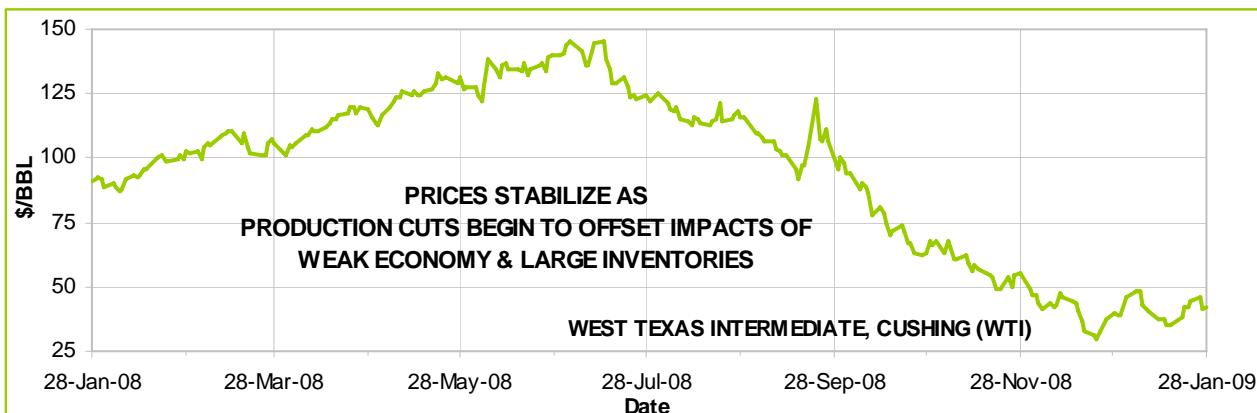


Crude Oil



January 2009 crude oil spot prices have averaged in the low \$40's as OPEC has tried to use production cuts to offset the effects of a weak economy and falling demand on world crude oil prices. After reaching record highs in July 2008 in the mid \$140's, crude prices have fallen by more than 60%. The 12 month strip settled at \$51.55 on Wednesday. It is now \$38.29 (43%) lower than a year ago. Spot prices closed at \$42.01/bbl, \$48.98 (54%) lower than last year at this time.

Crude inventories grew by 6.2 million barrels in this week's report, far exceeding an expected gain of between 2.7 and 3.4 million. Inventories improved to 13.3% above the five-year average and now exceed year ago levels by 16.1%. Inventories have risen in 16 of the past 18 weeks, reflecting the growing weakness in world petroleum demand. Inventories have been growing because of the decreased demand for refined petroleum products.

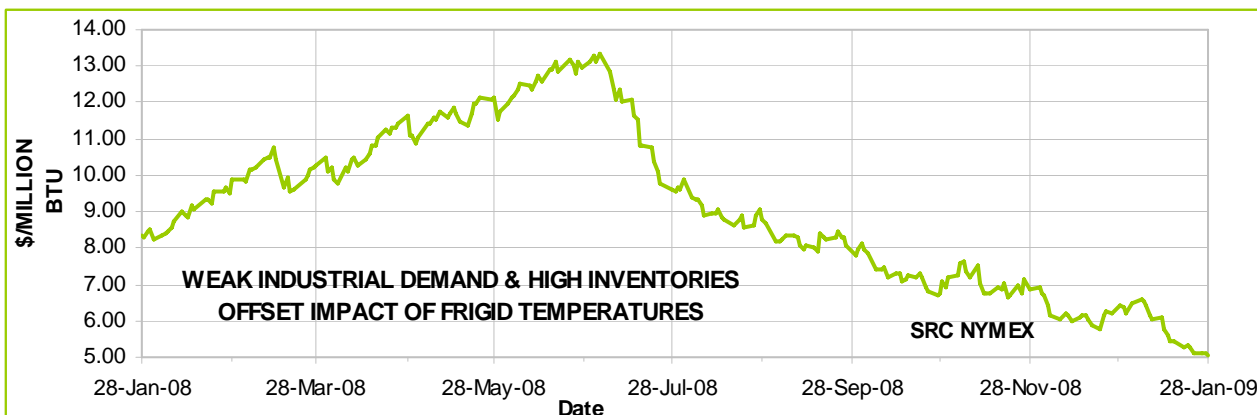


Natural gas



Higher than average inventory levels, increased non-Gulf production, and weak industrial demand continue to push natural gas prices lower despite colder than normal weather. Prices reached record highs in July 2008 but have since fallen by more than 60%. Wednesday's futures prices closed at \$5.072 per million BTU, 39% lower than a year ago. The spot price has fallen to \$4.840 per million BTU, also 39% lower than a year ago.

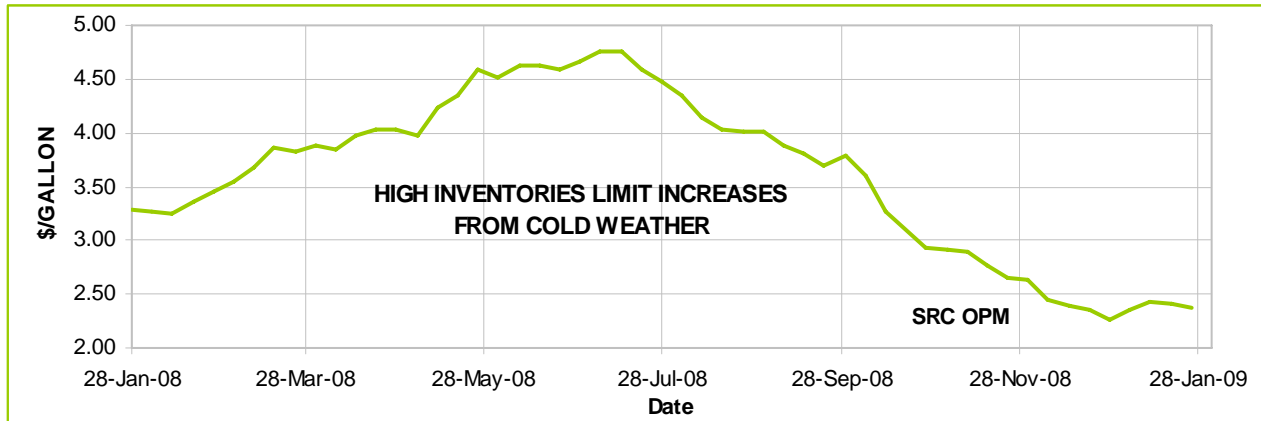
This week's inventory report showed storage falling by 186 BCF compared to an expected decline of 176 BCF. The decline was 1 percent above the five-year average of 184 BCF. Inventory level are the fourth highest for this time of year. They are 1.4% above last year and they are 1.2% above the five-year average. The strong storage numbers will continue to temper future price increases.



Heating oil



Distillate inventory levels fell by 1.0 million barrels in this week's DOE's report. It was at the lower end of the 0.8 to 1.8 million decrease that was anticipated. The inventory surplus compared to last year has improved from 12% last week to 13% this week. Inventories improved to 9.6% above the five-year average after being 0.7% below it only 5 weeks ago. After setting record highs on July 3rd, futures prices have fallen by 65%. The 12 month strip is now \$1.510/gal, 98 cents (39%) lower than a year ago. The spot price is now \$1.425/gal, \$1.097 (44%) below this time last year. Connecticut retail heating oil prices fell by 2.8 cents this past week. The stabilization of crude oil prices and colder than normal weather (heating degree days over the past 30 days are 14% above the ten-year average and 23% above last year) have contributed recent price increases. At \$2.381/gal, this week's average price is \$2.38 (50%) below the July 14th peak price. Prices are now 28% (90 cents) lower than a year ago. The highest price in this week's survey was \$3.490 and the lowest was \$1.792. 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
28-Jan-08	3.497	3.949	3.199	3.280	3.599	2.999	3.207	3.310	3.109
12-Jan-09	2.612	2.999	2.399	2.407	3.490	2.060	2.441	2.599	2.269
19-Jan-09	2.591	2.949	2.399	2.415	3.490	2.050	2.411	2.599	2.149
26-Jan-09	2.580	2.799	2.349	2.391	3.490	2.050	2.389	2.599	2.149
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
28-Jan-08	3.207	3.369	3.050	3.313	3.499	3.120	3.185	3.279	3.120
12-Jan-09	2.261	2.399	2.100	2.499	2.699	2.299	2.322	2.599	2.190
19-Jan-09	2.291	2.399	2.150	2.478	2.599	2.290	2.271	2.499	2.179
26-Jan-09	2.295	2.399	2.100	2.499	2.599	2.399	2.211	2.399	2.100
	NEW HAVEN								
	AVG	HIGH	LOW						
28-Jan-08	3.215	3.480	2.989						
12-Jan-09	2.388	2.699	2.059						
19-Jan-09	2.352	2.599	2.059						
26-Jan-09	2.293	2.599	1.792						

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 January 26, 2009. Figures reflect per gallon prices without discount.

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

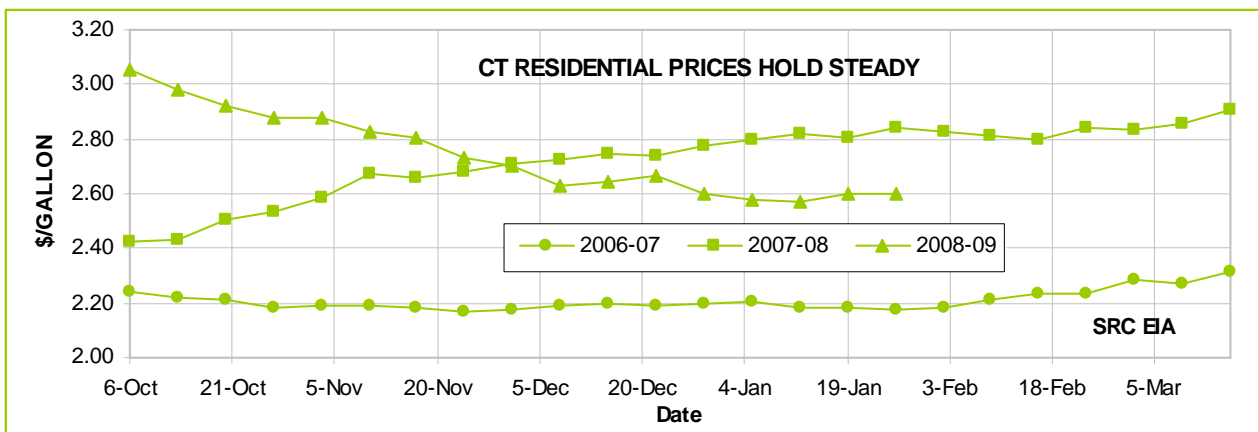
Propane



Propane inventories fell by 3.1 million barrels in this week's inventory report compared to an average decline of 3.6 million for this time of year. The EIA inventory report showed inventories exceeding last year's level by 9.8%. Inventories are now 4.5% above the five-year average.

In the weekly residential price survey that OPM performs for the EIA, retail propane prices were 2.602/gal, about the same level as the previous week. Prices have fallen by 46 cents/gal (15 percent) since October 6th and they are 8.5% (24 cents) less than last year at this time.

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



Gasoline



Gasoline inventories fell by 0.1 million barrels this past week compared to an anticipated gain of between 1.3 and 1.8 million barrels. Because of very weak demand, refineries have been cutting back production in order to raise their margins to acceptable levels. Inventories levels have worsened to 1.4% less than a year ago and are now only 1.4% above the five-year average. Spot prices and futures prices are now 64% below their July 2008 peaks. The spot price is now \$1.213/gal, \$1.08 (47%) less than a year ago. The 12-month strip, at \$1.295/gal, is \$1.10 (46%) less than last year.

Connecticut retail prices peaked at \$4.390/gal on July 9th. They have since fallen by \$2.48 (56%) to \$1.914/gal. They are now \$1.29 (40%) lower than a year ago. Connecticut retail prices are now at January 2005 levels. Since bottoming on January 2, 2009 at \$1.729/gal, Connecticut retail prices have risen 18.5 cents, about 11%.

