

PLAIN TALKS

May
1983

**Serving customers
is our business**



**GSU
listens,
page 6**

**GSU
teaches,
page 10**

**GSU
markets,
page 12**

MAIL BOX

THE COVER

Beverly Stone, senior clerk, serves a customer in the Liberty-Pearl Complex.

Stone and scores of other Gulf Staters stay in continual contact with GSU customers — the Very Important People we serve.

This issue of *Plain Talks* focuses on our customers and our commitment to providing good customer service.

* * *

Editor's Note: A Louisiana customer, concerned by rising utility bills, wrote to GSU President Norman Lee to express opposition to television advertising. Lee asked Dr. Linn Draper, senior vice president of external affairs, to answer the letter, explaining why the company feels customers can actually benefit from advertising.

Mr. Norman Lee, President
Gulf States Utilities
P. O. Box 3007
Beaumont, Texas

Mr. Lee:

I become angrier and angrier each time I see one of your commercials on television, and that is much too often.

I have not complained about our steadily increasing bills, because I understand rising costs. But I am complaining about the constant barrage of unnecessary commercials. One of the current ones asks a woman if she thinks GSU is operating efficiently and trying to keep costs down. My answer is a resounding "NO!" I am angered because my money is helping to pay the tremendous cost of that advertising. Surely you have no worries about selling your product!

Your message, that saving energy is everyone's business, came across long ago. We've had enough of your telling us to save energy and thus save money. We're doing our part. How about doing your part to save our money?

A customer

Dear Customer:

Norman Lee has referred your thoughtful letter to me because advertising falls within my area of responsibility. I certainly understand how you might question the frequency and content of our television commercials.

Perhaps a little background will provide you with some insights into our customer information program.

As you may know, the fuel costs paid by GSU customers are among the lowest in the nation, thanks to an extremely favorable natural gas contract negotiated in the early 1960s. The amount we are paying under that agreement is less than one-tenth the cost which our customers would be incurring if that fuel were being purchased at today's market price.

Unfortunately, that contract expires at the end of 1984, which means Gulf States customers will then begin paying fuel costs more in line with those paid by other electric utilities. Overnight, on Dec. 31, 1984, GSU's fuel costs will take a sizable jump.

More than a year ago, we decided our customers needed to be warned that this price shock was coming. Some customers might want to take additional conservation measures, but, more importantly, we did not want our customers to be surprised by the effects of the contract expiration. We know they won't like the increase; we simply want them to understand the reasons behind it.

(Continued on page 15.)

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Employees who change residences or offices should fill out company mailing-address-change 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

PLAIN TALKS

Features:

GSUers join winning team **5**

WalkAmerica draws 800 company participants

GSU listens **6**

Hearing the customers' side from consumer advisory panels

GSU trains **7**

Learning how to care for customers

GSU serves **8**

Working with the company's Very Important People, our customers

GSU teaches **10**

Sharing the energy story with children, our future customers

Flexibility key to future, Murrill tells shareholders **12**

Profiling the typical shareholder

GSU markets **13**

Finding our place in the sun

From verb tenses to transformers **14**

Switching from schoolteacher to senior purchasing agent

Departments:

4 News Briefs — Reports of company events

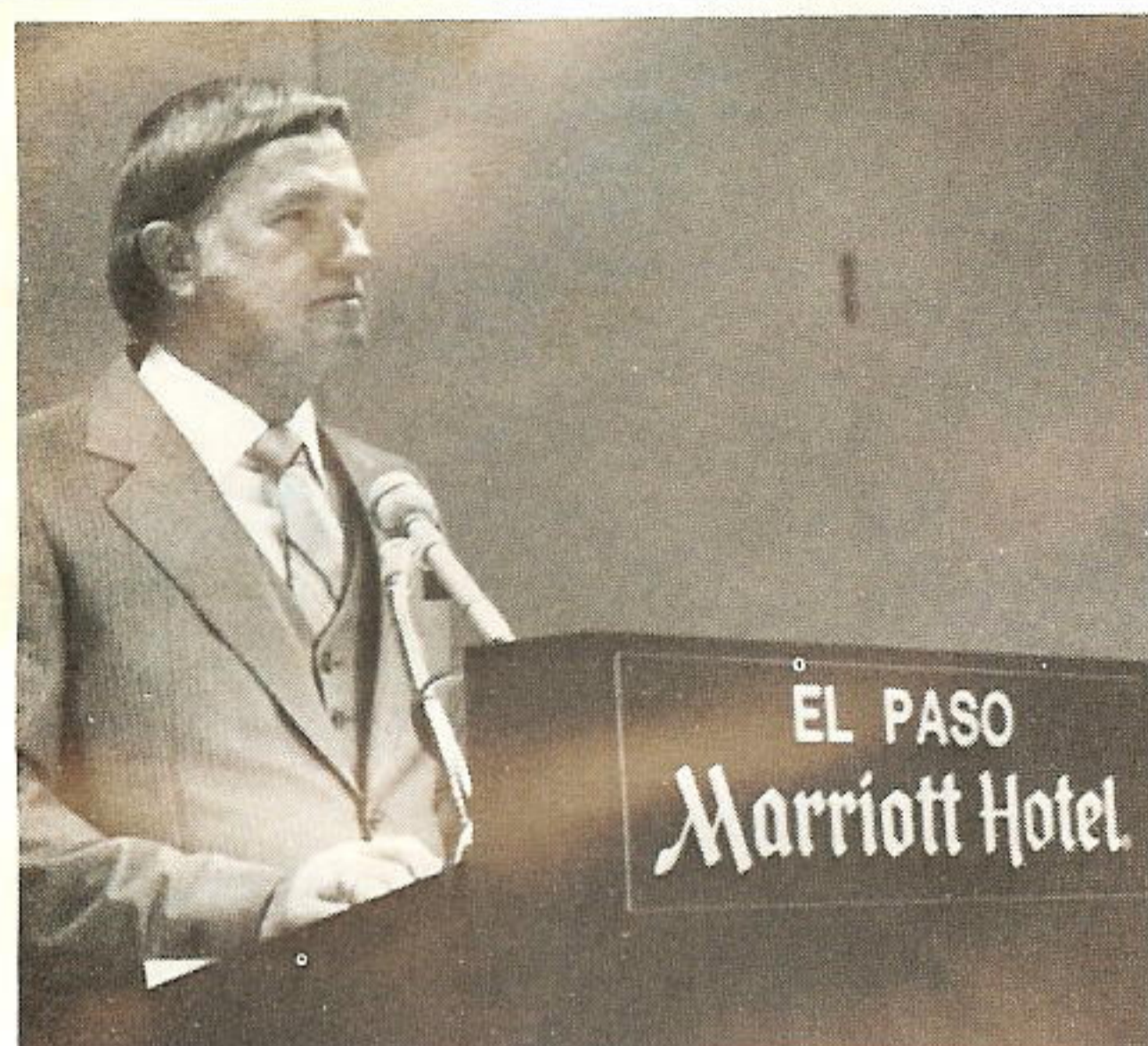
15 Service Awards — Recognition of employees

16 Inside GSU — Bunny visits, What a catch!

18 On the Move — Listings of recent job changes

19 Comments — Marketing strategy

NEWS BRIEFS



Ray Thompson addresses the Southwest Electric Safety Exchange.

Thompson chairs safety session

Safety-related topics unique to electric utilities were featured at a recent meeting of the Southwest Electric Safety Exchange in El Paso.

GSU's Ray Thompson, safety coordinator, chaired the session, which was hosted by El Paso Electric Co.

According to Thompson, the exchange was formed in Beaumont in 1950 with 13 charter members representing seven Texas utilities. Now made up of 20 electric utilities, the exchange reports an average attendance of 140 safety professionals and operations supervisors during the semi-annual meetings.

Thompson says, "Exchange meetings are especially beneficial to operations personnel who exchange safety views and ideas, then implement them on their jobs."

During the sessions, member companies report on recent serious accidents, new training aids or ideas and new equipment that has been purchased or designed in-house by a member company, reveals Thompson.

Other topics covered include prevention of electrical shock and burn accidents, problems unique to power plant operations, supervisor safety training and a

roundtable question and answer session.

As a charter member of the exchange, GSU has been instrumental in creating, participating in and promoting the organization, notes Thompson.

Deaths listed:

Pete Curry Mitchell, 38, of Lumberton died March 26 as a result of an automobile accident. A resident of Lumberton, he was a serviceman-1st class with GSU and a Navy veteran. He had worked for the company since May 3, 1967.

Survivors include his wife, Sandra Mitchell of Lumberton; two sons, Billy Dale Mitchell and Lance Curry Mitchell, both of Lumberton; his mother, Bernice Jacobs of Vidor; two brothers, Alton Mitchell of Louisiana and Sammy Dale Mitchell of Vidor; one sister, Geraldine Hiatt of Vidor; and one stepbrother, Edward Jacobs of Indiana.

Ruby Ray Ridley, 88, of Beaumont died April 16 in St. Elizabeth Hospital, Beaumont. A lifelong resident of Beaumont, she retired from GSU in 1959 with 36 years of service. She had been with the company since March 20, 1923, and was a general accounting clerk in Beaumont when she retired.

Survivors include one brother, Earl H. Ridley of Beaumont, and one sister, Ferrel Ridley Vallee of Beaumont.

Kenneth Edwin Sutton, 82, died April 16 in St. Elizabeth Hospital, Beaumont. A native of Beaumont, he retired from GSU in 1966 with 40 years of service. He had been with the company since Jan. 4, 1926, and was advertising director in the Beaumont office when he retired.

His first job with the company consisted of editing the magazine, *Plain Talks*. During his service, he created and named a cartoon character dubbed

"Alec Tricity" that represented the company in its advertising.

Survivors include one son, Kenneth E. Sutton Jr. of Albuquerque, N.M.; one daughter, Ann S. Coates of Houston; five grandchildren and three great-grandchildren.

Name change

The Consumer Services Department officially changed names to the Marketing and Consumer Services Department May 1.

As part of the change, Aubrey D. Sprawls, vice president-consumer services, became vice president-marketing and consumer services. Sprawls has been with GSU since 1949.

Hebert receives safety points for suggestion

Fay Hebert was awarded 3,000 safety points recently for a proposal she submitted under the Employee Suggestion Program (ESP).

The clerk in the bookkeeping department in the Baton Rouge Accounting Department, North Boulevard office, suggested that a mirror be installed at a blind corner in the office building. The measure, she explained, would help keep employees from running into each other as they rounded that corner.

Hebert (center) accepted the safety coupons from Van Herford (left), division accounting superintendent, and Jim Moss (right), vice president-Baton Rouge Division.



GSUers join winning team

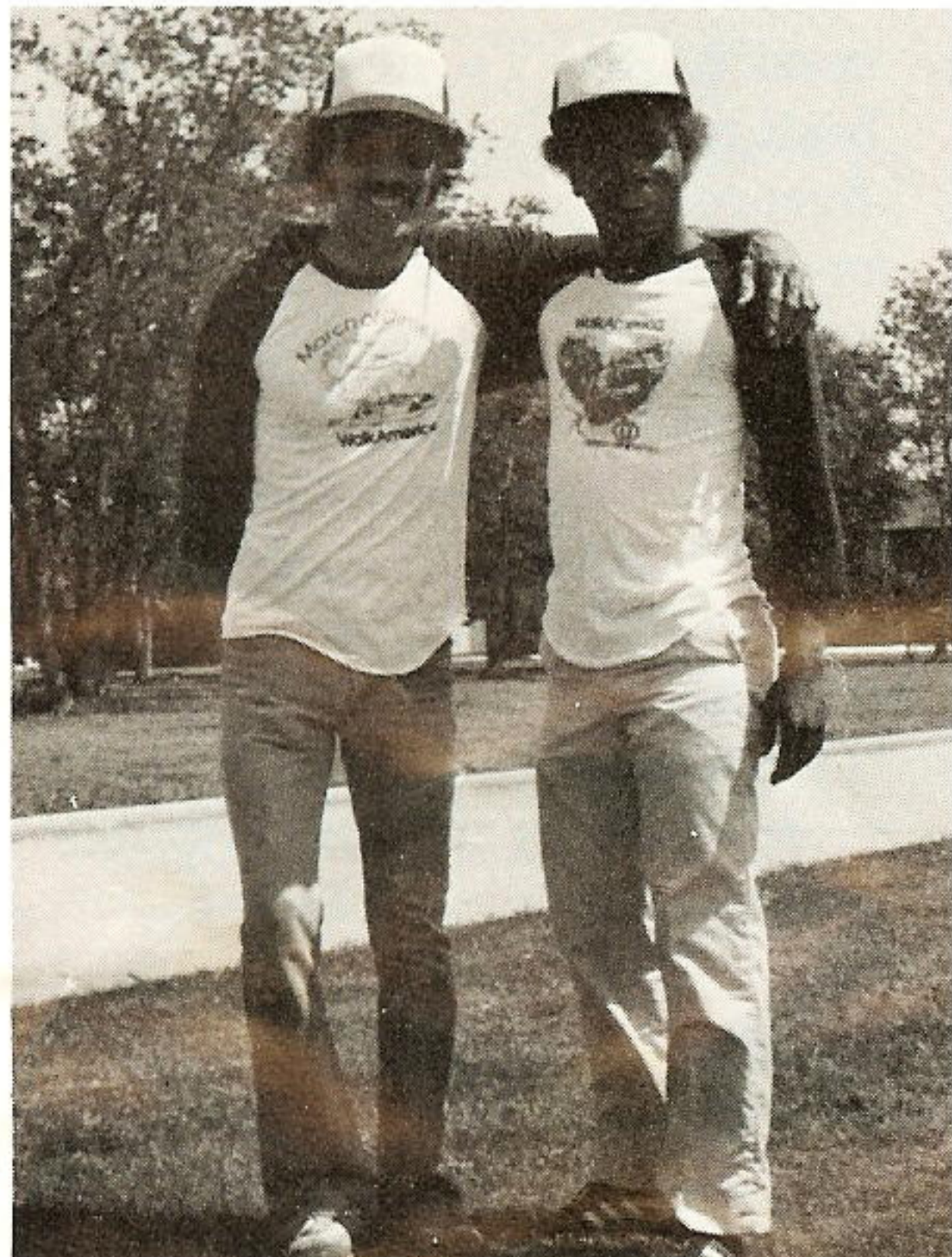
More than 800 employees and family members joined up with a winning team the weekend of April 23-24 by helping the March of Dimes fight birth defects with participation in the agency's annual WalkAmerica fundraising event.

Final collection figures were unavailable at presstime, but participants and their sponsors from throughout the company pledged about \$37,800, reports Ward McCurtain, manager-community affairs. McCurtain pointed out that many employees were joined in the walk at the last minute by unregistered family members, so actual GSU participation outstripped the official tallies.

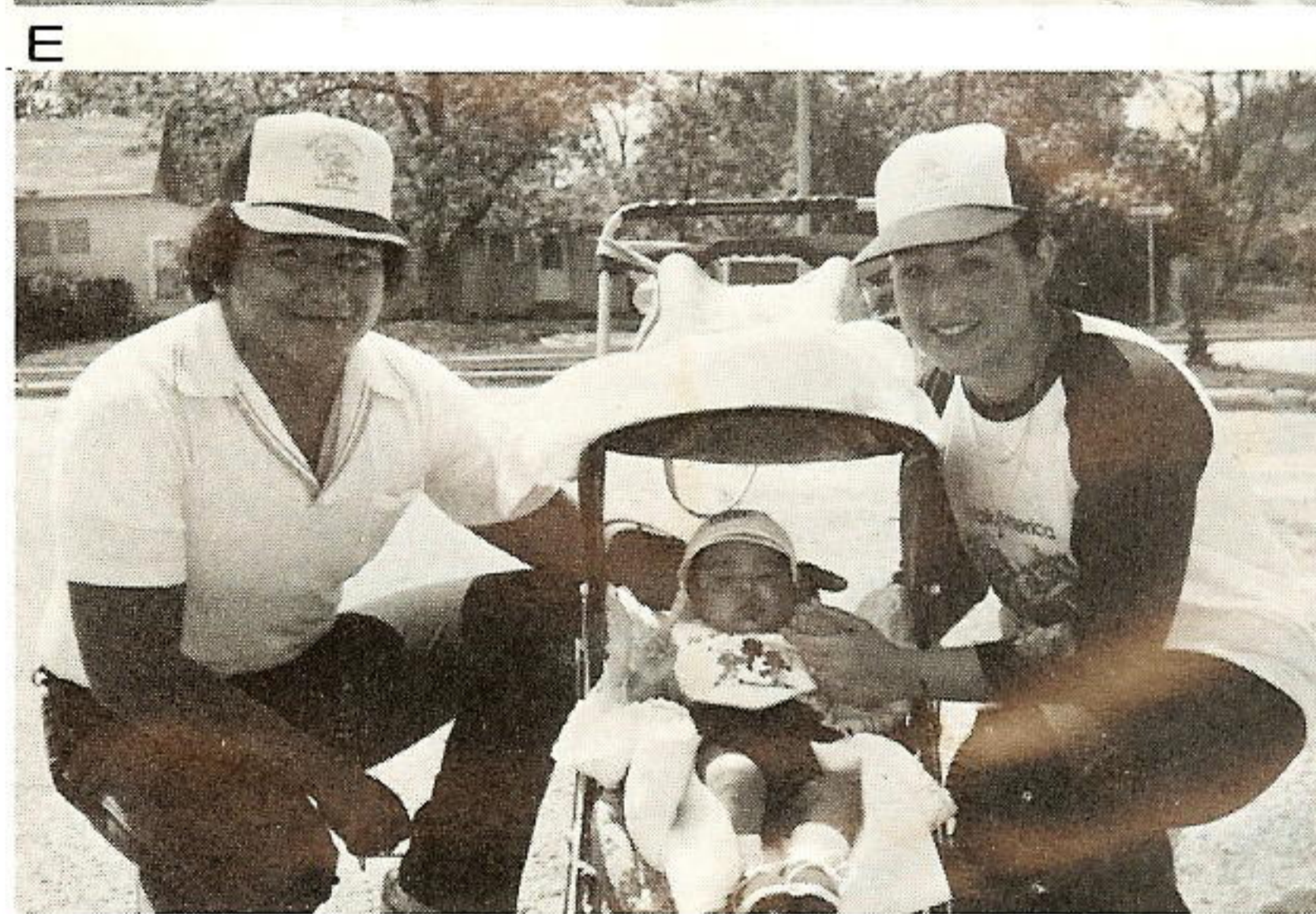
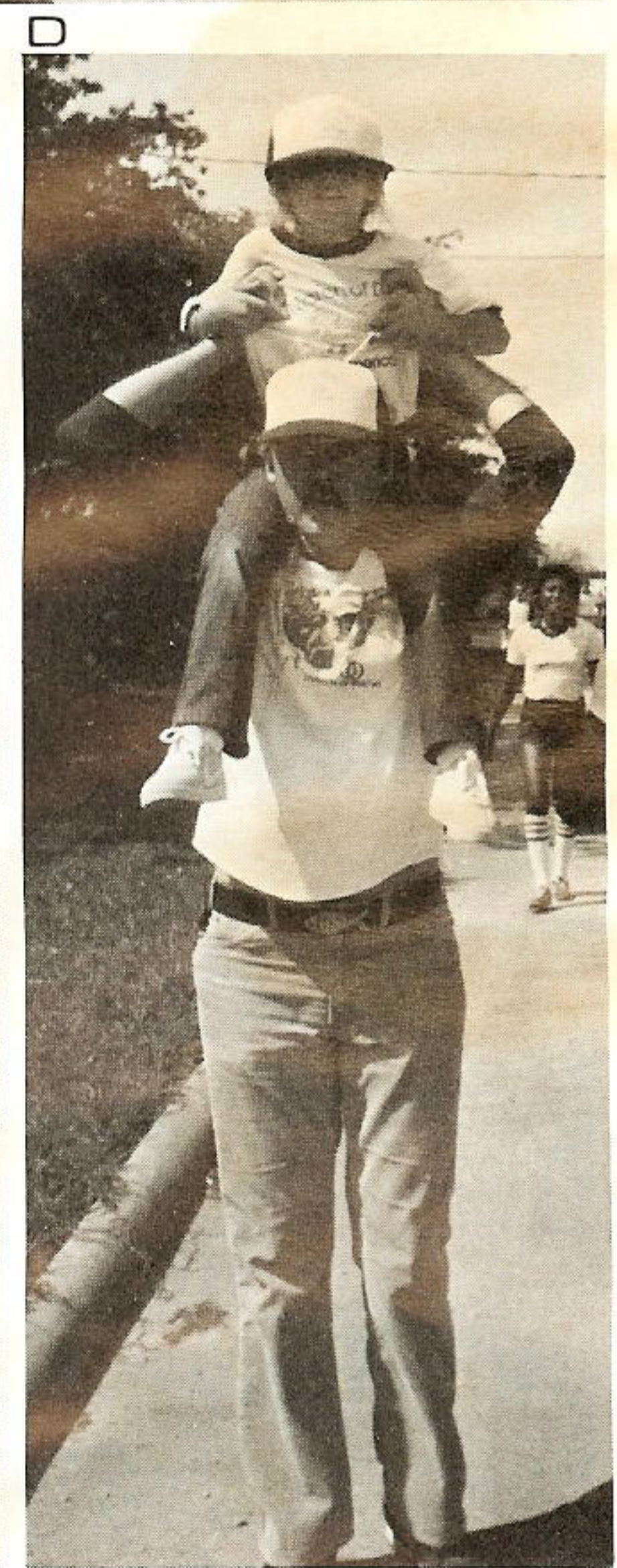
On a division-by-division basis, here is how employees participated:

— According to Richard East, 290 Baton Rouge Division employees walked the length of the 12½-mile route. Division employees raised pledges totaling \$14,800.

— According to McCurtain, system, Beaumont Division and Port Arthur Division



Tass Young (left) and Karl Byrd represented Mid-County District.



A Edna Hetzel ties fellow walker Lisa Rucker's shoe.
 B Western Division's John Conley and Renee Stone cross finish line.
 C Lake Charles Division walkers assemble.
 D Chanda, 6, joined her dad, Port Arthur's Glenn Mason.
 E Beaumont's Robert and Sonia Ruiz wheeled their 3-month-old son, Remington.

employees were represented by 363 walkers who were backed by pledges totaling \$14,000.

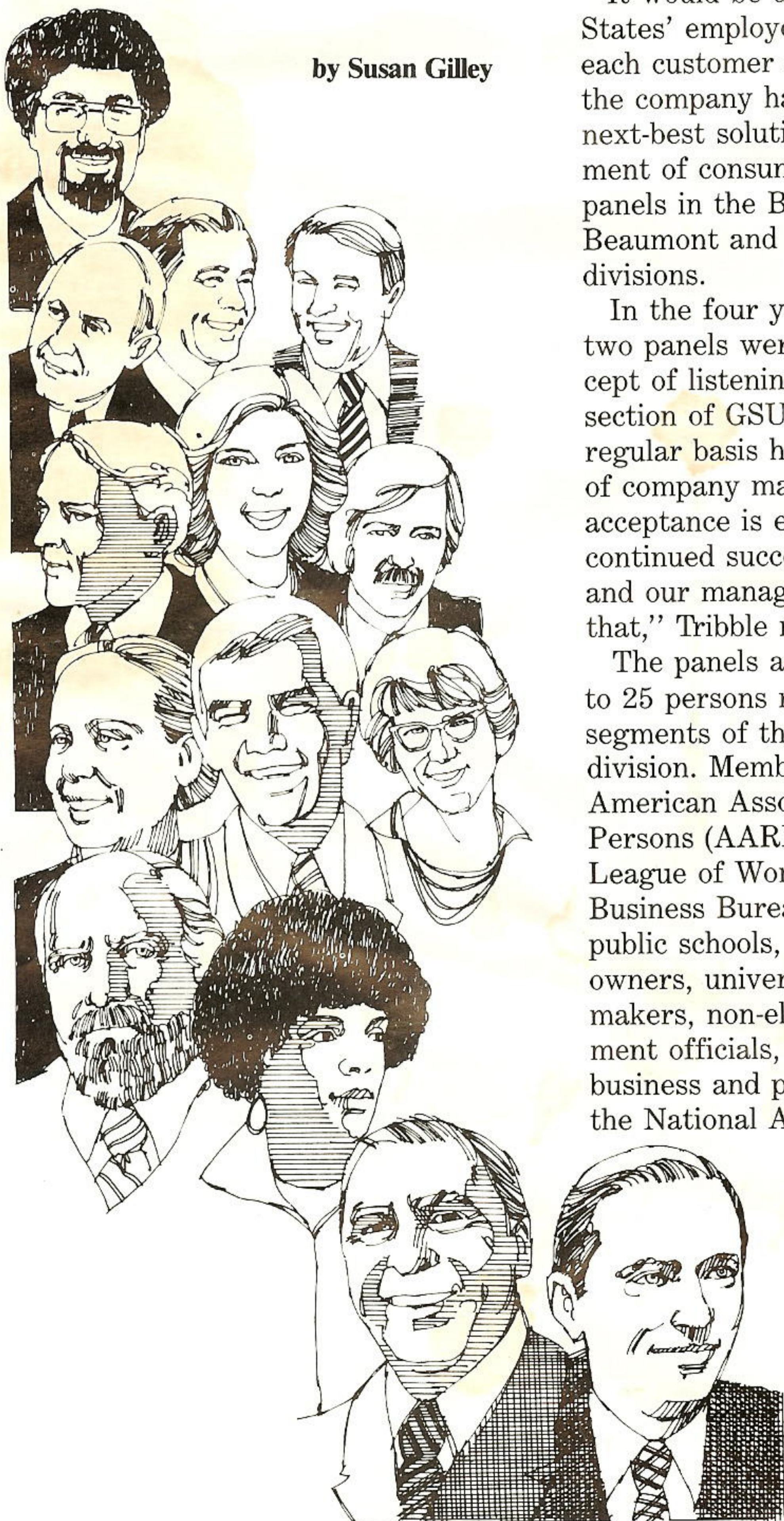
— According to Becky Watson, 105 GSUers in the Lake Charles Division joined the 18.7-mile walk that began and ended at the Lake Charles Civic Center. Pledges totaled \$6,500.

— According to John Adams, the Western Division was represented by 69 employees who raised pledges totaling about \$2,500. The 21-mile walk route began at Conroe's Montgomery County Park, then followed the backroads to Willis and returned to the park.

GSU listens:

Panels tell customers' side

by Susan Gilley



Who is most qualified to offer advice about Gulf States' policies and practices which affect customer service?

Who can best predict probable customer acceptance of a company decision?

More than half a million people qualify for the advisory role — and all are GSU customers.

"After all, they (customers) are the reason GSU exists," asserts Mildred Tribble, assistant to the vice president of marketing and consumer services.

It would be difficult for Gulf States' employees to confer with each customer individually, but the company has substituted the next-best solution — establishment of consumer advisory panels in the Baton Rouge, Beaumont and Lake Charles divisions.

In the four years since the first two panels were created, the concept of listening to a cross-section of GSU customers on a regular basis has gained support of company management. "Public acceptance is essential to the continued success of Gulf States, and our management recognizes that," Tribble notes.

The panels are made up of 20 to 25 persons representing all segments of the populace in their division. Members represent the American Association of Retired Persons (AARP), labor groups, League of Women Voters, Better Business Bureau, Junior League, public schools, small business owners, universities, homemakers, non-elected city government officials, credit bureaus, business and professional women, the National Association for the

Advancement of Colored People (NAACP) and social service agencies. Panelists serve staggered terms.

Tribble points out that the panels, which meet every other month, have evolved into a two-way educational process, with both sides benefiting from the interaction. "Both sides listen and learn," says Tribble.

"By following some panel recommendations, we've saved time and money — and we've preserved our reputation for providing excellent customer service," insists Tribble. Once the panelists understand the reasons behind certain company practices, they frequently become more supportive. Further, the panelists keep the groups they represent informed about their panel activities and what they have learned about GSU.

Customers benefit the most from the set-up, however. For instance, the convenient payment plan for customers on fixed incomes and Project CARE both came about as a result of consumer advisory panel recommendations.

One recommendation that crops up frequently involves the language used in company communications.

As a result of one panel recommendation, a series of highly successful GSU TV advertisements featured Gulf States' employees. According to Tribble, the panel members said our employees could communicate with the public with more warmth.

"It is easy to understand why the panels are successful," says Tribble. "Now that energy costs have become such a big item in the household budget, our customers are very interested in our reasons for doing things the way we do."

The panels, she adds, reflect customer attitudes, then go a step beyond by providing suggestions for improving customer service.



Shirley Taylor: "Harmony is the goal."

GSU trains

How to care for customers

by Susan Gilley

Shirley Taylor has a word of advice for employees who deal with customers. "Try to treat them the way you would want them to treat you," urges the Baton Rouge-based training representative.

Training courses

Several other training courses offered in-house can help participants provide better customer service.

A listing of such courses, the objective of each and the employees for whom they are designed follow:

— **Interpersonal Communication Skills:** Improve person-to-person skills, customer contact employees.

— **How to Influence toward Results:** Improvement of persuasion, any employee.

— **Strategies for Improving Interpersonal Performance:** Preparing employees to handle stress situations, any employee.

— **Improving Communication:** Skill improvement regarding day-to-day communications, management employees.

— **The Art of Negotiation:** To teach negotiation principles and strategies, management employees involved regularly in business negotiation situations.

A 12-year Gulf Stater, Taylor teaches a customer relations session tailored especially for electric utilities.

"The whole objective of 'Customer Relations for Electric Utilities' is to help the employees see the problem through the eyes of the customer and improve their effectiveness in dealing with the problem," she explains. The 16-hour course, divided into four one-half-day sessions, uses video, audio cassettes, illustrated text and active employee participation. Taylor instructs and coordinates the program. Twelve other employees are qualified facilitators who instruct programs held in their company locations. They are Dennis Bates, Jamie Thompson and Bob Vincent, all of Baton Rouge Division; Brenda Digby, Loretta Gilbert, Doris Hay and Ruth Moreau, all of Lake Charles Division; Carolyn Watson and Michael Linden, both of Beaumont Division; Sue Williams and James Fernandez, both of Port Arthur Division; and Roberta Plant of Western Division.

Any employee who has contact with customers, not necessarily face to face, could benefit from the training session, suggests Taylor.

Taylor emphasizes that today's customers cannot — and should not — be "smiled" into cooperating. Unfortunately, high bills and hot summers sometimes

produce upset customers — a combination that can result in a customer expressing feelings of anger and frustration to a customer contact clerk, a meter reader or just about anybody who represents GSU.

By giving course participants some psychological insight into why a customer acts the way he or she does, the program helps employees to avoid taking customer complaints personally. Other subjects covered are identifying problems, producing solutions, staying in control and soothing flustered feelings.

"Harmony is the goal," she stresses. An employee who first listens to a customer is in a better position to solve any problems. "We are so business-minded that we try to solve the problem before the customer can explain it to us," laments Taylor. "We've got to get into a human mode — not rush, rush," she continues.

"Those of us who deal with customers are the company to these customers," she points out. "If an employee knows how to handle a situation with a customer, then he or she won't have to make an extra call to the office or to a supervisor," Taylor notes. On-the-spot service can mean a lot to a customer.

The customer relations course, which includes some role-playing for participants, has been offered by the company since 1981.

Working with the company's Very Important People

by Susan Gilley

The nature of certain jobs at Gulf States puts those employees in direct contact with customers. Such employees play crucial roles in the continued success of the company because they deal with GSU's most precious resource — the people who require the service we provide.

Five employees in the Port Arthur Division typify direct customer contact personnel throughout the GSU system. Each of the five — Brenda Broussard, Karl Byrd, Phil LaLonde, Sue Simon and Ed Hutchins — reveals that he or she is attuned to the importance of good customer relations.

Broussard, an energy auditor based in Port Arthur, estimates that she spends about 90 percent of her time in direct contact with customers. Most of that time is spent conducting Residential Conservation Service (RCS) audits, which provide analyses of energy consumption, recommendations for improvement and estimated payback on energy conservation measures.



Phil LaLonde: "The majority of customers are happy to see you."

Byrd, a meter reader based in GSU's Mid-County District office, reports a slightly different relationship with the customers he meets.

He spends about 25 percent of his time in direct customer contact as he works his route. Perhaps because he wears a meter reader's uniform and drives a GSU truck, Byrd finds himself sought out by customers as a source of GSU information.

"It really keeps you on your toes, but I've never had a bad experience with a customer," reveals Byrd. He believes the key to maintaining good customer relations is for employees to understand the answers to questions often asked by customers. In the Mid-County office, he explains, "We're constantly getting together and having meetings" to discuss important company and customer issues.

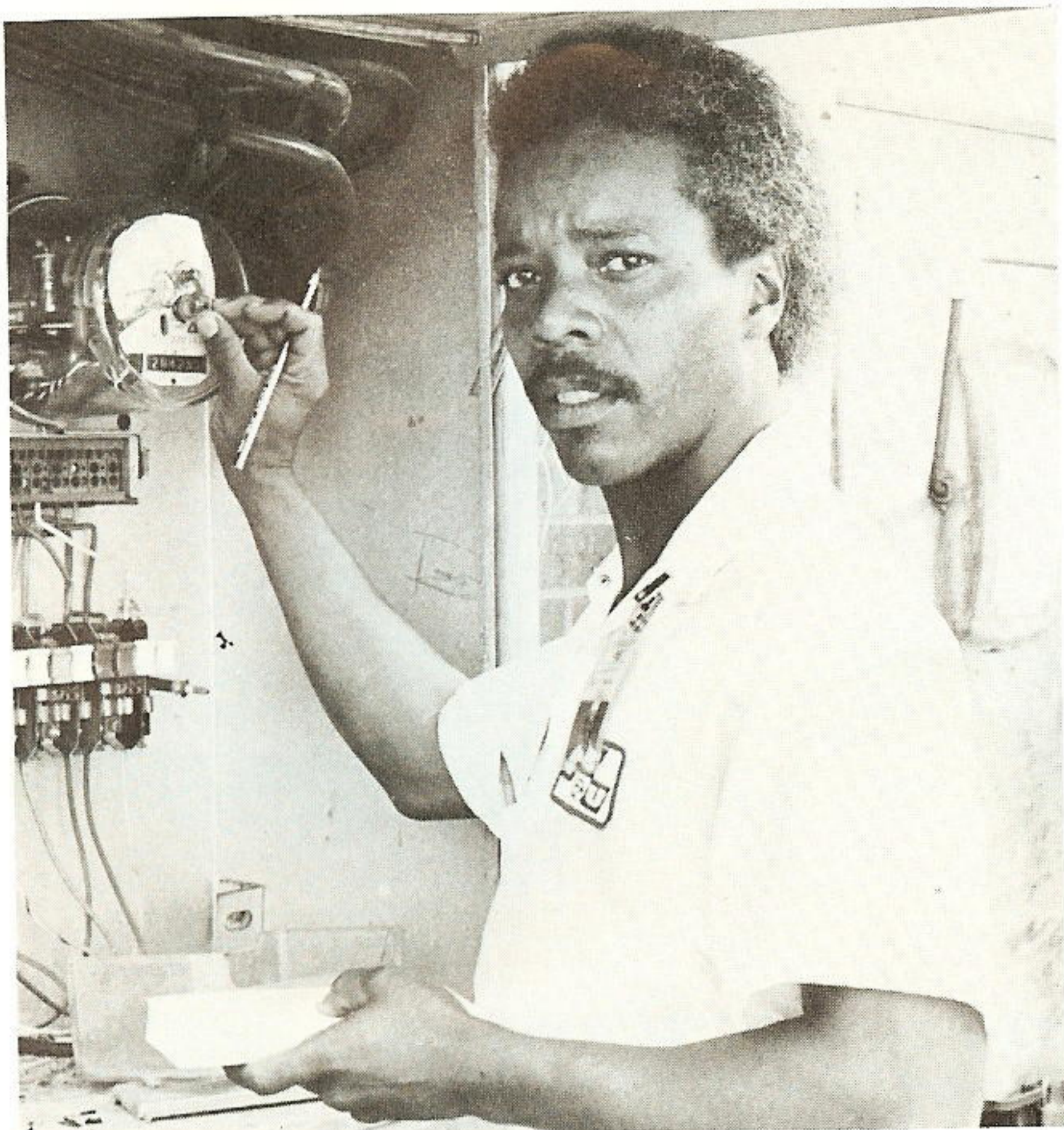
Byrd adds that his double status as a customer and employee helps him to relate to customers with questions or complaints.

LaLonde, a troubleshooter and serviceman-1st class in Port

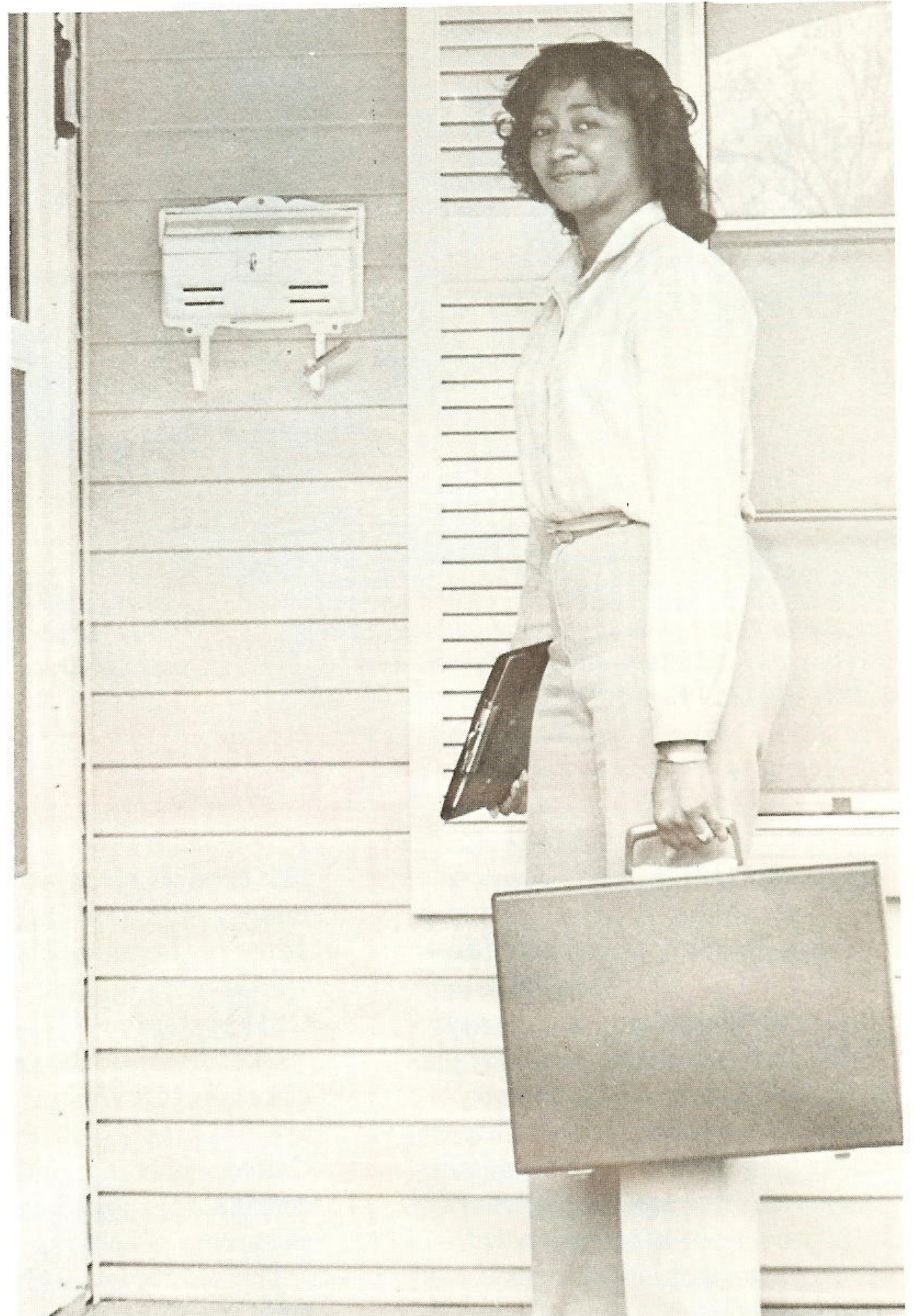


Ed Hutchins watches as Erwin Venghaus (on ladder) changes out service to a customer's ho

Arthur, finds that "the majority of customers are happy to see you because you'll either fix their problem or advise them on how to deal with it." LaLonde's job focuses on identifying service problems, maintaining service and making service connections. In the course of his job, he admits to having "run into some people who just want to gripe." Because of that fact, he advises, people in customer service-oriented jobs should be sociable by nature. In addition to the need to be diplomatic with customers, many customer service employees must also work in



Karl Byrd: Customers "really keep you on your toes."



Brenda Broussard spends 90 percent of her time in direct customer contact.



Sue Simon: "Sometimes you get a good feeling from your dealings with a customer."

close contact with crew members or other co-workers.

"It's an absolute must to be a 'people person,'" agrees Hutchins, superintendent of the Mid-County District office. Hutchins, who estimates that he spends about 50 percent of his on-the-job time in direct contact with customers, works closely with community and civic groups and projects. The involvement, including his current position as president of the Port Neches Rotary Club, requires at least two nights of his time each week. Such identification with the community served by GSU

enhances Hutchins' ability to serve customers because it helps him "feel compassion for customers," he says.

"Sometimes you get a good feeling from your dealings with a customer," asserts Simon, a Port Arthur customer contact clerk whose work involves taking service orders and writing up duplicate bills.

That is how she felt a few weeks ago after helping provide electric service for a newcomer to the Port Arthur area — a man who had accepted a job and was moving his family and belongings into an apartment on a Saturday.

Besides requesting service on short notice, the man lacked \$10 having enough cash to pay the \$50 service deposit.

Her instinct for honesty honed by customer service experience, Simon requested the service connection because she realized "It would be tough in an apartment all weekend without electricity."

The new customer returned to the office Monday, bearing \$10 and profuse thanks.



Roberta Plant shows a plexiglass container of coal chunks, bottom ash and fly ash to demonstrate fuel diversification.



Plant urges the third-graders to rub their hands together. The youngsters then place their warm hands on their cheeks and learn that they have made energy.

Future customers learn about

by Susan Gilley

When Karen Landry came to work for Gulf States a little more than four years ago, electricity "was foreign to me," she recalls.

Today, Landry is up-to-date on many aspects of the utility industry, because she spends hours each week in classrooms, sharing utility-related information with youngsters in kindergarten through college.

By giving classroom presentations on generation of electricity, energy management, fuels and utility economics, GSU's Marketing and Consumer Services Department hopes to make the current crop of schoolchildren very familiar with such topics.

The special contribution of GSU's educational representatives to the company's communications goals is their ability to establish themselves as sources of reliable, educationally-sound information about energy that fits into the classroom environment.

Landry, a consumer information coordinator based in Lafayette, spends much of

her time as an electricity and energy educator (see related story on Beaumont's Ed Kasper, whose work spans the entire GSU system).

Coordinating the educational effort in the Western Division are Roberta Plant and Connie Calfee, consumer information coordinators and former classroom teachers.

The two women divide the wide-ranging service area between themselves. Plant generally handles the half that includes two universities (Texas A&M University and Sam Houston State University) and Calfee handles the other half.

Plant says she believes that information about generation, fuels and utility economics is just as important as information about energy management.

To get an idea of how GSU energy educators tailor their presentations to the attention spans and interests of specific age groups, let's step inside the library at Montgomery Elementary School in the Western Division.

An assortment of energetic

third-graders file into librarian Linda Tucker's brightly-decorated domain. Calfee waits until most of the youngsters are seated, then introduces herself. Attention is not exactly riveted on the topic of the day until Calfee announces that she will show a cartoon. Now the youngsters are captive — they eagerly follow the heroics of "Captain Power," a superhero who transforms a youngster dubbed "Wasteful Willie" into "Watchful Willie" during the course of the slide and sound show.

When the lights come back on, Calfee asks the youngsters to tell what point Captain Power made throughout the show. Several hands wave enthusiastically.

Calfee then distributes coloring books which reinforce the energy management messages of the slide show. Plant, who is helping Calfee today, urges the youngsters to wiggle their fingers in the air. That sounds like fun, so the 20 or so children cooperate. Then she asks them to rub their hands together, faster and faster. That done, she has class members hold their hands against



Connie Calfee demonstrates operation of a tiny solar cell.

Putting it all together

by T. J. Reyes

This classroom demonstration involves a bicycle hooked up to a generator which will power light bulbs and a television set. When the light bulb begins to dim and the television flickers, classmates of the boy pedaling try to encourage him with their cheers. But fatigue takes over and the boy looks sad until Ed Kasper mentions payment for his work. After all, the boy's parents pay GSU for generating electricity so it is only fair that he is paid, too. While the boy thinks of how he will spend his salary, Kasper fills the blackboard with calculations on what a kilowatt hour costs and how long the boy pedaled. For all of his efforts, the boy earns about four one-hundredths of a cent.

When Ed Kasper gives his classroom demonstrations, he tries to put all of the pieces of energy education the students have learned during their schooling in a logical sequence to make a complete picture of energy knowledge. Most students have some understanding of what energy is and how it works but Kasper's entertaining presentation involving the students as part of the program reinforces that knowledge with hands-on demonstrations.

Kasper, who is an educational programs specialist at Gulf States, reached over 38,000 students and almost 3,000 teachers in more than 600 presentations last year. Not only do the students learn from Kasper but so do the teachers.

The real value of Kasper's work lies in the future. Students who learn from these programs will be able to reinforce family energy attitudes.

the energy story

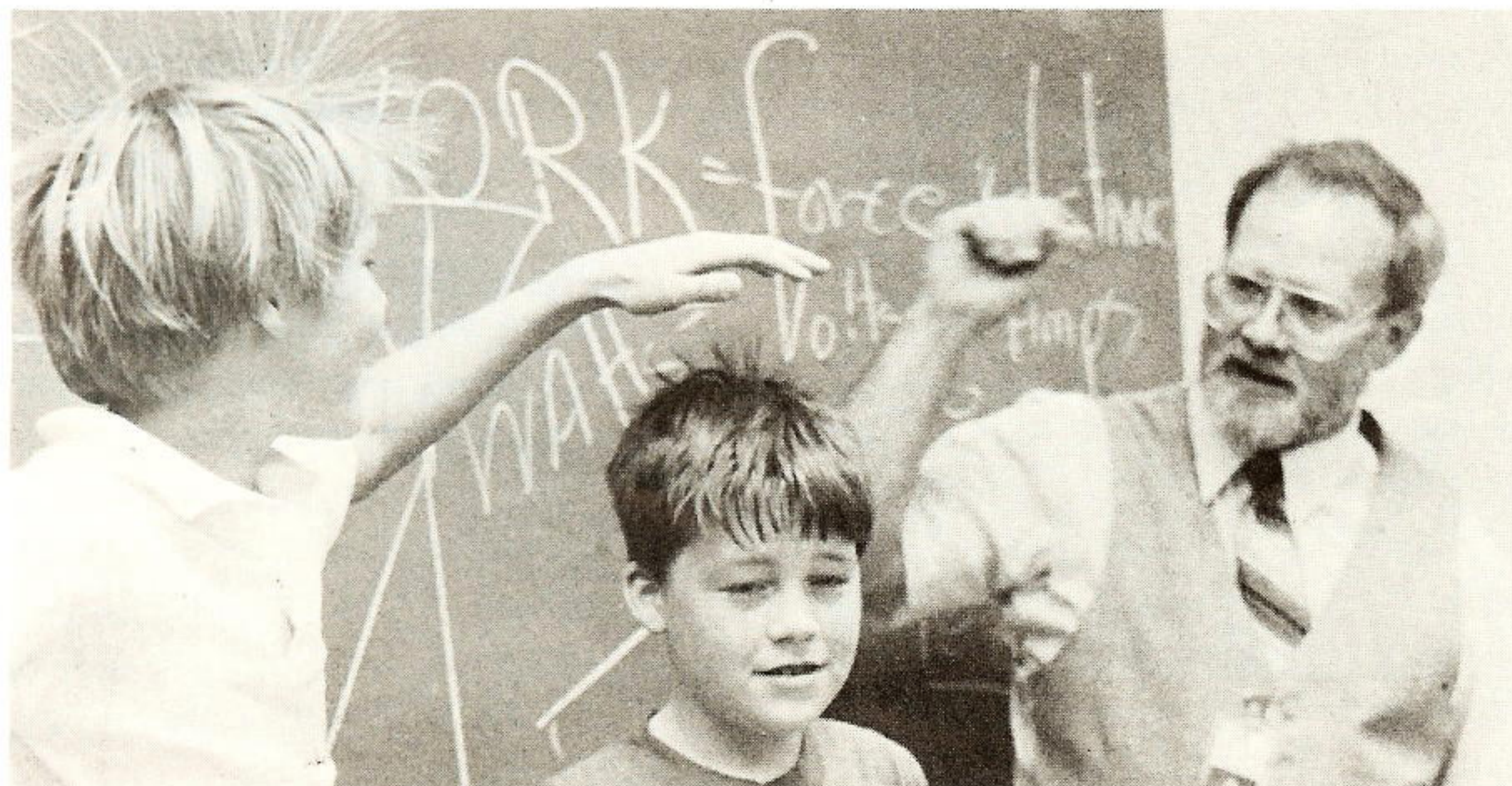
their cheeks. "How does it feel?" Plant asks. "Warm!" the children shriek back. "If it's warm, then you must have made energy," she exclaims.

When we leave Montgomery Elementary, the third-graders have returned to the library, their energy lesson over for the day — but with the coloring books and their vivid memories of Calfee's and Plant's visit to remind them of what they have learned.

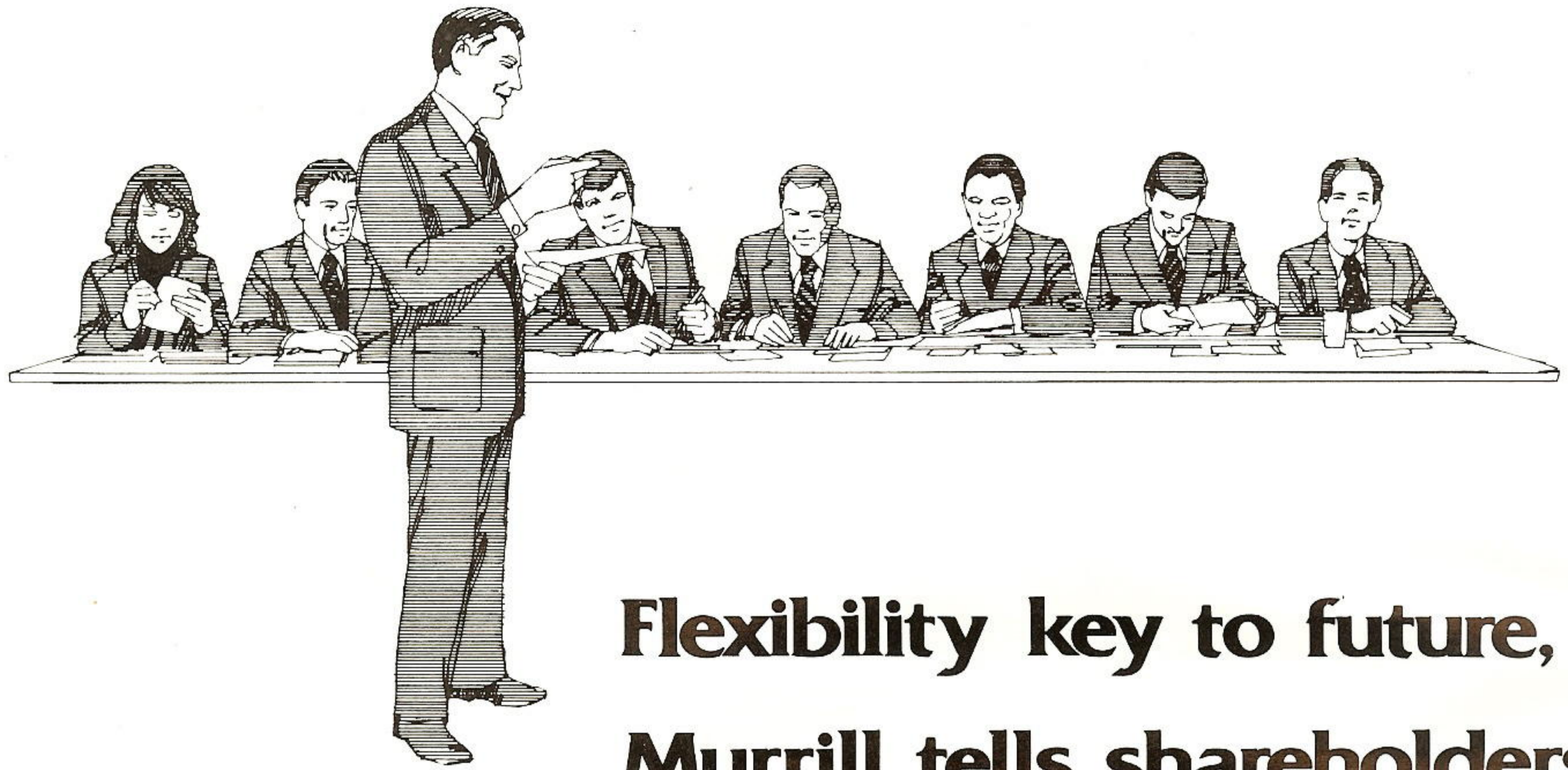
In the Lafayette District of the Lake Charles Division, Landry is concentrating on the fourth

through sixth grades with a program entitled "Fuels to Make Electricity." She operates a scaled-down generator, leads the children in hands-on experiments and utilizes an electric meter connected to a lamp to show how higher wattages cause the meter dial to turn faster.

All educational materials are developed by those who will be using them — students, teachers and administrators. They are also designed to mesh with on-going educational activities and are compatible with adopted courses of study and state frameworks.



Ed Kasper leads students in a hair-raising experiment.



Flexibility key to future, Murrill tells shareholders

by Mike Rodgers

Shareholder interest in GSU's annual meeting is always keen, and this year's, held at Edison Plaza in Beaumont on May 5, was no different. "We will be using the word 'flexibility' quite a few times in the years ahead," said Dr. Paul Murrill, GSU board chairman and chief executive officer, in his remarks to those in attendance, "because we are placing a high premium on that quality." Dr. Murrill pointed to turbulent economic times that make even short-range forecasting perilous, and noted the



Martin Goland, newly-elected director.

challenges in trying to determine the future course of such high-priority items as fuel costs, fuel transportation and financing.

Looking back on 1982, Murrill called it "a difficult year," but added that Gulf States performed reasonably well considering the circumstances. Kilowatt-hour sales slumped six percent overall, industrial sales were down nine percent in 1982, and earnings-per-share dropped from the year before. On the other hand, the construction program is on target with River Bend getting good remarks from the Nuclear Regulatory Commission, and the company is well on the way to diversifying the fuel mix. Sales are still depressed in 1983, but revenues are up because of rate hikes approved last year.

In formal action, shareholders voted to increase the authorized shares of common stock of the company from 100 million shares to 200 million shares. They also re-elected the 12 board members and added a 13th director, Martin Goland, president of Southwest Research Institute of San Antonio, Texas. Coopers &

Lybrand was designated to audit the Gulf States accounts for 1983.

Typical shareholders

The profile of typical GSU shareholders reveals people who are retired, married, between 65 and 74 years of age, with one or both being college graduates. They own somewhere between 51 and 100 shares of common stock which they bought for dividend income and live in all 50 states, though most come from New York, followed by Illinois, Louisiana and California. This picture of a representative shareholder is based on a survey conducted in 1980, but is still considered a fair portrait three years later. Gulf States employees, like these typical shareholders, consider the company a good investment. Proof of that is evident from the fact that 4,000 of the 4,800 people on the company payroll own stock.

GSU markets:

Our place in the sun

by T. J. Reyes

As fuel costs continue to rise, customers increasingly look for ways to manage their energy consumption. Part of Gulf States Utilities Company's obligation to serve the public is to investigate alternate energy sources and technologies to determine which of them can make a contribution to our customers and to the Company in meeting energy needs. One of the most promising of these energy sources is solar.

After much research into solar energy concepts, the Company initiated the solar demonstration project in April 1982. The project is increasing public awareness of solar energy by marketing a solar water heating system in a 20-mile radius surrounding Beaumont. The system, supplied by American Solar King Company of Waco, Texas, sells for about \$3,500.

The purchaser of a solar system receives a 40 percent federal energy tax credit for income tax purposes, or \$1,400 on this system, thus reducing the initial investment to \$2,100. This will pay back in energy savings in five to seven years for an average family of four. The tax credit and energy savings are just two of the incentives for purchasing a solar water heater. A solar installation will add to the resale appraisal value of a house while it does not increase the tax liability. But perhaps the best reason for considering a solar investment is that unlike most other fuels, solar energy is abundant, economical, renewable and has a minimal impact on the environment.

John Tarver, marketing agent, reports that six systems have been installed to date. Although this is below the marketing goals, he feels that public acceptance and knowledge of solar energy has increased. He also points out the Company has gained a wealth of useful information which is shared with private dealers interested in entering the solar market. This information includes ways to solve installation problems, advertising, ideas on generating potential buyers and data on energy savings.

Since beginning the solar project, two more contractors in the area have added solar equipment to their product line.

Stringent installation criteria of the Company's solar water heating system rule out a number of those interested in using this system. Tarver says that customers with unique installation problems are referred to other solar dealers in the area.

Solar technology can be a benefit to both the Company and to our customers. By exploring supplemental energy sources, along with an energy conservation program, the Company can make more efficient use of its present power plants and fuel sources. This will help assure an adequate supply of electricity now and in the future at the least possible cost.

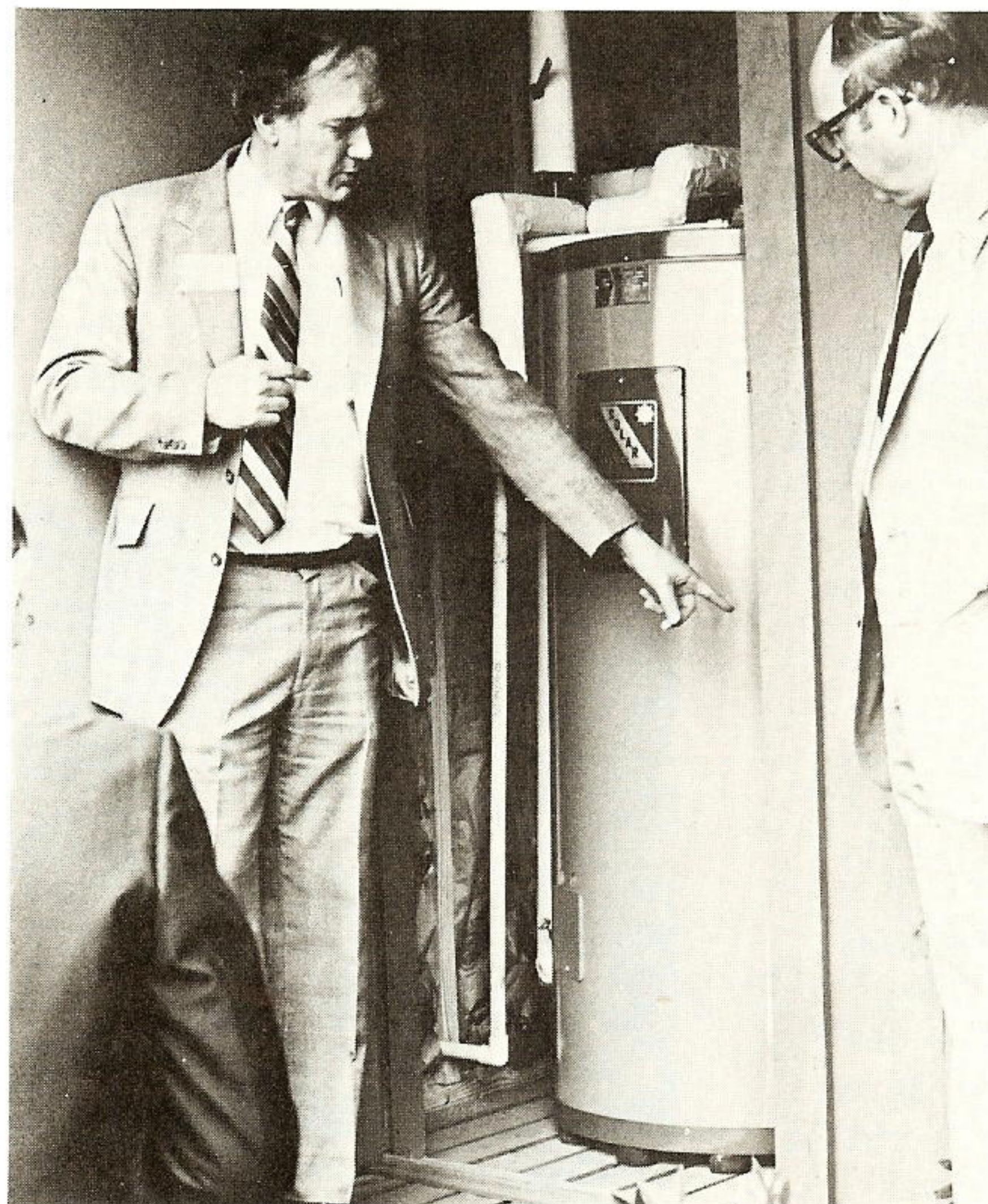


Photo by Rick Harvin

Dewitt Hollingsworth

From verb tenses to transformers

by Susan Gilley

As a high school English teacher during the late 1960s, Rose Holstead was living her heart's desire — sharing her love of the English language with impressionable youngsters.

In what at first appears to be an unlikely transition, Holstead now works as a senior purchasing agent for Gulf States in Beaumont — finding happiness in negotiating a good deal on major transmission and distribution items.

Holstead admits that her career switch to purchasing was somewhat accidental, but insists that her teacher's skills transferred nicely.

Jim Johnson, manager-materials management, believes Holstead's skills transferred **very** nicely. He points out that the mother of two teen-agers not only functions as a full-time GSU employee, but also attends Lamar University part time, pursuing a master's of business administration degree. She recently earned her Certified Purchasing Manager (CPM) designation and had an article on productivity accepted for publication in "Management World," a business/management magazine.

Holstead explains that she resigned from teaching to become a full-time mother. By the time the youngest of her two daughters was 10 months old, she was ready to go back to work, but no English teaching positions were open. A disappointed Holstead "made a deal" with her husband, David, agreeing to give the business world "a good honest try." If she was unhappy, he promised, she could spend the summer of 1971 looking for a teaching position.

Beginning as a temporary office worker with a Beaumont forging manufacturer, she soon discovered that work outside a classroom "could be very rewarding for me" so she hired on full time. Money was not the only motivator, however. "As a teacher, I was inquisitive. At that time, women just weren't asking many questions and people responded very well to me because they were glad a woman was interested," notes Holstead.

Holstead worked as an estimator for nearly four years, before moving on to another Beaumont firm as an estimator/buyer trainee. When her husband's work transferred the family out of Beaumont for five years, she held positions of increasing responsibility with several companies in the Dallas/Fort Worth and Houston areas.

She began with Gulf States in Beaumont in September 1980 as a purchasing agent responsible for procuring transformers and meters for all five divisions. "My first job assignment was to buy the transformers and I really

didn't know what one was," laughs Holstead.

Unabashed, she studied the specifications thoroughly and sought "pros" in purchasing and engineering who helped to speed up the learning process.

In June 1981, Holstead was promoted to senior purchasing agent, where she now supervises four employees. Annual gross purchases within her area of responsibility run from \$60-65 million.

Holstead combined her interest in productivity with her knack for words into a class paper entitled "Mutuality of Interests: Essential Ingredient for Productivity Gains." Her instructor, an associate professor of management, was so impressed with her article that he submitted it for publication.

Holstead's most immediate goal, upon arrival at GSU, was to earn her CPM. Certification is based upon five years' experience in the field or a degree plus experience, as well as passing four examinations, and contributions to the purchasing profession. Holstead attained that goal last October, becoming the first woman in the Sabine-Neches Association of Purchasing Management, Inc., to earn the designation.

That hurdle cleared, Holstead now hopes to end several years of night classes with an MBA degree from Lamar in May 1984.



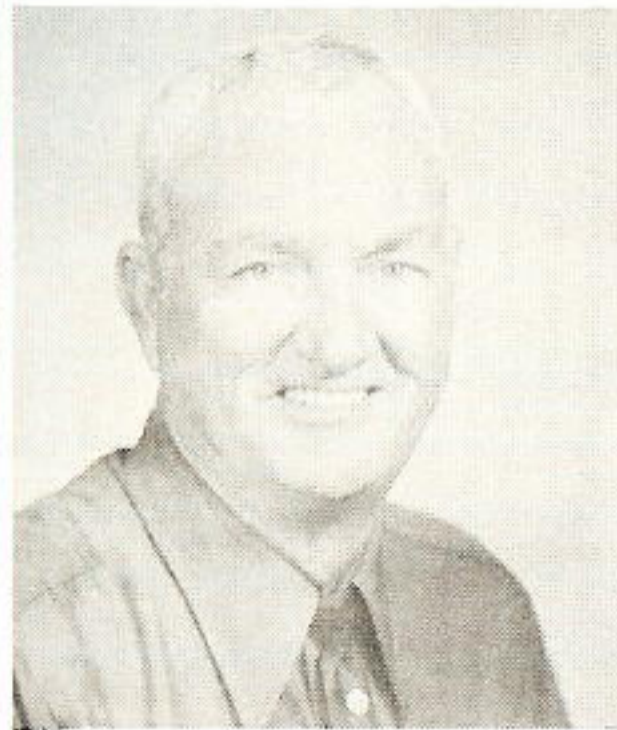
As purchasing agent, Rose Holstead buys transformers like these for use throughout the company.

SERVICE AWARDS

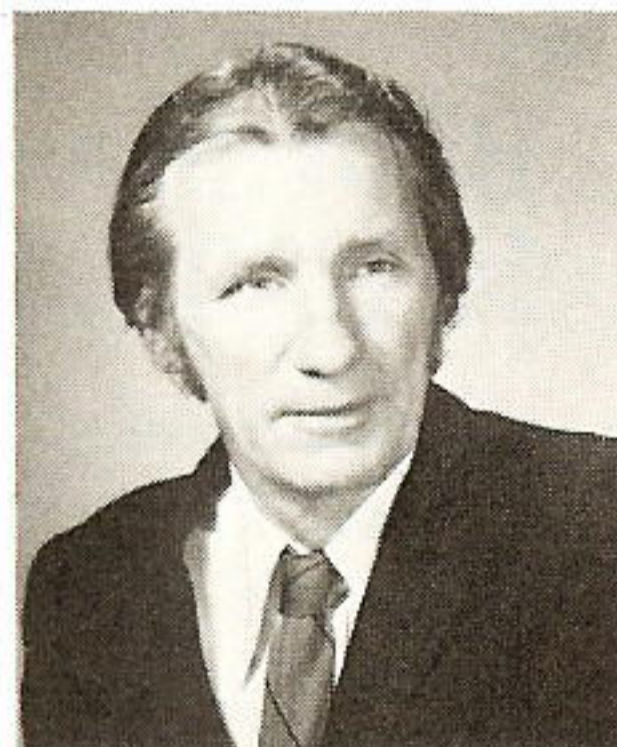
40
years



Loraine Dunham
Electric T&D
Port Arthur



William H. Foster
Electric T&D
Port Arthur

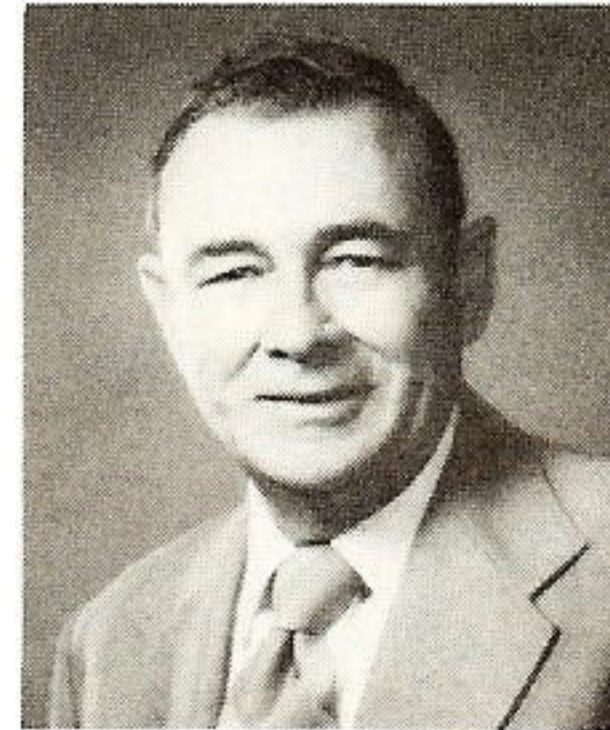


William C. Hart
Building Services
Beaumont

30
years



Elizabeth McAfee
Power Plant
Eng. & Design
Beaumont



Donald Tingen
Electric T&D
Beaumont



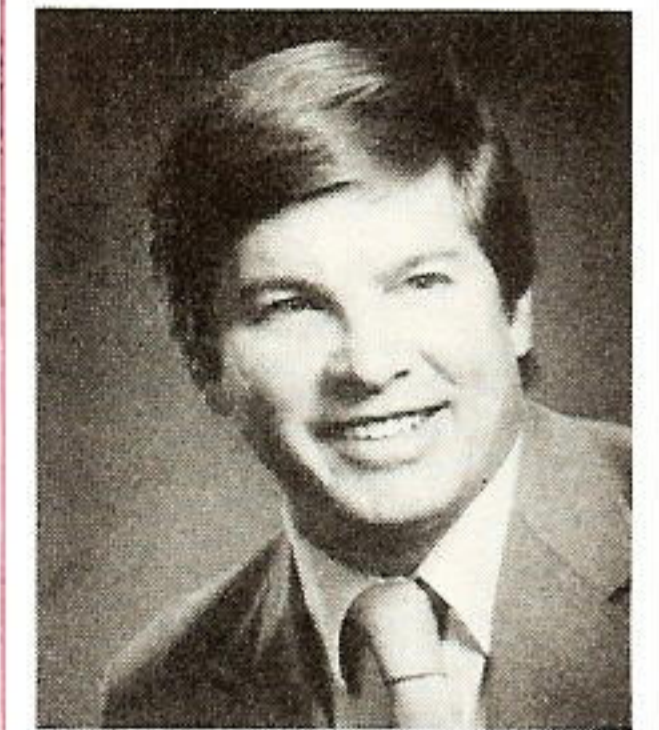
Shelton J. Trahan
Electric T&D
Lafayette

20
years

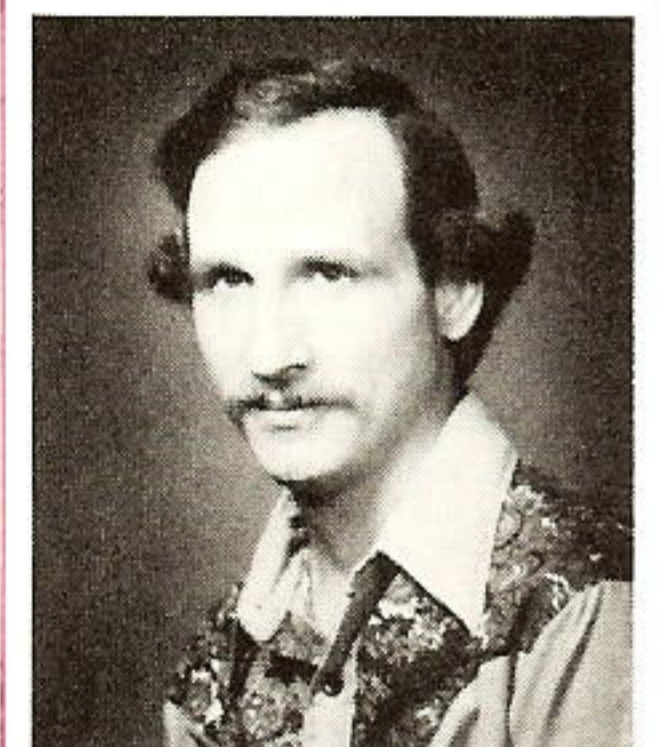


Gloria S. Hebert
Division Accounting
Lake Charles

10
years



Gary N. Kramer
Accounting Services
Beaumont



Alfred W. Pierson
Plant Production
Neches Station

(Continued from page 2.)

To help us in designing an effective program for informing the public that natural gas costs will be going up, we did some customer attitude surveys with very interesting results. We discovered that many of our customers had very little knowledge about Gulf States, its fuel mix and other important aspects of company operations.

It became apparent that we had to provide our customers with some very basic information about Gulf States before they could appreciate the significance of what will occur at the end of 1984. The TV commercials you have seen about GSU's natural gas usage and cost are part of this educational effort.

In addition, our advertising campaign continues to emphasize conservation, which helps the customer hold down his or her

electric bill and enables us to defer new power plants which otherwise would have to be built.

The ad on operating efficiency mentioned in your letter was based on a study by the First Boston Corp., a prestigious financial institution, which ranked Gulf States No. 1 in system efficiency among the nation's major electric utilities. The attitude surveys mentioned earlier indicated that many of our customers wonder if GSU operates in an efficient and economical manner. We thought it was important to let our customers know that efficiency is preached and practiced throughout the company.

Efficiency is, in fact, a primary reason for using television as a medium for communicating with our customers. Our monthly TV advertising budget amounts to about 12.5 cents per customer.

There is no other method of communications as cost-effective as television.

You appear to be among our better-informed customers. If others had the same appreciation for the forces affecting electric bills, we might not need to communicate as much as we do.

I hope this gives you a better understanding of our customer communications program. If you need any additional information or have more questions, do not hesitate to write to me.

Sincerely,
E. Linn Draper



Pinkney family welcomes twins

And babies made five! Michelle and John Pinkney of Beaumont welcomed twin daughters last Dec. 4 at St. Elizabeth's Hospital.

Nichelle Monique and Jonee' Colette joined their 4-year-old sister, Aishia. All three youngsters are pictured when the twins were about 3 months old and Nickie (left), weighed 7 pounds, 9 ounces and Jonee' (right) weighed 8 pounds, 15 ounces.

The twins' mother is a graphics technician in Edison Plaza.

Employee celebrates perfect attendance

The day before Glenda Pruett observed her 10-year anniversary with Gulf States, her Port Arthur co-workers feted her with a party in honor of her perfect attendance record.

According to Jean Andrews, supervisor-customer services, Pruett has maintained a perfect record since joining GSU on April 23, 1973. "She has taken time off only for vacations or jury duty," Andrews noted. Andrews and other co-workers presented a plaque to Pruett during the party.

Casey Alexandra makes appearance

Casey Alexandra White made her appearance about three weeks early in the Edward DuWayne and Marsha White family. The 5 pound, 3 ounce infant was born at 2:10 p.m. Feb. 2 in Mid-Jefferson County Hospital. She measured 17½ inches at birth. The family lives in Bridge City.

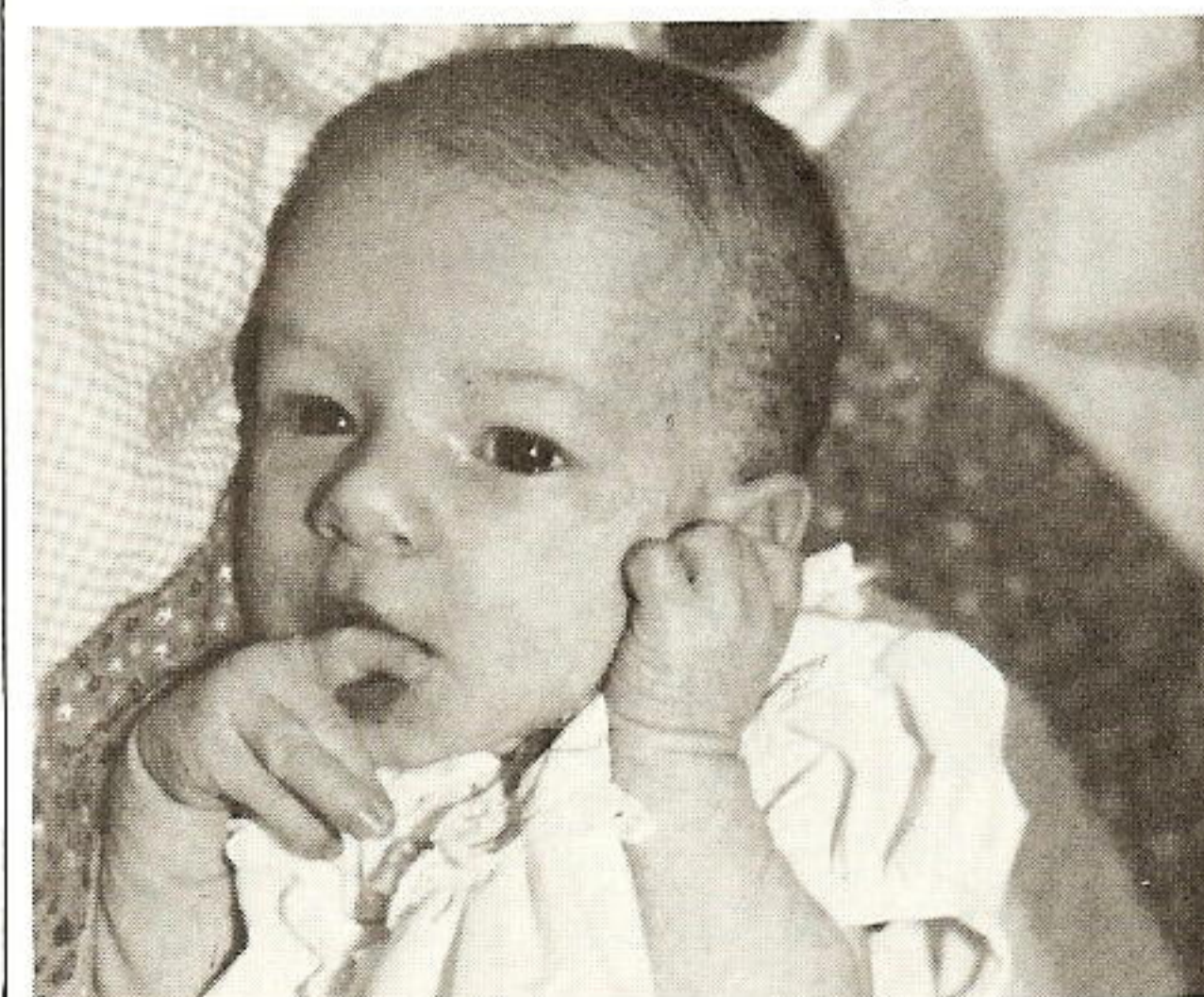
Casey's father is a draftsman in Beaumont and her aunt, Susan Gilley, is in Human Resources, Beaumont.



Megan Elizabeth joins Gallaghers

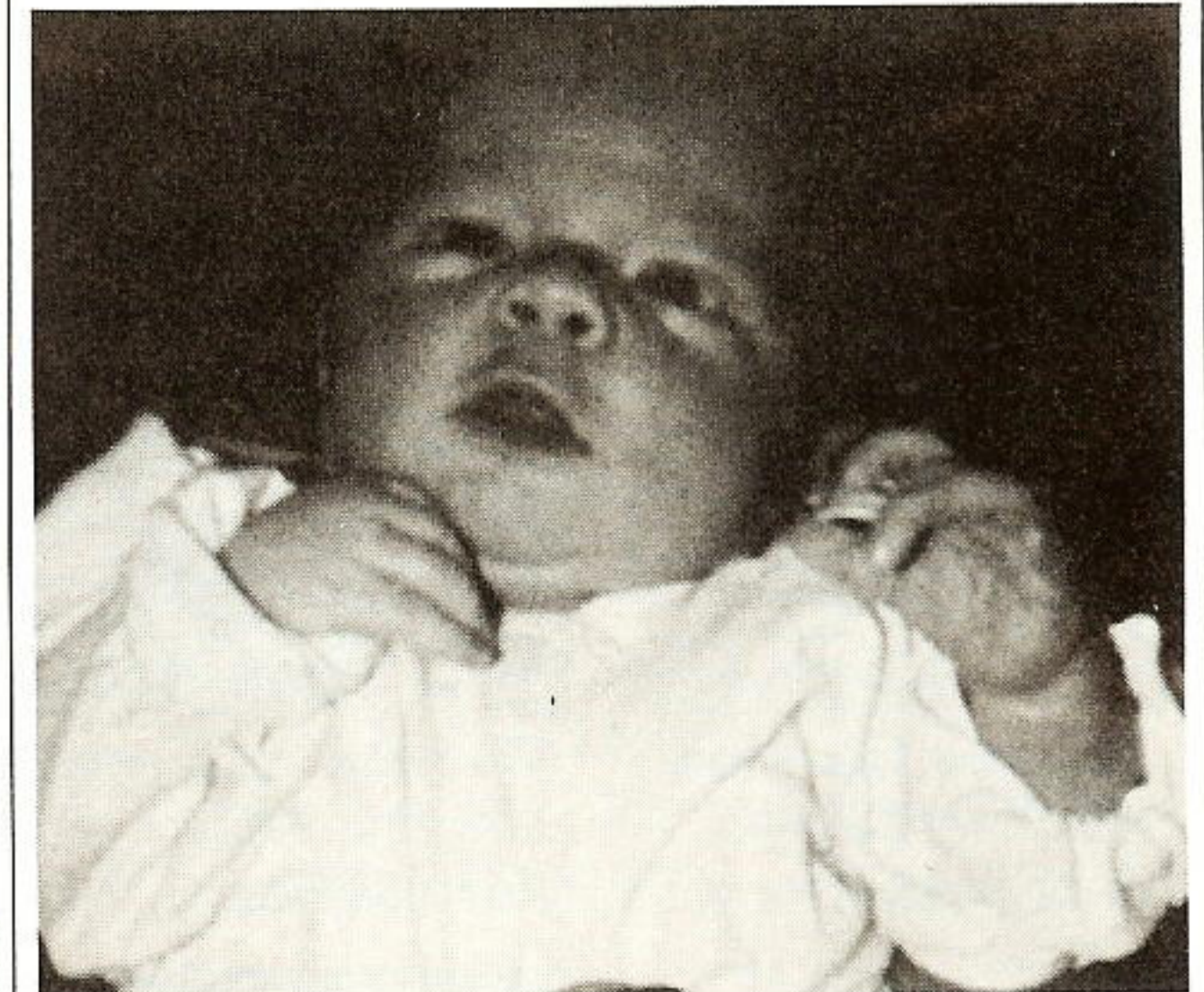
Priscilla and Bill Gallagher welcomed their second daughter Jan. 29 when little Megan Elizabeth was born.

The little girl weighed 6 pounds, 14 ounces. She now is at home in Baton Rouge with



her parents and her big sister, 5½-year-old Jenny.

Megan's mother is a communications representative with Public Affairs, Baton Rouge.



Beards welcome Kristin Ashley

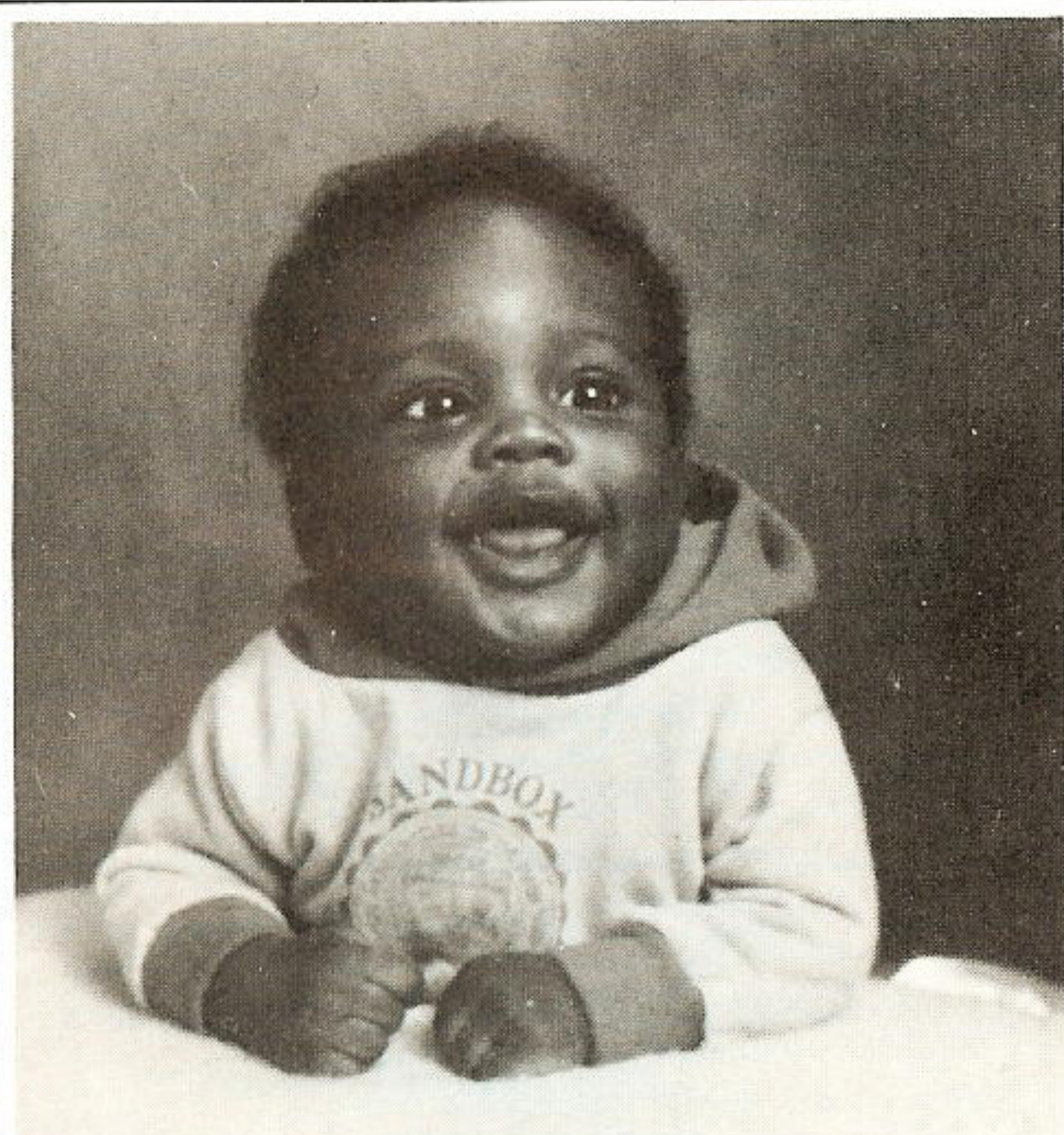
Kristin Ashley Beard weighed in at 6 pounds and measured 17 inches when she joined the Michael and Cheryl Beard family Feb. 10. The youngster was born in the Women's and Children's Unit of Baptist Hospital at 9:27 a.m. She and her mother were settled in their Beaumont home just two days later.

Her mother is executive secretary, General Services, Beaumont.

Service center retiree dies

F. L. Kirkpatrick, 63, died April 2 at St. Elizabeth Hospital. He was retired from the GSU service center with 37 years of service and was an Army veteran of World War II.

Survivors include his wife, Frances Kirkpatrick of Beaumont; a stepson, Oliver E. Kozloski; a stepdaughter, Paula Kelley; two brothers, Raymond and Cecil Kirkpatrick; five sisters, Jewell Barnhardt, Valma Laurentz, Edith Cox, Maggie Lena Smith and Alma Walters and four grandchildren.



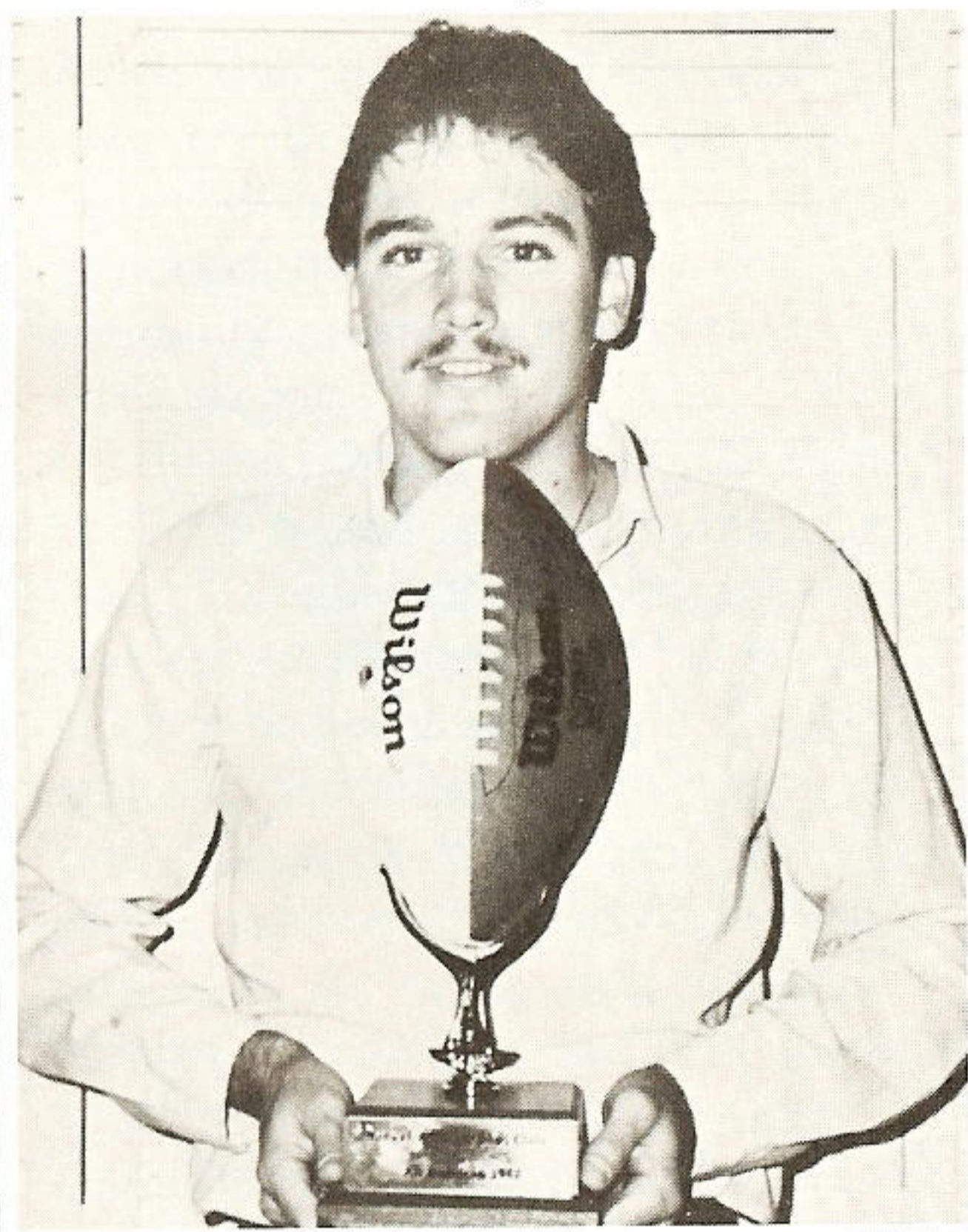
Tingan family announces Alexis

It was a boy for the Adolph and Annie Tingan family of Beaumont last Dec. 5. Alexis Tingan weighed 7 pounds, 14 ounces and measured 21 inches when he was born at St. Elizabeth's Hospital, Beaumont.

The little boy is the first child for the couple. His father works in Business Systems in Edison Plaza.

Whitehead named All-America

Mark Whitehead, son of Kelton Whitehead, systems supervisor-Louisiana storage and distribution, Baton Rouge, was recently named to the collegiate national



flag football team for his play in the Sugar Bowl classic tournament in December.

Young Whitehead, a graduate of Denham High School and presently a graduate student at Southeastern, was selected as one of the top defensive backs. The tournament included 48 teams from 22 states, and Whitehead was the first All-America chosen whose team did not make the final four. He has participated in intramural flag football for the past four years.



Bunny visits finance group

The Easter Bunny, also known as Jim Mary, senior financial analyst, made a surprise visit to the 16th floor of Edison Plaza March 31.

Mary had two helpers, senior stenographers Jane Kaulfus (middle) and Debbie Spittler. They baked cupcakes, then decorated each one to match the personality of individuals in the finance planning and long- and short-term finance units. One unique job trait about each employee was read aloud to the group.

Simmons receives special visit

Dave Simmons, fuel handling supervisor, Nelson Coal Plant, recently got a visit from his



granddaughter whom he hadn't seen since her birth.

Racquel Devoreah Pixler, eight months old, and her mother, Debra Pixler, flew in from New Martinsville, WV, for the Easter holidays.

What a catch!

Stanley Pollins, serviceman-1st class, Baton Rouge, left, and Mickey Waller, division substation operator, Baton Rouge, went on a recent fishing trip to Grand Isle, La.

Pollins' drum, caught on a 10-pound test line, weighed 26 pounds, and Waller's drum, caught on a 40-pound test line, weighed 28 pounds.



ON THE MOVE

A

Anders, William K., River Bend Site, to senior quality assurance engineer, River Bend Nuclear Group.

B

Baer, Charles O., formerly of Neches Station, to operations analyst, Plant Production, Sabine Station.

Bagwell, Rayford L., Nelson Station, to mechanical maintenance foreman, Plant Production.

Bangs, Wayne O., Louisiana Station, to switchboard operator, Plant Production.

Barnard, Rickey G., Sabine Station, to repairman-1st class, Plant Production.

Barnett, Michael W., Neches Station, to repairman-2nd class, Plant Production.

Bergt, Charles A., Sabine Station, to electrician-2nd class, Plant Production.

Best, Royce A., Woodville, to apprentice-T&D Dept., Electric T&D.

Blair, Ramon, Jennings, to lineman-2nd class, Electric T&D.

Boenker, Robert E., Oak Ridge, to assistant line supervisor, T&D Line.

Borne, Robert A., Baton Rouge, to section head, Gas Dept.

Bouillion, Lynn F., Sabine Station, to mechanical maintenance foreman, Plant Production.

Brashear, Kevin B., Beaumont, to associate systems analyst, Computer Applications.

Breaux, Eddie G., Jennings, to meter reader, Division Accounting.

Broussard, Brenda B., Sabine Station, to electrician-2nd class, Plant Production.

Broussard, Sedonia W., Neches Station, to operator's helper (aux.), Plant Production.

Brown, Daniel L., Gonzales, to lineman-4th class, Electric T&D.

Bruington, John R., to storeroom supervisor, T&D Storeroom.

Burk, Randall E., Willow Glen, to test technician-2nd class, Plant Production.

Bush, Gregory A., Port Allen, to lineman-1st class, Electric T&D.

Buuck, Louis A., Baton Rouge, to purchasing agent II, Materials Management.

C

Carter, Reginald L., Nelson Coal, to mechanic helper, Plant Production.

Cicio, Patrick J., Beaumont, to accountant, Rates & Regulatory Affairs.

Cole, John M., formerly of Nelson Coal, to general maintenance supervisor, Plant Production, Louisiana Station.

Conn, Sandra W., Beaumont, to supervisor-office systems, General Services.

D

Davis, Donald R., Baton Rouge, to lineman-1st class, Electric T&D.

Derouen, Jeffery P., Lafayette, to meter supervisor, T&D Meter.

Dewoody, Edgar K., formerly of Lake Charles, transferred to service foreman, T&D Service, Sulphur.

Driver, Darryl R., New Caney, to lineman-4th class, Electric T&D.

E

Enloe, Kenneth A., formerly of Cleveland, to inspector-contract crews, T&D Line, Oak Ridge.

Escamilla, Terry D., Beaumont, to systems analyst, Computer Applications.

F

Foy, Glen O., Nelson Station, to master repairman, Plant Production.

G

Goodman, Tony C., Baton Rouge, to lineman-1st class, Electric T&D.

Graham, Van F., Daisetta, to senior district service representative, Division Consumer Services.

Greene, Craig H., River Bend Site, to technical supervisor, River Bend Nuclear Group.

Griffiths, Thomas E., Beaumont, to production engineer, System Production.

Guillory, Avar D., Beaumont, to senior engineering assistant, Electric T&D.

H

Harrison, Joseph Jr., Sabine Station, to repairman-3rd class, Plant Production.

Hill, Darius W., Baton Rouge, to substation mechanic-3rd class, Electric T&D.

Hollier, Jean L., Lafayette, to lineman-3rd class, Electric T&D.

Humphrey, Mark W., Huntsville, to lineman-2nd class, Electric T&D.

J

Jack, Lenwood L., Nelson Coal, to repairman-3rd class, Plant Production.

Jackson, Joseph L., Nelson Coal, to repairman-2nd class, Plant Production.

James, Dane A., Port Arthur, to substation mechanic-4th class, Electric T&D.

Johnson, Cheryl G., Baton Rouge, to senior departmental clerk, Electric T&D.

K

Kling, Eric P., Willow Glen, to test technician-2nd class, Plant Production.

Kunefke, Bobby W., formerly of Nelson Coal, to repairman-3rd class, Plant Production, Sabine Station.

L

Lebleu, Lester J., Nelson Station, to repairman-1st class, Plant Production.

Ledet, Nathaniel P., Lake Charles, to garage mechanic-2nd class, Electric T&D.

LeGrange, Perry N., Willow Glen, to test technician-2nd class, Plant Production.

Louviere, Robert G., Neches Station, to control operations foreman, Plant Production.

M

Mahon, Willard R., Port Arthur, to shop foreman, T&D Garage.

McKenzie, Samuel A., River Bend Site, to nuclear training coordinator-GET, River Bend Nuclear Group.

O

Oden, James M., Lake Charles, to substation mechanic-3rd class, Electric T&D.

P

Patel, Chimanbhai R., Beaumont, to relay engineer, System Engineering.

Petry, Charles C., Sabine Station, to planning coordinator, Plant Production.

Phillips, David W., Oak Ridge, to utility foreman, T&D Line.

Pierson, Alfred W., Neches Station, to mechanical maintenance foreman, Plant Production.

Pitre, Hester W., Nelson Station, to test technician-3rd class, Plant Production.

R

Reeves, Annette M., Sulphur, to customer contact clerk, Division Accounting.

Rice, Clarence W., Beaumont, to associate systems analyst, Computer Applications.

Robertson, Oscar, River Bend Site, to staff auditor I, Internal Audits.

S

Scott, Robert C., Port Arthur, to serviceman-4th class, Electric T&D.

Simpson, Darrel G., Beaumont, to utility worker II, Office Services.

Smiles, Raymond Jr., Louisiana Station, to head fireman, Plant Production.

Smith, Gloria H., Beaumont, to coordinator-office systems, General Services.

Sonnier, Kenneth J., Nelson Station, to repairman-3rd class, Plant Production.

Stafford, Huey D., Denham Springs, to superintendent-Denham Springs, Division Operations.

T

Thibodeaux, Daniel J., Lake Charles, to substation mechanic-3rd class, Electric T&D.

V

Varela, Felipe, Beaumont, to stores truckdriver, Materials Management.

Varnado, Ellis W., Baton Rouge, to utility foreman, T&D Substation.

W

Wade, Laurence W., Port Arthur, to utility man, Electric T&D.

Walker, Bryan J., Louisiana Station, to turbine engineer, Plant Production.

Walker, Jason B., Sabine Station, to mechanic helper, Plant Production.

Walker, Jeffrey D., Nelson Coal, to test technician-2nd class, Plant Production.

Webb, Joseph A., Beaumont, to apprentice-T&D, Electric T&D.

Webb, Michael G., Beaumont, to system analyst, Computer Applications.

Webb, Ronald G., Sabine Station, to repairman-3rd class, Plant Production.

Wilson, Mark W., formerly of Nelson Coal, transferred to accountant, Plant Production, Neches Station.

Wilson, Martin L., Beaumont, to production engineer, System Production.

Wooley, Darrell G., Huntsville, to lineman-1st class, Electric T&D.

Marketing strategy

by Aubrey Sprawls
Vice President-Marketing and
Consumer Services

It is a familiar scene to most Gulf States employees.

In the grocery store, or after a church service or maybe even at the dentist's office, a GSU employee comes face to face with an irritated customer.

"GSU doesn't care about the individual customer. They're just interested in selling electricity — in making a buck."

Usually, the irate customer is not interested in a short lesson in utility economics. Nevertheless, employees can be confident in knowing that Gulf States is listening to customers and is doing something to help them. As individual employees, we mirror that concern by listening to the customers we meet.

A new marketing strategy has been developed to help us meet the challenge of satisfying our customers. The two-part goal is to provide options for customers and to focus on long-term economic development.

"Marketing" can be a scary word to any utility company employee who has watched the developments of the past decade. Since Gulf States and the utility industry in general are committed to delaying additions to our generating facilities, why are we suddenly **promoting** electricity usage?

The marketing strategy for the 1980s is based on continuing our energy conservation messages and on emphasizing off-peak energy use and economic development. Because of our conservation messages of the past 10 years, we have tended to reduce our peak. Now, through marketing, we are aiming to fill in the valleys in our load curve — an objective that would lead to

increased efficiency of operations and reduced generating costs.

Our 1983 marketing effort offers customers options for managing their energy costs and encompasses six programs:

- Marketing central system and window unit heat pumps through a distributor/dealer cooperative media advertising program.

- Emphasizing the need to convert incandescent and mercury vapor street and highway lights to the more energy-efficient high pressure sodium units.

- Marketing new private security lights and floodlights and placing inactive ones back in service. All replacements will be high pressure sodium units.

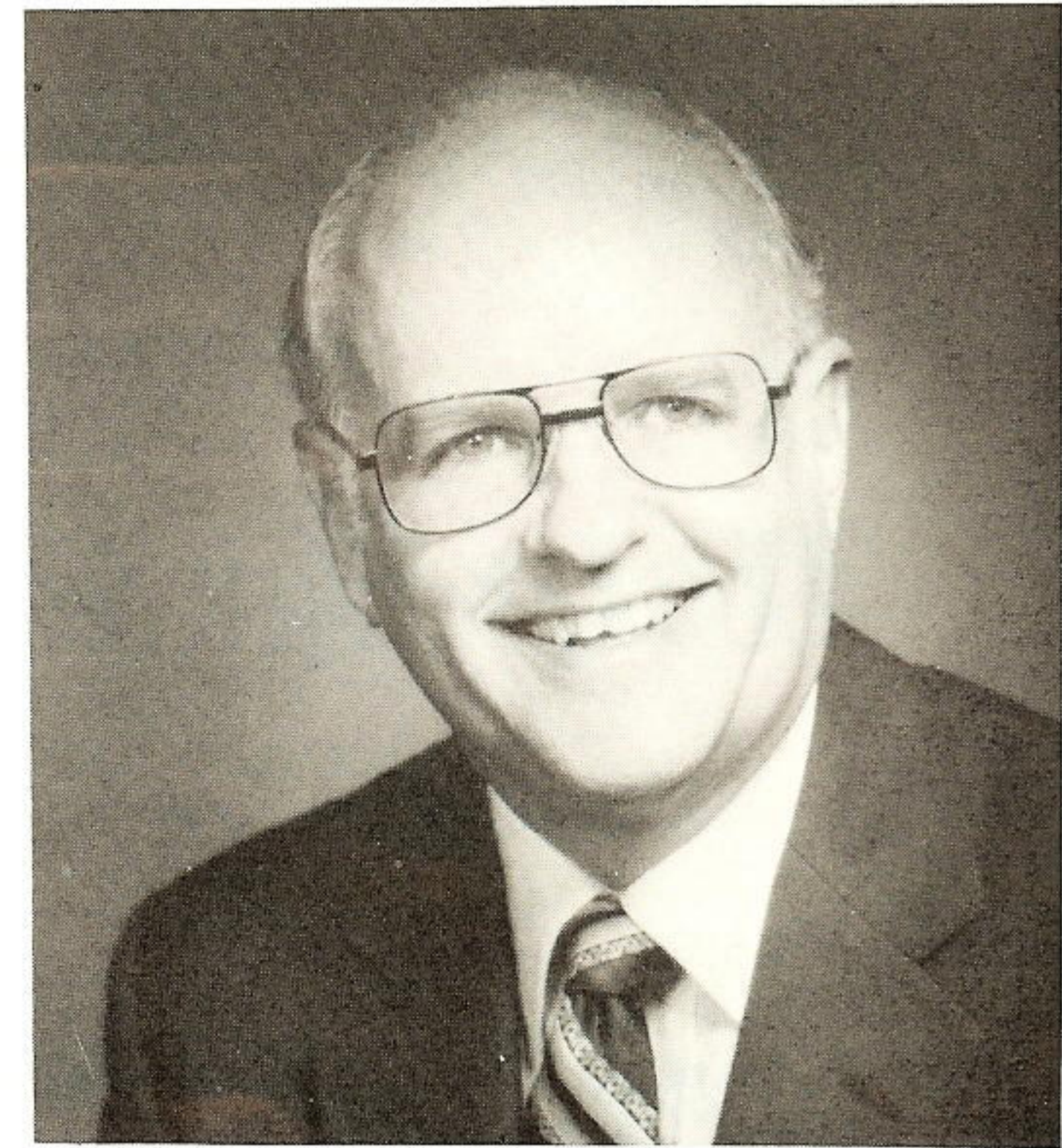
- Offering two alternatives in substation facilities for industrial customers. GSU will offer a substation completely engineered, built, owned and maintained by Gulf States, with a 2-percent-per-month facilities' charge to the industrial customer. As an alternative, GSU will engineer and construct the customer's substation on a cost-competitive basis, with the customer retaining ownership.

- Strengthening our area and economic development efforts so as to diversify our industrial and commercial base of customers.

- Test-marketing the direct sale of heat pump water heaters in the Lake Charles area and solar water heaters in the Beaumont area.

Our biggest job now is letting customers know what options are available.

When I came to work for GSU almost 34 years ago, the marketing emphasis was on selling ap-



pliances. We forged lines of personal communication with our customers by providing appliance repair services and home service advisor demonstrations.

We switched emphasis in the early 1970s because of our commitment to getting the customer ready for extreme increases in energy costs. That commitment, while necessary, had the unfortunate effect of weakening those personal lines of communication with our customers and our trade allies. Even so, our commitment was a reflection of our concern for our customers. We had promoted all-electric homes and were concerned about the effect of rising electric costs.

One of the most important ways we stay attuned to our customers' needs is through the Louisiana and Texas energy advisory boards made up of builders/developers, architects, lenders and experts from state energy offices, city government, Texas A&M University and Louisiana State University. They have kept us up-to-date on equipment and practices which encourage the wise use of electricity.

Our current marketing strategy again places GSU in a positive stance and continues to emphasize that our ultimate goal is helping meet the needs of our customers. Thus "marketing" energy helps meet those needs and enhances the value of our service to the customer.

Address Correction
Requested

PLAIN TALKS

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Beaumont, Texas 77704

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Beaumont, Texas
Permit No. 11

Help for those who need it most

Project CARE

Employees, shareholders and customers of Gulf States Utilities have all joined in Project CARE, the program to help the elderly in this area meet energy-related emergencies. But this help-your-neighbor program needs your contribution to make it work. Here's more information on Project CARE, Community Assistance Relating to Energy.

Who's Eligible for Project Care and What Funds Can Be Used For

People 62 years of age or older facing a financial emergency are eligible for Project CARE funds. The money may be used for the following: paying for gas or electric service bills, paying for the cost of such fuels as butane or propane, weatherization work, and repairs to heating and cooling equipment.

How the Fund is Administered

The Project CARE fund is administered by



social service agencies in Texas and Louisiana. GSU collects the contributions and turns the money over to these agencies. All employee and customer contributions go to the recipients. None of your money is used for administrative costs.

How to Show You Care

Join in Project CARE and help those who need it most. Call the Payroll Department and ask about a payroll deduction for Project CARE. All your contributions are tax-deductible.

Help those who need help through **Project CARE...**
where you can show you do CARE.

**GULF STATES
UTILITIES CO.**
Energy is everybody's business.