SUBURBAN PROPANE PARTNERS LP

FORM 10-Q
(Quarterly Report)

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Sector	Energy
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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 29, 2025

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Commission File Number: 1-14222

SUBURBAN PROPANE PARTNERS, L.P.
(Exact name of registrant as specified in its charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**22-3410353** **(I.R.S. Employer Identification No.)**

240 Route 10 West
Whippany, NJ 07981
(973) 887-5300
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of exchange on which registered
Common Units	SPH	New York Stock Exchange

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 has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

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

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

At May 5, 2025, there were 64,959,363 Common Units of Suburban Propane Partners, L.P. outstanding.

SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES

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DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements ("Forward-Looking Statements") as defined in the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, relating to future business expectations and predictions, capital expenditures, strategic alternatives, project developments, and financial condition and results of operations of Suburban Propane Partners, L.P. (the "Partnership"). Some of these statements can be identified by the use of forward-looking terminology such as "prospects," "outlook," "believes," "estimates," "intends," "may," "will," "should," "could," "anticipates," "expects" or "plans" or the negative or other variation of these or similar words, or by discussion of trends and conditions, strategies or risks and uncertainties. These Forward-Looking Statements involve certain risks and uncertainties that could cause actual results to differ materially from those discussed or implied in such Forward-Looking Statements (statements contained in this Quarterly Report identifying such risks and uncertainties are referred to as "Cautionary Statements"). The risks and uncertainties that could impact the Partnership's results include, but are not limited to, the following:

- The impact of weather conditions on the demand for propane, renewable propane, fuel oil and other refined fuels, natural gas, renewable natural gas ("RNG") and electricity;
- The impact of climate change and potential climate change legislation on the Partnership and demand for propane, fuel oil and other refined fuels, natural gas, RNG and electricity;
- Volatility in the unit cost of propane, renewable propane, fuel oil and other refined fuels, natural gas, RNG and electricity, the impact of the Partnership's hedging and risk management activities, and the adverse impact of price increases on volumes sold as a result of customer conservation;
- The ability of the Partnership to compete with other suppliers of propane, renewable propane, fuel oil, RNG and other energy sources;
- The impact on the price and supply of propane, fuel oil and other refined fuels from the political, military or economic instability of the oil producing nations, including hostilities in the Middle East, Russian military action in Ukraine, global terrorism and other general economic conditions, including the economic instability resulting from natural disasters;
- Economic volatility and downturns, including as a result of trade conflict and uncertainty and the impact of tariffs;
- The ability of the Partnership to acquire and maintain sufficient volumes of, and the costs to the Partnership of acquiring, reliably transporting and storing, propane, renewable propane, fuel oil and other refined fuels;
- The ability of the Partnership to attract and retain employees and key personnel to support the growth of our business;
- The ability of the Partnership to retain customers or acquire new customers;
- The impact of customer conservation, energy efficiency, general economic conditions and technology advances on the demand for propane, fuel oil and other refined fuels, natural gas, RNG and electricity;
- The ability of management to continue to control expenses and manage inflationary increases in fuel, labor and other operating costs;
- Risks related to the Partnership's renewable fuel projects and investments, including the willingness of customers to purchase fuels generated by the projects, the permitting, financing, construction, development and operation of supporting facilities, the Partnership's ability to generate a sufficient return on its renewable fuel projects, the Partnership's dependence on third-party partners to help manage and operate renewable fuel investment projects, and increased regulation and dependence on government funding for commercial viability of renewable fuel investment projects;
- The generation and monetization of environmental attributes produced by the Partnership's renewable fuel projects, changes to legislation and/or regulations concerning the generation and monetization of environmental attributes and pricing volatility in the open markets where environmental attributes are traded;
- The impact of changes in applicable statutes and government regulations, or their interpretations, including those relating to the environment and climate change, permitting, human health and safety laws and regulations, derivative instruments, the sale or marketing of propane and renewable propane, fuel oil and other refined fuels, natural gas, RNG and electricity, including the impact of recently adopted and proposed changes to New York law and changed priorities of the U.S. presidential administration, and other regulatory developments that could impose costs and liabilities on the Partnership's business;
- The impact of changes in tax laws that could adversely affect the tax treatment of the Partnership for income tax purposes;
- The impact of legal risks and proceedings on the Partnership's business;
- The impact of operating hazards that could adversely affect the Partnership's reputation and its operating results to the extent not covered by insurance;

- The Partnership's ability to make strategic acquisitions, successfully integrate them and realize the expected benefits of those acquisitions;
- The ability of the Partnership and any third-party service providers on which it may rely for support or services to continue to combat cybersecurity threats to their respective and shared networks and information technology;
- Risks relating to the Partnership's plans to diversify its business;
- The impact of current conditions in the global capital, credit and environmental attribute markets, and general economic pressures; and
- Other risks referenced from time to time in filings with the Securities and Exchange Commission ("SEC") and those factors listed or incorporated by reference into the Partnership's most recent Annual Report under "Risk Factors."

Some of these Forward-Looking Statements are discussed in more detail in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Quarterly Report. Reference is also made to the risk factors discussed in Item 1A of our Annual Report on Form 10-K for the fiscal year ended September 28, 2024. On different occasions, the Partnership or its representatives have made or may make Forward-Looking Statements in other filings with the SEC, press releases or oral statements made by or with the approval of one of the Partnership's authorized executive officers. Readers are cautioned not to place undue reliance on Forward-Looking Statements, which reflect management's view only as of the date made. The Partnership undertakes no obligation to update any Forward-Looking Statement or Cautionary Statement, except as required by law. All subsequent written and oral Forward-Looking Statements attributable to the Partnership or persons acting on its behalf are expressly qualified in their entirety by the Cautionary Statements in this Quarterly Report and in future SEC reports. For a more complete discussion of specific factors which could cause actual results to differ from those in the Forward-Looking Statements or Cautionary Statements, see "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended September 28, 2024.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)
(unaudited)

	March 29, 2025	September 28, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 3,879	$ 3,219
Accounts receivable, less allowance for doubtful accounts of $6,407 and $4,707, respectively	150,500	66,444
Inventories	58,269	55,430
Other current assets	37,445	32,451
Total current assets	250,093	157,544
Property, plant and equipment, net	692,115	653,985
Operating lease right-of-use assets	130,334	140,243
Goodwill	1,157,827	1,151,252
Other intangible assets, net	90,857	74,512
Other assets	78,673	95,225
Total assets	$ 2,399,899	$ 2,272,761
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities:		
Accounts payable	$ 39,254	$ 41,058
Accrued employment and benefit costs	41,167	40,371
Customer deposits and advances	64,308	126,570
Operating lease liabilities	35,731	35,616
Other current liabilities	55,201	62,507
Total current liabilities	235,661	306,122
Long-term borrowings	1,293,529	1,210,326
Accrued insurance	44,144	45,560
Operating lease liabilities	93,672	103,797
Other liabilities	61,084	59,896
Total liabilities	1,728,090	1,725,701
Commitments and contingencies		
Partners' capital:		
Common Unitholders (64,939 and 64,072 units issued and outstanding at March 29, 2025 and September 28, 2024, respectively)	678,189	553,207
Accumulated other comprehensive loss	(6,380)	(6,147)
Total partners' capital	671,809	547,060
Total liabilities and partners' capital	$ 2,399,899	$ 2,272,761

The accompanying notes are an integral part of these condensed consolidated financial statements.

SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per unit amounts)
(unaudited)

	Three Months Ended	
	March 29, 2025	March 30, 2024
Revenues		
Propane	$ 525,256	$ 437,564
Fuel oil and refined fuels	33,364	31,595
Natural gas and electricity	9,025	8,713
All other	20,018	20,215
	587,663	498,087
Costs and expenses		
Cost of products sold	242,362	190,120
Operating	139,377	128,311
General and administrative	29,911	26,071
Depreciation and amortization	17,600	16,725
	429,250	361,227
Operating income	158,413	136,860
Loss on debt extinguishment	—	215
Interest expense, net	20,567	19,919
Other, net	729	5,194
Income before (benefit from) provision for income taxes	137,117	111,532
(Benefit from) provision for income taxes	(4)	32
Net income	$ 137,121	$ 111,500
Net income per Common Unit - basic	$ 2.11	$ 1.73
Weighted average number of Common Units outstanding - basic	64,876	64,363
Net income per Common Unit - diluted	$ 2.10	$ 1.72
Weighted average number of Common Units outstanding - diluted	65,262	64,818

The accompanying notes are an integral part of these condensed consolidated financial statements.

SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per unit amounts)
(unaudited)

	Six Months Ended	
	March 29, 2025	March 30, 2024
Revenues		
Propane	$ 855,539	$ 750,922
Fuel oil and refined fuels	51,025	55,493
Natural gas and electricity	15,078	15,206
All other	39,350	42,300
	960,992	863,921
Costs and expenses		
Cost of products sold	389,524	343,173
Operating	262,530	250,381
General and administrative	56,764	51,641
Depreciation and amortization	34,699	33,118
	743,517	678,313
Operating income	217,475	185,608
Loss on debt extinguishment	—	215
Interest expense, net	40,179	38,111
Other, net	20,196	11,047
Income before provision for income taxes	157,100	136,235
Provision for income taxes	559	281
Net income	$ 156,541	$ 135,954
Net income per Common Unit - basic	$ 2.42	$ 2.12
Weighted average number of Common Units outstanding - basic	64,711	64,239
Net income per Common Unit - diluted	$ 2.41	$ 2.10
Weighted average number of Common Units outstanding - diluted	65,034	64,626

The accompanying notes are an integral part of these condensed consolidated financial statements.

SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in thousands)
(unaudited)

	Three Months Ended		Six Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Net income	$ 137,121	$ 111,500	$ 156,541	$ 135,954
Other comprehensive (loss) income:				
Amortization of net actuarial (gains) losses and prior service credits into earnings	(117)	169	(233)	338
Other comprehensive (loss) income	(117)	169	(233)	338
Total comprehensive income	$ 137,004	$ 111,669	$ 156,308	$ 136,292

The accompanying notes are an integral part of these condensed consolidated financial statements.

SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Six Months Ended	
	March 29, 2025	March 30, 2024
Cash flows from operating activities:		
Net income	$ 156,541	$ 135,954
Adjustments to reconcile net income to net cash provided by operations:		
Depreciation and amortization	34,699	33,118
Equity in losses and impairment charges for investments in unconsolidated affiliates	22,745	9,657
Compensation costs recognized under Restricted Unit Plan	4,219	4,564
Loss on debt extinguishment	—	215
Other, net	2,219	1,867
Changes in assets and liabilities:		
Accounts receivable	(85,078)	(55,302)
Inventories	1,318	3,866
Other current and noncurrent assets	(2,953)	(19,776)
Accounts payable	(1,974)	12,910
Accrued employment and benefit costs	637	(9,606)
Customer deposits and advances	(62,262)	(54,648)
Contributions to defined benefit pension plan	(2,000)	(2,000)
Other current and noncurrent liabilities	(19,227)	1,555
Net cash provided by operating activities	48,884	62,374
Cash flows from investing activities:		
Capital expenditures	(43,152)	(25,696)
Investments in and acquisitions of businesses	(55,309)	(6,009)
Proceeds from sale of property, plant and equipment	1,335	971
Net cash (used in) investing activities	(97,126)	(30,734)
Cash flows from financing activities:		
Proceeds from borrowings under revolving credit facility	314,100	433,200
Repayments of borrowings under revolving credit facility	(232,500)	(410,700)
Issuance costs associated with long-term borrowings	—	(3,546)
Proceeds from the issuance of Common Units under an at-the-market public offering, net of commissions and offering costs	8,788	—
Partnership distributions	(41,784)	(41,451)
Other, net	(3,482)	(4,041)
Net cash provided by (used in) financing activities	45,122	(26,538)
Net (decrease) increase in cash, cash equivalents and restricted cash	(3,120)	5,102
Cash, cash equivalents and restricted cash at beginning of period	20,514	14,074
Cash, cash equivalents and restricted cash at end of period	$ 17,394	$ 19,176
Less: restricted cash	13,515	14,756
Cash and cash equivalents, end of period	$ 3,879	$ 4,420

The accompanying notes are an integral part of these condensed consolidated financial statements.

SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF PARTNERS' CAPITAL
(in thousands)
(unaudited)

	Three Months Ended March 29, 2025			
	Number of Common Units	Common Unitholders	Accumulated Other Comprehensive (Loss)	Total Partners' Capital
Balance, beginning of period	64,490	$ 551,401	$ (6,263)	$ 545,138
Net income		137,121	—	137,121
Other comprehensive (loss)		—	(117)	(117)
Partnership distributions		(20,961)	—	(20,961)
Common Units issued under Restricted Unit Plan	7	—	—	—
Proceeds from the issuance of Common Units under an at-the-market public offering, net of commissions and offering costs	442	8,788	—	8,788
Compensation costs recognized under Restricted Unit Plan		1,840	—	1,840
Balance, end of period	64,939	$ 678,189	$ (6,380)	$ 671,809

	Three Months Ended March 30, 2024			
	Number of Common Units	Common Unitholders	Accumulated Other Comprehensive (Loss)	Total Partners' Capital
Balance, beginning of period	64,015	$ 560,386	$ (10,498)	$ 549,888
Net income		111,500	—	111,500
Other comprehensive income		—	169	169
Partnership distributions		(20,806)	—	(20,806)
Common Units issued under Restricted Unit Plan	7	—	—	—
Compensation costs recognized under Restricted Unit Plan		1,919	—	1,919
Balance, end of period	64,022	$ 652,999	$ (10,329)	$ 642,670

The accompanying notes are an integral part of these condensed consolidated financial statements.

SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF PARTNERS' CAPITAL
(in thousands)
(unaudited)

	Six Months Ended March 29, 2025			
	Number of Common Units	Common Unitholders	Accumulated Other Comprehensive (Loss)	Total Partners' Capital
Balance, beginning of period	64,072	$ 553,207	$ (6,147)	$ 547,060
Net income		156,541	—	156,541
Other comprehensive (loss)		—	(233)	(233)
Partnership distributions		(41,784)	—	(41,784)
Common Units issued under Restricted Unit Plan	425	(2,782)	—	(2,782)
Proceeds from the issuance of Common Units under an at-the-market public offering, net of commissions and offering costs	442	8,788	—	8,788
Compensation costs recognized under Restricted Unit Plan		4,219	—	4,219
Balance, end of period	64,939	$ 678,189	$ (6,380)	$ 671,809

	Six Months Ended March 30, 2024			
	Number of Common Units	Common Unitholders	Accumulated Other Comprehensive (Loss)	Total Partners' Capital
Balance, beginning of period	63,521	$ 557,023	$ (10,667)	$ 546,356
Net income		135,954	—	135,954
Other comprehensive income		—	338	338
Partnership distributions		(41,451)	—	(41,451)
Common Units issued under Restricted Unit Plan	501	(3,091)	—	(3,091)
Compensation costs recognized under Restricted Unit Plan		4,564	—	4,564
Balance, end of period	64,022	$ 652,999	$ (10,329)	$ 642,670

The accompanying notes are an integral part of these condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(dollars in thousands, except unit and per unit amounts)
(unaudited)

1. Partnership Organization and Formation

Suburban Propane Partners, L.P. (the "Partnership") is a publicly traded Delaware limited partnership principally engaged, through its operating partnership and subsidiaries, in the retail marketing and distribution of propane, renewable propane, renewable natural gas ("RNG"), fuel oil and refined fuels, as well as the marketing of natural gas and electricity in deregulated markets and producer of and investor in low-carbon fuel alternatives. In addition, to complement its core marketing and distribution businesses, the Partnership services a wide variety of home comfort equipment, particularly for heating and ventilation. The publicly traded limited partner interests in the Partnership are evidenced by common units traded on the New York Stock Exchange ("Common Units"), with 64,939,189 Common Units outstanding at March 29, 2025. The holders of Common Units are entitled to participate in distributions and exercise the rights and privileges available to limited partners under the Third Amended and Restated Agreement of Limited Partnership (the "Partnership Agreement"), as amended. Rights and privileges under the Partnership Agreement include, among other things, the election of all members of the Board of Supervisors and voting on the removal of the general partner.

Suburban Propane, L.P. (the "Operating Partnership"), a Delaware limited partnership, is the Partnership's operating subsidiary formed to operate the propane business and assets. In addition, Suburban Sales & Service, Inc. (the "Service Company"), a subsidiary of the Operating Partnership, was formed to operate the service work and appliance and parts businesses of the Partnership. The Operating Partnership, together with its direct and indirect subsidiaries, accounts for substantially all of the Partnership's assets, revenues and earnings. The Partnership, the Operating Partnership and the Service Company commenced operations in March 1996 in connection with the Partnership's initial public offering.

Suburban Renewable Energy, LLC ("Suburban Renewable Energy") is a wholly owned subsidiary of the Operating Partnership that was formed in January 2022. Suburban Renewable Energy serves as the platform for the Partnership's investments in innovative, renewable energy technologies and businesses.

The general partner of both the Partnership and the Operating Partnership is Suburban Energy Services Group LLC (the "General Partner"), a Delaware limited liability company, the sole member of which is the Partnership's Chief Executive Officer. Other than as a holder of 784 Common Units that will remain in the General Partner, the General Partner does not have any economic interest in the Partnership or the Operating Partnership.

The Partnership's fuel oil and refined fuels, natural gas and electricity, services, and renewable energy businesses are structured as either limited liability companies that are treated as corporations or corporate entities (collectively referred to as the "Corporate Entities") and, as such, are subject to corporate level U.S. income tax.

Suburban Energy Finance Corp., a direct 100%-owned subsidiary of the Partnership, was formed on November 26, 2003 to serve as co-issuer, jointly and severally with the Partnership, of the Partnership's senior notes.

2. Basis of Presentation

Principles of Consolidation. The condensed consolidated financial statements include the accounts of the Partnership, the Operating Partnership and all of its direct and indirect subsidiaries. All significant intercompany transactions and account balances have been eliminated. The Partnership consolidates the results of operations, financial condition and cash flows of the Operating Partnership as a result of the Partnership's 100% limited partner interest in the Operating Partnership.

The accompanying condensed consolidated financial statements are unaudited and have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"). They include all adjustments that the Partnership considers necessary for a fair statement of the results of operations, financial position and cash flows for the interim periods presented. Such adjustments consist only of normal recurring items, unless otherwise disclosed. These financial statements should be read in conjunction with the financial statements included in the Partnership's Annual Report on Form 10-K for the fiscal year ended September 28, 2024. Due to the seasonal nature of the Partnership's operations, the results of operations for interim periods are not necessarily indicative of the results to be expected for a full year.

Fiscal Period. The Partnership uses a 52/53-week fiscal year which ends on the last Saturday in September. The Partnership's fiscal quarters are generally thirteen weeks in duration. When the Partnership's fiscal year is 53 weeks long, the corresponding fourth quarter is fourteen weeks in duration.

Revenue Recognition. The Partnership recognizes revenue pursuant to the requirements of Financial Accounting Standards Board ("FASB") Topic 606 – Revenue from Contracts with Customers ("Topic 606") and all related amendments. Topic 606 provides a five-step model to be applied to all contracts with customers. The five steps are to identify the contract(s) with the customer, identify the performance obligations in the contract, determine the transaction price, allocate the transaction price to the performance obligations in the contract and recognize revenue when each performance obligation is satisfied.

Revenue is recognized by the Partnership when goods or services promised in a contract with a customer have been transferred, and no further performance obligation on that transfer is required, in an amount that reflects the consideration expected to be received. Performance obligations are determined and evaluated based on the specific terms of the arrangements and the distinct products and services offered. Due to the nature of the retail business of the Partnership, there are no remaining or unsatisfied performance obligations as of the end of the reporting period, except for tank rental agreements, maintenance service contracts, fixed price contracts and budgetary programs, as described below. The performance obligation associated with sales of propane, fuel oil and refined fuels is met at the time product is delivered to the customer. Revenue from the sale of appliances and equipment is recognized at the time of sale or when installation is complete, as defined by the performance obligations included within the related customer contract. Revenue from repairs, maintenance and other service activities is recognized upon completion of the service. Revenue from the sale of natural gas and electricity is recognized based on customer usage as determined by meter readings for amounts delivered, an immaterial amount of which may be unbilled at the end of each accounting period.

The Partnership defers the recognition of revenue for annually billed tank rent, maintenance service contracts, fixed price contracts and budgetary programs where customer consideration is received at the start of the contract period, establishing contract liabilities which are disclosed as customer deposits and advances on the condensed consolidated balance sheets. Deliveries to customers enrolled in budgetary programs that exceed billings to those customers establish contract assets which are included in accounts receivable on the condensed consolidated balance sheets. The Partnership ratably recognizes revenue over the applicable term for tank rent and maintenance service agreements, which is generally one year, and at the time of delivery for fixed price contracts and budgetary programs.

The Partnership incurs incremental direct costs, such as commissions to its sales force, to obtain certain contracts. These costs are expensed as incurred, consistent with the practical expedients issued by the FASB, since the expected amortization period is one year or less. The Partnership generally determines selling prices based on, among other things, the current weighted average cost and the current replacement cost of the product at the time of delivery, plus an applicable margin. Except for tank rental agreements, maintenance service contracts, fixed price contracts and budgetary programs, customer payments for the satisfaction of a performance obligation are due upon receipt.

Revenues from the Partnership's renewable energy platform, as described further in Note 4, "Investments in and Acquisitions of Businesses," consist of in-take and off-take revenues. In-take revenues are generated from tipping fees charged to third parties who deliver feedstocks, including food and beverage waste, to the Partnership's facilities. These feedstocks, as well as manure from dairy cattle, are then anaerobically digested and converted into RNG and fertilizer. Off-take revenues are generated through the sale of RNG and the related environmental attributes, including renewable identification numbers ("RINs") and low carbon fuel standard ("LCFS") credits that are generated from the production and distribution of RNG, and revenues generated from the sales of fertilizers and other byproducts produced in the RNG production process. Revenues from the Partnership's renewable energy platform are reported within the "all other" segment (refer to Note 19, "Segment Information" for more information).

In-take revenues are recognized at the point in time when the feedstocks are delivered to the Partnership because that is when the performance obligations have been satisfied. Off-take revenues are recognized at the point in time when the Partnership delivers the RNG to the customer because that is when the performance obligations have been satisfied.

Fair Value Measurements. The Partnership measures certain of its assets and liabilities at fair value, which is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants – in either the principal market or the most advantageous market. The principal market is the market with the greatest level of activity and volume for the asset or liability.

The common framework for measuring fair value utilizes a three-level hierarchy to prioritize the inputs used in the valuation techniques to derive fair values. The basis for fair value measurements for each level within the hierarchy is described below with Level 1 having the highest priority and Level 3 having the lowest.

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Quoted prices in active markets for similar assets or liabilities; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable in active markets.
- Level 3: Valuations derived from valuation techniques in which one or more significant inputs are unobservable.

Business Combinations. The Partnership accounts for business combinations using the acquisition method and accordingly, the assets and liabilities of the acquired entities are recorded at their estimated fair values at the acquisition date. Goodwill represents the excess of the purchase price over the fair value of the net assets acquired, including the amount assigned to identifiable intangible assets. The primary drivers that generate goodwill are the value of synergies between the acquired entities and the Partnership, and the acquired assembled workforce, neither of which qualifies as an identifiable intangible asset. Identifiable intangible assets with finite lives are amortized over their useful lives. The results of operations of acquired businesses are included in the condensed consolidated financial statements from the acquisition date. The Partnership expenses all acquisition-related costs as incurred.

Use of Estimates. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("US GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates have been made by management in the areas of RNG revenue recognition, self-insurance and litigation reserves, pension and other postretirement benefit liabilities and costs, valuation of derivative instruments, depreciation and amortization of long-lived assets, asset impairment assessments, tax valuation allowances, allowances for doubtful accounts, and purchase price allocation for acquired businesses. The Partnership uses Society of Actuaries life expectancy information when developing the annual mortality assumptions for the pension and postretirement benefit plans, which are used to measure net periodic benefit costs and the obligation under these plans. Actual results could differ from those estimates, making it reasonably possible that a material change in these estimates could occur in the near term.

Recently Issued Accounting Pronouncements. In November 2023, the FASB issued Accounting Standards Update ("ASU") 2023-07, "Segment Reporting: Improvements to Reportable Segment Disclosures" ("Topic 280"). This update will require public entities to disclose significant segment expenses that are regularly provided to the chief operating decision maker and included within segment profit and loss. The standard is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. Topic 280 will first be effective for the Partnership's fiscal 2025 annual report and should be applied retrospectively to all prior periods presented in the financial statements. The Partnership is assessing the effect of this update on its consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU 2023-09, "Income Taxes: Improvements to Income Tax Disclosures" ("Topic 740"). This update requires disclosure of specific categories and disaggregation of information in the income tax rate reconciliation table. Topic 740 also requires disclosure of disaggregated information related to income taxes paid, income or loss from continuing operations before income tax expense or benefit, and income tax expense or benefit from continuing operations. The requirements of Topic 740 are effective for annual periods beginning after December 15, 2024, which will be the Partnership's fiscal 2026 annual report. Early adoption is permitted and the amendments should be applied on a prospective basis with retrospective application also being permitted. The Partnership is assessing the effect of this update on its consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, "Disaggregation of Income Statement Expenses" ("Subtopic 220-40") and in January 2025, the FASB issued ASU 2025-01, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures". This update requires enhanced disclosure of income statement expense categories to improve transparency and provide financial statement users with more detailed information about the nature, amount and timing of expenses impacting financial performance. Subtopic 220-40 may be applied either prospectively or retrospectively and, as clarified by ASU 2025-01, is effective for fiscal years beginning after December 15, 2026 and interim periods beginning after December 15, 2027. Subtopic 220-40 will first be effective for the Partnership's 2028 annual report. The Partnership is assessing the effect of this update on its consolidated financial statements and related disclosures.

3. Disaggregation of Revenue

The following table disaggregates revenue for each customer type. See Note 19, "Segment Information" for more information on segment reporting wherein it is disclosed that the Partnership's Propane, Fuel Oil and Refined Fuels and Natural Gas and Electricity reportable segments generated approximately 89%, 5% and 2%, respectively, of the Partnership's revenue from its reportable segments for all periods presented. The propane segment contributes the majority of the Partnership's revenue and the concentration of revenue by customer type for the propane segment is not materially different from the consolidated revenue.

	Three Months Ended	
	March 29, 2025	March 30, 2024
Retail		
Residential	$ 340,280	$ 287,387
Commercial	149,136	126,900
Industrial	38,466	36,542
Government	30,015	25,023
Agricultural	13,428	12,305
Wholesale	16,338	9,930
Total revenues	$ 587,663	$ 498,087

	Six Months Ended	
	March 29, 2025	March 30, 2024
Retail		
Residential	$ 537,394	$ 483,282
Commercial	253,878	225,353
Industrial	68,610	68,288
Government	47,464	42,096
Agricultural	23,088	25,755
Wholesale	30,558	19,147
Total revenues	$ 960,992	$ 863,921

The Partnership recognized $41,033 and $77,155 of revenue during the three and six months ended March 29, 2025, respectively, and $36,308 and $73,783 of revenue during the three and six months ended March 30, 2024, respectively, for annually billed tank rent, maintenance service contracts, fixed price contracts and budgetary programs where customer consideration was received at the start of the contract period, and which was included in contract liabilities as of the beginning of each respective period. Contract assets of $20,201 and $3,901 relating to deliveries to customers enrolled in budgetary programs that exceeded billings to those customers were included in accounts receivable as of March 29, 2025 and September 28, 2024, respectively.

4. Investments in and Acquisitions of Businesses

On December 28, 2022, Suburban Renewable Energy acquired a platform of RNG production assets (the "RNG Acquisition") from Equilibrium Capital Group ("Equilibrium"), a leading sustainability-driven asset management firm. The purchase price was $190,000 for the two operating facilities, along with potential contingent consideration primarily based upon the future economic performance of the acquired RNG assets. The purchase agreement also included potential contingent consideration payable by Equilibrium to Suburban Renewable Energy based on the costs to construct the gas upgrade system at the Columbus, OH facility. According to the purchase agreement, expenditures for the gas upgrade equipment project that exceeded a certain amount would be funded by Equilibrium, up to a total of $3,000, if the Partnership incurred those costs prior to December 31, 2024. During the first quarter of fiscal 2025, the Partnership recorded a $3,000 increase in the fair value of this contingent consideration, which was recognized within "Other, net" on the Partnership's condensed consolidated statement of operations for the six months ended March 29, 2025.

Suburban Renewable Energy owns a 25% equity stake in Independence Hydrogen, Inc. ("IH") based in Ashburn, VA. IH is a veteran-owned and operated, privately held company developing a gaseous hydrogen ecosystem to deliver locally sourced hydrogen to local markets, with a primary focus on material handling and backup power applications. During the first half of fiscal 2025, the Partnership purchased secured convertible notes issued by IH.

During the first quarter of fiscal 2025, the Partnership recorded an other-than-temporary impairment charge of $9,595, recognized in "Other, net" on the condensed consolidated statement of operations, to write down the carrying value of its investment in IH to its estimated fair value of $21,589 based on third party investment discussions. The Partnership will continue to monitor IH's financial condition and other available information to determine if future adjustments are necessary.

The Operating Partnership owns a 38% equity stake in Oberon Fuels, Inc. ("Oberon") based in San Diego, California and has also purchased certain secured convertible notes issued by Oberon. Oberon, a development-stage producer of low-carbon, renewable dimethyl ether ("rDME") transportation fuel, is focused on the research and development of practical and affordable pathways to zero-emission transportation through its proprietary production process. Oberon's rDME fuel is a low-carbon, zero-soot alternative to petroleum diesel, and when blended with propane can significantly reduce the carbon intensity of propane. Additionally, rDME is a carrier for hydrogen, making it easy to deliver this renewable fuel for the growing hydrogen fuel cell vehicle industry. During the first half of fiscal 2025, the Partnership purchased additional secured convertible notes issued by Oberon.

As a development-stage entity, Oberon is reliant on raising capital to fund its operations and strategic growth initiatives. Due to Oberon's financial condition, which raises substantial doubts about its ability to continue as a going concern, as well as the uncertainty about potential third-party capital infusion, the Partnership determined that its investment in Oberon was fully impaired as of December 28, 2024. During the first quarter of fiscal 2025, the Partnership recorded an other-than-temporary impairment charge of $10,213, recognized in "Other, net" on the condensed consolidated statement of operations, to write down the carrying value of its investment in Oberon to $0.

These strategic investments were made to support the Partnership's ***Go Green with Suburban Propane*** corporate pillar, which focuses on advocating for the clean-burning and versatile nature of propane and renewable propane as a solution to a lower carbon future and investing in innovative, renewable energy alternatives to lower GHG emissions. The investments in IH and Oberon are being accounted for under the equity method of accounting and were included in "Other assets" within the condensed consolidated balance sheets, and the Partnership's equity in their losses were included in "Other, net" within the condensed consolidated statements of operations.

On November 6, 2024, the Partnership acquired the propane assets and operations of a propane retailer headquartered in New Mexico for $53,000, including $4,000 for non-compete consideration, plus working capital acquired. As of March 29, 2025, $49,735 was paid and the remainder of the purchase price will be funded in accordance with the terms of the asset purchase and non-compete agreements. This acquisition was consummated pursuant to the Partnership's strategic growth initiatives for the core propane business. The preliminary purchase price allocation and results of operations of the acquired business was not material to the Partnership's condensed consolidated financial position and statement of operations.

5. Financial Instruments and Risk Management

Cash, Cash Equivalents and Restricted Cash. The Partnership considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents. In accordance with the indenture, as amended, and loan agreement, as amended, governing the Green Bonds assumed in the RNG Acquisition (see Notes 4 and 10), the Partnership is required to maintain certain funds in various accounts that are held with a third-party trustee for debt service and other purposes. The amounts deposited in those accounts are considered Restricted Cash and are reported within other current assets (or other assets, as applicable). The balance classified as short-term included accounts for which the cash will be used within one year, and are related to interest payments as well as operating and maintenance activities for the RNG facility in Arizona. The balance classified as long-term represented cash held in a debt service fund for future debt repayments on the Green Bonds for which the first debt redemption payment is due on October 1, 2028. Refer to Note 6, "Selected Balance Sheet Information" for a reconciliation of cash, cash equivalents, and restricted cash. The carrying amount approximates fair value because of the short-term maturity of these instruments.

Derivative Instruments and Hedging Activities

Commodity Price Risk. Given the retail nature of its operations, the Partnership maintains a certain level of priced physical inventory to help ensure its field operations have adequate supply commensurate with the time of year. The Partnership's strategy is to keep its physical inventory priced relatively close to market for its field operations. The Partnership enters into a combination of exchange-traded futures and option contracts and, in certain instances, over-the-counter options and swap contracts (collectively, "derivative instruments") to hedge price risk associated with propane and fuel oil physical inventories, as well as future purchases of propane or fuel oil used in its operations, and to help ensure adequate supply during periods of high demand. In addition, the Partnership sells propane, fuel oil, electricity and natural gas to customers at fixed prices, and enters into derivative instruments to hedge a portion of its exposure to fluctuations in commodity prices as a result of selling the fixed price contracts. Under this risk management strategy, realized gains or losses on derivative instruments will typically offset losses or gains on the physical inventory once the product is sold or delivered as it pertains to fixed price contracts. All of the Partnership's derivative instruments are reported on the condensed consolidated balance sheet at their fair values. In addition, in the course of normal operations, the Partnership routinely enters into contracts such as forward priced physical contracts for the purchase or sale of propane and fuel oil that qualify for and are designated as normal purchase or normal sale contracts. Such contracts are exempted from the fair value accounting requirements and are accounted for at the time product is purchased or sold under the related contract. The Partnership does not use derivative instruments for speculative trading purposes. Market risks associated with derivative instruments are monitored daily for compliance with the Partnership's Hedging and Risk Management Policy which includes volume limits for open positions. Priced on-hand inventory is also reviewed and managed daily as to exposures to changing market prices.

On the date that derivative instruments are entered into, other than those designated as normal purchases or normal sales, the Partnership makes a determination as to whether the derivative instrument qualifies for designation as a hedge. Changes in the fair value of derivative instruments are recorded each period in current period earnings or other comprehensive income ("OCI"), depending on whether the derivative instrument is designated as a hedge and, if so, the type of hedge. For derivative instruments designated as cash flow hedges, the Partnership formally assesses, both at the hedge contract's inception and on an ongoing basis, whether the hedge contract is highly effective in offsetting changes in cash flows of hedged items. Changes in the fair value of derivative instruments designated as cash flow hedges are reported in OCI to the extent effective and reclassified into earnings during the same period in which the hedged item affects earnings. The mark-to-market gains or losses on ineffective portions of cash flow hedges are recognized in earnings immediately. Changes in the fair value of derivative instruments that are not designated as cash flow hedges, and that do not meet the normal purchase and normal sale exemption, are recorded within earnings as they occur. Cash flows associated with derivative instruments are reported as operating activities within the condensed consolidated statement of cash flows.

Interest Rate Risk. A portion of the Partnership's borrowings bear interest at prevailing interest rates based upon, at the Operating Partnership's option, Secured Overnight Financing Rate ("SOFR") plus an applicable margin or the base rate, defined as the higher of the Federal Funds Rate plus ½ of 1% or the agent bank's prime rate, or SOFR plus 1%, plus the applicable margin. The applicable margin is dependent on the level of the Partnership's total leverage (the ratio of total debt to income before deducting interest expense, income taxes, depreciation and amortization ("EBITDA"), as adjusted pursuant to the Credit Agreement). Therefore, the Partnership is subject to interest rate risk on the variable component of the interest rate. From time to time, the Partnership manages part of its variable interest rate risk by entering into interest rate swap agreements. The Partnership did not enter into any interest rate swap agreements during the first half of fiscal 2025 or in fiscal 2024.

Valuation of Derivative Instruments. The Partnership measures the fair value of its exchange-traded options and futures contracts using quoted market prices found on the New York Mercantile Exchange ("NYMEX") (Level 1 inputs); the fair value of its swap contracts using quoted forward prices and the fair value of its interest rate swaps using model-derived valuations driven by observable projected movements of the 3-month SOFR (Level 2 inputs); and the fair value of its over-the-counter options contracts using Level 3 inputs. The Partnership's over-the-counter options contracts are valued based on an internal option model. The inputs utilized in the model are based on publicly available information as well as broker quotes. The significant unobservable inputs used in the fair value measurements of the Partnership's over-the-counter options contracts are interest rate and market volatility.

The following summarizes the fair value of the Partnership's derivative instruments and their location in the condensed consolidated balance sheets as of March 29, 2025 and September 28, 2024, respectively:

	As of March 29, 2025		As of September 28, 2024	
Asset Derivatives	**Location**	**Fair Value**	**Location**	**Fair Value**
Derivatives not designated as hedging instruments:				
Commodity-related derivatives	Other current assets	$ 1,412	Other current assets	$ 4,122
	Other assets	—	Other assets	769
		$ 1,412		$ 4,891
Liability Derivatives	**Location**	**Fair Value**	**Location**	**Fair Value**
Derivatives not designated as hedging instruments:				
Commodity-related derivatives	Other current liabilities	$ 749	Other current liabilities	$ 5,744
	Other liabilities	—	Other liabilities	—
		$ 749		$ 5,744

The following summarizes the reconciliation of the beginning and ending balances of assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs:

	Fair Value Measurement Using Significant Unobservable Inputs (Level 3)			
	Six Months Ended March 29, 2025		Six Months Ended March 30, 2024	
	Assets	Liabilities	Assets	Liabilities
Beginning balance of over-the-counter options	$ 1,475	$ 193	$ —	$ 806
Beginning balance realized during the period	(1,141)	(119)	—	(806)
Contracts purchased during the period	58	—	—	—
Change in the fair value of outstanding contracts	(304)	(74)	—	—
Ending balance of over-the-counter options	$ 88	$ —	$ —	$ —

As of March 29, 2025 and September 28, 2024, the Partnership's outstanding commodity-related derivatives had a weighted average maturity of approximately three months.

The effect of the Partnership's derivative instruments on the condensed consolidated statements of operations for the three and six months ended March 29, 2025 and March 30, 2024 are as follows:

Derivatives Not Designated as Hedging Instruments	Three Months Ended March 29, 2025 Unrealized Gains (Losses) Recognized in Income		Three Months Ended March 30, 2024 Unrealized Gains (Losses) Recognized in Income	
	Location	Amount	Location	Amount
Commodity-related derivatives	Cost of products sold	$ 744	Cost of products sold	$ 5,868

Derivatives Not Designated as Hedging Instruments	Six Months Ended March 29, 2025 Unrealized Gains (Losses) Recognized in Income		Six Months Ended March 30, 2024 Unrealized Gains (Losses) Recognized in Income	
	Location	Amount	Location	Amount
Commodity-related derivatives	Cost of products sold	$ 4,378	Cost of products sold	$ (4,918)

The following table presents the fair value of the Partnership's recognized derivative assets and liabilities on a gross basis and amounts offset on the condensed consolidated balance sheets subject to enforceable master netting arrangements or similar agreements:

	As of March 29, 2025			As of September 28, 2024		
	Gross amounts	Effects of netting	Net amounts presented in the balance sheet	Gross amounts	Effects of netting	Net amounts presented in the balance sheet
Asset Derivatives						
Commodity-related derivatives	$ 2,260	$ (848)	$ 1,412	$ 13,649	$ (8,758)	$ 4,891
Liability Derivatives						
Commodity-related derivatives	$ 1,597	$ (848)	$ 749	$ 14,502	$ (8,758)	$ 5,744

The Partnership had $982 and $6,439 posted cash collateral as of March 29, 2025 and September 28, 2024, respectively, with its brokers for outstanding commodity-related derivatives.

Bank Debt, Green Bonds and Senior Notes. The fair value of the Revolving Credit Facility approximates the carrying value since the interest rates are adjusted quarterly to reflect market conditions. The fair values of the Senior Notes are based upon quoted market prices (a Level 1 input) and the fair value of the Green Bonds is based upon a valuation model (a Level 3 input). Senior Notes, Revolving Credit Facility and Green Bonds are defined below in Note 10, "Long-Term Borrowings" and the fair values of the Senior Notes and Green Bonds are as follows:

	As of	
	March 29, 2025	September 28, 2024
5.875% Senior Notes due March 1, 2027	$ 348,901	$ 350,056
5.00% Senior Notes due June 1, 2031	591,364	606,099
5.50% Green Bonds due October 1, 2028 through October 1, 2033	69,061	72,264
	$ 1,009,326	$ 1,028,419

6. Selected Balance Sheet Information

Cash, Cash Equivalents and Restricted Cash. Restricted cash consists of amounts deposited in various bank accounts held by a trustee, as required for operating, maintenance and debt service purposes, all of which is stipulated in the loan agreement under the indenture to the Green Bonds. The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the condensed consolidated balance sheets that aggregate to the total shown on the condensed consolidated statements of cash flows:

	As of	
	March 29, 2025	September 28, 2024
Cash and cash equivalents	$ 3,879	$ 3,219
Restricted cash included in other current assets	5,427	9,355
Restricted cash included in other assets (noncurrent)	8,088	7,940
Total cash, cash equivalents, and restricted cash shown on the condensed consolidated statements of cash flows	$ 17,394	$ 20,514

Inventories. Inventories are stated at the lower of cost or market. Cost is determined using a weighted average method for propane, fuel oil and refined fuels and natural gas, and a standard cost basis for appliances, which approximates average cost. Inventories consist of the following:

	As of	
	March 29, 2025	September 28, 2024
Propane, fuel oil and refined fuels and natural gas	$ 54,686	$ 52,284
Appliances	3,583	3,146
	$ 58,269	$ 55,430

7. Goodwill and Other Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of net assets acquired. Goodwill is subject to an impairment review at a reporting unit level, on an annual basis as of the end of fiscal July of each year, or when an event occurs or circumstances change that would indicate potential impairment.

The Partnership has the option to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. If, after assessing the totality of events or circumstances, an entity determines it is not more likely than not that the fair value of a reporting unit is less than its carrying amount, then performing an impairment test is unnecessary. However, if an entity concludes otherwise, then it is required to perform an impairment test.

Under an impairment test, the Partnership assesses the carrying value of goodwill at a reporting unit level based on an estimate of the fair value of the respective reporting unit. Fair value of the reporting unit is estimated using discounted cash flow analyses taking into consideration estimated cash flows in a ten-year projection period and a terminal value calculation at the end of the projection period.

If the fair value of the reporting unit exceeds its carrying value, the goodwill associated with the reporting unit is not considered to be impaired. If the carrying value of the reporting unit exceeds its fair value, an impairment loss is recognized to the extent that the carrying amount exceeds the fair value, up to the amount of goodwill allocated to the reporting unit.

The carrying values of goodwill assigned to the Partnership's operating segments are as follows:

	Propane	Fuel oil and refined fuels	Natural gas and electricity	All other	Total
Balance as of September 28, 2024					
Goodwill	$ 1,107,655	$ 10,900	$ 7,900	$ 31,259	$ 1,157,714
Accumulated adjustments	—	(6,462)	—	—	(6,462)
	$ 1,107,655	$ 4,438	$ 7,900	$ 31,259	$ 1,151,252
Fiscal 2025 Activity					
Goodwill acquired (1)	$ 6,575	$ —	$ —	$ —	$ 6,575
Balance as of March 29, 2025					
Goodwill	$ 1,114,230	$ 10,900	$ 7,900	$ 31,259	$ 1,164,289
Accumulated adjustments	—	(6,462)	—	—	(6,462)
	$ 1,114,230	$ 4,438	$ 7,900	$ 31,259	$ 1,157,827

Other intangible assets consist of the following:

	As of	
	March 29, 2025	September 28, 2024
Customer relationships (1)	$ 596,429	$ 577,486
Non-compete agreements (1)	45,955	41,955
Other	7,067	7,067
	649,451	626,508
Less: accumulated amortization		
Customer relationships	(518,609)	(513,053)
Non-compete agreements	(36,698)	(36,000)
Other	(3,287)	(2,943)
	(558,594)	(551,996)
	$ 90,857	$ 74,512

(1) Reflects the impact from acquisitions (See Note 4).

8. Leases

The Partnership leases certain property, plant and equipment, including portions of its vehicle fleet, for various periods under non-cancelable leases all of which were determined to be operating leases. The Partnership determines if an agreement contains a lease at inception based on the Partnership's right to the economic benefits of the leased assets and its right to direct the use of the leased asset. Right-of-use assets represent the Partnership's right to use an underlying asset, and right-of-use liabilities represent the Partnership's obligation to make lease payments arising from the lease. Right-of-use assets and liabilities are recognized at the lease commencement date based on the present value of the lease payments over the lease term. As most of the Partnership's leases do not provide an implicit rate, the Partnership uses its estimated incremental borrowing rate based on the information available at the commencement date, adjusted for the lease term, to determine the present value of the lease payments. This rate is calculated based on a collateralized rate for the specific leasing activities of the Partnership.

Some leases include one or more options to renew at the Partnership's discretion, with renewal terms that can extend the lease from one to fifteen additional years. The renewal options are included in the measurement of the right-of-use assets and lease liabilities if the Partnership is reasonably certain to exercise the renewal options. Short-term leases are leases having an initial term of twelve months or less. The Partnership recognizes expenses for short-term leases on a straight-line basis and does not record a lease asset or lease liability for such leases.

The Partnership has residual value guarantees associated with certain of its operating leases, related primarily to transportation equipment. See Note 14, "Guarantees" for more information.

The Partnership does not have any material lease obligations that were signed, but not yet commenced as of March 29, 2025.

Quantitative information on the Partnership's lease population is as follows:

	Three Months Ended		Six Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Lease expense	$ 11,171	$ 10,970	$ 22,378	$ 21,723
Other information:				
Cash payments for operating leases	11,301	11,031	22,544	21,835
Right-of-use assets obtained in exchange for new operating lease liabilities	755	16,871	7,316	20,904
Weighted-average remaining lease term			5.5 years	5.6 years
Weighted-average discount rate			6.2%	6.1%

The following table summarizes future minimum lease payments under non-cancelable operating leases as of March 29, 2025:

Fiscal Year	Operating Leases
2025 (remaining)	$ 21,911
2026	39,084
2027	28,460
2028	22,735
2029	16,221
2030 and thereafter	26,420
Total future minimum lease payments	$ 154,831
Less: interest	(25,428)
Total lease obligations	$ 129,403

9. Net Income Per Common Unit

Computations of basic income per Common Unit are performed by dividing net income by the weighted average number of outstanding Common Units and vested (and unissued) restricted units granted under the Partnership's Restricted Unit Plan, as defined below, to retirement-eligible grantees. Computations of diluted income per Common Unit are performed by dividing net income by the weighted average number of outstanding Common Units and unvested restricted units granted under the Restricted Unit Plan. In computing diluted net income per Common Unit, weighted average units outstanding used to compute basic net income per Common Unit were increased by 386,750 and 323,179 units for the three and six months ended March 29, 2025, respectively, and 454,482 and 386,734 units for the three and six months ended March 30, 2024, respectively, to reflect the potential dilutive effect of the unvested restricted units outstanding using the treasury stock method.

10. Long-Term Borrowings

Long-term borrowings consist of the following:

	As of March 29, 2025	As of September 28, 2024
5.875% Senior Notes due March 1, 2027	$ 350,000	$ 350,000
5.00% Senior Notes due June 1, 2031	650,000	650,000
5.50% Green Bonds due October 1, 2028 through October 1, 2033, net of unaccreted fair value adjustment of $11,732 and $12,478	68,913	68,167
Revolving Credit Facility, due March 15, 2029	232,600	151,000
Subtotal	1,301,513	1,219,167
Less: unamortized debt issuance costs	(7,984)	(8,841)
	$ 1,293,529	$ 1,210,326

Senior Notes

2027 Senior Notes. On February 14, 2017, the Partnership and its 100%-owned subsidiary, Suburban Energy Finance Corp., completed a public offering of $350,000 in aggregate principal amount of 5.875% senior notes due March 1, 2027 (the "2027 Senior Notes"). The 2027 Senior Notes were issued at 100% of the principal amount and require semi-annual interest payments in March and September. The net proceeds from the issuance of the 2027 Senior Notes, along with borrowings under the Revolving Credit Facility, were used to repurchase, satisfy and discharge all of the Partnership's then-outstanding 7.375% senior notes due in 2021.

2031 Senior Notes. On May 24, 2021, the Partnership and its 100%-owned subsidiary, Suburban Energy Finance Corp., completed a private offering of $650,000 in aggregate principal amount of 5.0% senior notes due June 1, 2031 (the "2031 Senior Notes") to "qualified institutional buyers," as defined in Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and non-U.S. persons outside the United States under Regulation S under the Securities Act. The 2031 Senior Notes were issued at 100% of the principal amount and require semi-annual interest payments in June and December. The net proceeds from the issuance of the 2031 Senior Notes, along with borrowings under the Revolving Credit Facility, were used to repurchase, satisfy and discharge all of the Partnership's then-outstanding 5.5% senior notes due in 2024 and 5.75% senior notes due in 2025.

The Partnership's obligations under the 2027 Senior Notes and 2031 Senior Notes (collectively, the "Senior Notes") are unsecured and rank senior in right of payment to any future subordinated indebtedness and equally in right of payment with any future senior indebtedness. The Senior Notes are structurally subordinated to, which means they rank effectively behind, any debt and other liabilities of the Operating Partnership. The Partnership is permitted to redeem some or all of the Senior Notes at redemption prices and times as specified in the indentures governing the Senior Notes. The Senior Notes each have a change of control provision that would require the Partnership to offer to repurchase the notes at 101% of the principal amount repurchased, if a change of control, as defined in the indentures governing the terms of the Senior Notes, occurs and is followed by a rating decline (a decrease in the rating of the notes by either Moody's Investors Service or Standard and Poor's Rating Group by one or more gradations) within 90 days of the consummation of the change of control.

Green Bonds. On December 28, 2022, the Partnership assumed the loan agreement under the Indentures of Trust, issued by The Industrial Development Authority of the County of Pinal ("Green Bonds"), from Equilibrium in connection with the RNG Acquisition. The proceeds of the Green Bonds, which bear interest at 5.5%, were loaned to and used by Equilibrium to construct the RNG production facility in Stanfield, Arizona ("SuburbanRNG–Stanfield") and are secured by all of the assets at that location. The Green Bonds have a par value of $80,645 and require semi-annual interest payments in April and October. Principal payments begin on October 1, 2028 and continue annually through October 1, 2033. The Green Bonds were initially recorded at fair value at the time of the RNG Acquisition and are being accreted to par value over the term of the bonds using the effective interest method.

The Green Bonds contain various restrictive and affirmative covenants, and previously included a financial covenant requiring SuburbanRNG–Stanfield's debt service coverage ratio, as defined therein, to be not less than 1.00 to 1.00 for three consecutive fiscal quarters. SuburbanRNG–Stanfield did not comply with this ratio for March 29, 2025, December 28, 2024, September 28, 2024 and the interim periods during fiscal 2024 which, if not waived, would have constituted an event of default under the terms of the Green Bonds. SuburbanRNG–Stanfield and the Partnership obtained waivers for this non-compliance from the holders of a majority of the outstanding Green Bonds, which cured the impact of any events of default for all periods listed. Effective May 2, 2025, the Operating Partnership entered into a guaranty agreement with the trustee under the Indentures of Trust whereby it guarantees all payments due under the Green Bonds, and amended the indenture governing the Green Bonds to eliminate the debt service coverage ratio covenant. See Note 20, "Subsequent Events" for more information.

Credit Agreement. On March 15, 2024, the Partnership and the Operating Partnership entered into a Fourth Amended and Restated Credit Agreement (the "Credit Agreement") that provides for a $500,000 revolving credit facility (the "Revolving Credit Facility"), of which $232,600 and $151,000 was outstanding as of March 29, 2025 and September 28, 2024, respectively. The Revolving Credit Facility matures on the earlier of (i) the date that is ninety-one (91) days prior to maturity of the 2027 Senior Notes (unless the notes have been refinanced prior to such date) and (ii) March 15, 2029. Borrowings under the Revolving Credit Facility may be used for general corporate purposes, including working capital, capital expenditures and acquisitions. The Operating Partnership has the right to prepay any borrowings under the Revolving Credit Facility, in whole or in part, without penalty at any time prior to maturity.

The Credit Agreement contains certain restrictive and affirmative covenants applicable to the Operating Partnership, its subsidiaries and the Partnership, as well as certain financial covenants, including (a) requiring the Partnership's Consolidated Interest Coverage Ratio, as defined in the Credit Agreement, to be not less than 2.5 to 1.0 as of the end of any fiscal quarter, (b) prohibiting the Total Consolidated Leverage Ratio, as defined in the Credit Agreement, of the Partnership from being greater than 5.75 to 1.0, and (c) prohibiting the Senior Secured Consolidated Leverage Ratio, as defined in the Credit Agreement, of the Operating Partnership from being greater than 3.25 to 1.0 as of the end of any fiscal quarter.

The Partnership and certain subsidiaries of the Operating Partnership act as guarantors with respect to the obligations of the Operating Partnership under the Credit Agreement pursuant to the terms and conditions set forth therein. The obligations under the Credit Agreement are secured by liens on substantially all of the personal property of the Partnership, the Operating Partnership and their subsidiaries, as well as mortgages on certain real property.

As of March 29, 2025, borrowings under the Revolving Credit Facility bear interest at prevailing interest rates based upon, at the Operating Partnership's option, SOFR plus the Applicable Rate, or the base rate, defined as the higher of the Federal Funds Rate plus ½ of 1%, the administrative agent bank's prime rate, or SOFR plus 1%, plus in each case the Applicable Rate. The Applicable Rate is dependent upon the Partnership's Total Consolidated Leverage Ratio. As of March 29, 2025, the weighted average interest rate for borrowings under the Revolving Credit Facility was approximately 7.29%. The interest rate and the Applicable Rate will be reset following the end of each calendar quarter.

As of March 29, 2025, the Partnership had standby letters of credit issued under the Revolving Credit Facility of $26,387 which expire periodically through January 28, 2026.

The Credit Agreement and the Senior Notes both contain various restrictive and affirmative covenants applicable to the Operating Partnership, its subsidiaries and the Partnership, respectively, including (i) restrictions on the incurrence of additional indebtedness, and (ii) restrictions on certain liens, investments, guarantees, loans, advances, payments, mergers, consolidations, distributions, sales of assets and other transactions. Under the Credit Agreement and the indentures governing the Senior Notes, the Operating Partnership and the Partnership are generally permitted to make cash distributions equal to available cash, as defined, as of the end of the immediately preceding quarter, if no event of default exists or would exist upon making such distributions, and with respect to the indentures governing the Senior Notes, the Partnership's Consolidated Fixed Charge Coverage Ratio, as defined, is greater than 1.75 to 1. The Partnership and the Operating Partnership were in compliance with all covenants and terms of the Senior Notes and the Credit Agreement as of March 29, 2025.

Under the terms of the Credit Agreement, certain events of default under the terms of the Green Bonds constitute an event of default under the Credit Agreement. In the first quarter of fiscal 2025, the Partnership obtained a waiver from the lenders and the administrative agent under the Credit Agreement for the corresponding event of default under the Credit Agreement resulting from the event of default under the Green Bonds; this was not required for the second quarter of fiscal 2025.

The aggregate amounts of long-term debt maturities subsequent to March 29, 2025 are as follows: fiscal 2025: $-0-; fiscal 2026: $-0-; fiscal 2027: $582,600; fiscal 2028: $-0-; fiscal 2029: $11,707; and thereafter: $718,938.

11. Distributions of Available Cash

The Partnership makes distributions to its partners no later than 45 days after the end of each fiscal quarter in an aggregate amount equal to its Available Cash for such quarter. Available Cash, as defined in the Partnership Agreement, generally means all cash on hand at the end of the respective fiscal quarter less the amount of cash reserves established by the Board of Supervisors in its reasonable discretion for future cash requirements. These reserves are retained for the proper conduct of the Partnership's business, the payment of debt principal and interest and for distributions during the next four quarters.

On April 24, 2025, the Partnership announced a quarterly distribution of $0.325 per Common Unit, or $1.30 per Common Unit on an annualized basis, in respect of the second quarter of fiscal 2025, payable on May 13, 2025 to holders of record on May 6, 2025.

12. Unit-Based Compensation Arrangements

The Partnership recognizes compensation cost over the respective service period for employee services received in exchange for an award of equity, or equity-based compensation, based on the grant date fair value of the award. The Partnership measures liability awards under an equity-based payment arrangement based on remeasurement of the award's fair value at the conclusion of each interim and annual reporting period until the date of settlement, taking into consideration the probability that the performance conditions will be satisfied.

Restricted Unit Plan. At the Partnership's Tri-Annual Meeting held on May 15, 2018, the Unitholders approved and the Partnership adopted the Suburban Propane Partners, L.P. 2018 Restricted Unit Plan (the "Restricted Unit Plan") authorizing the issuance of up to 1,800,000 Common Units to executives, managers and other employees and members of the Board of Supervisors of the Partnership. The Restricted Unit Plan was amended and restated to authorize the issuance of an additional 1,725,000 and 2,650,000 Common Units by approval of the Unitholders at the Partnership's Tri-Annual Meetings held on May 18, 2021 and May 21, 2024, respectively, for a total of 6,175,000 Common Units. Unless otherwise determined by the Compensation Committee of the Partnership's Board of Supervisors (the "Compensation Committee") on or before the grant date, one-third of all outstanding awards under the Restricted Unit Plan will vest on each of the first three anniversaries of the award grant date. Participants in the Restricted Unit Plan are not eligible to receive quarterly distributions on, or vote, their respective restricted units until vested. Restricted units cannot be sold or transferred prior to vesting. The value of each restricted unit is established by the market price of the Common Unit on the date of grant, net of estimated future distributions during the vesting period. Restricted units are subject to forfeiture in certain circumstances as defined in the Restricted Unit Plan. Compensation expense for the unvested awards is recognized ratably over the vesting periods and is net of estimated forfeitures.

During the six months ended March 29, 2025, the Partnership awarded 485,737 restricted units under the Restricted Unit Plan at an aggregate grant date fair value of $7,240. The following is a summary of activity for the Restricted Unit Plan for the six months ended March 29, 2025:

	Restricted Units	Weighted Average Grant Date Fair Value Per Unit
Outstanding September 28, 2024	1,100,278	$ 13.37
Awarded	485,737	14.91
Forfeited	(15,582)	(13.59)
Vested (1)	(581,450)	(13.29)
Outstanding March 29, 2025	988,983	$ 14.17

(1) During fiscal 2025, the Partnership withheld 156,540 Common Units from participants for income tax withholding purposes for those executive officers of the Partnership whose shares of restricted units vested during the period.

As of March 29, 2025, unrecognized compensation cost related to unvested restricted units awarded under the Restricted Unit Plan amounted to $5,790. Compensation cost associated with unvested awards is expected to be recognized over a weighted-average period of approximately one year. Compensation expense for the Restricted Unit Plan, net of forfeitures, for the three and six months ended March 29, 2025 was $1,840 and $4,219, respectively, and $1,919 and $4,564 for the three and six months ended March 30, 2024, respectively.

Phantom Equity Plan. At its November 8, 2022 meeting, the Compensation Committee adopted the Phantom Equity Plan (the "PEP") to incentivize behaviors that will lead to the creation of long-term value for the Partnership's Unitholders by functioning as a cash-settled corollary plan to the Partnership's Restricted Unit Plan. The executive officers of the Partnership, the members of the Board, and other employees of the Partnership are eligible for awards of phantom units under the PEP. Unless otherwise stipulated by the Compensation Committee, the standard vesting schedule for awards under the PEP will be one-third of each award on each of the first three anniversaries of the award grant date, subject to continuous employment or service from the grant date through the applicable payment date. Unvested awards are subject to forfeiture in certain circumstances, as defined in the PEP document and the applicable award agreements. Upon vesting, phantom units are automatically converted into cash equal to the average of the highest and lowest trading prices of the Partnership's Common Units on the vesting date.

Compensation expense, which includes adjustments to previously recognized compensation expense for current period changes in the fair value of unvested awards, for the three and six months ended March 29, 2025 was $3,620 and $5,194, respectively, and for three and six months ended March 30, 2024 was $2,622 and $4,641, respectively. As of March 29, 2025, and September 28, 2024, the Partnership had a liability included within accrued employment and benefit costs (or other liabilities, as applicable) of $10,057 and $9,019, respectively, related to the estimated future payments under the PEP.

Distribution Equivalent Rights Plan. On January 17, 2017, the Partnership adopted the Distribution Equivalent Rights Plan (the "DER Plan"), as amended on November 8, 2022, which gives the Compensation Committee discretion to award distribution equivalent rights ("DERs") to executive officers of the Partnership. Once awarded, DERs entitle the grantee to a cash payment each time the Board of Supervisors declares a cash distribution on the Partnership's Common Units, which cash payment will be equal to an amount calculated by multiplying the number of unvested restricted units and unvested phantom units which are held by the grantee on the record date of the distribution, by the amount of the declared distribution per Common Unit. Compensation expense recognized under the DER Plan for the three and six months ended March 29, 2025 was $362 and $716, respectively, and $373 and $748 for the three and six months ended March 30, 2024, respectively.

Long-Term Incentive Plan. On November 10, 2020, the Partnership adopted the 2021 Long-Term Incentive Plan ("the LTIP"). The LTIP is a non-qualified, unfunded, long-term incentive plan for executive officers and key employees that provides for payment, in the form of cash, of an award of equity-based compensation at the end of a three-year performance period. The LTIP document governs the terms and conditions of the outstanding awards with the level of compensation earned being based on the Partnership's average distributable cash flow over the three-year measurement period. The level of compensation earned under the fiscal 2022 award and awards thereafter is evaluated using two separate measurement components: (i) 50% weight based on the level of average distributable cash flow of the Partnership over the three-year measurement period; and (ii) 50% weight based on the achievement of certain operating and strategic objectives, set by the Compensation Committee for that award's three-year measurement period.

As a result of the quarterly remeasurement of the liability for awards under the LTIP, compensation expense recognized for the three and six months ended March 29, 2025 was $1,003 and $4,588, respectively, and $1,207 and $3,669 for the three and six months ended March 30, 2024, respectively. As of March 29, 2025 and September 28, 2024, the Partnership had a liability included within accrued employment and benefit costs (or other liabilities, as applicable) of $11,669 and $11,120, respectively, related to estimated future payments under the LTIP. In the first quarter of fiscal 2025 and 2024, cash payouts totaling $4,038 and $4,045 were made relating to the fiscal 2022 and 2021 awards, respectively.

13. Commitments and Contingencies

Accrued Insurance. The Partnership is self-insured for general and product, workers' compensation and automobile liabilities up to predetermined amounts above which third party insurance applies. As of March 29, 2025 and September 28, 2024, the Partnership had accrued liabilities of $57,754 and $58,070, respectively, representing the total estimated losses for known and anticipated or unasserted general and product, workers' compensation and automobile claims. For the portion of the estimated liability that exceeds insurance deductibles, the Partnership records an asset within other assets (or prepaid expenses and other current assets, as applicable) related to the amount of the liability expected to be covered by insurance which amounted to $14,459 and $14,340 as of March 29, 2025 and September 28, 2024, respectively.

Legal Matters. The Partnership's operations are subject to operating hazards and risks normally incidental to handling, storing and delivering combustible liquids such as propane. The Partnership has been, and will continue to be, a defendant in various legal proceedings and litigation as a result of these operating hazards and risks, and as a result of other aspects of its business. Although any litigation is inherently uncertain, based on past experience, the information currently available to the Partnership, and the amount of its accrued insurance liabilities, the Partnership does not believe that currently pending or threatened litigation matters, or known claims or known contingent claims, will have a material adverse effect on its results of operations, financial condition or cash flow.

The State of New York amended Section 349-d of the New York General Business Law ("GBL") effective on March 18, 2024, to require that energy service companies that operate in the state, such as AES in connection with its natural gas and electricity business, first obtain written consent from the customer before any change in commodity prices can be charged to the customer. To date, the amended statute has not had a material negative impact on AES, but the Partnership continues to assess the impact that the GBL amendment may have in the future on its natural gas and electricity business. In addition, the New York Public Service Commission ("NY PSC") has issued notice of rulemaking for amendments to its Uniform Business Practices ("UBP"), that will apply to AES and other energy supply companies that operate in the state. The proposed UBP amendments, if adopted, will require AES to provide notice each month to its customers that includes a historical comparison between the rates charged by AES and what the customer would have paid had they remained with their existing utility. The Partnership anticipates that the additional notice requirements mandated by the NY PSC could have a negative effect on customer retention for energy supply companies.

14. Guarantees

The Partnership has residual value guarantees associated with certain of its operating leases, related primarily to transportation equipment, with remaining lease periods scheduled to expire periodically through fiscal 2032. Upon completion of the lease period, the Partnership guarantees that the fair value of the equipment will equal or exceed the guaranteed amount, or the Partnership will pay the lessor the difference. Although the fair value of equipment at the end of its lease term has historically exceeded the guaranteed amounts, the maximum potential amount of aggregate future payments the Partnership could be required to make under these leasing arrangements, assuming the equipment is deemed worthless at the end of the lease term, was $42,792 as of March 29, 2025. The fair value of residual value guarantees for outstanding operating leases was de minimis as of March 29, 2025 and September 28, 2024.

15. Pension Plans and Other Postretirement Benefits

The following table provides the components of net periodic benefit costs:

	Pension Benefits			
	Three Months Ended		Six Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Interest cost	$ 647	$ 804	$ 1,293	$ 1,609
Expected return on plan assets	(330)	(314)	(659)	(629)
Amortization of net loss	61	426	123	851
Net periodic benefit cost	$ 378	$ 916	$ 757	$ 1,831

	Postretirement Benefits			
	Three Months Ended		Six Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Interest cost	$ 25	$ 36	$ 50	$ 72
Amortization of prior service credits	(7)	(65)	(13)	(130)
Amortization of net (gain)	(171)	(192)	(343)	(383)
Net periodic benefit cost	$ (153)	$ (221)	$ (306)	$ (441)

The Partnership expects to contribute approximately $4,000 to the defined benefit pension plan during fiscal 2025, of which $2,000 was contributed during the six months ended March 29, 2025. The projected annual contribution requirements related to the Partnership's postretirement health care and life insurance benefit plan for fiscal 2025 is $342, of which $146 was contributed during the six months ended March 29, 2025. The components of net periodic benefit cost are included in the line item "Other, net" in the condensed consolidated statements of operations.

The Partnership contributes to multi-employer pension plans ("MEPPs") in accordance with various collective bargaining agreements covering union employees. As one of the many participating employers in these MEPPs, the Partnership is responsible with the other participating employers for any plan underfunding. As of March 29, 2025 and September 28, 2024, the Partnership's estimated obligation to these MEPPs was $19,296 and $20,026, respectively, as a result of its voluntary full withdrawal from certain MEPPs.

16. Amounts Reclassified Out of Accumulated Other Comprehensive Income

The following table summarizes amounts reclassified out of accumulated other comprehensive income (loss) for the three and six months ended March 29, 2025 and March 30, 2024:

	Three Months Ended		Six Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Pension Benefits				
Balance, beginning of period	$ (9,747)	$ (14,765)	$ (9,809)	$ (15,190)
Reclassifications to earnings:				
Amortization of net loss (1)	61	426	123	851
Other comprehensive income	61	426	123	851
Balance, end of period	$ (9,686)	$ (14,339)	$ (9,686)	$ (14,339)
Postretirement Benefits				
Balance, beginning of period	$ 3,484	$ 4,267	$ 3,662	$ 4,523
Reclassifications to earnings:				
Amortization of net gain and prior service credits (1)	(178)	(257)	(356)	(513)
Other comprehensive loss	(178)	(257)	(356)	(513)
Balance, end of period	$ 3,306	$ 4,010	$ 3,306	$ 4,010
Accumulated Other Comprehensive Income (Loss)				
Balance, beginning of period	$ (6,263)	$ (10,498)	$ (6,147)	$ (10,667)
Reclassifications to earnings	(117)	169	(233)	338
Other comprehensive (loss) income	(117)	169	(233)	338
Balance, end of period	$ (6,380)	$ (10,329)	$ (6,380)	$ (10,329)

(1) These amounts are included in the computation of net periodic benefit cost. See Note 15, "Pension Plans and Other Postretirement Benefits."

17. At-the-Market Public Offering

On February 20, 2025, the Partnership entered into an Equity Distribution Agreement (the "Equity Distribution Agreement") with Wells Fargo Securities, LLC, J.P. Morgan Securities LLC, BofA Securities, Inc., and Evercore Group L.L.C., each acting as a sales agent and/or principal (each, an "Agent," and collectively, the "Agents"). Pursuant to the terms of the Equity Distribution Agreement, the Partnership may issue and sell from time to time, through the Agents, the Partnership's Common Units having an aggregate offering amount of up to $100,000.

The Agents use their commercially reasonable efforts, as the sales agents and subject to the terms of the Equity Distribution Agreement, to sell the Common Units offered. Sales of the Common Units are made in sales deemed to be an "at the market offering" as defined in Rule 415(a)(4) promulgated under the Securities Act, including sales made directly on or through the New York Stock Exchange. The Partnership may also agree to sell Common Units to the Agents as principal for their own account on terms agreed to by the Partnership and the Agents. Each Agent will be entitled to a commission from the Partnership on the gross sales price per Common Unit sold under the Equity Distribution Agreement by such Agent acting as the Partnership's sales agent, with the exact amount to be agreed to by the Partnership.

During the three and six months ended March 29, 2025, the Partnership issued 442,425 Common Units under the Equity Distribution Agreement for net proceeds of $8,788, after $295 of agent commissions and offering costs.

The Partnership intends to use the net proceeds from the sales of Common Units pursuant to the Equity Distribution Agreement for general limited partnership purposes, including debt reduction and to fund strategic growth initiatives.

18. Income Taxes

For federal income tax purposes, as well as for state income tax purposes in the majority of the states in which the Partnership operates, the earnings attributable to the Partnership and the Operating Partnership are not subject to income tax at the partnership level. With the exception of those states that impose an entity-level income tax on partnerships, the taxable income or loss attributable to the Partnership and to the Operating Partnership, which may vary substantially from the income (loss) before income taxes reported by the Partnership in the condensed consolidated statement of operations, are includable in the federal and state income tax returns of the Common Unitholders. The aggregate difference in the basis of the Partnership's net assets for financial and tax reporting purposes cannot be readily determined as the Partnership does not have access to each Common Unitholder's basis in the Partnership.

As described in Note 1, "Partnership Organization and Formation," the earnings of the Corporate Entities are subject to U.S. corporate level income tax. However, based upon past performance, the Corporate Entities are currently reporting an income tax provision composed primarily of minimum state income taxes. A full valuation allowance has been provided against the deferred tax assets (with the exception of certain net operating loss carryforwards ("NOLs") that arose after 2017) based upon an analysis of all available evidence, both negative and positive at the balance sheet date, which, taken as a whole, indicates that it is more likely than not that sufficient future taxable income will not be available to utilize the assets. Management's periodic reviews include, among other things, the nature and amount of the taxable income and expense items, the expected timing of when assets will be used or liabilities will be required to be reported and the reliability of historical profitability of businesses that are expected to provide future earnings. Furthermore, management considered tax-planning strategies it could use to increase the likelihood that the deferred tax assets will be realized.

19. Segment Information

The Partnership manages and evaluates its operations in four operating segments, three of which are reportable segments: Propane, Fuel Oil and Refined Fuels, and Natural Gas and Electricity. The chief operating decision maker evaluates performance of the operating segments using a number of performance measures, including gross margins and income before interest expense and provision for income taxes (operating profit). Costs excluded from these profit measures are captured in Corporate and include corporate overhead expenses not allocated to the operating segments. Unallocated corporate overhead expenses include all costs of back office support functions that are reported as general and administrative expenses within the condensed consolidated statements of operations. In addition, certain costs associated with field operations support that are reported in operating expenses within the condensed consolidated statements of operations, including purchasing, training and safety, are not allocated to the individual operating segments. Thus, operating profit for each operating segment includes only the costs that are directly attributable to the operations of the individual segment. The accounting policies of the operating segments are otherwise the same as those described in Note 2, "Summary of Significant Accounting Policies," in the Partnership's Annual Report on Form 10-K for the fiscal year ended September 28, 2024.

The propane segment is primarily engaged in the retail distribution of propane and renewable propane to residential, commercial, industrial, agricultural and government customers and, to a lesser extent, wholesale distribution to large industrial end users. In the residential, commercial and government markets, propane is used primarily for space heating, water heating, cooking and clothes drying. Industrial customers use propane generally as a motor fuel burned in internal combustion engines that power over-the-road vehicles, forklifts and stationary engines, to fire furnaces and as a cutting gas. In the agricultural markets, propane is primarily used for tobacco curing, crop drying, poultry brooding and weed control. In addition, the Partnership's equity investment in Oberon is included within the propane segment.

The fuel oil and refined fuels segment is primarily engaged in the retail distribution of fuel oil, diesel, kerosene and gasoline to residential and commercial customers for use primarily as a source of heat in homes and buildings.

The natural gas and electricity segment is engaged in the marketing of natural gas and electricity to residential and commercial customers in the deregulated energy markets of New York and Pennsylvania. Under this operating segment, the Partnership owns the relationship with the end consumer and has agreements with the local distribution companies to deliver the natural gas or electricity from the Partnership's suppliers to the customer.

Activities in the "all other" category include the Partnership's service business, which is primarily engaged in the sale, installation and servicing of a wide variety of home comfort equipment, particularly in the areas of heating and ventilation. In addition, the Partnership's platform of RNG businesses and the equity investment in IH are included within "all other."

The following table presents certain data by reportable segment and provides a reconciliation of total operating segment information to the corresponding condensed consolidated amounts for the periods presented:

	Three Months Ended		Six Months Ended	
	March 29, 2025	March 30, 2024	March 29, 2025	March 30, 2024
Revenues:				
Propane	$ 525,256	$ 437,564	$ 855,539	$ 750,922
Fuel oil and refined fuels	33,364	31,595	51,025	55,493
Natural gas and electricity	9,025	8,713	15,078	15,206
All other	20,018	20,215	39,350	42,300
Total revenues	$ 587,663	$ 498,087	$ 960,992	$ 863,921
Operating income (loss):				
Propane	$ 197,668	$ 169,853	$ 298,538	$ 257,029
Fuel oil and refined fuels	5,878	5,887	7,274	8,059
Natural gas and electricity	1,859	2,578	3,924	4,146
All other	(8,572)	(7,175)	(17,810)	(14,356)
Corporate	(38,420)	(34,283)	(74,451)	(69,270)
Total operating income	158,413	136,860	217,475	185,608
Reconciliation to net income:				
Loss on debt extinguishment	—	215	—	215
Interest expense, net	20,567	19,919	40,179	38,111
Other, net	729	5,194	20,196	11,047
(Benefit from) provision for income taxes	(4)	32	559	281
Net income	$ 137,121	$ 111,500	$ 156,541	$ 135,954
Depreciation and amortization:				
Propane	$ 12,149	$ 11,735	$ 24,591	$ 23,594
Fuel oil and refined fuels	269	302	538	746
Natural gas and electricity	—	—	—	—
All other	2,765	2,707	5,528	5,407
Corporate	2,417	1,981	4,042	3,371
Total depreciation and amortization	$ 17,600	$ 16,725	$ 34,699	$ 33,118

	As of	
	March 29, 2025	September 28, 2024
Assets:		
Propane	$ 2,011,582	$ 1,912,465
Fuel oil and refined fuels	48,697	43,579
Natural gas and electricity	12,332	10,248
All other	260,733	250,445
Corporate	66,555	56,024
Total assets	$ 2,399,899	$ 2,272,761

20. Subsequent Events

On May 2, 2025, the Operating Partnership entered into a guaranty agreement (the "Guaranty Agreement") with UMB Bank, N.A., the trustee of the Green Bonds. Pursuant to the Guaranty Agreement, the Operating Partnership guarantees to the trustee the payment of interest and principal amounts due under the Green Bonds, and the indenture governing the Green Bonds was amended to eliminate the financial covenant requiring SuburbanRNG–Stanfield to maintain a defined debt service coverage ratio (see Note 10, "Long Term Borrowings" above).

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

The following is a discussion and analysis of the financial condition and results of operations of the Partnership as of and for the three and six months ended March 29, 2025, seen from our perspective. The discussion and analysis should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the historical consolidated financial statements and notes thereto included in the Annual Report on Form 10-K for the fiscal year ended September 28, 2024.

Executive Overview

The following are factors that regularly affect our operating results and financial condition. Our business is subject to the risks and uncertainties described in Item 1A included in the Annual Report on Form 10-K for the fiscal year ended September 28, 2024 and in this Quarterly Report. Management currently considers the following events, trends, and uncertainties to be most important to understanding our financial condition and operating performance:

Product Costs and Supply

The level of profitability in the retail propane, fuel oil, natural gas and electricity businesses is largely dependent on the difference between retail sales price and our costs to acquire and transport products. The unit cost of our products, particularly propane, fuel oil and natural gas, is subject to volatility as a result of supply and demand dynamics or other market conditions, including, but not limited to, economic and political factors impacting crude oil and natural gas supply or pricing. We enter into product supply contracts that are generally one-year agreements subject to annual renewal, and also purchase product on the open market. We attempt to reduce price risk by pricing product on a short-term basis. Our propane supply contracts typically provide for pricing based upon index formulas using the posted prices established at major supply points such as Mont Belvieu, Texas, or Conway, Kansas (plus transportation costs) at the time of delivery.

To supplement our annual purchase requirements, we may utilize forward fixed price purchase contracts to acquire a portion of the propane that we resell to our customers, which allows us to manage our exposure to unfavorable changes in commodity prices and to ensure adequate physical supply. The percentage of contract purchases, and the amount of supply contracted for under forward contracts at fixed prices, will vary from year to year based on market conditions.

Changes in our costs to acquire and transport products can occur rapidly over a short period of time and can impact profitability. There is no assurance that we will be able to pass on product acquisition and transportation cost increases fully or immediately, particularly when such costs increase rapidly. Therefore, average retail sales prices can vary significantly from year to year as our costs fluctuate with the propane, fuel oil, crude oil and natural gas commodity markets and infrastructure conditions. In addition, periods of sustained higher commodity and/or transportation prices can lead to customer conservation, resulting in reduced demand for our product.

According to the Energy Information Administration, U.S. propane inventory levels at the end of March 2025 were 44.1 million barrels, which was 14.9% lower than March 2024 levels and 6.4% lower than the five-year average for March. The lower inventory level in comparison to March 2024 and historical averages contributed to an increase in average posted propane prices (basis Mont Belvieu, Texas) of 7.2% compared to the prior year second quarter.

Seasonality

The retail propane and fuel oil distribution businesses, as well as the retail natural gas marketing business, are seasonal because these fuels are primarily used for heating in residential and commercial buildings. Historically, approximately two-thirds of our retail propane volume is sold during the six-month peak heating season from October through March. The fuel oil business tends to experience greater seasonality given its more limited use for space heating and approximately three-fourths of our fuel oil volumes are sold between October and March. Consequently, sales and operating profits are concentrated in our first and second fiscal quarters. Cash flows from operations, therefore, are greatest during the second and third fiscal quarters when customers pay for product purchased during the winter heating season. We expect lower operating profits and either net losses or lower net income during the period from April through September (our third and fourth fiscal quarters). To the extent necessary, we will reserve cash from the second and first quarters for distribution to holders of our Common Units in the fourth quarter and the following fiscal year first quarter.

Weather

Weather conditions have a significant impact on the demand for our products, in particular propane, fuel oil and natural gas, for both heating and agricultural purposes. Many of our customers rely heavily on propane, fuel oil or natural gas as a heating source. Accordingly, the volume sold is directly affected by the severity of the winter weather in our service areas, which can vary substantially from year to year. In any given area, sustained warmer than normal temperatures will tend to result in reduced propane, fuel oil and natural gas consumption, while sustained colder than normal temperatures will tend to result in greater consumption.

Hedging and Risk Management Activities

We engage in hedging and risk management activities to reduce the effect of price volatility on our product costs and to ensure the availability of product during periods of short supply. We enter into propane forward, options and swap agreements with third parties, and use futures and options contracts traded on the New York Mercantile Exchange (“NYMEX”) to purchase and sell propane, fuel oil, crude oil, natural gas and electricity at fixed prices in the future. The majority of the futures, forward and options agreements are used to hedge price risk associated with propane and fuel oil physical inventory, as well as, in certain instances, forecasted purchases of propane or fuel oil. In addition, we sell propane, fuel oil, natural gas and electricity to customers at fixed prices, and enter into derivative instruments to hedge a portion of our exposure to fluctuations in commodity prices as a result of selling the fixed price contracts. Forward contracts are generally settled physically at the expiration of the contract whereas futures, options and swap contracts are generally settled at the expiration of the contract through a net settlement mechanism. Although we use derivative instruments to reduce the effect of price volatility associated with priced physical inventory and forecasted transactions, we do not use derivative instruments for speculative trading purposes. Risk management activities are monitored by an internal Commodity Risk Management Committee, made up of six members of management and reporting to our Audit Committee, through enforcement of our Hedging and Risk Management Policy.

Inflation and Other Cost Increases

We are experiencing inflationary pressures in the costs of various goods and services we use to operate our business, including volatile wholesale costs for the products we distribute. Although we have not experienced significant disruptions with securing the products we sell, inflationary factors and competition for resources across the supply chain have resulted in increased costs in a wide variety of areas, including labor, transportation costs, operating costs and the cost of capital expansion projects, tanks and other equipment. These and other factors, including the impact of tariffs and trade conflicts, may continue to impact our product costs, expenses, and capital expenditures, and could continue to have an impact on consumer demand as consumers manage the impact of inflation and tariffs on their resources.

Critical Accounting Policies and Estimates

Our significant accounting policies are summarized in Note 2, “Summary of Significant Accounting Policies,” included within the Notes to Consolidated Financial Statements section of our Annual Report on Form 10-K for the fiscal year ended September 28, 2024.

Certain amounts included in or affecting our consolidated financial statements and related disclosures must be estimated, requiring management to make certain assumptions with respect to values or conditions that cannot be known with certainty at the time the financial statements are prepared. The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (“US GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. We are also subject to risks and uncertainties that may cause actual results to differ from estimated results. Estimates are used when accounting for depreciation and amortization of long-lived assets, employee benefit plans, self-insurance and litigation reserves, environmental reserves, allowances for doubtful accounts, asset valuation assessments and valuation of derivative instruments. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Any effects on our business, financial position or results of operations resulting from revisions to these estimates are recorded in the period in which the facts that give rise to the revision become known to us. Management has reviewed these critical accounting estimates and related disclosures with the Audit Committee of our Board of Supervisors.

Results of Operations and Financial Condition

Net income for the second quarter of fiscal 2025 was $137.1 million, or $2.11 per Common Unit, compared to net income of $111.5 million, or $1.73 per Common Unit, for the second quarter of fiscal 2024. Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA, as defined and reconciled below) for the second quarter of fiscal 2025 improved $28.0 million, or 19.1%, to $175.0 million, compared to the prior year second quarter.

Retail propane gallons sold in the second quarter of fiscal 2025 of 162.0 million gallons increased 15.5% compared to the prior year second quarter, primarily due to the impact of sustained widespread cooler temperatures on heat-related demand and contributions from our recent propane acquisitions. Average temperatures (as measured by heating degree days) across all of our service territories during the second quarter of fiscal 2025 were 5% warmer than normal and 9% cooler than the prior year second quarter. During January and February, which are the most critical months for heat-related demand during the second quarter, average temperatures were comparable to normal and 13% colder than the same period last year.

Average propane prices (basis Mont Belvieu, Texas) for the second quarter of fiscal 2025 increased 7.2% compared to the prior year second quarter. Total gross margin of $345.3 million for the second quarter of fiscal 2025 increased $37.3 million, or 12.1%, compared to the prior year second quarter. Gross margin for the second quarter of fiscal 2025 included a $0.7 million unrealized gain attributable to the mark-to-market adjustment for derivative instruments used in risk management activities, compared to a $5.9 million unrealized gain in the prior year second quarter. These non-cash adjustments, which were reported in cost of products sold, were excluded from Adjusted EBITDA for both periods. Excluding the impact of the mark-to-market adjustments, total gross margin increased $42.5 million, or 14.1%, compared to the prior year second quarter, primarily due to higher propane volumes sold.

Combined operating and general and administrative expenses of $169.3 million for the second quarter of fiscal 2025 increased $14.9 million, or 9.7%, compared to the prior year second quarter, primarily due to higher payroll and benefit-related expenses, overtime and other variable operating costs to support the increase in customer demand, as well as higher variable compensation expense associated with the increase in earnings.

During the second quarter of fiscal 2025, we utilized cash flows from operating activities and net proceeds from the issuance of Common Units under our at-the-market ("ATM") public offering (refer to the "At-the-Market Public Offering" section below for more details) to repay $10.1 million in borrowings under our revolving credit facility. The Consolidated Leverage Ratio, as defined in our credit agreement, for the twelve-month period ended March 29, 2025 improved to 4.54x.

As previously announced on April 24, 2025, our Board of Supervisors declared a quarterly distribution of $0.325 per Common Unit for the three months ended March 29, 2025. On an annualized basis, this distribution rate equates to $1.30 per Common Unit. The distribution is payable on May 13, 2025 to Common Unitholders of record as of May 6, 2025.

Our anticipated cash requirements for the remainder of fiscal 2025 include: (i) capital expenditures of approximately $20.6 million for the propane segment; (ii) capital expenditures of approximately $23.0 million to support the construction and development efforts for our renewable energy platform; (iii) interest and income tax payments of approximately $39.7 million; and (iv) cash distributions of approximately $42.9 million to our Common Unitholders, based on the quarterly distribution rate of $0.325 per Common Unit. Based on our liquidity position, which includes cash on hand, availability of funds under our Revolving Credit Facility and expected cash flow from operating activities, we expect to have sufficient funds to meet our current and future obligations.

Three Months Ended March 29, 2025 Compared to Three Months Ended March 30, 2024

Revenues

(Dollars and gallons in thousands)	Three Months Ended March 29, 2025	Three Months Ended March 30, 2024	Increase (Decrease)	Percent Increase (Decrease)
Revenues				
Propane	$ 525,256	$ 437,564	$ 87,692	20.0%
Fuel oil and refined fuels	33,364	31,595	1,769	5.6%
Natural gas and electricity	9,025	8,713	312	3.6%
All other	20,018	20,215	(197)	(1.0)%
Total revenues	$ 587,663	$ 498,087	$ 89,576	18.0%
Retail gallons sold				
Propane	162,027	140,243	21,784	15.5%
Fuel oil and refined fuels	7,760	6,992	768	11.0%

As discussed above, average temperatures (as measured in heating degree days) across all of our service territories during the second quarter of fiscal 2025 were 9% cooler than the prior year second quarter, albeit 5% warmer than normal. The increase in heating degree days compared to the prior year reflected a sustained and widespread cooler weather pattern during January and February, which are the most critical months for heat-related demand of the second quarter, during which average temperatures were 13% colder than the same period last year.

Revenues from the distribution of propane and related activities of $525.3 million increased $87.7 million, or 20.0%, compared to the prior year second quarter, due to an increase in volumes sold and higher average retail selling prices. Retail propane gallons sold increased 21.8 million gallons, or 15.5%, compared to the prior year second quarter, resulting in a $67.2 million increase in revenues. Average propane selling prices increased 2.7% compared to the prior year second quarter, reflecting higher average wholesale costs, resulting in a $13.7 million increase in revenues. Included within the propane segment are revenues from risk management activities, which increased $6.8 million, primarily due to the impact of higher selling prices on commodity hedging contracts coupled with a higher notional amount of hedging contracts that were settled physically.

Revenues from the distribution of fuel oil and refined fuels of $33.4 million were $1.8 million, or 5.6%, higher than the prior year second quarter, primarily due to an increase in volumes sold, partially offset by lower average retail selling prices. Fuel oil and refined fuels gallons sold increased 0.8 million gallons, or 11.0%, resulting in a $3.5 million increase in revenues. Average fuel oil and refined fuels selling prices decreased 5.0% compared to the prior year, reflecting lower average wholesale costs, resulting in a $1.7 million decrease in revenues.

Revenues in our natural gas and electricity segment of $9.0 million were $0.3 million, or 3.6%, higher than the prior year, primarily due to higher natural gas usage attributable to cooler temperatures, offset to an extent by the impact of a lower customer base.

Revenues in our all other segment of $20.0 million were $0.2 million, or 1.0%, lower than the prior year, primarily due to a nominal decrease in injection of renewable natural gas (“RNG”) due to extremely cold ambient air temperatures that impacted anaerobic digestion and RNG production at our facility in Stanfield, Arizona, coupled with a brief period of downtime for equipment upgrades and maintenance activities.

Cost of Products Sold

(Dollars in thousands)	Three Months Ended March 29, 2025	Three Months Ended March 30, 2024	Increase (Decrease)	Percent Increase (Decrease)
Cost of products sold				
Propane	$ 213,010	$ 161,190	$ 51,820	32.1%
Fuel oil and refined fuels	20,134	20,464	(330)	(1.6)%
Natural gas and electricity	5,840	4,760	1,080	22.7%
All other	3,378	3,706	(328)	(8.9)%
Total cost of products sold	$ 242,362	$ 190,120	$ 52,242	27.5%
As a percent of total revenues	41.2%	38.2%		

The cost of products sold reported in the condensed consolidated statements of operations represents the weighted average unit cost of propane, fuel oil and refined fuels, and natural gas and electricity sold, including transportation costs to deliver product from our supply points to storage or to our customer service centers. Cost of products sold also includes the cost of appliances and related parts sold or installed by our customer service centers computed on a basis that approximates the average cost of the products.

Given the retail nature of our operations, we maintain a certain level of priced physical inventory to help ensure that our field operations have adequate supply commensurate with the time of year. Our strategy has been, and will continue to be, to keep our physical inventory priced relatively close to market for our field operations. Consistent with past practices, we principally utilize futures and/or options contracts traded on the NYMEX to mitigate the price risk associated with our priced physical inventory, as well as, in certain instances, forecasted purchases of propane, fuel oil, natural gas and electricity. In addition, we sell propane, fuel oil, natural gas and electricity to customers at fixed prices, and enter into derivative instruments to hedge a portion of our exposure to fluctuations in commodity prices as a result of selling the fixed price contracts. At expiration, the derivative contracts are settled by the delivery of the product to the respective party or are settled by the payment to the respective party of a net amount equal to the difference between the then market price and the fixed contract price or option exercise price. Under this risk management strategy, realized gains or losses on futures or options contracts, which are reported in cost of products sold, will typically offset losses or gains on the physical inventory once the product is sold or delivered as it pertains to fixed price contracts (which may or may not occur in the same accounting period). We do not use futures or options contracts, or other derivative instruments, for speculative trading purposes. Unrealized non-cash gains or losses from changes in the fair value of derivative instruments that are not designated as cash flow hedges are recorded within cost of products sold. Cost of products sold excludes depreciation and amortization; these amounts are reported separately within the condensed consolidated statements of operations.

In the commodities markets, average posted propane prices (basis Mont Belvieu, Texas) were 7.2% higher than the prior year second quarter, and average fuel oil prices were 12.2% lower than the prior year second quarter. The net change in the fair value of derivative instruments resulted in a $0.8 million unrealized non-cash gain in the second quarter of fiscal 2025, compared to a $5.9 million unrealized non-cash gain in the prior year second quarter, resulting in a net increase of $5.1 million in cost of products sold year-over-year, of which $4.8 million was reported within the propane segment and $0.3 million was reported within the natural gas and electricity segment. These unrealized mark-to-market adjustments are excluded from Adjusted EBITDA for both periods.

Cost of products sold associated with the distribution of propane and related activities of $213.0 million increased $51.8 million, or 32.1%, compared to the prior year second quarter. Higher volumes sold contributed to a $25.5 million increase, while higher average wholesale costs contributed to a $15.3 million increase in cost of products sold. Included within the propane segment are costs from other propane activities, which increased $6.2 million compared to the prior year primarily due to an increase in costs for hedging contracts used in risk management activities coupled with a higher notional amount of hedging contracts that were settled physically, as well as the net increase of $4.8 million resulting from the mark-to-market adjustments on derivative instruments in both periods discussed above.

Cost of products sold associated with our fuel oil and refined fuels segment of $20.1 million decreased $0.3 million, or 1.6%, compared to the prior year second quarter. Lower average wholesale costs led to a decrease of $2.6 million, which was offset to an extent by a $2.3 million increase associated with higher volumes sold.

Cost of products sold in our natural gas and electricity segment of $5.8 million increased $1.1 million, or 22.7%, compared to the prior year primarily due to higher natural gas wholesale costs and usage, as well as the net increase of $0.3 million resulting from the mark-to-market adjustments on derivative instruments used in both periods discussed above.

Operating Expenses

(Dollars in thousands)	Three Months Ended March 29, 2025	Three Months Ended March 30, 2024	Increase	Percent Increase
Operating expenses	$ 139,377	$ 128,311	$ 11,066	8.6%
As a percent of total revenues	23.7%	25.8%		

All costs of operating our retail distribution and appliance sales and service operations, as well as the RNG production facilities, are reported within operating expenses in the condensed consolidated statements of operations. These operating expenses include the compensation and benefits of field and direct operating support personnel, costs of operating and maintaining our vehicle fleet, overhead and other costs of our purchasing, training and safety departments and other direct and indirect costs of operating our customer service centers and RNG production facilities.

Operating expenses of $139.4 million for the second quarter of fiscal 2025 increased $11.1 million, or 8.6%, compared to the prior year second quarter, primarily due to higher payroll and benefit-related costs, overtime and other volume-related variable operating costs to support the increase in customer demand.

General and Administrative Expenses

(Dollars in thousands)	Three Months Ended March 29, 2025	Three Months Ended March 30, 2024	Increase	Percent Increase
General and administrative expenses	$ 29,911	$ 26,071	$ 3,840	14.7%
As a percent of total revenues	5.1%	5.2%		

All costs of our back office support functions, including compensation and benefits for executives and other support functions, as well as other costs and expenses to maintain finance and accounting, treasury, legal, human resources, corporate development and the information systems functions are reported within general and administrative expenses in the condensed consolidated statements of operations.

General and administrative expenses of $29.9 million for the second quarter of fiscal 2025 increased $3.8 million, or 14.7%, compared to the prior year second quarter, primarily due to higher payroll and benefit-related costs, as well as higher variable compensation costs associated with the increase in earnings.

Depreciation and Amortization

(Dollars in thousands)	Three Months Ended March 29, 2025	Three Months Ended March 30, 2024	Increase	Percent Increase
Depreciation and amortization	$ 17,600	$ 16,725	$ 875	5.2%
As a percent of total revenues	3.0%	3.4%		

Depreciation and amortization expense of $17.6 million for the second quarter of fiscal 2025 increased $0.9 million, or 5.2%, compared to the prior year second quarter, primarily as a result of additional investments made in our RNG production facilities, and the impact of a propane acquisition that closed in November 2024.

Interest Expense, net

(Dollars in thousands)	Three Months Ended March 29, 2025	Three Months Ended March 30, 2024	Increase	Percent Increase
Interest expense, net	$ 20,567	$ 19,919	$ 648	3.3%
As a percent of total revenues	3.5%	4.0%		

Net interest expense of $20.6 million for the second quarter of fiscal 2025 increased $0.6 million, or 3.3% from the prior year second quarter, primarily due to a higher level of average outstanding borrowings under our Revolving Credit Facility. See Liquidity and Capital Resources below for additional discussion.

Other, net

(Dollars in thousands)	Three Months Ended March 29, 2025	Three Months Ended March 30, 2024	(Decrease)	Percent (Decrease)
Equity in losses of IH	$ 504	$ 622	$ (118)	(19.0)%
Equity in losses of Oberon	—	3,877	(3,877)	(100.0)%
Other (1)	225	695	(470)	(67.6)%
Other, net	$ 729	$ 5,194	$ (4,465)	(86.0)%
As a percent of total revenues	0.1%	1.0%		

(1) Represents net periodic benefits costs for our pension and other postretirement benefit plans (see Item 1, Note 15 of this Quarterly Report).

EBITDA and Adjusted EBITDA

EBITDA represents net income before deducting interest expense, income taxes, depreciation and amortization. Adjusted EBITDA represents EBITDA excluding the unrealized net gain or loss on mark-to-market activity for derivative instruments and other items, as applicable, as provided in the table below. Our management uses EBITDA and Adjusted EBITDA as supplemental measures of operating performance and we are including them because we believe that they provide our investors and industry analysts with additional information that we determined is useful to evaluate our operating results. EBITDA and Adjusted EBITDA are not recognized terms under US GAAP and should not be considered as an alternative to net income or net cash provided by operating activities determined in accordance with US GAAP. Because EBITDA and Adjusted EBITDA as determined by us excludes some, but not all, items that affect net income, they may not be comparable to EBITDA and Adjusted EBITDA or similarly titled measures used by other companies.

The following table sets forth our calculations of EBITDA and Adjusted EBITDA:

(Dollars in thousands)	Three Months Ended March 29, 2025	Three Months Ended March 30, 2024
Net income	$ 137,121	$ 111,500
Add:		
(Benefit from) provision for income taxes	(4)	32
Interest expense, net	20,567	19,919
Depreciation and amortization	17,600	16,725
EBITDA	175,284	148,176
Unrealized non-cash gains on changes in fair value of derivatives	(744)	(5,868)
Equity in losses and impairment charges for investments in unconsolidated affiliates	504	4,499
Loss on debt extinguishment	—	215
Adjusted EBITDA	$ 175,044	$ 147,022

We also reference gross margins, computed as revenues less cost of products sold as those amounts are reported on the condensed consolidated financial statements. Our management uses gross margin as a supplemental measure of operating performance and we are including it as we believe that it provides our investors and industry analysts with additional information that we determined is useful to evaluate our operating results. As cost of products sold does not include depreciation and amortization expense, the gross margin we reference is considered a non-GAAP financial measure.

Six Months Ended March 29, 2025 Compared to Six Months Ended March 30, 2024

Revenues

(Dollars and gallons in thousands)	Six Months Ended March 29, 2025	Six Months Ended March 30, 2024	Increase (Decrease)	Percent Increase (Decrease)
Revenues				
Propane	$ 855,539	$ 750,922	$ 104,617	13.9%
Fuel oil and refined fuels	51,025	55,493	(4,468)	(8.1)%
Natural gas and electricity	15,078	15,206	(128)	(0.8)%
All other	39,350	42,300	(2,950)	(7.0)%
Total revenues	$ 960,992	$ 863,921	$ 97,071	11.2%
Retail gallons sold				
Propane	267,766	246,788	20,978	8.5%
Fuel oil and refined fuels	12,127	12,248	(121)	(1.0)%

Average temperatures (as measured in heating degree days) across all of our service territories for the first half of fiscal 2025 were 8% warmer than normal and 3% cooler than the prior year. The fiscal 2025 heating season was characterized by unseasonably warm temperatures during the first quarter, followed by sustained and widespread cooler temperatures during January and February, which are the most critical months for heat-related demand during the second quarter. For this two-month period, average temperatures were 13% colder than the same period last year which contributed to an increase in heat-related customer demand and volumes sold.

Revenues from the distribution of propane and related activities of $855.5 million increased $104.6 million, or 13.9%, compared to the prior year first half, primarily due to an increase in volumes sold, coupled with higher average selling prices. Retail propane gallons sold increased 21.0 million gallons, or 8.5%, compared to the prior year, resulting in a $63.0 million increase in revenues. Average propane selling prices increased 3.5% compared to the prior year period, reflecting an increase in average wholesale costs, resulting in a $27.8 million increase in revenues. Included within the propane segment are revenues from other propane activities, which increased $13.8 million primarily due to a higher notional amount of hedging contracts used in risk management activities that were settled physically.

Revenues from the distribution of fuel oil and refined fuels of $51.0 million decreased $4.5 million, or 8.1%, compared to the prior year first half due to lower average selling prices, and to a lesser extent, lower volumes sold. Average selling prices for fuel oil and refined fuels decreased 6.3%, resulting in a $3.9 million decrease in revenues. Fuel oil and refined fuels volumes sold decreased 0.1 million gallons, or 1.0%, resulting in a $0.6 million decrease in revenues.

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Revenues in our natural gas and electricity segment of $15.1 million were $0.1 million, or 0.8%, lower than the prior year, primarily due to the impact of a lower customer base.

Revenues in our all other segment of $39.4 million were $3.0 million, or 7.0%, lower than the prior year first half, primarily due to a decrease in injection of RNG at our facility in Stanfield, Arizona, due to planned shut downs for equipment upgrade and maintenance activities, as well as the impact of extremely cold ambient air temperatures on anaerobic digestion and RNG production.

Cost of Products Sold

(Dollars in thousands)	Six Months Ended March 29, 2025	Six Months Ended March 30, 2024	Increase (Decrease)	Percent Increase (Decrease)
Cost of products sold				
Propane	$ 342,751	$ 288,962	$ 53,789	18.6%
Fuel oil and refined fuels	30,685	37,185	(6,500)	(17.5)%
Natural gas and electricity	8,396	8,278	118	1.4%
All other	7,692	8,748	(1,056)	(12.1)%
Total cost of products sold	$ 389,524	$ 343,173	$ 46,351	13.5%
As a percent of total revenues	40.5%	39.7%		

In the commodities markets, average posted propane prices (basis Mont Belvieu, Texas) were 10.6% higher than the prior year first half, while average fuel oil prices were 17.0% lower than the prior year first half. The net change in the fair value of derivative instruments resulted in a $4.4 million unrealized non-cash gain in the first six months of fiscal 2025, compared to a $4.9 million unrealized non-cash loss in the first six months of fiscal 2024, resulting in a net decrease of $9.3 million in cost of products sold year-over-year, of which $9.2 million was reported within the propane segment and $0.1 million was reported within the natural gas and electricity segment. These unrealized mark-to-market adjustments are excluded from Adjusted EBITDA for both periods.

Cost of products sold associated with the distribution of propane and related activities of $342.8 million increased $53.8 million, or 18.6%, compared to the prior year first half. Higher average wholesale costs contributed to a $26.7 million increase in cost of products sold, while an increase in volumes sold contributed to a $23.4 million increase. Included within the propane segment are costs from other propane activities which increased $12.9 million compared to the prior year primarily due to a higher notional amount of hedging contracts used in risk management activities that were physically settled, offset to an extent by the net decrease in cost of products sold of $9.2 million resulting from the mark-to-market adjustments on derivative instruments in both periods discussed above.

Cost of products sold associated with our fuel oil and refined fuels segment of $30.7 million decreased $6.5 million, or 17.5%, compared to the prior year first half. Lower average wholesale costs and lower volumes sold contributed to decreases in cost of products sold of $6.1 million and $0.4 million, respectively.

Cost of products sold in our natural gas and electricity segment of $8.4 million increased $0.1 million, or 1.4%, compared to the prior year, due to an increase in natural gas usage, substantially offset by lower average wholesale costs.

Operating Expenses

(Dollars in thousands)	Six Months Ended March 29, 2025	Six Months Ended March 30, 2024	Increase	Percent Increase
Operating expenses	$ 262,530	$ 250,381	$ 12,149	4.9%
As a percent of total revenues	27.3%	29.0%		

Operating expenses of $262.5 million for the first half of fiscal 2025 increased $12.1 million, or 4.9%, compared to the prior year first half, primarily due to higher payroll and benefit-related costs, higher volume-related variable operating costs and higher variable compensation costs associated with the increase in earnings.

General and Administrative Expenses

(Dollars in thousands)	Six Months Ended March 29, 2025	Six Months Ended March 30, 2024	Increase	Percent Increase
General and administrative expenses	$ 56,764	$ 51,641	$ 5,123	9.9%
As a percent of total revenues	5.9%	6.0%		

General and administrative expenses of $56.8 million for the first half of fiscal 2025 increased $5.1 million, or 9.9%, compared to the prior year period, primarily due to higher variable compensation costs associated with the increase in earnings, coupled with costs for settling a legal matter.

Depreciation and Amortization

(Dollars in thousands)	Six Months Ended March 29, 2025	Six Months Ended March 30, 2024	Increase	Percent Increase
Depreciation and amortization	$ 34,699	$ 33,118	$ 1,581	4.8%
As a percent of total revenues	3.6%	3.8%		

Depreciation and amortization expense of $34.7 million in the first half of fiscal 2025 increased $1.6 million, or 4.8%, primarily as a result of additional investments made in our RNG production facilities, and the impact of a propane acquisition that closed in November 2024.

Loss on Debt Extinguishment

In connection with the refinancing of our previous revolving credit facility during the second quarter of fiscal 2024, we recognized a non-cash charge of $0.2 million to write off a portion of unamortized debt origination costs.

Interest Expense, net

(Dollars in thousands)	Six Months Ended March 29, 2025	Six Months Ended March 30, 2024	Increase	Percent Increase
Interest expense, net	$ 40,179	$ 38,111	$ 2,068	5.4%
As a percent of total revenues	4.2%	4.4%		

Net interest expense of $40.2 million in the first half of fiscal 2025 increased $2.1 million compared to the prior year first half, primarily due to a higher level of average outstanding borrowings under our Revolving Credit Facility. See Liquidity and Capital Resources below for additional discussion.

Other, net

(Dollars in thousands)	Six Months Ended March 29, 2025	Six Months Ended March 30, 2024	Increase (Decrease)	Percent Increase (Decrease)
Equity in losses of Oberon (1)	$ 12,198	$ 8,541	$ 3,657	42.8%
Equity in losses of IH (2)	10,547	1,116	9,431	845.1%
Contingent consideration from Equilibrium	(3,000)	—	(3,000)	—
Other (3)	451	1,390	(939)	(67.6)%
Other, net	$ 20,196	$ 11,047	$ 9,149	82.8%
As a percent of total revenues	2.1%	1.3%		

(1) Six months ended March 29, 2025 includes an other-than-temporary impairment charge of $10.2 million recorded during the first quarter (see Item 1, Note 4 of this Quarterly Report).

(2) Six months ended March 29, 2025 includes an other-than-temporary impairment charge of $9.6 million recorded during the first quarter (see Item 1, Note 4 of this Quarterly Report).

(3) Represents net periodic benefits costs for our pension and other postretirement benefit plans (see Item 1, Note 15 of this Quarterly Report).

EBITDA and Adjusted EBITDA

The following table sets forth our calculations of EBITDA and Adjusted EBITDA:

(Dollars in thousands)	Six Months Ended	
	March 29, 2025	March 30, 2024
Net income	$ 156,541	$ 135,954
Add:		
Provision for income taxes	559	281
Interest expense, net	40,179	38,111
Depreciation and amortization	34,699	33,118
EBITDA	231,978	207,464
Unrealized non-cash (gains) losses on changes in fair value of derivatives	(4,378)	4,918
Equity in losses and impairment charges for investments in unconsolidated affiliates	22,745	9,657
Loss on debt extinguishment	—	215
Adjusted EBITDA	$ 250,345	$ 222,254

We also reference gross margins, computed as revenues less cost of products sold as those amounts are reported on the condensed consolidated financial statements. Our management uses gross margin as a supplemental measure of operating performance and we are including it as we believe that it provides our investors and industry analysts with additional information that we determined is useful to evaluate our operating results. As cost of products sold does not include depreciation and amortization expense, the gross margin we reference is considered a non-GAAP financial measure.

Liquidity and Capital Resources

Analysis of Cash Flows

Operating Activities. Net cash provided by operating activities for the first half of fiscal 2025 was $48.9 million compared to $62.4 million in the first half of the prior year. The change was primarily due to a larger increase in working capital compared to the prior year, which stemmed from the rise in average wholesale costs of propane, offset to an extent by higher earnings in the current period.

Investing Activities. Net cash used in investing activities of $97.1 million for the first half of fiscal 2025 consisted of capital expenditures of $43.2 million (including approximately $30.5 million to support the growth of operations and $12.7 million for maintenance expenditures), $50.0 million used to fund the acquisitions of propane businesses, and $5.3 million used to fund additional investments in Oberon and IH. This was partially offset by $1.4 million in proceeds from the sale of property, plant and equipment. See Item 1, Note 4 of this Quarterly Report.

Net cash used in investing activities of $30.7 million for the first six months of fiscal 2024 consisted of capital expenditures of $25.7 million (including approximately $15.0 million to support the growth of operations and $10.7 million for maintenance expenditures), $6.0 million used to fund an additional investment in a privately held start-up entity and additional investments in Oberon, partially offset by $1.0 million in proceeds from the sale of property, plant and equipment.

Financing Activities. Net cash provided by financing activities of $45.1 million for the first half of fiscal 2025 reflected $81.6 million in net borrowings under our Revolving Credit Facility, which were used to fund a portion of our seasonal working capital needs and the capital expenditures, acquisitions and investments noted above, coupled with $8.8 million in net proceeds raised from the issuance of Common Units under our ATM public offering (see below). This was offset to an extent by $41.8 million paid for the quarterly distributions to Common Unitholders at a rate of $0.325 per Common Unit paid in respect of the fourth quarter of fiscal 2024 and first quarter of fiscal 2025, as well as other financing activities of $3.5 million.

Net cash used in financing activities of $26.5 million for the first half of fiscal 2024 reflected $22.5 million in net borrowings under our Revolving Credit Facility, which were used to fund a portion of our seasonal working capital needs and the capital expenditures and investments noted above, $41.5 million paid for the quarterly distributions to Common Unitholders at a rate of $0.325 per Common Unit paid in respect of the fourth quarter of fiscal 2023 and first quarter of fiscal 2024, $3.5 million in debt origination costs related to the refinancing of our Credit Agreement in March 2024 and other financing activities of $4.0 million.

Summary of Long-Term Debt Obligations and Revolving Credit Facility

As of March 29, 2025, our long-term debt consisted of $350.0 million in aggregate principal amount of 5.875% Senior Notes due March 1, 2027, $650.0 million in aggregate principal amount of 5.0% Senior Notes due June 1, 2031, $80.6 million in aggregate principal amount of 5.5% Green Bonds due October 1, 2028 through October 1, 2033 and $232.6 million outstanding under our $500.0 million senior secured revolving credit facility ("Revolving Credit Facility") provided by our Credit Agreement. Total long-term borrowings as of March 29, 2025 and March 30, 2024 were $1,313.2 million and $1,235.1 million, respectively. See Item 1, Note 10 of this Quarterly Report.

The Green Bonds contain various restrictive and affirmative covenants, and previously required SuburbanRNG–Stanfield's debt service coverage ratio, as defined therein, to be not less than 1.00 to 1.00 for three consecutive fiscal quarters. SuburbanRNG–Stanfield did not comply with this ratio for the periods ended March 29, 2025, December 28, 2024, September 28, 2024 and the interim periods during fiscal 2024 which, if not waived, would have constituted an event of default under the terms of the Green Bonds. SuburbanRNG–Stanfield and the Partnership have obtained waivers for this non-compliance from the holders of a majority of the outstanding Green Bonds, which cured the impact of any events of default. Under the terms of the Credit Agreement, certain events of default under the terms of the Green Bonds constitute an event of default under the Credit Agreement. The Partnership obtained a waiver from the lenders and the administrative agent under the Credit Agreement for the corresponding event of default under the Credit Agreement resulting from the event of default under the Green Bonds. Effective May 2, 2025, the Operating Partnership entered into a Guaranty Agreement whereby it guaranteed all payments due under the Green Bonds, and amended the indenture governing the Green Bonds to eliminate the debt service coverage ratio covenant.

The aggregate amounts of long-term debt maturities subsequent to March 29, 2025 are as follows: fiscal 2025: $-0-; fiscal 2026: $-0-; fiscal 2027: $582.6 million; fiscal 2028: $-0-; fiscal 2029: $11.7 million; and thereafter: $718.9 million.

Total Consolidated Leverage Ratio.

Total Consolidated Leverage Ratio, as defined by our Credit Agreement, represents total indebtedness as of the balance sheet date minus unrestricted cash and cash equivalents in an amount not to exceed $25.0 million, divided by Adjusted EBITDA calculated on a trailing twelve-month basis plus non-cash compensation costs recognized under our Restricted Unit Plans for the same period, and other items. The measurement of the Total Consolidated Leverage Ratio for the trailing twelve-month periods ended March 29, 2025 and September 28, 2024 was as follows:

(Dollars in thousands)	**As of and for the Twelve Months Ended**	
	March 29, 2025	**September 28, 2024**
Total debt	$ 1,313,245	$ 1,231,645
Less: cash and cash equivalents (1)	(3,879)	(3,219)
Total debt, less cash and cash equivalents	$ 1,309,366	$ 1,228,426
Adjusted EBITDA	$ 278,132	$ 250,043
Compensation costs recognized under Restricted Unit Plan	7,844	8,191
Other (2)	2,116	—
Adjusted EBITDA for use in calculation	$ 288,092	$ 258,234
Total Consolidated Leverage Ratio	**4.54 x**	**4.76 x**

(1) Effective with the execution of the Credit Agreement on March 15, 2024, total debt for the Total Consolidated Leverage Ratio covenant is net of unrestricted cash and cash equivalents in an amount not to exceed $25.0 million.

(2) Represents pro forma adjustments for acquisitions completed during the reporting period, as required under the Credit Agreement.

At-the-Market Public Offering

On February 20, 2025, we entered into an Equity Distribution Agreement where we may issue and sell from time to time, through the Agents, our Common Units representing limited partner interests in the Partnership having an aggregate offering amount of up to $100.0 million. These terms are defined and described in Item 1, Note 17, "At-the-Market Public Offering," of this Quarterly Report.

The Agents use their commercially reasonable efforts, as the sales agents and subject to the terms of the Equity Distribution Agreement, to sell the Common Units offered. Sales of the Common Units were deemed to be an "at the market offering" as defined in Rule 415(a)(4) promulgated under the Securities Act, including sales made directly on or through the New York Stock Exchange. We may also agree to sell Common Units to the Agents as principal for their own account on terms agreed to by us and the Agents. Each Agent will be entitled to a commission from us of up to 1.5% of the gross sales price per Common Unit sold under the Equity Distribution Agreement by such Agent acting as our sales agent, with the exact amount to be agreed to by us.

During the three and six months ended March 29, 2025, we issued 442,425 Common Units under the Equity Distribution Agreement for net proceeds of $8.8 million, after $0.3 million of agent commissions and offering costs. As of March 29, 2025, we may sell up to an aggregate of approximately $91 million in aggregate gross sale proceeds pursuant to the Equity Distribution Agreement.

We intend to use the net proceeds from the sales of Common Units pursuant to the Equity Distribution Agreement for general limited partnership purposes, including debt reduction and to fund strategic growth initiatives.

Partnership Distributions

We are required to make distributions in an amount equal to all of our Available Cash, as defined in our Third Amended and Restated Partnership Agreement, as amended (the "Partnership Agreement"), no more than 45 days after the end of each fiscal quarter to holders of record on the applicable record dates. Available Cash, as defined in the Partnership Agreement, generally means all cash on hand at the end of the respective fiscal quarter less the amount of cash reserves established by the Board of Supervisors in its reasonable discretion for future cash requirements. These reserves are retained for the proper conduct of our business, the payment of debt principal and interest and for distributions during the next four quarters. The Board of Supervisors reviews the level of Available Cash on a quarterly basis based upon information provided by management.

On April 24, 2025, we announced a quarterly distribution of $0.325 per Common Unit, or $1.30 on an annualized basis, in respect of the second quarter of fiscal 2025, payable on May 13, 2025 to holders of record on May 6, 2025.

Other Commitments

We have a noncontributory, cash balance format, defined benefit pension plan which was frozen to new participants effective January 1, 2000. Effective January 1, 2003, the defined benefit pension plan was amended such that future service credits ceased and eligible employees would receive interest credits only toward their ultimate retirement benefit. We also provide postretirement health care and life insurance benefits for certain retired employees under a plan that was frozen to new participants effective March 31, 1998. At March 29, 2025, we had a liability for the defined benefit pension plan and accrued retiree health and life benefits of $11.3 million and $4.2 million, respectively.

We are self-insured for general and product, workers' compensation and automobile liabilities up to predetermined thresholds above which third party insurance applies. At March 29, 2025, we had accrued insurance liabilities of $57.8 million, and a receivable of $14.5 million related to the amount of the liability expected to be covered by insurance.

Legal Matters

See Item 1, Note 13, "Commitments and Contingencies," Legal Matters subsection of this Quarterly Report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Commodity Price Risk

We enter into product supply contracts that are generally one-year agreements subject to annual renewal, and also purchase product on the open market. Our propane supply contracts typically provide for pricing based upon index formulas using the posted prices established at major supply points such as Mont Belvieu, Texas, or Conway, Kansas (plus transportation costs) at the time of delivery. In addition, to supplement our annual purchase requirements, we may utilize forward fixed price purchase contracts to acquire a portion of the propane that we resell to our customers, which allows us to manage our exposure to unfavorable changes in commodity prices and to ensure adequate physical supply. The percentage of contract purchases, and the amount of supply contracted for under forward contracts at fixed prices, will vary from year to year based on market conditions. In certain instances, and when market conditions are favorable, we are able to purchase product under our supply arrangements at a discount to the market.

Product cost changes can occur rapidly over a short period of time and can impact profitability. We attempt to reduce commodity price risk by pricing product on a short-term basis. The level of priced, physical product maintained in storage facilities and at our customer service centers for immediate sale to our customers will vary depending on several factors, including, but not limited to, price, supply and demand dynamics for a given time of the year. Typically, our on hand priced position does not exceed more than four to eight weeks of our supply needs, depending on the time of the year. In the course of normal operations, we routinely enter into contracts such as forward priced physical contracts for the purchase or sale of propane and fuel oil that, under accounting rules for derivative instruments and hedging activities, qualify for and are designated as normal purchase or normal sale contracts. Such contracts are exempted from fair value accounting and are accounted for at the time product is purchased or sold under the related contract.

Under our hedging and risk management strategies, we enter into a combination of exchange-traded futures and options contracts and, in certain instances, over-the-counter options and swap contracts (collectively, "derivative instruments") to manage the price risk associated with physical product and with future purchases of the commodities used in our operations, principally propane and fuel oil, as well as to help ensure the availability of product during periods of high demand. In addition, we sell propane, fuel oil, natural gas and electricity to customers at fixed prices, and enter into derivative instruments to hedge a portion of our exposure to fluctuations in commodity prices as a result of selling the fixed price contracts. We do not use derivative instruments for speculative or trading purposes. Futures and swap contracts require that we sell or acquire propane or fuel oil at a fixed price for delivery at fixed future dates. An option contract allows, but does not require, its holder to buy or sell propane or fuel oil at a specified price during a specified time period. However, the writer of an option contract must fulfill the obligation of the option contract, should the holder choose to exercise the option. At expiration, the contracts are settled by the delivery of the product to the respective party or are settled by the payment of a net amount equal to the difference between the then market price and the fixed contract price or option exercise price. To the extent that we utilize derivative instruments to manage exposure to commodity price risk and commodity prices move adversely in relation to the contracts, we could suffer losses on those derivative instruments when settled. Conversely, if prices move favorably, we could realize gains. Under our hedging and risk management strategy, realized gains or losses on derivative instruments will typically offset losses or gains on the physical inventory once the product is sold to customers at market prices, or delivered to customers as it pertains to fixed price contracts.

Futures are traded with brokers of the NYMEX and require daily cash settlements in margin accounts. Forward contracts are generally settled at the expiration of the contract term by physical delivery, and swap and options contracts are generally settled at expiration through a net settlement mechanism. Market risks associated with our derivative instruments are monitored daily for compliance with our Hedging and Risk Management Policy which includes volume limits for open positions. Open inventory positions are reviewed and managed daily as to exposures to changing market prices.

Credit Risk

Exchange-traded futures and options contracts are guaranteed by the NYMEX and, as a result, have minimal credit risk. We are subject to credit risk with over-the-counter forward, swap and options contracts to the extent the counterparties do not perform. We evaluate the financial condition of each counterparty with which we conduct business and establish credit limits to reduce exposure to the risk of non-performance by our counterparties.

Interest Rate Risk

A portion of our borrowings bear interest at prevailing interest rates based upon, at the Operating Partnership's option, SOFR, plus an applicable margin or the base rate, defined as the higher of the Federal Funds Rate plus ½ of 1% or the agent bank's prime rate, or SOFR plus 1%, plus the applicable margin. The applicable margin is dependent on the level of our total consolidated leverage (the total ratio of debt to consolidated EBITDA). Therefore, we are subject to interest rate risk on the variable component of the interest rate. From time to time, we enter into interest rate swap agreements to manage a part of our variable interest rate risk. The interest rate swaps are designated as cash flow hedges. Changes in the fair value of the interest rate swaps are recognized in other comprehensive income ("OCI") until the hedged item is recognized in earnings. At March 29, 2025, we were not party to an interest rate swap agreement.

Derivative Instruments and Hedging Activities

All of our derivative instruments are reported on the balance sheet at their fair values. On the date that derivative instruments are entered into, we make a determination as to whether the derivative instrument qualifies for designation as a hedge. Changes in the fair value of derivative instruments are recorded each period in current period earnings or OCI, depending on whether a derivative instrument is designated as a hedge and, if so, the type of hedge. For derivative instruments designated as cash flow hedges, we formally assess, both at the hedge contract's inception and on an ongoing basis, whether the hedge contract is highly effective in offsetting changes in cash flows of hedged items. Changes in the fair value of derivative instruments designated as cash flow hedges are reported in OCI to the extent effective and reclassified into earnings during the same period in which the hedged item affects earnings. The mark-to-market gains or losses on ineffective portions of cash flow hedges are immediately recognized in earnings. Changes in the fair value of derivative instruments that are not designated as cash flow hedges, and that do not meet the normal purchase and normal sale exemption, are recorded in earnings as they occur. Cash flows associated with derivative instruments are reported as operating activities within the condensed consolidated statement of cash flows.

Sensitivity Analysis

In an effort to estimate our exposure to unfavorable market price changes in commodities related to our open positions under derivative instruments, we developed a model that incorporates the following data and assumptions:

A. The fair value of open positions as of March 29, 2025.

B. The market prices for the underlying commodities used to determine A. above were adjusted adversely by a hypothetical 10% change and compared to the fair value amounts in A. above to project the potential negative impact on earnings that would be recognized for the respective scenario.

Based on the sensitivity analysis described above, the hypothetical 10% adverse change in market prices for open derivative instruments as of March 29, 2025 indicates an increase in potential future net losses of $1.0 million. See also Item 7A of our Annual Report on Form 10-K for the fiscal year ended September 28, 2024. The above hypothetical change does not reflect the worst-case scenario. Actual results may be significantly different depending on market conditions and the composition of the open position portfolio.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Partnership maintains disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) that are designed to provide reasonable assurance that information required to be disclosed in the Partnership's filings and submissions under the Exchange Act is recorded, processed, summarized and reported within the periods specified in the rules and forms of the SEC and that such information is accumulated and communicated to the Partnership's management, including its principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

The Partnership completed an evaluation under the supervision and with participation of the Partnership's management, including the Partnership's principal executive officer and principal financial officer, of the effectiveness of the design and operation of the Partnership's disclosure controls and procedures as of March 29, 2025. Based on this evaluation, the Partnership's principal executive officer and principal financial officer have concluded that, as of March 29, 2025, such disclosure controls and procedures were effective to provide the reasonable assurance described above.

Changes in Internal Control Over Financial Reporting

There have not been any changes in the Partnership's internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during the quarter ended March 29, 2025 that have materially affected or are reasonably likely to materially affect its internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Item 1A. “Risk Factors” in the Partnership’s Annual Report on Form 10-K for the fiscal year ended September 28, 2024, as well as the following updates to our risk factors:

We face risks related to our current and future debt obligations that may limit our ability to make distributions to Unitholders, as well as our financial flexibility

As of March 29, 2025, our long-term debt consisted of $350.0 million in aggregate principal amount of 5.875% senior notes due March 1, 2027, $650.0 million in aggregate principal amount of 5.0% senior notes due June 1, 2031, $80.6 million in aggregate principal amount of 5.5% green bonds due October 1, 2028 through October 1, 2033 (“Green Bonds”) and $232.6 million outstanding under our $500.0 million senior secured revolving credit facility. The payment of principal and interest on our debt will reduce the cash available to make distributions on our Common Units. In addition, we will not be able to make any distributions to holders of our Common Units if there is, or after giving effect to such distribution, there would be, an event of default under the indentures governing the senior notes, the senior secured revolving credit facility or the Green Bonds. The amount of distributions that we may make to holders of our Common Units is limited by the senior notes, and the amount of distributions that the Operating Partnership may make to us is limited by our revolving credit facility. The amount of distributions that our subsidiary WOF SW GGP 1, LLC (“SuburbanRNG–Stanfield”) may make to us is limited by the Green Bonds. The revolving credit facility and the senior notes both contain various restrictive and affirmative covenants applicable to us, the Operating Partnership and its subsidiaries, respectively, including (i) restrictions on the incurrence of additional indebtedness, and (ii) restrictions on certain liens, investments, guarantees, loans, advances, payments, mergers, consolidations, distributions, sales of assets and other transactions. The revolving credit facility contains certain financial covenants:

- requiring our consolidated interest coverage ratio, as defined therein, to be not less than 2.5 to 1.0 as of the end of any fiscal quarter;
- prohibiting our total consolidated leverage ratio, as defined therein, from being greater than 5.75 to 1.0 as of the end of any fiscal quarter; and
- prohibiting the senior secured consolidated leverage ratio, as defined therein, of the Operating Partnership from being greater than 3.25 to 1.0 as of the end of any fiscal quarter.

Under the indentures governing the senior notes, we are generally permitted to make cash distributions equal to available cash, as defined, as of the end of the immediately preceding quarter, if no event of default exists or would exist upon making such distributions, and our consolidated fixed charge coverage ratio, as defined, is greater than 1.75 to 1. We and the Operating Partnership were in compliance with all covenants and terms of the senior notes and the revolving credit facility as of September 28, 2024.

The Green Bonds contain various restrictive and affirmative covenants applicable to SuburbanRNG–Stanfield, including (i) restrictions on the incurrence of additional indebtedness and (ii) restrictions on certain liens, investments, guarantees, loans, advances, payments, mergers, consolidations, distributions, sales of assets and other transactions. The Green Bonds previously included a financial covenant requiring SuburbanRNG–Stanfield’s debt service coverage ratio, as defined therein, to be not less than 1.00 to 1.00 for any fiscal quarter. SuburbanRNG–Stanfield did not comply with this ratio for the periods ended March 29, 2025, December 28, 2024, September 28, 2024 and the interim periods during fiscal 2024 which, if not waived, would have constituted an event of default under the terms of the Green Bonds. SuburbanRNG–Stanfield and the Partnership obtained waivers of this non-compliance from the holders of a majority of the outstanding Green Bonds. Under the terms of the Credit Agreement, certain events of default under the terms of the Green Bonds constitute an event of default under the Credit Agreement. The Partnership obtained a waiver from the lenders and the administrative agent under the Credit Agreement for the corresponding event of default under the Credit Agreement resulting from the event of default under the Green Bonds.

On May 2, 2025, the Operating Partnership entered into a guaranty agreement (the “Guaranty Agreement”) with UMB Bank, N.A., the trustee of the Green Bonds. Pursuant to the Guaranty Agreement, the Operating Partnership guarantees to the trustee the payment of interest and principal amounts due under the Green Bonds, and the indenture governing the Green Bonds was amended to eliminate the financial covenant requiring SuburbanRNG–Stanfield to maintain a defined debt service coverage ratio (as described in Note 10, “Long Term Borrowings” above).

The amount and terms of our debt may also adversely affect our ability to finance future operations and capital needs, limit our ability to pursue acquisitions and other business opportunities and make our results of operations more susceptible to adverse economic and industry conditions. In addition to our outstanding indebtedness, we may in the future require additional debt to finance acquisitions or for general business purposes; however, credit market conditions may impact our ability to access such financing. If we are unable to access needed financing or to generate sufficient cash from operations, we may be required to abandon certain projects or curtail capital expenditures. Additional debt, where it is available, could result in an increase in our leverage. Our ability to make principal and interest payments depends on our future performance, which is subject to many factors, some of which are beyond our control, including, but not limited to, the risks discussed elsewhere in this section. As interest expense increases (whether due to an increase in interest rates and/or the size of aggregate outstanding debt), our ability to fund distributions on our Common Units may be impacted, depending on the level of revenue generation, which is not assured.

Our renewable fuel investments are subject to a number of risks, including the willingness of customers to adopt these fuels, the financing, construction and development of facilities, our ability to generate a sufficient return on our investments, our dependence on third-party partners, increased or changing regulation, and dependence on government incentives for commercial viability.

We have expanded our ***Go Green with Suburban Propane*** corporate pillar with our investments in renewable and low-carbon energy sources offered through our investments in Oberon and IH, our agreement to build an anaerobic digester at Adirondack Farms, our purchase of RNG production and distribution assets through SuburbanRNG–Columbus and SuburbanRNG–Stanfield and our sales of renewable propane. The success of these businesses and investments is subject to a number of factors and risks, including unpredictability and uncertainty as to the willingness of customers in their intended markets to adopt the use of these fuels, which will be dependent upon perceptions about the benefits of these fuels relative to other alternative fuels; increases, decreases or volatility in demand; on-site operational constraints such as the availability of feedstock or the reliable operation of anaerobic digesters with respect to production of renewable fuels; use and prices of crude oil, gasoline and other fuels and energy sources; the adoption or expansion of government policies, programs, funding or incentives in favor of these or alternative fuels; the ability for development stage entities such as Oberon and IH to raise capital to fund their operations and strategic growth initiatives, as well as potential changes in market valuations for these or similar assets, has resulted in impairment charges from time to time, and may result in future impairment charges. During the first quarter of fiscal 2025, the Partnership recorded an other-than-temporary impairment charge of $10.2 million for Oberon and $9.6 million for IH, both of which were recognized in “Other, net” on the condensed consolidated statement of operations, to write down the carrying values of the investments in Oberon and IH to their estimated fair values of $0 and $21.6 million, respectively. The Partnership will continue to monitor IH’s financial condition and other available information to determine if future adjustments are necessary, as discussed in more detail in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Partnership’s Quarterly Report on Form 10-Q for the fiscal quarter ended December 28, 2024, filed on February 6, 2025.

We may also face increasing competition from other companies seeking to produce fuels from alternative sources. If we are unable to establish feedstock supplies and production and sales channels that allow us to offer comparable products at attractive prices, we may not be able to compete effectively with these companies.

The success of our existing and future investments in our renewable energy platform will depend on our ability to successfully develop, market and distribute the specific renewable energy products. In addition, the acquisition, financing, construction, development and operation of these projects involve numerous risks, including:

- the ability to obtain financing for a project on acceptable terms or at all;
- difficulties in identifying, obtaining, and permitting suitable sites for new projects;
- failure to obtain all necessary rights to land access and use;
- inaccuracy of assumptions with respect to the cost and schedule for completing construction;
- project delays, including delays in deliveries or increases in the price of labor, equipment or feedstock;
- on-site operational issues relating to the availability of feedstock for the anaerobic digesters or other issues relating to the reliable production of projectable quantities of renewable natural gas; labor shortages; and
- legal challenges by local populations, permitting and other regulatory issues, license revocation and changes in legal requirements.

We will compete with other companies and private equity sponsors for acquisition opportunities, which may increase our costs or cause us to refrain from making acquisitions. We are constructing a natural gas upgrade system at SuburbanRNG–Columbus that requires capital expenditures and there is no guarantee that the project will be completed on time or on budget, and our operations could be adversely affected by disruptions or delays which could have a negative impact on revenues and operations. The development of these products may also be negatively affected by production risks resulting from mechanical breakdowns, faulty technology, competitive markets, labor shortages or changes to the laws and regulations that mandate the use of renewable energy sources, and the other regulatory risks relating to greenhouse gas (“GHG”) emissions and climate change, including as a result of changed priorities of the U.S. presidential administration and the potential for increased regulation on the state level.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

During the fiscal quarter ended March 29, 2025, our supervisors and executive officers (as defined in Rule 16a-1 under the Securities Exchange Act of 1934, as amended), did not adopt or terminate any Rule 10b5-1 trading arrangement or any non-Rule10b5-1 trading arrangement (each as defined in Item 408(a) and (c) of Regulation S-K).

ITEM 6. EXHIBITS

(a) Exhibits

INDEX TO EXHIBITS

The exhibits listed on this Exhibit Index are filed as part of this Quarterly Report. Exhibits required to be filed by Item 601 of Regulation S-K, which are not listed below, are not applicable.

Exhibit Number	Description
10.1	Equity Distribution Agreement, dated as of February 20, 2025, between Suburban Propane Partners, L.P. and Wells Fargo Securities, LLC, J.P. Morgan Securities LLC, BofA Securities Inc., and Evercore Group L.L.C. (Incorporated by reference to Exhibit 1.1 to the Partnership's Current Report on Form 8-K filed on February 21, 2025).
31.1	Certification of the President and Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. (Filed herewith)
31.2	Certification of the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. (Filed herewith)
32.1	Certification of the President and Chief Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (Furnished herewith)
32.2	Certification of the Chief Financial Officer and Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. (Furnished herewith)
101.INS	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbases Document
104	Cover Page Interactive Data File – the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

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.

SUBURBAN PROPANE PARTNERS, L.P.

May 8, 2025 Date	By:	/s/ MICHAEL A. KUGLIN Michael A. Kuglin Chief Financial Officer
May 8, 2025 Date	By:	/s/ DANIEL S. BLOOMSTEIN Daniel S. Bloomstein Vice President, Controller and Chief Accounting Officer

EXHIBIT 31.1

Certification of the President and Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Michael A. Stivala, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Suburban Propane 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 (the registrant's fourth fiscal quarter in the case of an annual report) 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 Supervisors:
    - (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.

May 8, 2025

By: /s/ MICHAEL A. STIVALA
Michael A. Stivala
President and Chief Executive Officer

EXHIBIT 31.2

Certification of the Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Michael A. Kuglin, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Suburban Propane 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 (the registrant’s fourth fiscal quarter in the case of an annual report) 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 Supervisors:
   (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.

May 8, 2025

By: /s/ MICHAEL A. KUGLIN
Michael A. Kuglin
Chief Financial Officer

EXHIBIT 32.1

Certification of the President and Chief Executive Officer Pursuant to
18 U.S.C. Section 1350, as Adopted Pursuant to Section 906
of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Suburban Propane Partners, L.P. (the "Partnership") for the period ended March 29, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael A. Stivala, President and Chief Executive Officer of the Partnership, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

By: /s/ MICHAEL A. STIVALA
Michael A. Stivala
President and Chief Executive Officer
May 8, 2025

EXHIBIT 32.2

Certification of the Chief Financial Officer
18 U.S.C. Section 1350, as Adopted Pursuant to Section 906
of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Suburban Propane Partners, L.P. (the "Partnership") for the period ended March 29, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael A. Kuglin, Chief Financial Officer of the Partnership, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

By: /s/ MICHAEL A. KUGLIN
Michael A. Kuglin
Chief Financial Officer
May 8, 2025