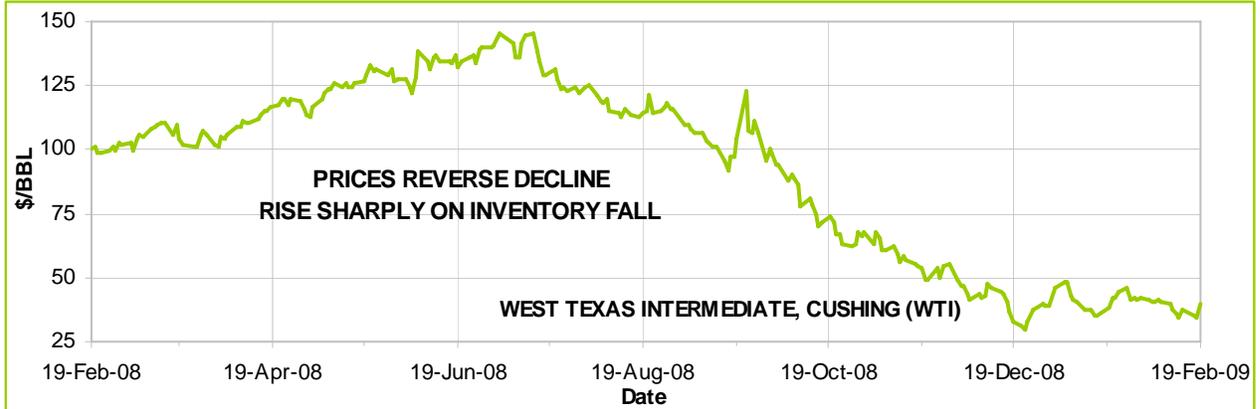


Crude Oil



A decline in imports and an increase in refinery utilization rates led to an unexpected decline in inventories this past week. The import decline might be an indication that OPEC production cutbacks are finally having an impact on the market. Inventories had increased by 32.6 million barrels over the previous 7 weeks. Crude inventories, which fell by 0.1 million barrels this past week, had been expected to grow by about 3 million. Inventories are still 14.8% above the five-year average and exceed year ago levels by 15.3%.

In response to the unexpected fall in inventories, crude prices rose sharply after falling over the previous week and a half. Futures prices were up by \$3/bbl as they settled at \$46.05. This is still 53% (\$52) less than last year. Yesterday, spot prices closed almost \$5 higher at \$39.57/bbl, \$60.44 (60%) lower than last year at this time.



Natural gas



Natural gas inventories were expected to decline by between 75 and 80 BCF this past week. They fell by only 24 BCF. This was 85% less than the 155 BCF average decline for this time of year and it is the smallest decline ever for this time period. Current inventory levels are the third highest ever for this time of year. They have soared to 9.7% higher than a year ago and they are 8.4% above the five-year average. The strong storage numbers will continue to exert downward pressure on prices.

The higher than average inventory levels, increased non-Gulf production, and weak industrial demand continue to pressure prices lower. Prices reached record highs in July of 2008 but have since fallen by more than 60%. Thursday's futures prices closed at \$4.837 per million BTU, 48% lower than a year ago. This is the lowest price since November of 2003. The spot price has fallen below \$5 to \$4.45 per million BTU, 50% lower than a year ago.

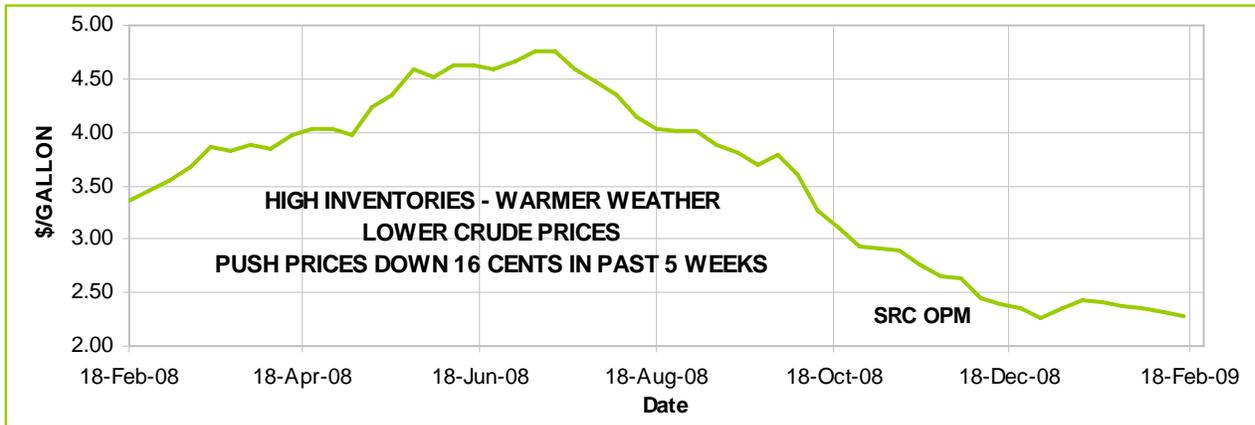


Heating oil



Distillate inventories declined by 0.8 million barrels this past week, less than the expected 1.2 million barrel decline, and much lower than the normal decline of 3.1 million for this time of year. The inventory surplus compared to last year has risen to 13.7%. Inventories have improved to 14.4% above the five-year average after being 0.7% below it only 8 weeks ago. After setting record highs on July 3rd, futures prices have fallen by 69%. The 12 month strip is now \$1.309/gal, \$1.40 (52%) lower than a year ago. The spot price is now \$1.194/gal, \$1.56 (57%) below this time last year.

Connecticut retail heating oil prices continued to decline, falling by 5 cents this past week and by 16 cents over the past 5 weeks. At \$2.270/gal, this week's average price is \$2.50 (52%) below the July 14th peak price. Prices are now 33% (\$1.09) lower than a year ago and 6% lower than two years ago. The highest price in this week's survey was \$3.490 and the lowest was \$1.859. 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
18-Feb-08	3.571	3.949	3.249	3.356	3.499	3.149	3.319	3.450	3.189
2-Feb-09	2.557	2.799	2.349	2.373	3.490	2.000	2.371	2.599	2.149
9-Feb-09	2.513	2.799	2.349	2.325	3.490	1.949	2.297	2.599	2.079
16-Feb-09	2.504	2.799	2.299	2.259	3.490	1.899	2.211	2.449	1.939
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
18-Feb-08	3.329	3.419	3.210	3.350	3.449	3.250	3.293	3.379	3.200
2-Feb-09	2.263	2.399	2.100	2.409	2.500	2.149	2.203	2.399	2.100
9-Feb-09	2.169	2.299	2.000	2.389	2.499	2.199	2.181	2.349	2.100
16-Feb-09	2.125	2.199	2.000	2.359	2.499	2.149	2.118	2.349	2.019
	NEW HAVEN								
	AVG	HIGH	LOW						
18-Feb-08	3.280	3.499	3.000						
2-Feb-09	2.291	2.599	1.820						
9-Feb-09	2.269	2.599	1.829						
16-Feb-09	2.218	2.499	1.859						

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 February 16, 2009. Figures reflect per gallon prices without discount.

For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information

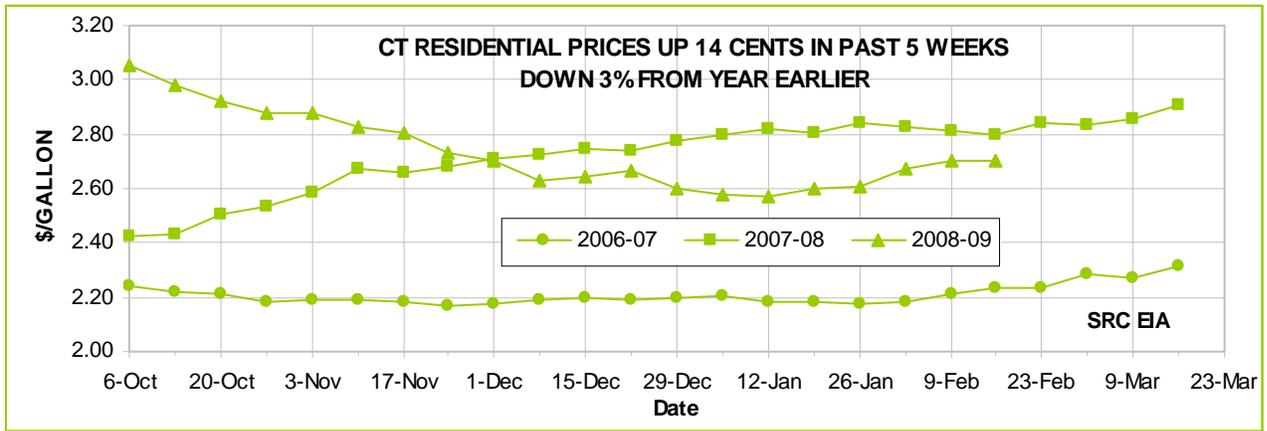
Propane



Propane inventories fell by 3.2 million barrels in this week's inventory report, about equal to the normal 3.3 million decline for this time of year. The EIA inventory report showed inventories exceeding last year's level by 15% compared to 16% last week. Inventories are now 12.5% above the five-year average compared to 11.1% in last week's report.

In the weekly residential price survey that OPM performs for the EIA, Connecticut retail propane prices were about the same as the week before, rising by only 0.3 cents to 2.705/gal. Prices have risen by 13.6 cents/gal in the past five weeks. Prices have fallen by 35 cents/gal (11.5%) since October 6th and they are 3.3% (9.2 cents) less than last year at this time.

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



Gasoline



Gasoline inventories grew by 1.1 million barrels this past week compared to an expected decline of 0.5 million. Continued decreases in automobile usage and an increase in refinery utilization rates were the primary causes. Inventories levels are 4.9% less than a year ago and 1.2% below the five-year average. Spot prices and futures prices are 67% below their July 2008 peaks. The spot price is now \$1.129/gal, \$1.46 (56%) less than a year ago. The 12-month strip, at \$1.192/gal, is \$1.41 (54%) less than last year.

Connecticut retail prices peaked at \$4.390/gal on July 9th. They have since fallen by \$2.35 (54%) to \$2.043/gal. They are \$1.14 (36%) lower than a year ago. Connecticut retail prices are now at March 2005 levels. Since bottoming on January 2, 2009 at \$1.729/gal, Connecticut retail prices have risen 31 cents, about 18%.

