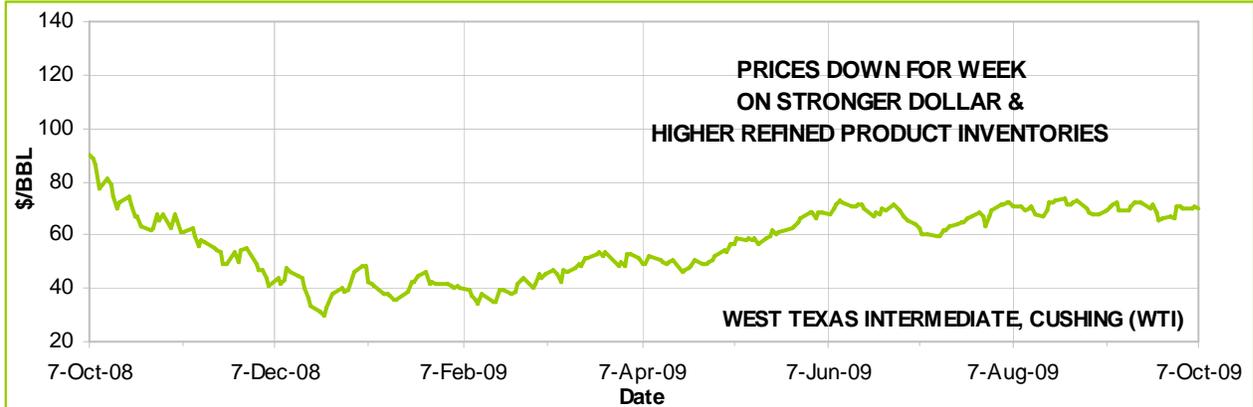


## Crude Oil



With crude inputs to refineries up only marginally and imports falling by 4.6%, crude oil inventories fell by 1.0 million barrels. Growth of 2.2 million barrels had been expected. Crude oil stocks are still comfortably 11.9% above last year and 10.1% above the five-year average. The current inventory is at its highest level for this date since 1990.

Despite the crude oil inventory decline, prices were down for the week as the market reacted negatively to the increases in the inventories of refined products (gasoline, distillate fuels, and propane) and a stronger dollar. Spot prices fell by 86 cents this past week to \$69.57, \$20.58 (22.8%) less than a year ago and 52.1% lower than last year's peak price. Futures prices closed yesterday at \$71.87, down \$1.14 for the week, \$17.46 (19.5%) lower than last year and 50.9% below 2008's peak price.



## Natural gas



Natural gas inventories grew by 69 BCF this past week, slightly less than the five-year average of 70. Cumulative injections since the end of the heating season are 9.9% above the five-year average. At 3,658 BCF, current inventory levels are already at their highest level ever and there are still 5 to 6 more weeks of potential further additions to natural gas inventories. Stocks are 14.8% higher than a year ago and 15.1% above the five-year average.

Prices have been rising because of optimism about the economy and moves by traders to buy contracts before the start of the heating season. Over the past two weeks futures prices have risen by 41 cents. The 12-month strip settled at \$5.945 per million BTU, 19.9% lower than a year ago. Futures prices are at September 2004 levels. Cold weather and nuclear and pipeline outages pushed spot prices up 45 cents this week to \$3.710 per million BTU. Spot prices, which are at September 2002 levels, are 45.0% lower than a year ago.



# Heating oil



A 2.7% rise in production and a 42.7 increase in imports offset a 3.5% increase in product supplied as inventories grew by 0.7 million barrels this week. This was more than twice the expected 0.3 million increase and it was in sharp contrast to the five-year average weekly decline of 1.8 million barrels. Inventories are 40.0% above year ago levels and 30.3% 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 \$1.898/gal, 70 cents (27%) lower than a year ago. The spot price is at \$1.757/gal, 71 cents (29%) below last year.

Average retail heating oil prices rose by 2.0 cents/gal to \$2.449/gal this week after falling by 5 cents a week earlier. Prices are \$1.14 (31.8%) below a year ago and \$2.32 (48.6%) below the 2008 peak price. The highest price in this week's survey was \$2.999 and the lowest was \$2.119. 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
6-Oct-08	3.768	4.149	3.490	3.561	3.999	3.089	3.567	3.899	3.249
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
5-Oct-09	2.509	2.999	2.140	2.463	2.999	2.149	2.474	2.699	2.269
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
6-Oct-08	3.417	3.599	3.290	3.704	3.999	3.370	3.459	3.599	3.350
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
5-Oct-09	2.463	2.629	2.349	2.506	2.599	2.399	2.394	2.599	2.300
	NEW HAVEN								
	AVG	HIGH	LOW						
6-Oct-08	3.575	4.150	2.822						
21-Sep-09	2.392	2.639	2.159						
28-Sep-09	2.362	2.550	2.009						
5-Oct-09	2.376	2.619	2.119						

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 October 5, 2009. Figures reflect per gallon prices without discount.

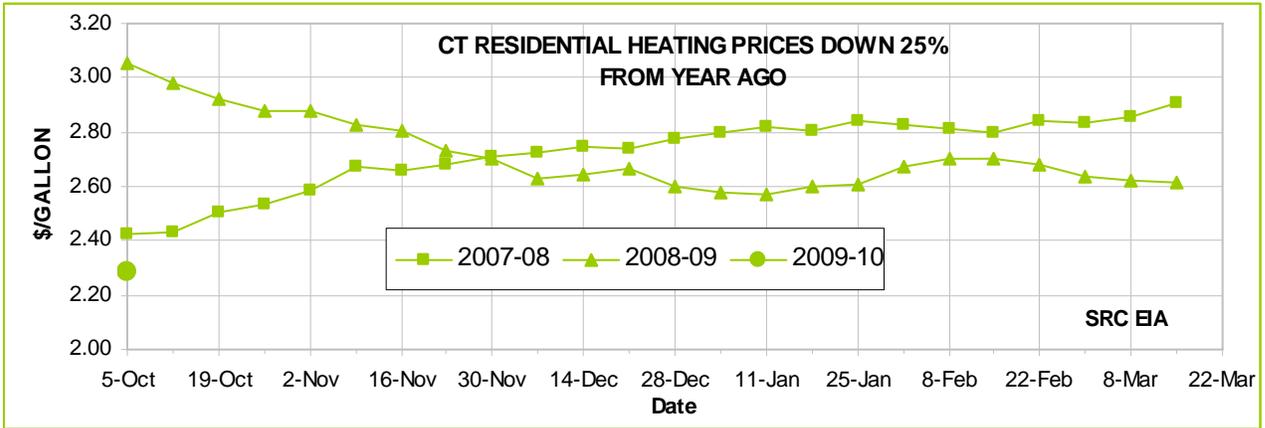
For more information, see [www.ct.gov/OPM](http://www.ct.gov/OPM) > Energy Management > Energy Price and Supply Information

# Propane



A 6.7% increase in production barely offset a 25.4% decline in imports and a 13.8% increase in demand as inventories grew by only 43,000 barrels this past week. This was much less than the normal weekly gain of 1.2 million. Current storage levels exceed last year's levels by 20.5% and they are now 11.3% above the five-year average.

Monday's retail propane heating price survey showed an average price of \$2.288/gal. This was 25.2% (76.9 cents) less than a year ago and 12.4% (32.5 cents) lower than the previous survey in March of 2009. Propane spot prices settled at 92.7 cents per gallon yesterday, 27.1% lower than a year ago and 53% lower than their peak 2008 price. According to census data, 2% of homes in Connecticut are heated by propane.



# Gasoline



A 3.5% growth in production and an 18.8% increase in imports offset a 3.5% increase in demand as gasoline inventories grew by 2.9 million barrels. This was almost 3 times the expected gain of 1.0 million. Inventories levels are 15.4% above last year and 8.5% above the five-year average. Inventories are at their second highest level for this date since 1991.

Yesterday's spot price was \$1.742/gal, 36 cents (17%) less than a year ago. The 12-month strip, at \$1.859/gal, was 16% (37 cents) less than last year. Connecticut retail prices fell another 4.3 cents/gal this past week, reflecting previous declines in crude oil prices and falling refinery margins. While prices have gone up by \$0.90 (52%) since the beginning of the year, at \$2.625/gal, prices are 87 cents (24.9%) lower than a year ago and 40.2% below last year's peak. Retail prices are now at March 2007 levels.

