

PLAIN TALKS

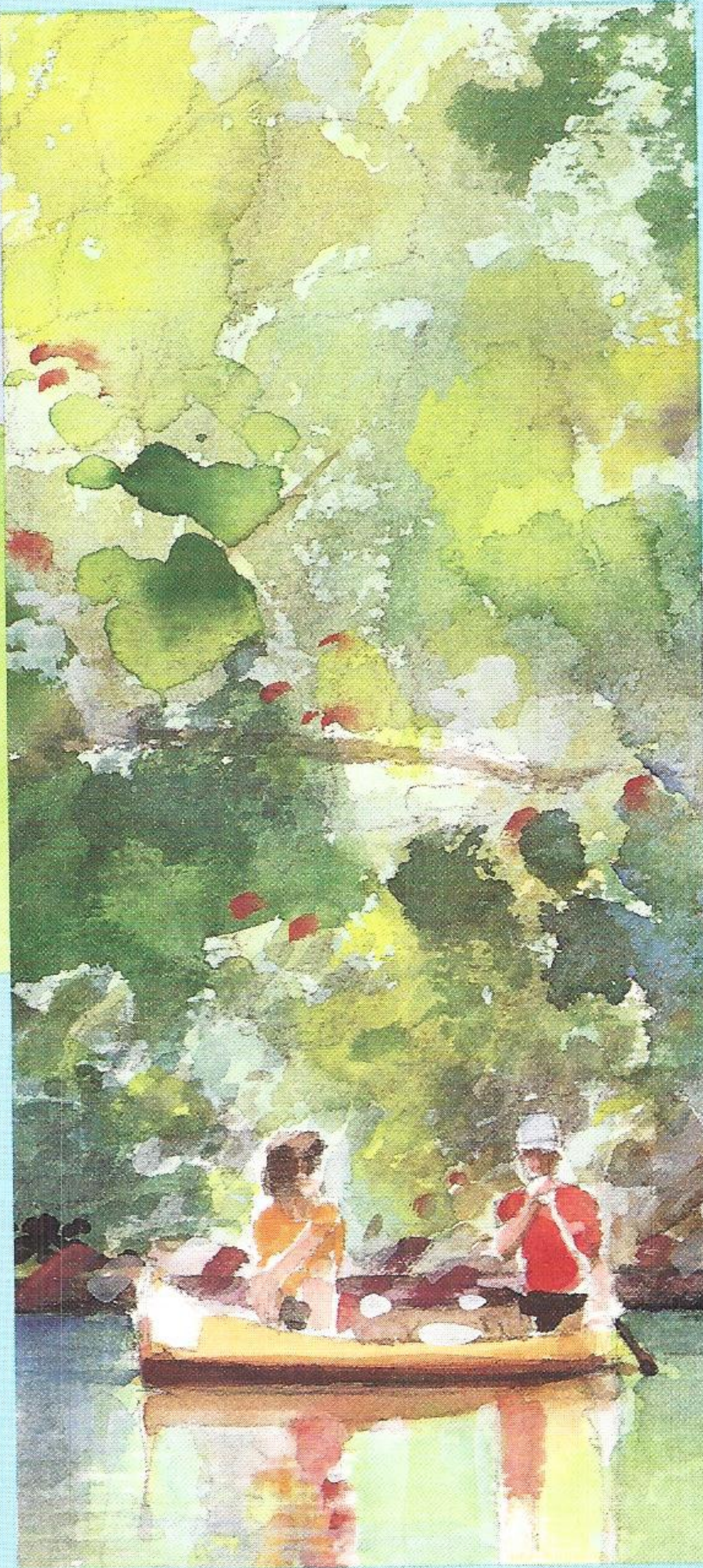
March-April 1990

Volume 69 Number 2

**Retirement like
it's meant to be**

Special Issue:

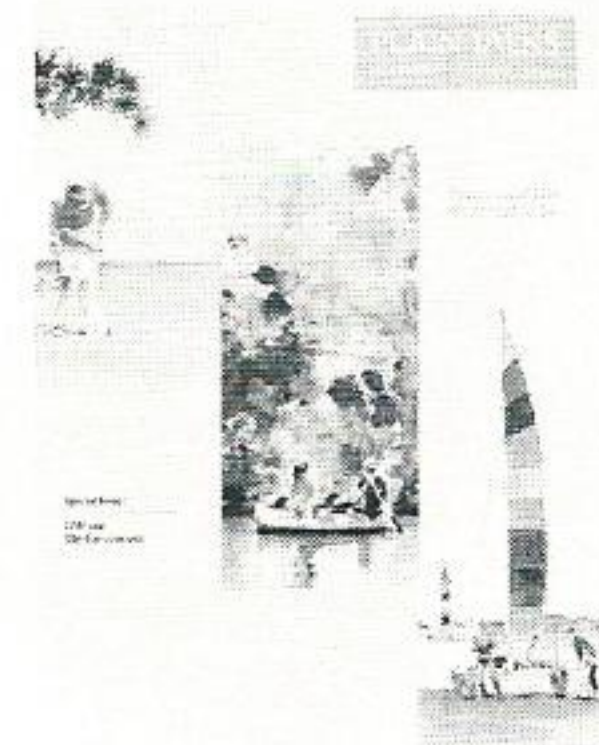
GSU and
The Environment





About the cover

These brochure covers are one part of an organized effort to recruit retirement aged people to relocate in the GSU service area. (page 8)



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:

Scott Harper

Correspondents:

Vickie Albert
Ronnie Bordelon
Ella Brown
Mamie Burrell
Lisa Creekbaum
Betty Dickschat
Lisa Didier
Andy Dreher
Cherie Ducote
Sharon Englade
Donna Fancher
Charlotte Gautreau
Susan Gilley
Rhonda Haskins
Connie Herford
Barbara Hopkins
Tina Hunt
Lynda Kapalski
Helen Kennedy
Clint Lilley
Doug McCormick
Audrey McDonald
Clint Moss
Gerald Nelson
Ann O'Neill
Sherry Overbeck
Edith Patterson
Carol Payne
Myra Ponthier
Sonny Powell
Don Pumphrey
Joe Reine
Casey Richert
Mike Rodgers
Greg Russell
Darlene Rutherford
D. W. Rutherford
Jeral Semien
Wilma Shaw
Sue Simon
Laurie Tenner
Monica Thomas
Jean Tinsley
Mark Viguet
Delores West
Robby Zeringue

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.

CONTENTS

Organized efforts to protect the environment

- 3 In 1978, Gulf States centralized its environmental professionals into the Environmental Affairs department.

Clean coal helps GSU and the environment

- 4 Nelson Coal and Big Cajun both use sub-bituminous coal which helps to control sulphur emissions into the air.

Hydrilla controlled by white amur

- 5 Employees at Lewis Creek used white amur fish to counteract large growths of hydrilla which grew in the plant's reservoir.

GSU recycles wide variety of items

- 6 By recycling a wide range of items, GSU is able to increase its revenues and help the environment.

Sandylands Sanctuary benefits from GSU land donation

- 7 Twelve years ago, Gulf States donated 40 acres of land to the Roy E. Larson Sandyland Sanctuary. Today, the sanctuary has made considerable progress.

New program targets retiring population

- 8 GSU has organized efforts to recruit potential retirees to relocate to the company's service area.

Plant a tree, make a difference

- 9 Communities all across the GSU service area are benefitting from Plant-a-tree projects sponsored by employees.

Reddy Volunteers do paperwork

- 10 Reddy Volunteers at Edison Plaza have a pilot paper recycling project with financial benefits going to local charity organizations.

Multiple uses at Blue Hills

- 11 Proper land management of the Blue Hills site, 3,000 acres of land in Newton County purchased to build a nuclear power plant, will provide several uses including wood products and recreational activities.

Chemicals stay on right track

- 12 When GSU purchases new chemicals, they immediately become part of the company's chemical tracking system.

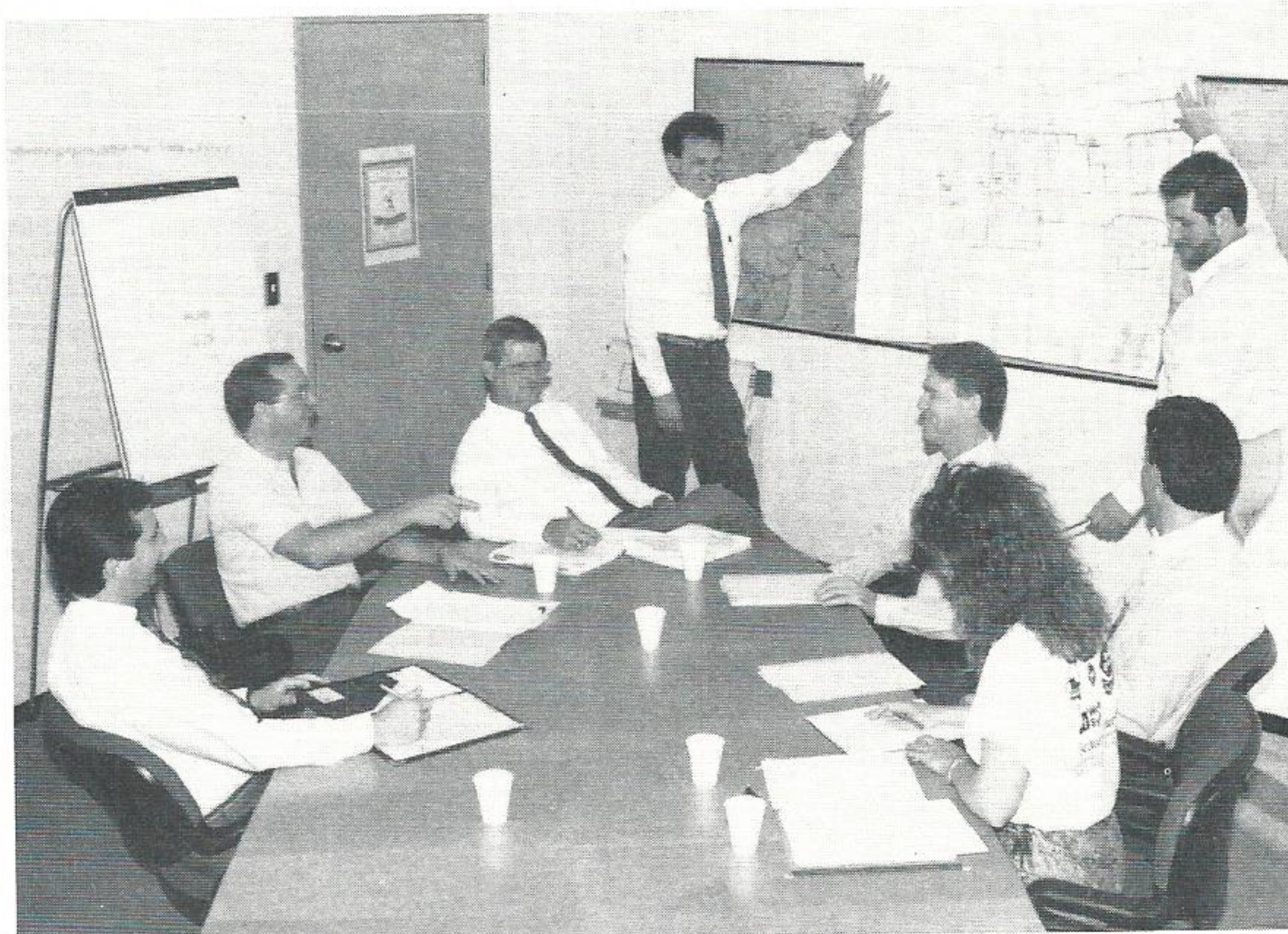
Coal ash put to good use

- 13 Fly ash and bottom ash, two by-products produced at Nelson Coal, are sold to outside vendors for additional revenue.

14 Newsbriefs

15 Service Anniversaries

Organized efforts to protect the environment



In an Environmental Affairs staff meeting, (l to r), DeWayne Corley, John Knippa, Chris Menzel, Jim Mutch, John Williams, Dennis Isaacs, Mark Bowles and Lynette Spafford discuss current projects.

story and photo by Scott Harper

In 1978, Gulf States, realizing the need to centralize its environmental activities, organized its environmental professionals into a separate, identifiable group known today as the Environmental Affairs Department. The department is a driving force in GSU's commitment to protecting the environment.

According to Jim Mutch, director-environmental affairs, one of the department's primary functions is serving as the company liaison with federal and state environmental agencies. The department obtains appropriate permits and operating regulations from the Environmental Protection Agency (EPA), Louisiana Department of Environmental Quality, Texas Air Control Board and Texas Water Commission for necessary operations at power plants and divisions. Mutch says this requires a large percentage of time as each permit request necessitates scien-

tific studies for support.

Other functions include assisting power plants and divisions in satisfying permit requirements, conducting audits to ensure environmental regulation compliance, and performing special projects with plants and divisions such as waste site management, underground storage tank removals and equipment problem-solving. Concerning audits, Mutch says the department performs EPA-type surveys with the intent of locating any problems before an actual EPA audit occurs.

The department is composed of eight employees with training and experience in environmental science, biology, geology and chemistry. "We do most of the studies ourselves," says Mutch. "The larger, more sophisticated studies are done by consultants." Working closely with the department are environmental coordinators, selected contact employees in

each plant and division who perform routine monitoring and reporting duties.

New regulations and modifications to existing laws are communicated to the company through two volumes of **The Environmental Users Manual**, produced by Environmental Affairs. This help-book, updated continuously, lists environmental laws in topic-specific sections and explains how they apply to GSU operations.

According to Mutch, the traditional role of environmental operations has been reactive, i.e., reacting to new federal or state requirements. With a new international concern for the environment, Mutch says, "The future will require us to be more proactive. As a large company in this part of the country, we have influence over a significant amount of resources and we need to conduct our business as good stewards of those resources."

Clean coal helps GSU and environment

by Mark Viguet

Air pollution's contribution to environmental problems, particularly acid rain and depletion of the ozone layer, has focused attention on coal-burning power plant emissions.

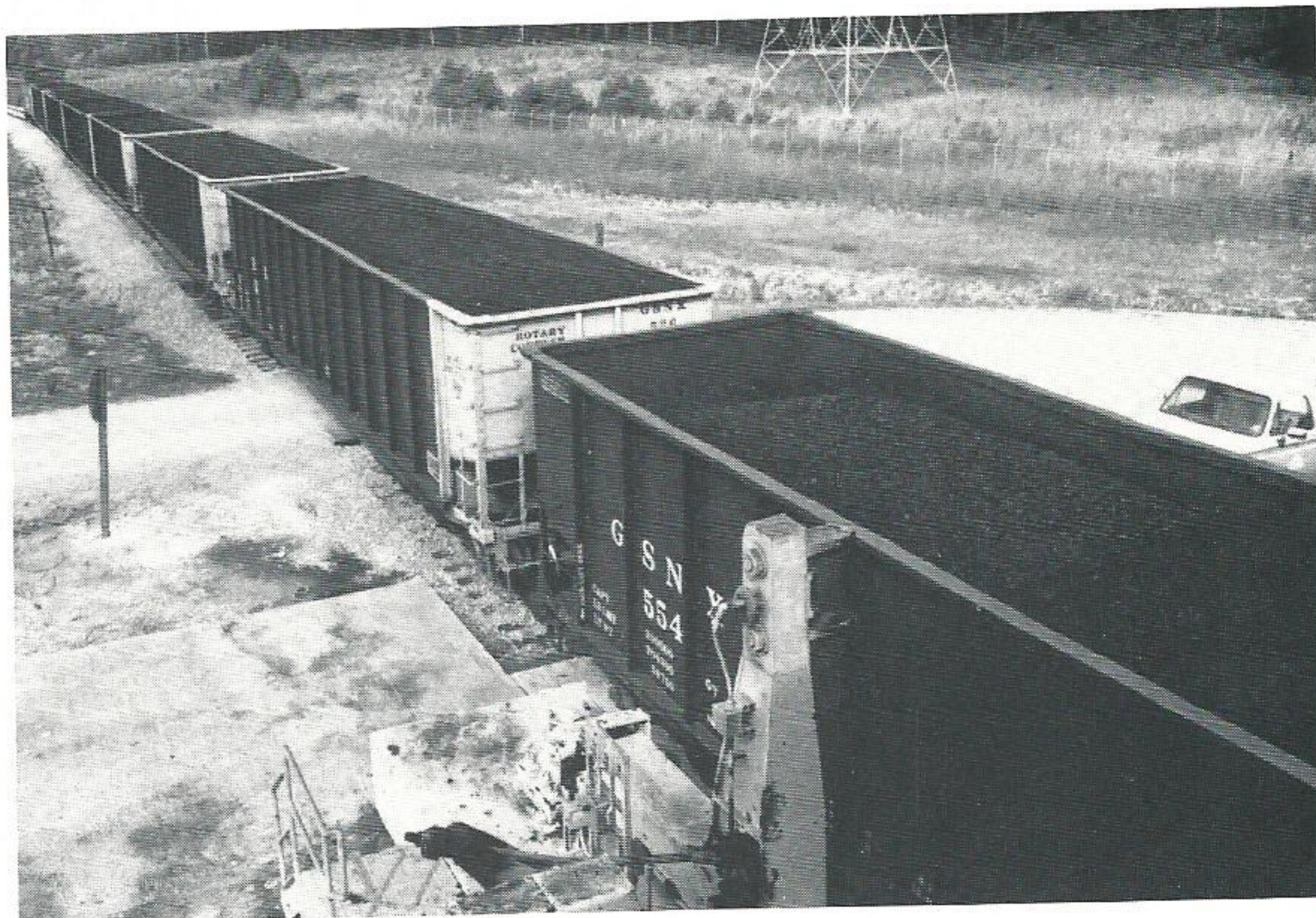
So what about GSU's coal-fired generation?

Clean coal technology enables GSU to generate electricity from an abundant, low-cost fuel source in a way that protects our environment, according to Bob Dowies, director-fossil fuels, and Dan Gray, administrator-fuel transportation.

"The reason we went with a clean-coal fired plant originally was to further diversify our fuel supply," Dowies says.

"What we have with western coal is an economically competitive and abundant fuel source that's fairly clean," Gray says. "And when the 'gas bubble' diminishes, coal will be that much more cost-competitive. Even now, our diversity of fuel sources gives us bargaining power which enables us to reduce our overall cost of fuel."

In 1989, coal provided 11 percent of GSU's total energy mix. GSU owns shares in two coal-fired generating plants, the Roy S. Nelson Unit 6 near Lake Charles, La., and the Big Cajun No. 2 Unit 3 near Baton Rouge, La. These plants were built in the early 1980s according to specifications that meet Environmental Protection



Train-loads of sub-bituminous coal are shipped to Nelson Coal from Wyoming every other day. When the plant is running normal, it burns about 330 tons an hour which is equal to about three coal car loads.

Agency requirements. GSU and the EPA closely monitor plant air emissions to ensure compliance with federal law.

"With coal-fired plants, you find the source of coal which is most economical overall, considering the cost of coal and transportation. Then you build the plant to specifications for that source, be it high-sulfur or low-sulfur," Dowies says. "Emissions from any coal plant must be clean, even if it doesn't burn low-sulfur coal. Those types of plants utilize scrubbers (devices which remove sulfur before it reaches the air), which can cost several million dollars."

The Nelson and Big Cajun units use western sub-bituminous coal with less than .5 percent sulfur content — a clean burning coal. Sulfur from burning coal can cause air pollution, but this type of coal helps keep it under control. The low sulfur content of the coal also means GSU plants do not have to use expensive scrubbers.

"Coal plants in this region of the country are, for the most part, newer plants," Gray says. "These newer plants were designed to use western, low-sulfur coal. In the east, older plants are typically tied to the high-sulfur coal supplies in that region."

GSU carefully safeguards the environment during the generating process. The delivered coal is cov-

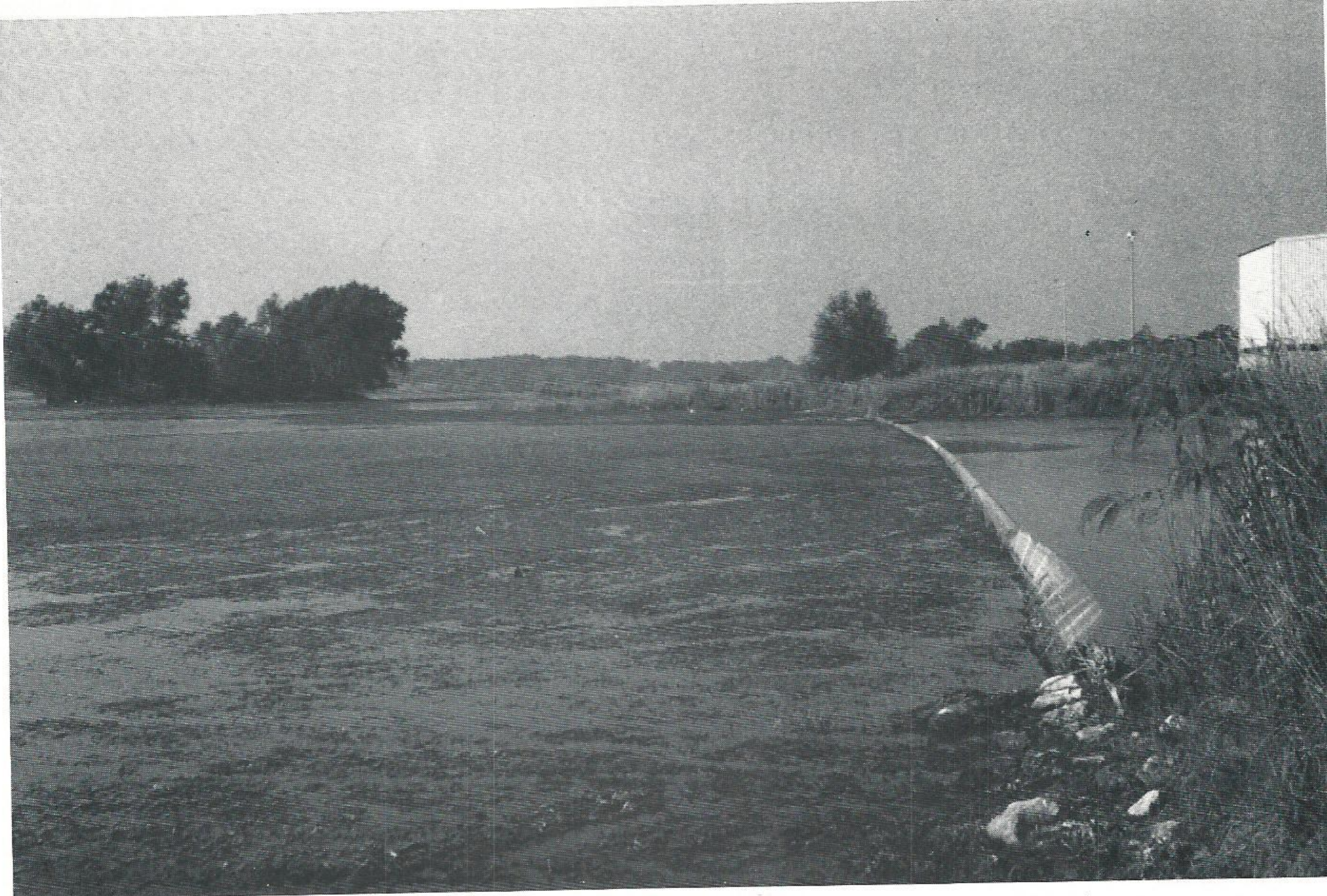
ered to keep dust out of the air, and it is sprayed with water periodically to further minimize dust.

"When the coal is actually burned at the units, devices called electrostatic precipitators clean the wastes that result," Dowies says. "Gases from the burning coal go through these precipitators, where an electrical charge is given to the dust and ash particles. The electrical charge draws the particles off so they don't pollute the surrounding air."

The dust and dirt collected from the precipitators is called fly ash. The other type of solid waste is bottom ash, leftover coal particles from the boiler. Bottom ash first comes in molten form. It's then cooled with water and crushed into fine, black ash. Both types of ash waste are sold to private companies for various commercial uses, such as roadbed and building materials.

Dowies and Gray foresee little immediate impact on GSU coal plants from the clean air legislation being considered in Washington, D.C.

"However, much of the clean air legislation debate encourages the use of low-sulfur coal, so in the long run there's a possibility increased demand for the western coal could raise its price," Gray says.



Floating hydrilla that had died began clogging the power plant's intake screen before the white amur were released.

Hydrilla controlled by white amur

by Sharon Englade

What can grow so fast that it eats itself out of house and home and, in dying, can shut down a power plant?

The answer is hydrilla, which used to plague the Lewis Creek power plant near Willis. The aquatic vegetation somehow got into the power plant's cooling reservoir some time in the early '80s. By 1981, according to Bobby Clay, test foreman at Lewis Creek, about 40 percent of the pond was covered with the vegetation that was growing as much as one to two inches a day.

The hydrilla grew so fast and furious that it exhausted nutrients in the power plant's reservoir and began starving to death, Clay says. The pieces of vegetation would then float free and begin fouling the power plant's intake screens which posed an operational problem for Lewis Creek.

The life cycle of the marine vege-

tation also tended to change the water quality.

Gulf States tried chemically treating the hydrilla and even invested in a mechanical "harvester" that was supposed to cut and rake the plant out of the water. Unfortunately, man could not keep up with Mother Nature and the hydrilla kept multiplying faster than the harvester could keep it in check, says Clay.

In 1982, Gulf States turned for help to Texas A&M University which had successfully begun ridding Lake Conroe of the same vegetation by introducing a fish that was licensed only for experimental use.

The torpedo-shaped grass carp, or white amur, which Clay describes as "beautiful fish," are now prohibited in Texas because they destroy their habitats by eating everything in their path.

When the carp were initially

introduced into the Lewis Creek cooling lake, they ate not only the vegetation, but also the other fish. A hybrid, or cross breed, version of the grass carp was then developed and placed in the water the following year. The white amur is theoretically able to reproduce only in cold running water, very little of which would be found in the Conroe area.

"The grass carp have done the job they were supposed to do at Lewis Creek. Not since the fish were introduced to the lake has the company had to chemically treat the water," says Clay.

However, the carp have lived longer than they were expected to and, once they're gone, the sad story is that the cooling reservoir will probably get reinfested with hydrilla unless continuing research provides another solution, he concluded.

GSU recycles wide variety of items



OCARC workers were treated to a picnic by Materials Management in appreciation for their part in GSU's recycling efforts.

by Betty Gavora

Recycling — using waste or surplus material in a different manner from its original purpose — is important to Gulf States Utilities to increase company revenue and assist in keeping the environment clean and safe.

“It’s like the old idea of the slaughterhouse where you use every part of the pig except the squeal,” says Jim Johnson, manager-materials management. “Now we’re trying to use the squeal to scare away crows from the cornfield.”

Items recycled at Gulf States include wood products, batteries, used oil, electric utility line hardware, paper, transformers and ash from the coal-burning power plant.

Gulf States sells wooden cross-arms and utility poles for recycling. The cross-arms are generally sold through division storerooms, while the poles are purchased by farmers for fence posts or by firms for non-utility pole uses. Company policy does not allow the poles to be sold as replacement utility poles, regardless of size. One Port Arthur firm has purchased the poles to build abutments as a retaining wall

to prevent erosion on their property at Pleasure Island. Johnson says the poles are proving to be more effective than metal sheet piling, which rusts from the salt water. “The more barnacles on the poles, the stronger they become,” he continues.

Jim Johnson on used utility poles that prevent erosion at Pleasure Island:

“The more barnacles on the poles, the stronger they become.”

The company collects batteries from its locations and sells them to recyclers as opposed to having to pay to dispose of them. The same thing is done with used motor and transformer oil. “We have contractors who buy the oil after GSU environmental people inspect the contractors to be sure the oil is handled safely,” Johnson emphasizes. Depending upon how much water remains in the oil, prices vary from a few cents to 20 cents per gallon.

Another recycling effort also helps a worthy organization, the Orange County Association for Retarded Children (OCARC). Gulf States contracts with OCARC to repair and recycle its pole line hardware. Bare copper and aluminum scrap conductor are sent to OCARC. They disconnect any pole line hardware remaining on the wire, remove debris and anything that is non-copper or aluminum. Then the wire is cut into short pieces, compressed into footlocker-sized bales (approximately 4 ft. x 2 ft. x 2 ft.) and sold in 40,000 pound lots to a broker, who may ship it anywhere in the world. Although OCARC earns a fee for doing this, GSU’s return revenue is doubled due to the cleaning and packaging.

OCARC also refurbishes various pieces of pole line hardware according to certain quality standards and sells them back to Gulf States for reuse. According to Johnson, “Our quality program is in place to insure that these items are as good as or better than new.”

Sandylands Sanctuary benefits from GSU land donation

story and photos by Scott Harper

In October 1978, Gulf States donated 40 acres of valuable land to the Roy. E. Larsen Sandyland Sanctuary located between Kountze and Silsbee off Texas Highway 327. GSU's donation was part of a fund drive targeted to East Texas industries, businesses and private citizens. "Gulf States owned some wilderness area that borders Village Creek," says Jim Cornelius, director-real estate, Beaumont.

The Sandyland Sanctuary is a project of The Nature Conservancy, a private international conservation organization concerned with protecting land that provides habitat for rare and endangered species. "They approached us about donating the land for the sanctuary," says Cornelius. The sanctuary, located in The Big Thicket, now includes over 2,000 acres of protected wilderness area.

According to Ike McWhorter, East Texas Land Steward and Sandylands manager, the Sandyland Sanctuary is considered to be one of the more diverse regions of The Big Thicket due to the deep, alluviated sands deposited in the

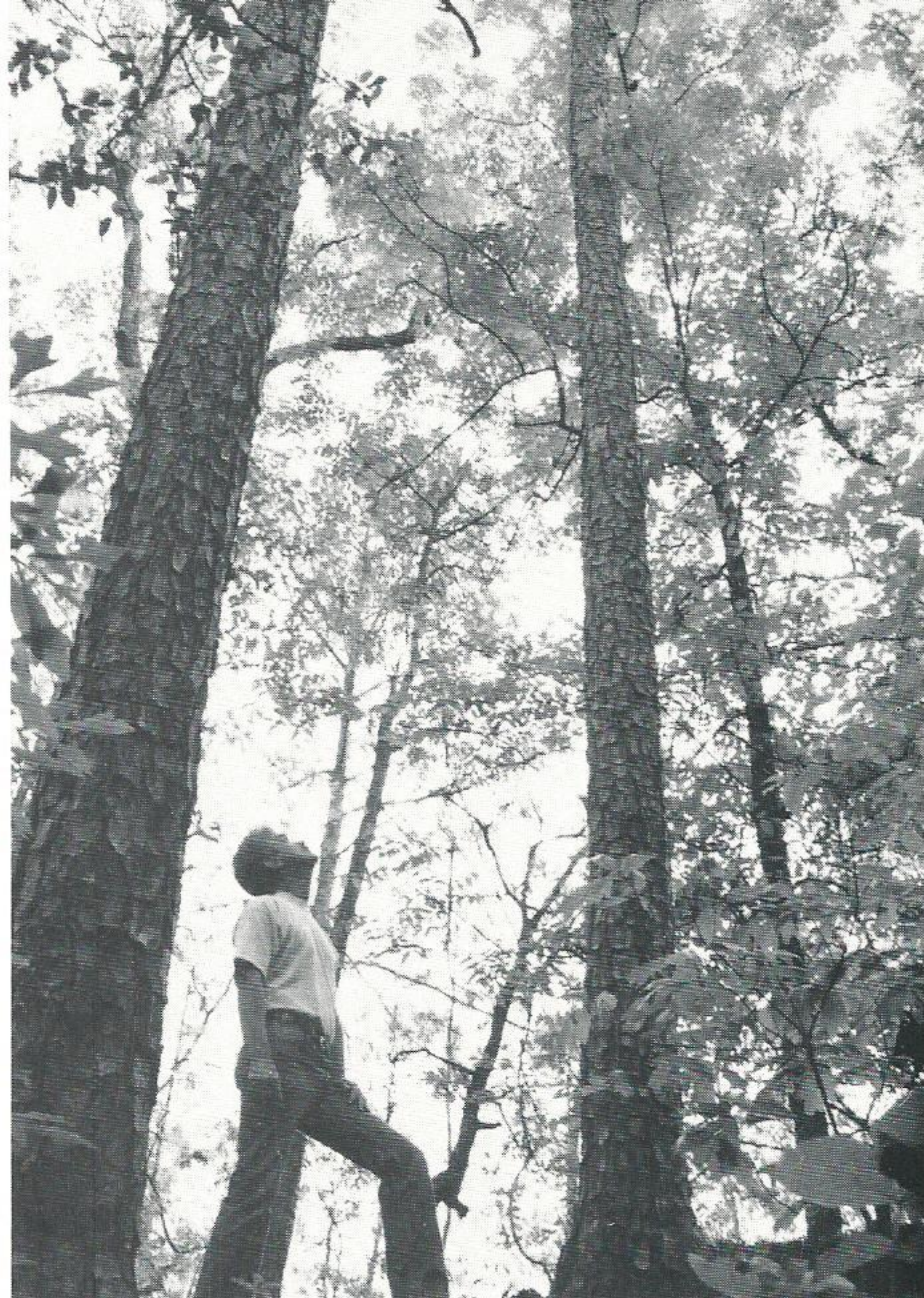
past along streams like Village Creek. "The sand accumulation along the water banks supports the unique sand hill community found in the Sandylands," says McWhorter. "Four globally endangered plant species and 15 rare plants grow in the area."

McWhorter says in addition to providing habitat, the sanctuary is involved in an extensive restoration project to convert the area back to its natural terrain. "This process involves prescribed burning and selective management (cutting) of slash pine trees that are not native to the area," he says. The project

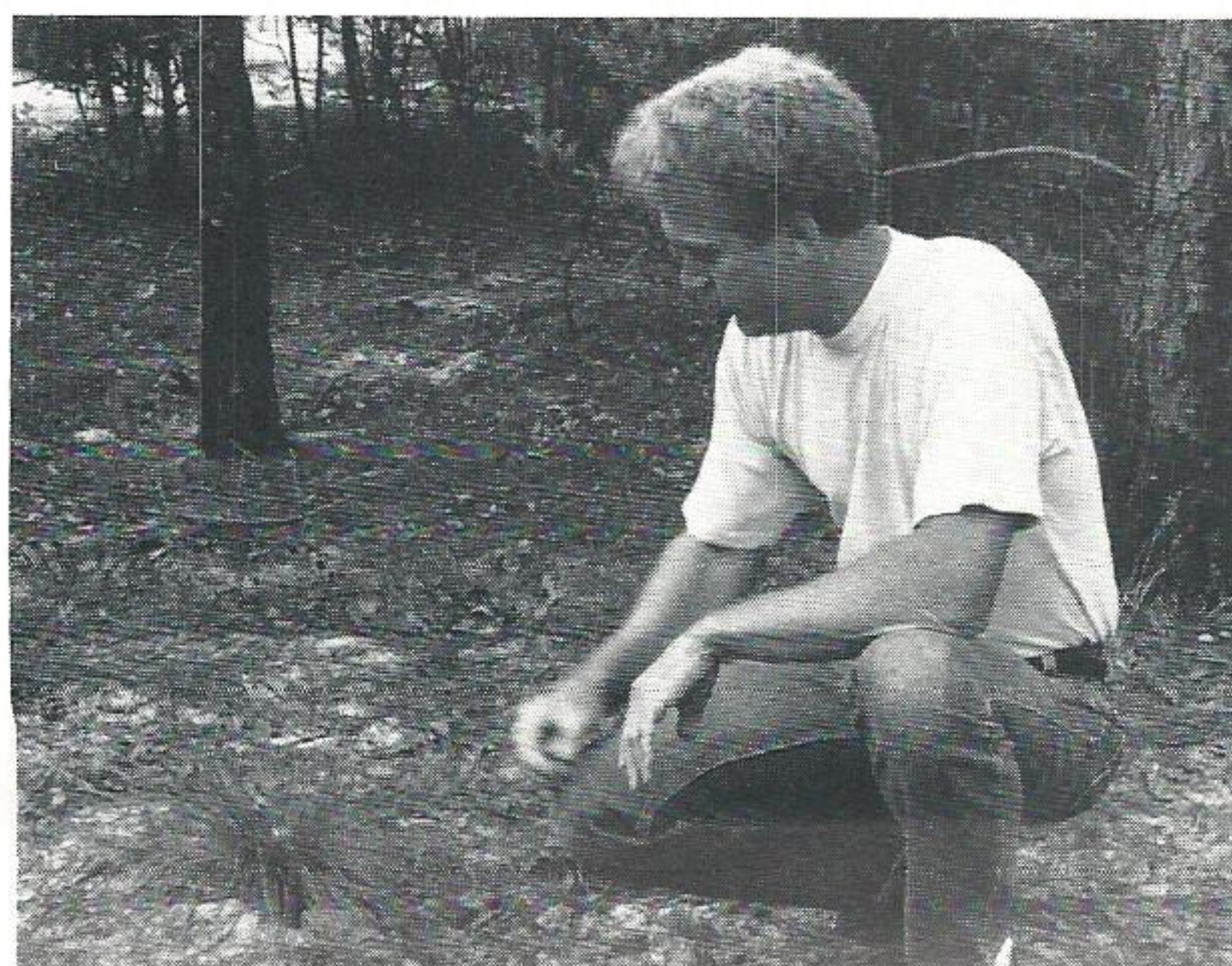
was set up as a study model for other sanctuaries throughout the country.

Thanks to corporate concern and donations from companies like Gulf States, the Sandylands Sanctuary is experiencing success. McWhorter says even though it will take many years to convert the area, employees have seen progress. "More of the Sandylands rare species are occurring."

These and other plant life can be viewed on a nature trail which is open to the public daily.



Though pine trees appear tall in the Sandylands Sanctuary, they actually grow down more than up due to the sandy soil.



McWhorter identifies a long-leaf pine, a tree the sanctuary is hoping to get more of. This particular tree is about five years old.

New program targets retiring population



Harriett Babin Miller, marketing supervisor, makes a retirement relocation presentation accompanied by the "Retirement like its meant to be" exhibit.

by Scott Harper

Have you thought about where you're going to retire? According to author Peter Dickinson, it will most probably be in the country. In his book "Sunbelt Retirement," Dickinson writes, "No matter where we were born, as we grow older most of us seek the relaxation of the country rather than the tension of the city."

Gulf States believes country relaxation can be found in its own service area, the heart of the Sunbelt. "The Texas/Louisiana area has all the resources one needs for retirement," says Jo Ann Smith, manager-community affairs, Beaumont.

GSU began an organized effort of promoting its service area for retirement relocation in 1988. "This was a pilot awareness program to familiarize people about our area," says Smith. The project was centered around a theme for each state: "Texas Lake Country" and "Louisiana Living," followed with "Retirement like it's meant to be."

The goal was to reach at least 15,000 people with retirement information concerning the GSU service area. Through displays at conventions, trade shows and fairs, brochures, public speeches, posters and word of mouth, employees spread the facts about the benefits of locating in the GSU service area for retirement.

This activity caught the attention of other organizations and individuals. "We were the catalyst for Louisiana Open House 1990 under the direction of Louisiana Lt. Gov. Paul Hardy," says Karen Yates, marketing agent, Baton Rouge. "He felt it was a good idea and

made it part of the 1990 program." This statewide project promotes the state in general and includes tourism and retirement inducement. Yates and Smith are both members of the Louisiana Retirement Task Force.

Also complimentary of Gulf States is the American Association of Retired Persons (AARP). "They thought it was so unusual for a utility company to have an organized program like we do," says Smith. "They are in full support and their five-state regional office in Dallas provides some of our mailout material."

GSU will participate in the AARP National Convention in Orlando, Fla., June 12-14 with more than 30,000 senior customers expected to attend. The "Retirement like it's meant to be" exhibit will be on display.

The community approves as well. "They think it's really good that we care enough about our service area to do this," says Yates.

According to Smith, this program is a first for the utility industry. "We made a presentation about the recruitment program at the Annual EEI Consumer Affairs workshop," she says.

A variety of resource groups are available for potential relocaters. Last August, customers received with their bills, prospect cards to refer people who might consider relocating. "We had a good response from the customers," says Smith. "We figured employees had prospects as well so we're soliciting them in April." Later in the year, shareholders and retirees will be approached for retirement prospects.

Surveys indicate there are several factors people consider when deciding where to retire. Included in the list are low cost of living and taxes, climate, medical facilities and recreation. "All of the items seniors are concerned with are available in our service area," says Smith.

Dickinson agrees: "Baton Rouge has the lowest cost of living of any metropolitan area in the nation (about 88 percent of the national average) ... Food, housing and gasoline are cheaper in Texas than in many other Sunbelt states."

The economic impact of bringing retired people to the service area is very significant. "When retirees come into the area, they don't take as much from the community as they put in," says Yates. "They add to our resources and bring money into the local economy."

Yates presents some convincing statistics. According to U.S. News and World Report, 5 percent of the 60 million older Americans will relocate. The average retiree income is \$25,000 per person. Older Americans retain 80 percent of all savings accounts, 68 percent of all money market accounts and 50 percent of all corporate stock. Based on a study by Alabama's Jacksonville State University, for every \$4,425 of income transferred into a community, one new job is created. "If we can attract one retiree, six new jobs can be created," says Yates.

Smith has high hopes for the retirement recruitment project. "I've never worked on a program so positive," she concludes. "The response has been outstanding."

Plant a tree, make a difference



by Susan Gilley

The campus of Westminister Elementary School, GSU's Adopt-a-School project in Baton Rouge, is looking a little greener these days.

Thanks to the company's Baton Rouge Division forester, the schoolyard now features six new trees.

In mid-April, the kindergarten through fifth grade students helped GSUers plant the six- to eight-foot-tall trees during a pre-Earth Day ceremony. They included a purple and a white crepe myrtle, a redbud, a Bradford pear, a flowering crabapple and a purpleleaf plum.

Norman Kinsella, GSU's supervisor of contract crews/vegetation and the man behind the ceremony, explained that the trees will beautify the campus while demonstrating GSU's commitment to preserving the environment.

Planting a tree may not sound like much of a contribution to make toward solving environmental problems, but forestry experts say that simple act can make a difference.

Throughout GSU's two-state service area, employees participated in a number of tree-planting ceremonies commemorating the 20th anniversary of Earth Day.

Aside from those planted in Baton Rouge, GSU's Western Division donated flowering trees to the cities of Somerville and Huntsville.

In Lake Charles, the company participated in tree plantings at GSU's Partner in Education school, S.P. Arnett Middle School in Westlake; at Reynaud Middle School; at Chateau du Lac, a retirement home; and at the Vietnam Memorial.

Everyone knows that trees provide shade, but what isn't so well known is that trees help reduce heat-trapping carbon dioxide buildup in the earth's atmosphere. About half of the "greenhouse effect" is thought to be caused by a steady increase in atmospheric carbon dioxide. About 80 percent of the excess carbon dioxide problem is estimated to come from the conversion of oil and coal into energy.

But GSU's clean fuel mix — natural gas, low-sulfur coal and nuclear — helps preserve the environment while enabling the utility to provide a dependable supply of electricity for more than a half-million customers along the Gulf Coast.

However, trees also play an important role in the company's reliability in providing that electricity. Certain trees with overhanging limbs can cause power outages if the limbs are too close to power lines — problems that are made worse during hurricanes, tornadoes or even heavy rains. GSU controls tree-caused outages with a periodic tree trimming and removal pro-

gram. Trimming schedules are based on outage reports, previous trimming history and field surveys.

Most tree types in the GSU service area must have a minimum of eight feet of clearance to maintain GSU trimming schedules. Fast-growing trees require more clearance or removal while slow-growing species require less. For safety reasons and general appearance, many trees should be removed. Any potential medium- to large-sized tree located under or near the power lines should be removed. Such problems can be avoided by planting the right trees near power lines. To avoid such situations, GSU foresters have developed educational materials for customers who want to plant trees near power lines. For example, trees planted near electric power lines should be small varieties, such as hawthorne, yaupon, fruit trees, purpleleaf plum, crepe myrtle or dogwood.

Medium trees should be planted at least 35 feet from overhead lines. They include weeping willow, American holly, Chinese tallow tree, eastern red cedar, mulberry and river birch.

Large trees should be planted at least 50 feet from power lines. They include loblolly pine, longleaf pine, oaks, maples, pecan, sweetgum and southern magnolia.



Tootie Koons, community affairs coordinator (left), and Sam Bethea, customer service coordinator (right), present Marshal Cooper, executive director, Boys Haven (center), with a check from funds generated from the paper recycling project. Boys Haven used the money to replenish household items that were damaged in a recent fire.

Reddy volunteers do paperwork

by Doug McCormick

Don't be alarmed if you see someone pulling used paper from a nearby waste basket. It's not the FBI or even the IRS, but rather one of GSU's "Reddy Volunteers" participating in a paper recycling project.

In response to environmental concerns, and a request from the John Gray Institute's Regional Recycling Task Force, Gulf States employee volunteers began a pilot project in Beaumont last November which has proven very successful.

"By the end of February (1990), volunteers had gathered almost 40,000 pounds of used computer paper from the company's downtown offices and then sold it to recycling firms for roughly \$1,000," says Jim Johnson, manager-materials management.

Johnson, who is coordinating the paper recycling effort, said

employee volunteers involved in the project have decided to donate this money and any future funds generated by paper recycling to area charities of their choice.

"Gulf States volunteers collect and sort the used paper completely on their own time," says Johnson. He adds that the program has been virtually trouble-free and that the amount of paper collected in GSU's Beaumont offices is increasing each month, as more employees become more aware of and actively involved in the recycling effort.

Johnson says the project may soon be expanded. Reddy Volunteers at other GSU locations in both Texas and Louisiana are considering participating in the program.

John Gray officials are pleased with the Gulf States pilot project

and say it is actually producing numerous benefits for the area. Not only are local charities receiving assistance, but environmental concerns also are being addressed. Valuable natural resources are being conserved, and the amount of solid waste going into area landfills is being reduced by several tons each month.

Several governmental entities and Southeast Texas businesses have expressed interest in the Gulf States project. Among others, the City of Beaumont, the Department of Energy (at the Big Hill Strategic Petroleum Reserve site), Southwestern Bell, Temple Inland and First City Bank of Beaumont have inquired about various aspects of the project and are considering similar programs of their own.

Multiple uses at Blue Hills



Employees recently took a weekend trip to the Blue Hills site to re-mark the area with red and yellow paint.

by Mark Viguet

When most people think of Gulf States Utilities, they don't think about forestry or wildlife management.

But with GSU-owned land known as the Blue Hills site, those two jobs are of vital importance to the environment as well as the company.

In the early 1970s, Gulf States Utilities acquired over 3,000 acres of land in Newton County, Texas, known as Blue Hills, to build a nuclear power plant.

However, plans to build a plant at the site were canceled when it became apparent that GSU would have the power it needed for the foreseeable future. GSU retains the property, certified as an appropriate site for a power plant, for possible future use.

"In 1985, about 500 acres of mature pine timber at the site were destroyed by southern pine beetle infestation," says Phil Waller, coordinator-vegetation control. "As a result of the pine beetle problem, we had to take action to halt the spread of the insect and to reforest the damaged area."

A salvage cut, to remove dead but useable timber, was performed during 1986. In 1987, GSU devel-

oped an in-house management plan to develop the Blue Hills site.

"The plan develops Blue Hills for multiple uses, including wood products and recreational activities, as well as improving the site

*"The plan develops
Blue Hills for multiple
uses, including wood
products and recreational
activities ..."*

Phil Waller

aesthetically and for wildlife," Waller says. "Another main goal of the management plan is to improve the site to decrease the risk of additional pine beetle infestations."

The Texas Forest Service and The Nature Conservancy, a private international conservation organization concerned with protecting land that provides habitat for rare and endangered species, both visited the site during the development of the plan.

"Their input was used in our management plan, and a consulting forester was brought in to implement the plan," Waller says.

"Implementing the plan at Blue Hills includes management practices such as thinning, planting, prescribed burning and, in some areas, no action at all."

In reforesting the area damaged by pine beetles, careful attention was paid to the surrounding wildlife

"When clearing sites for the replanting of pine trees in the beetle infestation area, the clearings were kept as small as practical, so as not to disturb the hardwood trees in the wildlife corridors," Waller says.

All the management techniques used at Blue Hills consider the impact on the site.

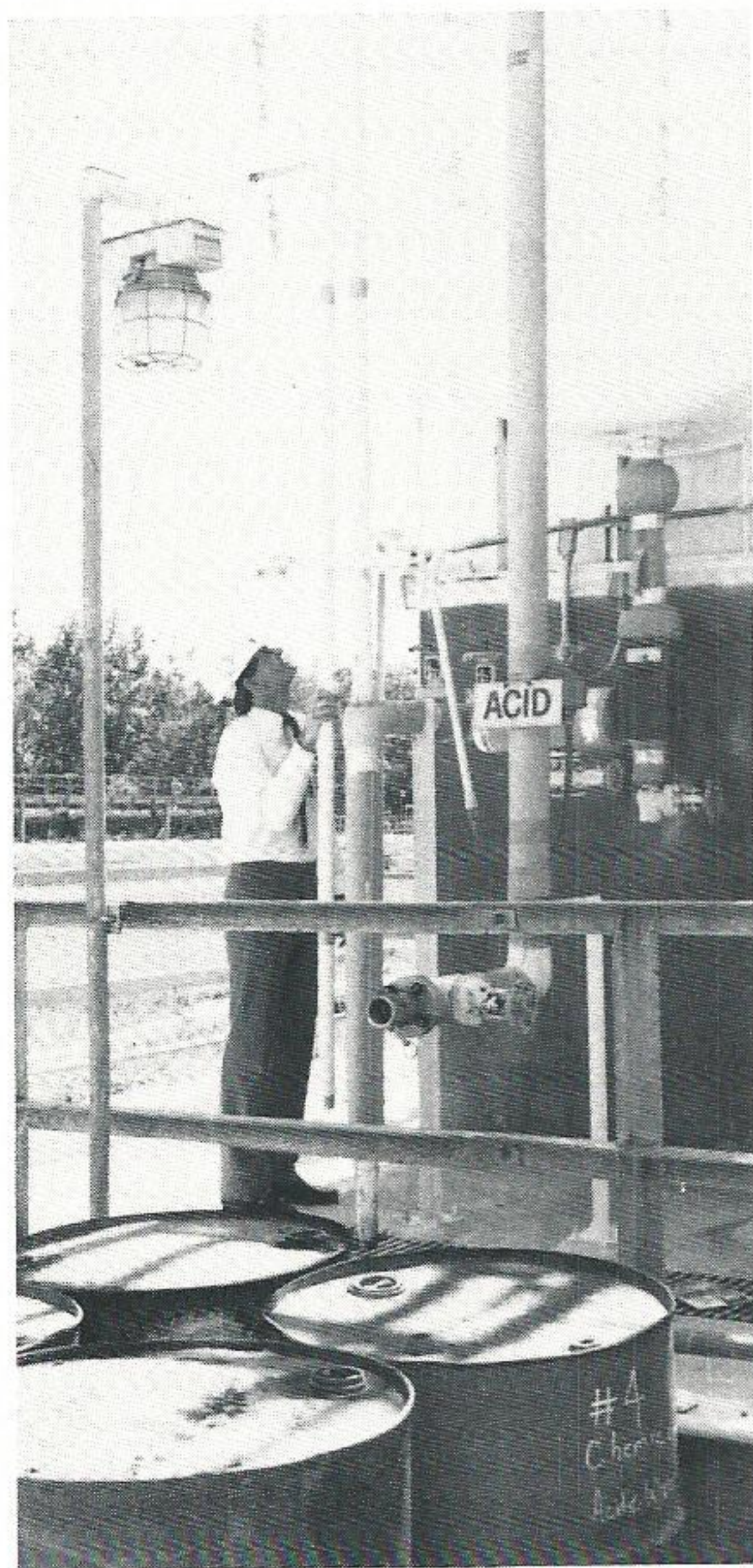
"In environmentally sensitive areas, along streams and where rare or endangered plants exist," Waller explains, "the management techniques encourage the plants and wildlife, while impacting the surrounding environment as little as possible."

GSU's concern for and attention to the Blue Hills site shows that both business and wildlife can benefit from the careful management of the environment.

Chemicals stay on right track

story by Mike Rodgers
photos by Scott Harper

Most people store household cleaning fluids or paint in a safe storage place and don't give much thought to them until they are needed. That's not the case at GSU. Each time a new chemical is purchased, it immediately becomes part of the company's chemical tracking system.



Stationary tanks, such as the acid tank on the demineralizer, are required to have proper labeling to inform persons of the contents, says Walston.



Walston examines chemical drum labels for accuracy and regulatory compliance.

The federal Occupational Safety and Health Administration requires companies to keep technical information on all hazardous chemicals. "Information on each chemical is kept on a Material Safety Data Sheet (MSDS)," says David Walston, industrial hygienist. He adds,

"We have a responsibility to keep chemicals under control for a safer workplace."

David Walston

"We will have over 5,000 MSDS records in a computer data bank accessible to all employees." That data bank includes records on everything from paint to such hazardous chemicals as chlorine gas, ammonia, and hydrazine (used in boiler treatment).

Each MSDS file lists details on precautions which should be taken when using the chemical and the proper procedures for handling a spill or a fire involving it. "Some harmless chemicals can be allowed to drain off, while others must be contained and need special handling," advises Walston. As for fires, a paint blaze may have to be fought differently than a chemical

blaze, based on the ingredients.

Walston and others on the safety staff are responsible for GSU's chemical control system. Whenever manufacturers change the ingredients of a chemical, they are required to send the company a new MSDS. That updated information is then added to GSU's records. The staff is also responsible for approving or disapproving the use of certain chemicals. Says Walston, "All new products require an MSDS. We check them over for hazards. If they are rejected, a substitute must be found." A case in point is lead-based paint, which was found to be dangerous.

He also emphasizes GSU's cooperation with the Community Right to Know law. The company provides information to the states of Texas and Louisiana about many of the chemicals in use. That information is directly available to local communities and emergency authorities.

According to Walston, the bottom line for Gulf States is safety. "We have a responsibility to keep chemicals under control for a safer workplace. It is important to minimize the risk to employees and our environment."

Coal ash put to good use

by Betty Gavora

As part of its effort to keep the environment clean and increase company revenues, Gulf States sells ash, a by-product of generating electricity at its Nelson Coal plant in Lake Charles, La.

According to Jim Hurley, Nelson Coal plant superintendent, the major varieties of ash produced at Nelson Coal are fly ash and bottom ash.

Fly ash is ash which is prevented from going out the smokestack through a series of electric rods placed on the inside of the stack. It clings to the rods where it is collected and sent to a hopper. The Class C fly ash produced by Gulf States is marketed by experts hired by the company. The major use of



A truck is loaded and weighed under the fly ash silo at Nelson Coal. The two silos to the right are used for bottom ash.

the fly ash is as an additive to cement.

According to Jim Johnson, manager-materials management at Gulf States, "concrete made from the right mixture of fly ash and cement is more desirable than concrete without fly ash." In fact, a certain amount of this concrete has been specified by State and Federal governments for highway construction since it results in stronger roads and helps keep the environment clean.

When there is no market readily available for the fly ash due to

weather conditions or the lack of construction projects, the fly ash is slurried into a holding pond. When a certain amount of ash is in the pond, the water is drained out so the ash can dry. A flexbase material is made from the hardened ash.

Bottom ash falls to the bottom as the coal is burned. Gulf States also contracts with experts to market this bottom ash, which is generally used as road base or fill material.

During 1989 the company recovered some \$312,000 from the sale of ash.

DON'T FORGET TO VOTE

As a GSU Shareholder,
voting your proxy
gives you a voice in the company.

Vote your proxy for the May 3
Shareholders Meeting.





The 1988 Beaumont Baby Brigade

Baby Brigade invades walk

The GSU Annual Walk America Baby Brigade gathered forces for its invasion on the Beaumont walk on April 21. "We wanted to get as many families out together as we could," says Brigade Captain Sharon Borel, stenographer-senior, Beaumont. "We almost doubled our number this year."

The Baby Brigade, which began three years ago, is comprised of GSU families with youngsters in strollers and wagons. "The March of Dimes is for babies and this is a way we can get our babies involved," says Borel.

Transfers for T-shirts were provided to children 3 years old and under. On the day of the walk, door prizes were presented to children who participated in the walk. There were participants from Baton Rouge, Port Arthur and Beaumont.

"I hope this gets bigger and better each year," says Borel. "It's all for healthier babies."

Two Sabine Station employees were recently inducted into the national honor society Phi Theta Kappa. Lowell Boudreaux, equipment operator, and Henry Welch, electrical maintenance foreman, were invited to join the local Alpha Nu Gamma chapter at initiation ceremonies held at The Brown Center in Orange. Phi Theta Kappa is the only nationally-acclaimed honor fraternity serving two-year colleges offering associate degree programs. Both are working on associate degrees in Academic Studies of Business Concentration at Lamar University. L to R, Welch and Boudreaux.



Lafayette Engineering and Storeroom employees sponsored a Customer Appreciation Day on Valentine's Day to tell our customers how much we appreciate their business. Heart-shaped cookies, cake and red and white balloons highlighted the Valentine theme, while Reddy Kilowatt and Louie the Lightning Bug greeted customers. The day was considered a success because employees enjoyed visiting with our customers and the customers left feeling good about GSU. Pictured are Engineering, Storeroom, and Customer Service employees along with Louie and Reddy at the refreshment table.



SERVICE ANNIVERSARIES

1990

February

40 YEARS

Lewis C. Guthrie Jr.
Engineering
Beaumont

James W. Dunham
Electric T&D
Port Arthur

Fred D. Eubanks Jr.
Electric T&D
Baton Rouge

30 YEARS

Victor B. Olson
Plant Production
Toledo Bend

Russell C. Thomassee
Electric T&D
Lafayette

Therman C. Varnado
Gas Department
Baton Rouge

Charles G. Duncan
Electric T&D
Beaumont

William H. Atwell
Electric T&D
Lake Charles

20 YEARS

Ervin W. Berger
System Production
Beaumont

Gene P. Cotton
System Production
Sabine Station

Alyce C. Schneider
Financial Services
Beaumont

William Dee Atwell
Plant Production
Nelson Station

James R. Rose
Plant Production
Neches Station

Carl E. Denmark
Gas Department
Baton Rouge

David L. McCauley
Electric T&D
Beaumont

Lynn A. Falcon
Electric T&D
Beaumont

Darrell B. Martin
Plant Production
Sabine Station

Rupert L. Ellis
Engineering
Beaumont

Joel E. Jeffcote
Division Operations
Lafayette

Glenda H. Boyd
Division Accounting
Denham Springs

Richard P. Guyote
Plant Production
Nelson Coal

Curtis L. Ross
Division Accounting
Huntsville

Ellis J. Sherrick
Plant Production
Sabine Station

Phillip C. Thibodeaux
Electric T&D
Port Allen

Richard J. Nesom
Plant Production
Willow Glen

Gene D. Fuselier
Electric T&D
Baton Rouge

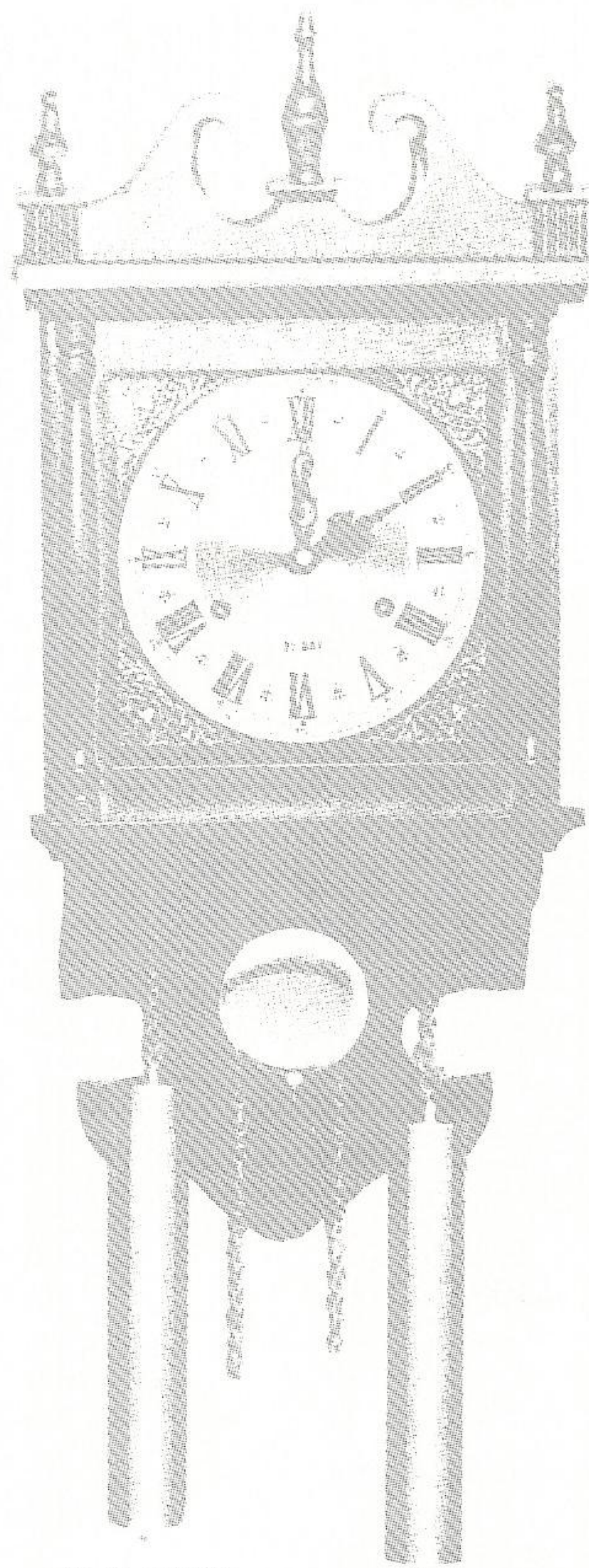
10 YEARS

Joann T. Persley
Computer Applications
Beaumont

Travis L. Leggett
Electric T&D
Baton Rouge

Darlene F. Welch
Accounting Services
Beaumont

Sandra H. Bailey
Marketing
Beaumont



Keith P. Walker
Electric T&D
Port Arthur
Roselyn M. McWilliams
Electric T&D
Beaumont

Tana B. Wilson
Accounting Services
Beaumont

Larry W. Woodall
Engineering
Beaumont

Elzadia D. Meguess
Financial Services
Beaumont

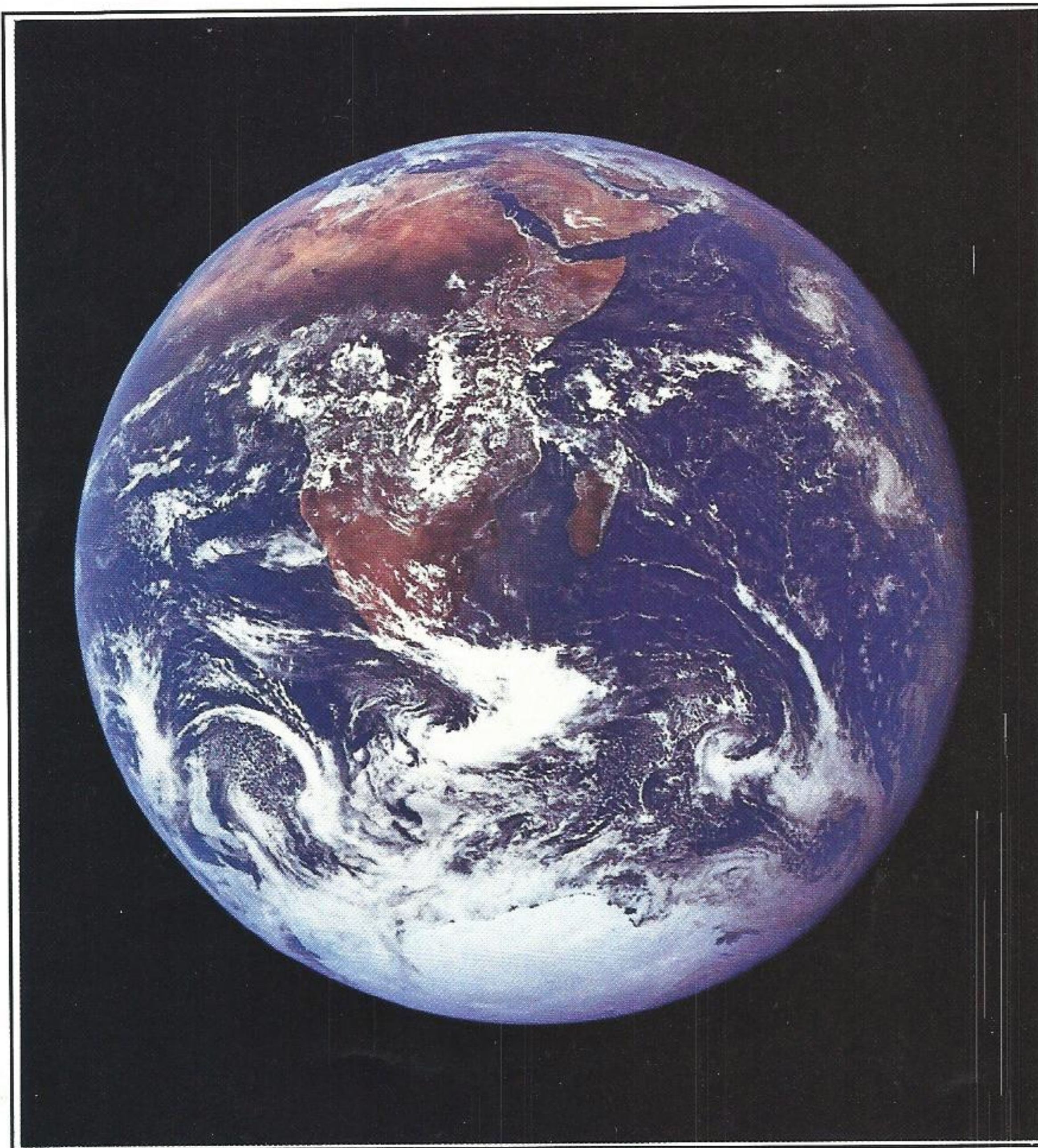
Paul E. Newton
Engineering Services
Beaumont

PLAIN TALKS

P. O. Box 2951
Beaumont, Texas 77704

Address Correction Requested

BULK RATE
U.S. POSTAGE
PAID
Beaumont, Texas
Permit No. 11



What on earth can be done to protect her?

GSU has a commitment to our customers and a responsibility to the world. We make energy more responsibly...by using a better and environmentally efficient mix of fuels to produce energy...by making energy safely...by using the most modern means of disposing of potentially harmful wastes...by recycling materials...by looking outside our windows at the good earth and trying to repair and preserve her.

**GULF STATES
UTILITIES COMPANY**