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DELTA REPORT

10-Q

SPH - SUBURBAN PROPANE PARTNERS

10-Q - DECEMBER 28, 2024 COMPARED TO 10-Q - JUNE 29, 2024

The following comparison report has been automatically generated

TOTAL DELTAS 999

■	CHANGES	322
■	DELETIONS	362
■	ADDITIONS	315

**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 **June 29, December 28, 2024**

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

22-3410353

(State or other jurisdiction of
incorporation or organization)

(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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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 August 5, 2024 February 3, 2025, there were 64,071,854 64,493,748 Common Units of Suburban Propane Partners, L.P. outstanding.

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SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES

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[Table of Contents](#)**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 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 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;
- The ability of the Partnership to acquire and maintain sufficient volumes of, and the costs to the Partnership of acquiring, reliable 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 fuel 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 the 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 new 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;

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- The Partnership's ability to make strategic acquisitions, successfully integrate them and realize the expected benefits of the 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 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 30, 2023** **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 30, 2023** **September 28, 2024**.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(in thousands)

(unaudited)

	June 29,	September 30,
	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 4,882	\$ 3,514
Accounts receivable, less allowance for doubtful accounts of \$5,695 and \$4,449, respectively	73,798	67,687
Inventories	51,304	61,828
Other current assets	34,735	30,973
Total current assets	164,719	164,002
Property, plant and equipment, net	649,307	646,054
Operating lease right-of-use assets	145,504	142,940
Goodwill	1,151,252	1,148,776
Other intangible assets, net	77,380	80,553
Other assets	95,392	88,150
Total assets	<u>\$ 2,283,554</u>	<u>\$ 2,270,475</u>
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities:		
Accounts payable	\$ 26,473	\$ 40,043
Accrued employment and benefit costs	42,102	45,138
Customer deposits and advances	96,775	127,311
Operating lease liabilities	35,479	33,562
Other current liabilities	51,533	61,764
Total current liabilities	252,362	307,818
Long-term borrowings	1,202,535	1,188,210
Accrued insurance	48,210	49,632
Operating lease liabilities	109,099	108,495
Other liabilities	64,125	69,964
Total liabilities	<u>1,676,331</u>	<u>1,724,119</u>
Commitments and contingencies		
Partners' capital:		
Common Unitholders (64,048 and 63,521 units issued and outstanding at June 29, 2024 and September 30, 2023, respectively)	616,833	557,023
Accumulated other comprehensive loss	(9,610)	(10,667)
Total partners' capital	<u>607,223</u>	<u>546,356</u>

Total liabilities and partners' capital	\$ 2,283,554	\$ 2,270,475
	December 28, 2024	September 28, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 4,441	\$ 3,219
Accounts receivable, less allowance for doubtful accounts of \$5,307 and \$4,707, respectively	125,109	66,444
Inventories	60,566	55,430
Other current assets	39,888	32,451
Total current assets	230,004	157,544
Property, plant and equipment, net	685,857	653,985
Operating lease right-of-use assets	138,729	140,243
Goodwill	1,160,887	1,151,252
Other intangible assets, net	91,524	74,512
Other assets	77,625	95,225
Total assets	\$ 2,384,626	\$ 2,272,761
LIABILITIES AND PARTNERS' CAPITAL		
Current liabilities:		
Accounts payable	\$ 86,258	\$ 41,058
Accrued employment and benefit costs	34,974	40,371
Customer deposits and advances	111,490	126,570
Operating lease liabilities	36,298	35,616
Other current liabilities	60,385	62,507
Total current liabilities	329,405	306,122
Long-term borrowings	1,302,824	1,210,326
Accrued insurance	45,610	45,560
Operating lease liabilities	101,609	103,797
Other liabilities	60,040	59,896
Total liabilities	1,839,488	1,725,701
Commitments and contingencies		
Partners' capital:		
Common Unitholders (64,490 and 64,072 units issued and outstanding at December 28, 2024 and September 28, 2024, respectively)	551,401	553,207
Accumulated other comprehensive loss	(6,263)	(6,147)
Total partners' capital	545,138	547,060
Total liabilities and partners' capital	\$ 2,384,626	\$ 2,272,761

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

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SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per unit amounts)
(unaudited)

	Three Months Ended	
	June 29, 2024	June 24, 2023
	_____	_____
Revenues		
Propane	\$ 220,045	\$ 241,485
Fuel oil and refined fuels	10,954	14,086
Natural gas and electricity	5,322	4,926
All other	18,289	18,131
	254,610	278,628
Costs and expenses		
Cost of products sold	94,400	110,446
Operating	115,882	116,637
General and administrative	19,759	21,142
Depreciation and amortization	16,379	15,537
	246,420	263,762
Operating income	8,190	14,866
Interest expense, net	18,429	18,733
Other, net	6,709	1,150
(Loss) before provision for income taxes	(16,948)	(5,017)
Provision for income taxes	243	244
Net (loss)	\$ (17,191)	\$ (5,261)
Net (loss) per Common Unit - basic	\$ (0.27)	\$ (0.08)
Weighted average number of Common Units outstanding - basic	64,394	63,926
Net (loss) per Common Unit - diluted	\$ (0.27)	\$ (0.08)
Weighted average number of Common Units outstanding - diluted	64,394	63,926

	Three Months Ended		
	December 28,		December 30,
	2024	2023	
Revenues			
Propane	\$ 330,283	\$ 313,358	
Fuel oil and refined fuels	17,661	23,898	
Natural gas and electricity	6,053	6,493	
All other	19,332	22,085	
	373,329	365,834	
Costs and expenses			
Cost of products sold	147,162	153,053	
Operating	123,153	122,070	
General and administrative	26,853	25,570	
Depreciation and amortization	17,099	16,393	
	314,267	317,086	
Operating income	59,062	48,748	
Interest expense, net	19,612	18,192	
Other, net	19,467	5,853	
Income before provision for income taxes	19,983	24,703	
Provision for income taxes	563	249	
Net income	\$ 19,420	\$ 24,454	
Net income per Common Unit - basic	\$ 0.30	\$ 0.38	
Weighted average number of Common Units outstanding - basic	64,497	64,064	
Net income per Common Unit - diluted	\$ 0.30	\$ 0.38	
Weighted average number of Common Units outstanding - diluted	64,756	64,381	

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

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SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per unit amounts)

(unaudited)

	Nine Months Ended	
	June 29,	June 24,
	2024	2023
Revenues		
Propane	\$ 970,967	\$ 1,040,978
Fuel oil and refined fuels	66,447	82,353
Natural gas and electricity	20,528	25,472
All other	60,589	53,796
	1,118,531	1,202,599
Costs and expenses		
Cost of products sold	437,573	524,707
Operating	366,263	359,798
General and administrative	71,400	69,854
Depreciation and amortization	49,497	45,380
	924,733	999,739
Operating income	193,798	202,860
Loss on debt extinguishment	215	—
Interest expense, net	56,540	54,598
Other, net	17,756	3,231
Income before provision for income taxes	119,287	145,031
Provision for income taxes	524	421

Net income	\$ 118,763	\$ 144,610
Net income per Common Unit - basic	\$ 1.85	\$ 2.27
Weighted average number of Common Units outstanding - basic	64,297	63,826
Net income per Common Unit - diluted	\$ 1.83	\$ 2.25
Weighted average number of Common Units outstanding - diluted	64,747	64,326

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

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SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in thousands)

(unaudited)

	Three Months Ended		Nine Months Ended	
	June 29,		June 29,	
	2024	2023	2024	2023
Net (loss) income	\$ (17,191)	\$ (5,261)	\$ 118,763	\$ 144,610
Other comprehensive income:				
Amortization of net actuarial losses and prior service credits into earnings	169	164	507	491
Recognition in earnings of net actuarial loss for pension settlement	550	—	550	—
Other comprehensive income	719	164	1,057	491
Total comprehensive (loss) income	\$ (16,472)	\$ (5,097)	\$ 119,820	\$ 145,101

	Three Months Ended	
	December 28,	
	2024	2023
Net income	\$ 19,420	\$ 24,454
Other comprehensive (loss) income:		
Amortization of net actuarial (gains) losses and prior service credits into earnings	(116)	169
Other comprehensive (loss) income	(116)	169
Total comprehensive income	\$ 19,304	\$ 24,623

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

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SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

(unaudited)

	Nine Months Ended		Three Months Ended	
			December	
	June 29, 2024	June 24, 2023	28, 2024	30, 2023
Cash flows from operating activities:				
Net income	\$ 118,763	\$ 144,610	\$ 19,420	\$ 24,454
Adjustments to reconcile net income to net cash provided by operations:				
Adjustments to reconcile net income to net cash provided by (used in) operations:				
Depreciation and amortization	49,497	45,380	17,099	16,393
Equity in losses of unconsolidated affiliates	15,121	1,152		
Equity in losses and impairment charges for investments in unconsolidated affiliates	22,241	5,158		
Compensation costs recognized under Restricted Unit Plan	6,404	6,265	2,379	2,645
Pension settlement charge	550	—		
Loss on debt extinguishment	215	—		
Other, net	2,528	1,389	1,394	792
Changes in assets and liabilities:				
Accounts receivable	(6,052)	4,683	(58,665)	(51,050)
Inventories	10,704	10,425	(5,136)	858
Other current and noncurrent assets	(12,222)	13,619	(5,995)	(2,944)
Accounts payable	(13,173)	(2,269)	46,354	32,594
Accrued employment and benefit costs	(3,421)	(5,296)	(5,479)	(11,551)
Customer deposits and advances	(30,536)	(36,353)	(15,080)	(15,116)
Contributions to defined benefit pension plan	(3,000)	(3,000)		
Other current and noncurrent liabilities	(11,571)	(13,213)	(9,750)	(15,008)
Net cash provided by operating activities	123,807	167,392		
Net cash provided by (used in) operating activities	8,782	(12,775)		
Cash flows from investing activities:				
Capital expenditures	(40,373)	(33,386)	(23,843)	(11,150)
Investments in and acquisitions of businesses	(22,005)	(126,929)	(51,074)	(3,250)
Proceeds from sale of property, plant and equipment	2,392	3,180	402	486
Net cash (used in) investing activities	(59,986)	(157,135)	(74,515)	(13,914)
Cash flows from financing activities:				
Proceeds from borrowings under revolving credit facility	541,300	470,200	181,800	148,400

Repayments of borrowings under revolving credit facility	(529,300)	(399,800)	(90,100)	(93,600)
Issuance costs associated with long-term borrowings	(3,744)	—		
Partnership distributions	(62,266)	(61,741)	(20,823)	(20,645)
Other, net	(4,334)	(4,312)	(3,232)	(3,541)
Net cash (used in) provided by financing activities	(58,344)	4,347		
Net cash provided by financing activities	67,645	30,614		
Net increase in cash, cash equivalents and restricted cash	5,477	14,604	1,912	3,925
Cash, cash equivalents and restricted cash at beginning of period	14,074	4,100	20,514	14,074
Cash, cash equivalents and restricted cash at end of period	<u>\$ 19,551</u>	<u>\$ 18,704</u>	<u>\$ 22,426</u>	<u>\$ 17,999</u>
Less: restricted cash	14,669	8,674	17,985	11,719
Cash and cash equivalents, end of period	<u>\$ 4,882</u>	<u>\$ 10,030</u>	<u>\$ 4,441</u>	<u>\$ 6,280</u>

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

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SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF PARTNERS' CAPITAL
(in thousands)
(unaudited)

Three Months Ended June 29, 2024				Three Months Ended December 28, 2024			
		Accumulated				Accumulated	
		Other	Total	Number		Other	Total
Number of	Common	Comprehensive	Partners'	of		Common	Comprehensive
							Partners'

	Common				Common			
	Units	Unitholders	(Loss)	Capital	Units	Unitholders	(Loss)	Capital
Balance, beginning of period	64,022	\$ 652,999	\$ (10,329)	\$ 642,670	64,072	\$ 553,207	\$ (6,147)	\$ 547,060
Net (loss)		(17,191)	—	(17,191)				
Other comprehensive income		—	719	719				
Net income		19,420	—	19,420				
Other comprehensive (loss)		—	(116)	(116)				
Partnership distributions		(20,815)	—	(20,815)		(20,823)	—	(20,823)
Common Units issued under Restricted Unit Plan	26	—	—	—	418	(2,782)	—	(2,782)
Compensation costs recognized under Restricted Unit Plan		1,840	—	1,840		2,379	—	2,379
Balance, end of period	<u>64,048</u>	<u>\$ 616,833</u>	<u>\$ (9,610)</u>	<u>\$ 607,223</u>	<u>64,490</u>	<u>\$ 551,401</u>	<u>\$ (6,263)</u>	<u>\$ 545,138</u>

	Three Months Ended June 24, 2023				
	Accumulated				
	Number of		Common		Other
	Common Units		Unitholders		(Loss)
Balance, beginning of period	63,490		\$ 620,520		\$ (12,269)
Net (loss)			(5,261)		—
Other comprehensive income			—		164
Partnership distributions			(20,636)		—
Common Units issued under Restricted Unit Plan	9		—		—
Compensation costs recognized under Restricted Unit Plan			1,905		—
Balance, end of period	<u>63,499</u>	<u>\$ 596,528</u>	<u>\$ (12,105)</u>	<u>\$ 584,423</u>	
Three Months Ended December 30, 2023					
	Accumulated				
	Number of		Common		Other
	Common Units		Unitholders		Total
Balance, beginning of period	63,521		\$ 557,023		\$ (10,667)
Net income			24,454		—
Other comprehensive income			—		169
Partnership distributions			(20,645)		—
Common Units issued under Restricted Unit Plan	494		(3,091)		—
Compensation costs recognized under Restricted Unit Plan			2,645		—
Balance, end of period	<u>64,015</u>	<u>\$ 560,386</u>	<u>\$ (10,498)</u>	<u>\$ 549,888</u>	

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

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SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF PARTNERS' CAPITAL

(in thousands)

(unaudited)

Nine Months Ended June 29, 2024

	Number of Common Units	Common Unitholders	Accumulated		
					Other
			Comprehensive (Loss)	Partners' Capital	
Balance, beginning of period	63,521	\$ 557,023	\$ (10,667)	\$ 546,356	
Net income		118,763	—	118,763	

Other comprehensive income	—	1,057	1,057
Partnership distributions	(62,266)	—	(62,266)
Common Units issued under Restricted Unit Plan	527	(3,091)	—
Compensation costs recognized under Restricted Unit Plan		6,404	—
Balance, end of period	<u>64,048</u>	<u>\$ 616,833</u>	<u>\$ (9,610)</u>
		Nine Months Ended June 24, 2023	
		Accumulated	
		Other	Total
	Number of	Common	Partners'
	Common Units	Unitholders	Capital
Balance, beginning of period	62,987	\$ 510,126	\$ (12,596)
Net income		144,610	—
Other comprehensive income	—		491
Partnership distributions		(61,741)	—
Common Units issued under Restricted Unit Plan	512	(2,732)	—
Compensation costs recognized under Restricted Unit Plan		6,265	—
Balance, end of period	<u>63,499</u>	<u>\$ 596,528</u>	<u>\$ (12,105)</u>

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

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SUBURBAN PROPANE PARTNERS, L.P. AND SUBSIDIARIES

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 **64,048,139** **64,490,096** Common Units outstanding at **June 29, 2024** **December 28, 2024**. 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 30, 2023 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, as was the case for fiscal 2023, 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 salesforce, to obtain certain contracts. These costs are expensed as incurred, consistent with the practical expedients issued by the Financial Accounting Standards Board ("FASB"), 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 18, "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.

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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 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.

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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"). 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 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.

SEC Climate Disclosures. In March 2024, the SEC issued final rules to require disclosures about certain climate-related information in registration statements and annual reports. In April 2024, the SEC issued an order to stay the rules pending the completion of judicial review of multiple petitions challenging the rules. The rules will, if implemented as issued by the SEC, require disclosure of, among other things, material climate-related risks, how the Partnership's Board of Supervisors and management oversee and manage such risks, and the actual and potential material impacts of such risks to the Partnership. The rules would also require disclosure about material climate-related targets and goals, greenhouse gas emissions ("GHG") from operations owned or controlled (Scope 1) and purchased energy consumed used in owned or controlled operations (Scope 2), and the financial impacts of severe weather events and other natural conditions.

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Currently, it is uncertain whether the SEC's new climate-related disclosure rules will withstand pending and future legal challenges. If the rules are ultimately implemented, the Partnership will apply them prospectively with certain disclosures beginning in its fiscal 2026 annual report, or at such other time as provided by the SEC. The Partnership is assessing the effect of these rules on its consolidated financial statements and related disclosures, if implemented.

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3. Disaggregation of Revenue

The following table disaggregates revenue for each customer type. See Note 18, "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 87.88%, 6.5% 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			
	June 29, 2024		June 24, 2023	
	Retail	Wholesale	Total revenues	Total revenues
Retail				
Residential	\$ 125,910	\$ 142,941	\$ 254,610	\$ 278,628
Commercial	79,294	82,321		
Industrial	27,629	28,362		
Government	10,754	12,039		
Agricultural	5,650	6,750		
Wholesale	5,373	6,215		
Total revenues	\$ 254,610	\$ 278,628		
	Nine Months Ended		Three Months Ended	
	June 29, 2024		December 28, 2024	
Retail	June 24, 2023		December 30, 2023	
Residential	\$ 609,192	\$ 665,541	\$ 197,114	\$ 195,895
Commercial	304,647	322,623	104,742	98,453
Industrial	95,917	103,210	30,144	31,746
Government	52,850	56,870	17,449	17,073
Agricultural	31,405	35,223	9,660	13,450
Wholesale	24,520	19,132	14,220	9,217
Total revenues	\$ 1,118,531	\$ 1,202,599	\$ 373,329	\$ 365,834

The Partnership recognized \$9,979 36,122 and \$83,762 37,474 of revenue during the three and nine months ended June 29, 2024, respectively, December 28, 2024 and \$11,612 and \$63,643 of revenue during the three and nine months ended June 24, 2023 December 30, 2023, 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 \$8,485 5,582 and \$4,844 3,901 relating to deliveries to customers enrolled in budgetary programs that exceeded billings to those customers were included in accounts receivable as of June 29, 2024 December 28, 2024 and September 30, 2023 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 following table presents unaudited pro forma combined financial information as 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 aforementioned acquisition had occurred on September 25, 2022. Partnership incurred those costs prior to December 31, 2024. During the first day 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 2023 fiscal year condensed consolidated statement of operations.

	Three Months Ended				Nine Months Ended			
	June 29,		June 24,		June 29,		June 24,	
	2024	2023	2024	2023	2024	2023	2024	2023
Revenues	\$ 254,610	\$ 278,628	\$ 1,118,531	\$ 1,206,529				
Net (loss) income	(17,191)	(5,261)	118,763	134,531				

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 nine months quarter of fiscal 2024, 2025, the Operating Partnership purchased one a secured convertible note issued by IH.

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During the third quarter of fiscal 2022, Suburban Renewable Energy announced an agreement to construct, own and operate a new biodigester system with Adirondack Farms, a family dairy farm located in Clinton County, New York, for the production of RNG. Construction of the assets began during the first quarter of fiscal 2023, 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 is expected other available information to be completed during the second half of calendar 2025, 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

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carrier for hydrogen, making it easy to deliver this renewable fuel for the growing hydrogen fuel cell vehicle industry. During the first **nine months** **quarter** of fiscal **2024**, **2025**, the **Operating** Partnership purchased **six** **three** 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. As a result, the Partnership recorded an other-than-temporary impairment charge of \$10,213 during the first quarter of fiscal 2025, 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 **May 2, 2024** **November 6, 2024**, the **Operating** Partnership acquired the propane assets and operations of a propane retailer headquartered in **Nevada** **New Mexico** for **\$9,000** **53,000**, including **\$1,000** **4,000** for non-compete consideration, plus working capital acquired. As of **June 29, 2024** **December 28, 2024**, **\$7,750** **46,500** 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.

On April 12, 2024, the **Operating** Partnership acquired the propane assets and operations of a propane retailer headquartered in **Florida** for **\$4,250**, including working capital acquired.

These acquisitions were **This acquisition was** consummated pursuant to the Partnership's strategic growth initiatives for the core propane business. The preliminary purchase price **allocations** **allocation** and results of operations of the acquired **businesses** **were** **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 **is** **are** considered Restricted Cash and is 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, **and** 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

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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,

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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 1/2 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 **nine months** **quarter** of fiscal **2024** **2025** or in fiscal **2023**, **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 (the "NYMEX" ("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 **June 29, 2024** **December 28, 2024** and **September 30, 2023** **September 28, 2024**, respectively:

	As of June 29, 2024		As of September 30, 2023		As of December 28, 2024		As of September 28, 2024	
	Fair		Fair		Fair		Fair	
	Location	Value	Location	Fair Value	Location	Value	Location	Value
Asset Derivatives								
Derivatives not designated as hedging instruments:								
Commodity-related derivatives	Other current assets	\$ 6,981	Other current assets	\$ 18,538	Other current assets	\$ 1,244	Other current assets	\$ 4,122
	Other assets	21	Other assets	8	Other assets	32	Other assets	769
		<u>\$ 7,002</u>		<u>\$ 18,546</u>		<u>\$ 1,276</u>		<u>\$ 4,891</u>
Liability Derivatives	Fair		Fair		Fair		Fair	
Derivatives not designated as hedging instruments:								
Commodity-related derivatives	Other current liabilities	\$ 2,016	Other current liabilities	\$ 2,427	Other current liabilities	\$ 582	Other current liabilities	\$ 5,744
	Other liabilities	—	Other liabilities	4,784	Other liabilities	—	Other liabilities	—
		<u>\$ 2,016</u>		<u>\$ 7,211</u>		<u>\$ 582</u>		<u>\$ 5,744</u>

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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)				Fair Value Measurement Using Significant Unobservable Inputs (Level 3)			
	Nine Months Ended		Nine Months Ended		Three Months Ended		Three Months Ended	
	June 29, 2024		June 24, 2023		December 28, 2024		December 30, 2023	
	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
Beginning balance of over-the-counter options	\$ —	\$ 806	\$ 222	\$ 3,408	\$ 1,475	\$ 193	\$ —	\$ 806
Beginning balance realized during the period	—	(806)	(132)	(1,611)	(390)	(9)	—	(613)
Contracts purchased during the period	1,781	543	—	—	255	—	—	—
Change in the fair value of outstanding contracts	—	—	(90)	863	(674)	(155)	—	25
Ending balance of over-the-counter options	<u>\$ 1,781</u>	<u>\$ 543</u>	<u>\$ —</u>	<u>\$ 2,660</u>	<u>\$ 666</u>	<u>\$ 29</u>	<u>\$ —</u>	<u>\$ 218</u>

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As of June 29, 2024 December 28, 2024 and September 30, 2023 September 28, 2024, the Partnership's outstanding commodity-related derivatives had a weighted average maturity of approximately five four and six three months, respectively.

The effect of the Partnership's derivative instruments on the condensed consolidated statements of operations for the three and nine months ended June 29, 2024 December 28, 2024 and June 24, 2023 December 30, 2023 are as follows:

Derivatives Not Designated as Hedging Instruments	Three Months Ended June 29, 2024				Three Months Ended June 24, 2023			
	Unrealized Gains (Losses)				Unrealized Gains (Losses)			
	Recognized in Income				Recognized in Income			
	Location	Amount			Location	Amount		
Commodity-related derivatives	Cost of products sold	\$	(3,161)		Cost of products sold	\$	(2,960)	
	Nine Months Ended June 29, 2024	Nine Months Ended June 24, 2023			Three Months Ended December 28, 2024	Three Months Ended December 30, 2023		
Derivatives Not Designated as Hedging Instruments	Unrealized Gains (Losses)	Unrealized Gains (Losses)			Unrealized Gains (Losses)	Unrealized Gains (Losses)		
	Recognized in Income	Recognized in Income			Recognized in Income	Recognized in Income		

Commodity-related derivatives	Location	Amount	Location	Amount	Location	Amount	Location	Amount
	Cost of products sold		Cost of products sold		Cost of products sold		Cost of products sold	
	(\$8,079)	\$ (21,167)	\$ 3,634	\$ (10,786)				

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 June 29, 2024			As of September 30, 2023			As of December 28, 2024			As of September 28, 2024			
	Net amounts presented in the Effects			Net amounts presented in the Effects			Net amounts presented in the Effects			Net amounts presented in the Effects			
	Gross amounts	of netting	balance sheet	Gross amounts	Effects of netting	balance sheet	Gross amounts	of netting	balance sheet	Gross amounts	Effects of netting	balance sheet	
	Asset Derivatives	Commodity-related derivatives											
Asset Derivatives	Commodity-related derivatives	\$ 12,062	\$ (5,060)	\$ 7,002	\$ 35,339	\$ (16,793)	\$ 18,546	\$ 1,999	\$ (723)	\$ 1,276	\$ 13,649	\$ (8,758)	\$ 4,891
Liability Derivatives	Commodity-related derivatives	\$ 7,076	\$ (5,060)	\$ 2,016	\$ 24,004	\$ (16,793)	\$ 7,211	\$ 1,305	\$ (723)	\$ 582	\$ 14,502	\$ (8,758)	\$ 5,744

The Partnership had \$ 464,1247 and \$ 0,6,439 posted cash collateral as of June 29, 2024 December 28, 2024 and September 30, 2023 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:

5.875% Senior Notes due March 1, 2027	As of			
	June 29, 2024		September 30, 2023	
	2024		2023	
	\$ 346,063	\$ 334,250	\$ 347,375	\$ 350,056
5.00% Senior Notes due June 1, 2031	585,000	541,658	581,750	606,099
5.50% Green Bonds due October 1, 2028 through October 1, 2033	64,136	63,031	68,102	72,264
	\$ 995,199	\$ 938,939	\$ 997,227	\$ 1,028,419

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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 aggregates to the total shown on the condensed consolidated statements of cash flows:

	As of		As of	
	September		December	September
	June 29,	30,	28,	28,
	2024	2023	2024	2024
Cash and cash equivalents	\$ 4,882	\$ 3,514	\$ 4,441	\$ 3,219
Restricted cash included in other current assets	6,823	2,392	9,959	9,355
Restricted cash included in other assets (noncurrent)	7,846	8,168	8,026	7,940
Total cash, cash equivalents, and restricted cash shown on the condensed consolidated statements of cash flows	<u>\$ 19,551</u>	<u>\$ 14,074</u>	<u>\$ 22,426</u>	<u>\$ 20,514</u>

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		As of	
	September 30,		December 28,	September 28,
	June 29,	2024	2024	2024
	2023			
Propane, fuel oil and refined fuels and natural gas	\$ 48,015	\$ 58,565	\$ 57,326	\$ 52,284
Appliances	3,289	3,263	3,240	3,146
	<u>\$ 51,304</u>	<u>\$ 61,828</u>	<u>\$ 60,566</u>	<u>\$ 55,430</u>

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.

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

	Fuel oil and refined Propane					Natural gas and electricity					Fuel oil and refined Propane					Natural gas and electricity				
	Total		All other		Electricity	Fuels		Propane		Total		All other		Electricity	Fuels		Propane		Total	
Balance as of September 30, 2023																				
Goodwill	\$ 1,105,179	\$ 10,900	\$ 7,900	\$ 31,259	\$ 1,155,238							\$ 1,107,655	\$ 10,900	\$ 7,900	\$ 31,259	\$ 1,157,714				
Accumulated adjustments		(6,462)	—	—									(6,462)	—	—	—	—			
	—	—	—	—								—	—	—	—	—				
	<u>\$ 1,105,179</u>	<u>\$ 4,438</u>	<u>\$ 7,900</u>	<u>\$ 31,259</u>	<u>\$ 1,148,776</u>							<u>\$ 1,107,655</u>	<u>\$ 4,438</u>	<u>\$ 7,900</u>	<u>\$ 31,259</u>	<u>\$ 1,151,252</u>				
Fiscal 2024																				
Activity																				
Fiscal 2025																				
Activity																				
Goodwill acquired (1)	\$ 2,476	\$ —	\$ —	\$ —	\$ 2,476							\$ 9,635	\$ —	\$ —	\$ —	\$ —				
Balance as of June 29, 2024																				

Balance as of December 28, 2024											
Goodwill	\$ 1,107,655	\$ 10,900	\$ 7,900	\$ 31,259	\$ 1,157,714	\$ 1,117,290	\$ 10,900	\$ 7,900	\$ 31,259	\$ 1,167,349	
Accumulated adjustments		(6,462)	—	—		(6,462)	—	—	—	—	
	—				(6,462)	—				(6,462)	
	<u>\$ 1,107,655</u>	<u>\$ 4,438</u>	<u>\$ 7,900</u>	<u>\$ 31,259</u>	<u>\$ 1,151,252</u>	<u>\$ 1,117,290</u>	<u>\$ 4,438</u>	<u>\$ 7,900</u>	<u>\$ 31,259</u>	<u>\$ 1,160,887</u>	

Other intangible assets consist of the following:

	As of	
	June 29, 2024	September 30, 2023
Customer relationships (1)	\$ 577,191	\$ 572,347
Non-compete agreements (1)	41,955	40,840
Other	7,067	7,067
	<u>626,213</u>	<u>620,254</u>
Less: accumulated amortization		
Customer relationships	(510,328)	(502,436)
Non-compete agreements	(35,735)	(35,011)
Other	(2,770)	(2,254)
	<u>(548,833)</u>	<u>(539,701)</u>
	<u>\$ 77,380</u>	<u>\$ 80,553</u>
As of		
	December 28, 2024	
	2024	2024
	\$ 594,005	\$ 577,486
Customer relationships (1)	45,955	41,955
Non-compete agreements (1)	7,067	7,067
Other	<u>647,027</u>	<u>626,508</u>
Less: accumulated amortization		
Customer relationships	(516,055)	(513,053)
Non-compete agreements	(36,333)	(36,000)
Other	(3,115)	(2,943)
	<u>(555,503)</u>	<u>(551,996)</u>
	<u>\$ 91,524</u>	<u>\$ 74,512</u>

(1) Reflects the impact of the acquisitions; see from acquisitions (See Note 4, "Investments in and Acquisitions of Businesses. 4).

8. Leases

The Partnership leases certain property, plant and equipment, including portions of its vehicle fleet, for various periods under noncancelable 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 **June 29, 2024** **December 28, 2024**.

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

	Three Months Ended		Nine Months Ended		Three Months Ended	
	June 29, 2024	June 24, 2023	June 29, 2024	June 24, 2023	December 28, 2024	December 30, 2023
Lease expense	\$ 11,352	\$ 10,558	\$ 33,075	\$ 31,170	\$ 11,207	\$ 10,753
Other information:						
Cash payments for operating leases	11,403	10,542	33,239	31,511	11,243	10,804
Right-of-use assets obtained in exchange for new operating lease liabilities	4,637	2,026	25,542	23,304	6,561	4,033
Weighted-average remaining lease term			5.5 years	5.7 years	5.6 years	5.5 years
Weighted-average discount rate			6.2 %	5.6 %	6.2 %	5.9 %

The following table summarizes future minimum lease payments under non-cancelable operating leases as of **June 29, 2024** **December 28, 2024**:

Fiscal Year	Operating Leases	Operating Leases
2024 (remaining)	\$ 11,090	
2025	42,274	
2025 (remaining)	\$ 33,055	
2026	36,691	38,834
2027	26,160	28,215
2028	20,725	22,627
2029 and thereafter	36,554	
2029	16,106	
2030 and thereafter	26,263	
Total future minimum lease payments	\$ 173,494	\$ 165,100
Less: interest	(28,916)	(27,193)
Total lease obligations	\$ 144,578	\$ 137,907

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 **449,455** **259,196** and **499,347** **316,563** units for the **nine** **three** months ended **June 29, 2024** **December 28, 2024** and **June 24, 2023** **December 30, 2023**, respectively, to reflect the potential dilutive effect of the unvested restricted units outstanding using the treasury stock method. **Diluted loss per unit for the three months ended June 29, 2024 and June 24, 2023 does not include unvested Restricted Units (see Note 12)** as their effect would be anti-dilutive.

10. Long-Term Borrowings

Long-term borrowings consist of the following:

	As of		As of	
	September		September	
	June 29, 2024	30, 2023	December 28, 2024	28, 2024
5.875% Senior Notes due March 1, 2027	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
5.00% Senior Notes due June 1, 2031	650,000	650,000	650,000	650,000
5.50% Green Bonds due October 1, 2028 through October 1, 2033, net of unaccreted fair value adjustment of \$12,840 and \$13,879	67,805	66,766		
5.50% Green Bonds due October 1, 2028 through October 1, 2033, net of unaccreted fair value adjustment of \$12,109 and \$12,478	68,536	68,167		
Revolving Credit Facility, due March 15, 2029	144,000	132,000	242,700	151,000
Subtotal	1,211,805	1,198,766	1,311,236	1,219,167

Less: unamortized debt issuance costs	(9,270)	(10,556)	(8,412)	(8,841)
	<u><u>\$ 1,202,535</u></u>	<u><u>\$ 1,188,210</u></u>	<u><u>\$ 1,302,824</u></u>	<u><u>\$ 1,210,326</u></u>

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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 conjunction 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 will be 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 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 December 28, 2024, September 28, 2024 and the interim periods during fiscal 2024 which, if not waived, would constitute an event of default under the terms of the Green Bonds. SuburbanRNG – Stanfield and the Partnership obtained a waiver of this non-compliance from the holders of a majority of the outstanding Green Bonds, which cured the impact of any events of default. See Note 19, "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 \$144,000 242,700 and \$132,000 151,000 was outstanding as of June 29, 2024 December 28, 2024 and September 30, 2023 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. At the time of the execution of the Credit Agreement, \$187,900 was outstanding under the Operating Partnership's revolving credit facility of the previous credit agreement, which was rolled into the Revolving Credit Facility under the Credit Agreement. The Credit Agreement amends and restates the previous amended and restated credit agreement dated March 5, 2020. 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. In connection with the execution of the Credit Agreement, the Partnership recognized a non-cash charge of \$215 to write-off a portion of unamortized debt origination costs of the previous credit agreement.

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.

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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 June 29, 2024 December 28, 2024, 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 $\frac{1}{2}$ 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 June 29, 2024 December 28, 2024, the weighted average interest rate for borrowings under the Revolving Credit Facility was approximately 7.88 7.04%. The interest rate and the Applicable Rate will be reset following the end of each calendar quarter.

As of **June 29, 2024** **December 28, 2024**, the Partnership had standby letters of credit issued under the Revolving Credit Facility of **\$33,586** **26,387** which expire periodically through **April 30, 2025** **November 21, 2025**.

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 **June 29, 2024** **December 28, 2024**.

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. See Note 19, "Subsequent Events" for more information.

The aggregate amounts of long-term debt maturities subsequent to **June 29, 2024** **December 28, 2024** are as follows: fiscal 2024: \$-0; fiscal 2025: \$-0; fiscal 2026: \$-0; fiscal 2027: **\$494,000** **592,700**; fiscal 2028: \$-0; fiscal 2029: **\$11,707**; and thereafter: **\$730,645** **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 **July 25, 2024** **January 23, 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 **third** **first** quarter of fiscal **2024**, **2025**, payable on **August 13, 2024** **February 11, 2025** to holders of record on **August 6, 2024** **February 4, 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

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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

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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 nine three months ended June 29, 2024 December 28, 2024, the Partnership awarded 466,625 477,667 restricted units under the Restricted Unit Plan at an aggregate grant date fair value of \$6,892 7,119. The following is a summary of activity for the Restricted Unit Plan for the nine three months ended June 29, 2024 December 28, 2024:

	Weighted Average		Weighted Average	
	Restricted	Grant Date Fair	Restricted	Grant Date Fair
		Units		Value Per Unit
Outstanding September 30, 2023	1,366,362	\$ 12.94		
Outstanding September 28, 2024	1,100,278	\$ 13.37		
Awarded	466,625	14.77	477,667	14.90
Forfeited	—	—	(15,582)	(13.59)
Vested ⁽¹⁾	(707,524)	(13.51)	(574,782)	(13.29)
Outstanding June 29, 2024	1,125,463	\$ 13.35		
Outstanding December 28, 2024	987,581	\$ 14.15		

(1) During fiscal 2024, the Partnership withheld 180,787 156,540 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 June 29, 2024 December 28, 2024, unrecognized compensation cost related to unvested restricted units awarded under the Restricted Unit Plan amounted to \$4,113 7,508. Compensation cost associated with unvested awards is expected to be recognized over a weighted-average period of less than approximately one year. Compensation expense for the Restricted Unit Plan, net of forfeitures, for the three and nine months ended June 29, 2024 December 28, 2024 and December 30, 2023 was \$1,840 2,379 and \$6,404 2,645, respectively, and \$1,905 and \$6,265 for the three and nine months ended June 24, 2023, 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 nine months ended June 29, 2024 December 28, 2024 and December 30, 2023 was \$1,377 1,574 and \$6,018, respectively, and for the three and nine months ended June 24, 2023 was \$940 and \$2,494 2,019, respectively. As of June 29, 2024 December 28, 2024 and September 30, 2023 September 28, 2024, the Partnership had a liability included within accrued employment and benefit costs (or other liabilities, as applicable) of \$7,953 6,458 and \$3,668 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 nine months ended June 29, 2024 December 28, 2024 and December 30, 2023 was \$363 354 and \$1,111 375, respectively, and \$332 and \$1,003 for the three and nine months ended June 24, 2023, 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 distribution coverage ratio over the three-year measurement period. The Partnership’s average distribution coverage ratio was calculated as the Partnership’s average distributable cash flow as defined by the LTIP, for over the three years three-year in the measurement period, subject to certain adjustments as set forth in the LTIP document, divided by the amount of annualized cash distributions to be paid by the Partnership. period. The level of compensation earned under the fiscal 2021 award was evaluated using two separate measurement components: (i) 75% weight based on the level of average distributable cash flow of the Partnership over the three-year measurement period; and (ii) 25% weight based on the achievement of certain operating and strategic objectives, set by the Compensation Committee, over that

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award’s three-year measurement period. The level of compensation earned under the fiscal 2022 award and awards thereafter is also evaluated using two separate measurement components: (i) 50% weight based on the level of average distributable

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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 nine months ended **June 29, 2024** **December 28, 2024** and **December 30, 2023** was **\$386 3,585** and **\$4,055 2,462**, respectively, and **\$1,176** and **\$2,880** for the three and nine months ended **June 24, 2023**, respectively. As of **June 29, 2024** **December 28, 2024** and **September 30, 2023** **September 28, 2024**, the Partnership had a liability included within accrued employment and benefit costs (or other liabilities, as applicable) of **\$11,602 10,666** and **\$11,952 11,120**, respectively, related to estimated future payments under the LTIP. In the first quarter of fiscal **2024 2025** and **2023, 2024**, cash payouts totaling **\$4,405 4,038** and **\$3,129 4,405** were made relating to the fiscal **2021 2022** and **2020 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 **June 29, 2024** **December 28, 2024** and **September 30, 2023** **September 28, 2024**, the Partnership had accrued liabilities of **\$61,440** and **\$61,182 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 **\$16,183** and **\$15,448 14,340** as of **June 29, 2024** **December 28, 2024** and **September 30, 2023**, respectively. **September 28, 2024**.

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. **In this regard, the Partnership's natural gas and electricity ("AES") business was sued in a putative class action suit in the Northern District of New York. The complaint alleged a number of claims under various consumer statutes and common law in New York and Pennsylvania regarding pricing offered to electricity customers in those states. The case was dismissed in part by the district court, but causes of action Although any litigation is inherently uncertain, based on past experience, the New York consumer statute and breach of contract were allowed information currently available to proceed. On April 12, 2022, the court granted summary judgment in favor of the Partnership, on the remaining counts and the complaint was dismissed in full. The plaintiff appealed amount of its accrued insurance liabilities, the judgment to the Second Circuit Court 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 Appeals. On December 12, 2023, the Court of Appeals issued an Order and Decision affirming the decision of the lower court granting judgment to Agway and dismissing the plaintiff's claims. 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 ("NYPSC" 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 ~~incumbent~~ existing utility. The Partnership anticipates that the additional notice requirements mandated by the NYPSC 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 2033. 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 \$43,147 43,197 as of June 29, 2024 December 28, 2024. The fair value of residual value guarantees for outstanding operating leases was de minimis as of June 29, 2024 December 28, 2024 and September 30, 2023 September 28, 2024.

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15. Pension Plans and Other Postretirement Benefits

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

	Pension Benefits				Pension Benefits	
	Three Months Ended		Nine Months Ended		Three Months Ended	
	June 29, 2024	June 24, 2023	June 29, 2024	June 24, 2023	December 28, 2024	December 30, 2023
Interest cost	\$ 805	\$ 827	\$ 2,414	\$ 2,480	\$ 646	\$ 805
Expected return on plan assets	(314)	(339)	(943)	(1,016)	(329)	(315)
Amortization of net loss	425	482	1,276	1,445	62	425
Pension settlement charge	550	—	550	—		
Net periodic benefit cost	\$ 1,466	\$ 970	\$ 3,297	\$ 2,909	\$ 379	\$ 915

	Postretirement Benefits							
	Three Months Ended				Nine Months Ended			
	June 29, 2024		June 24, 2023		June 29, 2024		June 24, 2023	
	2024	2023	2024	2023	2024	2023	2024	2023
Interest cost	\$ 35	\$ 41	\$ 107	\$ 124				

Amortization of prior service credits	(64)	(124)	(194)	(373)
Amortization of net (gain)	(192)	(194)	(575)	(581)
Net periodic benefit cost	<u>\$ (221)</u>	<u>\$ (277)</u>	<u>\$ (662)</u>	<u>\$ (830)</u>

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	Postretirement Benefits		
	Three Months Ended		
	December 28, 2024	December 30, 2023	
Interest cost	\$ 25	\$ 36	
Amortization of prior service credits	(6)	(65)	
Amortization of net (gain)	(172)	(191)	
Net periodic benefit cost	<u>\$ (153)</u>	<u>\$ (220)</u>	

The Partnership expects to contribute approximately \$4,000 to the defined benefit pension plan during fiscal 2024, of which \$3,000 was contributed during the nine months ended June 29, 2024, December 28, 2024. The projected annual contribution requirements related to the Partnership's postretirement health care and life insurance benefit plan for fiscal 2024 2025 is \$422,342, of which \$256,67 was contributed during the nine months ended June 29, 2024 December 28, 2024. During the third quarter of fiscal 2024, lump sum pension settlement payments exceeded the settlement threshold (combined service and interest costs of net periodic pension cost) of \$3,218, which required the Partnership to recognize a non-cash settlement charge of \$550. This non-cash charge was required to accelerate recognition of a portion of cumulative unamortized losses in the defined benefit pension plans. 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 June 29, 2024 December 28, 2024 and September 30, 2023 September 28, 2024, the Partnership's estimated obligation to these MEPPs was \$20,389 19,662 and \$21,398 20,026, respectively, as a result of its voluntary full withdrawal from certain MEPPs.

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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 nine months ended **June 29, 2024** **December 28, 2024** and **June 24, 2023** **December 30, 2023**:

	Three Months Ended		Nine Months Ended		Three Months Ended	
	June 29, 2024	June 24, 2023	June 29, 2024	June 24, 2023	December 28, 2024	December 30, 2023
Pension Benefits						
Balance, beginning of period			\$ (14,339)	\$ (16,834)	\$ (15,190)	\$ (17,797)
Reclassifications to earnings:						
Recognition of net actuarial loss for pension settlement ⁽¹⁾	550	—	550	—		
Amortization of net loss ⁽¹⁾	425	482	1,276	1,445	62	425
Other comprehensive income	975	482	1,826	1,445	62	425
Balance, end of period	<u>\$ (13,364)</u>	<u>\$ (16,352)</u>	<u>\$ (13,364)</u>	<u>\$ (16,352)</u>	<u>\$ (9,747)</u>	<u>\$ (14,765)</u>
Postretirement Benefits						
Balance, beginning of period	\$ 4,010	\$ 4,565	\$ 4,523	\$ 5,201	\$ 3,662	\$ 4,523
Reclassifications to earnings:						
Amortization of net gain and prior service credits ⁽¹⁾	(256)	(318)	(769)	(954)	(178)	(256)
Other comprehensive loss	(256)	(318)	(769)	(954)	(178)	(256)
Balance, end of period	<u>\$ 3,754</u>	<u>\$ 4,247</u>	<u>\$ 3,754</u>	<u>\$ 4,247</u>	<u>\$ 3,484</u>	<u>\$ 4,267</u>
Accumulated Other Comprehensive Income (Loss)						
Balance, beginning of period			\$ (10,329)	\$ (12,269)	\$ (10,667)	\$ (12,596)
Reclassifications to earnings			169	164	507	491
Recognition of net actuarial loss for pension settlement	550	—	550	—		
Other comprehensive income	719	164	1,057	491		
Other comprehensive (loss) income	<u>(116)</u>	<u>169</u>				
Balance, end of period	<u>\$ (9,610)</u>	<u>\$ (12,105)</u>	<u>\$ (9,610)</u>	<u>\$ (12,105)</u>	<u>\$ (6,263)</u>	<u>\$ (10,498)</u>

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

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17. 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.

As a result of the Tax Cuts and Jobs Act of 2017, NOLs generated by the Corporate Entities beginning in 2018 may be carried forward indefinitely. The Corporate Entities generated a taxable loss during the 2022 tax year, which resulted in a \$295 deferred tax benefit recorded during the first quarter of fiscal 2023.

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18. 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 30, 2023** **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."

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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		Nine Months Ended		Three Months Ended	
	June 29, 2024	June 24, 2023	June 29, 2024	June 24, 2023	December 28, 2024	December 30, 2023
	Revenues:					
Propane	\$ 220,045	\$ 241,485	\$ 970,967	\$ 1,040,978	\$ 330,283	\$ 313,358
Fuel oil and refined fuels	10,954	14,086	66,447	82,353	17,661	23,898
Natural gas and electricity	5,322	4,926	20,528	25,472	6,053	6,493
All other	18,289	18,131	60,589	53,796	19,332	22,085
Total revenues	\$ 254,610	\$ 278,628	\$ 1,118,531	\$ 1,202,599	\$ 373,329	\$ 365,834
Operating income (loss):						
Propane	\$ 44,458	\$ 52,170	\$ 301,487	\$ 303,537	\$ 100,870	\$ 87,176
Fuel oil and refined fuels	(442)	(12)	7,617	8,417	1,396	2,172
Natural gas and electricity	1,771	1,029	5,917	5,259	2,065	1,568
All other	(7,614)	(7,507)	(21,970)	(23,369)	(9,238)	(7,181)
Corporate	(29,983)	(30,814)	(99,253)	(90,984)	(36,031)	(34,987)
Total operating income	8,190	14,866	193,798	202,860	59,062	48,748
Reconciliation to net (loss) income:						
Loss on debt extinguishment	—	—	215	—		
Reconciliation to net income:						

Interest expense, net	18,429	18,733	56,540	54,598	19,612	18,192
Other, net	6,709	1,150	17,756	3,231	19,467	5,853
Provision for income taxes	243	244	524	421	563	249
Net (loss) income	\$ (17,191)	\$ (5,261)	\$ 118,763	\$ 144,610		
Net income	\$ 19,420	\$ 24,454				
Depreciation and amortization:						
Propane	\$ 11,940	\$ 11,756	\$ 35,534	\$ 34,977	\$ 12,442	\$ 11,859
Fuel oil and refined fuels	273	405	1,019	1,233	269	444
Natural gas and electricity	—	—	—	3	—	—
All other	2,725	2,097	8,132	5,052	2,763	2,700
Corporate	1,441	1,279	4,812	4,115	1,625	1,390
Total depreciation and amortization	\$ 16,379	\$ 15,537	\$ 49,497	\$ 45,380	\$ 17,099	\$ 16,393
	As of			As of		
	June 29,		September 30,		December 28,	
	2024		2023		2024	
Assets:						
Propane	\$ 1,918,736	\$ 1,924,304			\$ 2,001,445	\$ 1,912,465
Fuel oil and refined fuels	44,998	46,341			47,004	43,579
Natural gas and electricity	10,471	11,255			12,339	10,248
All other	244,895	239,691			255,437	250,445
Corporate	64,454	48,884			68,401	56,024
Total assets	\$ 2,283,554	\$ 2,270,475			\$ 2,384,626	\$ 2,272,761

19. Subsequent Events

The Partnership and SuburbanRNG - Stanfield obtained a waiver after December 28, 2024 from a majority of the holders of the Green Bonds that cured certain events of default under the Green Bonds, and a waiver from the lenders and administrative agent under the Credit Agreement for a corresponding event of default under the Credit Agreement resulting from the event of default under the Green Bonds. Following receipt of the waivers, the Partnership is not in default under the terms of the Green Bonds or the Credit Agreement. See Note 10, "Long Term Borrowings" for more information.

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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 nine months ended **June 29, 2024** **December 28, 2024**, 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 30, 2023** **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 30, 2023** **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 assure 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 **June** **December** 2024 were **75.8** million **85.0** million barrels, which was **6.5%** lower **2.9%** higher than **June** **December** 2023 levels **albeit 10.2%** and **9.0%** higher than the five-year average for **June**. The decline in **December**. Despite these higher inventory contributed to an increase in **levels**, average posted propane prices (basis Mont Belvieu, Texas) **of 11.5%** increased **14.9%** compared to the prior year **third** **first** 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.

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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 has 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 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 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 30, 2023 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

Consistent with the seasonal nature of our business, we typically experience a net loss in the third quarter of our fiscal year. Net loss income for the **third** **first** quarter of fiscal **2024** **2025** was **\$17.2 million** **\$19.4 million**, or **\$0.27** **\$0.30** per Common Unit, compared to a net loss income of **\$5.3 million** **\$24.5 million**, or **\$0.08** **\$0.38** per Common Unit, in for the **third** **first** quarter of fiscal **2023** **2024**. Adjusted earnings before interest, taxes, depreciation and amortization (Adjusted

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amortization (Adjusted EBITDA, as defined and reconciled below) for the **third** **first** quarter of fiscal **2024** **2025** was **\$27.0 million** **\$75.3 million**, essentially flat compared to **\$33.0 million** in the **prior year** **third quarter**, **first quarter** of fiscal **2024**.

Retail propane gallons sold in the **third** **first** quarter of fiscal **2024** **2025** of **71.7 million** **105.7 million** gallons decreased **8.6%** **0.8%** compared to the prior year, primarily due to **warmer weather across most of lower heat-related demand from widespread unseasonably warm temperatures and lower agricultural demand for crop drying**, offset to an extent by an increase in demand in the Southeast following Hurricanes Helene and Milton, and contributions from our **operating territories**, **customer base growth and retention initiatives**. Average temperatures (as measured by heating degree days) across all of our service territories during the **third** **first** quarter of **2025** were **14%** **7%** warmer than normal and **10%** warmer than **flat** to the prior year **third** **first** quarter. In the month of November 2024, average temperatures were **15%** warmer than normal and **17%** warmer than November 2023, and represented one of the top five warmest on record for November.

Average propane prices (basis Mont Belvieu, Texas) for the **third** **first** quarter of fiscal **2024** **2025** increased **11.5%** **14.9%** compared to the prior year **third** **first** quarter. Total gross margin of **\$160.2 million** **\$226.2 million** for the **third** **fiscal** **2025** **first** **quarter** decreased **\$8.0 million** increased **\$13.4 million**, or **4.7%** **6.3%**, compared to the prior year **third** **first** quarter. Gross margin for the **third** **first** quarter of fiscal **2024** **2025** included a **\$3.2 million** **\$3.6 million** unrealized loss gain attributable to the mark-to-market adjustment for derivative instruments used in risk management activities, compared to a **\$3.0 million** **\$10.8 million** unrealized loss in the prior year **third** **first** 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, propane unit margins increased \$0.07 per gallon, total gross margin decreased \$1.0 million, or 3.8% 0.5%, compared to the prior year third quarter, first quarter, primarily due to slightly lower propane volumes sold, partially offset by an increase in propane unit margins of \$0.02 per gallon, or 1.3%.

Combined operating and general and administrative expenses of \$135.6 million \$150.0 million for the third first quarter of fiscal 2024 decreased \$2.1 million 2025 increased \$2.4 million, or 1.6%, compared to the prior year third first quarter, primarily due to lower volume-related variable operating costs, lower variable compensation, higher payroll and cost savings benefit-related expenses and efficiencies realized in our RNG operations, accruals for settling certain legal matters, offset to an extent by an increase in self-insurance accruals, lower vehicle fuel costs.

During the third first quarter of fiscal 2025, we recognized \$3.0 million of income for contingent consideration from Equilibrium Capital Group ("Equilibrium"), which was reported within "Other, net" on two acquisitions. On April 12, 2024, the condensed consolidated statements of operations. According to the purchase agreement for the RNG production assets that we acquired from Equilibrium in December 2022, expenditures for the propane assets and operations gas upgrade equipment project at the Columbus, Ohio facility that exceeded a certain threshold would be funded by Equilibrium, up to a total of a propane retailer headquartered in Florida for \$4.3 million. On May 2, 2024 \$3.0 million, if we acquired the propane assets and operations of a propane retailer headquartered in Nevada for \$9.0 million. These acquisitions were consummated pursuant to our strategic growth initiatives to foster the growth of our core propane business.

On March 15, 2024, we entered into a Fourth Amended and Restated Credit Agreement (the "Credit Agreement") that provides for a \$500 million revolving credit facility (the "Revolving Credit Facility"). The Revolving Credit Facility matures on the earlier of (i) the date that is ninety-one (91) days incurred those costs prior to maturity of the 2027 Senior Notes, as defined in Item 1, Note 10 of this Quarterly Report (unless the notes have been refinanced prior to such date) and (ii) March 15, 2029. At the time of the execution of the Credit Agreement, \$187.9 million was outstanding under the revolving credit facility of the previous credit agreement, which was rolled into the Revolving Credit Facility under the Credit Agreement. The Credit Agreement amends and restates the previous credit agreement dated March 5, 2020 December 31, 2024.

During the third first quarter of fiscal 2024, 2025, we utilized cash flows from operating activities to acquire acquired a well-run propane business in strategic markets in New Mexico and Arizona for total consideration of \$53.0 million, inclusive of non-compete payments. The acquisition, along with seasonal working capital and growth capital expenditures for the two retail propane businesses referenced above as well as to make additional investments in Oberon Fuels and Independence Hydrogen, in support RNG facilities, were funded with net borrowings of our long-term strategic goals, and to repay \$10.5 million in outstanding borrowings \$91.7 million under the Revolving Credit Facility. The Total Consolidated Leverage Ratio, as defined in our Credit Agreement, credit agreement, for the twelve-month period ended June 29, 2024 December 28, 2024 was 4.68x. 4.99x.

Adjusted EBITDA for the first quarter of fiscal 2025 excludes other-than-temporary impairment charges for our investments in Independence Hydrogen, Inc. ("IH") and Oberon Fuels, Inc. ("Oberon") of \$9.6 million and \$10.2 million, respectively, reported within "Other, net" on the condensed consolidated statements of operations, in order to write-down the carrying values of these investments to their estimated fair values.

As previously announced on July 25, 2024 January 23, 2025, our Board of Supervisors declared a quarterly distribution of \$0.325 per Common Unit for the three months ended June 29, 2024 December 28, 2024. On an annualized basis, this distribution rate equates to \$1.30 per Common Unit. The distribution is payable on August 13, 2024 February 11, 2025 to Common Unitholders of record as of August 6, 2024 February 4, 2025.

Our anticipated cash requirements for the remainder of fiscal 2024 2025 include: (i) maintenance and growth capital expenditures of approximately \$4.0 million \$29.8 million for the propane segment; (ii) capital expenditures of approximately \$28.6 million to support the construction and \$16.1 million, respectively; (ii) development efforts for our renewable energy platform; (iii) interest and income tax payments of approximately \$13.4 million \$58.0 million; and (iii) (iv) cash distributions of approximately \$20.8 million \$62.9 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.

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Three Months Ended June 29, 2024 December 28, 2024 Compared to Three Months Ended June 24, 2023 December 30, 2023

Revenues

(Dollars and gallons in thousands)	Three Months Ended				Three Months Ended			
	June 29,		Percent		December 28,		Percent	
	2024	2023	Increase	Increase	2024	2023	Increase	Increase
Revenues								
Propane	\$ 220,045	\$ 241,485	\$ (21,440)	(8.9)%	\$ 330,283	\$ 313,358	\$ 16,925	5.4 %
Fuel oil and refined fuels	10,954	14,086	(3,132)	(22.2)%	17,661	23,898	(6,237)	(26.1)%
Natural gas and electricity	5,322	4,926	396	8.0 %	6,053	6,493	(440)	(6.8)%
All other	18,289	18,131	158	0.9 %	19,332	22,085	(2,753)	(12.5)%
Total revenues	\$ 254,610	\$ 278,628	\$ (24,018)	(8.6)%	\$ 373,329	\$ 365,834	\$ 7,495	2.0 %
Retail gallons sold								
Propane	71,737	78,474	(6,737)	(8.6)%	105,739	106,545	(806)	(0.8)%
Fuel oil and refined fuels	2,645	3,354	(709)	(21.1)%	4,367	5,256	(889)	(16.9)%

Following The fiscal 2025 heating season got off to a winter slow start with inconsistent weather patterns and a lack of sustained cool temperatures, widespread unseasonably warm weather continued into during much of the third first quarter, particularly during the month of fiscal 2024. By contrast, the prior year third quarter benefited from colder average temperatures that generated a late burst of heat-related customer demand from our residential customer base. As discussed above, November. Overall, average temperatures (as measured in by heating degree days) across all of our service territories during the first quarter of fiscal 2025 were 14% 7% warmer than normal and 10% warmer than flat to the prior year third first quarter. In the month of November 2024, average temperatures were 15% warmer than normal and 17% warmer than November 2023, and represented one of the top five warmest on record for November.

Revenues from the distribution of propane and related activities of \$220.0 million decreased \$21.4 million \$330.3 million increased \$16.9 million, or 8.9% 5.4%, compared to the prior year, due to higher average retail selling prices, partially offset by slightly lower volumes sold. Average propane selling prices increased 4.0% compared to the prior year first quarter, reflecting higher average wholesale costs, resulting in

a \$12.3 million increase in revenues. Retail propane gallons sold decreased 6.7 million 0.8 million gallons, or 8.6% 0.8%, compared to the prior year, resulting in a \$2.4 million decrease in revenues. The slight decrease in propane gallons sold was primarily due to lower heat-related demand as described above, resulting from widespread unseasonably warm temperatures and lower agricultural demand for crop drying, offset to an extent by an increase in a \$20.7 million decrease demand in revenues. Average propane selling prices were essentially flat compared to the prior year. Southeast following Hurricanes Helene and Milton, and the impact of our customer base growth and retention initiatives. Included within the propane segment are revenues from risk management activities, which decreased \$0.7 million increased \$7.0 million, primarily due to a lower 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 \$11.0 million \$17.7 million were \$3.1 million \$6.2 million, or 22.2% 26.1%, lower than the prior year first quarter, primarily due to lower volumes sold, and to a lesser extent, lower average retail selling prices. Fuel oil and refined fuels gallons sold decreased 0.7 million 0.9 million gallons, or 21.1% 16.9%, resulting in a \$2.9 million \$3.9 million decrease in revenues. Average fuel oil and refined fuels selling prices decreased 1.3% 9.0% compared to the prior year, reflecting lower average wholesale costs, resulting in a \$0.2 million \$2.3 million decrease in revenues.

Revenues in our natural gas and electricity segment of \$5.3 million \$6.1 million were \$0.4 million, or 8.0% 6.8%, higher lower than the prior year, primarily due to higher electricity and natural gas average selling prices, offset to an extent by lower usage and the impact of a lower customer base.

Revenues in our all other segment of \$18.3 million \$19.3 million were \$0.2 million \$2.8 million, or 0.9% 12.5%, higher lower than the prior year, primarily due to higher tipping fees a decrease in our injection of renewable natural gas ("RNG") business attributable, due to an increase a planned shut-down at our facility in feedstock in-take, substantially offset by lower prices Stanfield, Arizona for environmental attributes. Revenues from the RNG business primarily consist of sales of RNG routine maintenance activities and the associated environmental attributes, tipping fees charged to third parties for various waste feedstocks and sales of digestate which is a byproduct of the anaerobic digestion process.

Cost of Products Sold

(Dollars in thousands)	Three Months Ended				Percent	
	June 29,		June 24,			
	2024	2023	(Decrease)	(Decrease)		
Cost of products sold						
Propane	\$ 81,327	\$ 94,584	\$ (13,257)		(14.0)%	
Fuel oil and refined fuels	7,402	9,815	(2,413)		(24.6)%	
Natural gas and electricity	2,446	2,469	(23)		(0.9)%	
All other	3,225	3,578	(353)		(9.9)%	
Total cost of products sold	\$ 94,400	\$ 110,446	\$ (16,046)		(14.5)%	
As a percent of total revenues	37.1%	39.6%				

regulatory compliance upgrades.

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Cost of Products Sold

(Dollars in thousands)	Three Months Ended				Percent	
	December 28,		December 30,		Increase	Increase
	2024	2023	(Decrease)	(Decrease)		
Cost of products sold						
Propane	\$ 129,741	\$ 127,772	\$ 1,969	\$ 1,969	1.5 %	1.5 %
Fuel oil and refined fuels	10,551	16,721	(6,170)	(6,170)	(36.9) %	(36.9) %
Natural gas and electricity	2,556	3,518	(962)	(962)	(27.3) %	(27.3) %
All other	4,314	5,042	(728)	(728)	(14.4) %	(14.4) %
Total cost of products sold	\$ 147,162	\$ 153,053	\$ (5,891)	\$ (5,891)	(3.8) %	(3.8) %
As a percent of total revenues	39.4 %	41.8 %				

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.

From a **commodities** perspective, during the first half of fiscal 2024, wholesale propane and fuel oil prices trended lower than the prior year and contributed to lower priced inventory at the beginning of the third quarter compared to the beginning of the fiscal 2023 third quarter. Although wholesale prices continued to generally trend lower during the third quarter of fiscal 2024, the pace of the decline trailed the sharp decline in the prior year, and resulted in **markets**, average posted propane prices (basis Mont Belvieu, Texas) were 14.9% higher than the prior year first quarter, and average fuel oil prices increasing 11.5% and 2.5% compared to 21.6% lower than the prior year third quarter, respectively. The net change in the fair value of derivative instruments resulted in a \$3.2 million \$3.6 million unrealized non-cash gain in the first quarter of fiscal 2025, compared to a \$10.8 million unrealized non-cash loss in the third prior year first quarter, resulting in a net decrease of fiscal 2024, \$14.4 million in cost of products sold year-over-year, of which a \$3.5 million unrealized loss \$14.0 million was reported within the propane segment and a \$0.3 million unrealized gain \$0.4 million was reported in within the natural gas and electricity segment. In the

third quarter of the prior year, there was a \$3.0 million unrealized non-cash loss, all of which was reported within the propane segment, resulting in a net increase of \$0.2 million in cost of products sold year-over-year. 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 \$81.3 million decreased \$13.3 million \$129.7 million increased \$2.0 million, or 14.0% 1.5%, compared to the prior year third first quarter. Lower volumes sold and lower Higher average wholesale costs resulted in contributed to a decrease \$10.1 million increase in cost of products sold, by \$7.5 million and \$4.9 million, respectively, while lower volumes sold contributed to a \$0.8 million decrease. Included within the propane segment are costs from other propane activities, which decreased \$1.4 million increased \$6.7 million compared to the prior year primarily due to a lower higher notional amount of hedging contracts used in risk management activities that were settled physically, as well as the net increase decrease of \$0.5 million \$14.0 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 \$7.4 million \$10.6 million decreased \$2.4 million \$6.2 million, or 24.6% 36.9%, compared to the prior year third first quarter. Lower volumes sold average wholesale costs and lower average wholesale costs volumes sold contributed to decreases of \$2.1 million \$3.4 million and \$0.3 million \$2.8 million, respectively.

Cost of products sold in our natural gas and electricity segment of \$2.4 million were essentially flat \$2.6 million decreased \$1.0 million, or 27.3%, compared to the third quarter of fiscal 2023, as prior year primarily due to lower usage and gains lower natural gas prices, coupled with the net decrease of \$0.4 million resulting from the mark-to-market adjustments on derivative instruments were essentially offset by higher average wholesale costs used in both periods discussed above.

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Operating Expenses

(Dollars in thousands)	Three Months Ended				Three Months Ended			
	June 29,		June 24,		Percent		December 28,	
	2024	2023	(Decrease)	(Decrease)	2024	2023	Increase	Increase
Operating expenses	\$ 115,882	\$ 116,637	\$ (755)	(0.6)%	\$ 123,153	\$ 122,070	\$ 1,083	0.9 %
As a percent of total revenues	45.5 %	41.9 %			33.0 %	33.4 %		

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

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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 \$115.9 million \$123.2 million for the **third** first quarter of fiscal 2024 decreased \$0.8 million 2025 increased \$1.1 million, or 0.6% 0.9%, compared to the prior year **third** first quarter, primarily due to lower volume-related variable operating higher payroll and benefit-related costs, lower variable compensation costs given lower earnings, cost savings and efficiencies realized in our RNG operations, offset to an extent by an increase in accruals for self-insurance, lower fleet vehicle fuel costs.

General and Administrative Expenses

(Dollars in thousands)	Three Months Ended				Three Months Ended				Three Months Ended			
	June 29, 2024		June 24, 2023		Percent		December 28, 2024		December 30, 2023		Percent	
	2024	2023	(Decrease)	(Decrease)	2024	2023	Increase	Increase	2024	2023	Increase	Increase
General and administrative expenses	\$ 19,759	\$ 21,142	\$ (1,383)	(6.5)%	\$ 26,853	\$ 25,570	\$ 1,283	5.0 %				
As a percent of total revenues	7.8 %	7.6 %			7.2 %	7.0 %						

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 \$19.8 million \$26.9 million for the **third** first quarter of fiscal 2024 decreased \$1.4 million 2025 increased \$1.3 million, or 6.5% 5.0%, compared to the prior year **third** first quarter, primarily due to lower variable compensation higher payroll and benefit-related costs, given lower earnings, coupled with the costs for settling a legal matter.

Depreciation and Amortization

(Dollars in thousands)	Three Months Ended				Three Months Ended				Three Months Ended			
	June 29, 2024		June 24, 2023		Percent		December 28, 2024		December 30, 2023		Percent	
	2024	2023	Increase	Increase	2024	2023	Increase	Increase	2024	2023	Increase	Increase
Depreciation and amortization	\$ 16,379	\$ 15,537	\$ 842	5.4 %	\$ 17,099	\$ 16,393	\$ 706	4.3 %				
As a percent of total revenues	6.4 %	5.6 %			4.6 %	4.5 %						

Depreciation and amortization expense of \$16.4 million \$17.1 million for the **third** first quarter of fiscal 2024 2025 increased \$0.8 million \$0.7 million, or 5.4% 4.3%, compared to the prior year **third** first quarter, primarily as a result of accelerated depreciation for assets taken out of service, coupled with additional investments made in our RNG production facilities, facilities, and the impact of a propane acquisition that closed in November 2024.

Interest Expense, net

(Dollars in thousands)	Three Months Ended				Three Months Ended				Three Months Ended			
	June 29, 2024		June 24, 2023		Percent		December 28, 2024		December 30, 2023		Percent	
	2024	2023	Decrease	(Decrease)	2024	2023	Increase	Increase	2024	2023	Increase	Increase
Interest expense, net	\$ 18,429	\$ 18,733	\$ (304)	(1.6)%	\$ 19,612	\$ 18,192	\$ 1,420	7.8 %				
As a percent of total revenues	7.2 %	6.7 %			5.3 %	5.0 %						

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Net interest expense of **\$18.4 million** **\$19.6 million** for the **third** **first** quarter of fiscal **2024** decreased **\$0.3 million** **2025** increased **\$1.4 million** from the prior year **third** **first** quarter, primarily due to **lower** **a higher** level of average outstanding borrowings under our Revolving Credit Facility, partially offset by higher benchmark interest rates for borrowings under that facility. **Facility**. See Liquidity and Capital Resources below for additional discussion.

Other, net

(Dollars in thousands)	Three Months Ended			Percent	
			December 28, 2024	December 30, 2023	Increase (Decrease)
	2024	2023			
Equity in losses of Oberon (1)	\$ 12,198	\$ 4,664	\$ 7,534	161.5 %	
Equity in losses of IH (2)	10,043	494	9,549	1,933.0 %	
Contingent consideration from Equilibrium	(3,000)	—	(3,000)	—	
Other (3)	226	695	(469)	(67.5) %	
Other, net	<u>\$ 19,467</u>	<u>\$ 5,853</u>	<u>\$ 13,614</u>	232.6 %	
As a percent of total revenues	5.2 %	1.6 %			

(1) Three months ended December 28, 2024 includes an other-than-temporary impairment charge of \$10,213 (see Item 1, Note 4 of this Quarterly Report).

(2) Three months ended December 28, 2024 includes an other-than-temporary impairment charge of \$9,595 (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

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.

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

(Dollars in thousands)	Three Months Ended			
	June 29,		June 24,	
	2024	2023	2024	2023
Net (loss)	\$ (17,191)	\$ (5,261)		
Add:				
Provision for income taxes		243		244
Interest expense, net		18,429		18,733
Depreciation and amortization		16,379		15,537
EBITDA		17,860		29,253
Unrealized non-cash losses on changes in fair value of derivatives		3,161		2,960
Equity in losses of unconsolidated affiliates		5,464		457
Pension settlement charge		550		—
Acquisition-related costs		—		354
Adjusted EBITDA	\$ 27,035	\$ 33,024		

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.

Nine Months Ended June 29, 2024 Compared to Nine Months Ended June 24, 2023

Revenues

(Dollars and gallons in thousands)	Nine Months Ended				Percent	
	June 29,		Increase			
	2024	2023	(Decrease)	(Decrease)		
Revenues						
Propane	\$ 970,967	\$ 1,040,978	\$ (70,011)		(6.7)%	
Fuel oil and refined fuels	66,447	82,353	(15,906)		(19.3)%	
Natural gas and electricity	20,528	25,472	(4,944)		(19.4)%	
All other	60,589	53,796	6,793		12.6%	
Total revenues	\$ 1,118,531	\$ 1,202,599	\$ (84,068)		(7.0)%	
Retail gallons sold						
Propane	318,525	331,387	(12,862)		(3.9)%	
Fuel oil and refined fuels	14,893	16,659	(1,766)		(10.6)%	

Average temperatures (as measured in heating degree days) across all of our service territories for the first nine months of fiscal 2024 were 9% warmer than normal and 1% warmer than the prior year period. The fiscal 2024 heating season was characterized by an inconsistent weather pattern and unseasonably warm temperatures throughout much of our service territories, particularly during the most critical winter months (December through February) for heat-related demand, with only a brief burst of cooler weather in mid-January. For the month of December, average temperatures were 10% warmer than both normal and prior year, while for the month of February, average temperatures

were 12% warmer than normal and 1% warmer than the prior year. Average temperatures for the month of January were 4% warmer than normal and 17% cooler than the prior year, but the increase in heating degree days compared to the prior year were influenced by extreme cold temperatures for a brief two-week period mid-month. Following these inconsistent weather patterns and a lack of sustained cool temperatures during the winter, unseasonably warm weather continued into the spring season. As discussed above, average temperatures across all of our service territories during the third quarter were 14% warmer than normal and 10% warmer than the prior year third quarter. The unseasonably warm and inconsistent weather pattern during the first nine months of fiscal 2024 adversely impacted heat-related demand.

Revenues from the distribution of propane and related activities of \$971.0 million decreased \$70.0 million, or 6.7%, compared to the prior year period, primarily due to lower volumes sold and lower average selling prices. Retail propane gallons sold decreased 12.9 million gallons, or 3.9%, compared to the prior year, resulting in a \$40.0 million decrease in revenues. Average propane selling prices decreased 3.1% compared to the prior year period, reflecting lower average wholesale costs, resulting in a \$30.6 million decrease in revenues. Included within the propane segment are revenues from other propane activities, which increased \$0.6 million primarily due to a higher notional amount of hedging contracts used in risk management activities that were settled physically.

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Revenues from the distribution of fuel oil and refined fuels of \$66.4 million decreased \$15.9 million, or 19.3%, compared to the prior year, primarily due to lower volumes sold and lower average selling prices. Fuel oil and refined fuels volumes sold decreased 1.8 million gallons, or 10.6%, resulting in an \$8.6 million decrease in revenues. Average selling prices for fuel oil and refined fuels decreased 10.4% compared to the prior year period, reflecting lower average wholesale costs, resulting in a \$7.3 million decrease in revenues.

Revenues in our natural gas and electricity segment of \$20.5 million were \$4.9 million, or 19.4%, lower than the prior year, resulting from lower natural gas selling prices (reflective of lower average wholesale costs) and lower natural gas and electricity usage, primarily due to the impact of warmer weather and a lower customer base.

Revenues in our all other segment of \$60.6 million were \$6.8 million, or 12.6%, higher than the prior year period, primarily due to the impact of the RNG Acquisition (see Item 1, Note 4 of this quarterly report), which closed at the beginning of our fiscal 2023 second quarter.

Cost of Products Sold

(Dollars in thousands)	Nine Months Ended				Percent	
	June 29,		June 24,			
	2024	2023	2024	2023		
Cost of products sold						
Propane	\$ 370,289	\$ 439,278	\$ (68,989)		(15.7)%	
Fuel oil and refined fuels	44,587	58,218	(13,631)		(23.4)%	
Natural gas and electricity	10,724	15,596	(4,872)		(31.2)%	
All other	11,973	11,615	358		3.1%	
Total cost of products sold	\$ 437,573	\$ 524,707	\$ (87,134)		(16.6)%	
As a percent of total revenues	39.1%	43.6%				

In the commodities markets, average posted propane prices (basis Mont Belvieu, Texas) and fuel oil prices were 1.4% and 9.7% lower than the prior year period, respectively. The net change in the fair value of derivative instruments resulted in unrealized non-cash losses of \$8.1 million and \$21.2 million in the first nine months of fiscal 2024 and 2023, respectively. This resulted in a decrease of \$13.1 million in cost of products sold year-over-year, of which \$13.0 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 \$370.3 million decreased \$69.0 million, or 15.7%, compared to the prior year. Lower average wholesale costs contributed to a \$36.6 million decrease in cost of products sold, and lower volumes sold contributed to a \$15.7 million decrease. Included within the propane segment are costs from other propane activities which decreased \$3.7 million compared to the prior year due to lower propane costs for the physical settlement of hedging agreements, coupled with the impact of 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 \$44.6 million decreased \$13.6 million, or 23.4%, compared to the prior year period. Lower average wholesale costs and lower volumes sold contributed to decreases in cost of products sold of \$7.4 million and \$6.2 million, respectively.

Cost of products sold in our natural gas and electricity segment of \$10.7 million decreased \$4.9 million, or 31.2%, compared to the prior year, due to lower average wholesale costs, as well as lower usage from warmer weather and a lower customer base.

Operating Expenses

(Dollars in thousands)	Nine Months Ended			Percent	
	June 29,		June 24,		
	2024	2023			
Operating expenses	\$ 366,263	\$ 359,798	\$ 6,465	1.8%	
As a percent of total revenues	32.7 %	29.9 %			

Operating expenses of \$366.3 million for the first nine months of fiscal 2024 increased \$6.5 million, or 1.8%, compared to the prior year period, primarily due to higher payroll and benefit-related costs, higher self-insurance costs and the operating costs associated with our RNG production facilities, offset to an extent by lower volume-related variable operating costs.

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General and Administrative Expenses

(Dollars in thousands)	Nine Months Ended			Percent	
	June 29,		June 24,		
	2024	2023			
General and administrative expenses	\$ 71,400	\$ 69,854	\$ 1,546	2.2%	
As a percent of total revenues	6.4 %	5.8 %			

General and administrative expenses of \$71.4 million for the first nine months of fiscal 2024 increased \$1.5 million, or 2.2%, compared to the prior year period, primarily due to increases in payroll and benefit-related costs and other inflationary increases. Included in the prior year were \$4.7 million in professional fees and expenses related to our RNG Acquisition.

Depreciation and Amortization

(Dollars in thousands)	Nine Months Ended				Percent	
	June 29,		June 24,			
	2024	2023	Increase	Increase		
Depreciation and amortization	\$ 49,497	\$ 45,380	\$ 4,117		9.1%	
As a percent of total revenues	4.4%	3.8%				

Depreciation and amortization expense of \$49.5 million increased \$4.1 million, or 9.1%, primarily from the impact of our RNG Acquisition at the beginning of our second quarter of the prior year period.

Interest Expense, net

(Dollars in thousands)	Nine Months Ended				Percent	
	June 29,		June 24,			
	2024	2023	Increase	Increase		
Interest expense, net	\$ 56,540	\$ 54,598	\$ 1,942		3.6%	
As a percent of total revenues	5.1%	4.5%				

Net interest expense of \$56.5 million increased \$1.9 million compared to the prior year period, primarily due to the impact of higher benchmark interest rates for borrowings under our Revolving Credit Facility and a higher average level of outstanding borrowings under that facility to fund the RNG Acquisition, as well as the impact of \$80.6 million in Green Bonds assumed in the RNG Acquisition. See Liquidity and Capital Resources below for additional discussion.

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.

EBITDA and Adjusted EBITDA

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

(Dollars in thousands)	Nine Months Ended		Three Months Ended	
	June 29,		December 28, December 30,	
	2024	2023	2024	2023
Net income	\$ 118,763	\$ 144,610	\$ 19,420	\$ 24,454
Add:				
Provision for income taxes	524	421	563	249
Interest expense, net	56,540	54,598	19,612	18,192
Depreciation and amortization	49,497	45,380	17,099	16,393
EBITDA	225,324	245,009	56,694	59,288
Unrealized non-cash losses on changes in fair value of derivatives	8,079	21,167		
Equity in losses of unconsolidated affiliates	15,121	1,152		
Pension settlement charge	550	—		
Loss on debt extinguishment	215	—		
Acquisition-related costs	—	4,695		
Unrealized non-cash (gains) losses on changes in fair value of derivatives	(3,634)	10,786		
Equity in losses and impairment charges for investments in unconsolidated affiliates	22,241	5,158		
Adjusted EBITDA	\$ 249,289	\$ 272,023	\$ 75,301	\$ 75,232

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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 **nine months** **quarter** of fiscal **2024** **2025** was **\$123.8 million** **\$8.8 million** compared to **\$167.4 million** net cash used in operating activities of **\$12.8 million** in the corresponding prior year period. The **change increase** was primarily due to **lower** **higher** operating income, and an increase in working capital, which stemmed from a smaller **decline** **lower** level of variable-based compensation paid for awards earned in the **wholesale** cost of propane compared to the sharp decline in **the** **respective** prior year period, and the timing of payments on certain other operating activities.

Investing Activities. Net cash used in investing activities of **\$60.0 million** **\$74.5 million** for the first **nine months** **quarter** of fiscal **2024** **2025** consisted of capital expenditures of **\$40.4 million** **\$23.8 million** (including approximately **\$24.4 million** **\$19.2 million** to support the growth of operations and **\$16.0 million** **\$4.6 million** for maintenance expenditures), **\$12.2 million** **\$46.8 million** used to fund the acquisitions of certain assets of two retail propane businesses, and **\$9.8 million** **\$4.3 million** used to fund additional investments in Oberon **IH** and another privately held start-up entity, **IH**. This was partially offset by **\$2.4 million** **\$0.4 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 **\$157.1 million** **\$13.9 million** for the first **nine months** **quarter** of fiscal **2023** **2024** consisted of the cash funding portion for the RNG Acquisition (net of cash acquired and debt assumed) of **\$108.3 million**, capital expenditures of **\$33.4 million** **\$11.2 million** (including approximately **\$17.3 million** **\$6.1 million** to support the growth of operations and **\$16.1 million** **\$5.1 million** for maintenance expenditures), **\$7.5 million** **\$3.2 million** used to fund the acquisition of certain assets of a retail propane business, a **\$3.0 million** **an additional** investment in a privately held start-up entity (plus direct transaction costs) and **an additional investments** **investment** in Oberon, partially offset by approximately **\$3.2 million** **\$0.5 million** in proceeds from the sale of property, plant and equipment.

Financing Activities. Net cash used in provided by financing activities of **\$58.3 million** **\$67.6 million** for the first **nine months** **quarter** of fiscal **2024** **2025** reflected **\$12.0 million** **\$91.7 million** in net borrowings under our Revolving Credit Facility, **\$62.3 million** which were used to fund a portion of our seasonal working capital needs and the capital expenditures, acquisitions and investments noted above, offset to an extent by **\$20.8 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 other financing activities of **\$3.3 million**.

Net cash provided by financing activities of \$30.6 million for the first quarter of fiscal 2024 reflected \$54.8 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, offset to an extent by \$20.6 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 and second quarters of fiscal 2024, \$3.7 million in debt origination costs related to the refinancing of our Credit Agreement in March 2024, and other financing activities of \$4.3 million.

Net cash provided by financing activities of \$4.3 million for the first nine months of fiscal 2023 reflected \$70.4 million in net borrowings under our Revolving Credit Facility, which were used to fund the acquisition and investments noted above, and \$61.7 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 2022 and first and second quarters of fiscal 2023, and other financing activities of \$4.4 million \$3.6 million.

Summary of Long-Term Debt Obligations and Revolving Credit Facility

As of **June 29, 2024** December 28, 2024, 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 \$144.0 million \$242.7 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 **June 29, 2024** December 28, 2024 and **June 24, 2023** December 30, 2023 was \$1,224.6 million \$1,323.3 million and \$1,240.6 million \$1,267.4 million, respectively. See Item 1, Note 10 of this Quarterly Report.

The Green Bonds contain various restrictive and affirmative covenants 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 the period ended December 28, 2024, September 28, 2024 and the interim periods during fiscal 2024 which, if not waived, would constitute an event of default under the terms of the Green Bonds. SuburbanRNG – Stanfield and the Partnership have obtained a waiver of 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.

The aggregate amounts of long-term debt maturities subsequent to **June 29, 2024** December 28, 2024 are as follows: fiscal 2024: \$-0; fiscal 2025: \$-0; fiscal 2026: \$-0; fiscal 2027: \$494.0 million \$592.7 million; fiscal 2028: \$-0; fiscal 2029: \$11.7 million; and thereafter: \$730.6 million \$718.9 million.

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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 **June 29, 2024** December 28, 2024 and **September 30, 2023** September 28, 2024 was as follows:

(Dollars in thousands)	As of and for the Twelve Months Ended			
	June 29,		September 30,	
	2024	2023	2024	2024
Total debt	\$ 1,224,645	\$ 1,212,645	\$ 1,323,345	\$ 1,231,645
Less: cash and cash equivalents (1)	(4,882)		(4,441)	(3,219)
Total debt, less cash and cash equivalents	\$ 1,219,763		\$ 1,318,904	\$ 1,228,426
Adjusted EBITDA	\$ 252,291	\$ 275,025	\$ 250,111	\$ 250,043
Compensation costs recognized under Restricted Unit Plans	8,400	8,260	7,925	8,191
Other (2)	—	168	6,354	—
Adjusted EBITDA for use in calculation	\$ 260,691	\$ 283,453	\$ 264,390	\$ 258,234
Total Consolidated Leverage Ratio	4.68 x	4.28 x	4.99 x	4.76 x

(1) Effective with the amendment to 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.

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 July 25, 2024 January 23, 2025, we announced a quarterly distribution of \$0.325 per Common Unit, or \$1.30 on an annualized basis, in respect of the third first quarter of fiscal 2024, 2025, payable on August 13, 2024 February 11, 2025 to holders of record on August 6, 2024 February 4, 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 June 29, 2024 December 28, 2024, we had a liability for the defined benefit pension plan and accrued retiree health and life benefits of \$16.5 million \$13.0 million and \$4.5 million \$4.3 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 June 29, 2024 December 28, 2024, we had accrued insurance liabilities of \$61.4 million \$58.1 million, and a receivable of \$16.2 million \$14.3 million related to the amount of the liability expected to be covered by insurance.

Legal Matters

We are currently evaluating the impact of recently adopted changes to the New York General Business Law, as well as proposed changes to the New York Public Service Commission's Uniform Business Practices, on our natural gas and electricity business operated through our 100%-owned subsidiary, Agway Energy Services, LLC ("AES"). See Item 1, Note 13, "Commitments and Contingencies," Legal Matters subsection of this Quarterly Report.

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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 $\frac{1}{2}$ 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 **June 29, 2024** **December 28, 2024**, we were not party to an interest rate swap agreement.

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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 **June 29, 2024** December 28, 2024.
- B. The market prices for the underlying commodities used to determine A. above were adjusted adversely by a hypothetical 10% ch and compared to the fair value amounts in A. above to project the potential negative impact on earnings that would be recognize the respective scenario.

Based on the sensitivity analysis described above, the hypothetical 10% adverse change in market prices for open derivative instruments as of **June 29, 2024** December 28, 2024 indicates a decrease an increase in potential future net gains losses of **\$3.6 million** \$0.2 million. See also Item 7A of our Annual Report on Form 10-K for the fiscal year ended **September 30, 2023** 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 **June 29, 2024** December 28, 2024. Based on this evaluation, the Partnership's principal executive officer and principal financial officer have concluded that, as of **June 29, 2024** December 28, 2024, 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 **June 29, 2024** December 28, 2024 that have materially affected or are reasonably likely to materially affect its internal control over financial reporting.

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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 30, 2023** **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 December 28, 2024, 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 \$242.7 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 quarter; and
- prohibiting the senior secured consolidated leverage ratio, as defined therein, of the Operating Partnership from being greater than 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 contain 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 period ended December 28, 2024, September 28, 2024 and the interim periods

during fiscal 2024 which, if not waived, would constitute an event of default under the terms of the Green Bonds. SuburbanRNG – Stanfield and the Partnership obtained a waiver 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.

While we currently anticipate that SuburbanRNG – Stanfield will regain compliance with the debt service coverage ratio prior to the end of our second fiscal quarter of 2025, the next compliance measurement date, if SuburbanRNG – Stanfield is unable to regain compliance it will be required to seek another waiver from the holders of at least a majority of the Green Bonds to avoid an event of default under the Green Bonds.

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

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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 \$10,213 for Oberon and \$9,595 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 \$21,589, 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 this Quarterly Report on Form 10-Q.

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 involves 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 discussed above under the caption, "The adoption of climate change legislation could negatively impact our

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operations and result in increased operating costs and reduced demand for the products and services we provide," included in the "Risk Factor" section of our Annual Report on Form 10-K.

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

None. (c) The following table provides information about deemed purchases by the Partnership during the three months ended December 28, 2024 of its Common Units:

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet be Purchased under the Program
September 29, 2024 through October 26, 2024	—	\$ —	N/A	N/A

October 27, 2024 through November 23, 2024	156,540	17.77	N/A	N/A
November 24, 2024 through December 28, 2024	—	—	N/A	N/A
Total	156,540	\$ 17.77	N/A	N/A

(1) This represents the number of Common Units withheld from participants for income tax withholding purposes for those executive officers of the Partnership whose shares of restricted units vested during the period. Such restricted units were issued to participants pursuant to the Suburban Propane Partners, L.P. 2018 Restricted Unit Plan.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

During the fiscal quarter ended June 29, 2024 December 28, 2024, 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).

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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	Fourth Amended and Restated Credit Agreement (Incorporated by reference to Exhibit 10.1 to the Partnership's Current Report on Form 8-K filed on March 18, 2024).
10.2	Amended and Restated 2018 Restricted Unit Plan of Suburban Propane Partners, L.P. (Incorporated by reference to Exhibit 10.1 to the Partnership's Current Report on Form 8-K filed May 22, 2024).

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.

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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.

August 8, 2024 February 6, 2025

Date

By: /s/ MICHAEL A. KUGLIN

Michael A. Kuglin

Chief Financial Officer

August 8, 2024 February 6, 2025

Date

By: /s/ DANIEL S. BLOOMSTEIN

Daniel S. Bloomstein

Vice President, Controller and Chief Accounting Officer

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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.

August 8, 2024 February 6, 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.

/s/ MICHAEL A. KUGLIN

August 8, 2024 February 6, 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 **June 29, 2024** **December 28, 2024** 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
August 8, 2024 February 6, 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 **June 29, 2024** **December 28, 2024** 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

August 8, 2024 **February 6, 2025**

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