fees expected to be rendered during that year within each of the four categories of services noted above to the Audit Committee for approval.

PART IV:

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) DOCUMENTS FILED AS PART OF THIS REPORT:

(1) AND (2) FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULES

The financial statements and financial statement schedules incorporated by reference or included in this report are listed in the accompanying Index to Financial Statements and Financial Statement Schedules set forth on pages F-2 and F-3 of this report, which is incorporated herein by reference.

(3) LIST OF EXHIBITS:

The exhibits filed as part of this report are as follows (exhibits incorporated by reference are set forth with the name of the registrant, the type of report and registration number or last date of the period for which it was filed, and the exhibit number in such filing):

INCORPORATION BY REFERENCE

EXHIBIT NO.	EXHIBIT	REGISTRANT	FILING	EXHIBIT
2.1	Merger and Contribution Agreement among AmeriGas Partners, L.P., AmeriGas Propane, L.P., New AmeriGas Propane, Inc., AmeriGas Propane, Inc., AmeriGas Propane-2, Inc., Cal Gas Corporation of America, Propane Transport, Inc. and NORCO Transportation Company	AmeriGas Partners, L.P.	Registration Statement on Form S-4 (No. 33-92734)	10.21
2.2	Conveyance and Contribution Agreement among AmeriGas Partners, L.P., AmeriGas Propane, L.P. and Petrolane Incorporated	AmeriGas Partners, L.P.	Registration Statement on Form S-4 (No. 33-92734)	10.22
3.1	Third Amended and Restated Agreement of Limited Partnership of AmeriGas Partners, L.P. dated as of December 1, 2004	AmeriGas Partners, L.P.	Form 8-K (12/1/04)	3.1
*3.1(a)	Second Amended and Restated Agreement of Limited Partnership of AmeriGas Propane, L.P. dated as of December 1, 2004			
3.2	Certificate of Incorporation of AmeriGas Finance Corp.	AmeriGas Partners, L.P.	Registration Statement on Form S-4 (No. 33-92734)	3.3

INCORPORATION BY REFERENCE

EXHIBIT NO.	EXHIBIT	REGISTRANT	FILING	EXHIBIT
3.3	Certificate of Incorporation of AmeriGas Eagle Finance Corp.	AmeriGas Partners, L.P.	Registration Statement on Form S-4 (No. 333-72986)	3.2
3.4	Certificate of Incorporation of AP Eagle Finance Corp.	AmeriGas Partners, L.P.	Registration Statement on Form S-4 (No. 333-72986)	3.3
3.5	Bylaws of AmeriGas Finance Corp.	AmeriGas Partners, L.P.	Registration Statement on Form S-4 (No. 33-92734)	3.4
3.6	Bylaws of AmeriGas Eagle Finance Corp.	AmeriGas Partners, L.P.	Registration Statement on Form S-3 (No. 333-72986)	3.4
3.7	Bylaws of AP Eagle Finance Corp.	AmeriGas Partners, L.P.	Registration Statement on Form S-3 (No. 333-72986)	3.5
3.8	Amended and Restated Agreement of Limited Partnership of AmeriGas Eagle Propane, L.P. dated July 19, 1999	AmeriGas Partners, L.P.	Form 10-K (9/30/01)	3.8
4	Instruments defining the rights of security holders, including indentures. (The Partnership agrees to furnish to the Commission upon request a copy of any instrument defining the rights of holders of long-term debt not required to be filed pursuant to Item 601(b)(4) of Regulation S-K)			
4.1	Fourth Supplemental Indenture, dated April 27, 2004, by and among Wachovia Bank, National Association, successor to First Union National Bank, as trustee, AmeriGas Partners, L.P., a Delaware limited partnership, and AP Eagle Finance Corp., a Delaware corporation, to the Indenture dated August 21, 2001 by and among First Union National Bank, as trustee, AmeriGas Partners, L.P., and AP Eagle Finance Corp.	AmeriGas Partners, L.P.	Form 8-K (4/27/04)	4
4.2	Third Amended and Restated Agreement of Limited Partnership of AmeriGas Partners, L.P. dated as of December 1, 2004 referred to in 3.1 above.			

INCORPORATION BY REFERENCE

EXHIBIT NO.	EXHIBIT	REGISTRANT	FILING	EXHIBIT
4.3	Note Agreement dated as of April 12, 1995 among The Prudential Insurance Company of America, Metropolitan Life Insurance Company, and certain other institutional investors and AmeriGas Propane, L.P., New AmeriGas Propane, Inc. and Petrolane Incorporated	AmeriGas Partners, L.P.	Form 10-Q (3/31/95)	10.8
4.4	First Amendment dated as of September 12, 1997 to Note Agreement dated as of April 12, 1995	AmeriGas Partners, L.P.	Form 10-Q (9/30/97)	4.5
4.5	Second Amendment dated as of September 15, 1998 to Note Agreement dated as of April 12, 1995	AmeriGas Partners, L.P.	Form 10-K (9/30/98)	4.6
4.6	Third Amendment dated as of March 23, 1999 to Note Agreement dated as of April 12, 1995	AmeriGas Partners, L.P.	Form 10-Q (3/31/99)	10.2
4.7	Fourth Amendment dated as of March 16, 2000 to Note Agreement dated as of April 12, 1995	AmeriGas Partners, L.P.	Form 10-Q (6/30/00)	10.2
4.8	Fifth Amendment dated as of August 1, 2001 to Note Agreement dated as of April 12, 1995	AmeriGas Partners, L.P.	Form 10-K (9/30/01)	4.8
4.9	Indenture dated April 4, 2001 among AmeriGas Partners, L.P., AmeriGas Eagle Finance Corp., and First Union National Bank, now Wachovia Bank, National Association, as Trustee	AmeriGas Partners, L.P.	Form 10-Q (6/30/01)	4
4.10	Indenture dated August 21, 2001 among AmeriGas Partners, L.P., AP Eagle Finance Corp. and First Union National Bank, now Wachovia Bank, National Association, as Trustee	AmeriGas Partners, L.P.	Registration Statement on Form S-4 (No. 333-72986)	4.2
10.1	Credit Agreement dated as of August 28, 2003 among AmeriGas Propane, L.P., AmeriGas Propane, Inc., Petrolane Incorporated, Citicorp USA, Inc., Credit Suisse First Boston, Wachovia Bank, National Association, as Issuing Bank and certain financial institutions	AmeriGas Partners, L.P.	Form 10-K (9/30/03)	10.1
10.2**	AmeriGas Propane, Inc. Discretionary Long-Term Incentive Plan for Non-Executive Key Employees	AmeriGas Partners, L.P.	Form 10-K (9/30/02)	10.2

INCORPORATION BY REFERENCE

EXHIBIT NO.	EXHIBIT	REGISTRANT	FILING	EXHIBIT
10.3	Amendment No. 1 dated as of August 30, 2004, to the Credit Agreement dated as of August 28, 2003 among AmeriGas Propane, L.P., AmeriGas Propane, Inc., Petrolane Incorporated, Citicorp USA, Inc., Credit Suisse First Boston, Wachovia Bank, National Association, as Agent, Issuing Bank and Swing Line Bank, and certain financial institutions named party thereto.	AmeriGas Partners, L.P.	Form 8-K (8/30/04)	10.1
*10.4**	AmeriGas Propane, Inc. Executive Employee Severance Pay Plan, as amended December 6, 2004.			
10.5**	AmeriGas Propane, Inc. 2000 Long-Term Incentive Plan on Behalf of AmeriGas Partners, L.P., as amended December 15, 2003.	AmeriGas Partners, L.P.	Form 10-Q (6/30/04)	10.2
10.6	Notice of appointment of Wachovia Bank National Association as Collateral Agent effective as of August 28, 2003, pursuant to Intercreditor and Agency Agreement dated as of April 19, 1995	AmeriGas Partners, L.P.	Form 10-K (9/30/03)	10.6
10.7	Intercreditor and Agency Agreement dated as of April 19, 1995 among AmeriGas Propane, Inc., Petrolane Incorporated, AmeriGas Propane, L.P., Bank of America National Trust and Savings Association ("Bank of America") as Agent, Mellon Bank, N.A. as Cash Collateral Sub-Agent, Bank of America as Collateral Agent and certain creditors of AmeriGas Propane, L.P.	AmeriGas Partners, L.P.	Form 10-Q (3/31/95)	10.2
10.8	First Amendment dated as of July 31, 2001 to Intercreditor and Agency Agreement dated as of April 19, 1995	AmeriGas Partners, L.P.	Form 10-K (9/30/01)	10.8
10.9	General Security Agreement dated as of April 19, 1995 among AmeriGas Propane, L.P., Bank of America National Trust and Savings Association and Mellon Bank, N.A.	AmeriGas Partners, L.P.	Form 10-Q (3/31/95)	10.3
10.10	First Amendment dated as of July 31, 2001 to General Security Agreement dated as of April 19, 1995	AmeriGas Partners, L.P.	Form 10-K (9/30/01)	10.10
*10.10(a)	Second Amendment dated as of October 14, 2004 to General Security Agreement dated as of April 19, 1995			

EXHIBIT NO.	EXHIBIT	REGISTRANT	FILING	EXHIBIT
10.11	Subsidiary Security Agreement dated as of April 19, 1995 among AmeriGas Propane, L.P., Bank of America National Trust and Savings Association as Collateral Agent and Mellon Bank, N.A. as Cash Collateral Agent	AmeriGas Partners, L.P.	Form 10-Q (3/31/95)	10.4
10.12	First Amendment dated as of July 31, 2001 to Subsidiary Security Agreement dated as of April 19, 1995	AmeriGas Partners, L.P.	Form 10-K (9/30/01)	10.12
*10.12(a)	Second Amendment dated as of October 14, 2004 to Subsidiary Security Agreement dated as of April 19, 1995			
10.13	Restricted Subsidiary Guarantee dated as of April 19, 1995 by AmeriGas Propane, L.P. for the benefit of Bank of America National Trust and Savings Association, as Collateral Agent	AmeriGas Partners, L.P.	Form 10-Q (3/31/95)	10.5
10.14	Trademark License Agreement dated April 19, 1995 among UGI Corporation, AmeriGas, Inc., AmeriGas Propane, Inc., AmeriGas Partners, L.P. and AmeriGas Propane, L.P.	AmeriGas Partners, L.P.	Form 10-Q (3/31/95)	10.6
10.15	Trademark License Agreement dated April 19, 1995 among AmeriGas Propane, Inc., AmeriGas Partners, L.P. and AmeriGas Propane, L.P.	AmeriGas Partners, L.P.	Form 10-Q (3/31/95)	10.7
10.16	Stock Purchase Agreement dated May 27, 1989, as amended and restated July 31, 1989, between Texas Eastern Corporation and QFB Partners	Petrolane Incorporated/ AmeriGas, Inc.	Registration on Form S-1 (No. 33-69450)	10.16(a)
10.17**	UGI Corporation 2004 Omnibus Equity Compensation Plan, as amended on December 7, 2004	UGI Corporation	Form 10-K (9/30/04)	10.17
10.18**	UGI Corporation 2000 Stock Incentive Plan Amended and Restated as of December 16, 2003	UGI Corporation	Form 10-Q (6/30/04)	10.2
10.19	Financing Agreement dated as of August 28, 2003 between AmeriGas Propane, Inc. and AmeriGas Propane, L.P.	AmeriGas Partners, L.P.	Form 10-K (9/30/03)	10.19

INCORPORATION BY REFERENCE

EXHIBIT NO.	EXHIBIT	REGISTRANT	FILING	EXHIBIT
10.20	Agreement by Petrolane Incorporated and certain of its subsidiaries parties thereto ("Subsidiaries") for the Sale of the Subsidiaries' Inventory and Assets to the Goodyear Tire & Rubber Company and D.C.H., Inc., as Purchaser, dated as of December 18, 1985	Petrolane Incorporated	Form 10-K (9/23/94)	10.13
10.21**	UGI Corporation 2004 Omnibus Equity Compensation Plan AmeriGas Employees Stock Option Grant Letter dated as of January 1, 2004	UGI Corporation	Form 10-K (9/30/04)	10.9
10.21(a)**	UGI Corporation 2004 Omnibus Equity Compensation Plan UGI Employees Stock Option Grant Letter dated as of January 1, 2004	UGI Corporation	Form 10-K (9/30/04)	10.36
10.21(b)**	UGI Corporation 2004 Omnibus Equity Compensation Plan UGI Employees Performance Unit Grant Letter dated as of January 1, 2004	UGI Corporation	Form 10-K (9/30/04)	10.7
10.22**	UGI Corporation Annual Bonus Plan dated March 8, 1996	UGI Corporation	Form 10-Q (6/30/96)	10.4
10.23**	AmeriGas Propane, Inc. Annual Bonus Plan effective October 1, 1998	AmeriGas Partners, L.P.	Form 10-K (9/30/99)	10.17
10.24**	1997 Stock Purchase Loan Plan	UGI Corporation	Form 10-K (9/30/97)	10.16
10.25**	UGI Corporation Senior Executive Employee Severance Pay Plan as amended December 7, 2004	UGI Corporation	Form 10-K (9/30/04)	10.12
10.26	[Intentionally omitted]			
10.27	[Intentionally omitted]			
10.28**	UGI Corporation 1992 Non-Qualified Stock Option Plan, Amended and Restated as of April 29, 2003	UGI Corporation	Form 10-Q (3/31/03)	10.6
10.29	[Intentionally omitted]			
10.30	[Intentionally omitted]			
10.31**	AmeriGas Propane, Inc. Supplemental Executive Retirement Plan effective October 1, 1996	AmeriGas Partners, L.P.	Form 10-K (9/30/97)	10.27

INCORPORATION BY REFERENCE

EXHIBIT NO.	EXHIBIT	REGISTRANT	FILING	EXHIBIT
10.32**	UGI Corporation 1997 Stock Option and Dividend Equivalent Plan Amended and Restated as of April 29, 2003	UGI Corporation	Form 10-Q (3/31/03)	10.4
10.33**	UGI Corporation Supplemental Executive Retirement Plan Amended and Restated effective October 1, 1996	UGI Corporation	Form 10-Q (6/30/98)	10
10.34**	Description of Change of Control arrangements for Messrs. Greenberg and Knauss	UGI Corporation	Form 10-K (9/30/99)	10.33
10.35**	Description of Change of Control arrangements for Messrs. Bissell and Katz and Ms. Lindsay	AmeriGas Partners, L.P.	Form 10-K (9/30/99)	10.31
10.36	Purchase Agreement by and among Columbia Energy Group, Columbia Propane Corporation, CP Holdings, Inc., Columbia Propane, L.P., AmeriGas Propane, L.P., AmeriGas Partners, L.P. and AmeriGas Propane, Inc. dated as of January 30, 2001 and amended and restated August 7, 2001	AmeriGas Partners, L.P.	Form 8-K (8/8/01)	10.1
10.37	Purchase Agreement by and among Columbia Propane, L.P., CP Holdings, Inc., Columbia Propane Corporation, National Propane Partners, L.P., National Propane Corporation, National Propane SPG, Inc., and Triarc Companies, Inc. dated as of April 5, 1999	National Propane Partners, L.P.	Form 8-K (4/19/99)	10.5
10.38	Capital Contribution Agreement dated as of August 21, 2001 by and between Columbia Propane, L.P. and AmeriGas Propane, L.P. acknowledged and agreed to by CP Holdings, Inc.	AmeriGas Partners, L.P.	Form 8-K (8/21/01)	10.2
10.39	Promissory Note by National Propane L.P., a Delaware limited partnership in favor of Columbia Propane Corporation dated July 19, 1999	AmeriGas Partners, L.P.	Form 10-K (9/30/01)	10.39
10.40	Loan Agreement dated July 19, 1999, between National Propane, L.P. and Columbia Propane Corporation	AmeriGas Partners, L.P.	Form 10-K (9/30/01)	10.40
10.41	First Amendment dated August 21, 2001 to Loan Agreement dated July 19, 1999 between National Propane, L.P. and Columbia Propane Corporation	AmeriGas Partners, L.P.	Form 10-K (9/30/01)	10.41
10.42	Columbia Energy Group Payment Guaranty dated April 5, 1999	AmeriGas Partners, L.P.	Form 10-K (9/30/01)	10.42

INCORPORATION BY REFERENCE

EXHIBIT NO.	EXHIBIT	REGISTRANT	FILING	EXHIBIT
10.43	Keep Well Agreement by and between AmeriGas Propane, L.P. and Columbia Propane Corporation dated August 21, 2001	AmeriGas Partners, L.P.	Form 10-K (9/30/01)	10.46
*13	Pages 10 through 23 of the AmeriGas Partners, L.P. Annual Report for the year ended September 30, 2004			
14	Code of Ethics for principal executive, financial and accounting officers	AmeriGas Partners, L.P.	Form 10-K (9/30/03)	14
*21	Subsidiaries of AmeriGas Partners, L.P.			
*23	Consent of PricewaterhouseCoopers LLP			
*31.1	Certification by the Chief Executive Officer relating to the Registrants' Report on Form 10- K for the year ended September 30, 2004, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002			
*31.2	Certification by the Chief Financial Officer relating to the Registrants' Report on Form 10- K for the year ended September 30, 2004, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002			
*32	Certification by the Chief Executive Officer and the Chief Financial Officer relating to the Registrants' Report on Form 10-K for the fiscal year ended September 30, 2004, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002			

* Filed herewith.

** As required by Item 14(a)(3), this exhibit is identified as a compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

AMERIGAS PARTNERS, L.P.

Date: December 6, 2004

By: AmeriGas Propane, Inc.
its General Partner

By: /s/ Martha B. Lindsay

Martha B. Lindsay
Vice President - Finance
and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below on December 6, 2004 by the following persons on behalf of the Registrant and in the capacities with AmeriGas Propane, Inc., General Partner, indicated.

SIGNATURE	TITLE
Eugene V.N. Bissell - --- Eugene V.N. Bissell	President, and Chief Executive Officer (Principal Executive Officer) and Director
Lon R. Greenberg - --- Lon R. Greenberg	Chairman and Director
Martha B. Lindsay - --- Martha B. Lindsay	Vice President - Finance and Chief Financial Officer (Principal Financial Officer)
William J. Stanczak - --- William J. Stanczak	Controller and Chief Accounting Officer (Principal Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below on December 6, 2004 by the following persons on behalf of the Registrant and in the capacities with AmeriGas Propane, Inc., General Partner, indicated.

SIGNATURE	TITLE
Thomas F. Donovan - ---------- Thomas F. Donovan	Director
Richard C. Gozon - ---------- Richard C. Gozon	Director
William J. Marrazzo - ---------- William J. Marrazzo	Director
James W. Stratton - ---------- James W. Stratton	Director
- ---------- Stephen A. Van Dyck	Director
Roger B. Vincent - ---------- Roger B. Vincent	Director

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

AMERIGAS FINANCE CORP.

Date: December 6, 2004

By: /s/ Martha B. Lindsay

Martha B. Lindsay
Vice President - Finance
and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below on December 6, 2004 by the following persons on behalf of the Registrant and in the capacities indicated.

SIGNATURE	TITLE
Eugene V.N. Bissell - --- Eugene V.N. Bissell	President (Principal Executive Officer) and Director
Martha B. Lindsay - --- Martha B. Lindsay	Vice President - Finance and Chief Financial Officer (Principal Financial Officer) and Director
William J. Stanczak - --- William J. Stanczak	Controller and Chief Accounting Officer (Principal Accounting Officer)
Robert H. Knauss - --- Robert H. Knauss	Director

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

AMERIGAS EAGLE FINANCE CORP.

Date: December 6, 2004

By: /s/ Martha B. Lindsay

Martha B. Lindsay
Vice President - Finance
and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below on December 6, 2004 by the following persons on behalf of the Registrant and in the capacities indicated.

SIGNATURE	TITLE
Eugene V.N. Bissell - --- Eugene V.N. Bissell	President (Principal Executive Officer) and Director
Martha B. Lindsay - --- Martha B. Lindsay	Vice President - Finance and Chief Financial Officer (Principal Financial Officer) and Director
William J. Stanczak - --- William J. Stanczak	Controller and Chief Accounting Officer (Principal Accounting Officer)
Robert H. Knauss - --- Robert H. Knauss	Director

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

AP EAGLE FINANCE CORP.

Date: December 6, 2004

By: /s/ Martha B. Lindsay

Martha B. Lindsay
Vice President - Finance
and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below on December 6, 2004 by the following persons on behalf of the Registrant and in the capacities indicated.

SIGNATURE	TITLE
Eugene V.N. Bissell - --- Eugene V.N. Bissell	President (Principal Executive Officer) and Director
Martha B. Lindsay - --- Martha B. Lindsay	Vice President - Finance and Chief Financial Officer (Principal Financial Officer) and Director
William J. Stanczak - --- William J. Stanczak	Controller and Chief Accounting Officer (Principal Accounting Officer)
Robert H. Knauss - --- Robert H. Knauss	Director

AMERIGAS PARTNERS, L.P.
AMERIGAS FINANCE CORP.
AMERIGAS EAGLE FINANCE CORP.
AP EAGLE FINANCE CORP.

FINANCIAL INFORMATION

FOR INCLUSION IN ANNUAL REPORT ON

FORM 10-K FOR THE FISCAL

YEAR ENDED SEPTEMBER 30, 2004

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES

INDEX TO FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULES

The consolidated financial statements of AmeriGas Partners, L.P. and subsidiaries, together with the report thereon of PricewaterhouseCoopers LLP dated December 6, 2004 listed in the following index, are included in AmeriGas Partners' 2004 Annual Report to Unitholders and are incorporated herein by reference. With the exception of the pages listed in this index and information incorporated in Items 5 and 8, the 2004 Annual Report to Unitholders is not to be deemed filed as part of this Report.

INDEX TO FINANCIAL STATEMENTS AND FINANCIAL STATEMENT SCHEDULES (continued)

We have omitted all other financial statement schedules because the required information is either (1) not present; (2) not present in amounts sufficient to require submission of the schedule; or (3) the information required is included elsewhere in the financial statements or related notes.

AMERIGAS FINANCE CORP.

FINANCIAL STATEMENTS
for the years ended September 30, 2004, 2003 and 2002

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of AmeriGas Propane, Inc.:

In our opinion, the accompanying balance sheets and the related statements of stockholder's equity present fairly, in all material respects, the financial position of AmeriGas Finance Corp. at September 30, 2004 and 2003 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of AmeriGas Propane, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
December 6, 2004

AMERIGAS FINANCE CORP.
(A WHOLLY OWNED SUBSIDIARY OF AMERIGAS PARTNERS, L.P.)

BALANCE SHEETS

	September 30,	
	2004	2003
ASSETS		
Cash	$1,000	$1,000
Total assets	$1,000	$1,000
STOCKHOLDER'S EQUITY		
Common stock, without par value; 100 shares authorized, issued and outstanding	$ -	$ -
Additional paid-in capital	1,000	1,000
Total stockholder's equity	$1,000	$1,000

See accompanying note to financial statements.

AMERIGAS FINANCE CORP.
(A WHOLLY OWNED SUBSIDIARY OF AMERIGAS PARTNERS, L.P.)

STATEMENTS OF STOCKHOLDER'S EQUITY

	Common Stock	Additional Paid-in Capital	Retained Earnings
BALANCE SEPTEMBER 30, 2002	$ -	$1,000	$ -
BALANCE SEPTEMBER 30, 2003	-	1,000	-
BALANCE SEPTEMBER 30, 2004	$ -	$1,000	$ -

See accompanying note to financial statements.

AMERIGAS FINANCE CORP.
(A WHOLLY OWNED SUBSIDIARY OF AMERIGAS PARTNERS, L.P.)

NOTE TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2004 AND 2003

AmeriGas Finance Corp. ("AmeriGas Finance"), a Delaware corporation, was formed on March 13, 1995 and is a wholly owned subsidiary of AmeriGas Partners, L.P. ("AmeriGas Partners").

AmeriGas Partners and AmeriGas Finance have an effective unallocated shelf registration statement with the Securities and Exchange Commission under the Securities Act of 1933 under which AmeriGas Partners may issue up to $446,219,000 of debt or equity securities. AmeriGas Finance will be the co-obligor of the debt securities, if any, issued pursuant to the registration statement.

AmeriGas Partners owns all 100 shares of AmeriGas Finance common stock outstanding.

AMERIGAS EAGLE FINANCE CORP.

FINANCIAL STATEMENTS
for the years ended September 30, 2004, 2003 and 2002

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of AmeriGas Propane, Inc.:

In our opinion, the accompanying balance sheets and the related statements of stockholder's equity present fairly, in all material respects, the financial position of AmeriGas Eagle Finance Corp. at September 30, 2004 and 2003 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of AmeriGas Propane, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
December 6, 2004

AMERIGAS EAGLE FINANCE CORP.
(A WHOLLY OWNED SUBSIDIARY OF AMERIGAS PARTNERS, L.P.)

BALANCE SHEETS

	September 30,	
	2004	2003
ASSETS		
Cash	$1,000	$1,000
Total assets	$1,000	$1,000
STOCKHOLDER'S EQUITY		
Common stock, without par value; 100 shares authorized, issued and outstanding	$ -	$ -
Additional paid-in capital	1,000	1,000
Total stockholder's equity	$1,000	$1,000

See accompanying note to financial statements.

AMERIGAS EAGLE FINANCE CORP.
(A WHOLLY OWNED SUBSIDIARY OF AMERIGAS PARTNERS, L.P.)

STATEMENTS OF STOCKHOLDER'S EQUITY

	Common Stock	Additional Paid-in Capital	Retained Earnings
BALANCE SEPTEMBER 30, 2002	$ -	$ 1,000	$ -
BALANCE SEPTEMBER 30, 2003	-	1,000	-
BALANCE SEPTEMBER 30, 2004	$ -	$ 1,000	$ -

See accompanying note to financial statements.

AMERIGAS EAGLE FINANCE CORP.
(A WHOLLY OWNED SUBSIDIARY OF AMERIGAS PARTNERS, L.P.)

NOTE TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2004 AND 2003

AmeriGas Eagle Finance Corp. ("Eagle Finance"), a Delaware corporation, was formed on February 22, 2001 and is a wholly owned subsidiary of AmeriGas Partners, L.P. ("AmeriGas Partners").

On April 4, 2001, AmeriGas Partners and Eagle Finance jointly and severally issued $60,000,000 face amount of 10% Senior Notes due April 2006.

AmeriGas Partners owns all 100 shares of Eagle Finance common stock outstanding.

AP EAGLE FINANCE CORP.

FINANCIAL STATEMENTS
for the years ended September 30, 2004, 2003 and 2002

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of AmeriGas Propane, Inc.:

In our opinion, the accompanying balance sheets and the related statements of stockholder's equity present fairly, in all material respects, the financial position of AP Eagle Finance Corp. at September 30, 2004 and 2003 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of AmeriGas Propane, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
December 6, 2004

AP EAGLE FINANCE CORP.
(a wholly owned subsidiary of AmeriGas Partners, L.P.)

BALANCE SHEETS

	September 30,	
	2004	2003
ASSETS		
Cash	$1,000	$1,000
Total assets	$1,000	$1,000
STOCKHOLDER'S EQUITY		
Common stock, without par value; 100 shares authorized, issued and outstanding	$ -	$ -
Additional paid-in capital	1,000	1,000
Total stockholder's equity	$1,000	$1,000

See accompanying note to financial statements.

AP EAGLE FINANCE CORP.
(A WHOLLY OWNED SUBSIDIARY OF AMERIGAS PARTNERS, L.P.)

STATEMENTS OF STOCKHOLDER'S EQUITY

	Common Stock	Additional Paid-in Capital	Retained Earnings
BALANCE SEPTEMBER 30, 2002	$ -	$ 1,000	$ -
BALANCE SEPTEMBER 30, 2003	-	1,000	-
BALANCE SEPTEMBER 30, 2004	$ -	$ 1,000	$ -

See accompanying note to financial statements.

AP EAGLE FINANCE CORP.
(A WHOLLY OWNED SUBSIDIARY OF AMERIGAS PARTNERS, L.P.)

NOTE TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2004 AND 2003

AP Eagle Finance Corp. ("AP Eagle Finance"), a Delaware corporation, was formed on April 12, 2001 and is a wholly owned subsidiary of AmeriGas Partners, L.P. ("AmeriGas Partners").

On August 21, 2001, AmeriGas Partners and AP Eagle Finance jointly and severally issued $200,000,000 face amount of 8.875% Series A Senior Notes due May 2011. On December 20, 2001, AmeriGas Partners and AP Eagle Finance exchanged $199,985,000 face amount of 8.875% Series A Senior Notes due May 2011 for a like amount of AmeriGas Partners and AP Eagle Finance 8.875% Series B Senior Notes due May 2011 pursuant to a registered exchange offer. On May 3, 2002, AmeriGas Partners and AP Eagle Finance jointly and severally issued $40,000,000 face amount of 8.875% Series B Senior Notes due May 2011. On December 3, 2002, AmeriGas Partners and AP Eagle Finance jointly and severally issued $88,000,000 face amount of 8.875% Senior Notes due May 2011. On April 4, 2003, AmeriGas Partners and AP Eagle Finance exchanged (1) $15,000 face amount of 8.875% Series A Senior Notes due May 2011 and (2) $88,000,000 face amount of 8.875% Senior Notes due May 2011 for like amounts of AmeriGas Partners and AP Eagle Finance 8.875% Series B Senior Notes due May 2011 pursuant to a registered exchange offer.

In April 2003, AmeriGas Partners and AP Eagle Finance jointly and severally issued $32,000,000 face amount of 8.875% Series B Senior Notes due May 2011.

In April 2004, AmeriGas Partners and AP Eagle Finance jointly and severally issued $28,000,000 face amount of 8.875% Series B Senior Notes due May 2011.

AmeriGas Partners owns all 100 shares of AP Eagle Finance common stock outstanding.

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES
SCHEDULE I - CONDENSED FINANCIAL INFORMATION OF REGISTRANT (PARENT COMPANY)

BALANCE SHEETS
(Thousands of dollars)

	September 30,	
	2004	2003
ASSETS		
Current assets:		
Cash	$ 3,501	$ 4,258
Accounts receivable	-	-
Total current assets	3,501	4,258
Investment in AmeriGas Propane, L.P.	750,328	683,251
Deferred charges	7,527	8,131
Total assets	$761,356	$ 695,640
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities:		
Accounts payable	$ 741	$ 1,192
Accrued interest	15,383	14,506
Total current liabilities	16,124	15,698
Long-term debt	456,194	426,259
Commitments and contingencies		
Partners' capital:		
Common unitholders	276,887	255,423
General partner	2,783	2,577
Accumulated other comprehensive income (loss)	9,368	(4,317)
Total partners' capital	289,038	253,683
Total liabilities and partners' capital	$761,356	$ 695,640

Commitments and Contingencies:

Scheduled principal repayments of long-term debt for each of the next five fiscal years ending September 30 are as follows: 2005 - $0; 2006 - $60,000; 2007 - - $0; 2008 - $0; 2009 - $0.

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES
SCHEDULE I - CONDENSED FINANCIAL INFORMATION OF REGISTRANT (PARENT COMPANY)

STATEMENTS OF OPERATIONS
(Thousands of dollars)

	Year Ended September 30,		
	2004	2003	2002
Operating expenses	$ (256)	$ (151)	$ (49)
Loss on extinguishments of debt	-	(3,023)	(752)
Interest expense	(39,639)	(38,384)	(35,171)
Loss before income taxes	(39,895)	(41,558)	(35,972)
Income tax expense	66	61	88
Loss before equity in income of AmeriGas Propane, L.P.	(39,961)	(41,619)	(36,060)
Equity in income of AmeriGas Propane, L.P.	131,815	113,577	91,426
Net income	$ 91,854	$ 71,958	$ 55,366
General partner's interest in net income	$ 919	$ 720	$ 554
Limited partners' interest in net income	$ 90,935	$ 71,238	$ 54,812
Income per limited partner unit - basic and diluted:	$ 1.71	$ 1.42	$ 1.12
Average limited partner units outstanding - basic (thousands)	53,097	50,267	48,909
Average limited partner units outstanding - diluted (thousands)	53,172	50,337	48,932

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES
SCHEDULE I - CONDENSED FINANCIAL INFORMATION OF REGISTRANT (PARENT COMPANY)

STATEMENTS OF CASH FLOWS
(Thousands of dollars)

	Year Ended September 30,		
	2004	2003	2002
NET CASH PROVIDED BY OPERATING ACTIVITIES (a)	$ 117,425	$ 112,010	$ 123,761
CASH FLOWS FROM INVESTING ACTIVITIES:			
Contributions to AmeriGas Propane, L.P.	(82,493)	(108,513)	(97,693)
Net cash used by investing activities	(82,493)	(108,513)	(97,693)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Distributions	(117,538)	(111,462)	(108,504)
Issuance of long-term debt	30,135	122,780	40,900
Repayments of long-term debt	-	(86,913)	(15,000)
Proceeds from issuance of Common Units	51,197	75,005	56,556
Capital contribution from General Partner	517	758	571
Net cash (used) provided by financing activities	(35,689)	168	(25,477)
(Decrease) increase in cash and cash equivalents	$ (757)	$ 3,665	$ 591
CASH AND CASH EQUIVALENTS:			
End of year	$ 3,501	$ 4,258	$ 593
Beginning of year	4,258	593	2
(Decrease) increase	$ (757)	$ 3,665	$ 591

(a) Includes distributions received from AmeriGas Propane, L.P. of $155,488, $142,935, and $152,004, for the years ended September 30, 2004, 2003, and 2002, respectively.

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS
(Thousands of dollars)

	Balance at beginning of year	Charged (credited) to costs and expenses	Other	Balance at end of year
YEAR ENDED SEPTEMBER 30, 2004				
Reserves deducted from assets in the consolidated balance sheet:				
Allowance for doubtful accounts	$ 9,192	$ 9,772	$ (8,819)(1)	$11,964
			1,819 (2)	
Other reserves:				
Self-insured property and casualty liability	$45,856	$ 22,166	$(15,585)(3)	$53,172
			735 (4)	
Insured property and casualty liability	$ 627	$ -	$ -	$ 627
Environmental, litigation and other	$12,358	$ 1,730	$ (3,325)(3)	$10,888
			125 (4)	
YEAR ENDED SEPTEMBER 30, 2003				
Reserves deducted from assets in the consolidated balance sheet:				
Allowance for doubtful accounts	$ 7,588	$ 9,046	$ (7,442)(1)	$ 9,192
Other reserves:				
Self-insured property and casualty liability	$37,395	$ 20,488	$(12,027)(3)	$45,856
Insured property and casualty liability	$ 3,500	$ (2,805)	$ (68)(4)	$ 627
Environmental, litigation and other	$12,999	$ 2,525	$ (3,610)(3)	$12,358
			444 (4)	

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS (CONTINUED)
(Thousands of dollars)

	Balance at beginning of year	Charged (credited) to costs and expenses	Other	Balance at end of year
YEAR ENDED SEPTEMBER 30, 2002				
Reserves deducted from assets in the consolidated balance sheet:				
Allowance for doubtful accounts	$ 10,792	$ 7,171	$(10,375)(1)	$ 7,588
Other reserves:				
Self-insured property and casualty liability	$ 31,668	$16,739	$(11,012)(3)	$37,395
Insured property and casualty liability	$ 1,466	$ -	$ 2,034 (4)	$ 3,500
Environmental, litigation and other	$ 10,629	$ 3,468	$ (2,387)(3)	$12,999
			1,289 (4)	

(1) Uncollectible accounts written off, net of recoveries.

(2) Acquisitions

(3) Payments, net of any refunds

(4) Other adjustments, primarily reclasses

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
ON
FINANCIAL STATEMENT SCHEDULES

To the Partners of AmeriGas Partners, L.P. and the
Board of Directors of AmeriGas Propane, Inc.:

Our audits of the consolidated financial statements referred to in our report dated December 6, 2004 appearing in the 2004 Annual Report to Shareholders of AmeriGas Partners, L.P. (which report and consolidated financial statements are incorporated by reference in this Annual Report on Form 10-K) also included an audit of the financial statement schedules listed in Item 15(a)(2) of this Form 10-K. In our opinion, these financial statement schedules present fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
December 6, 2004

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
3.1(a)	Second Amended and Restated Agreement of Limited Partnership of AmeriGas Propane, L.P. dated as of December 1, 2004
10.4	AmeriGas Propane, Inc. Executive Employee Severance Pay Plan, as amended December 6, 2004
10.10(a)	Second Amendment dated as of October 14, 2004 to General Security Agreement dated as of April 19, 1995
10.12(a)	Second Amendment dated as of October 14, 2004 to Subsidiary Security Agreement dated as of April 19, 1995
13	Pages 10 through 23 of the AmeriGas Partners, L.P. 2004 Annual Report for the year ended September 30, 2004
21	Subsidiaries of AmeriGas Partners, L.P.
23	Consent of PricewaterhouseCoopers LLP
31.1	Certification by the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act
31.2	Certification by the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act
32	Certification of Chief Executive Officer and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act

EXHIBIT 3.1(a)

SECOND AMENDED AND RESTATED AGREEMENT

OF

LIMITED PARTNERSHIP

OF

AMERIGAS PROPANE, L.P.

DATED AS OF DECEMBER 1, 2004

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SECOND AMENDED AND RESTATED

AGREEMENT OF LIMITED PARTNERSHIP OF

AMERIGAS PROPANE, L.P.

THIS SECOND AMENDED AND RESTATED AGREEMENT OF LIMITED PARTNERSHIP OF AMERIGAS PROPANE, L. P., dated as of December 1, 2004, is entered into by and among AmeriGas Propane, Inc., a Pennsylvania corporation, as the General Partner, and AmeriGas Partners, L.P., a Delaware limited partnership, as the initial Limited Partner, together with any other Persons who become Partners in the Partnership as provided herein. In consideration of the covenants, conditions and agreements contained herein, the parties hereto hereby agree as follows:

ARTICLE I

ORGANIZATIONAL MATTERS

1.1 FORMATION. The General Partner and the MLP have previously formed the Partnership as a limited partnership pursuant to the provisions of the Delaware Act. The General Partner hereby amends and restates the Amended and Restated Agreement of Limited Partnership of AmeriGas Propane, L.P., dated as of April 12, 1995, in its entirety. Except as expressly provided to the contrary in this Agreement, the rights and obligations of the Partners and the administration, dissolution and termination of the Partnership shall be governed by the Delaware Act. All Partnership Interests shall constitute personal property of the owner thereof for all purposes.

1.2 NAME. The name of the Partnership shall be "AmeriGas Propane, L.P." The Partnership's business may be conducted under any other name or names deemed necessary or appropriate by the General Partner, including the name of the General Partner. The words "Limited Partnership," "L.P.," "Ltd." or similar words or letters shall be included in the Partnership's name where necessary for the purposes of complying with the laws of any jurisdiction that so requires. The General Partner in its sole discretion may change the name of the Partnership at any time and from time to time and shall notify the Limited Partner of such change in the next regular communication to the Limited Partner.

1.3 REGISTERED OFFICE; PRINCIPAL OFFICE. Unless and until changed by the General Partner, the registered office of the Partnership in the State of Delaware shall be located at 32 Loockerman Square, Suite L-100, Dover, Delaware 19904, and the registered agent for service of process on the Partnership in the State of Delaware at such registered office shall be The Prentice-Hall Corporation System, Inc. The principal office of the Partnership shall be located at, and the address of the General Partner shall be, 460 North Gulph Road, King of Prussia, Pennsylvania 19406, or such other place as the General Partner may from time to time designate by notice to the Limited Partner. The Partnership may maintain offices at such other place or places within or outside the State of Delaware as the General Partner deems necessary or appropriate.

1.4 POWER OF ATTORNEY. (a) The Limited Partner hereby constitutes and appoints each of the General Partner and, if a Liquidator shall have been selected pursuant to Section 13.3, the Liquidator severally (and any successor to either thereof by merger, transfer, assignment, election or otherwise) and each of their authorized officers and attorneys-in-fact, with full power of substitution, as its true and lawful agent and attorney-in-fact, with full power and authority in its name, place and stead, to:

(i) execute, swear to, acknowledge, deliver, file and record in the appropriate public offices (A) all certificates, documents and other instruments (including this Agreement and the Certificate of Limited Partnership and all amendments or restatements thereof) that the General Partner or the Liquidator deems necessary or appropriate to form, qualify or continue the existence or qualification of the Partnership as a limited partnership (or a partnership in which the limited partners have limited liability) in the State of Delaware and in all other jurisdictions in which the Partnership may conduct business or own property; (B) all certificates, documents and other instruments that the General Partner or the Liquidator deems necessary or appropriate to reflect, in accordance with its terms, any amendment, charge, modification or restatement of this Agreement; (C) all certificates, documents and other instruments (including conveyances and a certificate of cancellation) that the General Partner or the Liquidator deems necessary or appropriate to reflect the dissolution and liquidation of the Partnership pursuant to the terms of this Agreement; (D) all certificates, documents and other instruments relating to the admission, withdrawal, removal or substitution of any Partner pursuant to, or other events described in, Article X, XI, XII or XIII; (E) all certificates, documents and other instruments relating to the determination of the rights, preferences and privileges of any class or series of Partnership Interests; and (F) all certificates, documents and other instruments (including agreements and a certificate of merger) relating to a merger or consolidation of the Partnership pursuant to Article XV; and

(ii) execute, swear to, acknowledge, deliver, file and record all ballots, consents, approvals, waivers, certificates, documents and other instruments necessary or appropriate, in the sole discretion of the General Partner or the Liquidator, to make, evidence, give, confirm or ratify any vote, consent, approval, agreement or other action that is made or given by the Partners hereunder or is consistent with the terms of this Agreement or is necessary or appropriate, in the sole discretion of the General Partner or the Liquidator, to effectuate the terms or intent of this Agreement; provided, that when the approval of the Limited Partner is required by any provision of this Agreement, the General Partner or the Liquidator may exercise the power of attorney made in this Section 1.4(a)(ii) only after the necessary approval of the Limited Partner is obtained.

Nothing contained in this Section 1.4(a) shall be construed as authorizing the General Partner to amend this Agreement except in accordance with Article XIV or as may be otherwise expressly provided for in this Agreement.

(b) The foregoing power of attorney is hereby declared to be irrevocable and a power coupled with an interest, and it shall survive and not be affected by the subsequent death, incompetency, disability, incapacity, dissolution, bankruptcy or termination of the Limited Partner and the transfer of all or any portion of the Limited Partner's Partnership Interest and shall extend to the Limited Partner's heirs, successors, assigns and personal representatives. The

Limited Partner hereby agrees to be bound by any representation made by the General Partner or the Liquidator acting in good faith pursuant to such power of attorney; and the Limited Partner hereby waives any and all defenses that may be available to contest, negate or disaffirm the action of the General Partner or the Liquidator taken in good faith under such power of attorney. The Limited Partner shall execute and deliver to the General Partner or the Liquidator, within 15 days after receipt of the General Partner's or the Liquidator's request therefor, such further designation, powers of attorney and other instruments as the General Partner or the Liquidator deems necessary to effectuate this Agreement and the purposes of the Partnership.

1.5 TERM. The Partnership commenced upon the filing of the Certificate of Limited Partnership in accordance with the Delaware Act and shall continue in existence until the close of Partnership business on December 31, 2093, or until the earlier termination of the Partnership in accordance with the provisions of Article XIII.

1.6 POSSIBLE RESTRICTIONS ON TRANSFER. The General Partner may impose restrictions on the transfer of Partnership Interests if a subsequent Opinion of Counsel determines that such restrictions are necessary to avoid a substantial risk of the Partnership's becoming taxable as a corporation or otherwise as an entity for federal income tax purposes. The restrictions may be imposed by making such amendments to this Agreement as the General Partner in its sole discretion may determine to be necessary or appropriate to impose such restrictions.

ARTICLE II

DEFINITIONS

The following definitions shall be for all purposes, unless otherwise clearly indicated to the contrary, applied to the terms used in this Agreement.

"ADDITIONAL LIMITED PARTNER" means a Person admitted to the Partnership as a Limited Partner pursuant to Section 11.5 and who is shown as such on the books and records of the Partnership.

"AFFILIATE" means, with respect to any Person, any other Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with, the Person in question. As used herein, the term "control" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or otherwise.

"AGREEMENT" means this Second Amended and Restated Agreement of Limited Partnership of AmeriGas Propane, L.P., as it may be amended, supplemented or restated from time to time.

"AMERIGAS" means AmeriGas Propane, Inc, a Pennsylvania corporation and a wholly owned subsidiary of AmeriGas, Inc., a Pennsylvania corporation.

"AUDIT COMMITTEE" means a committee of the Board of Directors of the General Partner composed entirely of two or more directors who are neither officers nor employees of the General Partner or any of its Affiliates.

"AVAILABLE CASH" as to any Quarter ending before the Liquidation Date, means:

(a) the sum of (i) all cash of the Partnership Group on hand at the end of such Quarter and (ii) all additional cash of the Partnership Group on hand on the date of determination of Available Cash with respect to such Quarter resulting from borrowings subsequent to the end of such Quarter, less

(b) the amount of cash reserves that is necessary or appropriate in the reasonable discretion of the General Partner to (i) provide for the proper conduct of the business of the Partnership Group (including reserves for future capital expenditures) subsequent to such Quarter, (ii) provide funds for distributions under Sections 5.3(a), (b) and (c) or 5.4(a) of the MLP Agreement in respect of any one or more of the next four Quarters, or (iii) comply with applicable law or any debt instrument or other agreement or obligation to which any member of the Partnership Group is a party or its assets are subject.

"BUSINESS DAY" means Monday through Friday of each week, except that a legal holiday recognized as such by the government of the United States or the states of New York or Pennsylvania shall not be regarded as a Business Day.

"CERTIFICATE OF LIMITED PARTNERSHIP" means the Certificate of Limited Partnership filed with the Secretary of State of the State of Delaware as referenced in Section 6.2, as such Certificate of Limited Partnership may be amended, supplemented or restated from time to time.

"CLOSING DATE" means the first date on which Common Units are sold by the MLP to the Underwriters pursuant to the provisions of the Underwriting Agreement.

"CODE" means the Internal Revenue Code of 1986, as amended and in effect from time to time. Any reference herein to a specific section or sections of the Code shall be deemed to include a reference to any corresponding provision of future law.

"COMMON UNIT" means a unit representing a fractional part of the partnership interests of all limited partners and assignees and having the rights and obligations specified with respect to Common Units in the MLP Agreement.

"CONTRIBUTION" means any cash, cash equivalents or the Net Agreed Value of any property or asset that a Partner contributes to the Partnership pursuant to the Conveyance and Contribution Agreement, the Merger and Contribution Agreement, Article IV or Article XIII.

"CONVEYANCE AND CONTRIBUTION AGREEMENT" means that certain Conveyance and Contribution Agreement, dated as of the Closing Date, between Petrolane, the MLP, the Partnership and certain other parties, together with the additional conveyance documents and instruments contemplated or referenced thereunder.

"DELAWARE ACT" means the Delaware Revised Uniform Limited Partnership Act, 6 Del C Section 11-101, et seq., as amended, supplemented or restated from time to time, and any successor to such statute.

"DEPARTING PARTNER" means a former General Partner, from and after the effective date of any withdrawal or removal of such former General Partner pursuant to Section 12.1 or Section 12.2.

"EVENT OF WITHDRAWAL" has the meaning assigned to such term in Section 12.1(a).

"EXCHANGE ACT" means the Securities Exchange Act of 1934, as amended, supplemented or restated from time to time, and any successor to such statute.

"GENERAL PARTNER" means AmeriGas and its successors as general partner of the Partnership.

"GROUP MEMBER" means a member of the Partnership Group.

"INCLUDES" means includes, without limitation, and "including" means including, without limitation.

"INDEMNITEE" means (a) the General Partner, any Departing Partner, any Person who is or was an Affiliate of the General Partner or any Departing Partner, (b) any Person who is or was an officer, director, employee, partner, agent or trustee of the General Partner or any Departing Partner or any such Affiliate, or (c) any Person who is or was serving at the request of the General Partner or any Departing Partner or any such Affiliate as a director, officer, employee, partner, agent, fiduciary or trustee of another Person; provided, that a Person shall not be an Indemnitee pursuant to this clause (c) by reason of providing, on a fee-for-services basis, trustee, fiduciary or custodial services.

"INITIAL OFFERING" means the initial offering and sale of Common Units to the public, as described in the Registration Statement.

"LIMITED PARTNER" means the MLP, AmeriGas and Petrolane pursuant to Section 4.2, each Substituted Limited Partner, if any, each Additional Limited Partner and any Departing Partner upon the change of its status from General Partner to Limited Partner pursuant to Section 12.3, but excluding any such Person from and after the time it withdraws from the Partnership.

"LIQUIDATION DATE" means (a) in the case of an event giving rise to the dissolution of the Partnership of the type described in clauses (a) and (b) of the first sentence of Section 13.2, the date on which the applicable time period during which the Partners have the right to elect to reconstitute the Partnership and continue its business has expired without such an election being made, and (b) in the case of any other event giving rise to the dissolution of the Partnership, the date on which such event occurs.

"LIQUIDATOR" means the General Partner or other Person approved pursuant to Section 13.3 who performs the functions described therein.

"MERGER AGREEMENT" has the meaning assigned to such term in Section 15.1.

"MERGER AND CONTRIBUTION AGREEMENT" means that certain Merger and Contribution Agreement, dated as of the Closing Date, between AmeriGas, the MLP, the Partnership and

certain other parties, together with the additional conveyance documents and instruments contemplated or referenced thereunder.

"MLP" means AmeriGas Partners, L.P., a Delaware limited partnership.

"MLP AGREEMENT" means the Agreement of Limited Partnership of AmeriGas Partners, L.P., as it may be amended, supplemented or restated from time to time.

"NATIONAL SECURITIES EXCHANGE" means an exchange registered with the Commission under Section 6(a) of the Securities Exchange Act of 1934, as amended, supplemented or restated from time to time, and any successor to such statute, or the NASDAQ Stock Market or any successor thereto.

"NET AGREED VALUE" means the fair market value any asset or property contributed to the Partnership reduced by any liabilities either assumed by the Partnership upon such contribution or to which the asset or to which the asset or property is subject when contributed, in each case as determined by the General Partner using such reasonable method of valuation as it may adopt.

"1989 CUSTOMER LIST" means a customer list established in 1989 on the books of Petrolane Gas Services LP, a partnership which was merged into Petrolane on July 15, 1993.

"OPINION OF COUNSEL" means a written opinion of counsel (who may be regular counsel to AmeriGas, any Affiliate of AmeriGas, the Partnership or the General Partner) acceptable to the General Partner in its reasonable discretion.

"PARTNERS" means the General Partner and the Limited Partner.

"PARTNERSHIP" means AmeriGas Propane, L.P., a Delaware limited partnership, and any successor thereto.

"PARTNERSHIP GROUP" means the Partnership and its partnership Subsidiaries, treated as a single consolidated partnership.

"PARTNERSHIP INTEREST" means the interest of a Partner in the Partnership.

"PERCENTAGE INTEREST" means (a) as to the General Partner, in its capacity as such, 1.0101% and (b) as to the Limited Partner, 98.9899%.

"PERSON" means an individual or a corporation, partnership, trust, unincorporated organization, association or other entity.

"PETROLANE" means Petrolane Incorporated, a California corporation.

"QUARTER" means, unless the context requires otherwise, a three-month period of time ending on March 31, June 30, September 30, or December 31.

"REGISTRATION STATEMENT" means the Registration Statement on Form S-1 (Registration No. 33-86028), as it has been or as it may be amended or supplemented from time to time, filed

by the MLP with the Securities and Exchange Commission under the Securities Act to register the offering and sale of the Common Units in the Initial Offering.

"RESTRICTED ACTIVITIES" means the retail sales of propane to end users in the continental United States in the manner engaged in by AmeriGas and Petrolane immediately prior to the Closing Date.

"SECURITIES ACT" means the Securities Act of 1933, as amended, supplemented or restated from time to time and any successor to such statute.

"SPECIAL APPROVAL" means approval by the Audit Committee.

"SPECIAL PROPANE CORPORATION" means any corporation that is engaged in Restricted Activities, is not an S Corporation within the meaning of Section 1361 of the Code, and whose tax basis in its assets is in the aggregate substantially less than the fair market value of such assets.

"SUBSIDIARY" means, with respect to any Person, (a) a corporation of which more than 50% of the voting power of shares entitled (without regard to the occurrence of any contingency) to vote in the election of directors or other governing body of such corporation is owned, directly or indirectly, by such Person, by one or more Subsidiaries of such Person or a combination thereof, (b) a partnership (whether general or limited) in which such Person or a Subsidiary of such Person is, at the date of determination, a general or limited partner of such partnership, but only if more than 50% of the partnership interests of such partnership (considering all of the partnership interests of the partnership as a single class) is owned or controlled, directly or indirectly, by such Person, by one or more Subsidiaries of such Person, or a combination thereof, or (c) any other Person (other than a corporation or a partnership) in which such Person, directly or indirectly, at the date of determination, has (i) at least a majority ownership interest or (ii) the power to elect or direct the election of a majority of the directors or other governing body of such Person.

"SUBSTITUTED LIMITED PARTNER" means a Person who is admitted as a Limited Partner to the Partnership pursuant to Section 11.3 in place of and with all the rights of a Limited Partner and who is shown as a Limited Partner on the books and records of the Partnership.

"SURVIVING BUSINESS ENTITY" has the meaning assigned to such term in Section 15.2(b).

"UNDERWRITER" means each Person named as an underwriter in Schedule 1 to the Underwriting Agreement who purchases Common Units pursuant thereto.

"UNDERWRITING AGREEMENT" means the Underwriting Agreement dated April 12, 1995, among the Underwriters, the MLP and other parties providing for the purchase of Common Units by such Underwriters.

"WITHDRAWAL OPINION OF COUNSEL" has the meaning assigned to such term in Section 12.1(b).

ARTICLE III

PURPOSE

3.1 PURPOSE AND BUSINESS. The purpose and nature of the business to be conducted by the Partnership shall be to (a) acquire, manage and operate the assets transferred to the Partnership pursuant to the Merger and Contribution Agreement and the Conveyance and Contribution Agreement, and any similar assets or properties, and to engage directly in, or to enter into or form any corporation, partnership, joint venture, limited liability company or other arrangement to engage indirectly in, any type of business or activity engaged in by AmeriGas or Petrolane or their Affiliates immediately prior to the Closing Date and, in connection therewith, to exercise all of the rights and powers conferred upon the Partnership pursuant to the agreements relating to such business activity, (b) engage directly in, or enter into or form any corporation, partnership, joint venture, limited liability company or other arrangement to engage indirectly in, any business activity that is approved by the General Partner and which may lawfully be conducted by a limited partnership organized pursuant to the Delaware Act and, in connection therewith, to exercise all of the rights and powers conferred upon the Partnership pursuant to the agreements relating to such business activity, and (c) do anything necessary or appropriate to the foregoing, including the making of capital contributions or loans to the MLP or any Subsidiary of the Partnership or the MLP. The General Partner has no obligation or duty to the Partnership or the Limited Partner to propose or approve, and in its sole discretion may decline to propose or approve, the conduct by the Partnership of any business.

3.2 POWERS. The Partnership shall be empowered to do any and all acts and things necessary, appropriate, proper, advisable, incidental to or convenient for the furtherance and accomplishment of the purposes and business described in Section 3.1 and for the protection and benefit of the Partnership.

ARTICLE IV

CONTRIBUTIONS

4.1 INITIAL CONTRIBUTIONS. In connection with the formation of the Partnership under the Delaware Act, the General Partner made an initial Contribution to the Partnership in the amount of $10.10 for an interest in the Partnership and has been admitted as the general partner of the Partnership, and the MLP made an initial Contribution to the Partnership in the amount of $989.90 for an interest in the Partnership and has been admitted as a limited partner of the Partnership.

4.2 CONTRIBUTIONS BY AMERIGAS AND THE MLP. (a) On the Closing Date and pursuant to the Merger and Contribution Agreement, various Subsidiaries of AmeriGas shall merge with and into the Partnership. Pursuant to the Merger and Contribution Agreement, AmeriGas shall receive merger consideration consisting of, among other items, (i) the continuation of its general partner interest in the Partnership consisting of a Partnership Interest representing a 1.0101% Percentage Interest and (ii) a limited partner interest in the Partnership, which shall thereupon be contributed to the MLP as set forth in the Merger and Contribution Agreement.

(b) On the Closing Date and pursuant to the Conveyance and Contribution Agreement, Petrolane, or Petrolane and one of its Subsidiaries, will convey substantially all of its or their assets to the Partnership in exchange for, among other items, a limited partner interest or interests in the Partnership, which shall thereupon be contributed to the MLP as set forth in the Conveyance and Contribution Agreement.

(c) On the Closing Date, the MLP shall contribute in respect of its Partnership Interest the net proceeds to the MLP from the issuance of the Common Units pursuant to the Initial Offering.

(d) The Partnership Interests contributed to the Partnership pursuant to the provisions of Sections 4.2(a) and (b), together with the Partnership Interest previously held by the MLP, will represent a 98.9899% Percentage Interest in the Partnership.

4.3 ADDITIONAL CONTRIBUTIONS. With the consent of the General Partner, the Limited Partner may, but shall not be obligated to, make additional Contributions to the Partnership. Contemporaneously with the making of any such additional Contributions by the Limited Partner, the General Partner shall be obligated to make an additional Contribution to the Partnership in an amount equal to 1.0101 / 98.9899% of the Net Agreed Value of the additional Contribution then made by the Limited Partner. Except as set forth in the immediately preceding sentence and Article XIII, the General Partner shall not be obligated to make any additional Contributions to the Partnership.

4.4 NO PREEMPTIVE RIGHTS. No Person shall have any preemptive, preferential or other similar right with respect to issuance or sale of any class or series of Partnership Interests, any option, right, warrant or appreciation rights relating thereto, or any other type of equity interest that the Partnership may lawfully issue, or any unsecured or secured debt obligation of the Partnership that is convertible into any class or series of equity interests of the Partnership.

4.5 INTEREST AND WITHDRAWAL. No interest shall be paid by the Partnership on Contributions, no Partner shall be entitled to withdraw any part of its Contributions or to receive any distribution from the Partnership, except as provided in Articles V, VII, XII and XIII.

ARTICLE V

DISTRIBUTIONS

5.1 TIMING AND AMOUNT OF REGULAR DISTRIBUTIONS. (a) Subject to Section 5.1(b), cash shall be distributed to the Partners at such times and in such amount as the General Partner shall from time to time determine.

(b) The General Partner shall determine the amount of Available Cash with respect to each Quarter ending before the Liquidation Date within 45 days following the end of such Quarter. Such determination shall be made by reference to the books and records of the Partnership Group and, if made in good faith, shall be conclusive. Promptly following such determination, an amount equal to Available Cash with respect to such prior Quarter shall be distributed to the Partners.

5.2 SPECIAL DISTRIBUTION. Immediately following the issuance and sale by the Partnership of its $110,000,000 of Series C First Mortgage Notes, and in anticipation of the contributions to be made to the Partnership pursuant to Section 4.2, the net proceeds to the Partnership from the issuance of such notes shall be distributed to the General Partner.

5.3 DISTRIBUTION RATIO. Except as provided in Sections 5.2 and 13.4(c), all distributions shall be made to the Partners in the ratio of their respective Percentage Interests.

5.4 PAYMENTS OTHER THAN DISTRIBUTIONS. Amounts payable as compensation or reimbursement to the General Partner, or amounts payable to any person other than in his capacity as a Partner, such as for goods or services, shall not be treated as distributions.

5.5 ENTITY-LEVEL TAX PAYMENTS. The General Partner is authorized to take any action it determines in its sole discretion to be necessary or appropriate to cause the Partnership to comply with any withholding requirements established under the Code or any other law. Whether or not pursuant to any withholding requirement, if the Partnership is required or elects to pay any tax on behalf of the General Partner or the Limited Partner that is attributable to the Partnership, the General Partner is authorized to pay such taxes from Partnership funds. To the extent feasible, each such payment shall be treated as a distribution pursuant to Article V in respect of the Person on whose behalf the payment was made. If the payment is made on behalf of a Person whose identity cannot be determined, the General Partner is authorized to treat the payment as a distribution to the Limited Partner. Alternatively, the General Partner may elect to treat an amount paid on behalf of the General Partner and the Limited Partner as an expenditure of the Partnership if the amount paid on behalf of the General Partner is not substantially greater per Percentage Interest than that paid on behalf of the Limited Partner.

ARTICLE VI

MANAGEMENT AND OPERATION OF BUSINESS

6.1 MANAGEMENT. (a) The General Partner shall conduct, direct and manage all activities of the Partnership. Except as otherwise expressly provided in this Agreement, all management powers over the business and affairs of the Partnership shall be exclusively vested in the General Partner, and the Limited Partner shall have no right of control or management power over the business and affairs of the Partnership. In addition to the powers now or hereafter granted a general partner of a limited partnership under applicable law or which are granted to the General Partner under any other provision of this Agreement, the General Partner, subject to Section 6.3, shall have full power and authority to do all things and on such terms as it, in its sole discretion, may deem necessary or appropriate to conduct the business of the Partnership, to exercise all powers set forth in Section 3.2 and to effectuate the purposes set forth in Section 3.1, including the following:

(i) the making of any expenditures, the lending or borrowing of money, the assumption or guarantee of, or other contracting for, indebtedness and other liabilities, the issuance of evidences of indebtedness and the incurring of any other obligations;

(ii) the making of tax, regulatory and other filings, or rendering of periodic or other reports to governmental or other agencies having jurisdiction over the business or assets of the Partnership;

(iii) the acquisition, disposition, mortgage, pledge, encumbrance, hypothecation or exchange of any or all of the assets of the Partnership or the merger or other combination of the Partnership with or into another Person;

(iv) the use of the assets of the Partnership (including cash on hand) for any purpose consistent with the terms of this Agreement, including the financing of the conduct of the operations of the Partnership, the lending of funds to other Persons (including the MLP, the General Partner and its Affiliates), the repayment of obligations of the Partnership and the making of capital contributions to a Subsidiary;

(v) the negotiation, execution and performance of any contracts, conveyances or other instruments (including instruments that limit the liability of the Partnership under contractual arrangements to all or particular assets of the Partnership, with the other party to the contract to have no recourse against the General Partner or its assets other than its interest in the Partnership, even if same results in the terms of the transaction being less favorable to the Partnership than would otherwise be the case);

(vi) the distribution of Partnership cash;

(vii) the selection and dismissal of employees (including employees having titles such as "president," "vice president," "secretary" and "treasurer") and agents, outside attorneys, accountants, consultants and contractors and the determination of their compensation and other terms of employment or hiring;

(viii) the maintenance of such insurance for the benefit of the Partnership Group and the Partners (including the assets of the Partnership) as it deems necessary or appropriate;

(ix) the formation of, or acquisition of an interest in, and the contribution of property and the making of loans to, any further limited or general partnerships, joint ventures, corporations, limited liability companies or other relationships;

(x) the control of any matters affecting the rights and obligations of the Partnership, including the bringing and defending of actions at law or in equity and otherwise engaging in the conduct of litigation and the incurring of legal expense and the settlement of claims and litigation; and

(xi) the indemnification of any Person against liabilities and contingencies to the extent permitted by law.

(b) Notwithstanding any other provision of this Agreement, the MLP Agreement, the Delaware Act or any applicable law, rule or regulation, each of the Partners hereby (i) approves, ratifies and confirms the execution, delivery and performance by the parties thereto of the Underwriting Agreement, the Conveyance and Contribution Agreement, the

Merger and Contribution Agreement, the agreements and other documents filed as exhibits to the Registration Statement, and the other agreements described in or filed as a part of the Registration Statement; (ii) agrees that the General Partner (on its own or through any officer of the Partnership) is authorized to execute, deliver and perform the agreements referred to in clause (i) of this sentence and the other agreements, acts, transactions and matters described in or contemplated by the Registration Statements on behalf of the Partnership without any further act, approval or vote of the Partners; and (iii) agrees that the execution, delivery or performance by the General Partner, the MLP, any Group Member or any Affiliate of any of them, of this Agreement or any agreement authorized or permitted under this Agreement, shall not constitute a breach by the General Partner of any duty that the General Partner may owe the Partnership or the Limited Partner or any other Persons under this Agreement (or any other agreements) or of any duty stated or implied by law or equity.

6.2 CERTIFICATE OF LIMITED PARTNERSHIP. The General Partner has caused the Certificate of Limited Partnership to be filed with the Secretary of State of the State of Delaware as required by the Delaware Act and shall use all reasonable efforts to cause to be filed such other certificates or documents as may be determined by the General Partner in its sole discretion to be reasonable and necessary or appropriate for the formation, continuation, qualification and operation of a limited partnership (or a partnership in which the Limited Partner has limited liability) in the State of Delaware or any other state in which the Partnership may elect to do business or own property. To the extent that such action is determined by the General Partner in its sole discretion to be reasonable and necessary or appropriate, the General Partner shall file amendments to and restatements of the Certificate of Limited Partnership and do all things to maintain the Partnership as a limited partnership (or a partnership in which the Limited Partner has limited liability) under the laws of the State of Delaware or of any other state in which the Partnership may elect to do business or own property. Subject to the terms of Section 7.4(a), the General Partner shall not be required, before or after filing, to deliver or mail a copy of the Certificate of Limited Partnership, any qualification document or any amendment thereto to the Limited Partner.

6.3 RESTRICTIONS ON GENERAL PARTNER'S AUTHORITY. (a) The General Partner may not, without written approval of the specific act by the Limited Partner or by other written instrument executed and delivered by the Limited Partner subsequent to the date of this Agreement, take any action in contravention of this Agreement, including, except as otherwise provided in this Agreement, (i) committing any act that would make it impossible to carry on the ordinary business of the Partnership; (ii) possessing Partnership property, or assigning any rights in specific Partnership property, for other than a Partnership purpose; (iii) admitting a Person as a Partner; (iv) amending this Agreement in any manner; or (v) transferring its interest as general partner of the Partnership.

(b) Except as provided in Articles XIII and XV, the General Partner may not sell, exchange or otherwise dispose of all or substantially all of the Partnership's assets in a single transaction or a series of related transactions without the approval of the Limited Partner; provided, however, that this provision shall not preclude or limit the General Partner's ability to mortgage, pledge, hypothecate or grant a security interest in all or substantially all of the Partnership's assets and shall not apply to any forced sale of any or all of the Partnership's assets pursuant to the foreclosure of, or other realization upon, any such encumbrance.

(c) At all times while serving as the general partner of the Partnership, the General Partner shall not make any dividend or distribution on, or repurchase any shares of, its stock or take any other action within its control if the effect of such action would be to reduce its net worth, independent of its interest in the Partnership Group and the MLP, to be less than $10 million.

6.4 REIMBURSEMENT OF THE GENERAL PARTNER. (a) Except as provided in this Section 6.4 and elsewhere in this Agreement or in the MLP Agreement, the General Partner shall not be compensated for its services as general partner of any Group Member.

(b) The General Partner shall be reimbursed on a monthly basis, or such other basis as the General Partner may determine in its sole discretion, for (i) all direct and indirect expenses it incurs or payments it makes on behalf of the Partnership (including salary, bonus, incentive compensation and other amounts paid to any Person to perform services for the Partnership or for the General Partner in the discharge of its duties to the Partnership) and (ii) all other necessary or appropriate expenses allocable to the Partnership or otherwise reasonably incurred by the General Partner in connection with operating the Partnership's business (including expenses allocated to the General Partner by its Affiliates). The General Partner shall determine the fees and expenses that are allocable to the Partnership in any reasonable manner determined by the General Partner in its sole discretion. Reimbursements pursuant to this Section 6.4 shall be in addition to any reimbursement to the General Partner as a result of indemnification pursuant to Section 6.7.

(c) The General Partner, in its sole discretion and without the approval of the Limited Partner (who shall have no right to vote in respect thereof), may propose and adopt on behalf of the Partnership employee benefit plans, employee programs and employee practices for the benefit of employees of the General Partner, any Group Member, or any Affiliate, or any of them, in respect of services performed, directly or indirectly, for the benefit of the Partnership Group. Expenses incurred by the General Partner in connection with any such plans, programs and practices shall be reimbursed in accordance with Section 6.4(b). Any and all obligations of the General Partner under any employee benefit plans, employee programs or employee practices adopted by the General Partner as permitted by this Section 6.4(c) shall constitute obligations of the General Partner hereunder and shall be assumed by any successor General Partner approved pursuant to Section 12.1 or 12.2 or the transferee of or successor to all of the General Partner's Partnership Interest as a general partner in the Partnership pursuant to Section 11.3.

6.5 OUTSIDE ACTIVITIES. (a) After the Closing Date, the General Partner, for so long as it is the general partner of the Partnership, shall not engage in any business or activity or incur any debts or liabilities except in connection with or incidental to (i) its performance as general partner of the MLP or one or more Group Members or as described in or contemplated by the Registration Statement, (ii) the acquiring, owning or disposing of debt or equity securities in the MLP or any Group Member, (iii) engaging in an activity permitted by Section 6.5(b), and (iv) permitting its employees to perform services for its Affiliates, including Affiliates engaging in an activity permitted by Section 6.5(b).

(b) The General Partner or any of its Affiliates may engage in an activity that is a Restricted Activity only if

(i) the General partner determines, prior to commencing such activity, that it is inadvisable for the Partnership to engage in such activity either because (A) of the financial commitments associated with such activity or (B) such activity is not consistent with the Partnership's business strategy or cannot otherwise be integrated with the Partnership's operations on a beneficial basis, and such determination is approved by Special Approval;

(ii) such activity arises as a result of an acquisition utilizing primarily equity securities of a corporate Affiliate of the Partnership, and the aggregate consideration paid in connection with such acquisition and all other acquisitions of then-owned entities made pursuant to the exception provided by this Section 6.5(b)(ii) does not exceed $50 million; or

(iii) such activity arises as a result of an acquisition of stock of one or more Special Propane Corporations, and the aggregate total assets of all then-owned Special Propane Corporations acquired pursuant to the exception provided by this Section 6.5(b)(iii) and owned for more than 24 months does not exceed 10% of the total assets of the Partnership (in each case as such assets shall be determined in accordance with generally accepted accounting principles).

Subject to the restrictions of Section 6.5(c), the General Partner or its Affiliates may engage in the activity described in Section 6.5(b), either through the direct ownership of the assets of a business or indirectly through the ownership of equity interests in a business, may sell or otherwise transfer such assets or equity interests to any Group Member or any third person, and may retain all the profits derived from any of the foregoing.

(c) During the period the activity being undertaken pursuant to Section 6.5(b) is being carried on directly or indirectly by the General Partner or an Affiliate, the personnel engaged in such activity shall not (A) attempt to sell propane to persons to whom any Group Member is selling propane or (B) seek new customers in geographical areas in which any Group Member is engaged in the retail propane business and in which the business was not engaged at the time it was acquired by the General Partner or an Affiliate.

(d) Except as restricted by Sections 6.5(a), (b) or (c), each Indemnitee shall have the right to engage in businesses of every type and description and other activities for profit and to engage in and possess an interest in other business ventures of any and every type or description, whether in businesses engaged in or anticipated to be engaged in by any Group Member, independently or with others, including business interests and activities in direct competition with the business and activities of any Group Member, and none of the same shall constitute a breach of this Agreement or any duty to any Group Member or any Partner or Assignee. Neither any Group Member, any Limited Partner nor any other Person shall have any rights by virtue of this Agreement, the Operating Partnership Agreement or the partnership established hereby or thereby in any business ventures of any Indemnitee.

(e) Notwithstanding anything to the contrary in this Agreement, (i) the engaging in competitive activities by any Indemnitees in accordance with the provisions of this Section 6.5 is hereby approved by the Partnership and all Partners and (ii) it shall be deemed not to be a breach of the General Partner's fiduciary duty or any other obligation of any type

whatsoever of the General Partner for the Indemnitees to engage in such business interests and activities in preference to or to the exclusion of the Partnership.

(f) The term "Affiliates" when used in this Section 6.5(b) or (c) with respect to the General Partner shall not include any Group Member, the MLP or any Subsidiary of any Group Member or the MLP.

6.6 LOANS TO AND FROM THE GENERAL PARTNER; CONTRACTS WITH AFFILIATES. (a) The General Partner, the Limited Partner or any Affiliate thereof may lend to any Group Member, and any Group Member may borrow, funds needed or desired by the Group Member for such periods of time as the General Partner may determine, and the General Partner, the Limited Partner or any Affiliate thereof may borrow from any Group Member, and any Group Member may lend to such Persons, excess funds of the Group Member for such periods of time and in such amounts as the General Partner may determine; provided, however, that in either such case the lending party may not charge the borrowing party interest at a rate greater than the rate that would be charged the borrowing party (without reference to the lending party's financial abilities or guarantees) by unrelated lenders on comparable loans. The borrowing party shall reimburse the lending party for any costs (other than any additional interest costs) incurred by the lending party in connection with the borrowing of such funds. For purposes of this Section 6.6(a) and Section 6.6(b), the term "Group Member" shall include any Affiliate of the Group Member that is controlled by the Group Member.

(b) The Partnership may lend or contribute to any Group Member, and any Group Member may borrow, funds on terms and conditions established in the sole discretion of the General Partner; provided, however, that the Partnership may not charge the Group Member interest at a rate greater than the rate that would be charged to the Group Member (without reference to the General Partner's financial abilities or guarantees), by unrelated lenders on comparable loans. The foregoing authority shall be exercised by the General Partner in its sole discretion and shall not create any right or benefit in favor of any Group Member or any other Person.

(c) The General Partner may itself, or may enter into an agreement with any of its Affiliates to, render services to the Partnership or to the General Partner in the discharge of its duties as general partner of the Partnership. Any service rendered to the Partnership by the General Partner or any of its Affiliates shall be on terms that are fair and reasonable to the Partnership; provided, however, that the requirements of this Section 6.6(c) shall be deemed satisfied as to (i) any transaction approved by Special Approval, (ii) any transaction, the terms of which are no less favorable to the Partnership than those generally being provided to or available from unrelated third parties or (iii) any transaction that, taking into account the totality of the relationships between the parties involved (including other transactions that may be particularly favorable or advantageous to the Partnership), is equitable to the Partnership. The provisions of Section 6.4 shall apply to the rendering of services described in this Section 6.6(c).

(d) The Partnership may transfer assets to joint ventures, other partnerships, corporations, limited liability companies or other business entities in which it is or thereby becomes a participant upon such terms and subject to such conditions as are consistent with this Agreement and applicable law.

(e) Neither the General Partner nor any of its Affiliates shall sell, transfer or convey any property to, or purchase any property from, the Partnership, directly or indirectly, except pursuant to transactions that are fair and reasonable to the Partnership; provided, however, that the requirements of this Section 6.6(e) shall be deemed to be satisfied as to (i) the transactions effected pursuant to Section 4.2, the Conveyance and Contribution Agreement, the Merger and Contribution Agreement and any other transactions described in or contemplated by the Registration Statements, (ii) any transaction approved by Special Approval, (iii) any transaction, the terms of which are no less favorable to the Partnership than those generally being provided to or available from unrelated third parties, or (iv) any transaction that, taking into account the totality of the relationships between the parties involved (including other transactions that may be particularly favorable or advantageous to the Partnership), is equitable to the Partnership.

(f) The General Partner and its Affiliates will have no obligation to permit any Group Member or the MLP to use any facilities or assets of the General Partner and its Affiliates, except as may be provided in contracts entered into from time to time specifically dealing with such use and except as set forth in the Registration Statement with respect to the "FAST" propane purchase optimization and fuel accounting system, nor shall there be any obligation on the part of the General Partner or its Affiliates to enter into such contracts.

(g) Notwithstanding Section 6.6(f), the General Partner shall make available to the Partnership the "STARS I" and "STARS II" proprietary computer systems to the same extent and on the same terms and conditions that the General Partner is obligated to make available the FAST proprietary computer system pursuant to Sections 6.6(f) and 13.3(d) of the MLP Agreement.

(h) Without limitation of Sections 6.6(a) through 6.6(g), and notwithstanding anything to the contrary in this Agreement, the existence of the conflicts of interest described in the Registration Statements are hereby approved by all Partners.

6.7 INDEMNIFICATION. (a) To the fullest extent permitted by law but subject to the limitations expressly provided in this Agreement, all Indemnitees shall be indemnified and held harmless by the Partnership from and against any and all losses, claims, damages, liabilities, joint or several, expenses (including legal fees and expenses), judgments, fines, penalties, interest, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings, whether civil, criminal, administrative or investigative, in which any Indemnitee may be involved, or is threatened to be involved, as a party or otherwise, by reason of its status as an Indemnitee, provided, that in each case the Indemnitee acted in good faith and in a manner that such Indemnitee reasonably believed to be in, or not opposed to, the best interests of the Partnership and, with respect to any criminal proceeding, had no reasonable cause to believe its conduct was unlawful; provided, further, no indemnification pursuant to this Section 6.7 shall be available to the General Partner with respect to its obligations incurred pursuant to the Underwriting Agreement or the Merger and Contribution Agreement (other than obligations incurred by the General Partner on behalf of the Partnership or the MLP), or to Petrolane with respect to its obligations incurred pursuant to the Conveyance and Contribution Agreement. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon

a plea of nolo contendere, or its equivalent, shall not create a presumption that the Indemnitee acted in a manner contrary to that specified above. Any indemnification pursuant to this Section 6.7 shall be made only out of the assets of the Partnership, it being agreed that the General Partner shall not be personally liable for such indemnification and shall have no obligation to contribute or loan any monies or property to the Partnership to enable it to effectuate such indemnification.

(b) To the fullest extent permitted by law, expenses (including legal fees and expenses) incurred by an Indemnitee who is indemnified pursuant to Section 6.7(a) in defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the Partnership prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Partnership of an undertaking by or on behalf of the Indemnitee to repay such amount if it shall be determined that the Indemnitee is not entitled to be indemnified as authorized in this Section 6.7.

(c) The indemnification provided by this Section 6.7 shall be in addition to any other rights to which an Indemnitee may be entitled under any agreement, pursuant to any vote of the Partners, as a matter of law or otherwise, both as to actions in the Indemnitee's capacity as and Indemnitee and as to actions in any other capacity (including any capacity under the Underwriting Agreement) and shall continue as to an Indemnitee who has ceased to serve in such capacity and shall inure to the benefit of the heirs, successors, assigns and administrators of the Indemnitee.

(d) The Partnership may purchase and maintain (or reimburse the General Partner or its Affiliates for the cost of) insurance, on behalf of the General Partner and such other Persons as the General Partner shall determine, against any liability that may be asserted against or expense that may be incurred by such Person in connection with the Partnership's activities, regardless of whether the Partnership would have the power to indemnify such Person against such liability under the provisions of this Agreement.

(e) For purposes of this Section 6.7, the Partnership shall be deemed to have requested an Indemnitee to serve as fiduciary of an employee benefit plan whenever the performance by it of its duties to the Partnership also imposes duties on, or otherwise involves services by, it to the plan or participants or beneficiaries of the plan; excise taxes assessed on an Indemnitee with respect to an employee benefit plan pursuant to applicable law shall constitute "fines" within the meaning of Section 6.7(a); and action taken or omitted by it with respect to any employee benefit plan in the performance of its duties for a purpose reasonably believed by it to be in the interest of the participants and beneficiaries of the plan shall be deemed to be for a purpose which is in, or not opposed to, the best interests of the Partnership.

(f) In no event may an Indemnitee subject the Limited Partner to personal liability by reason of the indemnification provisions set forth in this Agreement.

(g) An Indemnitee shall not be denied indemnification in whole or in part under this Section 6.7 because the Indemnitee had an interest in the transaction with respect to which the indemnification applies if the transaction was otherwise permitted by the terms of this Agreement.

(h) The provisions of this Section 6.7 are for the benefit of the Indemnitees, their heirs, successors, assigns and administrators and shall not be deemed to create any rights for the benefit of any other Persons.

(i) No amendment, modification or repeal of this Section 6.7 or any provision hereof shall in any manner terminate, reduce or impair the right of any past, present or future Indemnitee to be indemnified by the Partnership, nor the obligations of the Partnership to indemnify any such Indemnitee under and in accordance with the provisions of this Section 6.7 as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

6.8 LIABILITY OF INDEMNITEES. (a) Notwithstanding anything to the contrary set forth in this Agreement, no Indemnitee shall be liable for monetary damages to the Partnership, the Limited Partner, or any other Persons who have acquired interests in the Partnership, for losses sustained or liabilities incurred as a result of any act or omission if such Indemnitee acted in good faith.

(b) Subject to its obligations and duties as General Partner set forth in Section 6.1(a), the General Partner may exercise any of the powers granted to it by this Agreement and perform any of the duties imposed upon it hereunder either directly or by or through its agents, and the General Partner shall not be responsible for any misconduct or negligence on the part of any such agent appointed by the General Partner in good faith.

(c) Any amendment, modification or repeal of this Section 6.8 or any provision hereof shall be prospective only and shall not in any way affect the limitations on the liability to the Partnership and the Limited Partner of the General Partner, its directors, officers and employees and any other Indemnitees under this Section 6.8 as in effect immediately prior to such amendment, modification or repeal with respect to claims arising from or relating to matters occurring, in whole or in part, prior to such amendment, modification or repeal, regardless of when such claims may arise or be asserted.

6.9 RESOLUTION OF CONFLICTS OF INTEREST. (a) Unless otherwise expressly provided in this Agreement or the MLP Agreement, whenever a potential conflict of interest exists or arises between the General Partner or any of its Affiliates, on the one hand, and the Partnership, the MLP or the Limited Partner, on the other hand, any resolution or course of action in respect of such conflict of interest shall be permitted and deemed approved by the Limited Partner, and shall not constitute a breach of this Agreement, of the MLP Agreement or of any agreement contemplated herein or therein, or of any duty stated or implied by law or equity, if the resolution or course of action is, or by operation of this Agreement is deemed to be, fair and reasonable to the Partnership. The General Partner shall be authorized but not required in connection with its resolution of such conflict of interest to seek Special Approval of a resolution of such conflict or course of action. Any conflict of interest and any resolution of such conflict of interest shall be conclusively deemed fair and reasonable to the Partnership if such conflict of interest or resolution is (i) approved by Special Approval, (ii) on terms no less favorable to the Partnership than those generally being provided to or available from unrelated third parties or (iii) fair to the Partnership, taking into account the totality of the relationships between the parties involved

(including other transactions that may be particularly favorable or advantageous to the Partnership). The General Partner may also adopt a resolution or course of action that has not received Special Approval. The General Partner (including the Audit Committee in connection with Special Approval) shall be authorized in connection with its determination of what is "fair and reasonable" to the Partnership and in connection with its resolution of any conflict of interest to consider (A) the relative interests of any party to such conflict, agreement, transaction or situation and the benefits and burdens relating to such interest; (B) any customary or accepted industry practices and any customary or historical dealings with a particular Person; (C) any applicable generally accepted accounting or engineering practices or principles; and (D) such additional factors as the General Partner (including the Audit Committee) determines in its sole discretion to be relevant, reasonable or appropriate under the circumstances. Nothing contained in this Agreement, however, is intended to nor shall it be construed to require the General Partner (including the Audit Committee) to consider the interests of any Person other than the Partnership. In the absence of bad faith by the General Partner, the resolution, action or terms so made, taken or provided by the General Partner with respect to such matter shall not constitute a breach of this Agreement, the MLP Agreement or any other agreement contemplated herein or therein or a breach of any standard of care or duty imposed herein or therein or, to the extent permitted by law, under the Delaware Act or any other law, rule or regulation.

(b) Whenever this Agreement or any other agreement contemplated hereby provides that the General Partner or any of its Affiliates is permitted or required to make a decision (i) in its "sole discretion" or "discretion," that it deems "necessary or appropriate" or "necessary or advisable" or under a grant of similar authority or latitude, the General Partner or such Affiliate shall be entitled to consider only such interests and factors as it desires and shall have no duty or obligation to give any consideration to any interest of, or factors affecting, the Partnership, the Limited Partner or any limited partner of the Limited Partner, (ii) it may make such decision in its sole discretion (regardless of whether there is a reference to "sole discretion" or "discretion") unless another express standard is provided for, or (iii) in "good faith" or under another express standard, the General Partner or such Affiliate shall act under such express standard and shall not be subject to any other or different standards imposed by this Agreement, the MLP Agreement, any other agreement contemplated hereby or under the Delaware Act or any other law, rule or regulation. In addition, any actions taken by the General Partner or such Affiliate consistent with the standards of "reasonable discretion" set forth in the definition of Available Cash shall not constitute a breach of any duty of the General Partner to the Partnership, the Limited Partner or any limited partner of the Limited Partner. The General Partner shall have no duty, express or implied, to sell or otherwise dispose of any asset of the Partnership Group, other than in the ordinary course of business. No borrowing by any Group Member or the approval thereof by the General Partner shall be deemed to constitute a breach of any duty of the General Partner to the Partnership, the Limited Partner or any limited partner of the Limited Partner by reason of the fact that the purpose or effect of such borrowing is directly or indirectly to (A) enable distributions in respect of the general partner interest under the MLP Agreement to exceed 1% of the total amount distributed by the MLP, or (B) hasten the expiration of the "Subordination Period" under the MLP Agreement or the conversion of any "Subordinated Units" in the MLP into Common Units.

(c) Whenever a particular transaction, arrangement or resolution of a conflict of interest is required under this Agreement to be "fair and reasonable" to any Person, the fair

and reasonable nature of such transaction, arrangement or resolution shall be considered in the context of all similar or related transactions.

(d) The Limited Partner hereby authorizes the General Partner, on behalf of the Partnership as a partner of a Group Member, to approve of actions by the general partner of such Group Member similar to those actions permitted to be taken by the General Partner pursuant to this Section 6.9.

6.10 OTHER MATTERS CONCERNING THE GENERAL PARTNER. (a) The General Partner may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, bond, debenture, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) The General Partner may consult with legal counsel, accountants, appraisers, management consultants, investment bankers and other consultants and advisers selected by it, and any act taken or omitted to be taken in reliance upon the opinion (including an Opinion of Counsel) of such Persons as to matters that the General Partner reasonably believes to be within such Person's professional or expert competence shall be conclusively presumed to have been done or omitted in good faith and in accordance with such opinion.

(c) The General Partner shall have the right, in respect of any of its powers or obligations hereunder, to act through any of its duly authorized officers and a duly appointed attorney or attorneys-in-fact or the duly authorized officers of the Partnership.

(d) Any standard of care and duty imposed by this Agreement or under the Delaware Act or any applicable law, rule or regulation shall be modified, waived or limited as required to permit the General Partner to act under this Agreement or any other agreement contemplated by this Agreement and to make any decision pursuant to the authority prescribed in this Agreement, so long as such action is not reasonably believed by the General Partner to be in, or not inconsistent with, the best interests of the Partnership.

6.11 TITLE TO PARTNERSHIP ASSETS. Title to Partnership assets, whether real, personal or mixed and whether tangible or intangible, shall be deemed to be owned by the Partnership as an entity, and no Partner, individually or collectively, shall have any ownership interest in such Partnership assets or any portion thereof. Title to any or all of the Partnership assets may be held in the name of the Partnership, the General Partner, one or more of its Affiliates or one or more nominees, as the General Partner may determine. The General Partner hereby declares and warrants that any Partnership assets for which record title is held in the name of the General Partner or one or more of its Affiliates or one or more nominees shall be held by the General Partner or such Affiliate or nominee for the use and benefit of the Partnership in accordance with the provisions of this Agreement; provided, however, that the General Partner shall use its reasonable efforts to cause record title to such assets (other than those assets in respect of which the General Partner determines that the expense and difficulty of conveyancing makes transfer of record title to the Partnership impracticable) to be vested in the Partnership as soon as reasonably practicable; provided that, prior to the withdrawal or removal of the General Partner or as soon thereafter as practicable, the General Partner shall use reasonable efforts to effect the transfer of

record title to the Partnership and, prior to any such transfer, will provide for the use of such assets in a manner satisfactory to the Partnership. All Partnership assets shall be recorded as the property of the Partnership in its books and records, irrespective of the name in which record title to such Partnership assets is held. The General Partner covenants and agrees that at the Closing Date, the Partnership Group shall have all licenses, permits, certificates, franchises, or other governmental authorizations or permits necessary for the ownership of their properties or for the conduct of their businesses, except for such licenses, permits, certificates, franchises, or other governmental authorizations or permits, failure to have obtained which will not, individually or in the aggregate, have a material adverse effect on the Partnership Group.

6.12 RELIANCE BY THIRD PARTIES. Notwithstanding anything to the contrary in this Agreement, any Person dealing with the Partnership shall be entitled to assume that the General Partner and any officer of the Partnership authorized by the General Partner to act on behalf of and in the name of the Partnership has full power and authority to encumber, sell or otherwise use in any manner any and all assets of the Partnership and to enter into any contracts on behalf of the Partnership, and such Person shall be entitled to deal with the General Partner as if it were the Partnership's sole party in interest, both legally and beneficially. The Limited Partner hereby waives any and all defenses or other remedies that may be available against such Person to contest, negate or disaffirm any action of the General Partner or any such officer in connection with any such dealing. In no event shall any Person dealing with the General Partner or and such officer or its representatives be obligated to ascertain that the terms of this Agreement have been complied with or to inquire into the necessity or expedience of any act or action of the General Partner or and such officer or its representatives. Each and every certificate, document or other instrument executed on behalf of the Partnership by the General Partner or any such officer or its representatives shall be conclusive evidence in favor of any and every Person relying thereon or claiming thereunder that (a) at the time of the execution and delivery of such certificate, document or instrument, this Agreement was in full force and effect, (b) the Person executing and delivering such certificate, document or instrument was duly authorized and empowered to do so for and on behalf of the Partnership and (c) such certificate, document or instrument was duly executed and delivered in accordance with the terms and provisions of this Agreement and is binding upon the Partnership.

ARTICLE VII

RIGHTS AND OBLIGATIONS OF THE LIMITED PARTNER

7.1 LIMITATION OF LIABILITY. The Limited Partner shall have no liability under this Agreement except as expressly provided in this Agreement or the Delaware Act.

7.2 MANAGEMENT OF BUSINESS. The Limited Partner, in its capacity as such, shall not participate in the operation, management or control (within the meaning of the Delaware Act) of the Partnership's business, transact any business in the Partnership's name or have the power to sign documents for or otherwise bind the Partnership. The transaction of any such business by the General Partner, any of its Affiliates or any officer, director, employee, partner, agent or trustee of the General Partner or any of its Affiliates, in its capacity as such, shall not affect, impair or eliminate the limitations on the liability of the Limited Partner under this Agreement.

7.3 OUTSIDE ACTIVITIES. Subject to the provisions of Section 6.5, which shall continue to be applicable to the Persons referred to therein, regardless of whether such Person shall also be a Limited Partner, any Limited Partner shall be entitled to and may have business interests and engage in business activities in addition to those relating to the Partnership, including business interests and activities in direct competition with the Partnership Group. Neither the Partnership not any of the other Partners shall have any rights by virtue of this Agreement in any business ventures of any Limited Partner.

7.4 RETURN OF CAPITAL. The Limited Partner shall not be entitled to the withdrawal or return of its Contribution, except to the extent, if any, that distributions made pursuant to this Agreement or upon termination of the Partnership may be considered as such by law and then only to the extent provided for in this Agreement.

7.5 RIGHT OF THE LIMITED PARTNER RELATING TO THE PARTNERSHIP. (a) In addition to other rights provided by this Agreement or by applicable law, and except as limited by Section 7.4(b), the Limited Partner shall have the right, for a purpose reasonably related to the Limited Partner's interest as a limited partner in the Partnership, upon reasonable demand and at the Limited Partner's own expense:

(i) to obtain true and full information regarding the status of the business and financial condition of the Partnership;

(ii) promptly after becoming available, to obtain a copy of the Partnership's federal, state and local tax returns for each year;

(iii) to have furnished to it, upon notification to the General Partner, a current list of the name and last known business, residence or mailing address of each Partner;

(iv) to have furnished to it, upon notification to the General Partner, a copy of this Agreement and the Certificate of Limited Partnership and all amendments thereto, together with a copy of the executed copies of all powers of attorney pursuant to which this Agreement, the Certificate of Limited Partnership and all amendments thereto have been executed;

(v) to obtain true and full information regarding the amount of cash and a description and statement of the Net Agreed Value of any other Contribution by each Partner and which each Partner has agreed to contribute in the future, and the date on which each became a Partner; and

(vi) to obtain such other information regarding the affairs of the Partnership as is just and reasonable.

(b) The General Partner may keep confidential from the Limited Partner for such period of time as the General Partner deems reasonable, (i) any information that the General Partner reasonably believes to be in the nature of trade secrets or (ii) other information the disclosure of which the General Partner in good faith believes (A) is not in the best interests of the Partnership Group, (B) could damage the Partnership Group or (C) that the Partnership Group is required by law or by agreements with third parties to keep confidential (other than

agreements with Affiliates the primary purpose of which is to circumvent the obligations set forth in this Section 7.4).

ARTICLE VIII

BOOKS, RECORDS, ACCOUNTING AND REPORTS

8.1 RECORDS AND ACCOUNTING. The General Partner shall keep or cause to be kept at the principal office of the Partnership appropriate books and records with respect to the Partnership's business, including all books and records necessary to provide to the Limited Partner any information required to be provided pursuant to Section 7.4(a). Any books and records maintained by or on behalf of the Partnership in the regular course of its business, including books of account and records of Partnership proceedings, may be kept on, or be in the form of, computer disks, hard drives, punch cards, magnetic tape, photographs, micrographics or any other information storage device, provided, that the books and records so maintained are convertible into clearly legible written form within a reasonable period of time. The books of the Partnership shall be maintained, for financial reporting purposes, on an accrual basis in accordance with generally accepted accounting principles.

8.2 FISCAL YEAR. The fiscal year of the Partnership for financial accounting purposes shall be October 1 to September 30.

ARTICLE IX

TAX MATTERS

9.1 TAX ALLOCATIONS. The Partnership shall allocate all taxable items of income, deduction, and credit of the Partnership among the Partners in accordance with their Partnership Interests, subject to the following:

(a) SECTION 754 ELECTION. Income and deductions of the Partnership that are attributable to the Section 754 Election ("754 allocations") shall be allocated to the Partners entitled thereto.

(b) CONTRIBUTED PROPERTY. Income and deductions attributable to each property contributed to the Partnership shall be shared among the Partners so as to take into account the variation between the tax basis of such property to the Partnership at the time of contribution and its fair market value at such time ("704(c) allocations"). In addition, the General Partner will make curative allocations permitted by the Code with respect to the assets contributed to the Partnership on the Closing Date to the extent that the General Partner determines, as of the Closing Date and in light of the General Partner's estimates of its other income and deductions and its expected distributions and in light of Section 9.1(g) and Article V of the MLP Agreement, are necessary to cause the cumulative taxable income allocated in respect of the Common Units during the first four taxable years of the Partnership not to exceed 30% of the cumulative distributions in respect of the Common Units during such period.

(c) GENERAL PARTNER AUTHORITY. The General Partner may change any of the above allocations if and to the extent it determines that such change is required by the Code.

Moreover, if, as to one or more classes of tax items, the General Partner determines that more than one method is permitted or that the correct method is uncertain, the General Partner may adopt such method for reporting purposes that it thinks is in the best interest of the Partnership, taking into account ease of administration, the desire to match taxable income and deductions with economic income and deductions, the economic interests of the Partners in the Partnership, and the risk of proposed adjustments by the Internal Revenue Service and the consequences thereof.

(d) SPECIAL INTANGIBLES ALLOCATION. There shall be allocated to the General Partner all deductions attributable to the ownership of, and any gain or loss on the distribution or other disposition of, the 1989 Customer List and the rights of the Partnership Group to use without cost the "FAST" propane purchase optimization and fuel accounting system, the "STARS I" and "STARS II" proprietary software system, and the trademark, tradename, or similar intangible rights of Petrolane, the General Partner or its other Affiliates.

9.2 PREPARATION OF TAX RETURNS. The General Partner shall timely file all returns of the Partnership required for federal and state income tax purposes and shall furnish to Record Holders within 90 days of the close of the calendar year the tax information reasonably required by them for federal and state income tax reporting purposes. The classification, realization, and recognition of income, deductions, credit, and other items shall be on the accrual method of accounting for federal income tax purposes. The taxable year of the Partnership shall end on December 31.

9.3 TAX ELECTIONS. (a) The Partnership shall make the Section 754 Election in accordance with applicable regulations thereunder, subject to the reservation of the right to seek to revoke any such election upon the General Partner's determination that such revocation is in the best interests of the Limited Partners.

(b) The Partnership shall elect to deduct expenses incurred in organizing the Partnership ratably over a sixty-month period as provided in Section 709 of the Code.

(c) Except as otherwise provided herein, the General Partner shall determine whether the Partnership should make any other elections permitted by the Code.

9.4 TAX CONTROVERSIES. Subject to the provisions hereof, the General Partner is designated as the Tax Matters Partner (as defined in the Code) and is authorized and required to represent the Partnership (at the Partnership's expense) in connection with all examinations of the Partnership's affairs by tax authorities, including resulting administrative and judicial proceedings, and to expend Partnership funds for professional services and costs associated therewith. Each Partner agrees to cooperate with the General Partner and to do or refrain from doing any or all things reasonably required by the General Partner to conduct such proceedings.

ARTICLE X

TRANSFER OF INTERESTS

10.1 TRANSFER. (a) The term "transfer," when used in this Article X with respect to a Partnership Interest, shall be deemed to refer to a transaction by which a Partner assigns its

Partnership Interest to another Person and includes a sale, assignment, gift, pledge, encumbrance, hypothecation, mortgage, exchange or any other disposition by law or otherwise.

(b) No Partnership Interest shall be transferred, in whole or in part, except in accordance with the terms and conditions set forth in this Article X. Any transfer or purported transfer of a Partnership Interest not made in accordance with this Article X shall be null and void.

(c) Nothing contained in this Article X shall be construed to prevent a disposition by the parent entity of the General Partner of any or all of the issued and outstanding capital stock of the General Partner.

10.2 TRANSFER OF THE GENERAL PARTNER'S PARTNERSHIP INTEREST. If the general partner of the MLP transfers its partnership interest as the general partner therein to any Person in accordance with the provisions of the MLP Agreement, the General Partner shall contemporaneously therewith transfer its Partnership Interest as the general partner of the Partnership to such Person, and the Limited Partner hereby expressly consents to such transfer. Except as set forth in the immediately preceding sentence, the General Partner may not transfer all or any part of its Partnership Interest as the general partner in the Partnership.

10.3 TRANSFER OF THE LIMITED PARTNER'S PARTNERSHIP INTEREST. If the Limited Partner merges or consolidates with or into any other Person or transfers all or substantially all of its assets to another Person, such Person may become a Substituted Limited Partner pursuant to Article XI. Except as set forth in the immediately preceding sentence and except for the transfers contemplated by Sections 4.2 and 11.1, the Limited Partner may not transfer all or any part of its Partnership Interest or withdraw from the Partnership.

ARTICLE XI

ADMISSION OF PARTNERS

11.1 ADMISSION OF AMERIGAS AS A LIMITED PARTNER. Upon the making by AmeriGas and Petrolane of the Contributions described in Section 4.2, AmeriGas and Petrolane shall be admitted to the Partnership as Limited Partners. Upon the transfer by AmeriGas and Petrolane of their respective Partnership Interests as Limited Partners to the MLP as provided in the Conveyance and Contribution Agreement and the Merger and Contribution Agreement, AmeriGas and Petrolane shall each withdraw and cease to be a Limited Partner of the Partnership.

11.2 ADMISSION OF SUBSTITUTED LIMITED PARTNERS. Any person that is the successor in interest to a Limited Partner as described in Section 10.3 shall be admitted to the Partnership as a limited partner upon (a) furnishing to the General Partner (i) acceptance in form satisfactory to the General Partner of all of the terms and conditions of this Agreement and (ii) such other documents or instruments as may be required to effect its admission as a limited partner in the Partnership and (b) obtaining the consent of the General Partner, which consent may be given or withheld in the General Partner's sole discretion. Such Person shall be admitted to the

Partnership as a limited partner immediately prior to the transfer of the Partnership Interest, and the business of the Partnership shall continue without dissolution.

11.3 ADMISSION OF SUCCESSOR GENERAL PARTNER. A successor General Partner approved pursuant to Section 12.1 or 12.2 or the transferee of or successor to all of the General Partner's Partnership Interest as the general partner in the Partnership pursuant to Section 10.2 who is proposed to be admitted as a successor General Partner shall, subject to compliance with the terms of Section 12.3, if applicable, be admitted to the Partnership as the successor General Partner, effective immediately prior to the withdrawal or removal of the General Partner pursuant to Section 12.1 or 12.2 or the transfer of the General Partner's Partnership Interest as the general partner of the Partnership pursuant to Section 10.2. Any such successor shall, subject to the terms hereof, carry on the business of the Partnership without dissolution. In each case, the admission of such successor General Partner to the Partnership shall, subject to the terms hereof, be subject to the successor General Partner executing and delivering to the Partnership an acceptance of all of the terms and conditions of this Agreement and such other documents or instruments as may be required to effect such admission.

11.4 AMENDMENT OF AGREEMENT AND CERTIFICATE OF LIMITED PARTNERSHIP. To effect the admission to the Partnership of any Partner, the General Partner shall take all steps necessary and appropriate under the Delaware Act to amend the records of the Partnership to reflect such admission and, if necessary, to prepare as soon as practical an amendment of this Agreement and, if required by law, to prepare and file an amendment to the Certificate of Limited Partnership, and the General Partner may for this purpose, among others, exercise the power of attorney granted pursuant to Section 1.4.

11.5 ADMISSION OF ADDITIONAL LIMITED PARTNERS. (a) Person (other than the General Partner, the MLP or a Substituted Limited Partner) who makes a Contribution to the Partnership in accordance with this Agreement shall be admitted to the Partnership as an Additional Limited Partner only upon furnishing to the General Partner (i) evidence of acceptance in form satisfactory to the General Partner of all of the terms and conditions of this Agreement, including the granting of the power of attorney granted in Section 1.4, and (ii) such other documents or instruments as may be required in the discretion of the General Partner to effect such Person's admission as an Additional Limited Partner.

(b) Notwithstanding anything to the contrary in this Section 11.5, no Person shall be admitted as an Additional Limited Partner (i) without the consent of the General Partner, which consent may be given or withheld in the General Partner's sole discretion, and (ii) unless such admission is contemporaneous with a transfer by such Limited Partner of its Partnership Interest to the MLP and consequent withdrawal as a Limited Partner, during the Subordination Period. The admission of any Person as an Additional Limited Partner shall become effective on the date upon which the name of such Person is recorded as such in the books and records of the Partnership, following the consent of the General Partner to such admission.

ARTICLE XII

WITHDRAWAL OR REMOVAL OF PARTNERS

12.1 WITHDRAWAL OF THE GENERAL PARTNER. (a) The General Partner shall be deemed to have withdrawn from the Partnership upon the occurrence of any one of the following events (each such event herein referred to as an "Event of Withdrawal");

(i) the General Partner voluntarily withdraws from the Partnership by giving written notice to the Limited Partner;

(ii) the General Partner transfers all of its rights as General Partner pursuant to Section 10.2;

(iii) the General Partner is removed pursuant to Section 12.2; or

(iv) the general partner of the MLP (A) withdraws from, or (B) is removed as the general partner of, the MLP.

If an Event of Withdrawal specified in Section 12.1(a)(iv) (A) occurs, the withdrawing General Partner shall give notice to the Limited Partner within 30 days after such occurrence. The Partners hereby agree that only the Events of Withdrawal described in this Section 12.1 shall result in the withdrawal of the General Partner from the Partnership.

(b) Withdrawal of the General Partner from the Partnership upon the occurrence of an Event of Withdrawal shall not constitute a breach of this Agreement under the following circumstances: (i) at any time during the period beginning on the Closing Date and ending at 12:00 midnight, Eastern Standard Time, on December 31, 2004, the General Partner voluntarily withdraws by giving at least 90 days' advance notice of its intention to withdraw to the Limited Partner, provided that prior to the effective date of such withdrawal, the Limited Partner approves such withdrawal and the General Partner delivers to the Partnership an Opinion of Counsel ("Withdrawal Opinion of Counsel") that such withdrawal (following the selection of the successor General Partner) would not result in the loss of the limited liability of the Limited Partner, any limited partner of the Limited Partner, or any limited partner of any Group Member, or cause the Limited Partner or any Group Member to be treated as an association taxable as a corporation or otherwise to be taxed as an entity for federal income tax purposes; (ii) at any time on or after 12:00 midnight, Eastern Standard Time, on December 31, 2004, the General Partner voluntarily withdraws by giving at least 90 days' advance notice to the Limited Partner, such withdrawal to take effect on the date specified in such notice; (iii) at any time that the General Partner ceases to be the General Partner pursuant to Section 12.1(a)(ii), (iii) or (iv)(B); or (iv) at any time that the General Partner ceases to be the General Partner pursuant to Section 12.1(a)(iv)(A), and such withdrawal does not constitute a breach of the MLP Agreement. If the General Partner gives a notice of withdrawal pursuant to Section 12.1(a)(i) or Section 13.1(a)(i) of the MLP Agreement, the Limited Partner may, prior to the effective date of such withdrawal or removal, elect a successor General Partner, provided that such successor shall be the same Person, if any, that is elected by the limited partners of the MLP pursuant to Section 13.1 of the MLP Agreement as the successor to the General Partner in its capacity as general partner of the MLP. If, prior to the effective date of the General Partner's withdrawal, a successor is not selected by the Limited Partner as provided herein or the Partnership does not receive a Withdrawal Opinion of Counsel, the Partnership shall be dissolved in accordance with Section

13.1. Any successor General Partner elected in accordance with the terms of this Section 12.1 shall be subject to the provisions of Section 11.3.

12.2 REMOVAL OF THE GENERAL PARTNER. The General Partner shall be removed if such General Partner is removed as a general partner of the MLP pursuant to Section 13.2 of the MLP Agreement. Such removal shall be effective concurrently with the effectiveness of the removal of such General Partner as the general partner of the MLP pursuant to the terms of the MLP Agreement. If a successor General Partner is elected in connection with the removal of such General Partner as a general partner of the MLP, such successor General Partner shall, upon admission pursuant to Article XI, automatically become a successor General Partner of the Partnership. The admission of any such successor General Partner to the Partnership shall be subject to the provisions of Section 11.3.

12.3 INTEREST OF DEPARTING PARTNER AND SUCCESSOR GENERAL PARTNER. The Partnership Interest of a Departing Partner departing as a result of withdrawal or removal pursuant to Section 12.1 or 12.2 shall (unless it is otherwise required to be converted into Common Units pursuant to Section 13.3(b) of the MLP Agreement) be purchased by the successor to the Departing Partner for cash in the manner specified in the MLP Agreement. Such purchase (or conversion into Common Units, as applicable) shall be a condition to the admission to the Partnership of the successor as the General Partner. Any successor General Partner shall indemnify the Departing General Partner as to all debts and liabilities of the Partnership arising on or after the effective date of the withdrawal or removal of the Departing Partner.

12.4 REIMBURSEMENT OF DEPARTING PARTNER. The Departing Partner shall be entitled to receive all reimbursements due such Departing Partner pursuant to Section 6.4, including any employee-related liabilities (including severance liabilities), incurred in connection with the termination of any employees employed by such Departing Partner for the benefit of the Partnership.

12.5 WITHDRAWAL OF THE LIMITED PARTNER. Without the prior consent of the General Partner, which may be granted or withheld in its sole discretion, and except as provided in Section 11.1, the Limited Partner shall not have the right to withdraw from the Partnership.

ARTICLE XIII

DISSOLUTION AND LIQUIDATION

13.1 DISSOLUTION. The Partnership shall not be dissolved by the admission of Substituted Limited Partners or Additional Limited Partners or by the admission of a successor General Partner in accordance with the terms of this Agreement. Upon the removal or withdrawal of the General Partner, any successor General Partner shall continue the business of the Partnership. The Partnership shall dissolve and, subject to Section 13.2, its affairs should be wound up, upon:

(a) the expiration of its term as provided in Section 1.5;

(b) an Event of Withdrawal of the General Partner as provided in Section 12.1(a) (other than Section 12.1(a)(ii)), unless a successor is elected and an Opinion of Counsel is received as provided in Section 12.1(b) or 12.2 and such successor is admitted to the Partnership pursuant to Section 11.3;

(c) an election to dissolve the Partnership by the General Partner that is approved by the Limited Partner;

(d) entry of a decree of judicial dissolution of the Partnership pursuant to the provisions of the Delaware Act;

(e) the sale of all or substantially all of the assets and properties of the Partnership Group; or

(f) the dissolution of the MLP.

13.2 CONTINUATION OF THE BUSINESS OF THE PARTNERSHIP AFTER DISSOLUTION. Upon (a) dissolution of the Partnership following an Event of Withdrawal caused by the withdrawal or removal of the General Partner as provided in Section 12.1(a)(i) or (iii) and following a failure of the Limited Partner to appoint a successor General Partner as provided in Section 12.1 or 12.2, then within 90 days thereafter, or (b) dissolution of the Partnership upon an event constituting an Event of Withdrawal as defined in Section 13.1(a)(iv), (v) or (vi) of the MLP Agreement, then within 180 days thereafter, the Limited Partner may elect to reconstitute the Partnership and continue its business on the same terms and conditions set forth in this Agreement by forming a new limited partnership on terms identical to those set forth in this Agreement and having as a general partner a Person approved by the Limited Partner. In addition, upon dissolution of the Partnership pursuant to Section 13.1(f), if the MLP is reconstituted pursuant to Section 14.2 of the MLP Agreement, the reconstituted MLP may, within 180 days after such event of dissolution, as the Limited Partner, elect to reconstitute the Partnership in accordance with the immediately preceding sentence. Upon any such election by the Limited Partner, all Partners shall be bound thereby and shall be deemed to have approved same. Unless such an election is made within the applicable time period as set forth above, the Partnership shall conduct only activities necessary to wind up its affairs. If such an election is so made, then:

(i) the reconstituted Partnership shall continue until the end of the term set forth in Section 1.5 unless earlier dissolved in accordance with this Article XIII;

(ii) if the successor General Partner is not the former General Partner, then the interest of the former General Partner shall be purchased by the successor General Partner or converted into Common Units of the MLP as provided in Section 13.3 of the MLP Agreement; and

(iii) all necessary steps shall be taken to cancel this Agreement and the Certificate of Limited Partnership and to enter into and, as necessary, to file a new partnership agreement and certificate of limited partnership, and the successor General Partner may for this purpose exercise the powers of attorney granted the General Partner pursuant to Section 1.4; provided, that the right to approve a successor General Partner and to reconstitute and to continue the business of the Partnership shall not exist and may not be exercised unless the

Partnership has received an Opinion of Counsel that (x) the exercise of the right would not result in the loss of limited liability of the Limited Partner or any limited partner of the Limited Partner and (y) neither the Partnership, the reconstituted limited partnership nor any Group Member would be treated as an association taxable as a corporation or otherwise be taxable as an entity for federal income tax purposes upon the exercise of such right to continue.

13.3 LIQUIDATOR. Upon dissolution of the Partnership, unless the Partnership is continued under an election to reconstitute and continue the Partnership pursuant to Section 13.2, the General Partner, or in the event the dissolution is the result of an Event of Withdrawal, a liquidator or liquidating committee approved by the Limited Partner, shall be the Liquidator. The Liquidator (if other than the General Partner) shall be entitled to receive such compensation for its services as may be approved by the Limited Partner. The Liquidator shall agree not to resign at any time without 15 days' prior notice and (if other than the General Partner) may be removed at any time, with or without cause, by notice of removal approved by the Limited Partner. Upon dissolution, removal or resignation of the Liquidator, a successor and substitute Liquidator (who shall have and succeed to all rights, powers and duties of the original Liquidator) shall within 30 days thereafter be approved by the Limited Partner. The right to approve a successor or substitute Liquidator in the manner provided herein shall be deemed to refer also to any such successor or substitute Liquidator approved in the manner herein provided. Except as expressly provided in this Article XIII, the Liquidator approved in the manner provided herein shall have and may exercise, without further authorization or consent of any of the parties hereto, all of the powers conferred upon the General Partner under the terms of this Agreement (but subject to all of the applicable limitations, contractual and otherwise, upon the exercise of such powers, other than the limitation on sale set forth in Section 6.3(b)) to the extent necessary or desirable in the good faith judgment of the Liquidator to carry out the duties and functions of the Liquidator hereunder for and during such period of time as shall be reasonably required in the good faith judgment of the Liquidator to complete the winding-up and liquidation of the Partnership as provided for herein.

13.4 LIQUIDATION. The Liquidator shall proceed to dispose of the assets of the Partnership, discharge its liabilities, and otherwise wind up its affairs in such manner and over such period as the Liquidator determines to be in the best interest of the Partners, subject to the following:

(a) DISPOSITION OF ASSETS. The assets may be disposed of by public or private sale or by distribution in kind to one or more Partners on such terms as the Liquidator and the receiving Partner may agree. If any property is distributed in kind, the Partner receiving the property shall be deemed for purposes of Section 13.4(c) to have received cash equal to its fair market value; and contemporaneously therewith, appropriate cash distributions must be made to the other Partners.

(b) DISCHARGE OF LIABILITIES. Liabilities of the Partnership include amounts owed to Partners otherwise in respect of their distribution rights under Article V. With respect to any liability that is contingent or is otherwise not yet due and payable, the Liquidator shall either settle such claim for such amount as it thinks appropriate or establish a reserve of cash or other assets to provide for its payment. When paid, any unused portion of the reserve shall be distributed as additional liquidation proceeds.

(c) LIQUIDATION DISTRIBUTIONS. The Liquidator shall reassign the 1989 Customer List and other assets described in Section 9.1(d) to the General Partner. Subject to Section 13.4(a), all other property and all cash in excess of that required to discharge liabilities as provided in Section 13.4(b) shall be distributed to the Partners in the ratio of their respective Percentage Interests.

13.5 CANCELLATION OF CERTIFICATE OF LIMITED PARTNERSHIP. Upon the completion of the distribution of Partnership cash and property as provided in Sections 13.3 and 13.4 in connection with the liquidation of the Partnership, the Partnership shall be terminated and the Certificate of Limited Partnership and all qualifications of the Partnership as a foreign limited partnership in jurisdictions other than the State of Delaware shall be cancelled and such other actions as may be necessary to terminate the Partnership shall be taken.

13.6 RETURN OF CONTRIBUTIONS. The General Partner shall not be personally liable for, and shall have no obligation to contribute or loan any monies or property to the Partnership to enable it to effectuate, the return of the Contributions of the Limited Partner, or any portion thereof, it being expressly understood that any such return shall be made solely from Partnership assets.

13.7 WAIVER OF PARTITION. Each Partner hereby waives any right to partition of the Partnership property.

ARTICLE XIV

AMENDMENT OF PARTNERSHIP AGREEMENT

14.1 AMENDMENT TO BE ADOPTED SOLELY BY GENERAL PARTNER. The Limited Partner agrees that the General Partner (pursuant to its powers of attorney from the Limited Partner), without the approval of the Limited Partner, may amend any provision of this Agreement, and execute, swear to, acknowledge, deliver, file and record whatever documents may be required in connection therewith, to reflect:

(a) a change in the name of the Partnership, the location of the principal place of business of the Partnership, the registered agent of the Partnership or the registered office of the Partnership;

(b) admission, substitution, withdrawal or removal of Partners in accordance with this Agreement;

(c) a change that, in the sole discretion of the General Partner, is necessary or advisable to qualify or continue the qualification of the Partnership as a limited partnership or a partnership in which the limited partners have limited liability under the laws of any state or to ensure that neither the Partnership nor the MLP will be treated as an association taxable as a corporation or otherwise be taxable as an entity for federal income tax purposes;

(d) a change that, in the sole discretion of the General Partner, (i) does not adversely affect the Limited Partner in any material respect, (ii) is necessary or advisable to satisfy any requirements, conditions or guidelines contained in any opinion, directive, order,

ruling or regulation of any federal or state agency or judicial authority or contained in any federal or state statute (including the Delaware Act), compliance with any of which the General Partner determines in its sole discretion to be in the best interests of the Partnership and the Limited Partner, (iii) is required to effect the intent of the provisions of this Agreement or is otherwise contemplated by this Agreement or (iv) is required to conform the provisions of this Agreement with the provisions of the MLP Agreement as the provisions of the MLP Agreement may be amended, supplemented or restated from time to time;

(e) a change in the fiscal year and taxable year of the Partnership and any changes that, in the sole discretion of the General Partner, are necessary or advisable as a result of a change in the fiscal year and taxable year of the Partnership, including, if the General Partner shall so determine, a change in the definition of "Quarter" and the dates on which distributions are to be made by the Partnership;

(f) an amendment that is necessary, in the Opinion of Counsel, to prevent the Partnership or the General Partner or its directors or officers from in any manner being subjected to the provisions of the Investment Company Act of 1940, as amended, the Investment Advisers Act of 1940, as amended, or "plan asset" regulations adopted under the Employee Retirement Income Security Act of 1974, as amended, regardless of whether such are substantially similar to plan asset regulations currently applied or proposed by the United States Department of Labor;

(g) any amendment expressly permitted in this Agreement to be made by the General Partner acting alone;

(h) an amendment effected, necessitated or contemplated by a Merger Agreement approved in accordance with Section 15.3;

(i) an amendment that, in the sole discretion of the General Partner, is necessary or advisable to reflect, account for and deal with appropriately the formation by the Partnership of, or investment by the Partnership in, any corporation, partnership, joint venture, limited liability company or other entity, in connection with the conduct by the Partnership of activities permitted by the terms of Section 3.1; or

(j) any other amendments substantially similar to the foregoing.

14.2 AMENDMENT PROCEDURES. Except with respect to amendments of the type described in Section 14.1, all amendments to this Agreement shall be made in accordance with the following requirements. Amendments to this Agreement may be proposed only by or with the consent of the General Partner. Each such proposal shall contain the text of the proposed amendment. A proposed amendment shall be effective upon its approval by the Limited Partner.

ARTICLE XV

MERGER

15.1 AUTHORITY. The Partnership may merge or consolidate with one or more corporations, business trusts or associations, real estate investment trusts, common law trusts or

unincorporated businesses, including a general partnership or limited partnership, formed under the laws of the State of Delaware or any other state of the United States of America, pursuant to a written agreement of merger or consolidation ("Merger Agreement") in accordance with this Article XV.

15.2 PROCEDURE FOR MERGER OR CONSOLIDATION. Merger or consolidation of the Partnership pursuant to this Article XV requires the prior approval of the General Partner. If the General Partner shall determine, in the exercise of its sole discretion, to consent to the merger or consolidation, the General Partner shall approve the Merger Agreement, which shall set forth:

(a) The names and jurisdictions of formation or organization of each of the business entities proposing to merge or consolidate;

(b) The name and jurisdictions of formation or organization of the business entity that is to survive the proposed merger or consolidation (the "Surviving Business Entity");

(c) The terms and conditions of the proposed merger or consolidation;

(d) The manner and basis of exchanging or converting the equity securities of each constituent business entity for, or into, cash, property or general or limited partnership interests, rights, securities or obligations of the Surviving Business Entity; and (i) if any general or limited partner interests, securities or rights of any constituent business entity are not to be exchanged or converted solely for, or into, cash, property or general or limited partner interests, rights, securities or obligations of the Surviving Business Entity, the cash, property or general or limited partner interests, rights, securities or obligations of any limited partnership, corporation, trust or other entity (other than the Surviving Business Entity) which the holders of such general or limited partner interests, securities or rights are to receive in exchange for, or upon conversion of, their general or limited partner interests, securities or rights, and (ii) in the case of securities represented by certificates, upon the surrender of such certificates, which cash, property or general or limited partner interests, rights, securities or obligations of the Surviving Business Entity or any general or limited partnership, corporation, trust or other entity (other than the Surviving Business Entity), or evidences thereof, are to be delivered;

(e) A statement of any changes in the constituent documents or the adoption of new constituent documents (the articles or certificate of incorporation, articles of trust, declaration of trust, certificate or agreement of limited partnership or other similar charter or governing document) of the Surviving Business Entity to be effected by such merger or consolidation;

(f) The effective time of the merger, which may be the date of the filing of the certificate of merger pursuant to Section 15.4 or a later date specified in or determinable in accordance with the Merger Agreement (provided, that if the effective time of the merger is to be later than the date of the filing of the certificate of merger, the effective time shall be fixed no later than the time of the filing of the certificate of merger and stated therein); and

(g) Such other provisions with respect to the proposed merger or consolidation as are deemed necessary or appropriate by the General Partner.

15.3 APPROVAL BY LIMITED PARTNER OF MERGER OR CONSOLIDATION. (a) The General Partner, upon its approval of the Merger Agreement, shall direct that a copy or a summary of the Merger Agreement be submitted to the Limited Partner for its approval.

(b) The Merger Agreement shall be approved upon receiving the approval of the Limited Partner. After such approval by the Limited Partner, and at any time prior to the filing of the certificate of merger pursuant to Section 15.4, the merger or consolidation may be abandoned pursuant to provisions therefor, if any, set forth in the Merger Agreement.

15.4 CERTIFICATE OF MERGER. Upon the required approval by the General Partner and the Limited Partner of a Merger Agreement, a certificate of merger shall be executed and filed with the Secretary of State of the State of Delaware in conformity with the requirements of the Delaware Act.

15.5 EFFECT OF MERGER. (a) At the effective time of the certificate of merger:

(i) all of the rights, privileges and powers of each of the business entities that has merged or consolidated, and all property, real, personal and mixed, and all debts due to any of those business entities and all other things and causes of action belonging to each of those business entities shall be vested in the Surviving Business Entity and after the merger or consolidation shall be the property of the Surviving Business Entity to the extent they were of each constituent business entity;

(ii) the title to any real property vested by deed or otherwise in any of those constituent business entities shall not revert and is not in any way impaired because of the merger or consolidation;

(iii) all rights of creditors and all liens on or security interest in property of any of those constituent business entities shall be preserved unimpaired; and

(iv) all debts, liabilities and duties of those constituent business entities shall attach to the Surviving Business Entity, and may be enforced against it to the same extent as if the debts, liabilities and duties had been incurred or contracted by it.

(b) A merger or consolidation effected pursuant to this Article shall not be deemed to result in a transfer or assignment of assets or liabilities from one entity to another having occurred.

ARTICLE XVI

GENERAL PROVISIONS

16.1 ADDRESSES AND NOTICES. Any notice, demand, request or report required or permitted to be given or made to a Partner under this Agreement shall be in writing and shall be deemed given or made when received by it at the principal office of the Partnership referred to in Section 1.3.

16.2 REFERENCES. Except as specifically provided otherwise, references to "Articles" and "Sections" are to Articles and Sections of this Agreement.

16.3 PRONOUNS AND PLURALS. Whenever the context may require, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns, pronouns and verbs shall include the plural and vice versa.

16.4 FURTHER ACTION. The parties shall execute and deliver all documents, provide all information and take or refrain from taking action as may be necessary or appropriate to achieve the purposes of this Agreement.

16.5 BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their heirs, executors, administrators, successors, legal representatives and permitted assigns.

16.6 INTEGRATION. This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

16.7 CREDITORS. None of the provisions of this Agreement shall be for the benefit of, or shall be enforceable by, any creditor of the Partnership.

16.8 WAIVER. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach or any other covenant, duty, agreement or condition.

16.9 COUNTERPARTS. This Agreement may be executed in counterparts, all of which together shall constitute an agreement binding on all the parties hereto, notwithstanding that all such parties are not signatories to the original or the same counterpart. Each party shall become bound by this Agreement immediately upon affixing its signature hereto, independently of the signature of any other party.

16.10 APPLICABLE LAW. This Agreement shall be construed in accordance with and governed by the laws of the State of Delaware, without regard to the principles of conflicts of law.

16.11 INVALIDITY OF PROVISIONS. If any provision of this Agreement is or becomes invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not be affected thereby.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

GENERAL PARTNER:

AMERIGAS PROPANE, INC.

By: /s/ Robert H. Knauss

Vice President and General Counsel

LIMITED PARTNER:

AMERIGAS PARTNERS, L.P.
By: AmeriGas Propane, Inc.,
as general partner

By: /s/ Robert H. Knauss

Vice President and General Counsel

EXHIBIT 10.4

AMERIGAS PROPANE, INC.

EXECUTIVE EMPLOYEE

SEVERANCE PAY PLAN

AS IN EFFECT AS OF DECEMBER 15, 2003

AS AMENDED ON DECEMBER 6, 2004

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ARTICLE I

PURPOSE AND TERM OF PLAN

Section 1.01 Background. This Plan is amended and restated in its entirety as of December 15, 2003, with all changes effective as of that date.

Section 1.02 Purpose of the Plan. The Plan is intended to alleviate, in part or in full, financial hardships which may be experienced by certain Executive Employees employed in the United States whose employment is terminated without Just Cause, in recognition of their past service to the Company and its Affiliates. In essence, benefits under the Plan are intended to be additional compensation for past services or for the continuation of specified employee benefits for a transitional period. The amount or kind of benefit to be provided is to be based on the Executive Employee's Compensation and the employee benefit programs applicable to the Executive Employee at the Executive Employee's Employment Termination Date. The Plan is not intended to be included in the definitions of "employee pension benefit plan" and "pension plan" set forth under Section 3(2)(B)(i) of ERISA. Rather, this Plan is intended to meet the descriptive requirements of a plan constituting a "severance pay plan" within the meaning of regulations published by the Secretary of Labor at Title 29, Code of Federal Regulations, Section 2510.3-2(b). Accordingly, the benefits paid by the Plan are not deferred compensation and no employee shall have a vested right to such benefits. In addition, the Plan has been drafted to give the Company broad discretion in designating individuals who are eligible for benefits and the amount of such benefits. All actions taken by the Company shall be in its role as the plan sponsor and not as a fiduciary.

Section 1.03 Term of the Plan. This amendment and restatement is a continuation of the Company's existing Plan. The Plan will continue until such time as the Company, acting in its sole discretion, elects to modify, supersede or terminate it in accordance with the further provisions hereof.

ARTICLE II

DEFINITIONS

Section 2.01 "Affiliate" shall have the meaning ascribed to such term in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended.

Section 2.02 "Benefit" or "Benefits" shall mean any or all of the benefits that a Participant is entitled to receive pursuant to Article IV of the Plan.

Section 2.03 "Board of Directors" shall mean the Board of Directors of the Company, or any successor thereto.

Section 2.04 "Chairman of the Board" shall mean the individual serving as the Chairman of the Board of Directors as of the date of reference.

Section 2.05 "Change of Control" shall mean a change of control as defined in the attached Appendix A, as amended from time to time by the Committee, in its discretion.

Section 2.06 "Chief Executive Officer" shall mean the individual serving as the Chief Executive Officer of the Company as of the date of reference.

Section 2.07 "Committee" shall mean the administrative committee designated pursuant to Article VI of the Plan to administer the Plan in accordance with its terms, or its delegate.

Section 2.08 "Company" shall mean AmeriGas Propane, Inc., a Pennsylvania corporation, and any corporation succeeding to the business of AmeriGas Propane, Inc. by merger, consolidation, liquidation, purchase of assets or stock or a similar transaction.

Section 2.09 "Compensation" shall mean the Participant's annual base salary and applicable target annual bonus amount (if any) in effect on the first day of the calendar quarter immediately preceding the Participant's Employment Termination Date.

Section 2.10 "Employment Commencement Date" shall mean the most recent day on which a Participant became an employee of the Company, any Affiliate of the Company, or any entity whose business or assets have been acquired by the Company, its Affiliates or any predecessor of such entities, unless the Company determines to give credit for prior service, if any.

Section 2.11 "Employment Termination Date" shall mean the date on which the employment relationship between the Participant and the Company and its Affiliates is terminated.

Section 2.12 "ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

Section 2.13 "Executive Employee" shall mean an employee of the Company, or any subsidiary or other Affiliate that has adopted the Plan, who is employed in the United States and who is classified as Grade 36 or above at the employee's Employment Termination Date. In no event shall any of the following persons be considered an employee for purposes of the Plan: (i) independent contractors, (ii) persons performing services pursuant to an arrangement with a third party leasing organization or (iii) any person whom the Company determines, in its sole discretion, is not a common law employee, whether or not any such person is later determined to have been a common law employee of the Company or an Affiliate.

Section 2.14 "Executive Equity Plan" shall mean any long-term equity incentive plan of the Company or any of its Affiliates, including without limitation the AmeriGas Propane, Inc. 2000 Long-Term Incentive Plan, the UGI Corporation 2004 Omnibus Equity Compensation Plan, the UGI Corporation 2000 Stock Incentive Plan, and the UGI Corporation 1997 Stock Option and Dividend Equivalent Plan.

Section 2.15 "Just Cause" shall mean (i) dismissal of an Executive Employee due to misappropriation of funds, (ii) substance abuse or habitual insobriety that adversely affects the Executive Employee's ability to perform his or her job, (iii) conviction of a crime involving moral turpitude, or (iv) gross negligence in the performance of duties. Disputes with respect to whether Just Cause exists shall be resolved in accordance with Article IX.

Section 2.16 "Participant" shall mean any Executive Employee who has been designated by the Company as a participant in this Plan.

Section 2.17 "Plan" shall mean the AmeriGas Propane, Inc. Executive Employee Severance Pay Plan, as set forth herein, and as the same may from time to time be amended.

Section 2.18 "Plan Year" shall mean each fiscal year of the Company during which this Plan is in effect.

Section 2.19 "Release" shall mean a release and discharge of the Company, all of its Affiliates and all affiliated persons and entities from any and all claims, demands and causes of action, other than as to amounts or benefits due to the Participant under any qualified employee retirement plan of the Company or an Affiliate, which shall be in such form as may be proscribed by the Company, acting as an employer and not as a fiduciary, from time to time and with such modifications as the Company deems appropriate for the Participant's particular situation.

Section 2.20 "Restricted Awards" shall mean restricted units, restricted stock, stock units, performance units, dividend equivalents, distribution equivalents and other equity-based awards, other than stock options, that are granted to a Participant under an Executive Equity Plan.

Section 2.21 "Salary Continuation Period" shall equal one business day for each month which is included in the Participant's Years of Service plus the number of months of paid notice under Section 4.01(c) to a maximum of fifteen (15) months (eighteen (18) months in the case of the Chief Executive Officer).

Section 2.22 "Year of Service" shall mean each 12-month period (or part thereof) beginning on the Participant's Employment Commencement Date and ending on each anniversary thereof. Additional Years of Service based on earlier employment with the Company, any Affiliate of the Company or any entity whose business or assets have been acquired by the Company, its Affiliates or any predecessor of such entities, shall be counted only if permitted by the Company.

ARTICLE III

PARTICIPATION
AND ELIGIBILITY FOR BENEFITS

Section 3.01 General Eligibility Requirement. In its sole discretion, acting in its role as Plan sponsor and not as a fiduciary, the Company may grant a Benefit under this Plan to any Executive Employee whom the Company designates as a Participant and whose employment is terminated by the Company or an Affiliate other than for Just Cause, death, or continuous illness, injury or incapacity for a period of six consecutive months. Notwithstanding anything herein to the contrary, an Executive Employee will not be considered to have incurred a termination by the Company or an Affiliate for purposes of this Plan if his or her employment is discontinued due to voluntary resignation or the expiration of a leave of absence. In addition, the Executive Employee must meet the requirements of Section 3.03 in order to receive a Benefit under this Plan.

Section 3.02 Substantially Comparable Employment. In the absence of a Change of Control, notwithstanding anything herein to the contrary, no Benefits shall be due hereunder to an Executive Employee in connection with the disposition of a business, division or affiliated company by the Company or an Affiliate if substantially comparable terms of employment, as determined by the Company, have been offered to the Executive Employee by the transferee; provided, however, that the Company, acting in its role as Plan sponsor and not as a fiduciary, may determine that the Company or an Affiliate will provide some or all of the Benefits to an Executive Employee whose employment with the Company and its Affiliates is terminated as described in Section 3.01. This Section 3.02 shall not apply at or after a Change of Control.

Section 3.03 Conditions to Entitlement to Benefits.

(a) As further conditions to entitlement to Benefits under the Plan, all Participants must, prior to the payment of any Benefits due hereunder, (i) sign and not rescind or contest the enforceability of a Release; (ii) ratify any patent assignment, confidentiality, non-solicitation, non-competition and other post-employment activities agreement in effect between the Participant and the Company or an Affiliate; (iii) return to the Company and its Affiliates any and all property of the Company and its Affiliates held by the Participant, including but not limited to, all reports, manuals, memoranda, computer disks, tapes and data made available to the Participant during the performance of the Participant's duties, including all copies; (iv) hold confidential any and all information concerning the Company and its Affiliates, whether with respect to its business, subscribers, providers, customers, operations, finances, employees, contractors, or otherwise; and (v) cooperate fully with the Company and its Affiliates to complete the transition of matters with which the Participant is familiar or responsible to other employees and make himself or herself available to answer questions or assist in matters which may require attention after the Participant's Employment Termination Date.

(b) If the Committee determines, in its sole discretion, that the Participant has violated one or more of the foregoing conditions to entitlement to Benefits, the Committee may determine that the Participant will not receive the Benefits or the Company may discontinue the payment of Benefits under the Plan. Any remedy under this Section 3.03 shall be in addition to,

and not in place of, any other remedy the Company and its Affiliates may have, at law or otherwise.

ARTICLE IV

BENEFITS

Section 4.01 Amount of Immediate Cash Benefit. The Company, acting in its role as Plan sponsor and not as a fiduciary, shall determine which Executive Employees shall be awarded a Benefit hereunder and the amount of any such Benefit. The Company may take into account any factors it determines to be relevant in deciding which Executive Employees shall be awarded Benefits and the amount of such Benefits, and need not apply its determinations in a uniform manner to terminated Executive Employees similarly situated. All such decisions shall be final, binding, and conclusive with respect to the Participant. Unless the Company determines otherwise, the cash amount to be paid to a Participant eligible to receive Benefits under Section 3.01 hereof shall be paid in a lump sum as provided in Section 5.01 hereof and shall equal the sum of the amounts described in subsections (a) through (d), less the amount described in subsection (e), except that any payment under paragraph (b) below that is based on annual financial performance will be excluded from the lump sum payment and paid separately as provided below:

(a) An amount equal to the Participant's earned and accrued vacation entitlement, including banked vacation time, and personal holidays through the end of the Participant's Salary Continuation Period.

(b) An amount equal to the Participant's annual target bonus amount under the applicable annual bonus plan (or its successor) for the current Plan Year multiplied by the number of months elapsed in the current Plan Year to his or her Employment Termination Date and divided by twelve (12), together with any amounts previously deferred by the Participant under such plan (with interest thereon at the rate prescribed by such plan) as well as any amounts due from the prior year under such plan but not yet paid, provided, however, that if the Employment Termination Date occurs in the last two (2) months of the fiscal year, in lieu of the payment described above, the amount of the current Plan Year target bonus to be paid pursuant to this paragraph (b) shall be determined and paid after the end of the fiscal year in accordance with the terms and conditions of the applicable annual bonus plan as though the Participant were still an employee, except that the weighting to be applied to the Participant's business/financial performance goals under the annual bonus plan will be deemed to be 100%; provided further, however, that the Company, in its sole discretion, may determine that the amount payable pursuant to this paragraph (b) for Employment Termination Dates occurring in the last two (2) months of the fiscal year may be computed in the same manner as that provided for Employment Termination Dates occurring during the first ten (10) months of the fiscal year.

(c) In the case of the Chief Executive Officer, an amount of paid notice equal to one hundred thirty (130) times a fraction, the numerator of which is the Chief Executive Officer's Compensation and the denominator of which is two hundred sixty (260), and in the case of all other Participants, paid notice calculated as an amount equal to sixty-five (65) times a fraction the numerator of which is the Participant's Compensation and the denominator of which is two-hundred sixty (260).

(d) An amount equal to the number of the Participant's Years of Service multiplied by twelve (12) times a fraction, the numerator of which is the Participant's Compensation and the denominator of which is two-hundred sixty (260); provided, however, that such amount shall not exceed 100% of the Participant's Compensation.

(e) If the Participant's employment with the Company and its Affiliates terminates before a Change of Control, the cash amount computed in subsections (a) through (d) above shall be reduced by the amount of cash and the fair market value of any partnership units, stock or other property that is payable to the Participant under Restricted Awards after the Participant's termination of employment, as determined by the Committee. The Committee may determine that payment of a portion of the Benefit under this Plan will be delayed pending calculation of the amount payable under Restricted Awards, or the Committee may decide to pay the amounts described in subsections (a) through (d) above immediately and offset amounts payable under the Restricted Awards by the amount of the Benefit previously paid under this Plan. In no event shall a Participant be required to return to the Company or an Affiliate any amounts previously paid under this Plan as a result of a decline in the value of Restricted Awards.

(f) The offset described in subsection (e) shall not apply if the Participant's employment with the Company and its Affiliates terminates at or after a Change of Control. In addition, the offset described in subsection (e) shall not apply to any Restricted Awards for which all requirements for payment have been met before the Participant's Employment Termination Date (for example, if the restriction period for a Restricted Award ends on December 31, 2005, the Restricted Award is payable on February 1, 2006 and the Participant's employment is terminated on January 15, 2006, Benefits under this Plan shall not be offset by the Restricted Award).

(g) Notwithstanding the foregoing, the minimum payment calculated under subsections (a) through (d) above shall not be less than six (6) months of base salary at the level in effect on the beginning of the quarter immediately preceding the Employment Termination Date, without regard for target bonus, for Participants in employment grades 36-39 and one (1) year's base salary in effect on the beginning of the quarter immediately preceding the Employment Termination Date, without regard for target bonus, for Participants in employment grades 40 and higher.

Section 4.02 Executive Benefits. A Participant shall continue to be entitled, through the end of the Participant's Salary Continuation Period, to those employee benefits listed below (but only if they are in effect from time to time during the Salary Continuation Period) based upon the amount of coverage or benefit provided at the Participant's Employment Termination Date:

(a) Basic Life Insurance;

(b) Supplemental Life Insurance;

(c) Medical Plan and Dental Assistance Plan, including COBRA continuation coverage;

(d) AmeriGas Propane, Inc. Supplemental Executive Retirement Plan, and

(e) UGI Corporation Senior Executive Retirement Plan, to the extent applicable.

In each case, when contributions are required of all Executive Employees at the time of the Participant's Employment Termination Date, or thereafter, if required of all other Executive Employees, the Participant shall be responsible for making the required contributions at the employee rate, on an after-tax basis only, during the Salary Continuation Period in order to be eligible for the coverage. Notwithstanding the foregoing language, the Participant shall not be entitled to make any Flexible Spending Account (childcare or medical) contributions during the Salary Continuation Period. In lieu of any or all of the coverages provided under any of clauses (a) through (c) above, the Company or an Affiliate may pay to the Participant, at the time payment is otherwise to be made of cash Benefits pursuant to Section 5.01 hereof, a single lump sum payment equal to the then present value of the cost of such coverages. Notwithstanding anything herein to the contrary, any such coverages shall be discontinued if, and at the time, the Participant obtains other employment and becomes eligible to participate in the plan of, or is provided similar coverage by, a new employer; provided, however, that the Participant shall not be required to refund any sum to the Company or an Affiliate should a lump sum have been paid pursuant to the preceding sentence. Any applicable conversion rights shall be provided to the Participant at the time coverage ceases. The Committee shall determine to what extent, if any, any other perquisites or benefit coverages such as tax preparation services shall continue to be provided during the Salary Continuation Period and whether the Participant shall be entitled to outplacement services or to receive title to the Participant's Company-supplied automobile, if any, in which case the value of the Participant's cash Benefit under Section 4.01 hereof shall be increased accordingly. The Participant shall be responsible for the payment of sales tax on such automobile, if any.

Section 4.03 Retirement Plans. This Plan shall not govern and shall in no way affect the Participant's interest in, or entitlement to benefits under, any of the qualified retirement plans of the Company or an Affiliate, and any payments received under any such plan shall not affect a Participant's right to any Benefit hereunder.

Section 4.04 Effect on Other Benefits. There shall not be drawn from the continued provision by the Company of any of the aforementioned Benefits any implication of continued employment or of continued right to accrual of benefits under a qualified retirement plan of the Company or an Affiliate or an Executive Equity Plan, and a terminated Executive Employee shall not, except as provided in Section 4.01(a) hereof, accrue vacation days, paid holidays, paid sick days or other similar benefits normally associated with employment for any part of the Salary Continuation Period during which benefits are payable under this Plan. The benefits payable under this Plan shall be in addition to and not in lieu of any payments or benefits due to the Participant under any other plan, policy, or program of the Company and its Affiliates. Notwithstanding anything herein to the contrary, as determined by the Company, the Benefits payable under this Plan to any Participant may be reduced by any and all payments required to be made by the Company or an Affiliate under federal, state and local law, including the Worker

Adjustment and Retraining Notification Act, 29 U.S.C. Section 2101 et. seq., or under any employment agreement or special severance arrangement.

ARTICLE V

METHOD AND DURATION OF BENEFIT PAYMENTS

Section 5.01 Method of Payment. The cash Benefits to which a Participant is entitled, as determined pursuant to Article IV hereof, shall be paid in a lump sum. Payment shall be made by mailing to the last address provided by the Participant to the Company or an Affiliate. Payment shall be made as soon as reasonably practicable after the fulfillment of all conditions for payment of the Benefit set forth in Section 4.01, and subject to compliance with all requirements of Section 3.03. All payments under the Plan are subject to applicable federal, state and local taxes.

Section 5.02 Payments to Beneficiaries. Each Participant shall designate one or more beneficiaries to receive any Benefits due hereunder in the event of the Participant's death prior to the receipt of all such Benefits. Such beneficiary designation shall be made in the manner, and at the time, prescribed by the Committee. In the absence of an effective beneficiary designation hereunder, the Participant's estate shall be deemed to be the Participant's designated beneficiary.

ARTICLE VI

ADMINISTRATION

Section 6.01 Appointment. The Committee shall consist of one (1) or more persons appointed by the Board of Directors. Committee members may be, but need not be, employees of the Company.

Section 6.02 Tenure. Committee members shall serve at the pleasure of the Board of Directors. Committee members may resign at any time on ten (10) days' written notice, and Committee members may be discharged, with or without cause, at any time by the Board of Directors.

Section 6.03 Authority and Duties. It shall be the duty of the Committee, on the basis of information supplied to it by the Company, to determine the eligibility of each Participant for Benefits under the Plan, to determine the amount of Benefits to which each such Participant may be entitled, and to determine the manner, time of payment and other requirements of payment of Benefits consistent with the provisions hereof. The Company shall make such payments as are certified to it by the Committee to be due to Participants. The Committee shall have the full power and discretionary authority to construe, interpret and administer the Plan, to correct deficiencies therein, and to supply omissions. All decisions, actions, and interpretations of the Committee shall be final, binding, and conclusive upon the parties. The Committee may delegate ministerial and other responsibilities to one or more Company employees.

Section 6.04 Action by the Committee. A majority of the members of the Committee shall constitute a quorum for the transaction of business at a meeting of the Committee. Any action of the Committee may be taken upon the affirmative vote of a majority of the members of the Committee at a meeting, or at the direction of the Chairperson, without a meeting, by mail, telegraph, telephone, or electronic communication device; provided that all of the members of the Committee are informed of their right to vote on the matter before the Committee and of the outcome of the vote thereon.

Section 6.05 Officers of the Committee. The Committee shall designate one of its members to serve as Chairperson thereof. The Committee shall also designate a person to serve as Secretary of the Committee, which person may be, but need not be, a member of the Committee.

Section 6.06 Compensation of the Committee. Members of the Committee shall receive no compensation for their services as such. However, all reasonable expenses of the Committee shall be paid or reimbursed by the Company upon proper documentation. The Company shall indemnify members of the Committee against personal liability for actions taken in good faith in the discharge of their respective duties as members of the Committee.

Section 6.07 Records, Reporting, and Disclosure. The Committee shall keep all individual and group records relating to Participants and former Participants and all other records necessary for the proper operation of the Plan. Such records shall be made available to the Company and to each Participant for examination during business hours except that a Participant

shall examine only such records as pertain exclusively to the examining Participant and to the Plan. The Committee shall prepare and shall file as required by law or regulation all reports, forms, documents and other items required by ERISA, the Internal Revenue Code, and every other relevant statute, each as amended, and all regulations thereunder (except that the Company, as payor of the Benefits, shall prepare and distribute to the proper recipients all forms relating to withholding of income or wage taxes, Social Security taxes, and other amounts which may be similarly reportable).

Section 6.08 Actions of the Committee. All determinations made by the Committee under the Plan shall be made solely at the discretion of the Committee. The exercise of discretion by the Committee need not be uniformly applied to similarly situated Participants and shall be final and binding on each Participant or beneficiary to whom the determination is directed.

Section 6.09 Benefits of the Chief Executive Officer and other Executive Officers. Notwithstanding the foregoing, the Compensation/Pension Committee shall serve as the Committee under the Plan with respect to the Chief Executive Officer of the Company and other executive officers (as determined by the Board of Directors). The Compensation/Pension Committee of the Board of Directors shall make all determinations with respect to the Chief Executive Officer and other executive officers as to any matter that directly pertains to, or affects, the Chief Executive Officer or other executive officers.

Section 6.10 Bonding. The Committee shall arrange any bonding that may be required by law, but no amount in excess of the amount required by law, if any, shall be required by the Plan.

ARTICLE VII

AMENDMENT AND TERMINATION

Section 7.01 Amendment, Suspension, and Termination. The Company, by action of its Board of Directors or its Compensation/Pension Committee, retains the right, at any time and from time to time, to amend, suspend or terminate the Plan in whole or in part, for any reason, and without either the consent of or the prior notification to any Participant. No such amendment shall give the Company or an Affiliate the right to recover any amount paid to a Participant prior to the date of such amendment or to cause the cessation and discontinuance of payments of Benefits to any person or persons under the Plan already receiving Benefits.

ARTICLE VIII

DUTIES OF THE COMPANY

Section 8.01 Records. The Company shall supply to the Committee all records and information necessary to the performance of the Committee's duties.

Section 8.02 Payment. The Company shall make payments from its general assets to Participants in accordance with the terms of the Plan, as directed by the Committee.

Section 8.03 Discretion, Delegation.

(a) Any decisions, actions or interpretations to be made under the Plan by the Company shall be made in its sole discretion, not in any fiduciary capacity and need not be uniformly applied to similarly situated individuals, and such decisions, actions or interpretations shall be final, binding and conclusive upon all parties.

(b) The Company may take actions under the Plan by action of its Board of Directors or its Compensation/Pension Committee, or by action of any officer or administrative committee to whom any of the Company's authority with respect to the Plan shall have been delegated. The Compensation/Pension Committee shall be authorized to take all Company actions under the Plan with respect to the Chief Executive Officer and other executive officers (as determined by the Board of Directors).

ARTICLE IX

CLAIMS PROCEDURES

Section 9.01 Application for Benefits. Participants who believe they are eligible for benefits under this Plan may apply for such benefits by completing and filing with the Committee an application for benefits on a form supplied by the Committee. Before the date on which benefit payments commence, each such application must be supported by such information as the Committee deems relevant and appropriate.

Section 9.02 Claim. A terminated employee may contest his or her eligibility for the amount of benefit awarded by completing and filing with the Committee a written request for review in the manner specified by the Committee. Each such application must be supported by such information as the Committee deems relevant and appropriate. The Committee will review the claim and provide notice to the terminated employee, in writing, within 90 days after the claim is filed unless special circumstances require an extension of time for processing the claim. In no event shall the extension exceed a period of 90 days from the end of the initial period. In the event that any claim for benefits is denied in whole or in part, the terminated employee whose claim has been so denied shall be notified of such denial in writing by the Committee. The notice advising of the denial shall be written in a manner calculated to be understood by the terminated employee and shall set forth: (i) specific references to the pertinent Plan provisions on which the denial is based; (ii) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation as to why such information is necessary; and (iii) an explanation of the Plan's claim procedures and the time limits applicable to such procedures, including a statement of the claimant's right to bring a civil action under section 502(a) of ERISA following an adverse benefit determination on appeal.

Section 9.03 Appeals of Denied Claims for Benefits. All appeals shall be made by the following procedure:

(a) The terminated employee whose claim has been denied shall file with the Committee a notice of appeal of the denial. Such notice shall be filed within sixty (60) days of notification by the Committee of the claim denial, shall be made in writing, and shall set forth all of the facts upon which the appeal is based. Appeals not timely filed shall be barred.

(b) The claimant or his duly authorized representative may:

(i) request a review upon written notice to the Committee;

(ii) examine the Plan and obtain, upon request and without charge, copies of all information relevant to the claimant's appeal; and

(iii) submit issues and comments in writing.

(c) The Named Appeals Fiduciary (as described in Section 9.04) shall issue a decision no later than 60 days after receipt of a request for review unless special circumstances, such as the need to hold a hearing, require a longer period of time, in which case a decision shall

be rendered as soon as possible, but not later than 120 days after receipt of the terminated employee's notice of appeal.

(d) The Named Appeals Fiduciary shall consider the merits of the claimant's written presentations, the merits of any facts or evidence in support of the denial of benefits, and such other facts and circumstances as the Named Appeals Fiduciary shall deem relevant.

(e) The Named Appeals Fiduciary shall render a determination upon the appealed claim, which determination shall be accompanied by a written statement setting forth:

(i) specific reasons for the decision, written in a manner calculated to be understood by the claimant;

(ii) specific references to the pertinent Plan provisions upon which the decision is based;

(iii) the claimant's right to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to the claim for benefits; and

(iv) the claimant's right to bring a civil action under section 502(a) of ERISA.

Section 9.04 Appointment of the Named Appeals Fiduciary. The Named Appeals Fiduciary shall be the person or persons named as such by the Board of Directors, or, if no such person or persons be named, then the person or persons named by the Committee as the Named Appeals Fiduciary. Named Appeals Fiduciaries may at any time be removed by the Board of Directors, and any Named Appeals Fiduciary named by the Committee may be removed by the Committee. All such removals may be with or without cause and shall be effective on the date stated in the notice of removal. The Named Appeals Fiduciary shall be a "Named Fiduciary" within the meaning of ERISA, and unless appointed to other fiduciary responsibilities, shall have no authority, responsibility or liability with respect to any matter other than the proper discharge of the functions of the Named Appeals Fiduciary as set forth herein.

ARTICLE X

MISCELLANEOUS

Section 10.01 Nonalienation of Benefits. None of the payments, benefits or rights of any Participant shall be subject to any claim of any creditor, and, in particular, to the fullest extent permitted by law, all such payments, benefits and rights shall be free from attachment, garnishment, trustee's process, or any other legal or equitable process available to any creditor of such Participant. No Participant shall have the right to alienate, anticipate, commute, pledge, encumber or assign any of the benefits or payments which the Participant may expect to receive, contingently or otherwise, under this Plan.

Section 10.02 No Contract of Employment. Neither the establishment of the Plan, nor any modification thereof, nor the creation of any fund, trust or account, nor the payment of any benefits shall be construed as giving any Participant, or any person whosoever, the right to be retained in the service of the Company or an Affiliate, and all Participants shall remain subject to discharge to the same extent as if the Plan had never been adopted.

Section 10.03 Severability of Provisions. If any provision of this Plan shall be held invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect any other provisions hereof, and this Plan shall be construed and enforced as if such provisions had not been included.

Section 10.04 Successors, Heirs, Assigns, and Personal Representatives. This Plan shall be binding upon the heirs, executors, administrators, successors and assigns of the parties, including each Participant, present and future. Unless the Committee directs otherwise, the Company shall require any successor or successors (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, or a division or Affiliate thereof, (i) to acknowledge expressly that this Plan is binding upon and enforceable against such successor in accordance with the terms hereof, (ii) to become jointly and severally obligated with the Company to perform the obligations under this Plan, and (iii) to agree not to amend or terminate the Plan for a period of three (3) years after the date of succession without the consent of the affected Participant.

Section 10.05 Headings and Captions. The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan, and shall not be employed in the construction of the Plan.

Section 10.06 Gender and Number. Except where otherwise clearly indicated by context, the masculine and the neuter shall include the feminine and the neuter, the singular shall include the plural, and vice-versa.

Section 10.07 Unfunded Plan. The Plan shall not be funded. The Company may, but shall not be required to, set aside or designate an amount necessary to provide the Benefits specified herein (including the establishment of trusts). In any event, no Participant shall have any right to, or interest in, any assets of the Company or an Affiliate which may be applied by the Company or an Affiliate to the payment of Benefits.

Section 10.08 Payments to Incompetent Persons. Any Benefit payable to or for the benefit of a minor, an incompetent person, or other person incapable of receipting therefor shall be deemed paid when paid to such person's guardian or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge the Company, its Affiliates, the Committee and all other parties with respect thereto.

Section 10.09 Lost Payees. A Benefit shall be deemed forfeited if the Committee is unable to locate a Participant to whom a Benefit is due. Such Benefit shall be reinstated if application is made by the Participant for the forfeited Benefit while this Plan is in operation.

Section 10.10 Controlling Law. This Plan shall be construed and enforced according to the laws of the Commonwealth of Pennsylvania, to the extent not preempted by Federal law, without giving effect to any Pennsylvania choice of law provisions.

IN WITNESS WHEREOF, the Company has caused the Plan to be executed by its duly authorized officer and its corporate seal to be affixed hereto as of the effective date described above.

AMERIGAS PROPANE, INC.

Attest

_____ By:_____

Secretary Vice President - Human Resources

APPENDIX A

CHANGE OF CONTROL

For purposes of this Plan, the term "Change of Control," and defined terms used in the definition of "Change of Control," shall have the following meanings:

1. "Change of Control" shall mean:

(a) Any Person (except UGI, any Subsidiary of UGI, any employee benefit plan of UGI or of any Subsidiary of UGI, or any Person or entity organized, appointed or established by UGI for or pursuant to the terms of any such employee benefit plan), together with all Affiliates and Associates of such Person, becomes the Beneficial Owner in the aggregate of twenty percent (20%) or more of either (i) the then outstanding shares of common stock of UGI (the "Outstanding UGI Common Stock") or (ii) the combined voting power of the then outstanding voting securities of UGI entitled to vote generally in the election of directors (the "UGI Voting Securities"); in either case unless the members of UGI's Executive Committee in office immediately prior to such acquisition determine within five business days of the receipt of actual notice of such acquisition that the circumstances do not warrant the implementation of the Change of Control provisions of this Plan; or

(b) Individuals who, as of the beginning of any twenty-four (24) month period, constitute the UGI Board of Directors (the "Incumbent UGI Board") cease for any reason to constitute at least a majority of the Incumbent UGI Board, provided that any individual becoming a director of UGI subsequent to the beginning of such period whose election or nomination for election by the UGI stockholders was approved by a vote of at least a majority of the directors then comprising the Incumbent UGI Board shall be considered as though such individual were a member of the Incumbent UGI Board, but excluding, for this purpose, any such individual whose initial assumption of office is in connection with an actual or threatened election contest relating to the election of the Directors of UGI (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act); or

(c) Completion by UGI of a reorganization, merger or consolidation (a "Business Combination"), in each case, with respect to which all or substantially all of the individuals and entities who were the respective Beneficial Owners of the Outstanding UGI Common Stock and UGI Voting Securities immediately prior to such Business Combination do not, following such Business Combination, Beneficially Own, directly or indirectly, more than fifty percent (50%) of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination in substantially the same proportion as their ownership immediately prior to such Business Combination of the Outstanding UGI Common Stock and UGI Voting Securities, as the case may be; in either case unless the members of UGI's Executive Committee in office immediately prior to such Business Combination determine at the time of such Business Combination that the circumstances do not warrant the implementation of the Change of Control provisions of this Plan; or

(d) Completion of (a) a complete liquidation or dissolution of UGI or (b) sale or other disposition of all or substantially all of the assets of UGI other than to a corporation with respect to which, following such sale or disposition, more than fifty percent (50%) of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors is then owned beneficially, directly or indirectly, by all or substantially all of the individuals and entities who were the Beneficial Owners, respectively, of the Outstanding UGI Common Stock and UGI Voting Securities immediately prior to such sale or disposition in substantially the same proportion as their ownership of the Outstanding UGI Common Stock and UGI Voting Securities, as the case may be, immediately prior to such sale or disposition; in either case unless the members of UGI's Executive Committee in office immediately prior to such sale or disposition determine at the time of such sale or disposition that the circumstances do not warrant the implementation of the Change of Control provisions of this Plan; or

(e) Completion by the Company, Public Partnership or the Operating Partnership of a reorganization, merger or consolidation (a "Propane Business Combination"), in each case, with respect to which all or substantially all of the individuals and entities who were the respective Beneficial Owners of the Company's voting securities or of the outstanding units of AmeriGas Partners, L.P. ("Outstanding Units") immediately prior to such Propane Business Combination do not, following such Propane Business Combination, Beneficially Own, directly or indirectly, (a) if the entity resulting from such Propane Business Combination is a corporation, more than fifty percent (50%) of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of such corporation in substantially the same proportion as their ownership immediately prior to such Combination of the Company's voting securities or the Outstanding Units, as the case may be, or, (b) if the entity resulting from such Propane Business Combination is a partnership, more than fifty percent (50%) of the then outstanding common units of such partnership in substantially the same proportion as their ownership immediately prior to such Propane Business Combination of the Company's voting securities or the Outstanding Units, as the case may be; or

(f) Completion of (a) a complete liquidation or dissolution of the Company, the Public Partnership or the Operating Partnership or (b) sale or other disposition of all or substantially all of the assets of the Company, the Public Partnership or the Operating Partnership other than to an entity with respect to which, following such sale or disposition, (I) if such entity is a corporation, more than fifty percent (50%) of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors is then owned beneficially, directly or indirectly, by all or substantially all of the individuals and entities who were the Beneficial Owners, respectively, of the Company's voting securities or of the Outstanding Units, as the case may be, immediately prior to such sale or disposition in substantially the same proportion as their ownership of the Company's voting securities or of the Outstanding Units, as the case may be, immediately prior to such sale or disposition, or, (II) if such entity is a partnership, more than fifty percent (50%) of the then outstanding common units is then owned beneficially, directly or indirectly, by all or substantially all of the individuals and entities who were the Beneficial Owners, respectively, of the Company's voting securities or of the Outstanding Units, as the case may be, immediately prior to such sale or disposition in substantially the same proportion as their

ownership of the Company's voting securities or of the Outstanding Units immediately prior to such sale or disposition; or

(g) UGI and its Subsidiaries fail to own more than fifty percent (50%) of the then outstanding general partnership interests of the Public Partnership or the Operating Partnership; or

(h) UGI and its Subsidiaries fail to own more than fifty percent (50%) of the then outstanding shares of common stock of the Company or more than fifty percent (50%) of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors; or

(i) The Company is removed as the general partner of the Public Partnership by vote of the limited partners of the Public Partnership, or is removed as the general partner of the Public Partnership or the Operating Partnership as a result of judicial or administrative proceedings involving the Company, the Public Partnership or the Operating Partnership.

2. "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 of the General Rules and Regulations under the Securities Exchange Act of 1934, as amended (the "Exchange Act").

3. A Person shall be deemed the "Beneficial Owner" of any securities: (i) that such Person or any of such Person's Affiliates or Associates, directly or indirectly, has the right to acquire (whether such right is exercisable immediately or only after the passage of time) pursuant to any agreement, arrangement or understanding (whether or not in writing) or upon the exercise of conversion rights, exchange rights, rights, warrants or options, or otherwise; provided, however, that a Person shall not be deemed the "Beneficial Owner" of securities tendered pursuant to a tender or exchange offer made by such Person or any of such Person's Affiliates or Associates until such tendered securities are accepted for payment, purchase or exchange; (ii) that such Person or any of such Person's Affiliates or Associates, directly or indirectly, has the right to vote or dispose of or has "beneficial ownership" of (as determined pursuant to Rule 13d-3 of the General Rules and Regulations under the Exchange Act), including without limitation pursuant to any agreement, arrangement or understanding, whether or not in writing; provided, however, that a Person shall not be deemed the "Beneficial Owner" of any security under this clause (ii) as a result of an oral or written agreement, arrangement or understanding to vote such security if such agreement, arrangement or understanding (A) arises solely from a revocable proxy given in response to a public proxy or consent solicitation made pursuant to, and in accordance with, the applicable provisions of the General Rules and Regulations under the Exchange Act, and (B) is not then reportable by such Person on Schedule 13D under the Exchange Act (or any comparable or successor report); or (iii) that are beneficially owned, directly or indirectly, by any other Person (or any Affiliate or Associate thereof) with which such Person (or any of such Person's Affiliates or Associates) has any agreement, arrangement or understanding (whether or not in writing) for the purpose of acquiring, holding, voting (except pursuant to a revocable proxy as described in the proviso to clause (ii) above) or disposing of any securities; provided, however, that nothing in this Section 1(c) shall cause a Person engaged in business as an underwriter of securities to be the "Beneficial

Owner" of any securities acquired through such Person's participation in good faith in a firm commitment underwriting until the expiration of forty (40) days after the date of such acquisition.

4. "Operating Partnership" shall mean AmeriGas Propane, L.P.

5. "Public Partnership" shall mean AmeriGas Partners, L.P.

6. "Person" shall mean an individual or a corporation, partnership, trust, unincorporated organization, association, or other entity.

7. "Subsidiary" shall mean any corporation in which UGI or the Company, as applicable, directly or indirectly, owns at least a fifty percent (50%) interest or an unincorporated entity of which UGI or the Company, as applicable, directly or indirectly, owns at least fifty percent (50%) of the profits or capital interests.

8. "UGI" shall mean UGI Corporation.

EXHIBIT 10.10(a)

EXECUTION COPY

SECOND AMENDMENT TO GENERAL SECURITY AGREEMENT

This SECOND AMENDMENT TO GENERAL SECURITY AGREEMENT (this "AMENDMENT") dated as of October 14, 2004, is by and among AMERIGAS PROPANE, L.P., a Delaware limited partnership (the "COMPANY"), WACHOVIA BANK, NATIONAL ASSOCIATION, as collateral agent (in such capacity, the "COLLATERAL AGENT") and MELLON BANK, N.A., as cash collateral sub-agent (in such capacity, the "CASH COLLATERAL SUB-AGENT").

WITNESSETH:

WHEREAS, the Company, Bank of America, N.A. (formerly Bank of America National Trust and Savings Association) ("BofA") and the Cash Collateral Sub-Agent are parties to that certain General Security Agreement, dated as of April 19, 1995, as amended by that certain First Amendment to General Security Agreement, dated as of July 31, 2001 (as amended, the "SECURITY AGREEMENT");

WHEREAS, on August 28, 2003 and pursuant to Section 12 of that certain Intercreditor and Agency Agreement dated as of April 19, 1995 among the Company, AmeriGas Propane, Inc., Petrolane Incorporated, BofA and the other parties thereto (as amended, supplement, assigned or otherwise modified from time to time pursuant to the terms thereof, the "INTERCREDITOR AGREEMENT"), BofA resigned as collateral agent and the Collateral Agent was appointed as successor collateral agent to BofA; and

WHEREAS, the Company has requested that the Collateral Agent agree to certain modifications to the terms of the Security Agreement, and the Collateral Agent has agreed to make such modifications on the terms and conditions set forth in this Amendment.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Definitions; Incorporation of Recitals. Except as otherwise defined in this Amendment, capitalized terms used herein and not otherwise defined herein have the meanings ascribed thereto in the Security Agreement. Each of the above recitals is incorporated herein and made a part hereof.

SECTION 2. Amendment to Section 2.10(a) of the Security Agreement. Subject to the satisfaction of the conditions precedent specified in Section 4 below, but effective as of the date hereof, the Security Agreement shall be amended as follows by deleting Section 2.10(a) of the Security Agreement and replacing it with the following:

"2.10. Cash Management System; Deposits to the Cash Concentration Account. (a) The Company has established a cash management system whereby the Company and each Restricted Subsidiary have established various local depository accounts and various local disbursement accounts (each, a "LOCAL ACCOUNT"; collectively, the "LOCAL ACCOUNTS") into which cash, checks, drafts, securities, certificates and instruments (the "COLLECTED FUNDS") received by the Company and its Restricted Subsidiaries (and not otherwise deposited directly into the Cash Concentration Account) shall be deposited on each Business Day that such Collected Funds exceed $5,000 or no later than the last Business Day of each calendar week, if no such deposits have been made in such calendar week. The Collected Funds held in any Local Account shall be transferred through the automated clearing-house system to the Cash Concentration Account on each Business Day that such Collected Funds in such Local Account exceed $5,000 or no later than the last Business Day of each calendar week, if no such transfers have been made in such calendar week."

SECTION 3. Company's Representations and Warranties. The Company represents and warrants to the Collateral Agent that after giving effect to the amendments provided for herein: (a) the representations and warranties set forth in Article II of the Security Agreement are true and correct in all material respects on the date hereof as if made on and as of the date hereof (except to the extent such representations and warranties expressly are limited to an earlier date, in which case such representations and warranties are true and correct on and as of such earlier date) and as if each reference in said Article II to "this Agreement" includes reference to the Security Agreement as amended by this Amendment; (b) no General Default or General Event of Default has occurred and is continuing on the date hereof and (c) there are no set-offs or defenses against the Security Agreement as amended by this Amendment or any other Loan Document (as such term is defined in that certain Credit Agreement, dated as of August 28, 2003, by among the Company, as Borrower, General Partner, as guarantor, Petrolane, as guarantor, Wachovia Bank, National Association, as administrative agent and the banks a party thereto (as amended, restated, supplemented or otherwise modified from time to time in accordance with its terms, the "CREDIT AGREEMENT")), Note Agreement or Parity Debt Agreement.

SECTION 4. Conditions Precedent. The effectiveness of this Amendment is subject to the satisfaction of the following conditions precedent:

4.01. Execution. This Amendment shall have been executed and delivered by the Company, the Collateral Agent and the Cash Collateral Sub-Agent.

4.02. Direction Notice. The Collateral Agent shall have received a Direction Notice, in form and substance satisfactory to the Collateral Agent, from the Requisite Percentage with respect to, among other things, the amendment to the Security Agreement and the Subsidiary Security Agreement.

4.03 Documents. The Collateral Agent shall have received the following documents, each of which shall be in form and substance satisfactory to the Collateral Agent:

(a) Resolutions; Incumbency.

(i) Copies of corporate or partnership authorizations for the Company authorizing the transactions contemplated hereby to which it is a party, certified as of the date hereof by the Secretary or an Assistant Secretary of the Company; and

(ii) A certificate of the Secretary or Assistant Secretary of the Company certifying the names and true signatures of its officers authorized to execute, deliver and perform, as applicable, on behalf of such Person, this Amendment.

(b) Legal Opinions. An opinion of Morgan, Lewis & Bockius LLP, special counsel for the Company, in form and substance reasonably satisfactory to the Collateral Agent.

(c) Amendment to Credit Agreement. A copy of the Amendment No. 1 to Credit Agreement executed by the Company, General Partner, Petrolane, Wachovia Bank, National Association, as administrative agent and each of the banks listed therein.

(d) Other Documents. Such other approvals, opinions, documents or materials as the Collateral Agent may reasonably request.

4.03. Fees. Receipt by Collateral Agent of all fees and disbursements of counsel of the Collateral Agent incurred in connection with this Amendment.

SECTION 5. Expenses. The Company shall pay (a) all out-of-pocket expenses of the Collateral Agent (including reasonable fees and disbursements of counsel for the Collateral Agent) in connection with the preparation of this Amendment and any other instruments or documents to be delivered hereunder, any waiver or consent hereunder or thereunder or any amendment hereof or thereof; and (b) if a General Event of Default occurs, all out-of-pocket expenses incurred by the Collateral Agent and each of the holders of Parity Debt, including fees and disbursements of counsel of the Collateral Agent and each holder of Parity Debt, in connection with such General Event of Default and collection and other enforcement proceedings resulting therefrom, including out-of-pocket expenses incurred in enforcing the Security Agreement as amended by this Amendment, and the Parity Debt Agreements and the other Loan Documents (as such term is defined in the Credit Agreement).

SECTION 6. Miscellaneous.

(a) General. References (i) in the Security Agreement (including references to the Security Agreement as amended hereby) to "this Agreement" (and indirect references such as "hereunder," "hereof" and words of like import referring to the Security Agreement); (ii) in the Credit Agreement to "the General Security Agreement"; (iii) in the other Security Documents and Parity Debt Agreements to "the General Security Agreement"; and (iv) indirect references such as "thereunder," "thereof" and words of like import referring to the Security Agreement, shall be deemed to be references to the Security Agreement as amended by this Amendment. This Amendment shall be a "Security Document" under the Intercreditor Agreement.

(b) Ratification. Except as herein provided, the Security Agreement, the Parity Debt Agreements and all other Security Documents shall remain unchanged and shall continue to be in full force and effect and are hereby ratified and confirmed in all respects.

(c) Counterparts. This Amendment may be executed in any number of counterparts, all of which taken together shall constitute one and the same amendatory instrument, and any of the parties hereto may execute this Amendment by signing any such counterpart.

(d) Governing Law. This Amendment shall be governed by, and construed in accordance with, the law of the State of New York.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first written above.

AMERIGAS PROPANE, L.P.

By: AMERIGAS PROPANE, INC.,
as General Partner

By:

Name: Martha B. Lindsay
Title: Vice President Finance and Chief Financial Officer

WACHOVIA BANK NATIONAL
ASSOCIATION, as Collateral Agent

By:

Name: Lawrence P. Sullivan
Title: Director

MELLON BANK, N.A.,
as Cash Collateral Sub-Agent

By:

Name:
Title:

EXHIBIT 10.12(a)

EXECUTION COPY

SECOND AMENDMENT TO SUBSIDIARY SECURITY AGREEMENT

This SECOND AMENDMENT TO SUBSIDIARY SECURITY AGREEMENT (this "AMENDMENT") dated as of October 14, 2004, is by and among AMERIGAS PROPANE PARTS & SERVICE, INC., a Pennsylvania corporation, AMERIGAS EAGLE PROPANE, INC. (formerly Columbia Propane Corporation), a Delaware corporation and AMERIGAS EAGLE HOLDINGS, INC. (formerly CP Holdings, Inc.), a Delaware corporation (each an "ASSIGNOR"; collectively the "ASSIGNORS"), WACHOVIA BANK, NATIONAL ASSOCIATION, as collateral agent (in such capacity, the "COLLATERAL AGENT") and MELLON BANK, N.A., as cash collateral sub-agent (in such capacity, the "CASH COLLATERAL SUB-AGENT").

WITNESSETH:

WHEREAS, the Assignors, Bank of America, N.A. (formerly Bank of America National Trust and Savings Association) ("BofA") and the Cash Collateral Sub-Agent are parties to that certain Subsidiary Security Agreement, dated as of April 19, 1995, as amended by that certain First Amendment to Subsidiary Security Agreement, dated as of July 31, 2001 (as amended, the "SECURITY AGREEMENT");

WHEREAS, on August 28, 2003 and pursuant to Section 12 of that certain Intercreditor and Agency Agreement dated as of April 19, 1995 among AmeriGas Propane, L.P. (the "COMPANY"), AmeriGas Propane, Inc., Petrolane Incorporated, BofA and the other parties thereto (as amended, supplement, assigned or otherwise modified from time to time pursuant to the terms thereof, the "INTERCREDITOR AGREEMENT"), BofA resigned as collateral agent and the Collateral Agent was appointed as successor collateral agent to BofA; and

WHEREAS, the Assignors have requested that the Collateral Agent agree to certain modifications to the terms of the Security Agreement, and the Collateral Agent has agreed to make such modifications on the terms and conditions set forth in this Amendment.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the parties hereto hereby agree as follows:

SECTION 1. Definitions; Incorporation of Recitals. Except as otherwise defined in this Amendment, capitalized terms used herein and not otherwise defined herein have the meanings ascribed thereto in the Security Agreement. Each of the above recitals is incorporated herein and made a part hereof.

SECTION 2. Amendment to Section 2.10(a) of the Security Agreement. Subject to the satisfaction of the conditions precedent specified in Section 4 below, but effective as of the date hereof, the Security Agreement shall be amended as follows by deleting Section 2.10(a) of the Security Agreement and replacing it with the following:

"2.10. Cash Management System; Deposits to the Cash Concentration Account. (a) Each Assignor has established a cash management system whereby each Assignor and each of its subsidiaries that is a Restricted Subsidiary have established various local depository accounts and various local disbursement accounts (each, a "LOCAL ACCOUNT"; collectively, the "LOCAL ACCOUNTS") into which cash, checks, drafts, securities, certificates and instruments (the "COLLECTED FUNDS") received by such Assignor and such subsidiaries (and not otherwise deposited directly into the Cash Concentration Account) shall be deposited on each Business Day that such Collected Funds exceed $5,000 or no later than the last Business Day of each calendar week, if no such deposits have been made in such calendar week. The Collected Funds held in any Local Account shall be transferred through the automated clearing-house system to the Cash Concentration Account on each Business Day that such Collected Funds in such Local Account exceed $5,000 or no later than the last Business Day of each calendar week, if no such transfers have been made in such calendar week."

SECTION 3. Assignors' Representations and Warranties. Each Assignor represents and warrants to the Collateral Agent that after giving effect to the amendments provided for herein: (a) the representations and warranties set forth in Article II of the Security Agreement are true and correct in all material respects on the date hereof as if made on and as of the date hereof (except to the extent such representations and warranties expressly are limited to an earlier date, in which case such representations and warranties are true and correct on and as of such earlier date) and as if each reference in said Article II to "this Agreement" includes reference to the Security Agreement as amended by this Amendment; (b) no General Default or General Event of Default has occurred and is continuing on the date hereof and (c) there are no set-offs or defenses against the Security Agreement as amended by this Amendment or any other Loan Document (as such term is defined in that certain Credit Agreement, dated as of August 28, 2003, by among the Company, as Borrower, General Partner, as guarantor, Petrolane, as guarantor, Wachovia Bank, National Association, as administrative agent and the banks a party thereto (as amended, restated, supplemented or otherwise modified from time to time in accordance with its terms, the "CREDIT AGREEMENT")), Note Agreement or Parity Debt Agreement.

SECTION 4. Conditions Precedent. The effectiveness of this Amendment is subject to the satisfaction of the following conditions precedent:

4.01. Execution. This Amendment shall have been executed and delivered by each Assignor, the Collateral Agent and the Cash Collateral Sub-Agent.

4.02. Direction Notice. The Collateral Agent shall have received a Direction Notice, in form and substance satisfactory to the Collateral Agent, from the Requisite Percentage with respect to, among other things, the amendment to the Security Agreement and the General Security Agreement.

4.03 Documents. The Collateral Agent shall have received the following documents, each of which shall be in form and substance satisfactory to the Collateral Agent:

(a) Resolutions; Incumbency.

(i) Copies of corporate or partnership authorizations for each Assignor authorizing the transactions contemplated hereby to which it is a party, certified as of the date hereof by the Secretary or an Assistant Secretary of such Assignor; and

(ii) A certificate of the Secretary or Assistant Secretary of each Assignor certifying the names and true signatures of its officers authorized to execute, deliver and perform, as applicable, on behalf of such Person, this Amendment.

(b) Legal Opinions. An opinion of Morgan, Lewis & Bockius LLP, special counsel for the Assignors, in form and substance reasonably satisfactory to the Collateral Agent.

(c) Amendment to Credit Agreement. A copy of the Amendment No. 1 to Credit Agreement executed by the Company, General Partner, Petrolane, Wachovia Bank, National Association, as administrative agent and each of the banks listed therein.

(d) Other Documents. Such other approvals, opinions, documents or materials as the Collateral Agent may reasonably request.

4.03. Fees. Receipt by Collateral Agent of all fees and disbursements of counsel of the Collateral Agent incurred in connection with this Amendment.

SECTION 5. Expenses. The Assignors shall pay (a) all out-of-pocket expenses of the Collateral Agent (including reasonable fees and disbursements of counsel for the Collateral Agent) in connection with the preparation of this Amendment and any other instruments or documents to be delivered hereunder, any waiver or consent hereunder or thereunder or any amendment hereof or thereof; and (b) if a General Event of Default occurs, all out-of-pocket expenses incurred by the Collateral Agent and each of the holders of Parity Debt, including fees and disbursements of counsel of the Collateral Agent and each holder of Parity Debt, in connection with such General Event of Default and collection and other enforcement proceedings resulting therefrom, including out-of-pocket expenses incurred in enforcing the Security Agreement as amended by this Amendment, and the Parity Debt Agreements and the other Loan Documents (as such term is defined in the Credit Agreement).

SECTION 6. Miscellaneous.

(a) General. References (i) in the Security Agreement (including references to the Security Agreement as amended hereby) to "this Agreement" (and indirect references such as "hereunder," "hereof" and words of like import referring to the Security Agreement); (ii) in the Credit Agreement to "the Subsidiary Security Agreement"; (iii) in the other Security Documents and Parity Debt Agreements to "the Subsidiary Security Agreement"; and (iv) indirect references such as "thereunder," "thereof" and words of like import referring to the Security Agreement, shall be deemed to be references to the Security Agreement as amended by this Amendment. This Amendment shall be a "Security Document" under the Intercreditor Agreement.

(b) Ratification. Except as herein provided, the Security Agreement, the Parity Debt Agreements and all other Security Documents shall remain unchanged and shall continue to be in full force and effect and are hereby ratified and confirmed in all respects.

(c) Counterparts. This Amendment may be executed in any number of counterparts, all of which taken together shall constitute one and the same amendatory instrument, and any of the parties hereto may execute this Amendment by signing any such counterpart.

(d) Governing Law. This Amendment shall be governed by, and construed in accordance with, the law of the State of New York.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first written above.

AMERIGAS PROPANE PARTS &
SERVICE, INC.

By:

Name: Martha B. Lindsay
Title: Vice President Finance and Chief
Financial Officer

AMERIGAS EAGLE PROPANE, INC.
(FORMERLY COLUMBIA PROPANE
CORPORATION)

By:

Name: Martha B. Lindsay
Title: Vice President Finance and Chief
Financial Officer

AMERIGAS EAGLE HOLDINGS, INC.
(FORMERLY CP HOLDINGS, INC.)

By:

Name: Martha B. Lindsay
Title: Vice President Finance and Chief
Financial Officer

WACHOVIA BANK NATIONAL
ASSOCIATION, as Collateral Agent

By:

Name: Lawrence P. Sullivan
Title: Director

MELLON BANK, N.A.,
as Cash Collateral Sub-Agent

By:

Name:
Title:

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EXHIBIT 13

AmeriGas Partners, L.P. 2004 Annual Report

CONSOLIDATED BALANCE SHEETS
(Thousands of dollars)

	September 30, 2004	September 30, 2003
ASSETS		
Current assets:		
Cash and cash equivalents	$ 40,583	$ 45,872
Accounts receivable (less allowances for doubtful accounts of $11,964 and $9,192, respectively)	141,709	114,082
Accounts receivable - related parties	5,137	2,915
Inventories	84,753	70,171
Prepaid expenses and other current assets	25,934	17,204
Total current assets	298,116	250,244
Property, plant and equipment (less accumulated depreciation and amortization of $520,447 and $473,090, respectively)	592,353	594,604
Goodwill and excess reorganization value	609,058	602,475
Intangible assets (less accumulated amortization of $16,158 and $11,934, respectively)	28,612	27,032
Other assets	22,088	21,733
Total assets	$1,550,227	$1,496,088
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities:		
Current maturities of long-term debt	$ 60,068	$ 58,705
Accounts payable - trade	112,315	87,352
Accounts payable - related parties	1,309	930
Employee compensation and benefits accrued	30,023	26,307
Interest accrued	30,675	31,987
Customer deposits and advances	78,907	66,683
Other current liabilities	39,173	39,996
Total current liabilities	352,470	311,960
Long-term debt	841,283	868,581
Other noncurrent liabilities	59,687	54,859
Commitments and contingencies (note 10)		
Minority interests	7,749	7,005
Partners' capital:		
Common unitholders (units issued - 54,473,272 and 52,333,208, respectively)	276,887	255,423
General partner	2,783	2,577
Accumulated other comprehensive income (loss)	9,368	(4,317)
Total partners' capital	289,038	253,683
Total liabilities and partners' capital	$1,550,227	$1,496,088

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS
(Thousands of dollars, except per unit)

	Year Ended September 30,		
	2004	2003	2002
Revenues:			
Propane	$ 1,639,700	$ 1,502,564	$ 1,191,649
Other	136,200	125,860	116,231
	1,775,900	1,628,424	1,307,880
Costs and expenses:			
Cost of sales - propane	972,302	856,883	605,695
Cost of sales - other	56,937	53,452	47,383
Operating and administrative expenses	501,073	488,434	447,809
Depreciation and amortization	80,612	74,625	66,104
Other income, net	(11,744)	(8,960)	(4,403)
	1,599,180	1,464,434	1,162,588
Operating income	176,720	163,990	145,292
Loss on extinguishments of debt	-	(3,023)	(752)
Interest expense	(83,175)	(87,195)	(87,839)
Income before income taxes	93,545	73,772	56,701
Income tax expense	(269)	(586)	(340)
Minority interests	(1,422)	(1,228)	(995)
Net income	$ 91,854	$ 71,958	$ 55,366
General partner's interest in net income	$ 919	$ 720	$ 554
Limited partners' interest in net income	$ 90,935	$ 71,238	$ 54,812
Income per limited partner unit - basic and diluted	$ 1.71	$ 1.42	$ 1.12
Average limited partner units outstanding (thousands):			
Basic	53,097	50,267	48,909
Diluted	53,172	50,337	48,932

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(Thousands of dollars)

	Year Ended September 30.		
	2004	2003	2002
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 91,854	$ 71,958	$ 55,366
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	80,612	74,625	66,104
Other, net	7,466	6,747	1,321
Net change in:			
Accounts receivable	(34,460)	(20,281)	6,834
Inventories	(11,157)	(7,510)	10,576
Accounts payable	22,000	1,389	9,579
Other current assets and liabilities	21,344	12,375	9,740
Net cash provided by operating activities	177,659	139,303	159,520
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditures for property, plant and equipment	(61,656)	(52,933)	(53,472)
Proceeds from disposals of assets	13,726	7,408	9,849
Acquisitions of businesses, net of cash acquired	(42,593)	(27,000)	(736)
Net cash used by investing activities	(90,523)	(72,525)	(44,359)
CASH FLOWS FROM FINANCING ACTIVITIES			
Distributions	(117,537)	(111,462)	(108,504)
Minority interest activity	(1,059)	(686)	(624)
(Decrease) increase in bank loans	-	(10,000)	10,000
Issuance of long-term debt	30,135	122,780	40,900
Repayment of long-term debt	(55,678)	(144,701)	(99,149)
Proceeds from issuance of Common Units	51,197	75,005	56,556
Capital contributions from General Partner	517	758	571
Net cash used by financing activities	(92,425)	(68,306)	(100,250)
Cash and cash equivalents (decrease) increase	$ (5,289)	$ (1,528)	$ 14,911
CASH AND CASH EQUIVALENTS			
End of year	40,583	$ 45,872	$ 47,400
Beginning of year	45,872	47,400	32,489
(Decrease) increase	$ (5,289)	$ (1,528)	$ 14,911

See accompanying notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF PARTNERS' CAPITAL
(Thousands of dollars, except unit data)

	Number of units					Accumulated other	
	Common	Subordinated	Common	Subordinated	General partner	comprehensive income (loss)	Total partners' capital
Balance September 30, 2001	36,761,239	9,891,072	$ 187,001	$ 28,513	$ 2,174	$ (14,183)	$ 203,505
Net income			43,719	11,093	554		55,366
Net losses on derivative instruments						(10,664)	(10,664)
Reclassification of net losses on derivative instruments						31,493	31,493
Comprehensive income			43,719	11,093	554	20,829	76,195
Distributions			(85,659)	(21,760)	(1,085)		(108,504)
Common Units issued in connection with executive compensation plan	2,000		43				43
Common Units issued in connection with public offering	2,428,047		49,623		501		50,124
Common Units sold to General Partner	350,000		6,933		70		7,003
Balance September 30, 2002	39,541,286	9,891,072	201,660	17,846	2,214	6,646	228,366
Net income			69,859	1,379	720		71,958
Net gains on derivative instruments						14,909	14,909
Reclassification of net gains on derivative instruments						(25,872)	(25,872)
Comprehensive income			69,859	1,379	720	(10,963)	60,995
Distributions			(104,907)	(5,440)	(1,115)		(111,462)
Common Units issued in connection with public offering	2,900,000		75,005		758		75,763
Common Units issued in connection with executive compensation plan	850		21				21
Conversion of Subordinated Units	9,891,072	(9,891,072)	13,785	(13,785)			-
Balance September 30, 2003	52,333,208	-	255,423	-	2,577	(4,317)	253,683
Net income			90,935		919		91,854
Net gains on derivative instruments						41,094	41,094
Reclassification of net gains on derivative instruments						(27,409)	(27,409)
Comprehensive income			90,935		919	13,685	105,539
Distributions			(116,362)		(1,175)		(117,537)
Common Units issued in connection with public offering	2,100,000		51,197		517		51,714
Common Units issued in connection with incentive compensation plans	40,064		1,090				1,090
Adjustment to goodwill contributed (note 2)			(5,396)		(55)		(5,451)
Balance September 30, 2004	54,473,272	-	$ 276,887	$ -	$ 2,783	$ 9,368	$ 289,038

See accompanying notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Thousands of dollars, except per unit amounts)

NOTE 1 - PARTNERSHIP ORGANIZATION AND FORMATION

AmeriGas Partners, L.P. ("AmeriGas Partners") was formed on November 2, 1994, and is a publicly traded limited partnership. AmeriGas Partners conducts a national propane distribution business through its principal operating subsidiaries AmeriGas Propane, L.P. ("AmeriGas OLP") and AmeriGas OLP's subsidiary, AmeriGas Eagle Propane, L.P. ("Eagle OLP"). AmeriGas Partners, AmeriGas OLP and Eagle OLP are Delaware limited partnerships. AmeriGas OLP and Eagle OLP are collectively referred to herein as "the Operating Partnerships," and AmeriGas Partners, the Operating Partnerships and all of their subsidiaries are collectively referred to herein as "the Partnership" or "we."

The Operating Partnerships are engaged in the distribution of propane and related equipment and supplies. The Operating Partnerships comprise the largest retail propane distribution business in the United States serving residential, commercial, industrial, motor fuel and agricultural customers from locations in 46 states, including Alaska and Hawaii.

At September 30, 2004, AmeriGas Propane, Inc. (the "General Partner"), an indirect wholly owned subsidiary of UGI Corporation ("UGI"), held a 1% general partner interest in AmeriGas Partners and a 1.01 % general partner interest in AmeriGas OLP. The General Partner and its wholly owned subsidiary Petrolane Incorporated ("Petrolane," a predecessor company of the Partnership) also owned 24,525,004 Common Units of AmeriGas Partners. The remaining 29,948,268 Common Units are publicly held. The Common Units represent limited partner interests in AmeriGas Partners.

AmeriGas Partners holds a 99% limited partner interest in AmeriGas OLP. AmeriGas OLP, indirectly through subsidiaries, owns an effective 0.1 % general partner interest and a direct approximate 99.8% limited partner interest in Eagle OLP. An unrelated third party ("minority partner") holds an approximate 0.1 % limited partner interest in Eagle OLP.

AmeriGas Partners and the Operating Partnerships have no employees. Employees of the General Partner conduct, direct and manage our operations. The General Partner provides management and administrative services to AmeriGas Eagle Holdings, Inc. ("AEH"), the general partner of Eagle OLP, under a management services agreement. The General Partner is reimbursed monthly for all direct and indirect expenses it incurs on our behalf.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

CONSOLIDATION PRINCIPLES. The consolidated financial statements include the accounts of AmeriGas Partners and its majority-owned subsidiaries. We eliminate all significant intercompany accounts and transactions when we consolidate. We account for the General Partner's 1.01 % interest in AmeriGas OLP and the minority partner's 0.1 % limited partner interest in Eagle OLP as minority interests in the consolidated financial statements. The Partnership's 50% ownership interest in Atlantic Energy, Inc. ("Atlantic Energy") was accounted for by the equity method (see Note 17). Atlantic Energy's principal asset is a propane storage terminal located in Chesapeake, Virginia.

RECLASSIFICATIONS. We have reclassified certain prior year balances to conform to the current year presentation.

USE OF ESTIMATES. We make estimates and assumptions when preparing financial statements in conformity with accounting principles generally accepted in the United States. These estimates and assumptions affect the reported amounts of assets and liabilities, revenues and expenses, as well as the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

REVENUE RECOGNITION. We recognize revenue from the sale of propane principally as product is delivered to customers. Revenue from the sale of appliances and equipment is recognized at the time of sale or installation. Revenue from repairs and maintenance is recognized upon completion of the service. Revenues from annually billed nonrefundable tank fees are recorded on a straight-line basis over one year.

INVENTORIES. Our inventories are stated at the lower of cost or market. We determine cost using an average cost method for propane, specific identification for appliances, and the first-in, first-out ("FIFO") method for all other inventories.

PROPERTY, PLANT AND EQUIPMENT AND RELATED DEPRECIATION.

We record property, plant and equipment at cost. The amounts we assign to property, plant and equipment of businesses we acquire are based upon estimated fair value at date of acquisition. When plant and equipment are retired or otherwise disposed of, we remove the cost and accumulated depreciation from the appropriate accounts and any resulting gain or loss is recognized in "Other income, net" in the Consolidated Statements of Operations. We compute depreciation expense on plant and equipment using the straight-line method over estimated service lives generally ranging from 15 to 40 years for buildings and improvements; 7 to 30 years for storage and customer tanks and cylinders; and 2 to 10 years for vehicles, equipment, and office furniture and fixtures. Costs to install Partnership-owned tanks at customer locations, net of amounts billed to customers, are capitalized and depreciated over the estimated period of benefit

not exceeding ten years. Depreciation expense was $75,468 in 2004, $70,423 in 2003 and $61,993 in 2002.

INTANGIBLE ASSETS. The Partnership's intangible assets comprise the following at September 30:

	2004	2003
SUBJECT TO AMORTIZATION:		
Customer relationships and noncompete agreements	$ 44,770	$ 38,966
Accumulated amortization	(16,158)	(11,934)
	$ 28,612	$ 27,032
NOT SUBJECT TO AMORTIZATION:		
Goodwill	515,738	$ 509,155
Excess reorganization value	93,320	93,320
	$ 609,058	$ 602,475

The increase in the carrying amounts of goodwill and other intangible assets during 2004 resulted from Partnership business acquisitions. The increase in goodwill was partially offset by the settlement of an income tax benefit held by Petrolane, which related to a period prior to the formation of the Partnership. The settlement resulted in a reduction to the value of the net assets contributed to AmeriGas OLP by Petrolane at the Partnership formation date. The adjustment was recorded by the Partnership during the year ended September 30, 2004 as a $5,451 reduction in both goodwill and partners' capital.

We amortize customer relationship and noncompete agreement intangibles over their estimated periods of benefit which do not exceed 15 years. Amortization expense of intangible assets was $4,224 in 2004, $3,283 in 2003 and $3,287 in 2002. Estimated amortization expense of intangible assets during the next five fiscal years is as follows: Fiscal 2005 - $4,108; Fiscal 2006 - $3,720; Fiscal 2007 - $3,081; Fiscal 2008 - $2,806; Fiscal 2009 - $2,484.

Effective October 1, 2001, we early adopted the provisions of Statement of Financial Accounting Standards ("SFAS") No. 142, "Goodwill and Other Intangible Assets" ("SFAS 142"). SFAS 142 addresses the financial accounting and reporting for acquired goodwill and other intangible assets and supersedes Accounting Principles Board ("APB") Opinion No. 17, "Intangible Assets." SFAS 142 addresses the financial accounting and reporting for intangible assets acquired individually or with a group of other assets (excluding those acquired in a business combination) at acquisition and also addresses the financial accounting and reporting for goodwill and other intangible assets subsequent to their acquisition. Under SFAS 142, an intangible asset is amortized over its useful life unless that life is determined to be indefinite. Goodwill, including excess reorganization value, and other intangible assets with indefinite lives are not amortized but are subject to tests for impairment at least annually. In accordance with the provisions of SFAS 142, the Partnership ceased the amortization of goodwill and excess reorganization value effective October 1, 2001.

SFAS 142 requires that we perform an impairment test annually or more frequently if events or circumstances indicate that the value of goodwill might be impaired. No provisions for goodwill impairments were recorded during 2004, 2003 and 2002.

DEFERRED DEBT ISSUANCE COSTS. Included in other assets are net deferred debt issuance costs of $12,638 and $14,022 at September 30, 2004 and 2003, respectively. We are amortizing these costs over the terms of the related debt.

COMPUTER SOFTWARE COSTS. We include in property, plant and equipment costs associated with computer software we develop or obtain for use in our business. We amortize computer software costs on a straight-line basis over expected periods of benefit not exceeding seven years once the installed software is ready for its intended use.

CUSTOMER DEPOSITS. We offer certain of our customers prepayment programs which require customers to pay a fixed periodic amount, or to otherwise prepay a portion of their anticipated propane purchases. Customer prepayments, which exceed associated billings, are classified as customer deposits and advances on the Consolidated Balance Sheets.

ENVIRONMENTAL AND OTHER LEGAL MATTERS. We accrue environmental investigation and clean-up costs when it is probable that a liability exists and the amount or range of amounts can be reasonably estimated. Amounts accrued generally reflect our best estimate of costs expected to be incurred or the minimum liability associated with a range of expected environmental response costs. Our estimated liability for environmental contamination is reduced to reflect anticipated participation of other responsible parties but is not reduced for possible recovery from insurance carriers. Similar to environmental matters, we accrue investigation and other legal costs when it is probable that a liability exists and the amount or range of amounts can be reasonably estimated. We do not discount to present value the costs of future expenditures for environmental

liabilities.

INCOME TAXES. AmeriGas Partners and the Operating Partnerships are not directly subject to federal income taxes. Instead, their taxable income or loss is allocated to their individual partners. The Operating Partnerships have corporate subsidiaries which are directly subject to federal income taxes. Accordingly, our Consolidated Financial Statements reflect income taxes related to these corporate subsidiaries. Net income for financial statement purposes may differ significantly from taxable income reportable to unitholders. This is a result of (1) differences between the tax basis and financial reporting basis of assets and liabilities and (2) the taxable income allocation requirements of the Third Amended and Restated Agreement of Limited Partnership of AmeriGas Partners, L.P ("Partnership Agreement") and the Internal Revenue Code.

UNIT-BASED COMPENSATION. As permitted by SFAS No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123"), we apply the provisions of APB Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB 25"), in recording compensation expense for grants of equity instruments to employees. We recorded unit-based compensation expense of $1,265 in 2004, $2,151 in 2003 and $1,018 in 2002. If we had determined unit-based compensation expense under the fair value method prescribed by the provisions of SFAS 123, net income and basic and diluted income per unit would have been as follows:

	2004	2003	2002
Net income as reported	$ 91,854	$ 71,958	$ 55,366
Add: Unit-based employee compensation expense included in reported net income	1,265	2,151	1,018
Deduct: Total unit-based employee compensation expense determined under the fair value method for all awards	(1,795)	(2,582)	(1,392)
Pro forma net income	$ 91,324	$ 71,527	$ 54,992
Basic and diluted income per limited partner unit:			
As reported	$ 1.71	$ 1.42	$ 1.12
Pro forma	$ 1.70	$ 1.41	$ 1.11

For a description of unit-based compensation and related disclosure, see Note 9.

NET INCOME PER UNIT. Net income per unit is computed by dividing net income, after deducting the General Partner's interest in AmeriGas Partners, by the weighted average number of limited partner units outstanding.

Effective April 2004, the Partnership adopted Emerging Issues Task Force Issue No. 03-6, "Participating Securities and the Two-Class Method under FASB Statement No. 128" ("EITF 03-6"), which results in the calculation of net income per limited partner unit for each period according to distributions declared and participation rights in undistributed earnings, as if all of the earnings for the period had been distributed. In periods with undistributed earnings above certain levels, the calculation according to the two-class method results in an increased allocation of undistributed earnings to the General Partner and a dilution of the earnings to the limited partners. Due to the seasonality of the propane business, the dilutive effect of EITF 03-6 on net income per limited partner unit will typically impact the first three fiscal quarters. EITF 03-6 did not impact net income per limited partner unit for the 2004 fiscal year.

Potentially dilutive Common Units included in the diluted limited partner units outstanding computation of 75,000 in 2004, 70,000 in 2003 and 23,000 in 2002 reflect the effects of Common Unit awards issued under AmeriGas Propane, Inc. incentive compensation plans.

DERIVATIVE INSTRUMENTS. SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("SFAS 133"), as amended, establishes accounting and reporting standards for derivative instruments and for hedging activities. It requires that all derivative instruments be recognized as either assets or liabilities and measured at fair value. The accounting for changes in fair value depends upon the purpose of the derivative instrument and whether it is designated and qualifies for hedge accounting. For a detailed description of the derivative instruments we use, our objectives for using them, and related supplemental information required by SFAS 133, see Note 13.

CONSOLIDATED STATEMENTS OF CASH FLOWS. We define cash equivalents as all highly liquid investments with maturities of three months or less when purchased. We record cash equivalents at cost plus accrued interest, which approximates market value. We paid interest totaling $84,421 in 2004, $89,157 in 2003 and $86,556 in 2002.

COMPREHENSIVE INCOME. Comprehensive income comprises net income and other comprehensive income (loss). Other comprehensive income (loss) results from gains and losses on derivative instruments qualifying as cash flow hedges.

SEGMENT INFORMATION. We have determined that we have a single reportable operating segment which engages in the distribution of propane and related equipment and supplies. No single customer represents ten percent or more of consolidated revenues. In addition, virtually all of our revenues are derived from sources within the United States and virtually all of our long-lived assets are located in the United States.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS. In December 2003, the Financial Accounting Standards Board ("FASB") revised Financial Interpretation No. 46,

"Consolidation of Variable Interest Entities" ("FIN 46"), which was originally issued in January 2003 and clarifies Accounting Research Bulletin No. 51, "Consolidated Financial Statements." FIN 46 was effective immediately for variable interest entities created or obtained after January 31, 2003. For variable interest entities created or acquired before February 1, 2003, FIN 46 was effective beginning with our interim period ended March 31, 2004. If certain conditions are met, FIN 46 requires the primary beneficiary to consolidate certain variable interest entities. The Partnership has not created or obtained any variable interest entities prior to, or after January 31, 2003. Therefore, the adoption of FIN 46 did not affect the Partnership's financial position or results of operations.

NOTE 3 - ACQUISITIONS

During 2004, AmeriGas OLP acquired substantially all of the retail propane distribution assets and business of Horizon Propane LLC ("Horizon Propane") and several other retail propane businesses for total cash consideration of $42,593. In conjunction with these acquisitions, liabilities of $1,561 were incurred. The operating results of these businesses have been included in our operating results from their respective dates of acquisition. The total purchase price of these acquisitions has been allocated to the assets and liabilities acquired as follows:

Net current assets	$ 1,958
Property, plant and equipment	24,431
Goodwill	11,977
Customer relationships and noncompete agreements (estimated useful life of 10 and 5 years, respectively)	5,788
Total	$ 44,154

The pro forma effect of all of these transactions was not material to the Partnership's operations.

During 2003, AmeriGas OLP acquired several retail propane distribution businesses for total cash consideration of $27,000. In conjunction with these acquisitions, liabilities of $1,469 were incurred. The operating results of these businesses have been included in our operating results from their respective dates of acquisition. The total purchase price of these acquisitions has been allocated to the assets and liabilities acquired as follows:

Net current assets	$ 2,260
Property, plant and equipment	6,095
Goodwill	12,552
Customer relationships and noncompete agreements (estimated useful life of 15 and 5 years, respectively)	7,729
Other assets and liabilities	(167)
Total	$ 28,469

The pro forma effect of all of these transactions was not material to the Partnership's results of operations.

NOTE 4 - QUARTERLY DISTRIBUTIONS OF AVAILABLE CASH

The Partnership makes distributions to its partners approximately 45 days after the end of each fiscal quarter in a total amount equal to its Available Cash for such quarter. Available Cash generally means:

1. all cash on hand at the end of such quarter,

2. plus all additional cash on hand as of the date of determination resulting from borrowings after the end of such quarter,

3. less the amount of cash reserves established by the General Partner in its reasonable discretion.

The General Partner may establish reserves for the proper conduct of the Partnership's business and for distributions during the next four quarters. In addition, certain of the Partnership's debt agreements require reserves be established for the payment of debt principal and interest.

Distributions of Available Cash are made 98% to limited partners and 2% to the General Partner. The Partnership may pay an incentive distribution if Available Cash exceeds the Minimum Quarterly Distribution of $0.55 ("MQD") on all units.

Note 5 - Debt

Long-term debt comprises the September following at 30:

	2004	2003
AmeriGas Partners Senior Notes:		
8.875%, due May 2011 (including unamortized premium of $8,301 and $6,426, respectively, effective rate - 8.46%)	$ 396,301	$ 366,426
10%, due April 2006 (less unamortized discount of $107 and $167, respectively, effective rate - 10.125%)	59,893	59,833
AmeriGas OLP First Mortgage Notes:		
Series A, 9.34% - 11.71%, due April 2005 through April 2009 (including unamortized premium of $5,159 and $6,581, respectively, effective rate - 8.91%)	165,159	166,581
Series B, 10.07%, due April 2005 (including unamortized premium of $301 and $1,082, respectively, effective rate - 8.74%)	40,301	81,082
Series C, 8.83%, due April 2005 through April 2010	82,500	96,250
Series D, 7.11%, due March 2009 (including unamortized premium of $1,595 and $1,890, respectively, effective rate - 6.52%)	71,595	71,890
Series E, 8.50%, due July 2010 (including unamortized premium of $124 and $137, respectively, effective rate - 8.47%)	80,124	80,137
Other	5,478	5,087
Total long-term debt	901,351	927,286
Less current maturities (including net unamortized premium of $3,104 and $3,082, respectively)	(60,068)	(58,705)
Total long-term debt due after one year	$ 841,283	$ 868,581

Scheduled principal repayments of long-term debt for each of the next five fiscal years ending September 30 are as follows: 2005 - $56,964; 2006 - $114,854; 2007 - $54,283; 2008 - $54,044; 2009-$123,911.

AMERIGAS PARTNERS SENIOR NOTES. The 8.875% Senior Notes generally cannot be redeemed at our option prior to May 20, 2006. A redemption premium applies thereafter through May 19, 2009. The 10% Senior Notes generally cannot be redeemed at our option prior to their maturity. AmeriGas Partners prepaid $15,000 of 10.125% Senior Notes in November 2001 at a redemption price of 103.375% and the remaining $85,000 of 10.125% Senior Notes in January 2003 at a redemption price of 102.25%, in each instance, including accrued interest. AmeriGas Partners recognized losses of $3,023 and $752 associated with these prepayments which amounts are reflected in "Loss on extinguishments of debt" in the 2003 and 2002 Consolidated Statements of Operations, respectively. AmeriGas Partners may, under certain circumstances following the disposition of assets or a change of control, be required to offer to prepay the Senior Notes.

AMERIGAS OLP FIRST MORTGAGE NOTES. AmeriGas OLP's First Mortgage Notes are collateralized by substantially all of its assets. The General Partner and Petrolane are co-obligors of the Series A, B, and C First Mortgage Notes, and the General Partner is co-obligor of the Series D and E First Mortgage Notes. AmeriGas OLP may prepay the First Mortgage Notes, in whole or in part. These prepayments include a make whole premium. Following the disposition of assets or a change of control, AmeriGas OLP may be required to offer to prepay the First Mortgage Notes, in whole or in part.

AMERIGAS OLP CREDIT AGREEMENT. AmeriGas OLP's Credit Agreement ("Credit Agreement") consists of (1) a Revolving Credit Facility and (2) an Acquisition Facility. AmeriGas OLP's obligations under the Credit Agreement are collateralized by substantially all of its assets. The General Partner and Petrolane are guarantors of amounts outstanding under the Credit Agreement.

Under the Revolving Credit Facility, AmeriGas OLP may borrow up to $100,000 (including a $100,000 sublimit for letters of credit) subject to restrictions in the AmeriGas Partners Senior Notes indentures (see "Restrictive Covenants" below). The Revolving Credit Facility may be used for working capital and general purposes of AmeriGas OLP. The Revolving Credit Facility expires on October 15, 2008, but may be extended for additional one-year periods with the consent of the participating banks representing at least 80% of the commitments thereunder. There were no borrowings outstanding under AmeriGas OLP's Revolving Credit Facility at September 30, 2004 and 2003. Issued and outstanding letters of credit, which reduce available borrowings under the Revolving Credit Facility, totaled $45,938 and $33,363 at September 30, 2004 and 2003, respectively.

The Acquisition Facility provides AmeriGas OLP with the ability to borrow up to $75,000 to finance the purchase of propane businesses or propane business assets or, to the extent it is not so used, for working capital and general purposes, subject to restrictions in the AmeriGas Partners Senior Notes indentures. The Acquisition Facility operates as a revolving facility through October 15, 2008, at which time amounts then outstanding will be immediately due and payable. There were no amounts outstanding under the Acquisition Facility at September 30, 2004 and 2003.

The Revolving Credit Facility and the Acquisition Facility permit AmeriGas OLP to borrow at prevailing interest rates, including the base rate, defined as the higher of the Federal Funds rate plus 0.50% or the agent bank's prime rate (4.75% at September 30,

2004), or at a two-week, one-, two-, three-, or six-month Eurodollar Rate, as defined in the Credit Agreement, plus a margin. The margin on Eurodollar Rate borrowings (which ranges from 1.00% to 2.25%), and the Credit Agreement facility fee rate (which ranges from 0.25% to 0.50%) are dependent upon AmeriGas OLP's ratio of funded debt to earnings before interest expense, income taxes, depreciation and amortization ("EBITDA"), each as defined in the Credit Agreement.

GENERAL PARTNER FACILITY. AmeriGas OLP also has a Revolving Credit Agreement with the General Partner under which it may borrow up to $20,000 for working capital and general purposes. This agreement is coterminous with, and generally comparable to, AmeriGas OLP's Revolving Credit Facility except that borrowings under the General Partner Facility are unsecured and subordinated to all senior debt of AmeriGas OLP. Interest rates on borrowings are based upon one-month offshore interbank offering rates. Facility fees are determined in the same manner as fees under the Revolving Credit Facility. UGI has agreed to contribute up to $20,000 to the General Partner to fund such borrowings.

RESTRICTIVE COVENANTS. The Senior Notes of AmeriGas Partners restrict the ability of the Partnership to, among other things, incur additional indebtedness, make investments, incur liens, issue preferred interests, prepay subordinated indebtedness, and effect mergers, consolidations and sales of assets. Under the Senior Notes indentures, AmeriGas Partners is generally permitted to make cash distributions equal to available cash, as defined, as of the end of the immediately preceding quarter, if certain conditions are met. These conditions include:

1. no event of default exists or would exist upon making such distributions and

2. the Partnership's consolidated fixed charge coverage ratio, as defined, is greater than 1.75-to-1.

If the ratio in item 2 above is less than or equal to 1.75-to-1, the Partnership may make cash distributions in a total amount not to exceed $24,000 less the total amount of distributions made during the immediately preceding 16 fiscal quarters. At September 30, 2004, such ratio was 3.14-to-1.

The Credit Agreement and the First Mortgage Notes restrict the incurrence of additional indebtedness and also restrict certain liens, guarantees, investments, loans and advances, payments, mergers, consolidations, asset transfers, transactions with affiliates, sales of assets, acquisitions and other transactions. The Credit Agreement and First Mortgage Notes require the ratio of total indebtedness, as defined, to EBITDA, as defined (calculated on a rolling four-quarter basis or eight-quarter basis divided by two), to be less than or equal to 4.75-to-1 with respect to the Credit Agreement and 5.25-to-1 with respect to the First Mortgage Notes. In addition, the Credit Agreement requires that AmeriGas OLP maintain a ratio of EBITDA to interest expense, as defined, of at least 2.25-to-1 on a rolling four-quarter basis. Generally, as long as no default exists or would result, AmeriGas OLP is permitted to make cash distributions not more frequently than quarterly in an amount not to exceed available cash, as defined, for the immediately preceding calendar quarter. At September 30, 2004, the Partnership was in compliance with its financial covenants.

NOTE 6 - EMPLOYEE RETIREMENT PLANS

The General Partner sponsors a 401 (k) savings plan for eligible employees. Participants in the savings plan may contribute a portion of their compensation on a before-tax basis. Generally, employee contributions are matched on a dollar-for-dollar (100%) basis up to 5% of eligible compensation. In conjunction with a short-term cost savings program, for the period March 1, 2002 to September 30, 2002, employee contributions were matched at a rate of 25% up to 5% of eligible compensation. The cost of benefits under our savings plan was $6,397 in 2004, $5,555 in 2003 and $2,904 in 2002.

NOTE 7 - INVENTORIES

Inventories comprise the following at September 30:

	2004	2003
Propane gas		
Materials, supplies and other	$ 65,938	$ 51,691
Appliances for sale	13,120	13,199
	5,695	5,281
Total inventories	$ 84,753	$ 70,171

In addition to inventories on hand, we also enter into contracts to purchase propane to meet a portion of our supply requirements. Generally, these contracts are one- to three-year agreements subject to annual review and call for payment based on either market prices at date of delivery or fixed prices.

NOTE 8 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprise the following at September 30:

	2004	2003
Land	$ 60,833	$ 62,419
Buildings and improvements	81,817	78,729
Transportation equipment	69,130	80,668
Storage facilities	91,779	88,472
Equipment, primarily cylinders and tanks	796,131	749,867
Other	13,110	7,539
Gross property, plant and equipment	1,112,800	1,067,694
Less accumulated depreciation and amortization	(520,447)	(473,090)
Net property, plant and equipment	$ 592,353	$ 594,604

NOTE 9 - PARTNERS' CAPITAL AND INCENTIVE COMPENSATION PLANS

In accordance with the Partnership Agreement, the General Partner may, in its sole discretion, cause the Partnership to issue an unlimited number of additional Common Units and other equity securities of the Partnership ranking on a parity with the Common Units.

In May 2004, AmeriGas Partners sold 2,000,000 Common Units in an underwritten public offering at a public offering price of $25.61 per unit. In June 2004, the underwriters partially exercised their overallotment option in the amount of 100,000 Common Units. The net proceeds of the public offering totaling $51,197 and the associated capital contributions from the General Partner totaling $1,045 were contributed to AmeriGas OLP and used to reduce indebtedness under its bank credit agreement and for general partnership purposes.

In June 2003, AmeriGas Partners sold 2,900,000 Common Units in an underwritten public offering at a public offering price of $27.12 per unit. The net proceeds of the public offering totaling $75,005 and the associated capital contributions from the General Partner totaling $1,531 were contributed to AmeriGas OLP and used to reduce indebtedness under its bank credit agreement and for general partnership purposes.

In December 2001 and January 2002, AmeriGas Partners sold an aggregate 2,428,047 Common Units in conjunction with an underwritten public offering at a public offering price of $21.50 per unit. The net proceeds of the public offering and the associated capital contributions from the General Partner totaling $50,635 were contributed to AmeriGas OLP and used to reduce indebtedness under its bank credit agreement and for working capital. In October 2001, AmeriGas Partners closed the sale of 350,000 Common Units to the General Partner at the trade-date market price of $19.81 per unit. The proceeds of this sale and the associated capital contributions from the General Partner totaling $7,075 were contributed to AmeriGas OLP which used the proceeds to reduce borrowings under its bank credit agreement and for working capital.

Under the AmeriGas Propane, Inc. 2000 Long-Term Incentive Plan ("2000 Incentive Plan"), the General Partner may grant to key employees the rights to receive a total of 500,000 Common Units, or cash equivalent to the fair market value of such Common Units, upon the achievement of performance goals. In addition, the 2000 Incentive Plan may provide for the crediting of Partnership distribution equivalents to participants' accounts. Distribution equivalents will be paid in cash and such payment may, at the participant's request, be deferred. The actual number of Common Units (or their cash equivalents) ultimately issued, and the actual amount of distribution equivalents paid, is dependent upon the achievement of performance goals. Generally, each grant, unless paid, will terminate when the participant ceases to be employed by the General Partner. We also have a nonexecutive Common Unit plan under which the General Partner may grant awards of up to a total of 200,000 Common Units to key employees who do not participate in the 2000 Incentive Plan. Generally, awards under the nonexecutive plan vest at the end of a three-year period and will be paid in Common Units and cash. During 2004, 2003 and 2002, the General Partner made awards under the 2000 Incentive Plan and the nonexecutive plan representing 51,200, 112,500 and 43,250 Common Units, respectively. We recorded compensation expense of $1,265 in 2004, $2,151 in 2003 and $1,018 in 2002 relating to these plans. At September 30, 2004, and 2003, awards representing 142,788 and 209,336 Common Units, respectively, were outstanding.

NOTE 10 - COMMITMENTS AND CONTINGENCIES

We lease various buildings and other facilities and transportation, computer and office equipment under operating leases. Certain of the leases contain renewal and purchase options and also contain step-rent provisions. Our aggregate rental expense for such leases was $45,613 in 2004, $43,179 in 2003 and $41,974 in 2002.

Minimum future payments under noncancelable operating leases are as follows:

Year Ending September 30,	
2005	$ 40,747
2006	34,725
2007	29,722
2008	24,690
2009	19,582
Thereafter	45,075
Total minimum operating lease payments	$ 194,541

The Partnership enters into fixed price contracts with suppliers to purchase a portion of its propane supply requirements. These contracts generally have terms of less than one year. As of September 30, 2004, contractual obligations under these contracts totaled $12,826.

The Partnership also enters into contracts to purchase propane to meet additional supply requirements. Generally, these contracts are one- to three-year agreements subject to annual review and call for payment based on either market prices at the date of delivery or fixed prices.

The Partnership has succeeded to certain lease guarantee obligations of Petrolane relating to Petrolane's divestiture of non-propane operations before its 1989 acquisition by QFB Partners. Future lease payments under these leases total approximately $12,000 at September 30, 2004. The leases expire through 2010 and some of them are currently in default. The Partnership has succeeded to the indemnity agreement of Petrolane by which Texas Eastern Corporation ("Texas Eastern"), a prior owner of Petrolane, agreed to indemnify Petrolane against any liabilities arising out of the conduct of businesses that do not relate to, and are not a part of, the propane business, including lease guarantees. In December 1999, Texas Eastern filed for dissolution under the Delaware General Corporation Law. PanEnergy Corporation ("PanEnergy"), Texas Eastern's sole stockholder, subsequently assumed all of Texas Eastern's liabilities as of December 20, 2002, to the extent of the value of Texas Eastern's assets transferred to PanEnergy as of that date (which was estimated to exceed $94,000), and to the extent that such liabilities arise within ten years from Texas Eastern's date of dissolution. Notwithstanding the dissolution proceeding, and based on Texas Eastern previously having satisfied directly defaulted lease obligations without the Partnership's having to honor its guarantee, we believe that the probability that the Partnership will be required to directly satisfy the lease obligations subject to the indemnification agreement is remote.

On August 21, 2001, AmeriGas Partners, through AmeriGas OLP, acquired the propane distribution businesses of Columbia Energy Group (the "2001 Acquisition") pursuant to the terms of a purchase agreement (the "2001 Acquisition Agreement") by and among Columbia Energy Group ("CEG"), Columbia Propane Corporation ("Columbia Propane"), Columbia Propane, L.P. ("CPLP"), CP Holdings, Inc. ("CPH," and together with Columbia Propane and CPLP, the "Company Parties"), AmeriGas Partners, AmeriGas OLP and the General Partner (together with AmeriGas Partners and AmeriGas OLP, the "Buyer Parties"). As a result of the

2001 Acquisition, AmeriGas OLP acquired all of the stock of Columbia Propane and CPH and substantially all of the partnership interests of CPLP. Under the terms of an earlier acquisition agreement (the "1999 Acquisition Agreement"), the Company Parties agreed to indemnify the former general partners of National Propane Partners, L.P. (a predecessor company of the Columbia Propane businesses) and an affiliate (collectively, "National General Partners") against certain income tax and other losses that they may sustain as a result of the 1999 acquisition by CPLP of National Propane Partners, L.P. (the "1999 Acquisition") or the operation of the business after the 1999 Acquisition ("National Claims"). At September 30, 2004, the potential amount payable under this indemnity by the Company Parties was approximately $60,000. These indemnity obligations will expire on the date that CPH acquires the remaining outstanding partnership interest of CPLP, which is expected to occur on or after July 19, 2009.

Under the terms of the 2001 Acquisition Agreement, CEG agreed to indemnify the Buyer Parties and the Company Parties against any losses that they sustain under the 1999 Acquisition Agreement and related agreements ("Losses"), including National Claims, to the extent such claims are based on acts or omissions of CEG or the Company Parties prior to the 2001 Acquisition. The Buyer Parties agreed to indemnify CEG against Losses, including National Claims, to the extent such claims are based on acts or omissions of the Buyer Parties or the Company Parties after the 2001 Acquisition. CEG and the Buyer Parties have agreed to apportion certain losses resulting from National Claims to the extent such losses result from the 2001 Acquisition itself.

Samuel and Brenda Swiger and their son (the "Swigers") sustained personal injuries and property damage as a result of a fire that occurred when propane that leaked from an underground line ignited. In July 1998, the Swigers filed a class action lawsuit against AmeriGas Propane, L.P. (named incorrectly as "UGl/AmeriGas, Inc."), in the Circuit Court of Monongalia County, West Virginia, in which they sought to recover an unspecified amount of compensatory and punitive damages and attorney's fees, for themselves and on behalf of persons in West Virginia for whom the defendants had installed propane gas lines, allegedly resulting from the defendants' failure to install underground propane lines at depths required by applicable safety standards. The court recently granted the plaintiff's motion to include customers acquired from Columbia Propane in August 2001 as additional potential class members and to amend their complaint to name additional parties consistent with such ruling. In 2003, we settled the individual personal injury and property damage claims of the Swigers. Class counsel has indicated that the class is seeking compensatory damages in excess of $12,000 plus punitive damages, civil penalties, and attorneys' fees. We believe we have good defenses to the claims of the class members and intend to vigorously defend against the remaining claims in this lawsuit.

We also have other contingent liabilities, pending claims and legal actions arising in the normal course of our business. We cannot predict with certainty the final results of these and the aforementioned matters. However, it is reasonably possible that some of them could be resolved unfavorably to us. Although management currently believes, after consultation with counsel, that damages or settlements, if any, recovered by the plaintiffs in such claims or actions will not have a material adverse effect on our financial position, damages or settlements could be material to our operating results or cash flows in future periods depending on the nature and timing of future developments with respect to these matters and the amounts of future operating results and cash flows.

NOTE 11 - RELATED PARTY TRANSACTIONS

Pursuant to the Partnership Agreement and a Management Services Agreement among AEH, the general partner of Eagle OLP, and the General Partner, the General Partner is entitled to reimbursement for all direct and indirect expenses incurred or payments it makes on behalf of the Partnership. These costs, which totaled $304,575 in 2004, $284,266 in 2003 and $262,398 in 2002, include employee compensation and benefit expenses of employees of the General Partner and general and administrative expenses.

UGI provides certain financial and administrative services to the General Partner. UGI bills the General Partner for all direct and indirect corporate expenses incurred in connection with providing these services and the General Partner is reimbursed by the Partnership for these expenses. Such corporate expenses totaled $11,307 in 2004, $8,295 in 2003 and $6,341 in 2002. In addition, UGI and certain of its subsidiaries provide office space and automobile liability insurance to the Partnership. These expenses totaled $2,679 in 2004, $1,683 in 2003 and $1,502 in 2002.

Subsequent to the Columbia Propane acquisition and prior to the sale of the Partnership's 50% ownership interest in Atlantic Energy (see Note 17), the Partnership purchased propane on behalf of Atlantic Energy. Atlantic Energy reimbursed AmeriGas OLP for its purchases plus interest as Atlantic Energy sold such propane to third parties or to AmeriGas OLP itself. The total dollar value of propane purchased on behalf of Atlantic Energy was $30,034, $17,225 and $11,370 in 2004, 2003 and 2002, respectively. Purchases of propane by AmeriGas OLP from Atlantic Energy during 2004, 2003 and 2002 totaled $29,279, $23,940 and $12,131, respectively.

In November 2004, in conjunction with the Partnership's sale of its 50% ownership interest in Atlantic Energy, UGI Asset Management, Inc. ("UGI Asset

Management") and AmeriGas OLP entered into a Product Sales Agreement whereby UGI Asset Management has agreed to sell and AmeriGas OLP has agreed to purchase a minimum of 25 million gallons of propane annually at the Atlantic Energy terminal in Chesapeake, Virginia. The Product Sales Agreement will take effect on April 1, 2005 and continue for a primary term of five years with an option to extend the agreement for up to an additional five years. The price to be paid for product purchased under the agreement will be determined annually using a contractual formula that takes into account published index prices and the locational value of deliveries at the Atlantic Energy terminal.

Prior to the sale of Atlantic Energy, the General Partner provided it with other services including accounting, insurance and other administrative services and was reimbursed for the related costs. Such costs were not material during 2004, 2003 or 2002. In addition, AmeriGas OLP entered into product cost hedging contracts on behalf of Atlantic Energy. When these contracts were settled, AmeriGas OLP was reimbursed the cost of any losses, or distributed the proceeds of any gains, to Atlantic Energy.

Amounts due from Atlantic Energy at September 30, 2004 and 2003 totaled $2,906 and $2,042, respectively, which amounts are included in accounts receivable - related parties in the Consolidated Balance Sheets.

NOTE 12- OTHER CURRENT LIABILITIES

Other current liabilities comprise the following at September 30:

	2004	2003
Self-insured property and casualty liability	$ 15,824	$ 12,672
Taxes other than income taxes	5,564	4,994
Fair value of derivative instruments	-	2,970
Propane exchange liability	6,587	8,689
Deferred tank fee revenue	7,787	7,563
Other	3,411	3,108
Total other current liabilities	$ 39,173	$ 39,996

NOTE 13 - FINANCIAL INSTRUMENTS

In accordance with its propane price risk management policy, the Partnership uses derivative instruments, including price swap and option contracts and contracts for the forward sale of propane, to manage the cost of a portion of its forecasted purchases of propane and to manage market risk associated with propane storage inventories. These derivative instruments have been designated by the Partnership as cash flow or fair value hedges under SFAS 133. The fair values of these derivative instruments are affected by changes in propane product prices. In addition to these derivative instruments, the Partnership may also enter into contracts for the forward purchase of propane as well as fixed price supply agreements to manage propane market price risk. These contracts generally qualify for the normal purchases and normal sales exception of SFAS 133 and therefore are not adjusted to fair value.

On occasion, we enter into interest rate protection agreements ("IRPAs") designed to manage interest rate risk associated with planned issuances of fixed-rate long-term debt. We designate these IRPAs as cash flow hedges. Gains or losses on IRPAs are included in other comprehensive income and are reclassified to interest expense as the interest expense on the associated debt issue affects earnings.

During the years ended September 30, 2004, 2003 and 2002, the net loss recognized in earnings representing cash flow hedge ineffectiveness was $1,534, $3,146 and $2,123, respectively. Gains and losses included in accumulated other comprehensive income at September 30, 2004 relating to cash flow hedges will be reclassified into (1) cost of sales when the forecasted purchase of propane subject to the hedges impacts net income and (2) interest expense when interest on anticipated issuances of fixed-rate long-term debt is reflected in net income. Included in accumulated other comprehensive income at September 30, 2004 are net losses of approximately $1,716 from IRPAs associated with forecasted issuances of ten-year debt generally anticipated to occur during the next two years. The amount of net loss which is expected to be reclassified into net income during the next twelve months is not material. The remaining net gain on derivative instruments included in accumulated other comprehensive income at September 30,2004 of $12,046 is principally associated with future purchases of propane generally anticipated to occur during the next twelve months. The actual amount of gains or losses on unsettled derivative instruments that ultimately is reclassified into net income will depend upon the value of such derivative contracts when settled. The fair value of derivative instruments is included in other current assets, other current liabilities and other noncurrent liabilities in the Consolidated Balance Sheets.

The carrying amounts of financial instruments included in current assets and current liabilities (excluding unsettled derivative instruments and current maturities of long-term debt) approximate their fair values because of their short-term nature. The carrying amounts and estimated fair values of our remaining financial instruments (including unsettled derivative instruments) at September 30 are as follows:

	Carrying Amount	Estimated Fair Value
2004:		
Propane swap and option contracts	$ 13,139	$ 13,139
Interest rate protection agreements	(1,734)	(1,734)
Long-term debt	901,351	959,355
2003:		
Propane swap and option contracts	$ (637)	$ (637)
Interest rate protection agreements	(188)	(188)
Long-term debt	927,286	1,024,717

We estimate the fair value of long-term debt by using current market prices and by discounting future cash flows using rates available for similar type debt. Fair values of derivative instruments reflect the estimated amounts that we would receive or (pay) to terminate the contracts at the reporting date based upon quoted market prices of comparable contracts.

We have financial instruments such as short-term investments and trade accounts receivable which could expose us to concentrations of credit risk. We limit our credit risk from short-term investments by investing only in investment-grade commercial paper and U.S. Government securities. The credit risk from trade accounts receivable is limited because we have a large customer base which extends across many different U.S. markets. We attempt to minimize our credit risk associated with our derivative financial instruments through the application of credit policies.

NOTE 14 - OTHER INCOME, NET

Other income, net, comprises the following:

	2004	2003	2002
Gain on sales of fixed assets	$ (2,306)	$ (2,173)	$ (1,719)
Finance charges	(6,456)	(3,942)	(2,169)
Derivative loss	-	-	2,123
Other	(2,982)	(2,845)	(2,638)
Total other income, net	$(11,744)	$ (8,960)	$ (4,403)

Derivative losses of $1,534 and $3,146 are included in "cost of sales - propane" in the 2004 and 2003 Consolidated Statement of Operations, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Thousands of dollars, except per unit amounts)

NOTE 15 - MANAGEMENT REALIGNMENT

In June 2003, the General Partner announced a plan to realign its management structure. Pursuant to the plan, the Partnership closed its seven regional offices located across the country and relocated four regional vice presidents to its Valley Forge, Pennsylvania headquarters. In addition, the Partnership reconfigured its eighty geographically-based market areas into approximately sixty market areas.

The new management structure further streamlined business processes, eliminated duplication and reduced overhead expenses. As a result of the management realignment, the Partnership incurred charges for severance, lease termination and other expenses totaling $3,756 which are reflected as operating and administrative expenses in the 2003 Consolidated Statement of Operations. As of September 30, 2003, $736 of costs associated with the management realignment, principally comprising employee severance and lease termination costs, were included in employee compensation and benefits accrued and other current liabilities in the 2003 Consolidated Balance Sheet.

NOTE 16 - CONVERSION OF SUBORDINATED UNITS

In December 2002, the General Partner determined that the cash-based performance and distribution requirements for the conversion of the then-remaining 9,891,072 Subordinated Units, all of which were held by the General Partner, had been met in respect of the quarter ended September 30, 2002. As a result, the Subordinated Units were converted to an equivalent number of Common Units effective November 18, 2002. The conversion of the Subordinated Units did not result in an increase in the total number of AmeriGas Partners limited partner units outstanding.

NOTE 17- SUBSEQUENT EVENT

In November 2004, the Partnership sold its 50% ownership interest in Atlantic Energy consisting of 3,500 shares of common stock ("Shares") pursuant to a Stock Purchase Agreement ("Agreement") by and between AmerE Holdings, Inc. ("AmerE"), an indirect wholly owned subsidiary of AmeriGas OLP, and UGI Asset Management, an indirect wholly owned subsidiary of UGI. UGI Asset Management purchased AmerE's Shares for $11,850 in cash, subject to post-closing adjustments, as defined in the Agreement.

NOTE 18 - QUARTERLY DATA (UNAUDITED)

The following unaudited quarterly data includes all adjustments (consisting only of normal recurring adjustments) which we consider necessary for a fair presentation. Our quarterly results fluctuate because of the seasonal nature of our propane business.

	December 31,		March 31,		June 30,		September 30,	
	2003	2002	2004	2003	2004	2003	2004	2003
Revenues	$460,198	$445,031	$687,710	$625,546	$315,107	$287,136	$312,885	$270,711
Operating income (loss)	$ 65,559	$ 64,414	$127,959	$115,547	$ (3,993)	$ (6,467)	$(12,805)	$ (9,504)
Net income (loss)	$ 43,149	$ 40,912	$105,650	$ 89,876	$(24,132)	$(27,414)	$(32,813)	$(31,416)
Net income (loss) per limited partner unit (a):								
Basic	$ 0.78	$ 0.79	$ 1.68	$ 1.64	$ (0.45)	$ (0.54)	$ (0.60)	$ (0.59)
Diluted	$ 0.77	$ 0.79	$ 1.68	$ 1.64	$ (0.45)	$ (0.54)	$ (0.60)	$ (0.59)

(a) The Partnership adopted EITF 03-6 effective April 2004 (see Note 2). Basic and diluted net income per limited partner unit have been recalculated in accordance with EITF 03-6 for the periods presented prior to June 30, 2004.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

TO THE PARTNERS OF AMERIGAS PARTNERS, L.P. AND THE BOARD OF DIRECTORS OF AMERIGAS PROPANE, INC.:

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of operations, of partners' capital and of cash flows present fairly, in all material respects, the financial position of AmeriGas Partners, L.P. and its subsidiaries at September 30, 2004 and 2003, and the results of their operations and their cash flows for each of the three years in the period ended September 30, 2004 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Partnership's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 2 to the consolidated financial statements, the Partnership adopted Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets" in fiscal 2002.

/s/ PricewaterhouseCoopers LLP
Philadelphia, Pennsylvania
December 6, 2004

GENERAL PARTNER'S REPORT

The Partnership's consolidated financial statements and other financial information contained in this Annual Report are prepared by the management of the General Partner, AmeriGas Propane, Inc., which is responsible for their fairness, integrity and objectivity. The consolidated financial statements and related information were prepared in accordance with accounting principles generally accepted in the United States of America and include amounts that are based on management's best judgments and estimates.

The General Partner maintains a system of internal controls. Management of the General Partner believes the system provides reasonable, but not absolute, assurance that assets are safeguarded and that transactions are executed in accordance with management's authorization and are properly recorded to permit the preparation of reliable financial information. There are limits in all systems of internal control, based on the recognition that the cost of the system should not exceed the benefits to be derived. We believe that the internal control system is cost effective and provides reasonable assurance that material errors or irregularities will be prevented or detected within a timely period. The internal control system and compliance therewith are monitored by UGI Corporation's internal audit staff. However, this report is not the same as the report of management on the effectiveness of internal control over financial reporting that will be included in the Partnership's annual report on Form 10-K for the fiscal year ending September 30, 2005.

The Audit Committee of the Board of Directors of the General Partner is composed of three members, none of whom is an employee of the General Partner. This Committee is responsible for overseeing the financial reporting process and the adequacy of controls, and for monitoring the independence of the Partnership's independent accountants and the performance of the independent accountants and internal audit staff. The Committee appoints the independent accountants to conduct the annual audit of the Partnership's consolidated financial statements. The Committee is also responsible for maintaining direct channels of communication among the Board of Directors, management, and both the independent accountants and internal auditors.

The independent accountants perform certain procedures in order to express an opinion on the consolidated financial statements and to obtain reasonable assurance that such financial statements are free of material misstatement.

/s/ Eugene V. N. Bissell
Eugene V. N. Bissell
Chief Executive Officer

/s/ Martha B. Lindsay
Martha B. Lindsay
Chief Financial Officer

/s/ William J. Stanczak
William J. Stanczak
Chief Accounting Officer

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EXHIBIT 21

SUBSIDIARIES OF AMERIGAS PARTNERS, L.P.

SUBSIDIARY	OWNERSHIP	STATE OF INCORPORATION
AmeriGas Finance Corp.	100%	DE
AmeriGas Propane, L.P.	98.99%	DE
AmeriGas Eagle Propane, L.P.	99%	DE
AmeriGas Eagle Parts & Service, Inc.	100%	PA
AmeriGas Propane Parts & Service, Inc.	100%	PA
AmeriGas Eagle Propane, Inc.	100%	DE
AmerE Holdings, Inc.	100%	DE
AmeriGas Eagle Holdings, Inc.	100%	DE
Active Propane of Wisconsin LLC	100%	DE
AmeriGas Eagle Finance Corp.	100%	DE
AP Eagle Finance Corp.	100%	DE

EXHIBIT 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (Nos. 333-45902, 333-83942 and 333-110425 and Form S-8 (No. 333-104939) of AmeriGas Partners, L.P. of our report dated December 6, 2004 relating to the financial statements, which appears in the Annual Report to Unitholders, which is incorporated in this Annual Report on Form 10-K. We also consent to the incorporation by reference of our report dated December 6, 2004 relating to the financial statement schedules, which appears in this Form 10-K.

s/PricewaterhouseCoopers LLP

Philadelphia, Pennsylvania
December 14, 2004

EXHIBIT 31.1

CERTIFICATIONS

I, Eugene V. N. Bissell, certify that:

1. I have reviewed this annual report on Form 10-K of AmeriGas Partners, L.P., AmeriGas Finance Corp., AmeriGas Eagle Finance Corp. and AP Eagle Finance Corp.;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrants as of, and for, the periods presented in this annual report;

4. The registrants' other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(d)) for the registrants and we have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrants, including their consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

   (b) evaluated the effectiveness of the registrants' disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (c) disclosed in this report any change in the registrants' internal control over financial reporting that occurred during the registrants' most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect the registrants' internal control over financial reporting.

5. The registrants' other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrants' auditors and the audit committee of each registrant's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrants' ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrants' internal controls over financial reporting.

Date: December 14, 2004

Eugene V. N. Bissell

Eugene V. N. Bissell
President and Chief Executive Officer
AmeriGas Propane, Inc.
AmeriGas Finance Corp.
AmeriGas Eagle Finance Corp.
AP Eagle Finance Corp.

EXHIBIT 31.2

I, Martha B. Lindsay, certify that:

1. I have reviewed this annual report on Form 10-K of AmeriGas Partners, L.P., AmeriGas Finance Corp., AmeriGas Eagle Finance Corp. and AP Eagle Finance Corp.;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrants as of, and for, the periods presented in this annual report;

4. The registrants' other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(d)) for the registrants and we have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrants, including their consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

   (b) evaluated the effectiveness of the registrants' disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (c) disclosed in this report any change in the registrants' internal control over financial reporting that occurred during the registrants' most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect the registrants' internal control over financial reporting.

5. The registrants' other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrants' auditors and the audit committee of each registrant's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrants' ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrants' internal controls over financial reporting.

Date: December 14, 2004

Martha B. Lindsay

Martha B. Lindsay
Vice President - Finance and Chief Financial Officer
AmeriGas Propane, Inc.
AmeriGas Finance Corp.
AmeriGas Eagle Finance Corp.
AP Eagle Finance Corp.

EXHIBIT 32

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
RELATING TO A PERIODIC REPORT CONTAINING FINANCIAL STATEMENTS

I, Eugene V. N. Bissell, Chief Executive Officer, and I, Martha B. Lindsay, Chief Financial Officer, of each of AmeriGas Propane, Inc., a Pennsylvania corporation and the General Partner of AmeriGas Partners, L.P., a Delaware limited partnership (the "Partnership"), AmeriGas Finance Corp. ("Finance Corp."), AmeriGas Eagle Finance Corp. ("Eagle Finance Corp.") and AP Eagle Finance Corp. ("AP Finance Corp.") and collectively with the Partnership, Finance Corp. and Eagle Finance Corp., (the "Registrant") hereby certify that to our knowledge:

(1) The Registrant's periodic report on Form 10-K for the period ended September 30, 2004 (the "Form 10-K") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

* * *

CHIEF EXECUTIVE OFFICER	CHIEF FINANCIAL OFFICER
/s/ Eugene V. N. Bissell	/s/ Martha B. Lindsay
- ----------	----------
Eugene V. N. Bissell	Martha B. Lindsay
Date: December 14, 2004	Date: December 14, 2004

A signed original of this written statement required by Section 906 has been provided to AmeriGas Partners, L.P., AmeriGas Finance Corp., AmeriGas Eagle Finance Corp. and AP Eagle Finance Corp. and will be retained by AmeriGas Partners, L.P., AmeriGas Finance Corp., AmeriGas Eagle Finance Corp. and AP Eagle Finance Corp. and furnished to the Securities and Exchange Commission or its staff upon request.