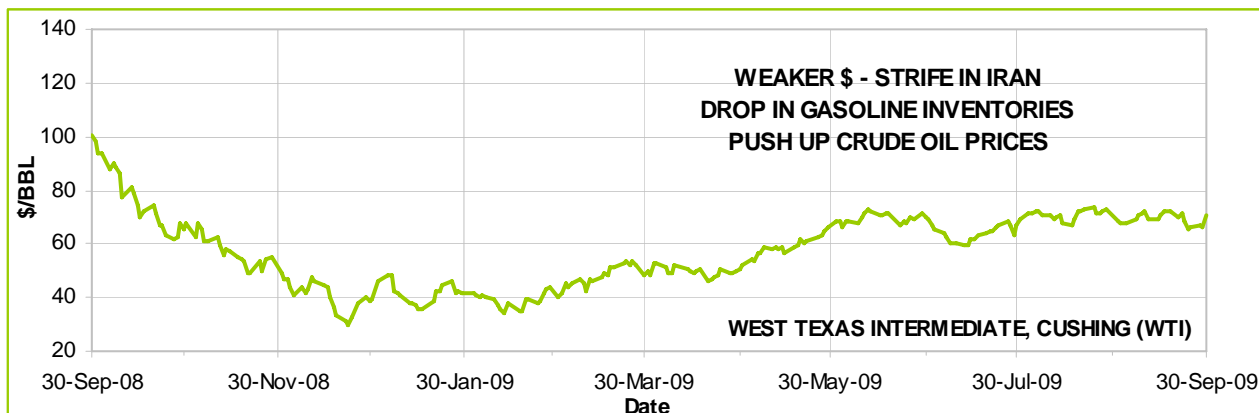


## Crude Oil



Crude inventories grew by 2.8 million barrels this week compared to expectations of only a 0.5 million increase. A 2.7% decrease in imports was offset by a 1.0% decline in crude inputs to refineries. The fall in crude inputs to refineries underscores the continued weak demand for refined petroleum products. Crude oil stocks are 15.2% above last year and have improved to 11.3% above the five-year average. The current inventory is at its highest level for this date since 1990.

Spot prices rose by \$1.74 this past week despite the unexpected inventory growth as the market reacted instead to a weaker dollar, political unrest over Iran, and stronger gasoline demand. The spot price rose to \$70.43 yesterday, \$30.24 (30%) less than a year ago and 52% lower than last year's peak price. Futures prices closed yesterday at \$73.00, up \$1.15 for the week but \$28.59 (28%) lower than last year and 50% below 2008's peak price.



## Natural Gas



Natural gas inventories grew by 64 BCF this past week, 6.6% below the five-year average but slightly more than the expected 61 BCF. Cumulative injections since the end of the heating season are 10.4% above the five-year average. At 3,589 BCF, current inventory levels are at their highest level ever and there are 6 more weeks of potential additions to natural gas inventories. Stocks are 15.9% higher than a year ago and 15.5% above the five-year average.

Prices have risen sharply because of optimism about the economy and moves by traders to buy contracts before the start of the heating season. Over the past three weeks futures prices have risen by 24%. The 12-month strip settled at \$5.932 per million BTU, 25% lower than a year ago. Futures prices are at May 2004 levels. Since falling to an 8 year low before the Labor Day weekend the spot price has surged by 74% to \$3.260 per million BTU, 55% lower than a year ago. The spot price is at September 2002 levels.

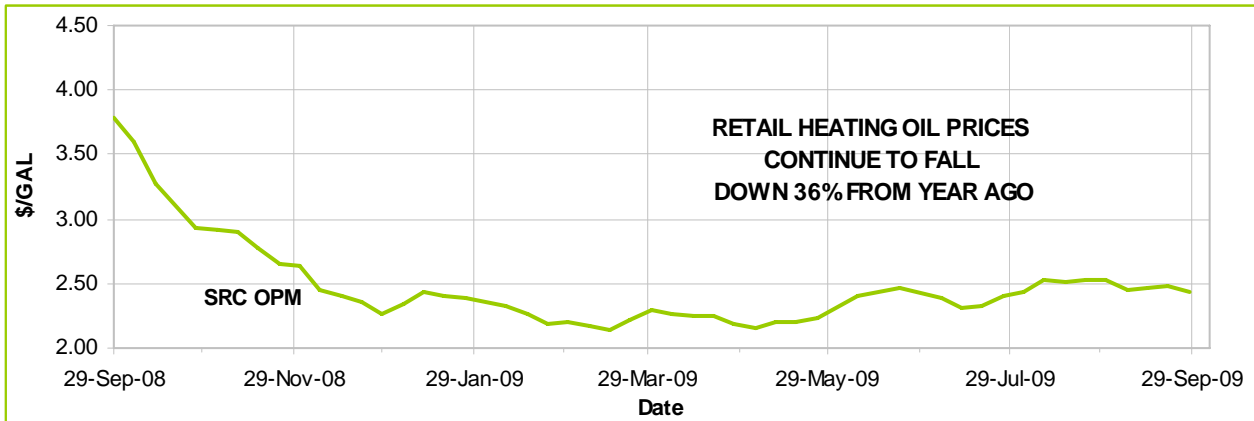


# Heating oil



A 5.7% fall in production, an 18.9% drop in imports, and a 3.2% increase in product supplied lead to a meager 0.3 million barrel rise in inventories compared to an expected 1.1 million increase. Inventories have increased by 31.4 million barrels over the past 24 weeks, 31% above the normal increase. Inventories are 38.6% above year ago levels and 28.0% above the five-year average. Heating oil futures and spot prices rose this past week as they followed the upward path of crude oil. The 12 month strip is now at \$1.920/gal, \$1.02 (35%) lower than a year ago. The spot price is at \$1.805/gal, \$1.05 (37%) below last year.

Average retail heating oil prices fell by 5.0 cents/gal to \$2.429/gal this week as previous declines in crude oil prices work through the system. Prices are \$1.36 (35.9%) below a year ago and \$2.34 (49%) below the 2008 peak price. The highest price in this week's survey was \$2.999 and the lowest was \$2.009. 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
29-Sep-08	3.952	4.299	3.749	3.737	4.199	3.299	3.775	3.999	3.579
14-Sep-09	2.641	2.999	2.399	2.434	2.999	1.999	2.411	2.620	2.179
21-Sep-09	2.643	2.999	2.399	2.485	2.999	2.199	2.445	2.620	2.279
28-Sep-09	2.585	2.999	2.299	2.417	2.999	2.049	2.391	2.600	2.139
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
29-Sep-08	3.681	3.799	3.490	3.857	3.999	3.690	3.663	3.849	3.570
14-Sep-09	2.463	2.549	2.349	2.501	2.599	2.400	2.413	2.599	2.309
21-Sep-09	2.489	2.649	2.399	2.489	2.599	2.399	2.424	2.599	2.299
28-Sep-09	2.397	2.499	2.289	2.469	2.599	2.299	2.391	2.599	2.250
	NEW HAVEN								
	AVG	HIGH	LOW						
29-Sep-08	3.794	4.150	3.479						
14-Sep-09	2.385	2.590	2.099						
21-Sep-09	2.392	2.639	2.159						
28-Sep-09	2.362	2.550	2.009						

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 September 28, 2009. Figures reflect per gallon prices without discount.

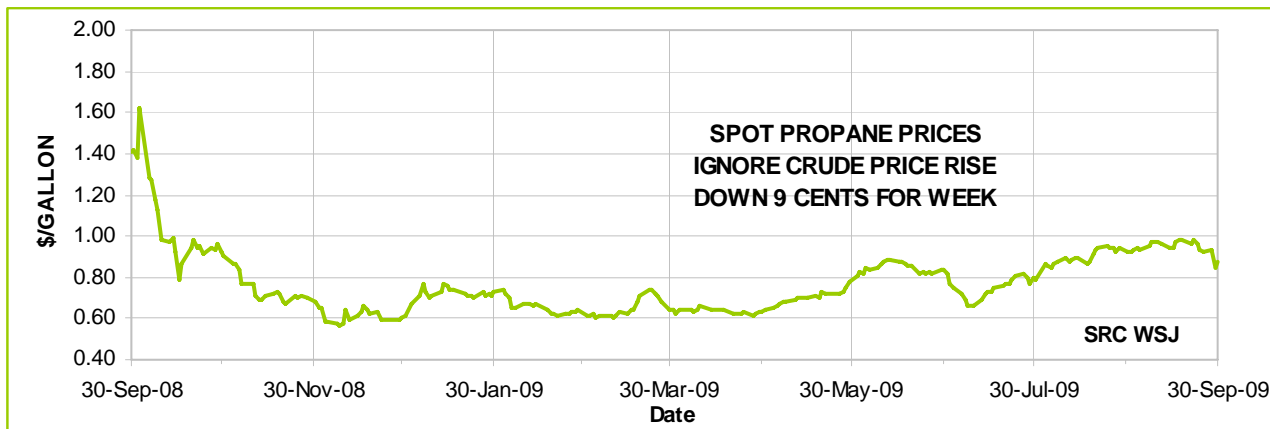
For more information, see [www.ct.gov/OPM](http://www.ct.gov/OPM) > Energy Management > Energy Price and Supply Information

# Propane



A 15.9% increase in product supplied and a 0.5 decline in production offset an 80% increase in imports as inventories grew by only 0.8 million barrels, less than half the normal weekly gain. Current storage levels exceed last year's levels by 26.1% and they are now 13.3% above the five-year average.

Propane spot prices fell again this past week as they ignored the increase in crude oil prices. Prices fell by 8.6 cents/gal after a decline of 0.9 cents the prior week. Spot prices settled at 87.6 cents per gallon yesterday, 38% lower than a year ago and 56% lower than their peak 2008 price. Prices are 56% 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



Despite a 2.4% growth in production, gasoline inventories fell unexpectedly by 1.7 million barrels as demand rose by 3.8% and imports fell by 17.2%. A gain of between 1.1 and 1.5 million barrels had been expected. Inventories levels are 17.8% above last year and 7.6% above the five-year average. Inventories are at their second highest level for this date in the past 18 years.

Yesterday's spot price was \$1.752/gal, 75 cents (30%) less than a year ago. The 12-month strip, at \$1.880/gal, was 27% (68 cents) less than last year. Connecticut retail prices fell another 7.8 cents/gal this past week, reflecting previous declines in crude oil prices and falling refinery margins. While prices have gone up by \$0.94 (54%) since the beginning of the year, at \$2.668/gal, prices are \$1.00 (27.2%) lower than a year ago and 39% below last year's peak. Retail prices are now at March 2007 levels.

