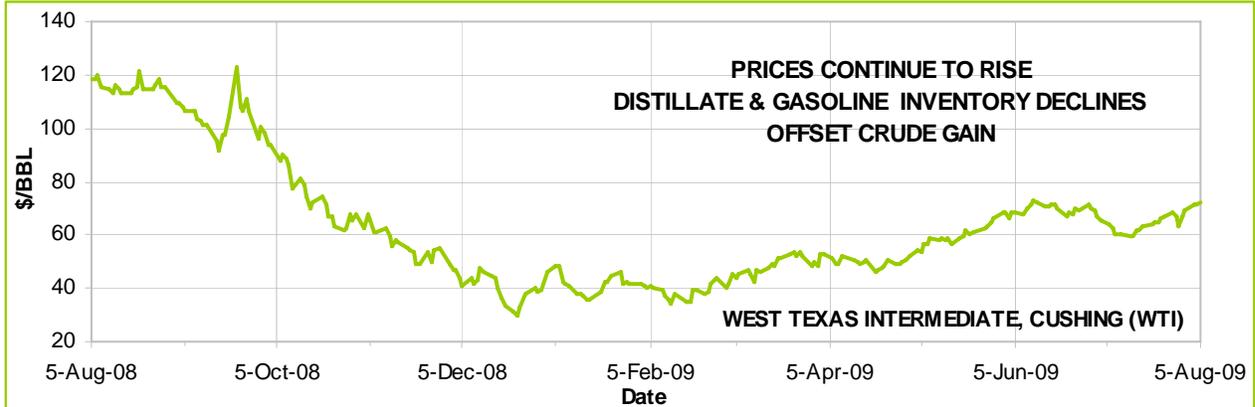


Crude Oil



Smaller draws from crude stocks to supply refineries offset a decline in crude imports and propelled crude inventories to a gain of 1.7 million barrels. A gain of only between 0.8 and 1.1 million was expected. After falling by 23.3 million over the previous 7 weeks, crude oil inventories have grown by 6.8 million in the past 2 weeks. This is in sharp contrast to the normal decline of 2.5 million for this two week period. Crude oil stocks exceed year ago levels by 17.8% and they are 10.0% above the 5-year average. They are at their highest level for this date since 1993.

After falling by \$1.16 last week, spot prices rose by \$8.55/bbl this past week. They have risen by \$12.35 over the past 4 weeks. A weakening dollar, rising equity markets, and economic optimism have lead to the increases. The spot price yesterday was \$71.94, \$46.74 (39%) less than last year but 140% higher than the 41.91 low reached in December of 2008. Futures prices closed yesterday at \$77.58, \$41.99 (35%) lower than a year ago.



Natural gas



Natural gas inventories grew by 66 BCF this past week, greater than the expected gain of 61 BCF. It exceeded the five-year average growth of 48 BCF for this time of year by 37%. Cumulative injections since the end of the heating season are 16% above the five-year average. Current inventory levels are at their highest level ever for this time of year. They are 23.1% higher than a year ago and 19.1% above the five-year average. Inventories have reached these record highs despite a 56 percent cutback in gas drilling rigs.

Both futures prices and spot price rose this past week. Futures rose by 70 cents and spot prices by 21 cents. Despite record high inventories, expectations of economic recovery, a weaker dollar, higher crude prices, and increased cooling demand have helped boost prices. The 12-month strip settled at \$5.603 per million BTU, 40% lower than a year ago. The spot price rose to \$3.620 per million BTU, 58% lower than a year ago.

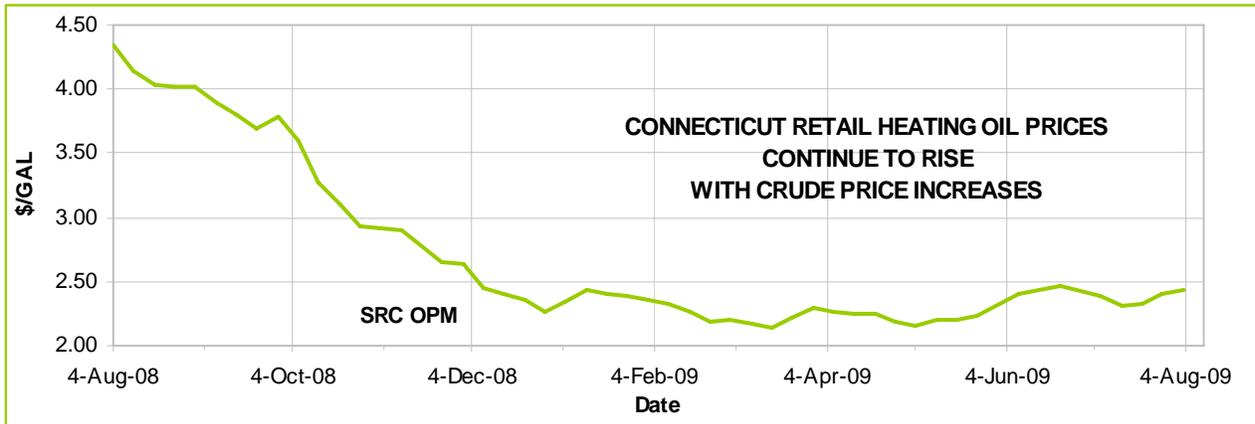


Heating oil



A decline in both imports and production caused a 1.1 million decline in distillate stocks compared to an anticipated increase of 1.0 million. Distillate inventories had grown by 12.9 million barrels over the previous 7 weeks. Inventories are a robust 21.5% above year ago levels and 25.8% above the five-year average. Futures and spot prices are both following crude oil prices upward. The 12 month strip is now \$2.079/gal, 25.5 cents higher than last week and \$1.28 (38%) lower than a year ago. The spot price rose by 28 cents to \$1.934/gal, \$1.32 (40%) below this time last year.

After rising by 9 cents last week, the average Connecticut retail heating oil price rose another 2.5 cents this past week as prices reflected strong increases in crude oil prices. Prices are now at \$2.436/gal. This is \$1.92 (44%) below a year ago. Prices are also 5% and 7% lower than at this same time period in 2007 and 2006. The highest price in this week's survey was \$2.999 and the lowest was \$2.080. According to census data, 52.4% 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
4-Aug-08	4.572	4.999	4.299	4.371	4.899	3.799	4.197	4.310	3.979
20-Jul-09	2.500	2.899	2.249	2.298	2.999	1.799	2.321	2.510	2.129
27-Jul-09	2.606	2.899	2.399	2.375	2.999	2.049	2.433	2.649	2.239
3-Aug-09	2.613	2.999	2.399	2.427	2.999	2.099	2.475	2.649	2.309
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
4-Aug-08	4.285	4.649	4.100	4.404	4.699	3.970	4.179	4.349	4.099
20-Jul-09	2.307	2.499	2.099	2.359	2.499	2.150	2.229	2.349	2.149
27-Jul-09	2.419	2.499	2.299	2.419	2.499	2.350	2.356	2.429	2.209
3-Aug-09	2.455	2.549	2.299	2.439	2.599	2.349	2.376	2.429	2.299
	NEW HAVEN								
	AVG	HIGH	LOW						
4-Aug-08	4.318	4.740	3.592						
20-Jul-09	2.246	2.499	1.939						
27-Jul-09	2.324	2.629	2.080						
3-Aug-09	2.334	2.609	2.080						

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 August 3, 2009. Figures reflect per gallon prices without discount.

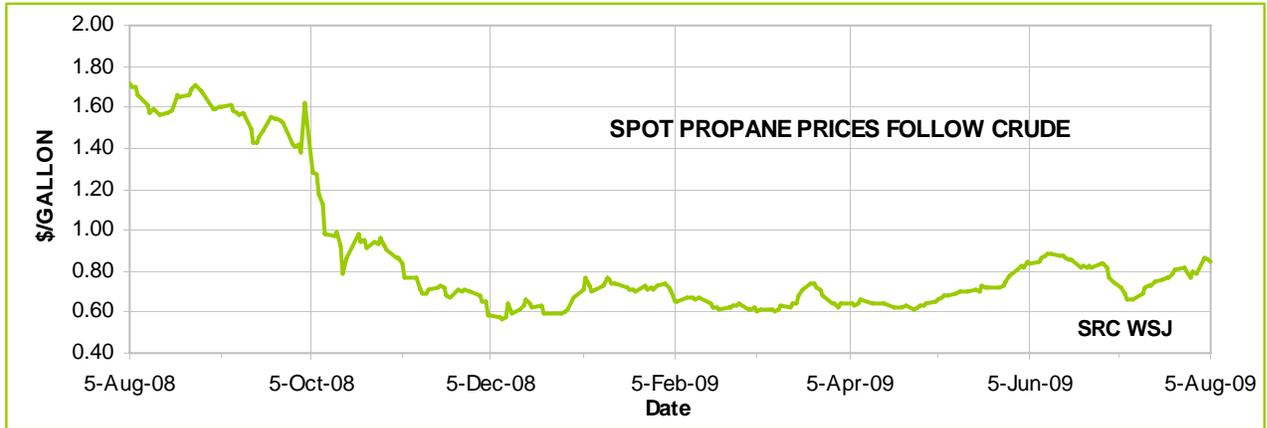
For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information

Propane



Propane inventories rose by only 0.6 million barrels in this week's inventory report, 66 percent below the normal gain of 1.7 million for this time of year. This is the smallest gain during the past 20 weeks of storage injections. Inventories have grown by 31.9 million barrels over this period, 25% higher than the five-year average gain. Current storage levels exceed last year's levels by 46.7% and are now 28.6% above the five-year average. Weak demand, especially in the petrochemical feedstock sector, has been the main driver of the inventory gain.

After no change in prices last week, spot prices rose by 8.5 cents per gallon this week. Spot prices settled at \$1.72 per gallon yesterday, 50.6% lower than a year ago and 57% lower than their peak 2008 price. Prices are 51% above their December 9, 2008 low of 56.3 cents/gal. According to census data, 2% of homes in Connecticut are heated by propane.



Gasoline



With production increasing slightly and import levels staying flat, gasoline inventories fell by only 0.2 million barrels compared to an expected decline of 1.1 million. Despite lower prices compared to last year, the recession continues to reduce automobile traffic. Inventories levels have improved to 1.4% above last year and are 2.6% above the five-year average.

Both spot prices and futures prices are more than 40% below their July 2008 peaks. The spot price is at \$1.996/gal, 87 cents (30%) less than a year ago. The 12-month strip, at \$2.043/gal, is 32% (95 cents) less than last year. Connecticut retail prices continue to rise. They were up another 8.7 cents/gal this past week after increasing by 2.3 cents the week before. They are now at \$2.745/gal, \$1.37 (33.3%) lower than a year ago. Based on the movements of gasoline wholesale prices, retail prices should continue to rise. Retail prices are now at March 2007 levels.

