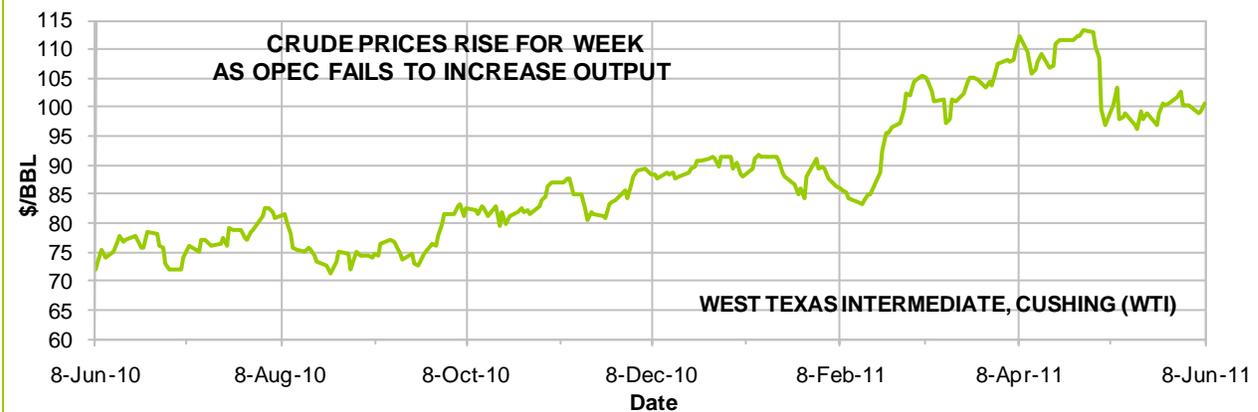


Crude Oil



Crude oil inventories fell by 4.8 million barrels this past week as production gains failed to keep pace with an import decline and an increase in crude inputs to refineries. The drop was more than 3 times the expected decline of 1.5 million and the 5-year average decline of 1.6 million. Inventories have worsened to 2.0% above last year and to 7.4% above the 5-year average. Inventories are at their second highest level ever for this date.

OPEC's decision not to increase crude production reversed earlier losses during the past week and sent prices back over \$100/bbl. The price rise was also aided by the large crude inventory decline but it was tempered by a continued weak economic recovery and a stronger dollar. Futures and spot prices rose by \$0.68 and \$0.47 for the week. Futures prices settled at \$102.79, \$26.66 (35.0%) higher than a year ago. Spot prices rose to \$100.75, \$28.89 (40.2%) higher than last year. Prices are about \$44 (30%) below their 2008 peaks.

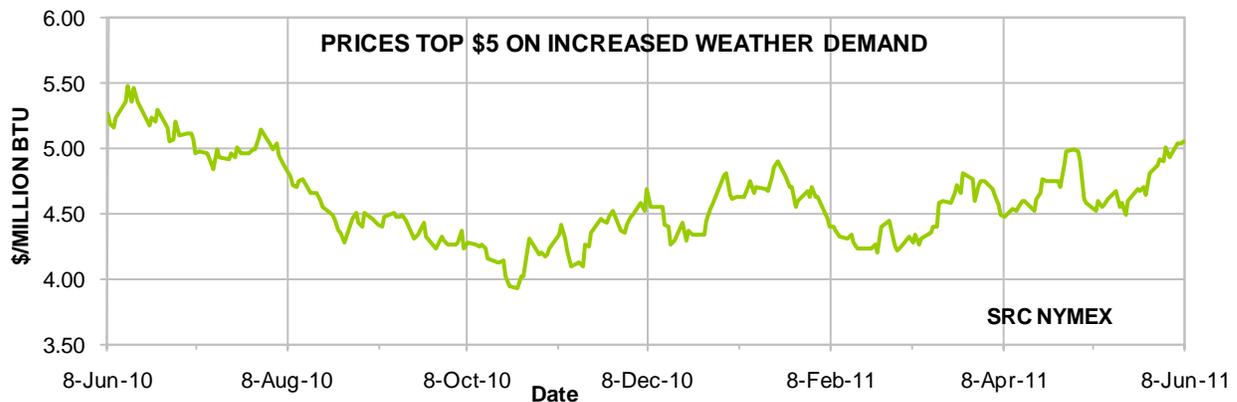


Natural Gas



Natural gas inventories grew by 80 BCF this past week. This was slightly above the expected gain of 77 BCF but trailed the 5-year average gain of 96 BCF and last year's gain of 97 BCF by about 17%. As a result, this week's 2,187 BCF inventory level worsened to 10.4% below last year's record high level and to 2.6% below the 5-year average. Cumulative injections this year are running 23.0% below last year and 11.3% below the 5-year average.

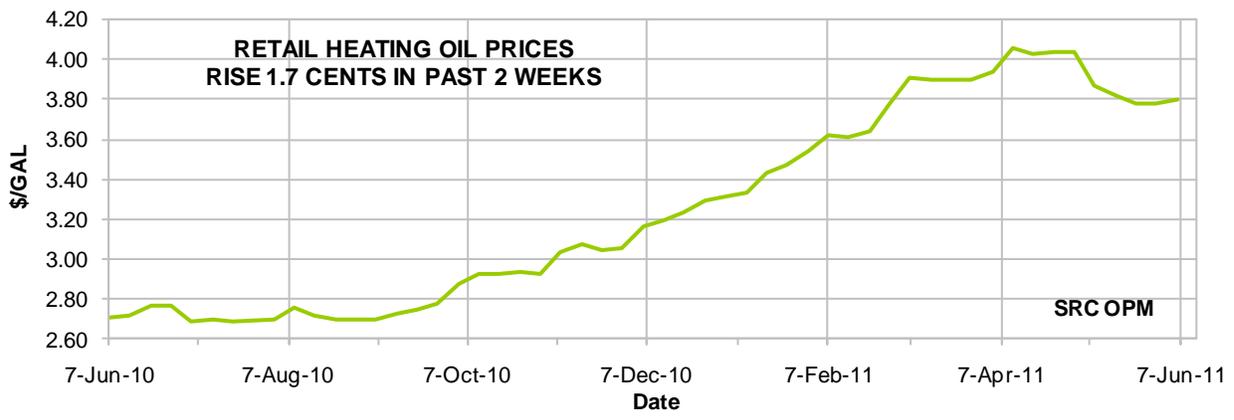
Futures prices rose to more than \$5 per million BTU this week from increased weather related demand. Futures prices were up by 16.4 cents and spot prices rose by 20 cents. Futures settled at \$5.059, 20.7 cents (3.9%) lower than a year ago and 62.1% below their 2008 peak. Spot prices settled at \$4.83 per million BTU, 6.0 cents (1.2%) lower than a year ago. Spot prices are 63.7% below their 2008 peak. Both futures prices and spot prices are at 10 month highs. According to census data, 31% of dwelling units in Connecticut heat with natural gas.





Inventories rose by 0.8 million barrels this past week as production and imports grew and demand fell. The 5-year average is a gain of 1.5 million and expectations were for a 0.4 million barrel decline. Inventories are still at their third highest level ever for this date. At 6.7% above the five-year average they trail only 2009 and 2010.

Futures prices rose 8.4 cents this week and settled at \$3.151/gal, \$1.072 (51.6%) above last year but \$1.044 (24.9%) below 2008's peak. Spot prices rose by 8.1 cents. They settled at \$3.076/gal, \$1.127 (57.8%) above last year but \$1.003 (24.6%) below their 2008 peak. Retail prices rose by 1.7 cents over the past 2 weeks. They had fallen by 25.5 cents over the previous 4 weeks. Prices are now at \$3.797/gal, \$1.092 (40.4%) above a year ago. Prices are \$0.970 (20.3%) below their 2008 peak. The highest price in this week's survey was \$4.399 and the lowest was \$3.349. According to census data, 49.1% 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
7-Jun-10	2.862	3.299	2.400	2.694	3.199	2.299	2.648	2.880	2.440
23-May-11	3.865	4.399	3.440	3.820	4.399	3.249	3.631	3.790	3.300
30-May-11	3.866	4.299	3.440	3.806	4.399	3.199	3.673	3.810	3.400
6-Jun-11	3.870	4.299	3.440	3.836	4.399	3.349	3.680	3.810	3.400
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
7-Jun-10	2.665	2.769	2.589	2.734	2.999	2.399	2.634	2.849	2.509
23-May-11	3.721	3.799	3.629	3.867	3.999	3.540	3.714	3.899	3.509
30-May-11	3.741	3.899	3.599	3.867	3.999	3.640	3.726	3.899	3.549
6-Jun-11	3.797	3.899	3.599	3.889	4.099	3.690	3.729	3.899	3.549
	NEW HAVEN			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 June 6, 2011. Figures reflect per gallon prices without discount. For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information					
	AVG	HIGH	LOW						
7-Jun-10	2.641	2.899	2.399						
23-May-11	3.729	4.029	3.309						
30-May-11	3.721	4.029	3.309						
6-Jun-11	3.728	4.029	3.409						

Propane



Inventories rose by 1.8 million barrels this week as an increase in production and a decline in demand more than offset a decline in imports. This week's inventory growth is 30% more than the 5-year average weekly gain of 1.4 million barrels and about 35% greater than last year's gain of 1.3 million. As a result, inventories have improved to 19.0% less than last year and 18.2% below the 5-year average.

Spot propane prices rose by 1.2 cents/gal this past week and by 5.3 cents over the past 2 weeks. At \$1.539 per gallon, spot prices are 48.4cents (45.9%) higher than a year ago but they are 22.2% lower than their peak 2008 price. The usual reporting of Connecticut retail propane heating prices has been discontinued for the season but will resume in October. According to census data, propane is used to heat 2.7% of homes in Connecticut.



Gasoline



Gasoline inventories grew by 2.2 million barrels this week and by 9.95 million over the past 5 weeks. A weekly gain of only 1.0 million had been expected and the 5-year average is a gain of just 0.8 million. Inventories levels have improved to 2.0% below last year after trailing last year by 9% just 5 weeks ago. Inventories have improved to 2.8% above the 5-year average.

Futures rose by 4.4 this past week reflecting the increase in crude prices. Spot prices fell by 3.4 cents reflecting weak demand. Futures are at \$2.905, \$0.930 (47.1%) higher than last year but \$0.707 (19.6%) below their 2008 peak. Spot prices fell to \$2.876/gal. They are \$0.944 (48.9%) higher than a year ago. Spot prices are 15.7% (\$0.535) below their 2008 peak. Connecticut retail prices fell 6.2 cents this week and by 22.3 cents over the past 4 weeks. At \$4.045, prices are \$1.144 (39.4%) higher than a year ago. They had risen by \$1.281 over the previous 6 months. Retail prices are 34.5 cents (7.9%) cents below their 2008 all time high of \$4.390.

