PLAIN TALKS

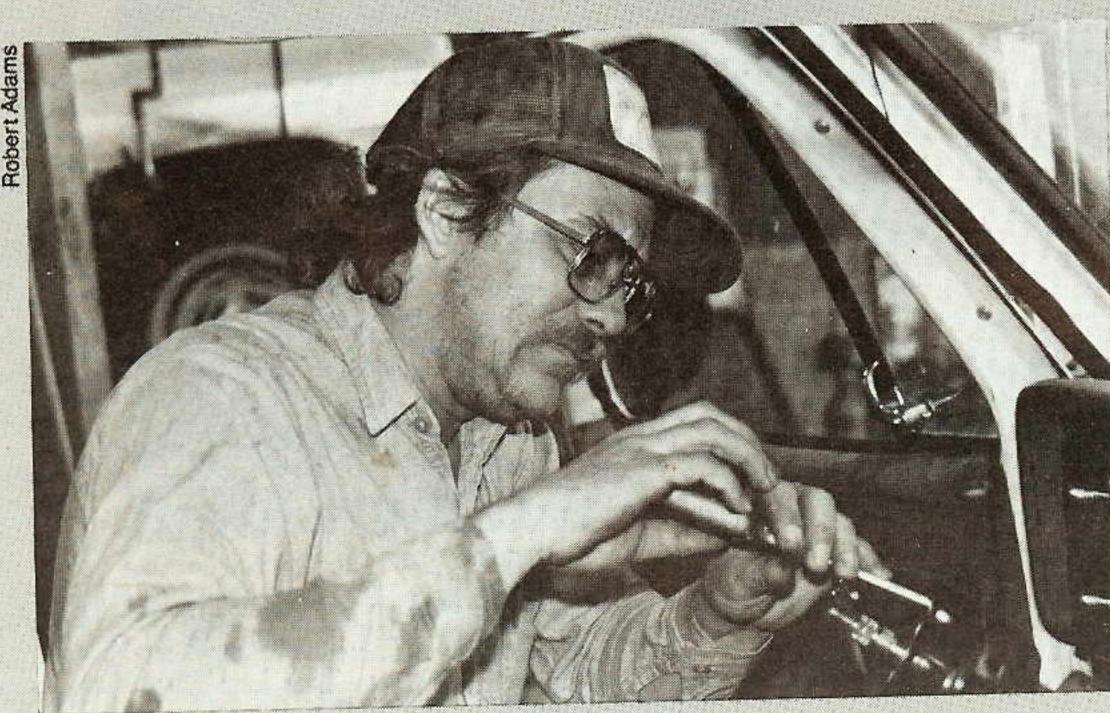
March 1988



Keeping the trucks rolling

CONTENTS

Volume 67	iber 2
Thanks to the public servant	3
Mailbox	4
Louise Anderson — Plank Road pioneer	5
Keeping heavy equipment moving is a big job	6
Why does GSU advertise?	8
Benefit Briefs: Take time now to prepare for the unexpected	10
Two Baton Rouge lifesavers receive President's Award	11



Michael Barker, garage mechanic-1st class, replaces the wiring harness in the steering column of one of GSU's heavy equipment vehicles in Port Arthur.

On the cover, garage mechanics-1st class Gary James, left, and Matt Ledet prepare to replace the wiring of a bucket truck during its "mid-life overhaul." For more information and photos of heavy equipment maintenance, see the photo feature beginning on page 6. Plain Talks editor E. Kelly Merritt shot the cover photograph at the Lake Charles Service Center.

PLAIN TALKS

March 1988

Published for employees and retirees of Gulf States Utilities Company. No portion of the contents of this magazine may be reproduced without written permission of the publisher. Address all communications to PLAIN TALKS, Gulf States Utilities Company. P. O. Box 2951, Beaumont, Texas 77704, Phone (409) 838-6631.

Executive Editor: Betty Gavora

Editor:
E. Kelly Merrit

E. Kelly Merritt Correspondents: Robert Adams Vickie Albert Ronnie Bordelon Barbara Broussard Ella Brown Keith Browning Mamie Burrell Debra Cassel Laurie Cobbs Lisa Creekbaum Betty Dickschat Lisa Didier Betty Dowell Andy Dreher Donna Fancher Charlotte Gautreau Rhonda Haskins Connie Herford Tina Hunt Lynda Kapałski Helen Kennedy Clint Lilley Audrey McDonald Carol Morris Clint Moss Gerald Nelson Sherry Overbeck Edith Patterson Carol Payne Myra Ponthier Joe Reine Casey Richert Mike Rodgers Greg Russell

D. W. Rutherford

Monica Thomas

Robby Zeringue

Jeral Semien

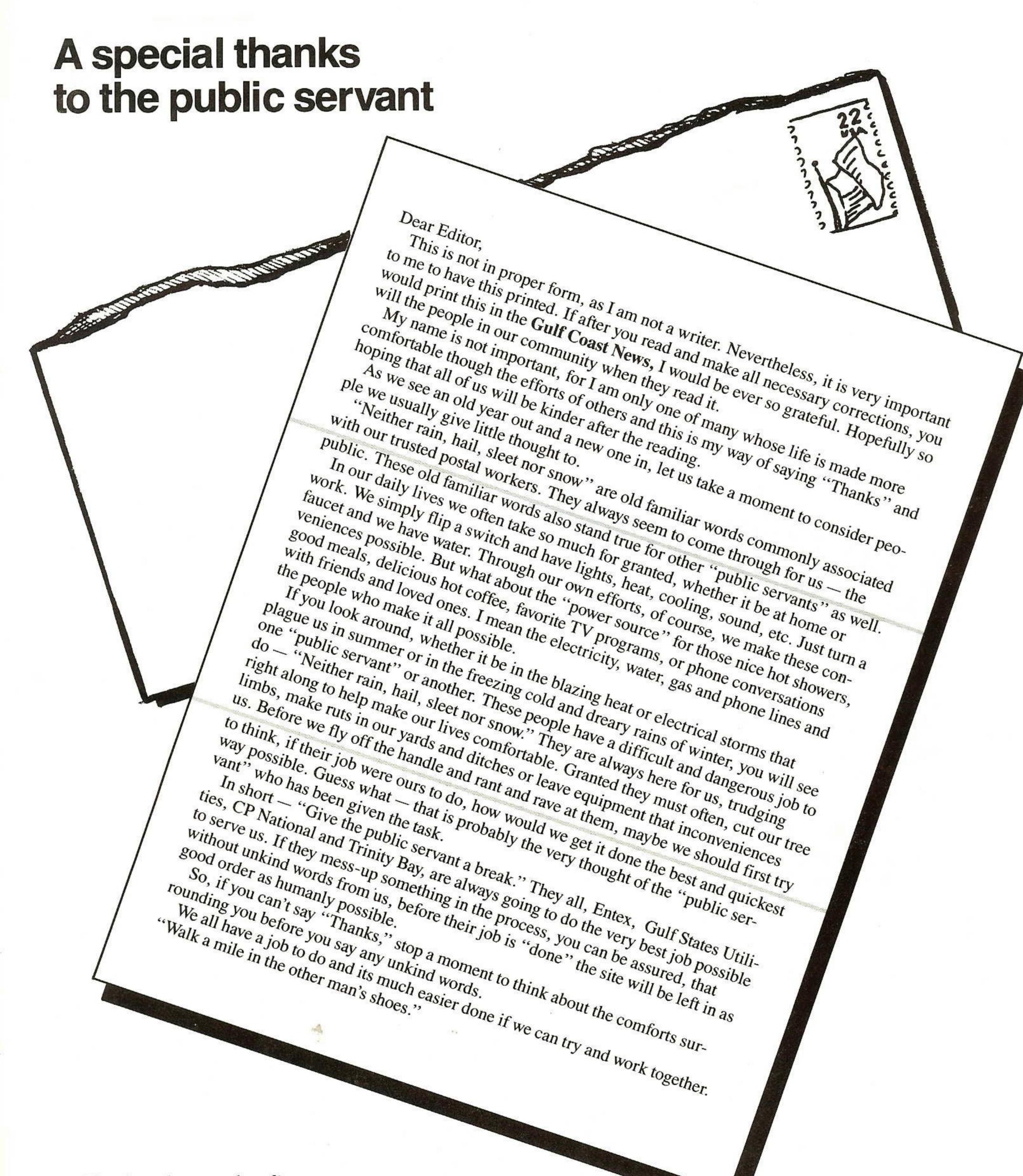
Wilma Shaw

Jean Tinsley

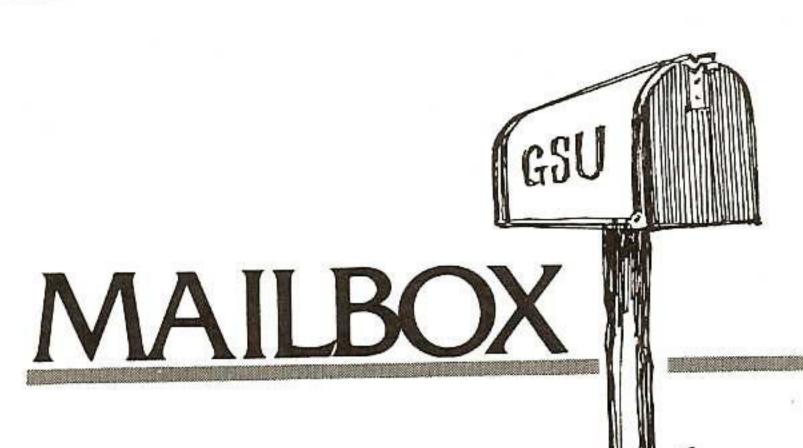
Delores West

Sue Simon

Employees who change residences or offices should fill out company mailing-address-forms (GSU0012-00-81) and return them to the mailroom in the Edison Plaza. GSU publications, departmental mailings and other company information are not automatically forwarded; addresses must be corrected when employees move.



The above letter to the editor was originally printed in the Jan. 6, 1988, edition of The Gulf Coast News of Winnie, Texas. It is reprinted here, in its original form, with permission from the publisher.



Fine company

"I want to thank a group of linemen who worked long and diligently to get our electricity back on," writes customer Jean Glaze to the Port Allen office. "Having employees such as these helps to make Gulf States Utilities the fine company it is."



Ina Smiley

Wonderful people

Independent Marketing and Associates, a new Gonzales business, thanks Ina Smiley "and the other wonderful people at Gulf States" for the fast and courteous service the company received upon opening its office. Smiley is a Gonzales customer contact clerk.

Fair help

Sylvia Matassa, development director of St. Theresa of Avila Regional School in Gonzales, thanks Gonzales District superintendent Alvin "Bully" Dragg for installing a sign announcing the school's fair and for "being so cooperative of all of our electrical needs ... May God bless your kind support," she writes.

Super work

Howard's Super Store of Port Arthur writes to thank "the management and employees of Gulf States Utilities for their exemplary handling of the power crisis brought about by the recent tornado ... It is good to know that, in an emergency, Gulf States employees are there to handle the situation," writes manager Howard Hatfield.

Inspiring devotion

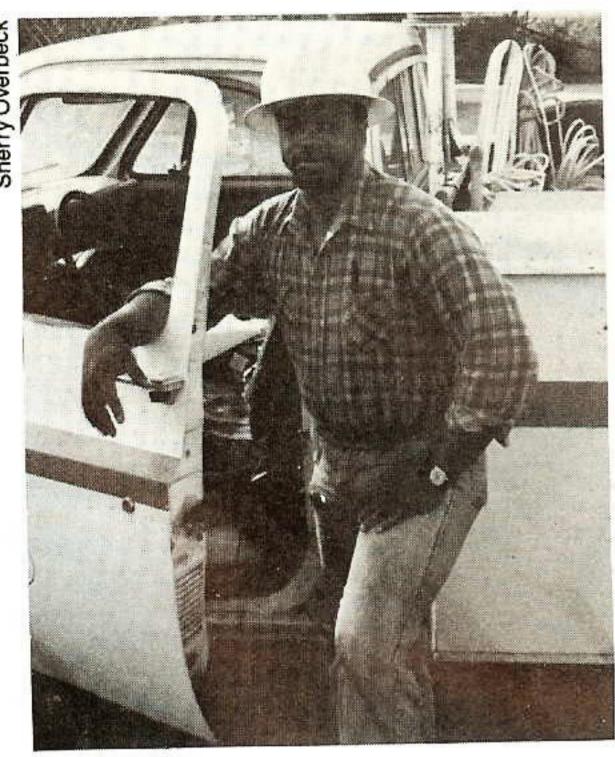
"Please extend my gratitude to everyone who worked so diligently with us in order to service the community. The spirit and devotion of those people is inspiring," writes James Broussard, manager of the American Red Cross chapter in Port Arthur. Broussard is referring to the service by Gulf States after tornadoes wiped out power and destroyed homes in the area. Deserving special thanks are Don Brady, operating superintendent, for pinpointing areas of power outages and Brenda Broussard, consumer service representative, for information and pamphlets on food spoilage during outages.

Keep going GSU

Baton Rouge customer Noble
Johnson sends the following letter.
"My heartfelt thanks to you for
the excellent service you rendered
me on restoring my power supply
when it was lost due to a tree falling

across the line during the heavy storms of last Monday.

Your dedication to service as expressed by your representatives was outstanding. Their knowledge of their job and their desire to serve was very reassuring. Thank you — keep going GSU. I am all for you."



Ivy Bell

Extraordinary service

The Woodlands customer Irl
Walker, Jr. went straight to the top
with his compliments of Ivy Bell,
serviceman-1st class. In a letter to
GSU Chairman Linn Draper,
Walker explains how power was
restored to his home after an outage. Bell provided the "best service I could have ever imagined.
With people like Ivy Bell on your
team, GSU is bound to get all of its
problems behind it. He is an
employee of whom to be proud,"
Walker writes.

Making friends

thanks Sam Raney, Louisiana safety supervisor, for allowing Allen Levine, safety and health representative, to speak to employee groups at PPG. Levine's "down home delivery and practical approach was well received and generated many positive comments on the program," writes PPG's B. J. Walker. "You can be assured that Allen made a number of friends for Gulf States Utilities."

Louise Anderson

Perspectives from the Plank Road pioneer



Louise Anderson has worked at the Plank Road office in Baton Rouge since it opened in 1979.

by E. Kelly Merritt

As the Plank Road pioneer, Louise Anderson has seen it all.

An expert on customer relations, she has written service orders, listened to high bill complaints, taken routine bill payments, arranged for service to be cut off and turned on. She's been frowned at, smiled at and thanked by customers more than a thousand times.

Anderson, customer contact clerk, has been with GSU for 17 years. She is the only employee now at the Plank Road office in Baton Rouge who has worked there since it opened in 1979.

Her work experience, easygoing attitude and fast working pace help to keep the office running smoothly. While other employees have come and gone, Anderson has remained to ease the transition, to help the new cashiers, to familiarize two supervisors with the location and to provide a sense of unity to the hectic office.

"Mrs. Anderson has been a great asset in helping me see the problem areas," says Clarence Washington, accounting services section head and supervisor of the Plank Road office. "She's like the keel of a ship, stabilizing the whole operation. She knows every aspect of customer accounting."

Those who've been to Plank
Road know it's a busy place. The
working area is small, the
standing-room-only lobby is
usually crowded, and the line of
cars to the drive-through window
sometimes extends to the street. It's
a pressure-cooker atmosphere.

"It takes a determined group of people to work here and not let things get under their skin," says Washington.

The office averages 687 customers per day, most of whom live in the low-income neighborhood surrounding the office. Despite the adversity, the crowdedness, the tension, Anderson enjoys her job.

"The office is ideal for where it's located," she says. "We handle everything in the northern section of town. Everybody who comes in here has pretty much the same problems, but all of them are interesting."

The variety of the job keeps her interest. "If I moved to another

department, I would be confined to doing one thing, then I'd be bored. Here, I take payments, help the other clerks, handle difficult customers, back up Clarence...."

Anderson's job is unique among the Plank Road cashiers. When the office opens to customers at 8:30 a.m., she operates the walk-up window until 9:45. She then rotates to relieve the other cashiers. She also prepares the bank deposits, keeps the change box, orders supplies, balances her accounts and helps the other cashiers balance theirs.

Which part is most difficult?

"There's not a difficult part of my job," she says. "The only time my job bothers me is when someone uses foul language." And that doesn't happen often. She cannot remember the last time she had an irate customer. "If they are acting upset, I hear them out. If there is anything I can do to make it easier on them financially, I'll do it."

And her outlook on the future: "I think GSU is going to make it. We're going to get our rate increase and come back on top again."

"If they break, we fix them"

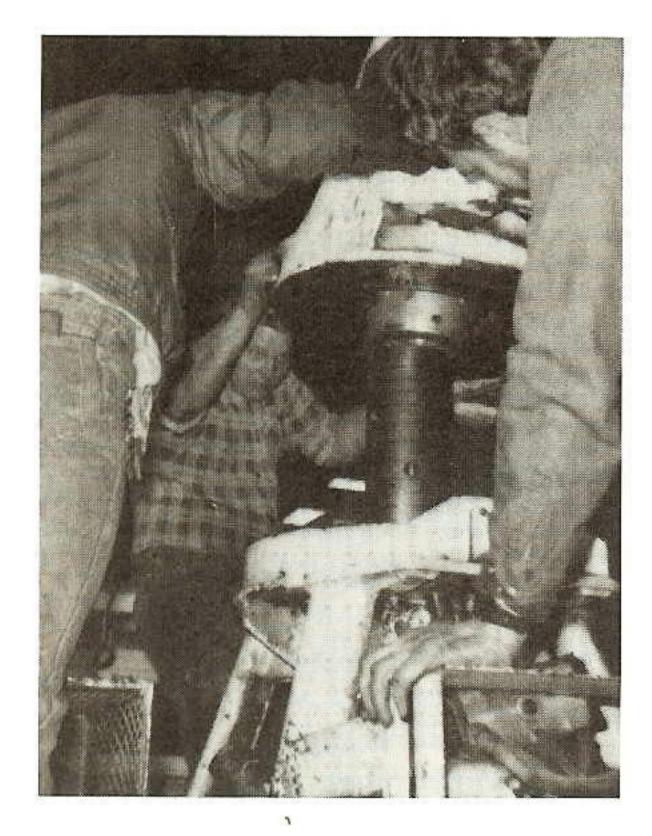
by Robert Adams

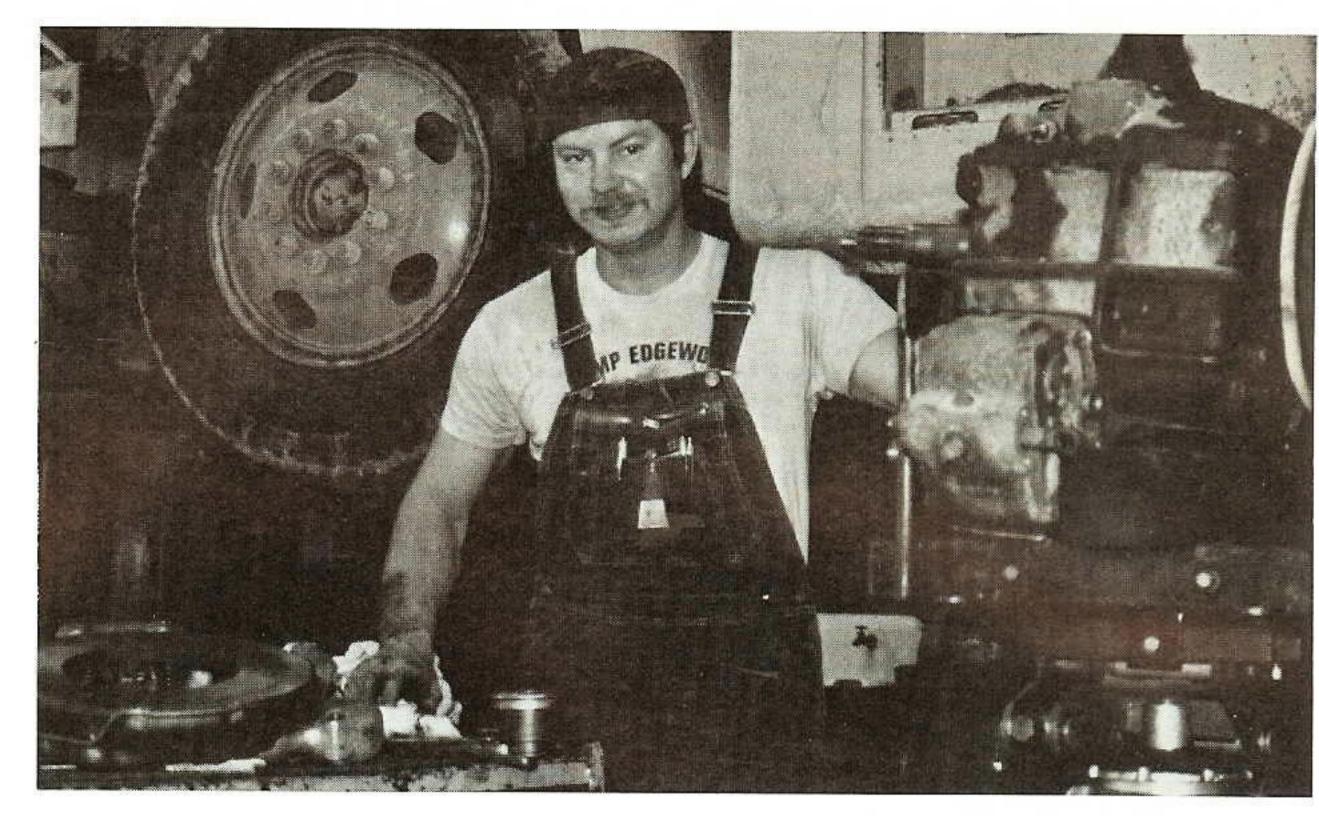
As GSU continues rolling down the Project Save Cash road, the maintenance of our equipment becomes more critical than normal. The company is not buying replacement equipment and what we have must last for a longer time.

The mechanics and garage personnel in each division perform periodic maintenance and inspections and make needed repairs for broken equipment. Each piece of equipment the company uses, whether it is one of the 232 aerial basket or digger derrick trucks, a bulldozer or a marsh vehicle, adheres to a maintenance schedule.

"They're scheduled for daily checks by the drivers, fluid changes every 4,000 miles, and periodic hydraulic inspections and di-electric tests," says Gary Nicholas, fleet administrator. "And, if they break, we fix them ourselves."

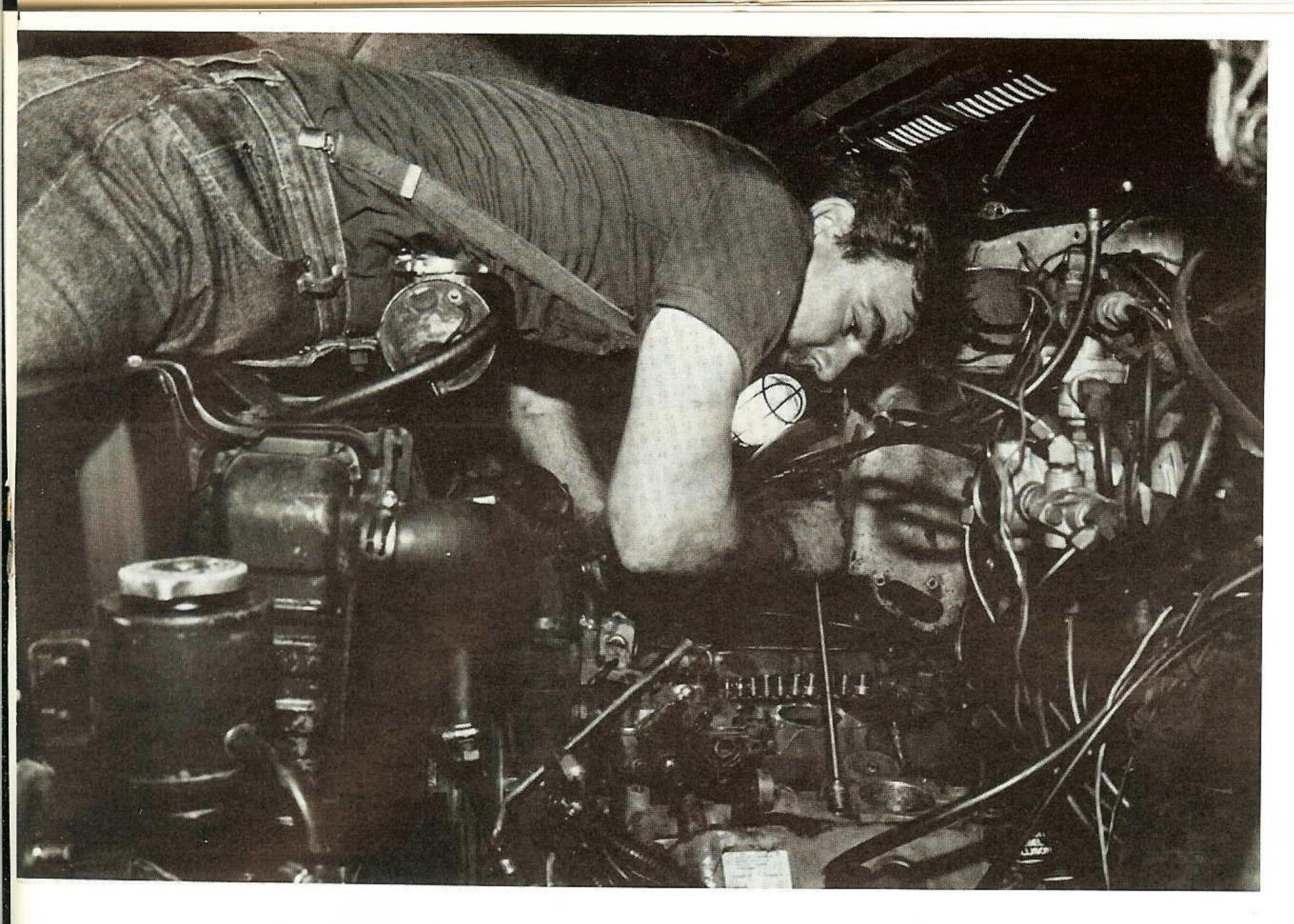
It is the variety of repairs and procedures that keeps his job interesting, says Michael Barker, garage mechanic-1st class, as he replaces a wiring harness on a line truck. "That's what I like most about my job — it's always something different."

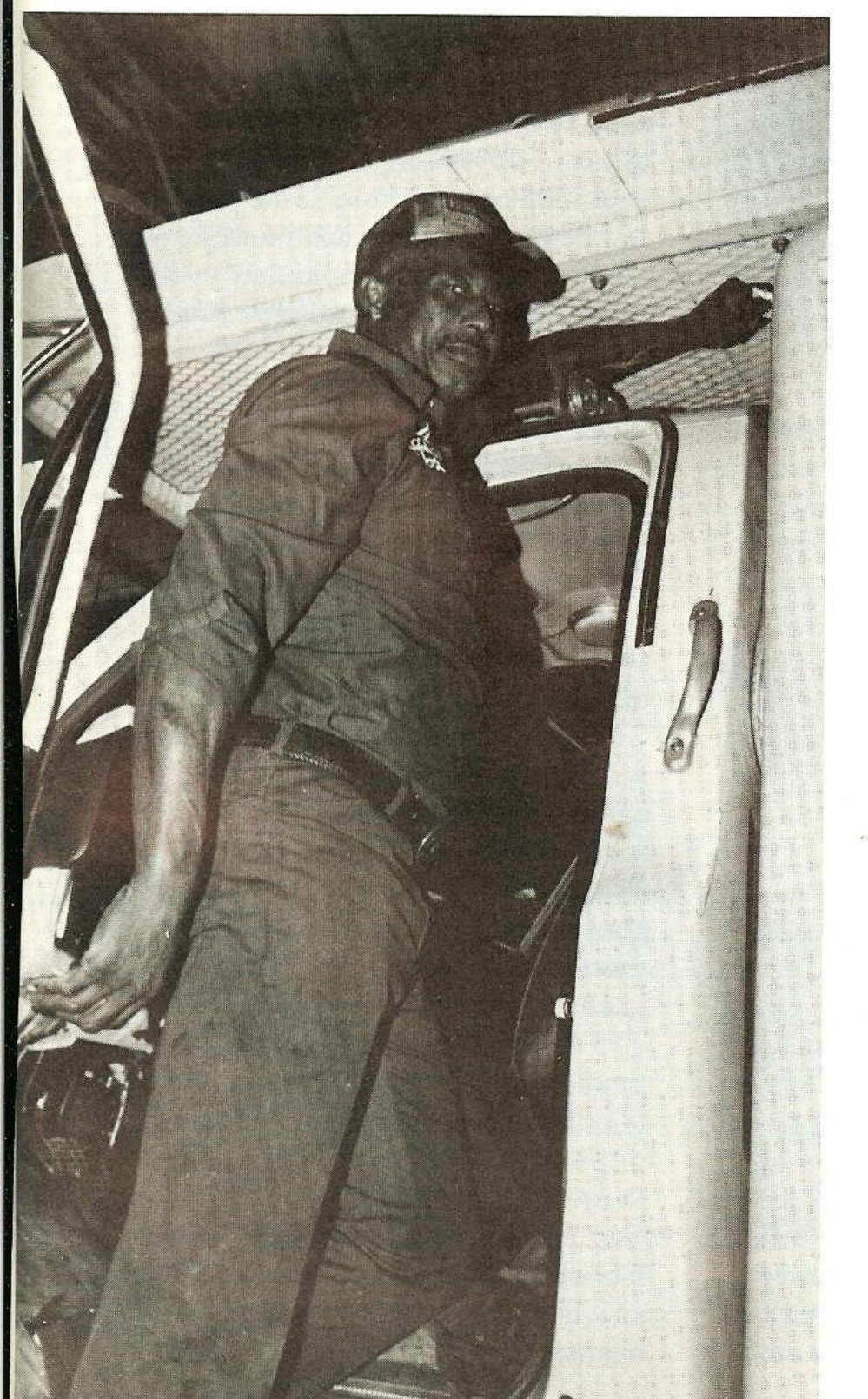


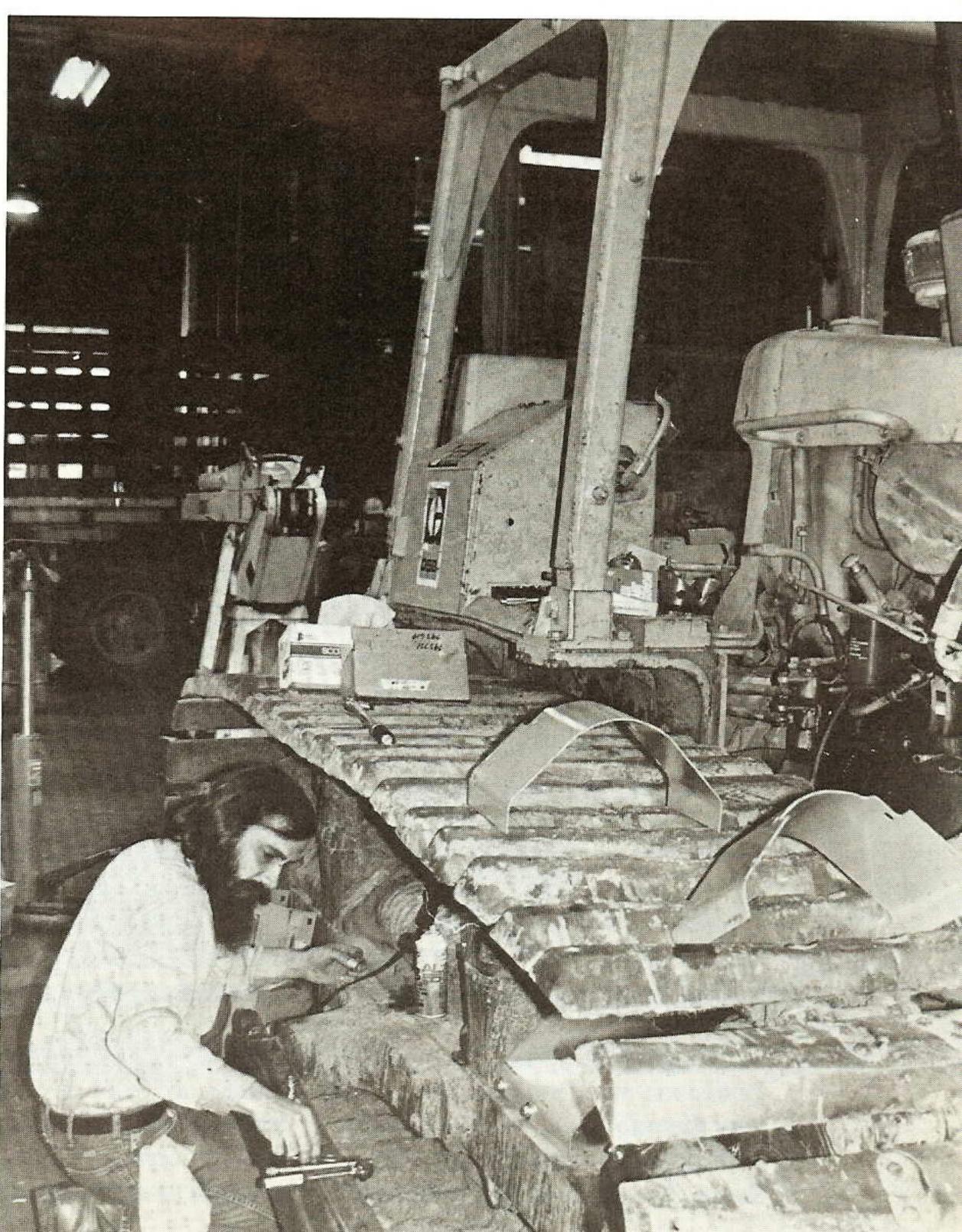


Every working day finds garage mechanics busy with heavy equipment throughout the system. Clockwise from above, Doug Duplantis with the clutch housing he removed from a bucket truck in Lake Charles; Brad King replaces the intake manifold on a digger derrick truck after repairing a broken valve-spring in Baton Rouge; in Beaumont, Herman Riehl works on a GSU bulldozer; Johnnie Turner repairs a water leak in the crew cab of a Baton Rouge Division seven-man truck; in Port Arthur, George Merwin, right, uses a torch to cut a supporting piece to make room for the clutch to be removed while Michael Barker stands ready, just in case, with a fire extinguisher; and, from left, Charles Swinea, Louis Novark and Michael Buttercase install the boom on a bucket truck in Conroe.









Company advertising

Keeps customers informed, costs less than mailing a letter

by Mark Viguet

"Another GSU television advertisement? What good does it do?"

"They're a monopoly, they don't need to advertise."

"With the money they spend on those fancy ads, they could lower our electric bills."

"How can they complain about money problems and run those expensive ads?"

GSU employees have heard comments like these about company advertising from customers — and other employees. But, according to a recent customer opinion poll conducted by Economic and Industrial Research Inc. of Baton Rouge, the majority of customers want informative advertising from GSU on a variety of subjects. In fact, over 60 percent believe that Gulf States should use television to provide this information.

Henry Joyner, GSU's administrator of advertising and communication support, explains why the company believes in advertising.

"As a utility, we touch the lives of everyone in the communities we serve. In a heavily-regulated business like ours, it is important to build understanding and support," he says. "One of our responsibilities is to keep customers informed about what we're doing and, maybe more importantly, why we're doing it. Advertising is a tool that helps us achieve this goal.

Joyner cites the rate cases in Louisiana and Texas as examples of how the public can be bombarded with misinformation about Gulf States. He explains that unless the company sets the record straight through paid advertising, GSU's side of the story would often go unreported.

"Although most people think of television advertising as expensive, it is a cost-effective way to communicate with our customers," according to Joyner. Since GSU serves more than 555,000 customers in five major cities spread over 28,000 square miles, it is essential to reach the maximum number of people at the lowest cost, he adds. In 1987, 70 percent of the GSU advertising budget was spent on television ads, about 20 percent on newspapers and 10 percent on radio.

"Last year (1987), we spent about \$407,000 on television advertising and that's a lot of money," Joyner says. "But, considering the size of our service area, the number of customers and the cost of advertising time, the expense is not as great as it may first seem."

"On some cable systems in the Western Division it can cost as little as \$2.11 to buy a 30-second TV commercial," Joyner notes. "In larger markets like Beaumont and Baton Rouge costs can range anywhere from \$38 to \$765 to run a commercial one time."

Joyner explains that savings to customers would be minimal if advertising expenses were reduced. If Gulf States had eliminated all of its advertising in 1987 and used that money to lower customers' bills, each customer would have saved about 9 cents a month. "That's not enough to mail one letter to answer

a customer's question," he adds.

Utilities are different from unregulated industries which automatically pass along advertising costs to the consumer. Regulatory commissions decide whether utility advertising costs can be passed on to the customer. "Regulations allow only advertising with a clear and obvious customer benefit, like advertising that promotes safety or energy efficiency, to be charged to our customers," Joyner says. "Ads that deal with controversial issues, such as rate increases, are paid for by employees and shareholders."

And what about those repetitious advertisements?

Joyner answers, "An advertisement that may seem redundant to a GSU employee, who is naturally more sensitive to company ads, may be lost to customers in the clutter of other commercials." Advertising studies show that to be most effective with an audience, a television commercial must be viewed between three and 10 times.

"Viewers tend not to notice a TV ad the first two times it airs,"

Joyner says. "Because of our conservative advertising budget, the goal is to reach 65 percent of our customers at least three times with a television message."

"Neither the percentage of customers reached nor the frequency of ads run is as great as they could or perhaps should be," Joyner says. "However, making the most effective use of available resources is a fact of life in advertising — as it is in the rest of the utility business."

Safety campaign speaks for itself

Does advertising really work? In at least one case, the answer for GSU was a resounding "yes."

The company's Don't Put Your Life On The Line safety messages, which ran from 1979-1985, were intended to dramatically portray powerline dangers. The ads were tested for effectiveness in Baton Rouge, the largest city in GSU's service area. A private research firm, Economic and Industrial Research Inc. of Baton Rouge, was selected to determine whether the ads would be seen as positive or negative by customers and if the message would be understood and remembered.

When results were tabulated, the findings were not only gratifying, but surprising.

- Ad recall was 40 percent, after the spots had been on the air only two weeks.
- 98 percent could correctly identify the intended message. This figure remained high throughout all customer groups.
- 96 percent rated the ads as good or very good in portraying powerline dangers.
- 97 percent believed the spots were educational.

This campaign was so successful, more than 40 other electric utility companies in the United States and Canada initiated programs of their own using Don't Put Your Life on the Line" materials from GSU.



A current Project CARE advertisement.

By filling in the blanks

Frank prepared for the unexpected

At age 55, Frank Dickerson had a long service record at GSU. During his 30 years with the company, he progressed to supervisor. He enjoyed his job and was respected by his colleagues. Nevertheless, he looked forward to retiring in seven years. He was building up a nice nest egg through the Thrift Plan and knew that he and his wife would be able to live comfortably on his retirement pension. As a matter of fact, GSU had deposited millions of dollars over the years in a retirement plan so he and other employees like him could live their golden years without financial worry.

Then, the unexpected happened. As he slept one night, a blood clot formed in the artery leading to his brain, partially blocking the flow of blood. He was rushed to a hospital. There doctors stabilized his condition, but could do nothing else. Frank was incapacitated. The stroke left one side of his body paralyzed and he was unable to talk or even think clearly. Weeks passed and Frank's condition slowly worsened. A month later, he died.

Although he hadn't expected it, Frank had prepared. He had completed and filed with Employee Benefits the Election of Retirement Benefits While In Active Service form. When his death appeared imminent, Frank's wife, after consulting with Employee Benefits, agreed that the company should retire Frank. That way, when Frank died shortly after being retired, Mrs. Dickerson would receive the maximum benefits to which she was entitled.

The Election of Retirement Benefits While in Active Service form is for vested employees who, like Frank, have at least 10 years credited service in the retirement plan. Its purpose is to maximize the retirement benefits an employee's contingent annuitant will collect. (A contingent annuitant is the person named to receive the annuity, or retirement benefit payments, in case of the employee's death.) The form is a safety valve, used only if an incapacitated employee faces imminent death and is unable to make a choice about his or her retirement.

Take a few minutes to get your forms in order. See related story on page 11.

To understand how the election works, it helps to understand how retirement works. When a vested employee retirees, he or she can choose one of the following benefit payment options:

The life annuity option pays the maximum monthly pension available to the retiree. Payments stop upon the retiree's death.

The 50 percent joint and survivor annuity pays a reduced monthly benefit during the retiree's lifetime.

When the retiree dies, 50 percent of that monthly benefit is paid to his or her spouse (or other named contingent annuitant) for that person's lifetime.

The 100 percent joint and survivor annuity pays a further reduced monthly retirement income during the retiree's lifetime. When the retiree dies, the contingent annuitant continues to receive the same monthly amount.

The modified benefit option also pays a reduced monthly pension. Upon the retiree's death, the contingent annuitant receives a designated amount other than 50 or 100 percent.

If Frank had not completed the form in the above hypothetical example, by law, upon his retirement, his wife would have received the 50 percent annuity (option 2). But Frank had chosen the 100 percent annuity on the form, maximizing his wife's benefit. If he had stayed healthy and lived to retire in seven years as planned, he would have had the opportunity to change options at the time he applied for retirement.

If Frank had died before he could have been retired, his wife would have received pre-retirement survivor benefits (providing she had been named contingent annuitant on the Election of Pre-retirement Survivor Benefits form). Preretirement survivor benefits are figured as if the employee had retired the day before his death. In some cases, the pre-retirement benefits may be greater than the retirement benefits. But Frank had filed both forms. That way, in consultation with Employee Benefits, the alternative that optimized Mrs. Dickerson's benefits could be selected.

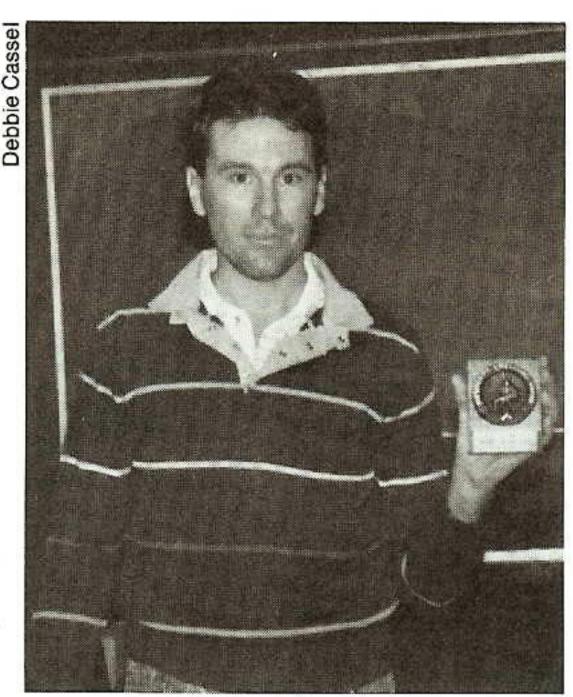
Do you have your forms in order?

All employees age 35 or over should have two important forms on file with Employee Benefits. These forms will ensure that your beneficiary receives the maximum benefits to which he or she is entitled in case you die or become incapacitated unexpectedly.

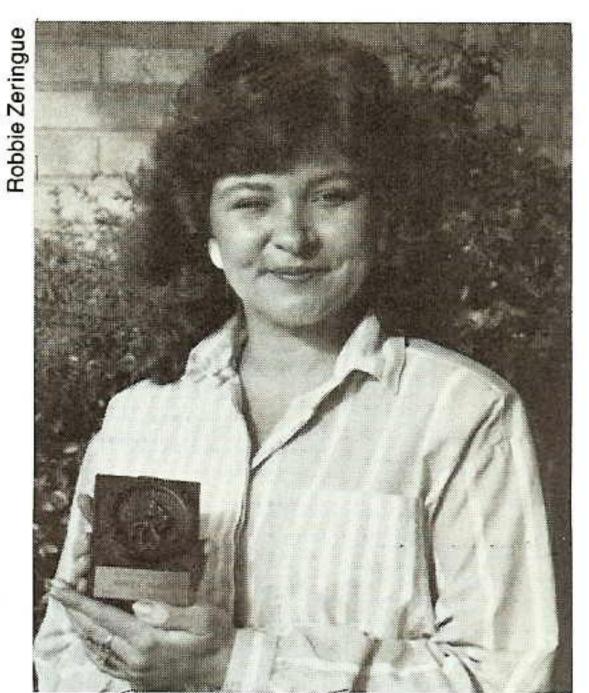
Election of pre-retirement survivor benefits. In case a vested married employee dies before retirement, the pension benefit that the employee accrued over the years may be used to provide an annuity to his or her surviving spouse. The amount of the annuity, a monthly income paid to the spouse for life, would be determined as if the employee had retired the day before death. Annuities are paid only to surviving spouses. Beneficiaries of single employees and employees married less than one year are entitled to a return of the employee's contributions plus earnings, if any. This form is required by law for every employee age 35 or over with one year of service.

Election of retirement benefits while in active service. This form acts as a safety valve and is used only if an employee who is eligible to retire becomes incapacitated and faces imminent death. In such a case, the employee would have already chosen, in most cases, the payment option providing the greatest annuity for his or her contingent annuitant and could then be retired. Although it is not legally required, the form is highly recommended by Employee Benefits.

Please make sure that you have these forms on file by calling Employee Benefits at 733-2873 or (409) 838-6631, extension 2873.



Frederick Guttery



Renee Picard

Baton Rouge lifesavers rescue victims from burning home, runaway car

Two Baton Rouge Division employees received the President's Lifesaving Award in January for their heroic actions in separate incidents.

Frederick Guttery, serviceman-1st class, was recognized in a ceremony at GSU's Government Street location for helping to save the lives of three children and their mother in an apartment fire in the Don Moor area of Baton Rouge.

Renee Picard, temporary clerk, was recognized in a Choctaw Service Center ceremony for saving the life of a Baton Rouge woman who was being dragged underneath her car.

On the morning of Jan. 12, Guttery was making his rounds turning electricity on and off. He noticed smoke coming from an apartment building. He heard someone yell that people were inside, so he quickly radioed for an ambulance and the fire department on his truck radio. Then he ran into the building and he and two other men helped a woman and two of her children out of the building. Realizing someone else was still inside, he ran back into the smoke-

filled apartment and rescued a third child. After making sure everyone was safe, he cut off the building's electricity. He was later treated for smoke inhalation at the hospital.

"Fred, you have made us all proud to have you as a part of our GSU team and I congratulate you on your heroic act," Dr. Draper said as he presented the award.

On Sept. 16, Picard was driving to work when she noticed a terrifying sight in a convenience store parking lot. An out-of-control car was circling in reverse, dragging its driver underneath. Without hesitation, Picard stopped and ran to the woman's assistance. She dove through the car's open door, jammed the gearshift in park and cut off the ignition, just as the woman's head was about to be run over by the left-front tire. The woman was hospitalized with second degree burns and severe abrasions on her back from being scraped against the parking lot.

"This award reads, 'By the Grace of God, Renee Picard saved a life,' "Dr. Draper said in his remarks. "Renee, we're extremely proud of you for what you've done and I can only say thanks."

PLAIN TALKS

P. O. Box 2951 Beaumont, Texas 77704

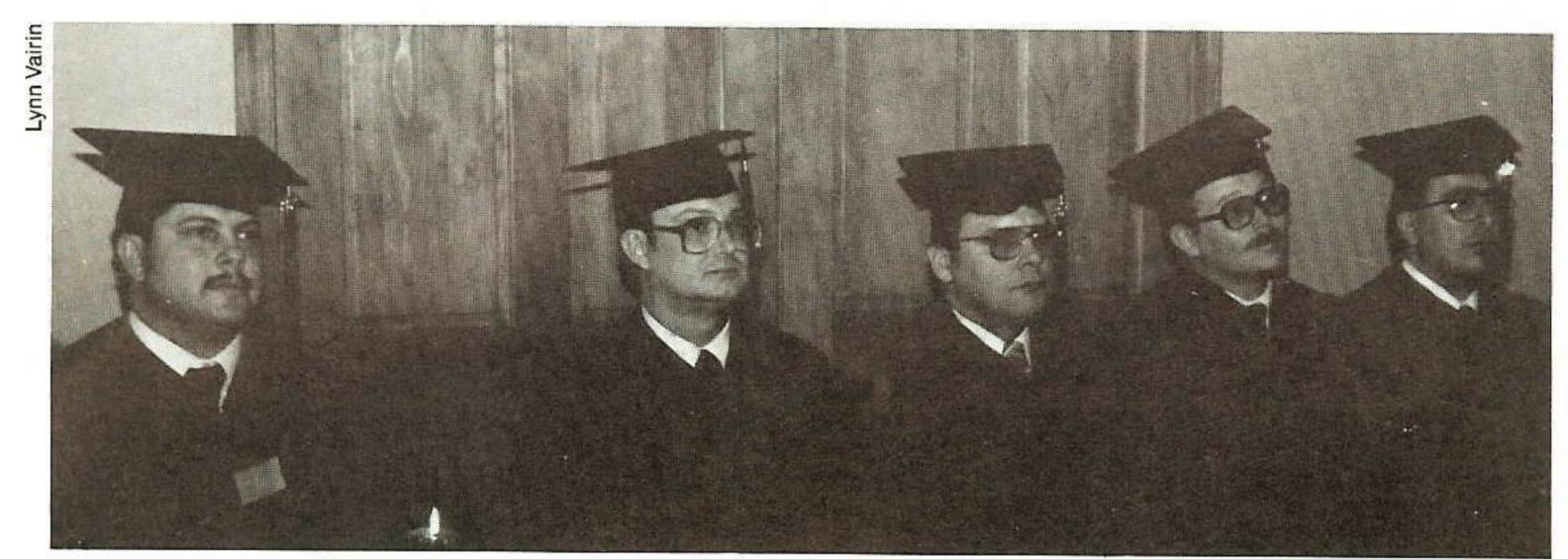
Address Correction Requested

BULK RATE U.S. POSTAGE

PAID

Beaumont, Texas Permit No. 11

Five River Bend employees receive nuclear engineering degrees



From left, Jack Baggett, Paul Barker, Daniel Ross, Murphy Clark and Leonard Woods at their graduation ceremony.

by Rick Harvin

Five River Bend Station employees received bachelor of science degrees in nuclear engineering technology from the American Technical Institute (ATI) at a Dec. 17 dinner and presentation.

Jack Baggett, Paul Barker,
Murphy Clark, Daniel Ross and
Leonard Woods earned diplomas
for completing all requirements of
the nuclear engineering technology
program. Baggett, Barker, Clark
and Woods are control operating
foremen. Ross is a senior planning
and scheduling specialist.

"The efforts of these employees to complete the courses for this degree while they were also working full-time at GSU represents a dedicated effort we applaud," remarked Jim Deddens, senior vice president-River Bend Nuclear Group.

Deddens noted that the five

employees finished many of the required courses on their own time. "They had to do this over a period of several years and that took persistence," he added.

The Nuclear Engineering Technology degree program is specifically designed for operations personnel at nuclear power facilities. Participants develop math, science and engineering skills needed in the safe, efficient operation of a nuclear plant.

Besides Deddens, speakers at the presentation included Dr. D. W. Jones, ATI president, and J. B. Richard, ATI chairman.

The American Technical Institute is an independent, nonprofit educational organization chartered to promote the transfer of technology to industry through education and research.