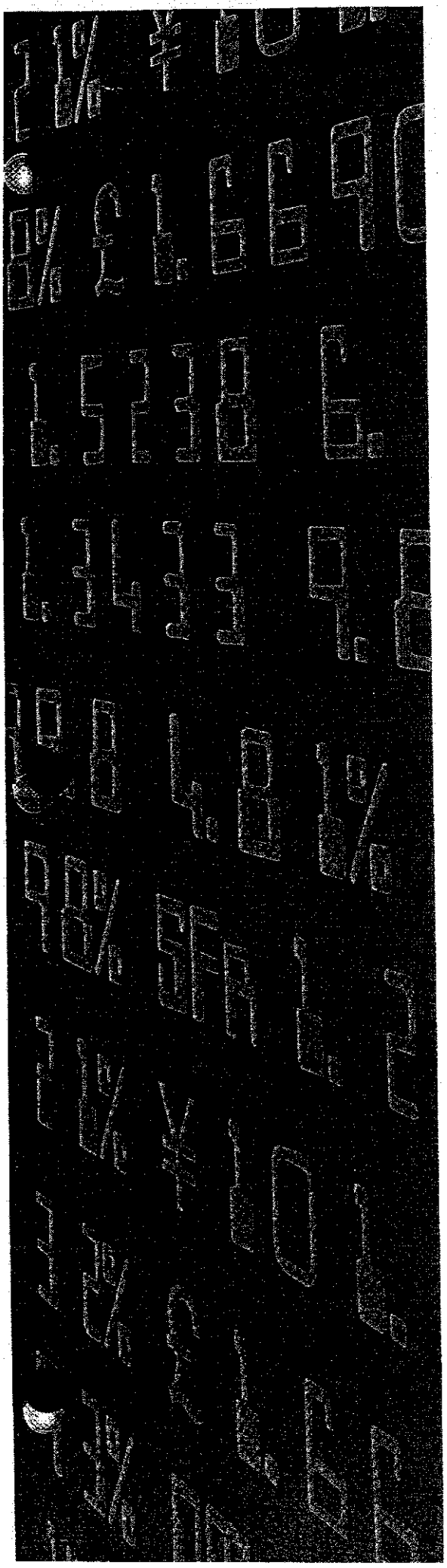


IP Interstate Power Company
Docket #01-0628
Exhibit No. 3.1

BLUE CHIP FINANCIAL FORECASTS

Top Analysts' Forecasts Of U.S. And Foreign Interest Rates, Currency Values And The Factors That Influence Them.

01-0628
IP 3.1
1/3/02

Vol.20, No.5
May 1, 2001

Consensus Forecasts Of U.S. Interest Rates And Key Assumptions[1]

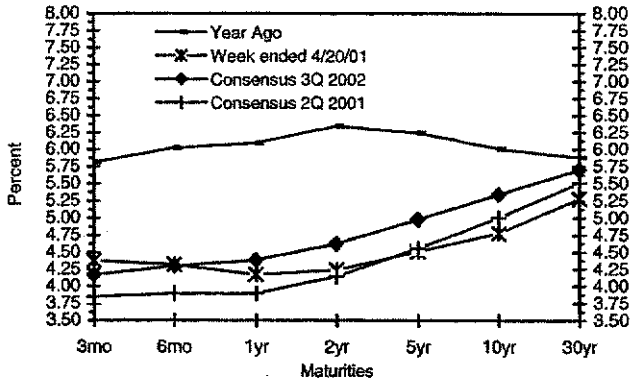
Interest Rates	History: Avg. For Week Ending Apr 20	Apr 13	Apr 6	Mar 30	Month Mar	Feb	Jan	Latest Q 1Q 2001	Consensus Forecasts – Quarterly Avg. 2Q 2001	3Q 2001	4Q 2001	1Q 2002	2Q 2002	3Q 2002
Federal Funds Rate	4.98	4.96	5.21	5.00	5.31	5.49	5.98	5.59	4.1	4.0	4.0	4.1	4.2	4.3
Prime Rate	8.00	8.00	8.00	8.00	8.32	8.50	9.05	8.62	7.4	7.0	7.0	7.1	7.2	7.4
LIBOR, 3-mo.	4.65	4.76	4.82	4.88	4.96	5.35	5.67	5.32	4.3	4.1	4.1	4.2	4.4	4.6
Commercial Paper, 1-mo.	4.77	4.92	4.93	4.94	5.02	5.39	5.74	5.38	4.4	4.1	4.1	4.2	4.3	4.5
Treasury bill, 3-mo.	3.96	3.99	4.01	4.32	4.54	5.01	5.29	4.95	3.8	3.7	3.7	3.8	4.0	4.2
Treasury bill, 6-mo.	4.02	4.04	4.07	4.19	4.44	4.89	5.15	4.83	3.9	3.8	3.8	3.9	4.1	4.3
Treasury bill, 1 yr.	4.04	4.07	4.00	4.19	4.30	4.68	4.81	4.60	3.9	3.8	3.9	4.0	4.2	4.4
Treasury note, 2 yr.	4.34	4.25	4.15	4.29	4.34	4.66	4.76	4.59	4.1	4.1	4.1	4.3	4.4	4.6
Treasury note, 5 yr.	4.86	4.71	4.60	4.65	4.64	4.89	4.86	4.80	4.6	4.5	4.6	4.7	4.8	5.0
Treasury note, 10 yr.	5.24	5.08	4.95	4.95	4.89	5.10	5.16	5.05	5.0	5.0	5.1	5.1	5.2	5.4
Treasury bond, 30 yr.	5.71	5.59	5.49	5.44	5.34	5.45	5.45	5.41	5.5	5.5	5.5	5.6	5.6	5.7
Corporate Aaa bond	7.27	7.18	7.08	7.06	6.98	7.10	7.15	7.08	7.1	7.0	7.0	7.0	7.1	7.2
Corporate Baa bond	8.15	8.06	7.98	7.97	7.84	7.87	7.93	7.88	8.0	7.8	7.8	7.8	7.8	7.9
State & Local bonds	5.33	5.24	5.18	5.14	5.13	5.18	5.10	5.14	5.1	5.0	5.0	5.0	5.1	5.1
Home mortgage rate	7.14	7.04	7.01	6.91	6.95	7.05	7.03	7.01	7.0	6.9	6.9	7.0	7.1	7.2

Key Assumptions	History: 2Q 1999	3Q 1999	4Q 1999	1Q 2000	2Q 2000	3Q 2000	4Q 2000	1Q 2001	Consensus Forecasts – Quarterly Avg. 2Q 2001	3Q 2001	4Q 2001	1Q 2002	2Q 2002	3Q 2002
Major Currency Index	95.5	94.5	92.7	94.7	97.5	99.2	102.3	101.9	103.3	102.7	102.1	101.5	101.1	100.6
Real GDP	2.5	5.7	8.3	4.8	5.6	2.2	1.0	2.0	1.0	1.2	3.0	3.3	3.1	3.5
GDP Price Index	1.4	1.1	1.6	3.3	2.4	1.6	2.0	3.2	2.1	2.0	1.9	2.0	1.9	2.0
Consumer Price Index	2.7	2.9	3.1	4.3	2.8	3.5	3.0	4.2	2.5	2.3	2.3	2.4	2.3	2.3

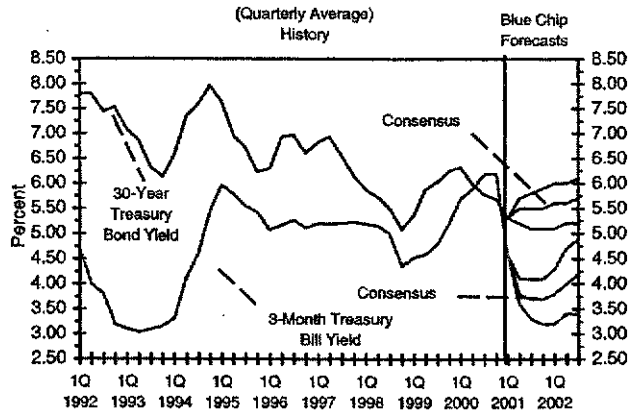
[1]Individual panel members' forecasts are on pages 4 through 9. Historical data for interest rates except LIBOR is from Federal Reserve Release (FRSR) H.15. LIBOR quotes available from *The Wall Street Journal* and *Telerate*. Definitions reported here are same as those in FRSR H.15. All Treasury yields are reported on a constant maturity basis. Historic data for the U.S. Federal Reserve Board's Major Currency Index is from FRSR H.10 and G.5. Historical data for Real GDP and GDP Chained Price Index are from the Bureau of Economic Analysis (BEA). Consumer Price Index (CPI) history is from the Department of Labor's Bureau of Labor Statistics (BLS).

U.S. Treasury Yield Curve

Week ended April 20, 2001 and Year Ago vs. 2Q 2001 and 3Q 2002 Consensus forecasts

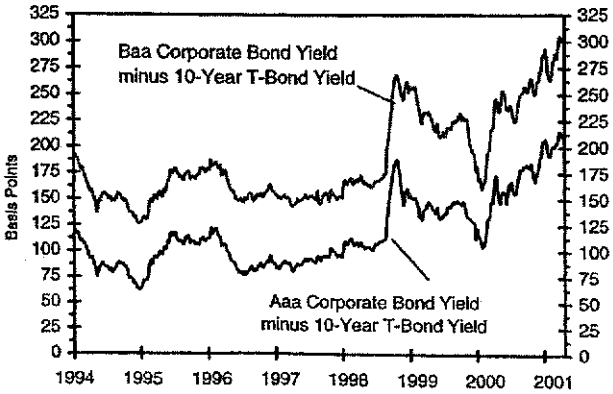


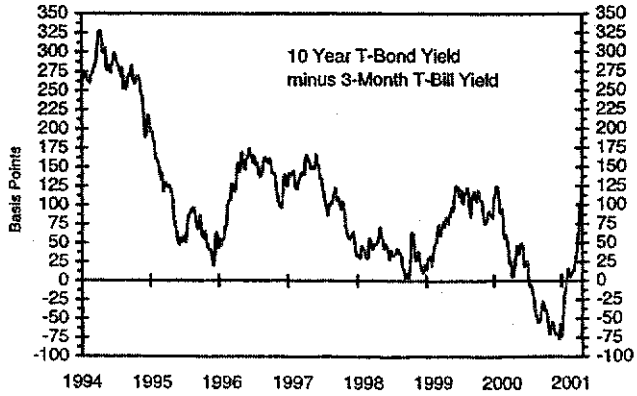
U.S. 3-Mo. T-Bills & 30-Yr. T-Bonds



Corporate Bond Spreads

As of week ended April 20, 2001



U.S. Treasury Yield Curve

As of week ended April 20, 2001