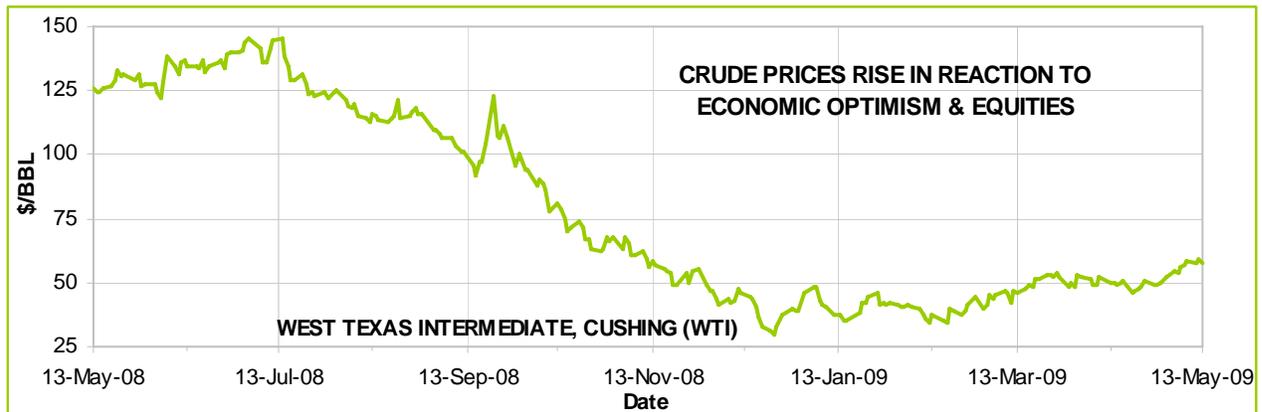


## Crude Oil



After rising over the previous 9 weeks, crude oil inventories fell by 4.6 million barrels this past week. A gain of 1.2 million barrels had been expected. Declining imports more than offset record low refinery utilization rates. Crude oil stocks still exceed year ago levels by 13.8% and they are 12.6% above the five-year average. Crude inventories are still at their highest level for this date since 1990 and that is not even taking into account an estimated 100 million barrels stored at sea on tankers.

Although spot prices fell by 81 cents/bbl yesterday on news of weak U.S. retail sales, prices were up \$1.71 for the week after rising \$6.17 the previous week. Prices had been reacting to the growth in equity markets rather than following the market fundamentals of weak demand and 19 year high inventory levels. Futures prices closed at \$62.37 yesterday, \$61.83 (50%) lower than a year ago. The spot price was \$57.97, \$67.83 (54%) less than last year.



## Natural gas



Natural gas inventories grew by 95 BCF this past week, the second largest increase ever for this time of year and 15% greater than the five-year average growth. Cumulative injections since the end of the heating season are 25% above the five-year average. Current inventory levels are the second highest ever for this time of year, only 0.7% (15 BCF) below the record high. Inventories are 32.8% higher than a year ago and 22.8% above the five-year average. This is despite the gas rig count being 50% lower than a year ago.

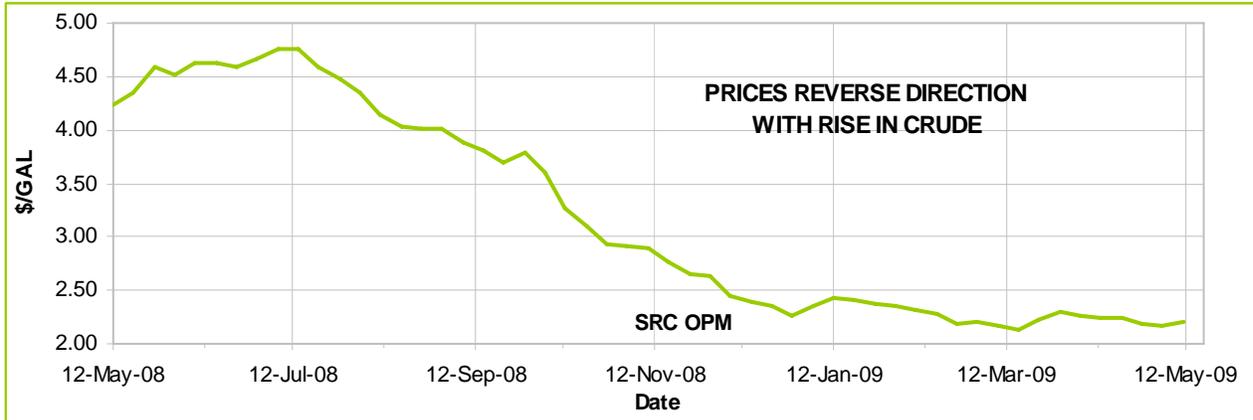
Prices reached record highs in July of 2008. Futures prices have since fallen by 60% and spot prices are down by 67%. Futures prices rose by 33 cents this past week and the spot price rose by 70 cents as optimistic economic expectations overshadowed weak demand and near record storage levels. The 12-month strip is now at \$5.401 per million BTU, 54% lower than a year ago. The spot price is at \$4.390, 61% lower than a year ago.



# Heating oil



Despite declining production, the lack of heating demand and weak diesel demand resulted in a 0.9 million barrel gain in inventories this past week, slightly lower than the expected gain of 1.1 million. Distillate inventories are 38% above year ago levels and are 33% above the five-year average. After setting record highs on July 3<sup>rd</sup>, prices have fallen by more than 60%. The 12 month strip is now \$1.655/gal, \$2.06 (55%) lower than a year ago. The spot price is now \$1.458/gal, \$2.24 (61%) below this time last year. After falling by 13.4 cents over the previous 5 weeks, Connecticut retail heating oil prices rose by 4.2 cents this past week as they followed the rise in crude prices. At \$2.203/gal, this week's average price is \$2.56 (54%) below the July 14<sup>th</sup> peak price. Prices are now 48% (\$2.04) lower than a year ago. Prices are also 12% and 14% lower than in 2007 and 2006. The highest price in this week's survey was \$2.699 and the lowest was \$1.799. Prices continue to be at their lowest levels since before Katrina. According to census data, 52.4 percent of dwelling units in Connecticut heat with oil.



## Connecticut Regional Heating Oil Prices

	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
12-May-08	4.431	4.799	4.099	4.213	4.430	3.899	4.241	4.430	4.109
27-Apr-09	2.439	2.699	2.149	2.140	2.690	1.799	2.149	2.399	1.919
4-May-09	2.416	2.699	2.149	2.115	2.690	1.749	2.129	2.299	1.919
11-May-09	2.449	2.699	2.149	2.151	2.690	1.799	2.191	2.330	1.999
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
12-May-08	4.273	4.399	3.990	4.260	4.400	4.050	4.095	4.229	3.950
27-Apr-09	2.167	2.269	2.019	2.239	2.399	2.049	2.074	2.349	1.950
4-May-09	2.119	2.249	1.949	2.219	2.399	2.049	2.044	2.249	1.939
11-May-09	2.195	2.299	1.999	2.229	2.399	2.099	2.094	2.299	1.979
	NEW HAVEN								
	AVG	HIGH	LOW						
12-May-08	4.166	4.399	3.880						
27-Apr-09	2.085	2.299	1.759						
4-May-09	2.082	2.299	1.709						
11-May-09	2.126	2.349	1.850						

OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning May 11, 2009. Figures reflect per gallon prices without discount.

For more information, see [www.ct.gov/OPM](http://www.ct.gov/OPM) > Energy Management > Energy Price and Supply Information

# Propane



Propane inventories rose by only 0.7 million barrels in this week's inventory report. That is only about one-half of the normal gain of 1.4 million for this time of year and is the result of record low refinery utilization rates. Despite the lower than normal gain, current storage levels still exceed last year's levels by 48.6%. Inventories are now 40.2% above the five-year average.

Spot propane prices were 69.7 cents per gallon yesterday, 59% lower than a year ago and 65% lower than their peak price of \$1.979/gal this past July. Spot prices rose by 2.9 cents/gal this past week after rising by 3.8 cents/gal the previous week. Prices are 24% above their December 9, 2008 low of 56 cents/gal.

According to census data, 2% of homes in Connecticut are heated by propane.



# Gasoline



Gasoline inventories were expected to grow by 0.5 million barrels this past week. Instead, they fell by 4.2 million. Continued declines in imports and additional production cutbacks more than offset weak consumer demand. Inventories are now 1.0 percent below last year and are only 1.4% above the five-year average. Spot prices and futures prices are more than 50% below their July 2008 peaks. The spot price is at \$1.663/gal, \$1.42 (46%) less than a year ago. The 12-month strip, at \$1.652/gal, is 47% (\$1.44) less than last year. After peaking at \$4.390/gal on July 9<sup>th</sup> they have fallen by \$1.99 (45%) to \$2.397/gal. Current retail prices are \$1.56 (39%) lower than a year ago. Since bottoming out on January 2, 2009 at \$1.729/gal, Connecticut retail prices have risen by 67 cents, about 39%. Connecticut retail prices have risen 16 cents in just the past week. The latest price increases have been supported by expectations that drivers will take advantage of the relatively low current gasoline prices and boost their Memorial Day driving for the first time in four years.

