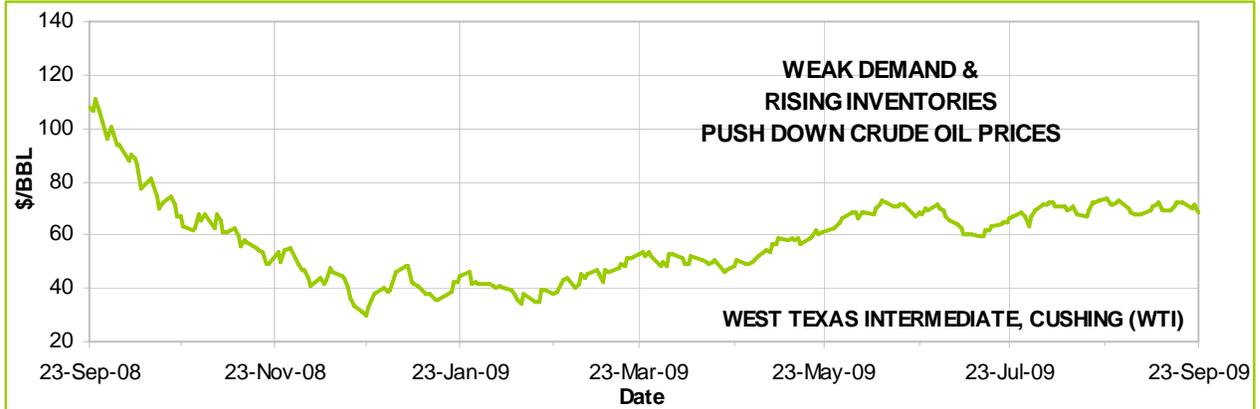


Crude Oil



Crude inventories grew by 2.9 million barrels this week compared to expectations of a 1.5 to 2.25 million decline. A 10% growth in imports and a 2.1% decline in crude inputs to refineries lead to the unexpected growth. The fall in crude inputs to refineries underscores the continued weak demand for energy. Crude oil stocks have increased their margin over last year to 15.6% and have improved to 10.9% above the five-year average. The current inventory is at its highest level for this date since 1993.

After rising by \$1.23/bbl last week, spot prices fell this week by \$3.78. Unexpected inventory growth and continued weak demand offset favorable economic news. The spot price fell to \$68.69 yesterday, \$38.98 (36%) less than a year ago and 53% lower than last year's peak price. Futures prices closed yesterday at \$71.86, \$33.72 (32%) lower than last year and 51% below 2008's peak price.



Natural gas



Natural gas inventories grew by 67 BCF this past week, 2 BCF below the five-year average and slightly less than the expected 70 BCF. Cumulative injections since the end of the heating season are 11.1% above the five-year average. At 3,525 BCF, current inventory levels are at their highest level ever for this time of year. They are 16.9% higher than a year ago and 16.0% above the five-year average.

Prices have risen sharply over the past two weeks because of growing optimism about the economy and moves by traders to buy contracts before the start of the heating season. The 12-month strip settled at \$5.533 per million BTU, 34% lower than a year ago. Futures prices are at February 2004 levels. Since falling to an 8 year low before the Labor Day weekend, the spot price has surged by 83% to \$3.430 per million BTU, 56% lower than a year ago. The spot price is at September 2002 levels.

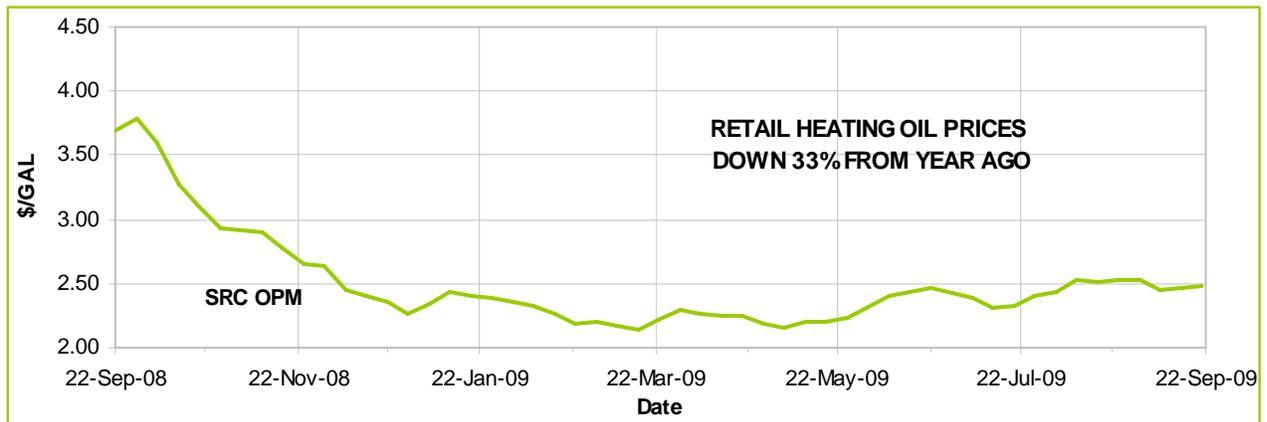


Heating oil



Both distillate imports and production grew this past week. Combined with a fall in demand, inventories grew by 3 million barrels this week, almost twice the expected gain and 60 times the five-year average gain of only 49 thousand barrels. Inventories have increased by 31.1 million barrels over the past 23 weeks, 25% above the normal increase. Inventories are 35.5% above year ago levels and 26.9% above the five-year average. Heating oil futures and spot prices fell this past week as they followed the downward path of crude oil. The 12 month strip is now at \$1.888/gal, \$1.14 (38%) lower than a year ago. The spot price is at \$1.726/gal, \$1.27 (42%) below last year.

Average retail heating oil prices increased by 1.9 cents/gal to \$2.479/gal this week. Prices are \$1.22 (33.0%) below a year ago and \$2.29 (48%) below the 2008 peak price. The highest price in this week's survey was \$2.999 and the lowest was \$2.159. 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
22-Sep-08	3.876	4.299	3.649	3.672	4.099	3.349	3.653	3.799	3.479
7-Sep-09	2.617	2.999	2.399	2.418	2.999	1.849	2.433	2.710	2.169
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
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
22-Sep-08	3.583	3.699	3.400	3.784	3.999	3.570	3.547	3.699	3.440
7-Sep-09	2.479	2.599	2.349	2.509	2.599	2.400	2.423	2.599	2.300
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
	NEW HAVEN								
	AVG	HIGH	LOW						
22-Sep-08	3.680	4.040	3.087						
7-Sep-09	2.384	2.590	2.059						
14-Sep-09	2.385	2.590	2.099						
21-Sep-09	2.392	2.639	2.159						

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 21, 2009. Figures reflect per gallon prices without discount.

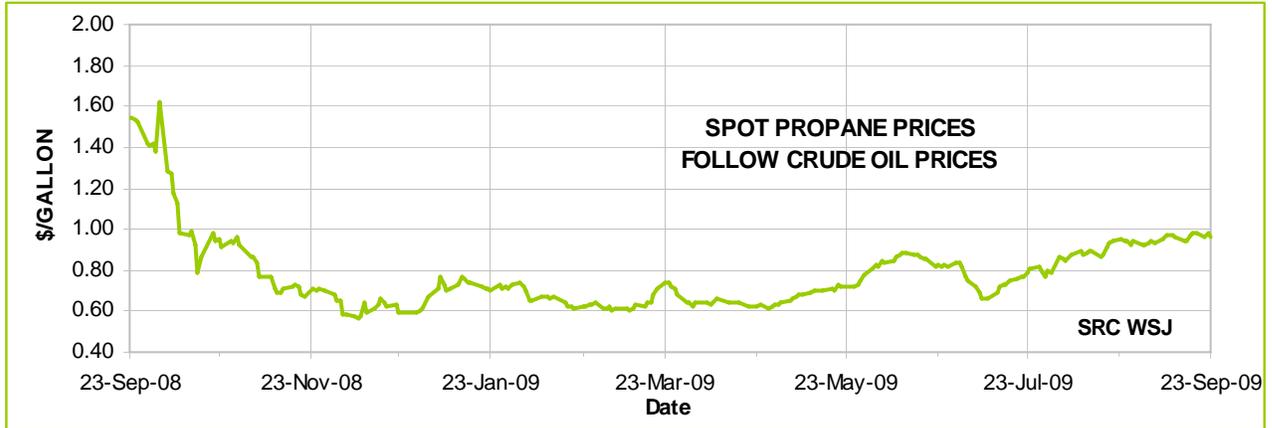
For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information

Propane



A 21.5% decline in demand offset a 1.9% decline in production and an 18.6% decline in imports, leading to a 1.8% (1.4 million barrels) gain in inventories. Current storage levels exceed last year's levels by 29.5% and they are now 15.1% above the five-year average.

Propane spot prices fell again this past week as they followed the decline in crude oil prices. Prices fell by 0.9 cents/gal after a decline of 0.1 cents the prior week. Spot prices settled at 96.2 cents per gallon yesterday, 37.7% lower than a year ago and 51.4% lower than their peak 2008 price. Prices are 71% 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 1.6% decline in production, gasoline inventories grew by 5.4 million barrels as demand fell by 2.3% and imports rose by 46.6%. The 5.4 million growth compares to an expected increase of only 0.4 million barrels and is in sharp contrast to the normal seasonal decline of 0.2 million for this time of year. Inventories levels have grown to 18.7% above last year and 9.0% above the five-year average. Inventories are at their highest level for this date since before 1991.

Yesterday's spot price was \$1.688/gal, 97 cents (37%) less than a year ago. The 12-month strip, at \$1.852/gal, was 31% (84 cents) less than last year. Connecticut retail prices fell another 4.5 cents/gal this past week, reflecting declines in crude oil prices and falling refinery margins. While prices have gone up by \$1.02 (59%) since the beginning of the year, at \$2.746/gal, prices are \$1.01 (26.8%) lower than a year ago and 37% below last year's peak. Retail prices are now at March 2007 levels.

