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Exhibit C-3 and C-5

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EXHIBIT C-3

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FINANCIAL STATEMENTS

VECTREN

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Vectren Source
20 N.W. Fourth Street
Evansville, IN 47708

June 24, 2002

To Whom It May Concern:

I hereby certify that these financial statements are true and correct to the best of my knowledge.

Greg Collins
President

VECTREN RETAIL BALANCE SHEET

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DECEMBER 2001

	CURRENT MONTH			YEAR TO DATE		
	DEC-01 This Year	DEC-01 Budget	Percent Change	DEC-01 This Year	DEC-01 Budget YTD	Percent Change
ASSETS						
Current Assets						
Cash	113,281	0	n/m	39,761	0	n/m
Accounts Receivable - Trade	297,555	0	n/m	297,555	0	n/m
Accounts Receivable - Other	156,140	0	n/m	348,272	0	n/m
Other Current Assets	304,339	0	n/m	331,543	0	n/m
Total Current Assets	871,315	0	n/m	1,017,131	0	n/m
Fixed Assets						
Property, Plant & Equipment	0	0	n/m	22,127	0	n/m
Accumulated Depreciation	(883)	0	n/m	(1,726)	0	n/m
Capital In Progress	262,577	0	n/m	521,147	0	n/m
Total Fixed Assets	261,695	0	n/m	541,548	0	n/m
TOTAL ASSETS	**1,133,010**	**0**	**n/m**	**1,558,679**	**0**	**n/m**
LIABILITIES						
Current Liabilities						
Accounts Payable - Trade	(714)	0	n/m	0	0	n/m
Accounts Payable - Other	(562,299)	0	n/m	203,483	0	n/m
Accrued Liabilities	761,796	0	n/m	847,527	0	n/m
Other Liabilities	213,983	0	n/m	419,693	0	n/m
Total Current Liabilities	412,766	0	n/m	1,470,703	0	n/m
Long-Term Debt	2,319,265	0	n/m	2,599,548	0	n/m
Shareholder's Equity						
Common Stock						
Retained Earnings	(1,457,000)	0	n/m	(1,472,000)	0	n/m
Current Year Net Income (Loss)	(142,022)	0	n/m	(1,039,573)	0	n/m
Total Equity	(1,599,022)	0	n/m	(2,511,573)	0	n/m
TOTAL LIAB & EQUITY	**1,133,010**	**0**	**n/m**	**1,558,679**	**0**	**n/m**

VECTREN RETAIL INCOME STATEMENT

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DECEMBER 2001

	CURRENT MONTH			YEAR TO DATE		
	DEC-01 This Year	DEC-01 Budget	Percent Change	DEC-01 This Year	DEC-01 Budget YTD	Percent Change
Revenue						
NATURAL GAS	330,448	0	n/m	330,448	0	n/m
PRODUCTS & SERVICES	0	0	n/m	0	0	n/m
Total Revenue	330,448	0	n/m	330,448	0	n/m
Cost of Goods Sold						
NATURAL GAS	286,184	0	n/m	286,184	0	n/m
PRODUCTS & SERVICES	0	0	n/m	0	0	n/m
Total Cost of Goods Sold	286,184	0	n/m	286,184	0	n/m
Gross Margin						
NATURAL GAS	44,264	0	n/m	44,264	0	n/m
% OF SALES	13.4%	n/m	n/m	13.4%	n/m	n/m
PRODUCTS & SERVICES	0	0	n/m	0	0	n/m
Total Gross Margin	**44,264**	**0**	**n/m**	**44,264**	**0**	**n/m**
Total % of Sales	13.4%	n/m	n/m	13.4%	n/m	n/m
Operating Costs						
GENERAL & ADMINISTRATIVE	116,225	0	n/m	704,654	0	n/m
FINANCE	15,023	0	n/m	73,105	0	n/m
MARKETING	(92,321)	0	n/m	100,514	0	n/m
REGULATORY & MARKET OPERAT	89,625	0	n/m	378,983	0	n/m
BUSINESS OPERATIONS	53,580	0	n/m	236,101	0	n/m
PRODUCTS & SERVICES	85,125	0	n/m	216,596	0	n/m
Total Operating Costs	267,257	0	n/m	1,709,954	0	n/m
EBITDA	(222,993)	0	n/m	(1,665,690)	0	n/m
DEPRECIATION & AMORTIZATION	883	0	n/m	1,726	0	n/m
EBIT	(223,875)	0	n/m	(1,667,416)	0	n/m
INTEREST EXPENSE (INCOME)	2,997	0	n/m	4,357	0	n/m
EBT	(226,872)	0	n/m	(1,671,773)	0	n/m
TAXES (TAX BENEFIT)	(84,850)	0	n/m	(632,200)	0	n/m
Net Income	**(142,022)**	**0**	**n/m**	**(1,039,573)**	**0**	**n/m**

FINAL 1/14/02

VECTREN RETAIL
FINANCIAL STATEMENTS

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Statement of Cash Flows	December-01
Cash Flows from Operating Activities	
Net Income	$ (142,022)
Adjustments to reconcile net income to cash	
Depreciation	$ 882
Accounts Receivable	$ (453,695)
Inventories	$ -
Other Assets	$ (304,339)
Accounts Payable	$ (563,013)
Accrued Liabilities	$ 761,796
Other Liabilities	$ 213,983
Net Cash Flow from Operating Activities	$ (486,408)
Cash Flow from Investing Activities	
Purchase of Property, Plant & Equipment	$ (262,577)
Net Cash Flow from Investing Activities	$ (262,577)
Cash Flows from Financing Activities	
Net Increase (decrease) on notes payable	$ 2,319,265
Principal payment on long-term borrowings	
Proceeds from capital infusion from parent	$ (1,457,000)
Net Cash Flow from Financing Activities	$ 862,265
Net Increase (Decrease) in Cash	$ 113,280
Beginning Cash Balance	$ (73,520)
Ending Cash Balance	$ 39,760

COLLECTIONS	1,072,842
EXP	(959,561)
NET CASH CHANGE	113,281
BEG CASH	(73,520)
END CASH	39,761

EXHIBIT C-5

FORECASTED FINANCIAL STATEMENTS

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VECTREN RETAIL
12/2003 Forecasted Financial Statement Assumptions

--Two year forecast is based upon entire Retail operations which include the sale of energy products and services, LD, internet, satellite TV and equipment sales.

--CMNGS operations consist of the following portions of the attached forecast:

80% of Sales
33% of Gross Margin
60% of Operating Expenses

--Forecast assumes operation in two LDCs in Ohio and five LDC's in other states over the two-year forecast

--Operatons will be funded by internal short-term debt thru Vectren Capital Corp.

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VECTREN RETAIL
Consolidated Financial Statements

Statements of Projected Income and Retained Earnings

	Projected 2002	Projected 2003
Sales Revenues	9,160,726	31,300,000
Cost of Sales	8,090,868	27,000,000
Gross Profit	1,069,858	4,300,000
Operating Expenses		
Operations & Maintenance	5,788,302	7,500,000
EBITDA	(4,718,444)	(3,200,000)
Depreciation	457,645	900,000
Property and Other Taxes	-	-
All Other	-	-
Total	457,645	900,000
Net Operating Income	(5,176,089)	(4,100,000)
Other Income & Expenses		
Interest Income	-	-
Interest Expense	(237,479)	(400,000)
Other Income from DPL Acquisition	-	-
Gain on sale of assets	-	-
Equity in net income of affiliates	-	-
Total Other Income & Expenses	(237,479)	(400,000)
Income / (Loss) Before Taxes	(5,413,568)	(4,500,000)
Greg's forecast	(5,176,089)	(4,100,000)
Income taxes		
Federal	(2,036,638)	(1,526,175)
State	(70,415)	(139,500)
Income Taxes	(2,107,053)	(1,665,675)
Minority Interest	-	-
Net Income / (Loss)	$ (3,306,515)	$ (2,834,325)
Retained earnings at beginning of year	(1,518,292)	(4,824,807)
Less dividends	-	-
Retained earnings at end of year	(4,824,807)	(7,659,132)

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VECTREN RETAIL

Projected Balance Sheets

ASSETS	Projected 2002	Projected 2003
Current Assets		
Cash	103,020	103,020
Accounts receivable	4,963,604	2,600,000
Inventories	-	-
Other current assets	-	-
Total current assets	5,066,624	2,703,020
Other Assets		
	-	-
Total Other Assets	-	-
Property and Equipment	3,412,391	7,500,000
Less accumulated depreciation	467,445	1,367,445
Net Utility Plant	2,944,946	6,132,555
Investment in Affiliates	-	-
Total Investments	-	-
TOTAL ASSETS	8,011,570	8,835,575

LIABILITIES AND SHAREHOLDERS' EQUITY	Projected 2002	Projected 2003
Current Liabilities	6,094,768	5,232,903
Short-term debt	6,741,609	11,261,804
Accrued liabilities		
Other	-	-
Total current liabilities	12,836,377	16,494,707
Long-Term Debt	-	-
Shareholders' Equity		
Common Stock	-	-
Additional paid-in capital	-	-
Retained Earnings	(4,824,807)	(7,659,132)
TOTAL LIABILITIES	8,011,570	8,835,575
***TOTAL ASSETS	8,011,570	8,835,575
***DIFFERENCE	(0)	(0)

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VECTREN RETAIL

Statement of Projected Cash Flows

	Projected 2002	Projected 2003
Cash Flows from Operating Activities		
Net Income	$ (3,306,515)	$ (2,834,325)
Adjustments to reconcile Net Income to Net Cash		
Depreciation	457,645	900,000
Equity in net income of unconsolidated affiliates	-	-
Accounts receivable	(4,643,772)	2,363,604
Inventories	-	-
Other current assets	-	-
Accrued liabilities	5,680,768	(861,865)
Other current liabilities	-	-
Net Cash Flow from Operating Activities	(1,811,874)	(432,586)
Cash Flows from Investing Activities		
Purchase of property or equipment	(2,374,391)	(4,087,609)
Investment in affiliates	-	-
Net Cash Flow from Investing Activities	(2,374,391)	(4,087,609)
Cash Flows from Financing Activities		
Net increase (decrease) on notes payable	4,260,387	4,520,195
Principal payments on long-term borrowings	-	-
Proceeds from capital infusion from parent	-	-
Dividends paid	-	-
Net Cash Flow from Financing Activities	4,260,387	4,520,195
Net Increase (Decrease) in Cash	74,122	-
Cash at beginning of year	28,898	103,020
Cash at end of year	103,020	103,020