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AMERIGAS PARTNERS LP

FORM 10-Q
(Quarterly Report)

Filed 05/10/07 for the Period Ending 03/31/07

Address	460 N GULPH RD BOX 965 VALLEY FORGE, PA 19406
Telephone	6103377000
CIK	0000932628
Symbol	APU
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Industry	Oil & Gas Operations
Sector	Energy
Fiscal Year	12/31

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AMERIGAS PARTNERS LP

FORM 10-Q
(Quarterly Report)

Filed 5/10/2007 For Period Ending 3/31/2007

Address	460 N GULPH RD BOX 965
	VALLEY FORGE, Pennsylvania 19406
Telephone	610-337-7000
CIK	0000932628
Industry	Oil & Gas Operations
Sector	Energy
Fiscal Year	09/30

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the quarterly period ended March 31, 2007

OR

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

For the transition period from _____to _____

Commission file number 1-13692

AMERIGAS PARTNERS, L.P.

(Exact name of registrant as specified in its charters)

Delaware (State or other jurisdiction of incorporation or organization)	23-2787918 (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
(Registrant's telephone number, including area code)

Indicate by check mark whether the 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 ☑ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

At April 30, 2007, there were 56,822,497 Common Units of AmeriGas Partners, L.P. outstanding.

AMERIGAS PARTNERS, L.P.
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AMERIGAS PARTNERS, L.P.

CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)
(Thousands of dollars)

	March 31, 2007	September 30, 2006	March 31, 2006
ASSETS			
Current assets:			
Cash and cash equivalents	$ 52,508	$ 84,775	$ 57,576
Accounts receivable (less allowances for doubtful accounts of $19,333, $14,460 and $18,943, respectively)	268,401	171,091	248,231
Accounts receivable — related parties	5,007	3,104	3,037
Inventories	103,672	99,836	86,829
Prepaid expenses and other current assets	11,276	9,403	10,645
Total current assets	440,864	368,209	406,318
Property, plant and equipment (less accumulated depreciation and amortization of $651,033, $622,684, and $594,954, respectively)	582,217	580,592	582,841
Goodwill	619,938	619,938	619,143
Intangible assets (less accumulated amortization of $27,119, $25,216 and $22,965, respectively)	23,782	25,608	27,366
Other assets	15,761	17,420	19,884
Total assets	$ 1,682,562	$ 1,611,767	$ 1,655,552
LIABILITIES AND PARTNERS' CAPITAL			
Current liabilities:			
Current maturities of long-term debt	$ 1,376	$ 1,825	$ 3,091
Accounts payable — trade	175,464	143,528	149,014
Accounts payable — related parties	3,001	3,530	6,262
Customer deposits and advances	38,049	103,329	41,723
Derivative financial instruments	249	25,778	—
Other current liabilities	92,439	102,166	90,180
Total current liabilities	310,578	380,156	290,270
Long-term debt	931,386	931,921	932,501
Other noncurrent liabilities	68,069	67,739	60,388
Commitments and contingencies (note 3)			
Minority interests	11,881	10,448	11,822
Partners' capital	360,648	221,503	360,571
Total liabilities and partners' capital	$ 1,682,562	$ 1,611,767	$ 1,655,552

See accompanying notes to condensed consolidated financial statements.

AMERIGAS PARTNERS, L.P.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)
(Thousands of dollars, except per unit)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2007	2006	2007	2006
Revenues:				
Propane	$ 764,773	$ 678,417	$ 1,334,697	$ 1,266,774
Other	45,035	39,713	91,702	81,580
	809,808	718,130	1,426,399	1,348,354
Costs and expenses:				
Cost of sales — propane	485,015	433,845	856,010	825,819
Cost of sales — other	15,289	13,467	33,000	29,282
Operating and administrative expenses	155,702	141,595	294,152	275,033
Depreciation and amortization	18,574	17,916	37,141	36,169
Other income, net	(4,032)	(5,018)	(8,424)	(8,939)
	670,548	601,805	1,211,879	1,157,364
Operating income	139,260	116,325	214,520	190,990
Loss on extinguishment of debt	—	(17,079)	—	(17,079)
Interest expense	(17,816)	(19,428)	(35,789)	(38,347)
Income before income taxes and minority interests	121,444	79,818	178,731	135,564
Income tax expense	(139)	(56)	(1,050)	(107)
Minority interests	(1,419)	(1,003)	(2,155)	(1,685)
Net income	$ 119,886	$ 78,759	$ 175,526	$ 133,772
General partner's interest in net income	$ 36,425	$ 17,287	$ 41,060	$ 22,823
Limited partners' interest in net income	$ 83,461	$ 61,472	$ 134,466	$ 110,949
Net income per limited partner unit:				
Basic	$ 1.47	$ 1.08	$ 2.37	$ 1.95
Diluted	$ 1.47	$ 1.08	$ 2.37	$ 1.95
Average limited partner units outstanding (thousands):				
Basic	56,822	56,797	56,814	56,797
Diluted	56,850	56,827	56,848	56,833

See accompanying notes to condensed consolidated financial statements.

AMERIGAS PARTNERS, L.P.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(Thousands of dollars)

	Six Months Ended March 31,	
	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 175,526	$ 133,772
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	37,141	36,169
Provision for uncollectible accounts	7,132	7,894
Loss on early extinguishment of debt	—	17,079
Other, net	2,534	(8,092)
Net change in:		
Accounts receivable	(106,351)	(95,300)
Inventories	(3,714)	3,919
Accounts payable	31,414	15,854
Other current assets and liabilities	(71,539)	(63,842)
Net cash provided by operating activities	72,143	47,453
CASH FLOWS FROM INVESTING ACTIVITIES:		
Expenditures for property, plant and equipment	(38,830)	(35,608)
Proceeds from disposals of assets	2,385	5,656
Acquisitions of businesses, net of cash acquired	(438)	(551)
Net cash used by investing activities	(36,883)	(30,503)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Distributions	(66,570)	(64,255)
Minority interest activity	(1,016)	1,987
Proceeds from issuance of Common Units	814	146
Issuance of long-term debt	70	343,875
Repayment of long-term debt	(833)	(340,290)
Capital contribution from General Partner	8	1
Net cash used by financing activities	(67,527)	(58,536)
Cash and cash equivalents decrease	$ (32,267)	$ (41,586)
CASH AND CASH EQUIVALENTS:		
End of period	$ 52,508	$ 57,576
Beginning of period	84,775	99,162
Decrease	$ (32,267)	$ (41,586)

See accompanying notes to condensed consolidated financial statements.

AMERIGAS PARTNERS, L.P.

CONDENSED CONSOLIDATED STATEMENT OF PARTNERS' CAPITAL
(unaudited)
(Thousands, except unit data)

	Number of Common Units	Common	General partner	Accumulated other comprehensive loss	Total partners' capital
Balance September 30, 2006	56,797,105	$ 250,493	$ 2,525	$ (31,515)	$ 221,503
Net income		134,466	41,060		175,526
Net gains on derivative instruments				3,996	3,996
Reclassification of net losses on derivative instruments				25,129	25,129
Comprehensive income		134,466	41,060	29,125	204,651
Distributions		(65,904)	(666)		(66,570)
Unit based compensation expense		242			242
Common Units issued in connection with incentive compensation plan	25,392	814	8		822
Balance March 31, 2007	56,822,497	$ 320,111	$ 42,927	$ (2,390)	$ 360,648

See accompanying notes to condensed consolidated financial statements.

AMERIGAS PARTNERS, L.P.

Notes to Condensed Consolidated Financial Statements
(unaudited)
(Thousands of dollars, except per unit)

1. Basis of Presentation

The condensed consolidated financial statements include the accounts of AmeriGas Partners, L.P. ("AmeriGas Partners") and 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." We eliminate all significant intercompany accounts and transactions when we consolidate. We account for AmeriGas Propane, Inc.'s (the "General Partner's") 1.01% interest in AmeriGas OLP and an unrelated third party's approximate 0.1% limited partner interest in Eagle OLP as minority interests in the condensed consolidated financial statements.

AmeriGas Finance Corp., AmeriGas Eagle Finance Corp. and AP Eagle Finance Corp. are wholly-owned finance subsidiaries of AmeriGas Partners. Their sole purpose is to serve as co-obligors for debt securities issued by AmeriGas Partners, L.P.

The accompanying condensed consolidated financial statements are unaudited and have been prepared in accordance with the rules and regulations of the U.S. Securities and Exchange Commission ("SEC"). They include all adjustments which we consider necessary for a fair statement of the results for the interim periods presented. Such adjustments consisted only of normal recurring items unless otherwise disclosed. The September 30, 2006 condensed consolidated balance sheet data was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States of America. These financial statements should be read in conjunction with the financial statements and related notes included in our Annual Report on Form 10-K for the year ended September 30, 2006 ("2006 Annual Report"). Weather significantly impacts demand for propane and profitability because many customers use propane for heating purposes. Due to the seasonal nature of the Partnership's propane business, the results of operations for interim periods are not necessarily indicative of the results to be expected for a full year.

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. This interest is calculated in accordance with the provisions in the Partnership Agreement governing cash distributions. Generally, the percentage of cash distributions to the General Partner increases when the amount of any distribution to the limited partners exceeds $0.605 per Common Unit. Accordingly, beginning with the partnership distribution of $0.61 per Common Unit to be paid on May 18, 2007 to holders of record on May 10, 2007, the General Partner will receive a greater percentage of the total partnership distribution than its general partner ownership interest of 1%, but only with respect to the amount by which the total distribution to limited partners exceeds $0.605 per Common Unit.

AMERIGAS PARTNERS, L.P.

Notes to Condensed Consolidated Financial Statements
(unaudited)
(Thousands of dollars, except per unit)

The Partnership follows the provisions in Emerging Issues Task Force ("EITF") 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, but not necessarily, impact our first three fiscal quarters. The dilutive effect of EITF 03-6 on net income per diluted limited partner unit was $(0.62) and $(0.29) for the three months ended March 31, 2007 and 2006, respectively. The dilutive effect of EITF 03-6 on net income per diluted limited partner unit was $(0.69) and $(0.38) for the six months ended March 31, 2007 and 2006, respectively.

Potentially dilutive Common Units included in the diluted limited partner units outstanding computation reflect the effects of restricted Common Unit awards granted under the General Partner's incentive compensation plans.

Comprehensive Income. The following table presents the components of comprehensive income for the three and six months ended March 31, 2007 and 2006:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2007	2006	2007	2006
Net income	$ 119,886	$ 78,759	$ 175,526	$ 133,772
Other comprehensive income (loss)	30,399	(8,977)	29,125	(46,509)
Comprehensive income	$ 150,285	$ 69,782	$ 204,651	$ 87,263

Other comprehensive income (loss) is principally the result of changes in the fair value of propane commodity derivative instruments and interest rate protection agreements, net of reclassifications of net gains and losses to net income.

Revenue-Related Taxes. In June 2006, the Financial Accounting Standards Board ("FASB") reached a consensus on EITF Issue No. 06-3, "How Taxes Collected from Customers and Remitted to Governmental Authorities Should Be Presented in the Income Statement (That Is, Gross versus Net Presentation)" ("EITF 06-3"). EITF 06-3 addresses accounting policies disclosure with respect to revenue-related taxes beginning with financial reports for interim or annual reporting periods beginning after December 15, 2006. The scope of EITF 06-3 includes any tax assessed by a governmental authority that is imposed concurrent with or subsequent to a revenue-producing transaction between a seller and a customer. EITF 06-3 provides that entities may adopt a policy of presenting such taxes in the income statement either on a gross basis within revenue or on a net basis. If such taxes are significant, and are presented on the income statement on a gross basis, the amounts of those taxes should also be disclosed. As a result of adopting this EITF, we are providing disclosure of our existing accounting policy and have not made any changes to that policy. We present revenue-related taxes within the scope of EITF 06-3 on a net basis.

AMERIGAS PARTNERS, L.P.

Notes to Condensed Consolidated Financial Statements
(unaudited)
(Thousands of dollars, except per unit)

Reclassifications. We have reclassified certain prior-year balances to conform to the current period presentation.

Use of Estimates. We make estimates and assumptions when preparing financial statements in conformity with accounting principles generally accepted in the United States of America. 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.

Recently Issued Accounting Pronouncements. In February 2007, the FASB issued Statement of Financial Accounting Standards ("SFAS") No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities — Including an amendment of FASB Statement No. 115" ("SFAS 159") which permits entities to choose to measure certain financial instruments at fair value that are not currently required to be measured at fair value. Upon adoption, a cumulative adjustment will be made to beginning retained earnings for the initial fair value option remeasurement. Subsequent unrealized gains and losses for fair value option items will be reported in earnings. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007 and should not be applied retrospectively, except as permitted for certain conditions for early adoption. We are currently reviewing the provisions of SFAS 159.

2. Related Party Transactions

Pursuant to the Partnership Agreement and a Management Services Agreement among AmeriGas Eagle Holdings, Inc., 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 $92,189 and $175,256 during the three and six months ended March 31, 2007, respectively, and $84,435 and $163,087 during the three and six months ended March 31, 2006, respectively, 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 $3,827 and $6,148 during the three and six months ended March 31, 2007, respectively, and $3,748 and $4,535 during the three and six months ended March 31, 2006, respectively. In addition, UGI and certain of its subsidiaries provide office space and automobile liability insurance to the Partnership. These costs totaled $658 and $1,296 during the three and six months ended March 31, 2007, and $621 and $1,388 during the three and six months ended March 31, 2006, respectively.

AMERIGAS PARTNERS, L.P.

Notes to Condensed Consolidated Financial Statements
(unaudited)
(Thousands of dollars, except per unit)

AmeriGas OLP purchases propane from UGI Energy Services, Inc. and subsidiaries ("Energy Services"), which is owned by an affiliate of UGI. Purchases of propane by AmeriGas OLP from Energy Services totaled $15,718 and $24,336, during the three and six months ended March 31, 2007, respectively, and $15,316 and $27,669 during the three and six months ended March 31, 2006, respectively. Amounts due to Energy Services totaled $3,001, $3,115 and $5,768 at March 31, 2007, September 30, 2006 and March 31, 2006, respectively, and are reflected in accounts payable — related parties in the Condensed Consolidated Balance Sheets.

3. Commitments and Contingencies

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 March 31, 2007, the potential amount payable under this indemnity by the Company Parties was approximately $58,000. 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.

AMERIGAS PARTNERS, L.P.

Notes to Condensed Consolidated Financial Statements
(unaudited)
(Thousands of dollars, except per unit)

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, 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. In 2003, we settled the individual personal injury and property damage claims of the Swigers. In 2004, the court granted the plaintiffs' motion to include customers acquired from Columbia Propane in August 2001 as additional potential class members and the plaintiffs amended their complaint to name additional parties pursuant to such ruling. Subsequently, in March 2005, we filed a cross-claim against CEG, former owner of Columbia Propane, seeking indemnification for conduct undertaken by Columbia Propane prior to our acquisition. 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 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 and result in losses in excess of recorded amounts. We are unable to estimate any such possible excess losses. 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.

4. Pending Sale of Arizona Storage Facility

In February 2007, we signed a definitive agreement with Plains LPG Services, L.P. to sell our 3.5 million barrel liquefied petroleum gas storage terminal located near Phoenix, AZ for approximately $52,000. We expect the transaction to close before the end of our third fiscal quarter ending June 30, 2007. In addition, we expect to record a gain of approximately $46,000 to $48,000 associated with this transaction.

AMERIGAS PARTNERS, L.P.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

FORWARD-LOOKING STATEMENTS

Information contained in this Management's Discussion and Analysis of Financial Condition and Results of Operations and elsewhere in this Quarterly Report 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) the impact of pending and future legal proceedings; (5) competitive pressures from the same and alternative energy sources; (6) failure to acquire new customers thereby reducing or limiting any increase in revenues; (7) liability for environmental claims; (8) increased customer conservation measures due to high energy prices and improvements in energy efficiency and technology resulting in reduced demand; (9) adverse labor relations; (10) large customer, counterparty or supplier defaults; (11) 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; (12) political, regulatory and economic conditions in the United States and foreign countries; and (13) reduced access to capital markets and interest rate fluctuations.

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.

AMERIGAS PARTNERS, L.P.

ANALYSIS OF RESULTS OF OPERATIONS

The following analyses compare the Partnership's results of operations for (1) the three months ended March 31, 2007 ("2007 three-month period") with the three months ended March 31, 2006 ("2006 three-month period") and (2) the six months ended March 31, 2007 ("2007 six-month period") with the six months ended March 31, 2006 ("2006 six-month period").

Executive Overview

The Partnership's results are largely seasonal and dependent upon weather conditions, particularly during the peak-heating season, which occurs in the first half of our fiscal year. As a result, our net income is generally higher in our first and second fiscal quarters whereas lower net income or net losses occur in our third and fourth fiscal quarters. Temperatures during the 2007 six-month period were 5.8% warmer than normal and 3.1% colder than the prior-year six-month period.

The Partnership reported net income of $175.5 million during the 2007 six-month period, an increase of approximately 31% or $41.7 million compared to the prior-year period. The increase in net income principally reflects the effects of colder weather than in 2006 and the absence of a $17.1 million loss on extinguishment of debt associated with fiscal 2006 debt refinancings. Colder temperatures during the 2007 six-month period had a favorable impact on our retail volumes sold, largely to residential heating customers. Our AmeriGas cylinder exchange program also experienced higher volumes sold primarily reflecting customer growth. Our total margin increased approximately 9% compared to the 2006 six-month period principally due to higher average propane margins per gallon, higher volumes sold and, to a much lesser extent, higher fees in response to increases in operating and administrative expenses.

As previously announced, in February 2007, we signed a definitive agreement to sell our Bumstead liquefied petroleum gas storage terminal located near Phoenix, AZ for approximately $52 million. The Partnership expects to record a gain on the sale of approximately $46 million to $48 million when the sale occurs later in this fiscal year.

AMERIGAS PARTNERS, L.P.

2007 three-month period compared with 2006 three-month period

Three Months Ended March 31, (millions of dollars)	2007	2006	Increase (Decrease)	
Gallons sold (millions):				
Retail	370.1	341.4	28.7	8.4%
Wholesale	42.4	44.0	(1.6)	(3.6)%
	412.5	385.4	27.1	7.0%
Revenues:				
Retail propane	$ 716.4	$ 630.3	$ 86.1	13.7%
Wholesale propane	48.4	48.1	0.3	0.6%
Other	45.0	39.7	5.3	13.4%
	$ 809.8	$ 718.1	$ 91.7	12.8%
Total margin (a)	$ 309.5	$ 270.8	$ 38.7	14.3%
EBITDA (b)	$ 156.4	$ 116.2	$ 40.2	34.6%
Operating income	$ 139.3	$ 116.3	$ 23.0	19.8%
Net income	$ 119.9	$ 78.8	$ 41.1	52.2%
Heating degree days — % warmer than normal (c)	3.7	12.1	—	—

(a) Total margin represents total revenues less cost of sales — propane and cost of sales — other.

(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 ("GAAP"). Management believes EBITDA is a meaningful non-GAAP financial measure used by investors to compare the Partnership's operating performance with that of other companies within the propane industry and to evaluate the Partnership's ability to meet loan covenants. The Partnership's definition of EBITDA may be different from that used by other companies. Weather significantly impacts demand for propane and profitability because many customers use propane for heating purposes. Due to the seasonal nature of the Partnership's propane business, EBITDA for interim periods is not necessarily indicative of amounts to be expected for a full year.

The following table includes reconciliations of net income to EBITDA for the periods presented:

	Three Months Ended March 31, 2007	Three Months Ended March 31, 2006
Net income	$ 119.9	$ 78.8
Income tax expense	0.1	0.1
Interest expense	17.8	19.4
Depreciation	17.6	16.8
Amortization	1.0	1.1
EBITDA	$ 156.4	$ 116.2

(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.

AMERIGAS PARTNERS, L.P.

Based upon heating degree-day data, temperatures were 3.7% warmer than normal in the 2007 three-month period compared to 12.1% warmer than normal in the prior-year period. Retail propane volumes sold increased approximately 8% principally due to the colder weather.

Retail propane revenues increased $86.1 million reflecting a $53.0 million increase due to the higher retail volumes sold and a $33.1 million increase due to higher average selling prices. Wholesale propane revenues in the 2007 three-month period were comparable with the 2006 three-month period. Total cost of sales increased to $500.3 million in the 2007 three-month period from $447.3 million in the 2006 three-month period, primarily reflecting the increased volumes sold and an increase in propane product costs. Total margin increased $38.7 million compared to the 2006 three-month period principally due to the higher retail propane gallons sold at higher average retail margins per gallon.

EBITDA during the 2007 three-month period was $156.4 million compared to $116.2 million during the 2006 three-month period. The $40.2 million increase in EBITDA mainly reflects the increase in total margin and the absence of a $17.1 million loss on extinguishment of debt partially offset by increases in operating and administrative expenses. Operating and administrative expenses increased $14.1 million principally reflecting higher employee compensation and benefits expenses, higher repair and maintenance expenses and increased vehicle costs.

Operating income increased $23.0 million reflecting the increase in EBITDA excluding the impact of the absence of the prior period's $17.1 million loss on extinguishment of debt which is included in EBITDA but excluded from operating income. Net income in the 2007 three-month period increased $41.1 million reflecting the increase in operating income, the absence of the 2006 three-month period loss on extinguishment of debt and a decrease in interest expense.

AMERIGAS PARTNERS, L.P.

2007 six-month period compared with 2006 six-month period

Six Months Ended March 31, (millions of dollars)	2007	2006	Increase (Decrease)	
Gallons sold (millions):				
Retail	653.0	633.3	19.7	3.1%
Wholesale	77.0	82.2	(5.2)	(6.3)%
	730.0	715.5	14.5	2.0%
Revenues:				
Retail propane	$ 1,247.8	$ 1,173.5	$ 74.3	6.3%
Wholesale propane	86.9	93.3	(6.4)	(6.9)%
Other	91.7	81.6	10.1	12.4%
	$ 1,426.4	$ 1,348.4	$ 78.0	5.8%
Total margin (a)	$ 537.4	$ 493.3	$ 44.1	8.9%
EBITDA (b)	$ 249.5	$ 208.4	$ 41.1	19.7%
Operating income	$ 214.5	$ 191.0	$ 23.5	12.3%
Net income	$ 175.5	$ 133.8	$ 41.7	31.2%
Heating degree days — % warmer than normal (c)	5.8	8.7	—	—

(a) Total margin represents total revenues less cost of sales — propane and cost of sales — other.

(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 GAAP. Management believes EBITDA is a meaningful non-GAAP financial measure used by investors to compare the Partnership's operating performance with that of other companies within the propane industry and to evaluate the Partnership's ability to meet loan covenants. The Partnership's definition of EBITDA may be different from that used by other companies. Weather significantly impacts demand for propane and profitability because many customers use propane for heating purposes. Due to the seasonal nature of the Partnership's propane business, EBITDA for interim periods is not necessarily indicative of amounts to be expected for a full year.

The following table includes reconciliations of net income to EBITDA for the periods presented:

	Six Months Ended March 31, 2007	Six Months Ended March 31, 2006
Net income	$ 175.5	$ 133.8
Income tax expense	1.1	0.1
Interest expense	35.8	38.3
Depreciation	35.2	33.8
Amortization	1.9	2.4
EBITDA	$ 249.5	$ 208.4

(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.

AMERIGAS PARTNERS, L.P.

Based upon heating degree-day data, temperatures in the 2007 six-month period were 5.8% warmer than normal and 3.1% colder than the prior-year period. Retail propane volumes sold increased approximately 3% primarily reflecting greater demand attributable to the colder weather.

Retail propane revenues increased $74.3 million reflecting a $37.8 million increase due to higher average selling prices and $36.5 million due to the higher volumes sold. Wholesale propane revenues decreased $6.4 million reflecting a $5.9 million decrease due to lower wholesale volumes sold and a slight decrease resulting from lower average selling prices. Total cost of sales increased to $889.0 million in the 2007 six-month period from $855.1 million in the 2006 six-month period, primarily reflecting the increased volumes sold and an increase in propane product costs. Total margin increased $44.1 million compared to the 2006 six-month period principally due to higher average propane margins per gallon, higher volumes sold and, to a much lesser extent, higher fees in response to increases in operating and administrative expenses. Our total margin also benefited from higher sales resulting from customer growth in our AmeriGas cylinder exchange program.

EBITDA during the 2007 six-month period was $249.5 million compared to $208.4 million during the 2006 six-month period. The $41.1 million increase in EBITDA mainly reflects the increase in total margin and the absence of the $17.1 million loss on extinguishment of debt partially offset by a $19.1 million increase in operating and administrative expenses. Operating and administrative expenses increased principally due to higher employee compensation and benefits expenses, higher repair and maintenance expenses and increased vehicle costs.

Operating income increased $23.5 million reflecting the previously mentioned increase in EBITDA excluding the impact of the absence of the prior period's $17.1 million loss on extinguishment of debt which is included in EBITDA but excluded from operating income. Net income in the 2007 six-month period increased $41.7 million reflecting the increase in operating income, the absence of the 2006 six-month period loss on extinguishment of debt and a decrease in interest expense, partially offset by higher income tax expense related to certain corporate subsidiaries.

FINANCIAL CONDITION AND LIQUIDITY

Financial Condition

The Partnership's long-term debt outstanding at March 31, 2007 totaled $932.8 million (including current maturities of $1.4 million) compared to $933.7 million (including current maturities of $1.8 million) at September 30, 2006.

AMERIGAS PARTNERS, L.P.

AmeriGas OLP's Credit Agreement expires on October 15, 2011 and consists of (1) a $125 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. 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. At March 31, 2007, there were no borrowings outstanding under the Credit Agreement. Issued and outstanding letters of credit under the Revolving Credit Facility, which reduce the amount of available borrowing capacity, totaled $58.0 million at March 31, 2007 and was approximately the same amount outstanding during the entire six-month period. Issued and outstanding letters of credit under the Revolving Credit Facility totaled $58.9 million at March 31, 2006 and was approximately the same amount outstanding during the entire six-month period. The average daily and peak bank loan borrowings outstanding under the Credit Agreement during the 2007 six-month period were $2.4 million and $92.0 million, respectively. There were no significant borrowings under the Credit Agreement during the 2006 six-month period.

AmeriGas Partners periodically issues equity securities and may continue to do so. Proceeds from the Partnership's equity offerings have generally been used by the Partnership to reduce indebtedness and for general Partnership purposes, including funding acquisitions. The Partnership has an effective unallocated debt and equity shelf registration statement with the U.S. Securities and Exchange Commission ("SEC") under which it may issue Common Units or Senior Notes due 2016 in underwritten public offerings.

As previously announced, the Partnership's regular quarterly distribution was increased by approximately 5% to $0.61 for the quarter ended March 31, 2007 which will be paid on May 18, 2007 to unit holders of record on May 10, 2007. In addition, on May 4, 2007, the Partnership announced its intention to distribute a portion of the proceeds from the expected sale of its Arizona storage facility in the amount of $0.25 per Common Unit on August 18, 2007 to unitholders of record on August 10, 2007. Generally, the percentage of cash distributions to the General Partner increases when the amount of any distribution to the limited partners exceeds $0.605 per Common Unit. Accordingly, beginning with the partnership distribution of $0.61 per Common Unit to be paid on May 18, 2007, the General Partner will receive a greater percentage of the total partnership distribution than its general partner ownership interest of 1%, but only with respect to the amount by which the total distribution to limited partners exceeds $0.605 per Common Unit.

During the six months ended March 31, 2007, the Partnership declared and paid quarterly distributions on all limited partner units for the quarters ended December 31, and September 30, 2006. The ability of the Partnership to declare and pay the quarterly distribution on its Common Units in the future 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.

AMERIGAS PARTNERS, L.P.

Cash Flows

Operating activities. The Partnership had cash and cash equivalents totaling $52.5 million at March 31, 2007 compared to $84.8 million at September 30, 2006. Due to the seasonal nature of the propane business, cash flows from operating activities are generally strongest during the second and third fiscal quarters when customers pay for propane purchased 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. Accordingly, cash flows from operating activities during the six months ended March 31, 2007 are not necessarily indicative of cash flows to be expected for a full year. The Partnership generally uses its Credit Agreement to satisfy its seasonal cash flow needs.

Cash flow provided by operating activities was $72.1 million during the 2007 six-month period compared to $47.5 million during the 2006 six-month period. Cash flow from operating activities before changes in working capital was $222.3 million in the 2007 six-month period compared to $186.8 million in the prior-year six-month period. Cash required to fund changes in operating working capital during the 2007 six-month period totaled $150.2 million compared to $139.4 million required in the prior-year six-month period. The increase in cash flow provided by operating activities predominately reflects the improved earnings experienced compared with the prior-year six-month period.

Investing activities. We spent $38.8 million for property, plant and equipment (including maintenance capital expenditures of $13.2 million and growth capital expenditures of $25.6 million) during the 2007 six-month period compared to $35.6 million (including maintenance capital expenditures of $12.5 million and growth capital expenditures of $23.1 million) during the prior-year six-month period. Cash flow used for business acquisitions was not material during either of the 2007 or 2006 six-month periods.

Financing activities. Cash flow used by financing activities was $67.5 million in the 2007 six-month period compared to $58.5 million in the prior-year period. The Partnership's financing activities are typically the result of repayments and issuances of long-term debt, borrowings under our Credit Agreement, issuances of Common Units and distributions on partnership interests.

Pending Sale of Arizona Storage Facility

In February 2007, we signed a definitive agreement with Plains LPG Services, L.P. to sell our 3.5 million barrel liquefied petroleum gas storage terminal located near Phoenix, AZ for approximately $52 million. We expect the transaction to close before the end of our third fiscal quarter ending June 30, 2007. In addition, we expect to record a gain of approximately $46 milltion to $48 million associated with this transaction.

AMERIGAS PARTNERS, L.P.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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

The risk associated with fluctuations in the prices the Partnership pays for propane is 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 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 are generally settled at expiration of the contract. In order to minimize credit risk associated with derivative commodity contracts, we 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 its 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. 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 March 31, 2007. Fair values 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 at March 31, 2007. The table also includes the changes in fair value that would result if there were an adverse change of ten percent in (1) the market price of propane and (2) interest rates on ten-year U.S. treasury notes:

	Fair Value	Change in Fair Value
	(Millions of dollars)	
March 31, 2007:		
Propane commodity price risk	$ 3.4	$ (6.3)
Interest rate risk	(0.1)	(4.3)

Because the Partnership's derivative instruments generally qualify as hedges under Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities," 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.

ITEM 4. CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures

The Partnership's management, with the participation of the Partnership's 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 (i) recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and (ii) accumulated and communicated to our management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding disclosure.

(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.

AMERIGAS PARTNERS, L.P.

PART II OTHER INFORMATION

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part I, "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended September 30, 2006, which could materially affect our business, financial condition or future results. The risks described in our Annual Report on Form 10-K are not the only risks facing the Partnership. Other unknown or unpredictable factors could also have material adverse effects on future results.

ITEM 6. 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):

Exhibit No.	Exhibit
10.1	AmeriGas Propane, Inc. Non-Qualified Deferred Compensation Plan effective February 1, 2007.
31.1	Certification by the Chief Executive Officer relating to the Registrant's Report on Form 10-Q for the quarter ended March 31, 2007, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification by the Chief Financial Officer relating to the Registrant's Report on Form 10-Q for the quarter ended March 31, 2007, 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 Registrant's Report on Form 10-Q for the quarter ended March 31, 2007, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

AMERIGAS PARTNERS, L.P.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AmeriGas Partners, L.P.
(Registrant)

By: AmeriGas Propane, Inc.,
as General Partner

Date: May 10, 2007

By: /s/ Jerry E. Sheridan
Jerry E. Sheridan
Vice President – Finance
and Chief Financial Officer

Date: May 10, 2007

By: /s/ William J. Stanczak
William J. Stanczak
Controller and Chief Accounting Officer

AMERIGAS PARTNERS, L.P.

EXHIBIT INDEX

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Exhibit 10.1

AMERIGAS PROPANE, INC.

NONQUALIFIED DEFERRED COMPENSATION PLAN

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ARTICLE I

STATEMENT OF PURPOSE

Sec. 1.01 Purpose . In recognition of the services provided to AmeriGas Propane, Inc. ("AGP") by certain senior management and highly compensated employees, AGP maintains the AmeriGas Propane, Inc. Non-Qualified Deferred Compensation Plan (the "Plan") to provide such employees with retirement benefits that would otherwise be unavailable because of the nondiscrimination tests and deferral limitations to the AmeriGas Propane, Inc. 401(k) Savings Plan (the "AGP 401(k) Plan") mandated under the Internal Revenue Code. The Plan is effective February 1, 2007, under the terms and conditions hereinafter set forth.

ARTICLE II

DEFINITIONS

Sec. 2.01 "Account" shall mean the account or accounts maintained on the books of AGP used solely to calculate the amount payable to each Participant under this Plan and shall not constitute a separate fund of assets.

Sec. 2.02 "Administrative Committee" shall mean the administrative committee designated pursuant to Article VII of the Plan to administer the Plan in accordance with its terms.

Sec. 2.03 "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.

Sec. 2.04 "AGP" shall mean AmeriGas Propane, Inc.

Sec. 2.05 "AGP 401(k) Plan" shall mean the AmeriGas Propane, Inc. 401(k) Savings Plan.

Sec. 2.06 "Beneficiary" shall mean the person or entity designated by a Participant, in a written instrument submitted to the Administrative Committee. In the event the Participant fails to properly designate a Beneficiary or in the event that the Participant is predeceased by all designated primary and secondary Beneficiaries, the death benefit shall be payable to the Participant surviving-spouse or, if none, to the Participant's estate.

Sec. 2.07 "Board" shall mean the Board of Directors of AGP.

Sec. 2.08 "Compensation/Pension Committee" shall mean the Compensation/Pension Committee of the Board or such other committee designated by the Board of AGP to perform certain functions with respect to the Plan.

Sec. 2.09 "Compensation" shall mean, for any Plan Year, the total remuneration paid by the Employer to or on behalf of the Participant during the Plan Year, exclusive of compensation paid or accrued with respect to service performed prior to the date on which the Employee became a Participant. Compensation shall include basic salary or wages, annual incentive bonuses, commissions and all other direct current money compensation (other than long-term incentive plan payments and severance pay), amounts paid in reimbursement of, or in lieu of, expenses incurred by the Participant in the performance of his duties, and the value of non-money awards or gifts made by the Employer; provided, however, that Compensation shall be determined prior to giving effect to any salary reduction election made pursuant to the terms of any plan.

Sec. 2.10 “Effective Date” shall mean February 1, 2007.

Sec. 2.11 “Eligible Employee” shall mean an Employee who is eligible to participate in the Plan for a particular Plan Year as designated and approved by the Administrative Committee in its sole discretion; provided, however, that to qualify as an “Eligible Employee” for purposes of the Plan, the Employee must be a member of a “select group of management or highly compensated employees” within the meaning of sections 201, 301 and 401 of ERISA, as determined by the Administrative Committee.

Sec. 2.12 “Employee” shall mean any person in the employ of AGP or any successor employer other than a person (i) whose terms and conditions of employment are determined through collective bargaining with a third party or (ii) who is characterized as an independent contractor by AGP, no matter how characterized by a court or government agency. No retroactive characterization of an individual’s status for any other purpose shall make an individual an “Employee” for purposes hereof unless specifically determined otherwise by AGP for the purposes of this Plan.

Sec. 2.13 “ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended.

Sec. 2.14 “Internal Revenue Code” shall mean the Internal Revenue Code of 1986, as amended.

Sec. 2.15 “Key Employee” shall mean an employee who, at any time during the 12-month period ending on the identification date (defined below), is (i) an officer of AGP or a member of its controlled group (as determined for purposes of section 416(i) of the Internal Revenue Code) who has annual compensation greater than $135,000 (or such other amount as may be in effect under section 416(i)(1) of the Internal Revenue Code), (ii) a 5% owner of AGP or (iii) a 1% owner of AGP who has annual compensation greater than $150,000. The identification date shall be each December 31, and the determination of Key Employees as of such identification date shall apply for the 12-month period following April 1 after the identification date. The determination of Key Employees, including the number and identity of persons considered officers, shall be made by the Administrative Committee in accordance with the provisions of sections 416(i) and 409A of the Internal Revenue Code and the regulations issued thereunder.

Sec. 2.16 “Participant” shall mean any Eligible Employee who is designated and approved by the Administrative Committee to participate in this Plan. Such Eligible Employee shall remain a Participant in this Plan until such time as all benefits payable under this Plan have been paid in accordance with the provisions hereof.

Sec. 2.17 “Plan Year” shall mean the period beginning on February 1, 2007 and ending on December 31, 2007, and thereafter, each calendar year.

Sec. 2.18 “Plan” shall mean the AmeriGas Propane, Inc. Non-Qualified Deferred Compensation Plan as set forth herein, and as the same may from time-to-time hereafter be amended.

Sec. 2.19 “Postponement Period” shall mean, for a Key Employee, the period of six months after separation from service (or such other period as may be required by Section 409A of the Internal Revenue Code), during which Plan benefits may not be paid to the Key Employee under Section 409A of the Internal Revenue Code.

Sec. 2.20 “Subsidiary” shall mean any corporation in which AGP, directly or indirectly, owns at least a fifty percent (50%) interest or an unincorporated entity of which AGP, directly or indirectly, owns at least fifty percent (50%) of the profits or capital interests.

Sec. 2.21 “Valuation Date” shall mean the last day of the Plan Year and each other interim date during the Plan Year or dates determined by the Administrative Committee.

ARTICLE III

PARTICIPATION AND VESTING

Sec. 3.01 Participation . The Administrative Committee shall be authorized to designate who, from among the Eligible Employees, shall be a Participant for purposes of the Plan.

Sec. 3.02 Vesting . A Participant, at all times, shall have a fully (100%) vested and nonforfeitable interest in his Account under the Plan.

Sec. 3.03 Rehired Employees . An Eligible Employee who terminates employment with AGP and is rehired in the same Plan Year may not commence contributions under the Plan until the next Plan Year; provided, however, he must make an election to reduce his Compensation prior to the start of the Plan Year, in a manner prescribed by the Administrative Committee, and his resumption of participation must be approved by the Administrative Committee. If an employee is rehired after the beginning of a subsequent Plan Year, he may become a Participant in the Plan, if his resumption of participation in the Plan is approved by the Administrative Committee, by making an election to reduce Compensation, as soon as practicable, but, in any event, the election must be made within thirty (30) days of the rehire date. Any election made according to this Section 3.03 will become effective the first day of the month following thirty (30) days after the rehire date. Notwithstanding the foregoing, however, any election by a Participant, pursuant to this Section, to make an election to reduce Compensation shall apply only to Compensation earned after the date on which such election becomes effective.

Sec. 3.04 Newly Hired Employees . Any newly hired Eligible Employees, who has been designated as a Participant by the Administrative Committee, may make an election to reduce Compensation, as soon as practicable, but, in any event, the election must be made within thirty (30) days of the date of such designation. Any election made according to this Section 3.04 will become effective the first day of the month following thirty (30) days after the hire date.

ARTICLE IV

BENEFITS

Sec. 4.01 Amount . For each Plan Year, a Participant's Account shall be credited by AGP with an amount equal to the amount of the Participant's Compensation by which each Participant elects, in the manner prescribed by the Administrative Committee, to reduce his Compensation through payroll reductions, on and after the effective date of the election, from one percent (1%) to twenty-five percent (25%), in whole percentages, of his Compensation. The maximum annual amount by which the Participant may reduce his Compensation under the Plan is $10,000. Notwithstanding the foregoing, a Participant who takes a hardship withdrawal from the AGP 401(k) Plan shall have his payroll reductions and corresponding credit to his Account automatically suspended for a period of six months, to the extent required by final Treasury Regulations governing such hardship withdrawals and for such longer period as may be required by section 409A of the Code and the Treasury Regulations promulgated thereunder. A Participant whose payroll reductions have been suspended due to a hardship withdrawal from the AGP 401(k) Plan may recommence participation in the Plan (assuming such Participant continues to be eligible to participate) in a subsequent Plan Year by making an Compensation reduction election, in the manner prescribed by the Administrative Committee, prior to the beginning of the applicable Plan Year; provided, however, that any such subsequent election to reduce Compensation through payroll reductions will not become effective in the subsequent Plan Year until the applicable suspension period has expired as determined by the Administrative Committee.

Sec. 4.02 Investment of Account .

(a) For purposes of measuring the investment returns of his Account, a Participant may select, from the investment funds selected by the Administrative Committee, the investment funds in which all or part of his Account shall be deemed to be invested.

(b) A Participant shall make an investment designation by means of Fidelity's netBenefits WebPage which shall remain effective until another valid direction has been made by the Participant. The Participant may amend his investment designation at such time or times as permitted by the Administrative Committee in its sole discretion, and in accordance with such procedures as may be established by the Administrative Committee.

(c) The investment funds deemed to be made available to the Participant, and any limitation on the maximum or minimum percentages of the Participant's Account that may be deemed to be invested in any particular fund, shall be the same as from time-to-time communicated to the Participant by the Administrative Committee.

(d) In the absence of any Participant election directing the investment of his Account, a Participant shall be deemed to have elected that his Account be invested in the manner selected by the Administrative Committee for such circumstance.

(e) The Administrative Committee shall provide a statement at least annually to the Participant showing such information as is appropriate, including the aggregate amount in his Account as of a reasonably current date.

Sec. 4.03 Valuation of Account .

(a) AGP shall establish a bookkeeping Account for each Participant to which will be credited amounts described in Section 3.01 at such times and in accordance with such procedures as may be prescribed by the Administrative Committee. The Account shall be reduced to reflect any distributions from such Account. Such reductions shall be charged to the Account as of the date such distributions are made.

(b) As of each Valuation Date, income, gain and loss equivalents (determined as if the Account was invested in the manner set forth under Section 4.03, hereof) attributable to the period following the next preceding Valuation Date shall be credited to and/or deducted from the Participant's Account.

ARTICLE V

FORM AND TIMING OF BENEFIT DISTRIBUTION

Sec. 5.01 Form of Benefit Distributions . Benefits payable under the Plan shall be paid in a lump sum to the Participant or, in the event of death, the Participant's Beneficiary.

Sec. 5.02 Timing of Benefit Distributions . Except as otherwise required by Section 5.04 below, benefits payable under the Plan shall be paid as soon as practicable after the earliest of a Participant's (a) retirement, (b) termination of employment with AGP and Subsidiaries and Affiliates, or (c) disability, within the meaning of section 409A of the Internal Revenue Code. In no event shall such payment be made later than the later of (i) 90 days after a Participant experiences such retirement, termination of employment or disability, as the case may be, or (ii) December 31 of the year in which such a retirement, termination of employment or disability, as the case may be, occurs.

Sec. 5.03 Death Benefit . Upon the death of a Participant prior to the payment of benefits under this Plan, AGP shall pay to the Participant's Beneficiary an amount equal to the Participant's Account balance in the form of a lump-sum payment.

Sec. 5.04 Key Employees . If required by section 409A of the Internal Revenue Code, no benefits shall be paid to a Participant who is a Key Employee during the Postponement Period. If a Participant is a Key Employee and payment of benefits under the Plan is required to be delayed for the Postponement Period, the accumulated amounts withheld on account of section 409A of the Internal Revenue Code shall be paid in a lump-sum payment within 30 days after the end of the Postponement Period. If the Participant dies during the Postponement Period prior to the payment of benefits, the amounts withheld on account of section 409A of the Internal Revenue Code shall be paid to the Participant's surviving spouse within 60 days after the Participant's death.

ARTICLE VI

FUNDING OF BENEFITS

Sec. 6.01 Source of Funds . The Board may, but shall not be required to, authorize the establishment of a rabbi trust for the benefits described herein. In any event, AGP's obligation hereunder shall constitute a general, unsecured obligation, payable solely out of its general assets, and no Participant shall have any right to any specific assets of AGP or any such vehicle.

ARTICLE VII

THE COMMITTEES

Sec. 7.01 Appointment and Tenure of Administrative Committee Members . The Administrative Committee shall consist of one or more persons who shall be appointed by and serve at the pleasure of the Compensation/Pension Committee. Any Administrative Committee member may resign by delivering his or her written resignation to the Compensation/Pension Committee. Vacancies arising by the death, resignation or removal of an Administrative Committee member may be filled by the Compensation/Pension Committee.

Sec. 7.02 Meetings; Majority Rule . Any and all acts of the Administrative Committee taken at a meeting shall be by a majority of all members of the Administrative Committee. The Administrative Committee may act by vote taken in a meeting (at which a majority of members shall constitute a quorum). The Administrative Committee may also act by unanimous consent in writing without the formality of convening a meeting.

Sec. 7.03 Delegation . The Administrative Committee may, by majority decision, delegate to each or any one of its members, authority to sign any documents on its behalf, or to perform ministerial acts, but no person to whom such authority is delegated shall perform any act involving the exercise of any discretion without first obtaining the concurrence of a majority of the members of the Administrative Committee, even though such person alone may sign any document required by third parties. The Administrative Committee shall elect one of its members to serve as Chairperson. The Chairperson shall preside at all meetings of the Administrative Committee or shall delegate such responsibility to another Administrative Committee member. The Administrative Committee shall elect one person to serve as Secretary to the Administrative Committee. All third parties may rely on any communication signed by the Secretary, acting as such, as an official communication from the Administrative Committee.

Sec. 7.04 Authority and Responsibility of the Administrative Committee . The Administrative Committee shall have only such authority and responsibilities as are delegated to it by the Compensation/Pension Committee or specifically under this Plan. Among those delegable authorities and responsibilities are:

(a) maintenance and preservation of records relating to Participants, former Participants, and their beneficiaries;

(b) preparation and distribution to Participants of all information and notices required under federal law or the provisions of the Plan;

(c) preparation and filing of all governmental reports and other information required under law to be filed or published;

(d) construction of the provisions of the Plan, to correct defects therein and to supply omissions thereto;

(e) engagement of assistants and professional advisers;

(f) arrangement for bonding, if required by law; and

(g) promulgation of procedures for determination of claims for benefits.

Sec. 7.05 Compensation of Administrative Committee Members . The members of the Administrative Committee shall serve without compensation for their services as such, but all expenses of the Administrative Committee shall be paid or reimbursed by AGP.

Sec. 7.06 Committee Discretion . Any discretion, actions or interpretations to be made under the Plan by the Administrative Committee or by the Compensation/Pension Committee on behalf of AGP shall be made in its sole discretion, not acting in a fiduciary capacity, need not be uniformly applied to similarly situated individuals, and shall be final, binding and conclusive upon the parties.

Sec. 7.07 Indemnification of the Committees . Each member of the Administrative Committee and each member of the Compensation/Pension Committee shall be indemnified by AGP against costs, expenses and liabilities (other than amounts paid in settlement to which AGP does not consent) reasonably incurred by the member in connection with any action to which the member may be a party by reason of the member's service on the applicable Committee, except in relation to matters as to which the member shall be adjudged in such action to be personally guilty of gross negligence or willful misconduct in the performance of the member's duties. The foregoing right to indemnification shall be in addition to such other rights as the Administrative Committee member or the Compensation/Pension Committee member may enjoy as a matter of law or by reason of insurance coverage of any kind, but shall not extend to costs, expenses and/or liabilities otherwise covered by insurance or that would be so covered by any insurance then in force if such insurance contained a waiver of subrogation. Rights granted hereunder shall be in addition to and not in lieu of any rights to indemnification to which the Administrative Committee member or the Compensation/Pension Committee member may be entitled pursuant to the by-laws of AGP. Service on the Administrative Committee or the Compensation/Pension Committee shall be deemed in partial fulfillment of the applicable Committee member's function as an employee, officer, or director of AGP, if the Committee member also serves in that capacity.

ARTICLE VIII

AMENDMENT AND TERMINATION

Sec. 8.01 Amendment . The provisions of the Plan may be amended at any time and from time to time by a resolution of the Board; provided, however, that no such amendment shall serve to reduce the benefit that has accrued on behalf of a Participant as of the effective date of the amendment, and, provided further, however, that the Compensation/Pension Committee may make such amendments as are necessary to keep the Plan in compliance with applicable law and minor amendments which do not materially affect the rights of the Participants or significantly increase the cost to AGP, AmeriGas Partners, L.P. or AmeriGas Propane, L.P.

Sec. 8.02 Plan Termination . While it is AGP's intention to continue the Plan indefinitely in operation, the right is, nevertheless, reserved to terminate the Plan in whole or in part at any time for any reason without either the consent of or prior notice to any Participant. No such termination shall reduce the benefit that has accrued on behalf of a Participant as of the effective date of the termination, but AGP may immediately distribute all accrued benefits upon termination of the Plan in accordance with section 409A of the Internal Revenue Code.

ARTICLE IX

CLAIMS PROCEDURES

Sec. 9.01 Claim . Any person or entity claiming a benefit, requesting an interpretation or ruling under the Plan (hereinafter referred to as "claimant"), or requesting information under the Plan shall present the request in writing to the Administrative Committee, which shall respond in writing or electronically. The notice advising of the denial shall be furnished to the claimant within 90 days of receipt of the benefit claim by the Administrative Committee, unless special circumstances require an extension of time to process the claim. If an extension is required, the Administrative Committee shall provide notice of the extension prior to the termination of the 90 day period. In no event may the extension exceed a total of 180 days from the date of the original receipt of the claim.

Sec. 9.02 Denial of Claim . If the claim or request is denied, the written or electronic notice of denial shall state:

(a) The reason(s) for denial;

(b) Reference to the specific Plan provisions on which the denial is based;

(c) A description of any additional material or information required and an explanation of why it is necessary; and

(d) An explanation of the Plan's claims review procedures and the time limits applicable to such procedures, including the right to bring a civil action under section 502(a) of ERISA.

Sec. 9.03 Final Decision . The decision on review shall normally be made within 60 days after the Administrative Committee's receipt of claimant's claim or request. If an extension of time is required for a hearing or other special circumstances, the claimant shall be notified and the time limit shall be 120 days. The decision shall be in writing or in electronic form and shall:

(a) State the specific reason(s) for the denial;

(b) Reference the relevant Plan provisions;

(c) State that the claimant is entitled to receive, upon request and free of charge, and have reasonable access to and copies of all documents, records and other information relevant to the claim for benefits; and

(d) State that the claimant may bring an action under section 502(a) of ERISA.

All decisions on review shall be final and bind all parties concerned.

Sec. 9.04 Review of Claim . Any claimant whose claim or request is denied or who has not received a response within 60 days may request a review by notice given in writing or electronic form to the Administrative Committee. Such request must be made within 60 days after receipt by the claimant of the written or electronic notice of denial, or in the event the claimant has not received a response, 60 days after receipt by the Administrative Committee of the claimant's claim or request. The claim or request shall be reviewed by the Administrative Committee which may, but shall not be required to, grant the claimant a hearing. On review, the claimant may have representation, examine pertinent documents, and submit issues and comments in writing.

ARTICLE X

MISCELLANEOUS PROVISIONS

Sec. 10.01 Nonalienation of Benefits . None of the payments, benefits or rights of any Participant under the Plan 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 he or she may expect to receive, contingently or otherwise, under the Plan, except any right to designate a beneficiary or beneficiaries in connection with any form of benefit payment providing benefits after the Participant's death.

Sec. 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 Employee, or any person whomsoever, the right to be retained in the service of AGP, and all Participants and other Employees shall remain subject to discharge to the same extent as if the Plan had never been adopted.

Sec. 10.03 Severability of Provisions . If any provision of the Plan shall be held invalid or unenforceable, such validity or unenforceability shall not affect any other provisions hereof, and the Plan shall be construed and enforced as if such provision had not been included.

Sec. 10.04 Heirs, Assigns and Personal Representatives . The Plan shall be binding upon the heirs, executors, administrators, successors and assigns of the parties, including each Participant, present and future.

Sec. 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.

Sec. 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.

Sec. 10.07 Controlling Law . The Plan shall be construed and enforced according to the laws of the Commonwealth of Pennsylvania to the extent not preempted by federal law, which shall otherwise control, and exclusive of any Pennsylvania choice of law provisions.

Sec. 10.08 Payments to Minors, Etc. 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 AGP, the Board, the Administrative Committee, the Compensation/Pension Committee and all other parties with respect thereto.

Sec. 10.09 Lost Payees . A benefit (including accrued interest) shall be deemed forfeited if the Board or the Administrative Committee is unable to locate a Participant to whom payment is due; provided, however, that such benefit shall be reinstated if a claim is made by the proper payee for the forfeited benefit.

Sec. 10.10 Obligations of AGP . If a Participant becomes entitled to a distribution of benefits under the Plan, and if at such time the Participant has outstanding any debt, obligation, or other liability representing an amount owing to AGP, then AGP may offset such amount owed to it against the amount of benefits otherwise distributable. Such determination shall be made by the Administrative Committee.

Sec. 10.11 Withholding . AGP shall withhold from any payment made pursuant to this Plan any taxes required to be withheld from such payments under local, state or Federal law.

Sec. 10.12 Section 409A . The Plan is intended to comply with the requirements of section 409A of the Internal Revenue Code. Notwithstanding anything in the Plan to the contrary, allocations to the Plan shall be made consistent with section 409A, and distributions may only be made under the Plan upon an event and in a manner permitted by section 409A of the Internal Revenue Code. All payments under the Plan shall be subject to applicable tax withholding.

IN WITNESS WHEREOF, and as evidence of its adoption of the Plan, AGP has caused the same to be executed by its duly authorized officer and its corporate seal to be affixed hereto as of the ___day of _____, 2007.

Attest:

AMERIGAS PROPANE, INC.

_____

Robert H. Knauss
Secretary

By: _____

President and Chief Executive Officer

Date: ____ __, 2007

EXHIBIT 31.1

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Eugene V. N. Bissell, certify that:

1. I have reviewed this interim report on Form 10-Q of AmeriGas Partners, L.P.;

2. Based on my knowledge, this 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 report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's 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(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and 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 registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's 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

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the 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 registrant's 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 registrant's internal control over financial reporting.

Date: May 10, 2007

/s/ Eugene V. N. Bissell
Eugene V. N. Bissell
President and Chief Executive Officer of
AmeriGas Propane, Inc.

EXHIBIT 31.2

CERTIFICATION BY THE CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jerry E. Sheridan, certify that:

1. I have reviewed this interim report on Form 10-Q of AmeriGas Partners, L.P.;

2. Based on my knowledge, this 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 report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's 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(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and 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 registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's 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

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the 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 registrant's 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 registrant's internal control over financial reporting.

Date: May 10, 2007

/s/ Jerry E. Sheridan
Jerry E. Sheridan
Vice President – Finance and
Chief Financial Officer of
AmeriGas Propane, Inc.

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, Jerry E. Sheridan, Chief Financial Officer, of AmeriGas Propane, Inc., a Pennsylvania corporation and the General Partner of AmeriGas Partners, L.P., a Delaware limited partnership (the "Registrant"), hereby certify that to our knowledge:

(1) The Registrant's periodic report on Form 10-Q for the period ended March 31, 2007 (the "Form 10-Q") 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-Q 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/ Jerry E. Sheridan
Eugene V. N. Bissell	Jerry E. Sheridan
Date: May 10, 2007	Date: May 10, 2007