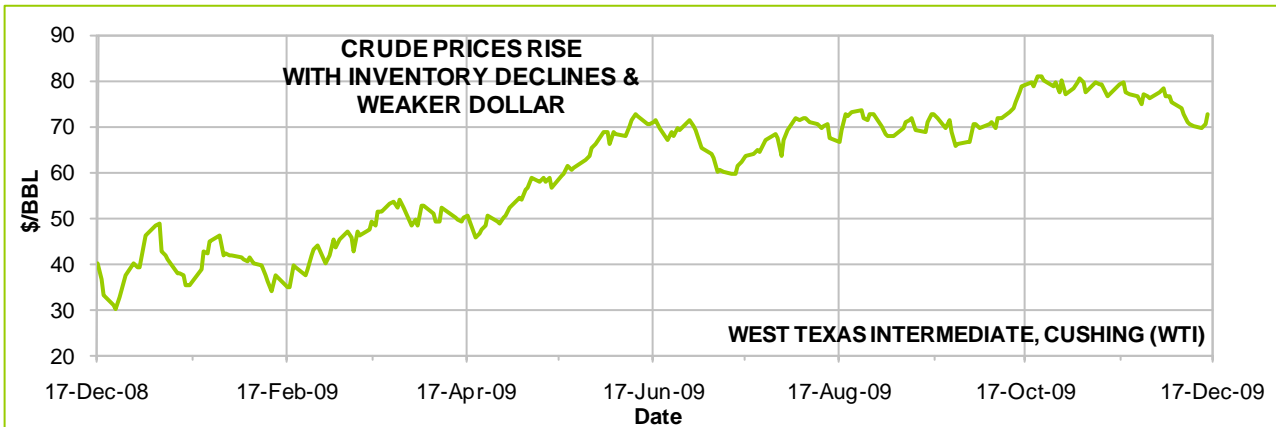


Crude Oil



Although crude oil inputs to refineries fell by 0.8%, a 0.3% decline in domestic production and a 4.5% decline in imports caused crude inventories to fall by 3.7 million barrels this past week. This was twice the expected decline and more than double the 5-year average decline of 1.6 million for this time of year. Crude stocks are now only 3.5% above last year and 5.9% above the 5-year average. Current inventory levels are at the third highest level for this date since 1994. The large decline in crude inventories was despite the record low refinery utilization rate.

Reversing three weeks of price declines, crude prices reacted sharply to the inventory declines of crude oil and refined products. Spot prices rose by \$1.97 this past week to \$72.63, \$28.82 (65.8%) higher than a year ago but 50.0% lower than last year's peak price. Futures prices closed yesterday at \$77.22, up \$1.08 for the week. They are \$24.74 (47.2%) higher than last year but 47.3% below 2008's peak price.

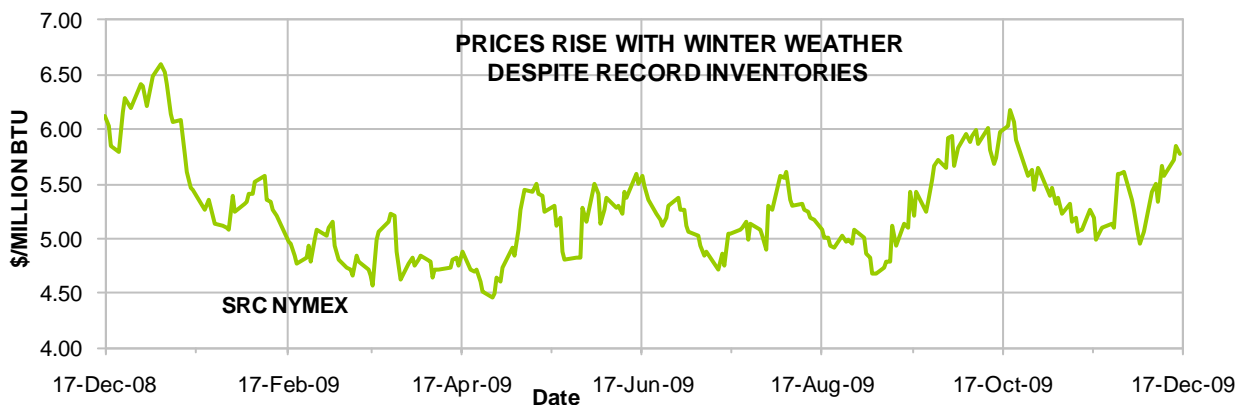


Natural Gas



Natural gas inventories fell by 207 BCF this past week as winter weather led to a record high withdrawal of natural gas for this time period. The decline was 63% higher than the five-year average decline of 127 million. At 3,566 BCF, this week's inventory levels are still at record highs. Stocks are 12.0% higher than a year ago and 14.3% above the five-year average.

Futures prices rose by 44.0 cents per million BTU this past week as the winter turned colder and heating demand rose sharply. The 12-month strip settled yesterday at \$5.770 per million BTU, 6.6% lower than a year ago and 56.7% below the 2008 peak. With an increase of 32 cents this past week, spot prices reached \$5.560 per million BTU yesterday. Spot prices are 3.5% lower than a year ago and 58.2% below their 2008 peak price.

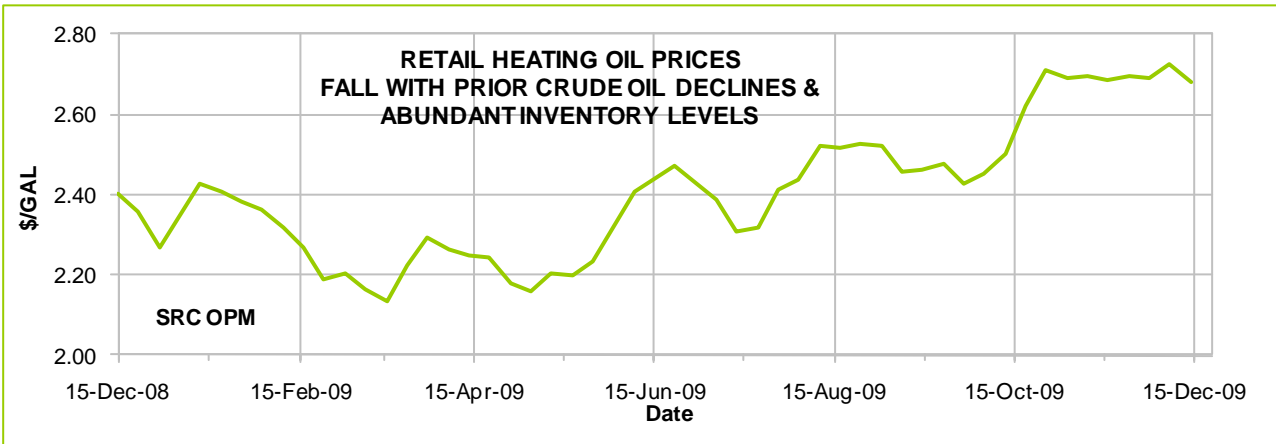


Heating oil



Distillate stocks fell by 3.0 million barrels this past week, five times the expected decline of 0.6 million and in sharp contrast to the 5-year average gain of 1/4 million. Inventory levels are now 23.5% above last year and 27.4% above the five-year average.

The 12 month strip rose by 3.9 cents this week and is now at \$2.041/gal, 45 cents (28.4%) higher than a year ago. The spot price rose by 6.7 cents and is at \$1.937 /gal, 49 cents (33.6%) 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 fell by 4.8 cents this past week. At \$2.679/gal, prices are 27.9 cents (11.6%) above a year ago but are \$2.08 (43.6%) below the 2008 peak price. The highest price in this week's survey was \$3.290 and the lowest was \$2.290. According to census data, 49.1% of dwelling units in Connecticut heat with oil. Although spot prices and futures prices are 33.6% and 28.4% 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
15-Dec-08	2.678	2.899	2.499	2.364	3.499	1.999	2.291	2.499	2.099
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
14-Dec-09	2.851	3.290	2.440	2.648	2.999	2.399	2.713	2.999	2.479
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
15-Dec-08	2.245	2.399	2.100	2.508	2.799	2.150	2.276	2.599	2.120
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
14-Dec-09	2.679	2.779	2.629	2.662	2.799	2.490	2.601	2.749	2.480
	NEW HAVEN								
	AVG	HIGH	LOW						
15-Dec-08	2.342	2.699	1.800						
30-Nov-09	2.609	2.890	2.359						
7-Dec-09	2.640	2.890	2.390						
14-Dec-09	2.599	2.890	2.290						

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 14, 2009. Figures reflect per gallon prices without discount.

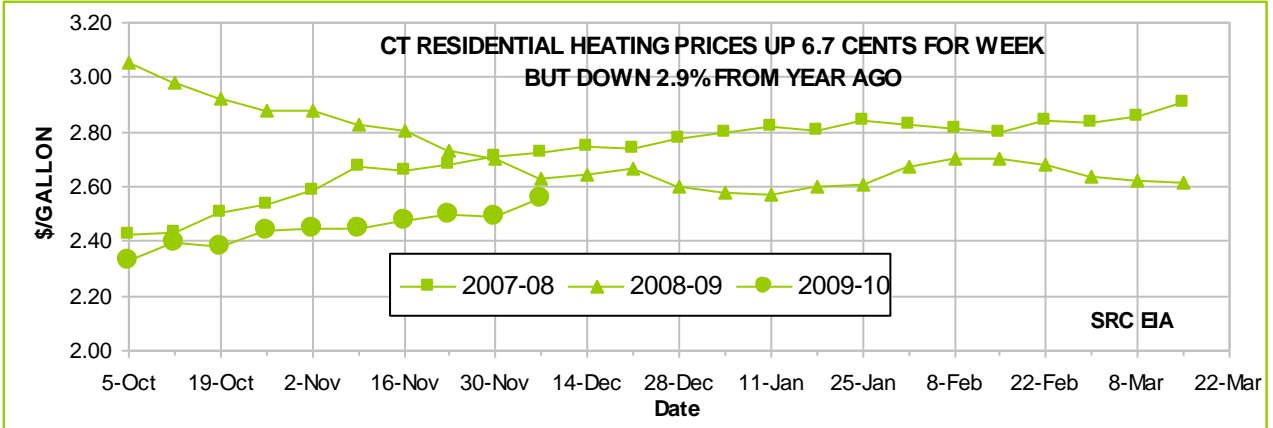
For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information

Propane



Propane inventory levels declined by 4.0 million barrels this past week compared to the five-year average decline of only 2.3 million. Over the past 9 weeks inventories have fallen by 15.5 million compared to a normal decline of only 3.4 million. Current storage levels now trail last year's levels by 2.8% and they have worsened to 7.9% below the five-year average.

Monday's Connecticut retail propane heating price survey showed an average price of \$2.572/gal, 1.8 cents/gal higher than the previous week. Prices are 2.6% (6.9 cents) less than a year ago and 15.9% (49 cents) lower than the peak 2008 price. Propane spot prices were 0.5 cents lower this week, settling at \$1.148 per gallon yesterday. This was 51.8 cents (82.2%) higher than a year ago but 42.0% lower than their peak 2008 price. According to census data, 2.7% of homes in Connecticut are heated by propane.



Gasoline



Inventories rose by only 0.9 million barrels this week as decreased demand and an increase in imports were offset by a decrease in production. The inventory increase was less than the five-year average gain of 1.4 million and less than the forecasted increase of 1.3 million. Inventories levels are 6.6% above last year and 6.2% above the five-year average.

Wednesday's spot price was \$1.860/gal, 83 cents (79.8%) higher than last year. The 12-month strip, at \$2.003/gal, was 77 cents (61.9%) higher than a year ago. Connecticut retail prices have been flat over the past 7 weeks, reflecting the narrow price band in which crude oil has been trading. At \$2.786/gal, retail prices are 97.8 cents (54.1%) higher than a year ago but 36.5% below last year's peak. While futures prices and spot prices have risen by 62% and 80% in the past year, Connecticut retail prices have only risen by 54% because of continued weak demand.

