

## Crude Oil



Increased crude imports and lower crude oil inputs to refineries led to a slight inventory increase of 0.1 million barrels compared to an expected loss of 1.1 million as crude inventories bounced back from last week's 8.4 million barrel decline. Crude oil stocks exceed year ago levels by 12.4% and they are 8.4% above the 5-year average. The current inventory is at its highest level for this date since 1998.

After rising by \$2.46/bbl last week as crude prices reached near record highs for 2009, spot prices fell by \$1.16 this week. The largest inventory decline in 11 years sparked last week's price increase and the unexpected gain in inventories this week helped cause the price fall. Weak product demand and concerns about the economic recovery continue to weigh on the market. The spot price yesterday was \$71.35, \$44.93 (39%) less than last year. Futures prices closed yesterday at \$74.94, \$42.88 (36%) lower than a year ago.



## Natural gas



Natural gas inventories grew by 54 BCF this past week. This was 18.3% less than the five-year average growth of 66 BCF for this time of year. Cumulative injections since the end of the heating season are 14.4% above the five-year average. At 3,258 BCF, current inventory levels are at their highest level ever for this time of year. They are 18.8% higher than a year ago and 18.1% above the five-year average. There are concerns that despite the already 56% cutback in gas drilling rigs over the past year, as we near the end of the injection season, the industry will run out of storage capacity. Prices would drop precipitously and further production cutbacks would be required. Both futures prices and spot price fell again this past week. Futures were down by 1.5 cents and spot prices by 25 cents. Prices continue to fall because of record high inventories, weak industrial demand, and low cooling demand. The 12-month strip settled at \$4.990 per million BTU, 44% lower than a year ago. Futures prices are at December 2003 levels. The spot price fell to \$2.770 per million BTU, 66% lower than a year ago. Current spot prices are at August of 2002 levels.

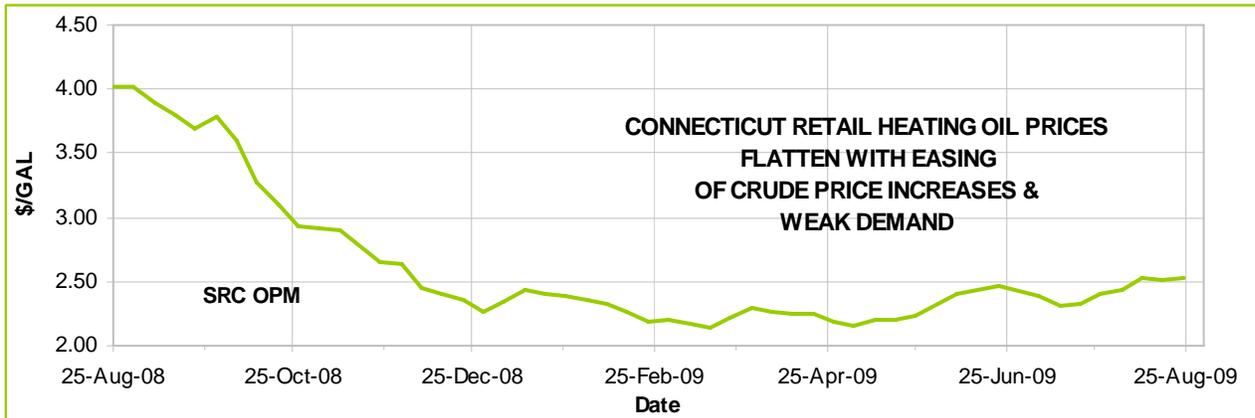


# Heating oil



Distillate imports fell this past week, distillate production rose, and distillate product supplied declined. The net result was an inventory gain of 0.8 million barrels compared to an anticipated decline of 0.3 million. Inventories have increased by 22.8 million barrels in the past 19 weeks, an increase of 16.3%. Inventories are 22.9% above year ago levels and 23.7% above the five-year average. After rising the week before, both futures and spot prices fell this past week as they followed the downward path of crude oil. The 12 month strip is now \$1.968/gal, \$1.32 (40%) lower than a year ago. The spot price is at \$1.836/gal, \$1.37 (43%) below this time last year.

Average retail prices fell 0.7 cents last week after increasing by 21.5 cents over the previous 4 weeks. Prices were up again this week by one cent as the average retail price reached \$2.527/gal. This is \$1.49 (37.2%) below a year ago. Retail prices have flattened as crude oil price increases have eased. The highest price in this week's survey was \$2.999 and the lowest was \$1.999. 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
25-Aug-08	4.237	4.849	3.999	4.009	4.399	3.549	3.955	4.199	3.679
10-Aug-09	2.723	3.099	2.490	2.498	2.999	2.099	2.513	2.649	2.379
17-Aug-09	2.709	2.999	2.490	2.470	2.999	1.999	2.523	2.740	2.309
24-Aug-09	2.705	2.999	2.490	2.490	2.999	1.999	2.537	2.740	2.379
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
25-Aug-08	3.939	4.299	3.700	4.106	4.399	3.780	3.883	3.999	3.770
10-Aug-09	2.511	2.599	2.399	2.529	2.649	2.350	2.449	2.499	2.379
17-Aug-09	2.501	2.659	2.399	2.539	2.649	2.350	2.456	2.579	2.309
24-Aug-09	2.525	2.669	2.399	2.529	2.599	2.400	2.449	2.549	2.309
	NEW HAVEN								
	AVG	HIGH	LOW						
25-Aug-08	3.951	4.449	3.302						
10-Aug-09	2.447	2.749	2.099						
17-Aug-09	2.451	2.689	2.199						
24-Aug-09	2.469	2.739	2.209						

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 24, 2009. Figures reflect per gallon prices without discount.

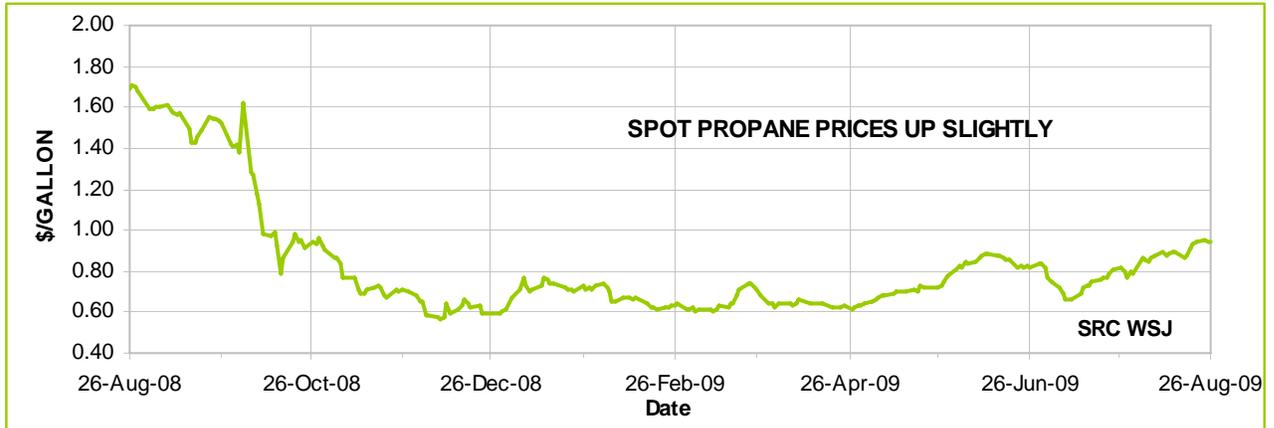
For more information, see [www.ct.gov/OPM](http://www.ct.gov/OPM) > Energy Management > Energy Price and Supply Information

# Propane



Propane inventories rose by only 0.9 million barrels in this week's inventory report, 21 percent below the normal gain of 1.1 million for this time of year. Inventories have grown by 33.6 million barrels since the end of the heating season, 13% higher than the five-year average gain. Current storage levels exceed last year's levels by 36.3% and are now 22.1% above the five-year average. Weak demand, especially in the petrochemical feedstock sector, has been the main driver of the inventory gain.

After rising by 2.4 cents last week, spot prices were up another 2.8 cents per gallon this week. Spot prices settled at 94.0 cents per gallon yesterday, 44.3% lower than a year ago and 52% lower than their peak 2008 price. Prices are 67% 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



Gasoline inventories declined by 1.7 million barrels this past week compared to an expected drop of only 1.0 million. Inventories levels have improved to 6.4% above last year and 4.4% above the five-year average. In the past 11 weeks inventories have grown by 3.2% compared to a normal decline of 4.7% for the time period. Although gasoline prices are lower than a year ago, the recession has seriously eroded automobile usage and gasoline demand is down. Yesterday's spot price was \$1.859/gal, \$1.07 (37%) less than a year ago. The 12-month strip, at \$1.962/gal, was 34% (\$1.01) less than last year. Connecticut retail prices have leveled off as crude price increases have eased. Retail prices were up another 0.6 cents/gal this week after increasing by 0.6 cents the week before. While they have gone up by \$1.09 (63%) since the beginning of the year, at \$2.814/gal, they are \$1.00 (26%) lower than a year ago and 36% below last year's peak. Retail prices are now at April 2007 levels.

