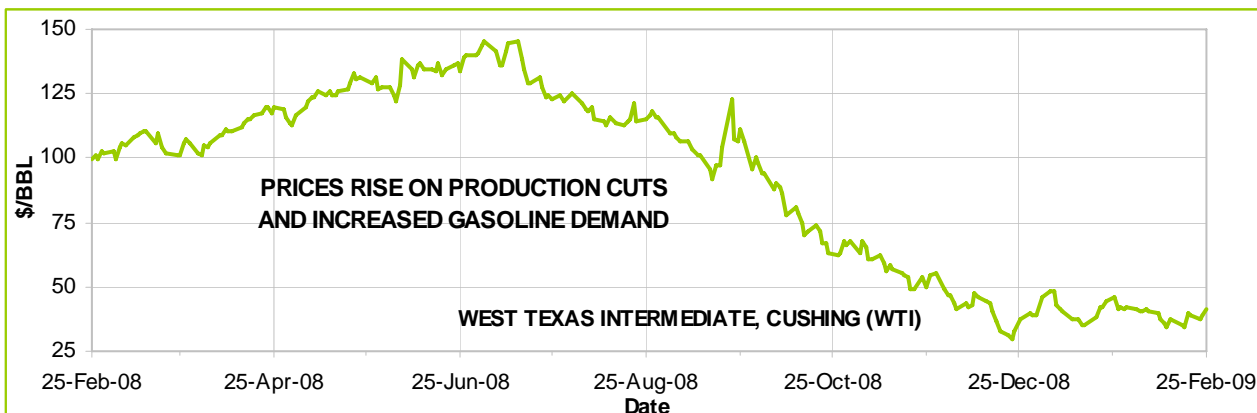


Crude Oil



Crude oil inventories rose by only 0.7 million barrels this past week compared to an expected growth of 1.2 million. A decline in imports, because of OPEC production cuts, offset the effects of a further decline in refinery utilization rates. Even with the small inventory growth over the past two weeks, stocks still show an increase of 61.2 million barrels (21%) over the previous 22 weeks. Inventories are 14.5% above the five-year average and exceed year ago levels by 14.2%.

In response to the weakening inventory growth and increased gasoline demand, crude prices have been rising over the past few days. Futures prices were up by \$3/bbl as they settled at \$48.56. This is still 50% (\$48.85) less than last year. Spot prices have grown by \$4 and yesterday were at \$41.59/bbl, \$57.82 (58%) lower than last year at this time.



Natural gas



Natural gas inventories fell by only 101 BCF this past week, 30% less than the 146 BCF average decline for this time of year. Current inventory levels are the third highest ever for this time of year. Inventories have soared to 14.0% higher than a year ago and they have improved to 11.8% above the five-year average. The strong storage numbers will continue to exert downward pressure on prices.

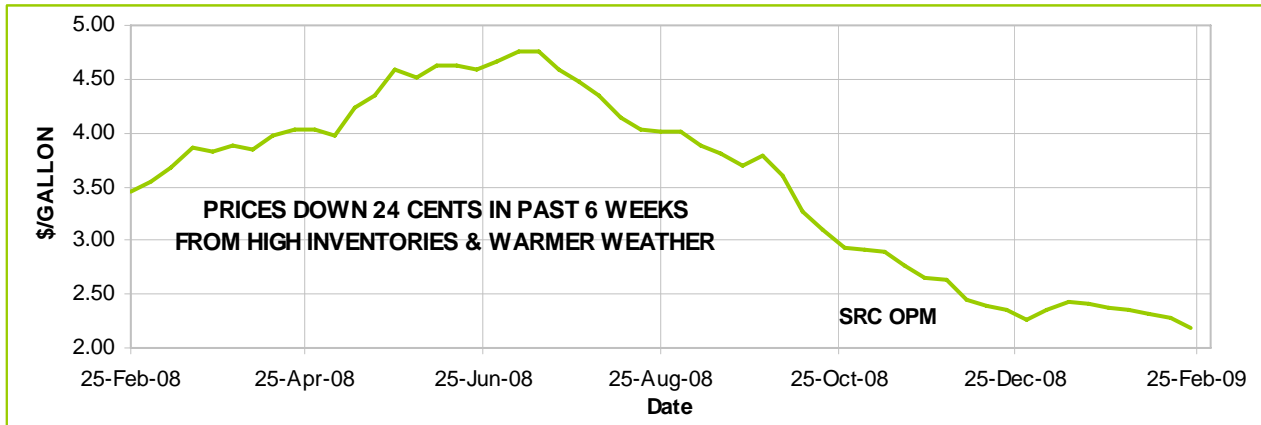
The higher than average inventory levels, increased non-Gulf production, and weak industrial demand continue to pressure prices lower. Prices reached record highs in July of 2008 but have since fallen by more than 60%. Thursday's futures prices closed at \$4.782 per million BTU, 50% lower than a year ago. This is the lowest price since November of 2003. The spot price has fallen to almost \$4 per million BTU. At \$4.19, spot prices are 55% lower than a year ago.





Distillate inventories grew by 0.9 million barrels this past week, a sharp contrast to the normal decline of 2.2 million for this time of year. The inventory surplus compared to last year has risen to 17.4%. Inventories have improved to 17.2% above the five-year average. After setting record highs on July 3rd, futures prices have fallen by 68%. The 12 month strip is now \$1.335/gal, \$1.38 (51%) lower than a year ago. The spot price is now \$1.235/gal, \$1.54 (56%) below this time last year.

High inventories and warmer weather have resulted in falling heating oil prices. Connecticut retail heating oil prices fell by another 8.4 cents this past week and have fallen by 24 cents over the past 6 weeks. At \$2.187/gal, this week's average price is \$2.58 (54%) below the July 14th peak price. Prices are now 37% (\$1.26) lower than a year ago. The highest price in this week's survey was \$3.490 and the lowest was \$1.750. Prices are 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
25-Feb-08	3.647	3.999	3.349	3.405	3.599	3.250	3.419	3.550	3.299
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
23-Feb-09	2.432	2.799	2.249	2.193	3.490	1.750	2.113	2.299	1.929

	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
25-Feb-08	3.471	3.629	3.290	3.414	3.499	3.350	3.369	3.449	3.320
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
23-Feb-09	2.021	2.099	1.850	2.189	2.499	1.999	2.001	2.199	1.900

	NEW HAVEN		
	AVG	HIGH	LOW
25-Feb-08	3.378	3.599	3.000
9-Feb-09	2.269	2.599	1.829
16-Feb-09	2.218	2.499	1.859
23-Feb-09	2.157	2.399	1.759

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 23, 2009. Figures reflect per gallon prices without discount.

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

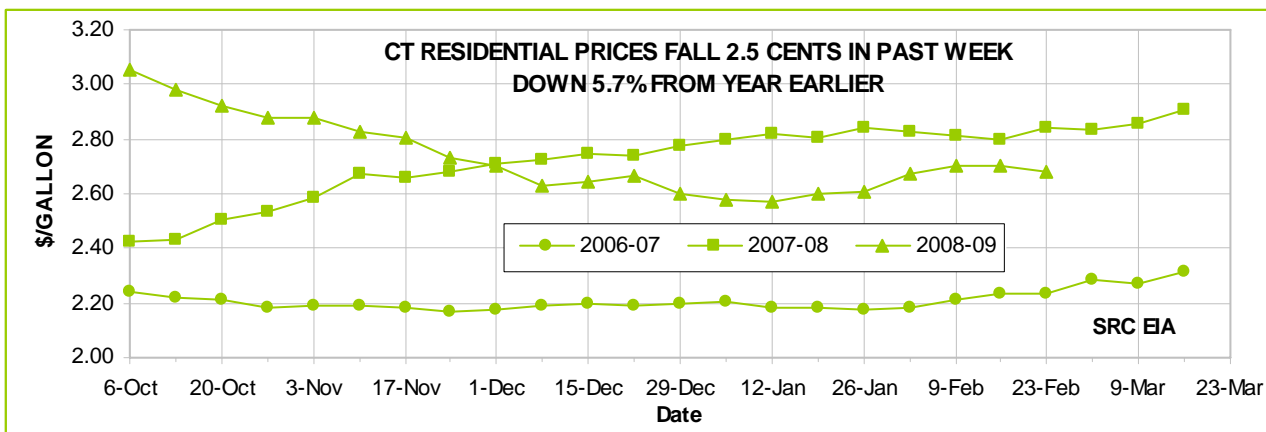
Propane



Propane inventories fell by 0.6 million barrels in this week's inventory report, much less than the normal 2.7 million decline for this time of year. The EIA inventory report showed inventories exceeding last year's level by 22.1% compared to 15% last week. Inventories are now 20.1% above the five-year average compared to only 12.5% in last week's report.

In the weekly residential price survey that OPM performs for the EIA, Connecticut retail propane prices fell by 2.5 cents to 2.680/gal. Prices had risen by 13.6 cents/gal in the previous five weeks. Prices have fallen by 38 cents/gal (12.3%) since October 6th and they are 5.7% (16 cents) less than last year at this time.

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



Gasoline



Gasoline inventories were expected to remain flat this past week. They fell unexpectedly by 3.3 million barrels as an increase in automobile usage and a decline in refinery utilization rates brought down inventory levels. Inventories have worsened to 7.2% less than a year ago and 2.6% below the five-year average. Spot prices and futures prices are still about 65% below their July 2008 peaks. The spot price is at \$1.180/gal, \$1.33 (53%) less than a year ago. The 12-month strip, at \$1.241/gal, is 52% (\$1.33) less than last year.

Connecticut retail prices peaked at \$4.390/gal on July 9th. They have since fallen by \$2.39 (54%) to \$1.999/gal. They are \$1.28 (39%) 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 27 cents, about 16%.

