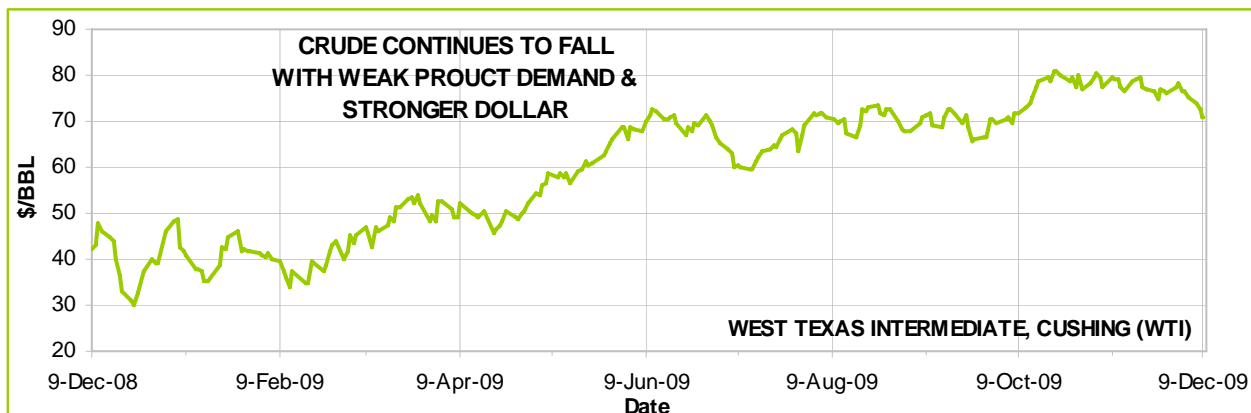


Crude Oil



With imports falling by 3.1%, inputs to refineries growing by 0.6%, and a 0.4% decline in domestic production, crude inventories fell by 3.8 million barrels. This was in sharp contrast to expectations of a 0.6 million barrel gain. The 5-year average change for this time of year is a modest loss of 0.6 million. Crude stocks are now only 4.8% above last year and 6.5% above the 5-year average. Current inventory levels are at the second highest level for this date since 1994.

Ignoring the decline in crude inventories, oil prices fell this past week as the market reacted to the sharp gains in refined product inventories which exposed the weakness in energy demand. Spot prices fell by \$5.95 this past week to \$70.66, \$28.69 (68.4%) higher than a year ago but 51.4% lower than last year's peak price. Futures prices closed yesterday at \$76.14, down \$5.57 for the week. They are \$25.59 (50.6%) higher than last year but 48.0% below 2008's peak price. Because of weak demand, refinery utilization rates are at their lowest levels since before 1990.

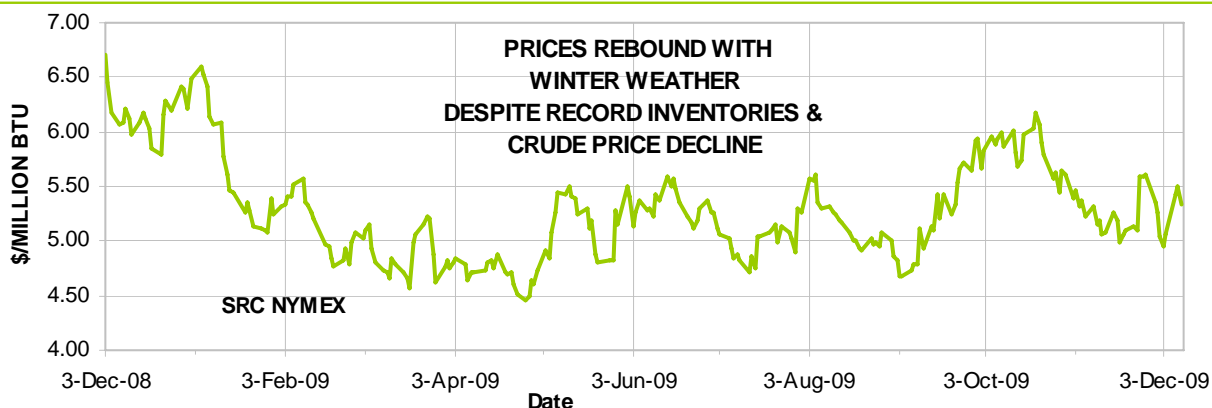


Natural gas



Natural gas inventories fell for the first time since March as winter weather finally set in. Storage levels declined by 64 BCF this week, 29% less than the five-year average decline of 90 BCF. Cumulative inventory draws since the beginning of the heating season are 87% less the five-year average. At 3,773 BCF, this weeks inventory levels are still at record highs. Stocks are 14.3% higher than a year ago and 15.7% above the five-year average.

Futures prices rose by 28.4 cents per million BTU this past week as winter weather finally arrived. The 12-month strip settled yesterday at \$5.331 per million BTU, 12.5% lower than a year ago and 60.0% below the 2008 peak. With an increase of 57 cents this past week, spot prices rose twice as much as the 12-month strip. Spot prices reached \$5.240 per million BTU yesterday. Spot prices are 5.8% lower than a year ago and 60.6% below their 2008 peak price.

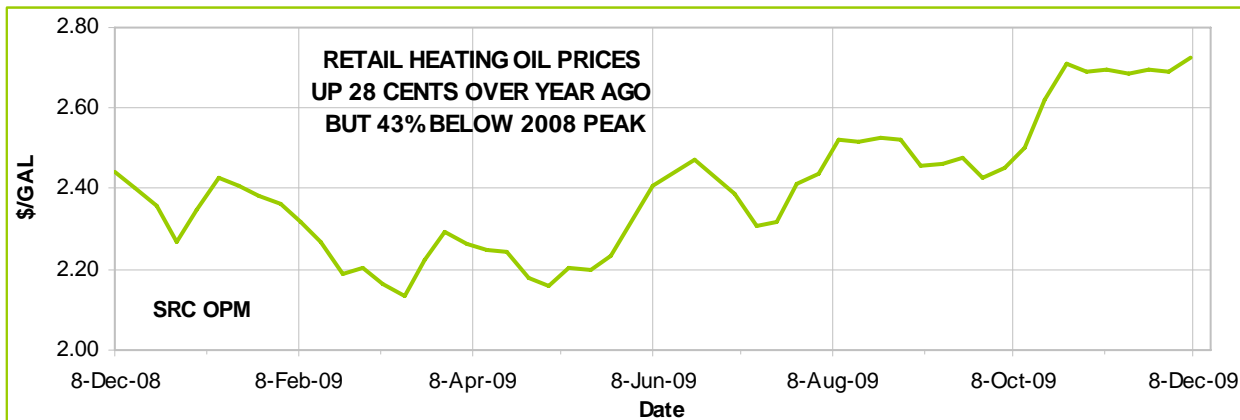


Heating oil



Distillate stocks rose by 1.6 million barrels this past week, approximately equal to the 5-year average gain of 1.5 million. A 1.5 million barrel decrease had been expected. Inventory levels are now 28.9% above last year and 30.0% above the five-year average.

The 12 month strip fell by 13.3 cents this week and is now at \$2.002/gal, 42 cents (26.4%) higher than a year ago. The spot price fell by 11.5 cents and is at \$1.869 /gal, 47 cents (33.4%) above last year. Both the spot price and the 12 month strip are more than 50% below their 2008 peaks. Connecticut retail heating oil prices rose by 3.6 cents this past week. At \$2.727/gal, prices are 28.3 cents (11.6%) above a year ago but are \$2.04 (42.8%) below the 2008 peak price. The highest price in this week's survey was \$3.249 and the lowest was \$2.390. According to census data, 49.1% of dwelling units in Connecticut heat with oil. Although spot prices and futures prices are 33.4% and 26.4% above last year, retail prices have risen by only 11.6%.



Connecticut Regional Heating Oil Prices

	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
8-Dec-08	2.711	2.999	2.499	2.391	3.490	1.960	2.355	2.659	2.069
23-Nov-09	2.820	3.199	2.390	2.696	2.999	2.489	2.711	2.899	2.439
30-Nov-09	2.807	3.199	2.390	2.685	2.999	2.489	2.709	2.899	2.449
7-Dec-09	2.857	3.249	2.440	2.702	2.999	2.499	2.769	2.999	2.549
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
8-Dec-08	2.311	2.499	2.010	2.519	2.799	2.299	2.316	2.599	2.150
23-Nov-09	2.697	2.869	2.599	2.705	2.799	2.599	2.664	2.799	2.499
30-Nov-09	2.697	2.869	2.599	2.726	2.899	2.600	2.621	2.749	2.499
7-Dec-09	2.769	2.899	2.699	2.734	2.899	2.600	2.671	2.749	2.549
	NEW HAVEN								
	AVG	HIGH	LOW						
8-Dec-08	2.406	2.599	1.959						
23-Nov-09	2.606	2.799	2.389						
30-Nov-09	2.609	2.890	2.359						
7-Dec-09	2.640	2.890	2.390						

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 December 7, 2009. Figures reflect per gallon prices without discount.

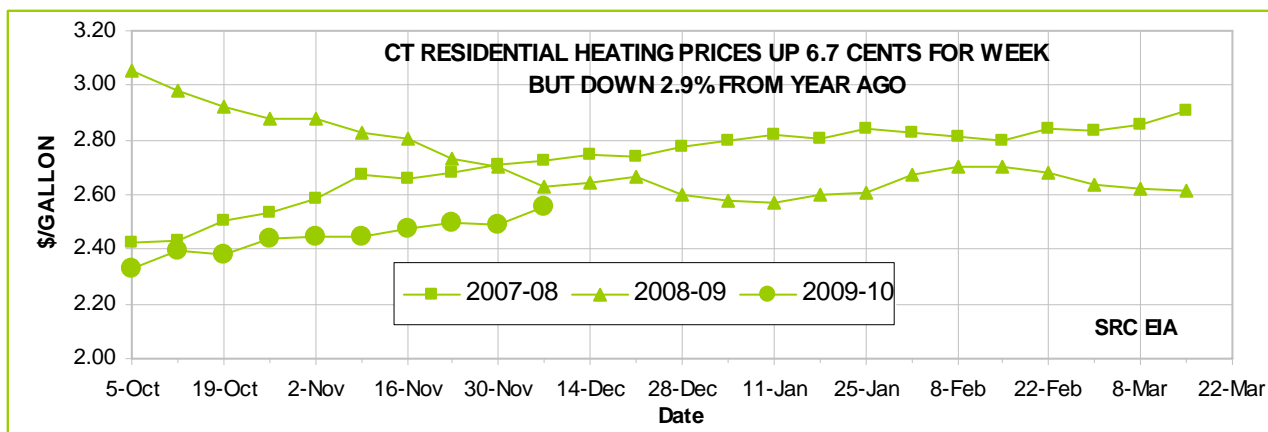
For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information

Propane



Propane inventory levels declined by 1.3 million barrels this past week compared to the five-year average decline of only 0.3 million. Over the past 8 weeks inventories have fallen by 11.5 million compared to a normal decline of only 1.1 million. Current storage levels now exceed last year's levels by only 0.6% and they are 5.0% below the five-year average.

Monday's Connecticut retail propane heating price survey showed an average price of \$2.554/gal, 6.7 cents/gal higher than the previous week. Prices are 2.9% (7.6 cents) less than a year ago and 16.4% (50 cents) lower than the peak 2008 price. Propane spot prices were 0.6 cents lower this week, settling at \$1.154 per gallon yesterday. This was 59.1 cents (104.8%) higher than a year ago but 41.7% lower than their peak 2008 price. According to census data, 2.7% of homes in Connecticut are heated by propane.



Gasoline



Inventories rose by 2.3 million barrels this week as increased production offset a slight increase in demand and a decline in imports. The inventory growth was slightly larger than the five-year average gain of 1.9 million and was about 50% greater than the forecasted increase. Inventories levels are 7.0% above last year and 6.6% above the five-year average. Inventories are at their highest level for this date since 1993.

Wednesday's spot price was \$1.837/gal, 94 cents (103.7%) higher than last year. The 12-month strip, at \$1.986/gal, was 81 cents (69.1%) higher than a year ago. Connecticut retail prices have been flat over the past 6 weeks, reflecting the narrow price band in which crude oil has been trading. At \$2.813/gal, retail prices are 93.6 cents (49.9%) higher than a year ago but 35.9% below last year's peak. While futures prices and spot prices have risen by 69% and 104% in the past year, Connecticut retail prices have only risen by 50% because of continued weak demand.

