

PLAIN TALKS

November
1983

ESOP election draws near



**Giving
thanks**

**Talking
computer**

**Marketing
ashes**

MAIL BOX

THE COVER

E. E. "Kit" Evans and Renee Lewis ponder their Employee Stock Ownership Plan (ESOP) election options.

The two Beaumont employees represent 1976 ESOP participants, who have until Dec. 1 to decide whether to withdraw their 1976 stock or to leave it in the plan.

GSU
Edison Plaza
Beaumont, Texas

Dear Sir:

Having been a customer of GSU for 35 years, I'm one who is quick to call when my electricity goes out, but this is the first time I've ever written to tell you that I appreciate you, your service and especially the fine people who climb the poles in terrible weather to restore our power.

Boy, does it make my heart sing when I see my lights and hear my fridge come on again!

Maybe I won't complain so much when I pay my bill this month!

Thank you very much.
Sincerely,
Mrs. John W. Collins

Mrs. John W. Collins
Beaumont, Texas

Dear Mrs. Collins:

Many thanks for your delightful letter of Aug. 26, 1983. It was a pleasure to hear from you; I especially value your letter because you have been a GSU customer for 35 years.

Having grown up myself in an era before we had electricity, I take great personal delight in your statement, "Boy, does it make my heart sing when I see my lights and hear my fridge come on again!" I know the feeling.

Your most responsive chord had to do with the linemen and the people who go out in bad weather, and often times at night, to climb poles and repair storm damage. It is dangerous work and it calls for skill and dedication. Too often, I think the general public seriously under-appreciates the fine work of these people.

Thanks again for your nice letter.

Sincerely,
Paul W. Murrill
GSU Board Chairman

Dear Gulf States Utilities,

My family and I would like to say thanks to all of you at GSU for working so hard and long in order to have not just our lights, but the whole city of Crystal Beach, working so quickly after the storm.

You people are one fantastic group and are greatly appreciated.

E. P. Reed and Family
Crystal Beach

Dear Sirs,

Well, thank God we have our power back tonight...

Even as we sat here knowing it was too late for 125 pounds of fresh pork in our freezer, we aren't stupid enough to hold animosity over an act of God — especially when all of our lives were spared.

Tonight we are just feeling tranquil, and very grateful to a fast-working group of men, who were tired when they began this job yet still accomplished two days' work in a short day.

If this is (an) example of the caliber of all of your people, believe me, you are blessed!

Sincerely our thanks
to all of you,
Roscoe L. Cannon

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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.

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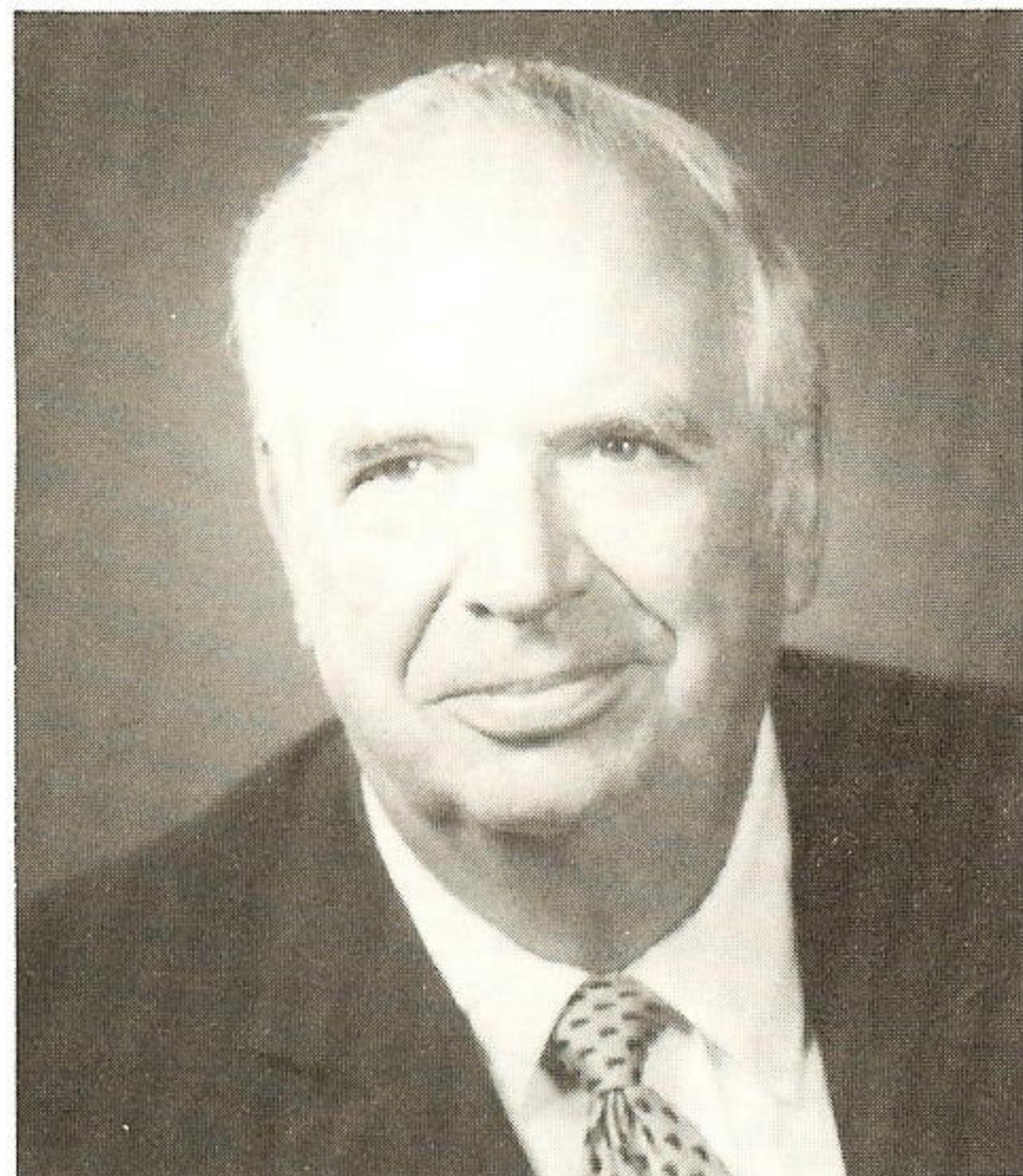
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Directors elect new officers

The GSU board of directors elected two new officers during their Sept. 1 meeting.



George McCollough

George T. McCollough Jr. was named vice president-fuels and materials and Albert H. Newton was named GSU vice president. In August, Newton was elected president and chief operating officer of GSU's Prudential Drilling Co. subsidiary.

McCollough had been general manager-fuels, materials and contract services. McCollough, 61, will continue to live and work in Beaumont. His election became effective Sept. 1.

McCollough joined Gulf States in 1980 as manager of fuel services. He is a former Michigan resident and 1943 graduate of Michigan State University, receiving a bachelor of science degree in chemical engineering.

Newton, 46, a geologist with 20 years experience in the oil



Albert Newton

and gas business, will head the exploration company's activities from offices in Houston.

GSUers active in many groups

Gulf States employees have been selected to serve in a variety of community and industry-related activities.

Wyatt Bell, superintendent-Woodville, was appointed by Gov. Mark White to the local Private Industry Council. Council members are area business leaders who will help in the development of policy and implementation of job training programs that are responsive to local labor market conditions. Bell has been with Gulf States for 35 years.

George Hickman, senior engineering assistant in Beaumont, was elected to the Beaumont Utility Council for the upcoming year. Council members, consisting of various utilities, municipal and state departments, keep each other informed of major projects and coordinate efforts between each group. Hickman has been employed at GSU since 1953.

Other employees who serve on the Beaumont Utility Council are Sherman Powell, John Beard, both assistant general line supervisors in Beaumont, and Ken Gerstenberg, Beaumont division engineer.

J. D. Watkins, general superintendent-Willow Glen, was appointed to the board of directors for the Alcohol and Drug Abuse Council of Greater Baton Rouge. Watkins has been with Gulf States since 1958.

Dewey Lytle, operating superintendent-electric in the Baton Rouge Division, was elected vice president of the Louisiana chapter of the American Public Works Association. In addition, Lytle was selected as a board member for the Safety Council of Greater Baton Rouge. Lytle is a 24-year employee of Gulf States.

Thomas Roblin, director-special projects in Beaumont, was chosen to represent Louisiana utilities on the Boiler and Pressure Vessel advisory committee. The committee was established by the fire marshal

to update the state's boiler inspection laws and regulations. Roblin has been with Gulf States for 10 years.

Sheri Touchstone, economic development specialist in Beaumont, was elected class president of the 64 students graduating from the 17th annual Basic Industrial Development course held at Texas A&M University. Students representing seven states attended the preliminary course which prepares them for a three-year Economic Development Institute program. In addition, Touchstone was selected class proctor for first-year students and a member of the curriculum committee for 1984. Touchstone has been employed at Gulf States since 1982.

Why I'm thankful

by Susan Gilley & T. J. Reyes

Four employees from four different locations put together surprisingly similar lists when asked what they are most thankful for this Thanksgiving.

The recurring theme was family, health and jobs.

Wayne Allbritton, a lineman-3rd class in Orange, puts his two children at the top of his list. Both his son, Mark, now 3, and his daughter, Alicia, now 6 months, had to undergo corrective surgery as infants — and that made Allbritton “pay more attention (to them) than I would have otherwise.”

Allbritton credits modern medicine with saving the lives of both children. His wife, Lynda, gave birth to Alicia on May 2. When doctors realized that a hole in her heart would not close naturally, they first tried medication, then prescribed corrective surgery. Three-month-old Alicia was admitted to Texas Children's Hospital in Houston. During the three-hour ordeal, the youngster's body temperature was lowered to a point where she had no pulse or breath and was kept alive by a heart/lung machine. Allbritton remembers feeling “helpless” throughout the surgery. Now a healthy Alicia is at home in Orange with her parents and big brother, who himself underwent stomach surgery at 6 months of age.



Alicia Allbritton

At Nelson Coal, Steve Hammer echoes that concern about his family's health. The maintenance foreman's wife, Connie, has suffered from an unusual illness for many months and is not expected to be completely healed for another two years.

The illness apparently evolved from complications from a hysterectomy. Consequently, she spent several months in bed, and four more months in a Houston hospital.

Hammer is grateful for a number of things now — because his wife is home, because the family of four has grown closer and because GSU's insurance covered so much of the hospital bills. The Hammers and their two sons spend more time together now, barbecuing, fishing and even sharing housework.



Connie and Steve Hammer

In Port Arthur, Eric James counts Eric Mark James Jr. among his blessings. James, who is the youngest of four siblings, says he is most proud that he and his wife, Darlene, could present his mother with her first grandchild.

The healthy infant, who was born July 21, is affectionately referred to as “Tanky-Winky” by his family. James takes his role of father seriously; asked if he helps diaper his young son, the substation mechanic-3rd class exclaims, “I do **all** that, believe me!”

James adds one other item to his list of things to be thankful for — “I'm glad that I've got a job. A lot of my friends don't have jobs.”



Eric James and son, Eric James Jr.

In Beaumont, Tanya Backer says two things are most important to her this Thanksgiving — the health “of myself and my loved ones” and her present employer. She says she feels that her husband, John, shares her appreciation for those two intangibles.

As far as Gulf States is concerned, Backer says, “I'm glad that I'm working for a stable company, compared to the previous company for which I worked.” Although she was never laid off, Backer reveals that she spent two years of uncertainty with the earlier employer. As an associate systems analyst, Backer says the aspect of her job that she enjoys most is the fact that “GSU is a lot more organized.”



Tanya Backer

Dec. 1 deadline nears for

by Betty Gavora

Although the word "AESOP" means fables to many, to those of us at GSU, "ESOP" has a very real meaning. It means the Employee Stock Ownership Plan, one of the benefits of working at GSU.

As an ESOP participant, a big day is coming for you soon. If you participated in the 1976 ESOP, the time has come for you to decide whether you will withdraw your 1976 ESOP stock. You will have until Dec. 1, 1983, to notify the plan administrator of your decision.

In that regard, there is some good news for you. The withdrawal provisions are more flexible than previously discussed because of tax law changes and recent action taken by the ESOP Committee and the Gulf States' board of directors.

Previously, the decision you made about withdrawing your stock at the end of the first 84-month holding period could not be changed. It applied to all future plan years. Under the plan's new provisions, you will still have the option of withdraw-

ing your stock or leaving it in the plan, but your decision will **not** be irrevocable. In other words, if you decide to leave your 1976 ESOP stock in the plan during this election, you will have the option to withdraw that stock during a later withdrawal election period, if you so choose.

Here is how the withdrawal procedure will work. In meetings with ESOP participants, the plan administrator will give you an election form. On the form you will have two choices:

ELECTION 1 — If you choose Election 1, you will be withdrawing the ESOP stock allocated to your account for the 1976 plan year, plus all shares purchased with dividends during the holding period.

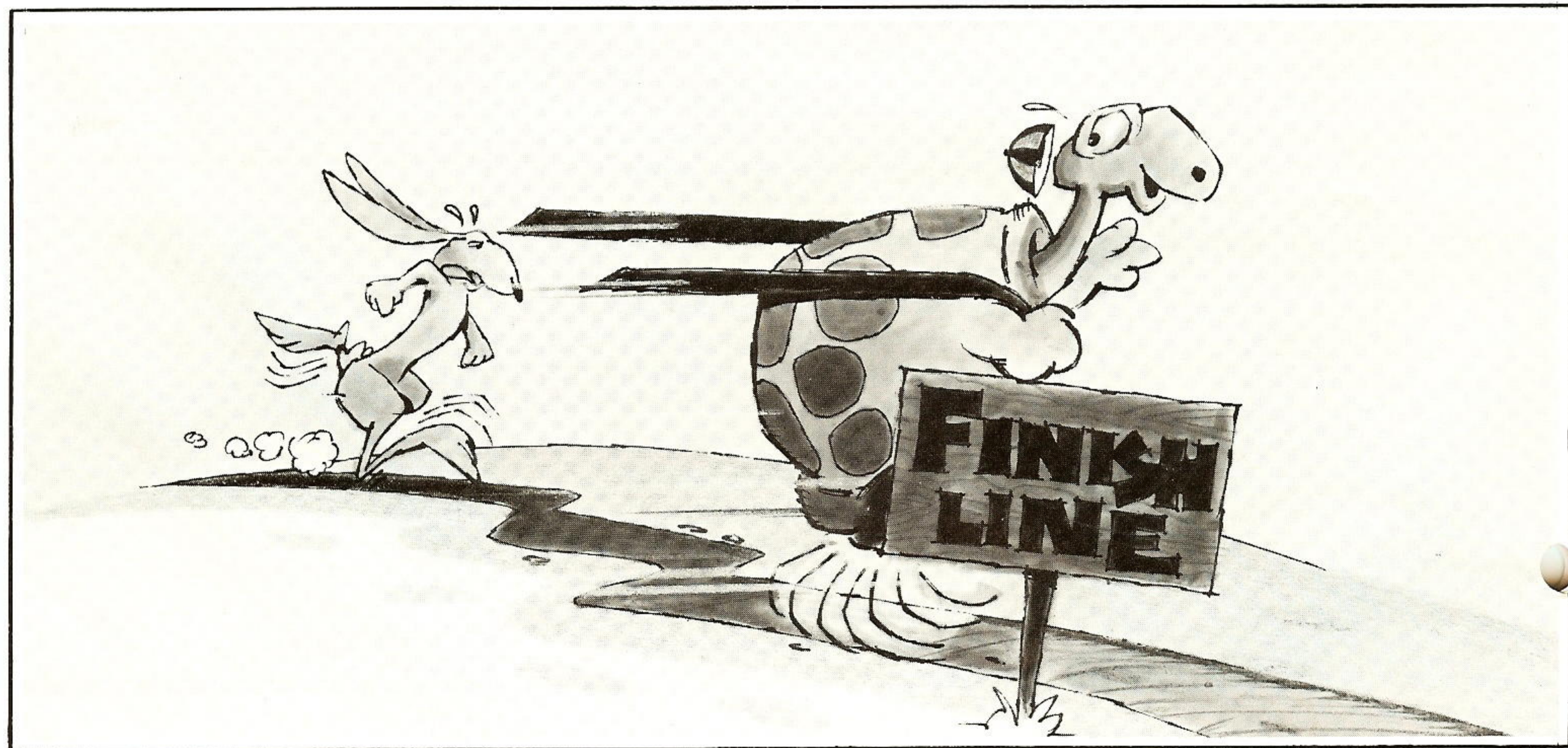
ELECTION 2 — If you choose Election 2, you will be deciding not to withdraw your 1976 ESOP stock at this time, but you will still reserve the option of withdrawing the 1976 stock at any future annual withdrawal election period.

Under Election 1 withdrawals will be on a plan year basis. That means that you will receive the entire account balance for the plan year which you have elected to withdraw. This withdrawal will include all shares purchased with dividends accrued during the holding period.

Whenever you do decide to withdraw your shares of stock from the plan, remember it is Gulf States common stock that you will receive. You will receive a certificate for the number of whole shares of stock withdrawn from the plan and a check for any fractional share.

Since this is a big decision for you to make, and important tax consequences may result from your decision to withdraw or leave your stock in the plan, you may want to obtain financial and tax advice before making your withdrawal decision.

Under current tax law, if you decide to withdraw your stock at the end of an 84-month holding period, that stock will be taxed to you as ordinary income. It does not automatically qualify for



ESOP election

any special tax treatment. But, if you decide to leave your stock in the plan until you leave the company, your stock could be eligible for roll over into an Individual Retirement Account (IRA), or be subject to a 10-year averaging tax formula, which could reduce your tax liability.

Of course, tax laws are subject to change, and it will be important for you to keep current on these changes and how they will affect you and your ESOP account.

Since withdrawals from the plan in excess of your contributions **will** be subject to income tax, you will receive IRS Form 1099 for income tax filing purposes with your withdrawal. Unless you waive withholding on your withdrawal, the cash for any fractional share you are entitled to receive will be withheld and forwarded to the Internal Revenue Service.

It is important for you to remember that if you do not notify the plan administrator that you wish to waive withholding, the administrator will be required to withhold the cash value of the fractional share.

For this current withdrawal election period, your election form must be received by the plan administrator, c/o Payroll Department, 13th Floor, Edison Plaza, Beaumont, on or before Dec. 1, 1983.

Once your decision is made for a particular election period, that decision cannot be changed.

If the plan administrator does not get your form by the Dec. 1, 1983, deadline, you will have automatically selected Election 2 and will have decided to leave your 1976 stock in the plan. This is important for you to understand since you will not have another chance to withdraw that stock until the 1984 annual withdrawal election period.

Questions and answers

Q. Does the stock for each ESOP plan year have to remain in the plan for 84 months?

A. Yes, if you are an active employee. However, if you should leave the company through retirement or for other reasons, your stock will be given to you as soon as your final balance is known. In this case, the 84-month holding period requirement would not apply to each plan year.

Q. During some of the recent ESOP plan years, relatively large amounts of stock have been put in my account. When these plan years meet the 84-month holding period requirement, can I withdraw only part of these shares for those plan years?

A. No. the full number of shares for an eligible plan year must be withdrawn.

Q. For income tax purposes, what value will be placed on the stock I withdraw from the plan?

A. When you receive the stock in your account for an eligible plan year, you will also get IRS Form 1099. It will show the stock's taxable basis for income tax purposes on the date the stock was transferred from the ESOP trustee into your name.

Under current tax laws, the taxable basis of the stock will be the lower of two amounts: Either the cost of the stock when it was

bought for your account or its market value on the date it is transferred into your name, reduced in either instance by your contribution to the plan for that stock.

Q. Suppose I have been in the plan since 1976. If I decide not to withdraw my shares for that year during the first annual withdrawal election, then what options will I have in the second annual withdrawal election?

A. In the second annual withdrawal election period, stock for plan years 1976 and 1977 will be eligible for withdrawal. You may choose to take out all the stock for EITHER or BOTH of those plan years.

Q. If I choose Election 1 and withdraw my stock after an 84-month holding period, can I roll over the stock directly into an IRA account?

A. No. Distributions from Election 1 are taxable as ordinary income to the employee and cannot be rolled over into an IRA account.

Q. Can the stock in my account be issued in a name other than my own?

A. No. The stock must be issued in the name of the plan participant. However, after you get your stock, GSU's Shareholder Services Department can assist you with transferring the stock to someone else.

Western Division offers suburban

by Susan Gilley

The downturn in the petrochemical business is of critical concern to GSU since our company serves that industry along the Gulf Coast from Port Arthur to Baton Rouge.

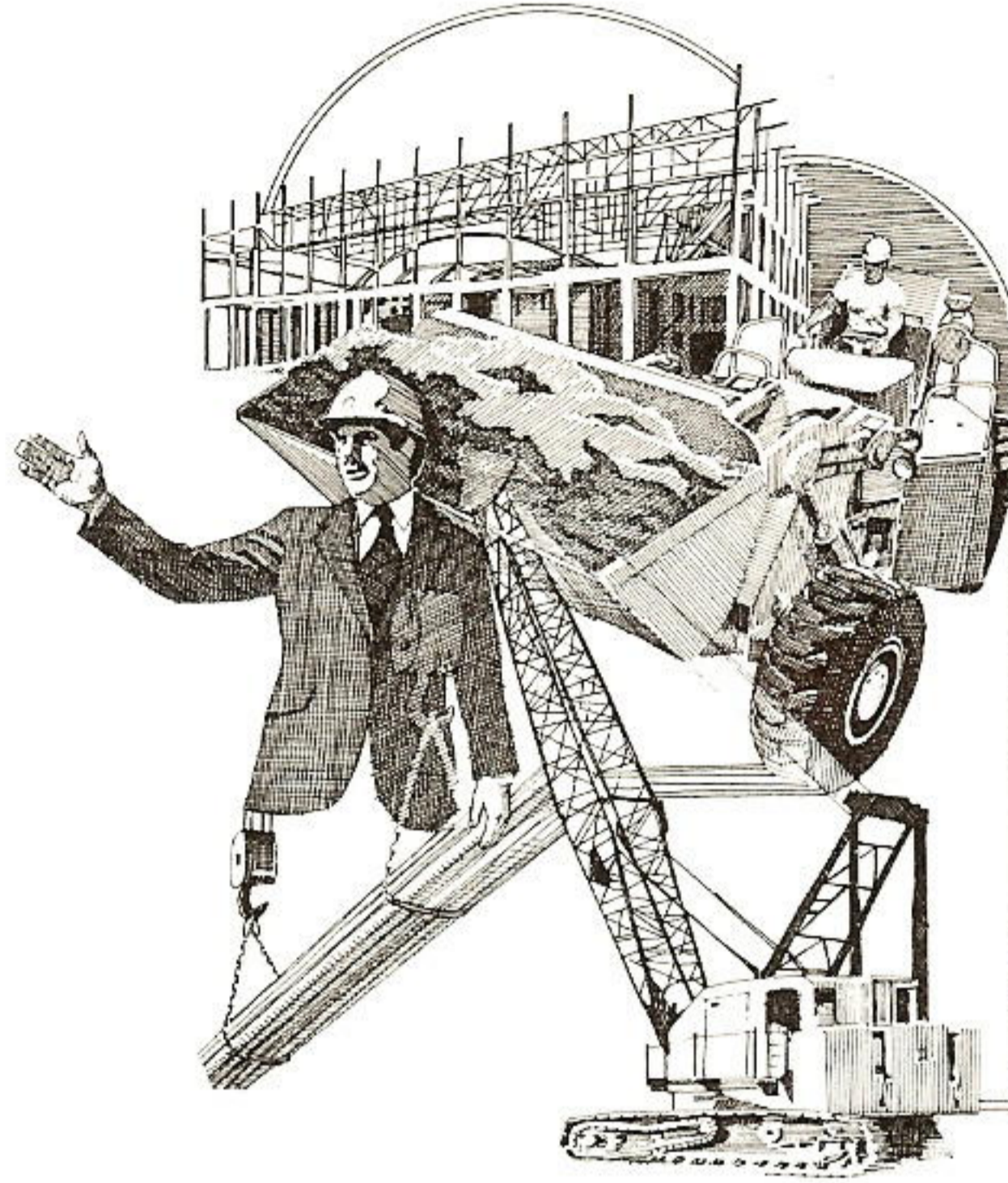
By the same token, the customer increase in the Western Division is of vital importance to GSU in attempting to offset a potential decline in business. What is the reason for this growth in customers and kilowatt-hour sales in the Western Division?



Suburban living

According to Victor Norvell, superintendent-marketing and consumer services in the Western Division, the residential growth surge stems from the fact that, "Metro Houston has got to grow outwardly, and those areas served by GSU are ideally suited for suburban living."

The growing stage for GSU's least-populated, but largest geographical division has been underway for some time. In fact, Western Division recorded an average annual increase in customers of 6.82 percent for the period 1978 to 1982. For the entire company, growth was 2.59 percent for the same period of time. Growth in the Western



Enticing small industries

Division is concentrated around the four towns of Conroe, New Caney, Huntsville and Navasota.

For a number of years, Conroe has been a haven for scores of professionals who commute to their jobs in Houston. Its accessibility to Houston also entices what Norvell describes as "small industries with from 40 to 200 employees." As an example, he notes that a floor tile manufacturer based in Italy recently announced plans to open its first United States plant in Conroe.

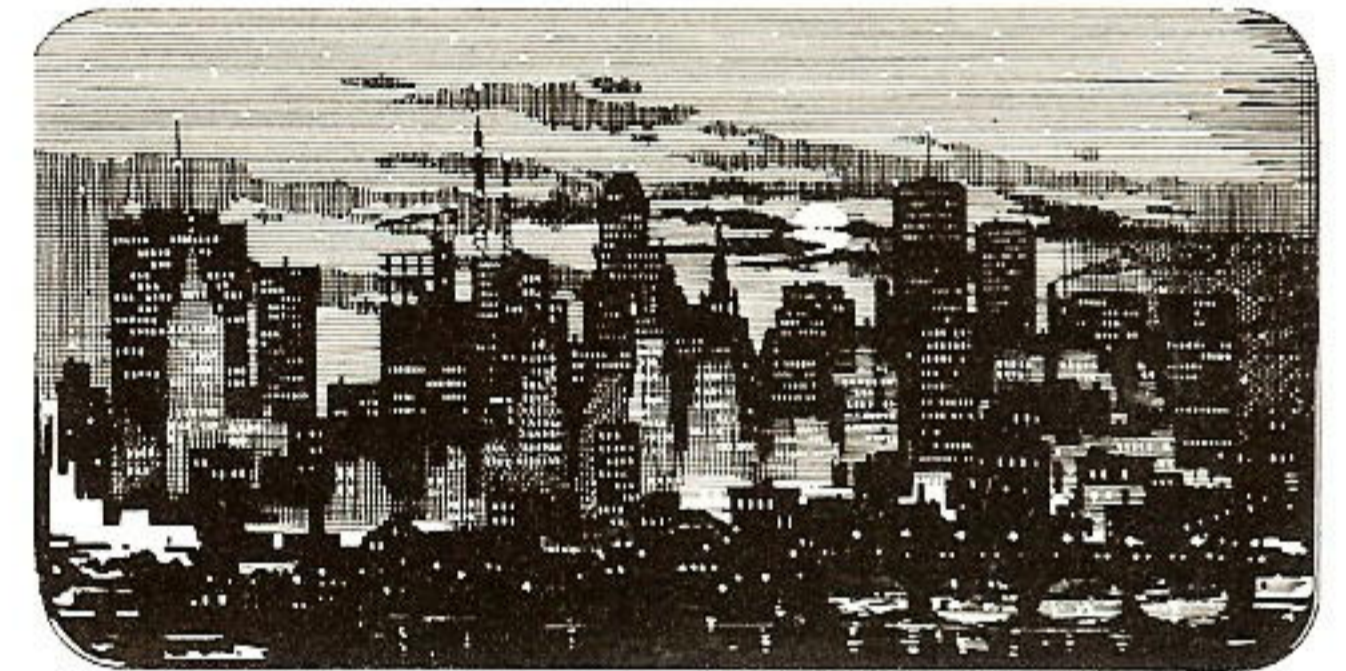
Conroe is not the only Western Division town to benefit from Houston's sprawl into the suburbs. New Caney attracts a lot of residential growth because of its proximity to Houston, making it one of the busiest local offices in the company. The 30 or so New Caney employees moved into a new office building in early 1983.

Joel Jeffcote, Huntsville district superintendent, touts that small city's "proximity to Houston and Dallas as its selling point."

As the home of Sam Houston

State University and prison units for the Texas Department of Corrections, the town has long had a stable economy. Diversification is now broadening Huntsville's outlook. Since 1980, two national firms have moved their headquarters to Huntsville. One is an oil field equipment company previously based in Houston and the other is a wire product firm originally based in New Jersey.

The university still figures



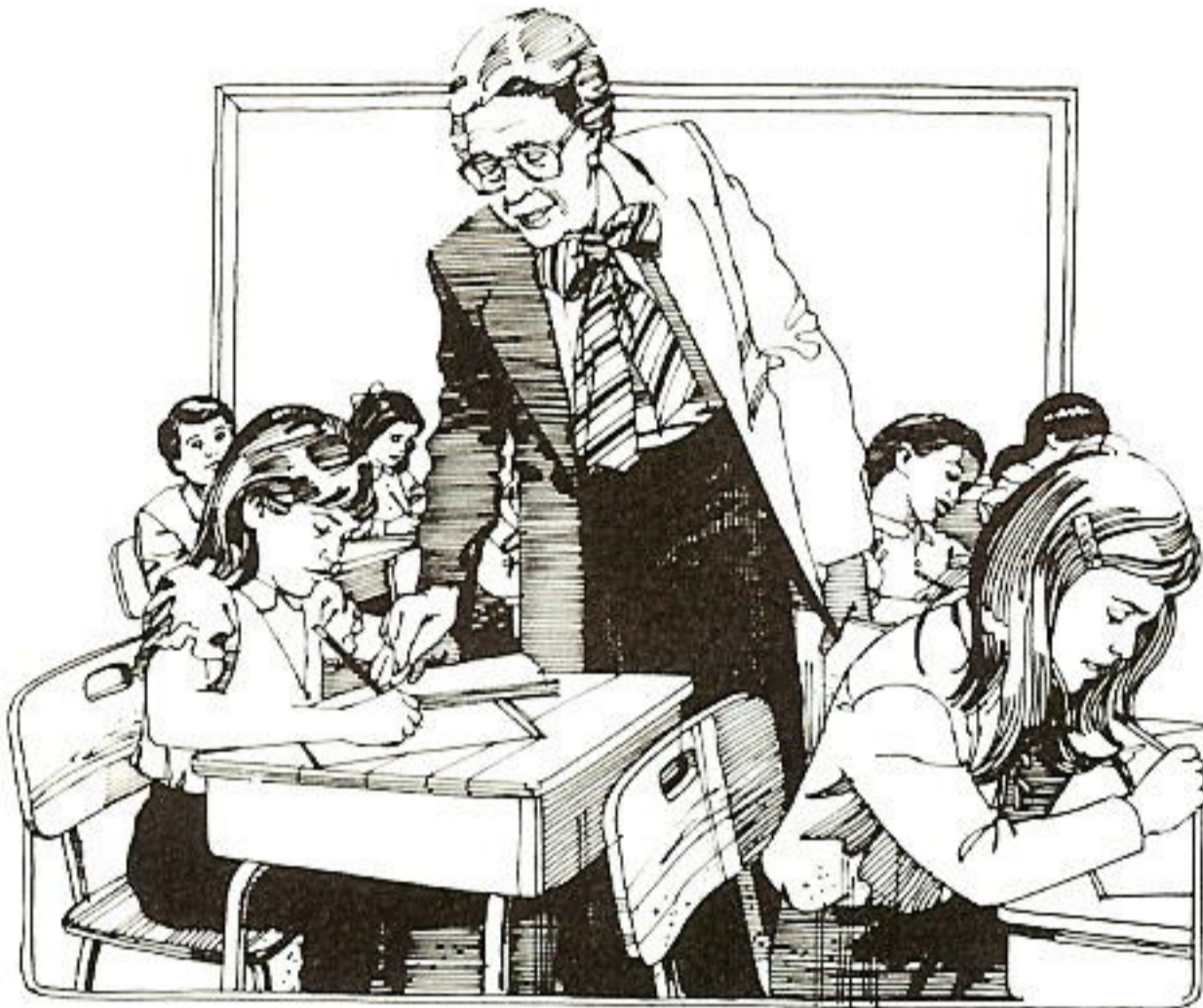
Houston's nearness a selling point

prominently in Huntsville, however. "The university's new five-year plan revealed that several older dormitories will not be replaced for future students. This has opened up housing to private business," reveals Jeffcote. "We've had a run on this," he continues. "Fourteen new apartment complexes were built or begun in 1983 and eight have already been completed. This has led to the addition of 1,200 new residential customers," Jeffcote notes.

In Navasota, the outlook is not quite as bright, partly because the area was previously dependent on oil-field-related industry. Nevertheless, the smaller, more rural town is experiencing "slow, steady growth," asserts Louis Sandidge, district superintendent. Located about 45 miles from

lifestyle

Huntsville and about 70 miles from Houston, the area attracts some commuters.



Building new school

Sandidge says one measure of the dependable, but slight growth is the fact that the school district is building an additional elementary school.

The Western Division success story evolves from hard work rather than mere happenstance, insists Sheri Touchstone, economic development specialist based in Edison Plaza.

Local business people, including Gulf States' employees, work at attracting residential, commercial and industrial customers to their towns. Often that means simply promoting the natural advantages of the area, Touchstone concedes.

"There's a lot of glamour attached to getting somebody new into an area," she says, "but the real guts of such an accomplishment is preparing a community for future development."

Nobody is predicting a return to the Sun Belt boom days of the late 1970s, but the present growth is helping make up for the losses of the past couple of years, she continues.



Linda Gilmer

GSU's talking computer

by Mike Rodgers

The terminal is like any other display screen at Gulf States with one significant difference — this one talks. It repeats out loud whatever information is typed on the screen. The "voice" of the computer, a small box called a synthesizer, is attached to the bottom of the terminal and represents a technological innovation. With it, blind employees can do their jobs better.

Developed by IBM in England, Gulf States received one of the first 20 of these voice synthesizers shipped to the United States and installed it in the Computer Applications Department. "It allows a blind person to do just about anything on a terminal that a sighted person can do," says Tracy Webb, manager of Computer Business Systems at Edison Plaza in Beaumont.

The new equipment, or software as it is called in computer language, wins praise from the GSU employee who uses it. Linda Gilmer, who is blind, works part-time in Computer Applications as a systems analyst and is enthusiastic, "There are

many advantages. I now have access to the same capabilities that the other people here use." Linda adds that she was pleasantly surprised that the quality of the voice is very good on this particular model.

To the untrained ear, the voice takes some getting used to as it is very monotone, with no variety. By adjusting several knobs, Linda can make the computer talk to her faster or slower, control the pitch of the voice and the volume.

A small dot called a cursor moves across the screen to read whatever words are typed on it. The voice will pronounce the entire word, or if Linda prefers, spell it out letter-by-letter. It can also be programmed to differentiate between capital or lower case letters and to read punctuation. Gulf States ordered a synthesizer which speaks American English, but models are also available which speak either French, German, or English with a British accent.

Webb sees tremendous benefits from the new software, "This is one of the areas where a blind person can be productive. It opens up opportunities for them."

From ashes to assets

by T. J. Reyes

If you've ever had to clean up after the family barbecue, you know what a mess it is to dispose of charcoal ashes.

Consider what Gulf States and other utilities must contend with when they burn coal to produce electricity. At GSU's Nelson 6, pollution control equipment called electrostatic precipitators gathers a whopping 99.5 percent of the ash produced. That translates into about 100,000 tons of ash in a single year.

As the utility industry increasingly uses coal for fuel, the amount of ash produced nationally is on the rise. According to the National Ash Association in Washington, D.C., within 10 years annual ash production may top 90 million tons.

So, what happens to the coal ash produced by utilities in the United States — some 66 million tons in 1980 alone? Well, what was once considered to be a disposal problem may turn into a way to curb rising expenses. Coal ash may no longer be automatically destined for disposal in land fill sites.

Instead, there is a growing market for the coal ash as the ways to economically use it multiply. On-going research adds to the list of potential uses for fly ash and its heavier, coarser counterpart, bottom ash, which collects in the bottom of the unit.

One highly marketable characteristic of the ash is its pozzolanic or cement-forming property. That makes it a natural as a substitute for cement in making concrete. The fly ash makes a stronger concrete and at a lower cost. This is especially true of Western, low sulfur coal like the type used by GSU. The type GSU uses comes from Gillette, Wyoming and is known as Jacobs' Ranch coal.

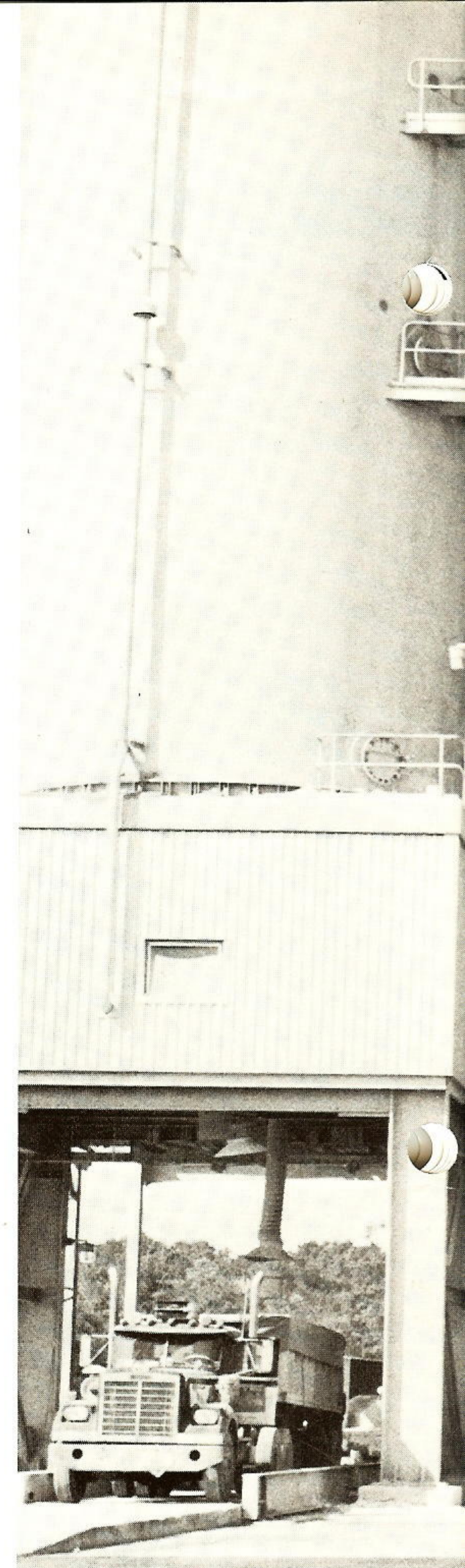
While fly ash is used as an additive in the concrete and

cement market, it is also used in soil stabilization as a replacement for lime and as road bed material as a replacement for aggregate. The Electrical Power Research Institute (EPRI) has constructed an artificial reef in the Atlantic Ocean using blocks made from fly ash. More common items that may contain fly ash include bowling balls, car parts and brush handles, since the ash can serve as an industrial filler in many rubber and plastic products. Although bottom ash generally requires stockpiling to provide the large quantities for its most common uses, there is a slower, but growing demand for it, too.

Finding and developing that market is one way that GSU can operate more efficiently. According to Jim Johnson, manager-materials management, "Gulf States is constantly looking for ways to lower operating costs. If we can sell what would normally be a waste product, we lower our expenses and receive revenue. And that helps keep down our customers' bills."

Johnson explains that GSU has contracted with a specialist in the ash marketing field, Ash Management Systems, Inc., to handle disposal at Nelson Coal. With pneumatic trucks, Ash Management collects the fly ash from a silo which holds up to 750 tons, or about three days of normal operations. If AMS has a buyer, the ash is trucked to their customer. When any ash is sold, GSU shares in the proceeds. When there is no buyer, the fly ash is pumped into a holding pond at the plant. There, as the ashes are mixed with water, the resulting mud fills the pond.

A dividing dike allows dumping in one side of the holding pond while the other side, if full with ash slurry, can have the water removed. The fly ash slurry hardens and then is crushed or

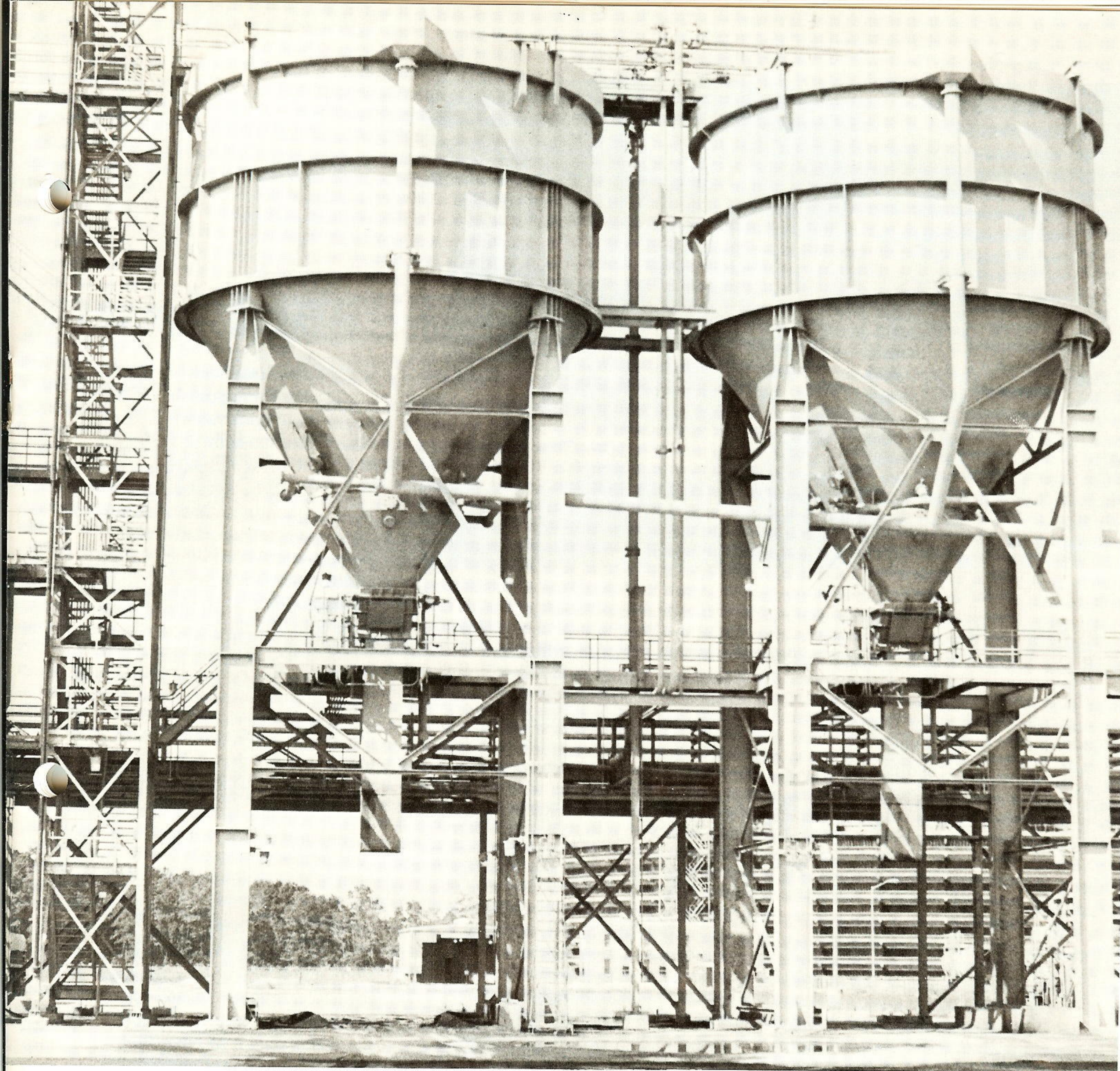


A truck from Ash Management Systems

sold "as is" for use as aggregate.

Bottom ash, which is collected in a different silo, is taken to a processing site upon its removal from the silo. It is stockpiled awaiting a process called screening. The finer particles from the screening substitute for sand while the "pebble-size" is used as aggregate.

If no buyer is found for either by-product, GSU pays Ash Management Systems a disposal fee. Although the end use determines the selling price, Gulf



Inc. removes fly ash from the far left silo; bottom ash is collected in the other two silos.

States receives up to one-half of the proceeds. From January to August 1983, Nelson 6 produced 37,500 tons of fly ash — and all was either sold or used on-site.

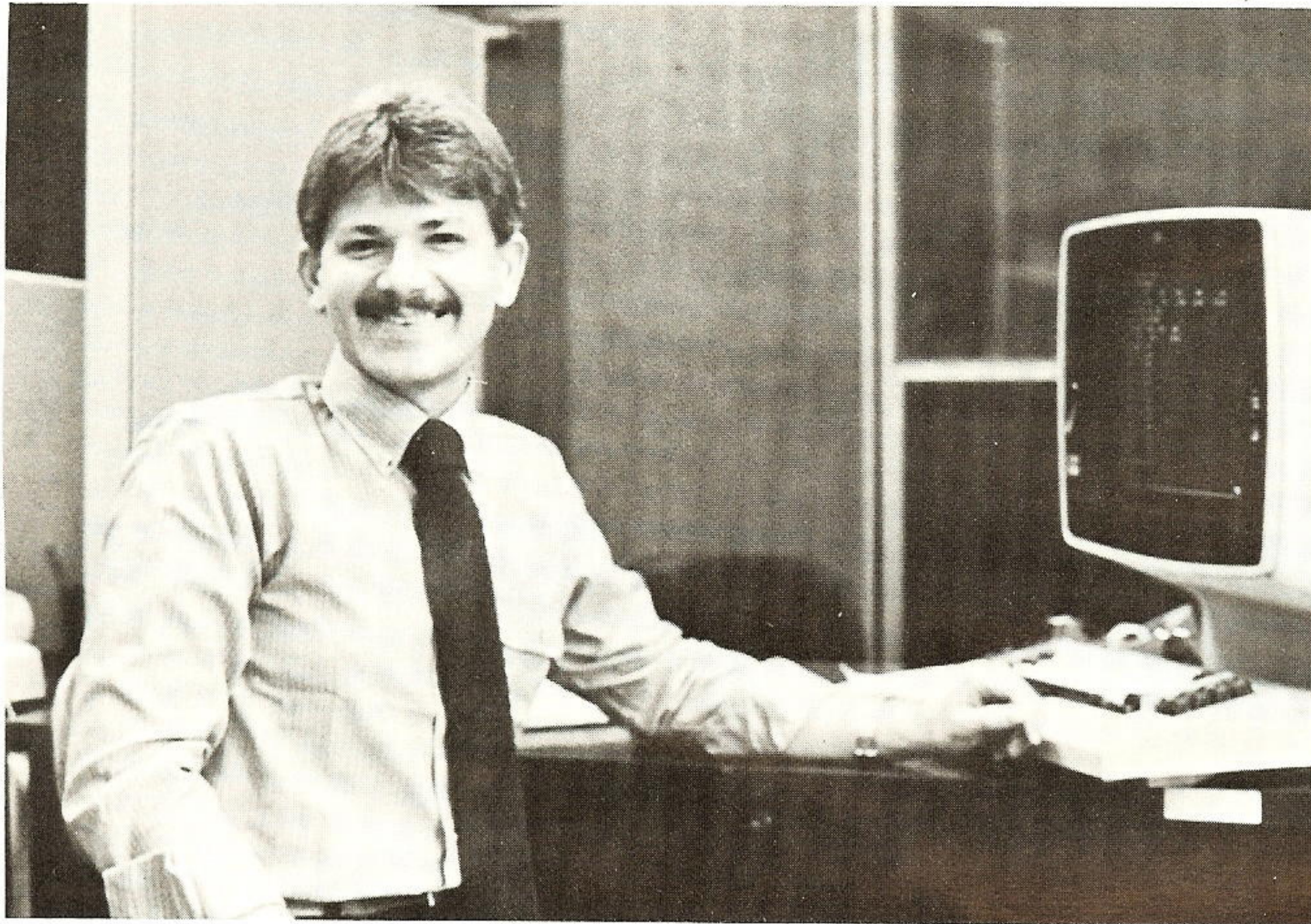
Plant superintendent Jim Hurley explains that some of the fly ash was used to build road beds at the plant. “We also solved the erosion problem in the coal yard with fly ash,” Hurley said. “The outer perimeters of the coal piles were covered with fly ash and wet down. Wetting the ash forms a crusty shell —

preventing the piles of coal from eroding and also reducing dust in the air.”

While Ash Management Systems District Manager Michael Hammons is optimistic about the future of the ash market, he points out that transportation of the material is an economic factor. “It’s important to develop a market near the source,” according to Hammons. “We’ve been successful in educating local contractors and builders about the advan-

tages of using ash.” He notes that a national hamburger chain used fly ash in building its newest outlet in Westlake.

Hammons explains that despite his company’s successful marketing, using fly ash in construction is not a new idea. “The Romans used naturally-occurring volcanic ash in building the Appian Way over 2,000 years ago,” he reveals. “We’re just helping modern technology rediscover it.”



Bob Vincent

by Susan Gilley

At age 5, Robert C. "Bob" Vincent and his younger brother entered a hospital for crippled children for a three-year stay.

The youngsters had been diagnosed shortly after birth as hemophiliacs, victims of a disease that had claimed the life of an older brother in 1950. Only the second-oldest Vincent son does not have hemophilia.

Although hospitalization separated the two boys from their parents, except for brief weekend visits, Vincent believes the experience made him "more compassionate" about people who are "different."

And Vincent claims that trait is a good one for the job he now holds with Gulf States — that of a credit and collections clerk who must deal with people who are having trouble paying their utility bills.

Now 32, the Baton Rouge employee and his wife, Leigh, plan to have children someday. Barely a decade ago, Vincent and others who suffer from hemophilia might have hesitated to transmit the disease to future generations. According to Vincent, however, medical strides in the area of hemophilia treatment have been

so great that he has "no qualms about having grandchildren."

Hemophilia is a hereditary disorder that prevents the proper clotting of blood. Typically, it follows the genetic pattern of a father with the condition passing it on to his daughter, who becomes a carrier and then transmits the disease to her sons. In the Vincent family, however, a spontaneous genetic mutation caused the disease since the boys' grandfather did not have hemophilia.

A native of Connecticut, Vincent moved south in 1981 after he came to visit his two brothers, who were then living around New Orleans. The weather suited Vincent, who reports, "I loved it so much. The cold had seemed to bother my arthritis a lot." Arthritis is one complication of hemophilia, since the internal bleeding affects the joints.

Although Vincent had worked for a well-known defense contractor from 1969 to 1976, medical problems and schooling had taken him out of the workplace for several years until his visit to Louisiana.

Shortly after his arrival in New Orleans, Vincent fell and wound up undergoing treatment at the Tulane Medical Center, which

Vincent

houses the Comprehensive Care Center for Hemophiliacs. A nurse asked if he would serve as a volunteer counselor at Camp Wounded Knee in nearby Clinton, and he agreed.

Consequently, in the summer of 1981, Vincent reported to the 200-acre campsite, which offers typical summer camp activities for hemophiliacs ranging in age from 5 to 13. There he met Leigh, who was then a college student volunteering her time as a riding instructor. A year later, the couple married.

In the meantime, Vincent was hired by GSU in March 1982. Vincent notes that in the 20 months he has worked for GSU, he has missed work only for routine dental examinations and his yearly evaluation at the Comprehensive Care Center.

Both on and off the job, Vincent enjoys answering questions about hemophilia because it enables him to "dispel any myths. It's better to give people knowledge than to have them retain incorrect information," he explains.

Both Vincents continue to volunteer for Camp Wounded Knee each summer (the 1983 session was his third, her fourth), and each helps tell the hemophilia story in other ways year-round. Vincent presently serves as regional vice president of the Louisiana chapter of the National Hemophiliac Foundation. His wife, now a college graduate, was elected as a delegate to the Youth Leadership Conference, which will be held in Washington, D.C., next spring under the joint sponsorship of the foundation

says illness taught compassion

and the American Red Cross.

Vincent says he is excited about hemophilia research. "At camp, kids were curious about what it was like back when I was a kid. There have been so many breakthroughs in recent years," he exclaims. Vincent had to re-learn walking at age 7, after being bed-bound for two years. Such treatment is no longer the

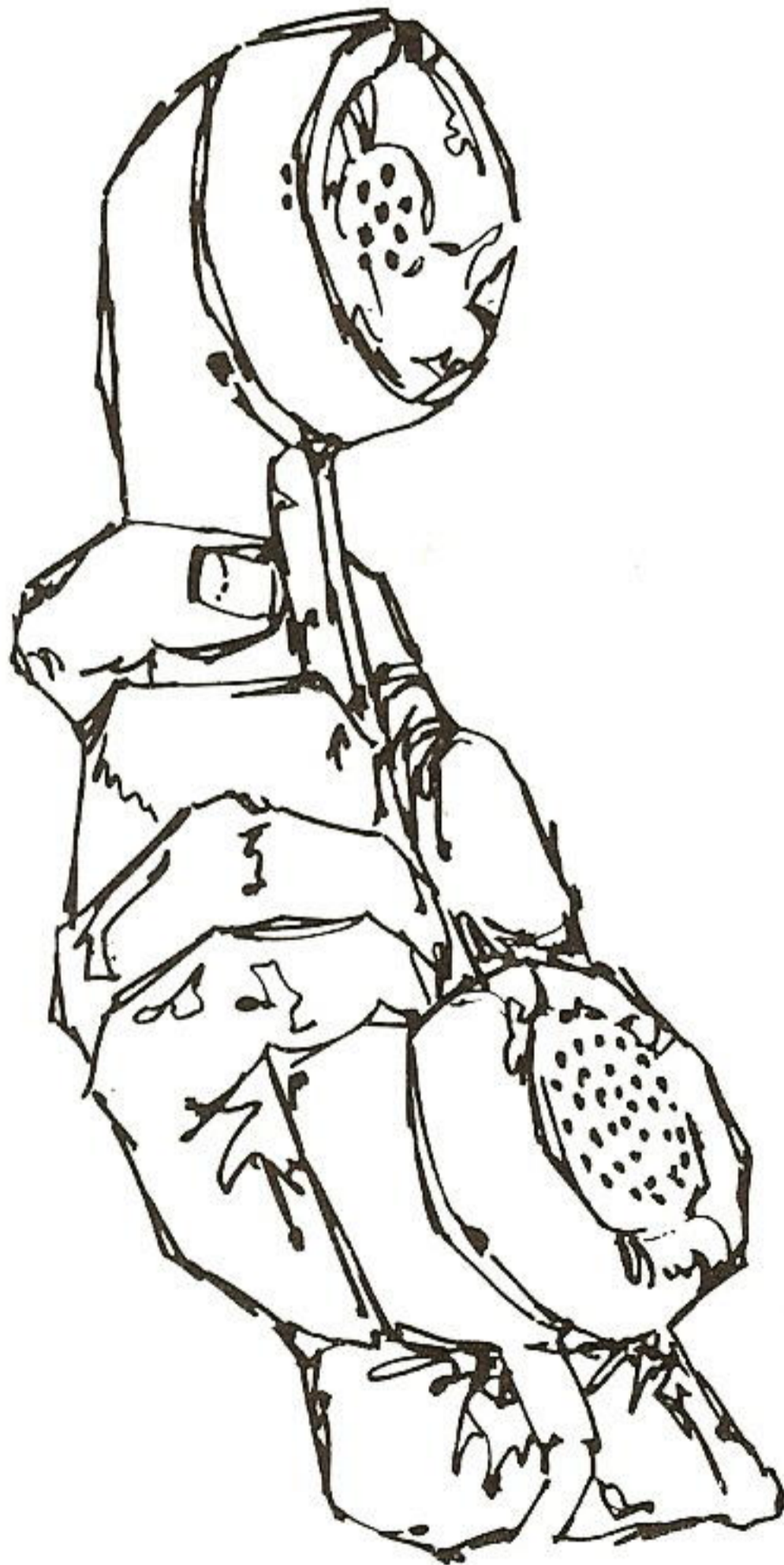
norm for hemophiliacs.

According to Vincent, in the 1950s, the only treatment for hemophilia was whole blood. Later, fresh frozen plasma was the treatment. Now, hemophiliacs are treated with only a portion of the plasma, which is administered intravenously on a home basis in concentrate form.

Looking back at medical

progress made during his lifetime which has eased life for hemophiliacs, Vincent hopes the on-going technological explosion will bring about continuing breakthroughs into treatment of the disease.

And perhaps someday, the optimistic Vincent dreams, research will reveal a way to prevent hemophilia.



733-2419

Info-Line offers latest information

by Mike Rodgers

Want to know the latest? Call Info-Line at 733-2419. Info-Line is a telephone information system designed for GSU employees who want to keep up with the latest developments around the company, the energy industry and the world.

Monday through Friday Info-Line brings you concise, current details of happenings inside Gulf States, as well as events in Texas and Louisiana that could be important to you. When a major story breaks, Info-Line is up-

dated to bring you the latest news. For instance, last summer as Hurricane Alicia lurked offshore in the Gulf of Mexico, Info-Line tracked her movements and kept listeners current. When the storm hit near Galveston, Info-Line recounted the damage done to the Texas service area, and the efforts of hundreds of employees to restore power to thousands of customers.

News of rate case filings, safety information and closing stock quotes from the financial world are only a phone call away today, with Info-Line.

Spiraling health costs — a crisis

There's no denying that the cost of medical care in the United States has gone up dramatically in recent years. In fact, according to *Forbes* magazine, 1982 health care costs nationwide rose 11 percent, while the Consumer Price Index rose only 3.9 percent. Because of the serious impact this has on medical insurance premiums and benefits, these rising costs are becoming a major concern to business and industry and the American public.

Most of us shop around for the best value for our money, when buying a car or refrigerator or having a washing machine repaired. Part of the problem with rising health costs is that when we are ill, we rarely seek out the best physician who charges the most reasonable prices. Molly Field, GSU's coordinator-employee benefits, says that to help alleviate this problem, it is important for patients to become better consumers of medical care. We should not be afraid to question our doctors on the methods and



costs of medical care provided to us.

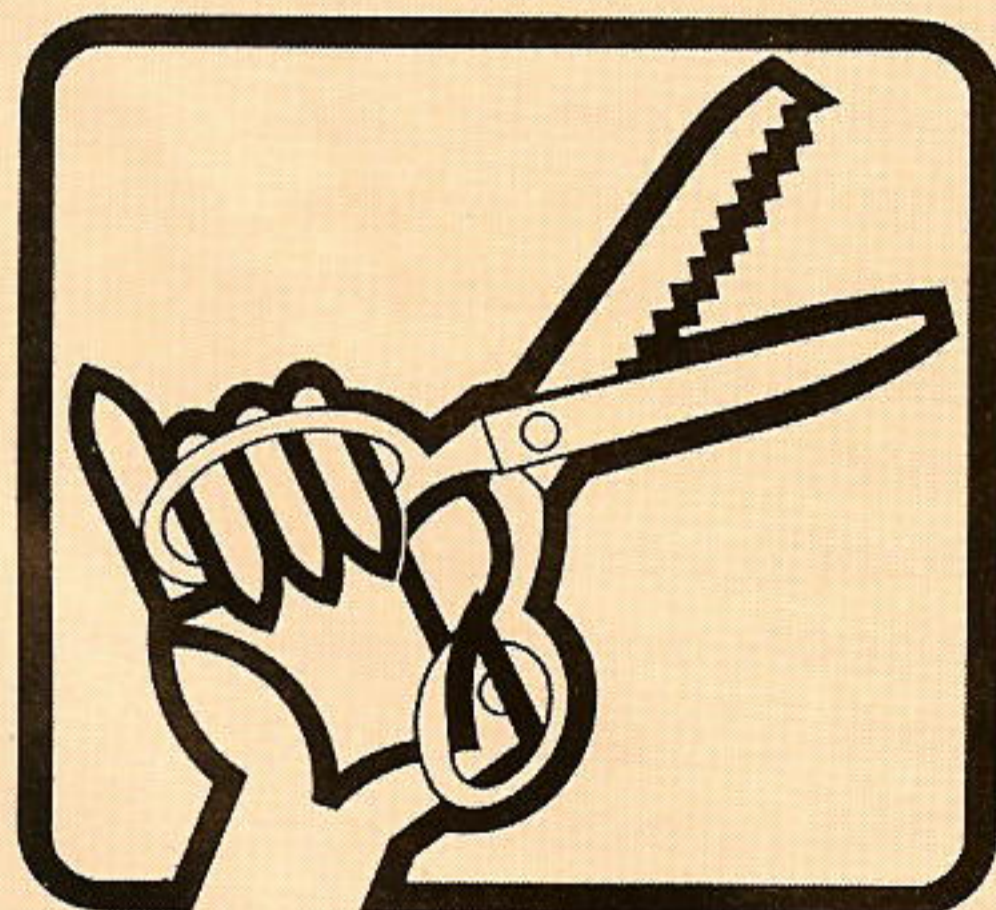
Since the American public is concerned about rising health care costs, too, it may even become a "grassroots" issue. *Business Week* magazine commissioned a public-opinion survey on the topic earlier this year. The results of the survey by Louis Harris & Associates Inc. were featured in the July 25 issue of the weekly.

These results are considered

striking because they indicate that most Americans consider such costs out of control, even though two-thirds of all Americans are covered by insurance provided by their employers or unions. An overwhelming 82 percent of those surveyed blamed the purchase of expensive new equipment by doctors and hospitals as an "important" reason for spiraling health costs.

Other factors blamed for the high costs by survey respondents included:

- Insurance companies paying claims without asking if the treatment was really necessary, 74 percent considered this an important reason;
- Doctors ordering more laboratory tests than are necessary, 60 percent described this as an important factor.
- Doctors permitting longer hospital stays for minor ailments than are necessary, 58 percent considered this an important factor.



Suggestions for controlling costs

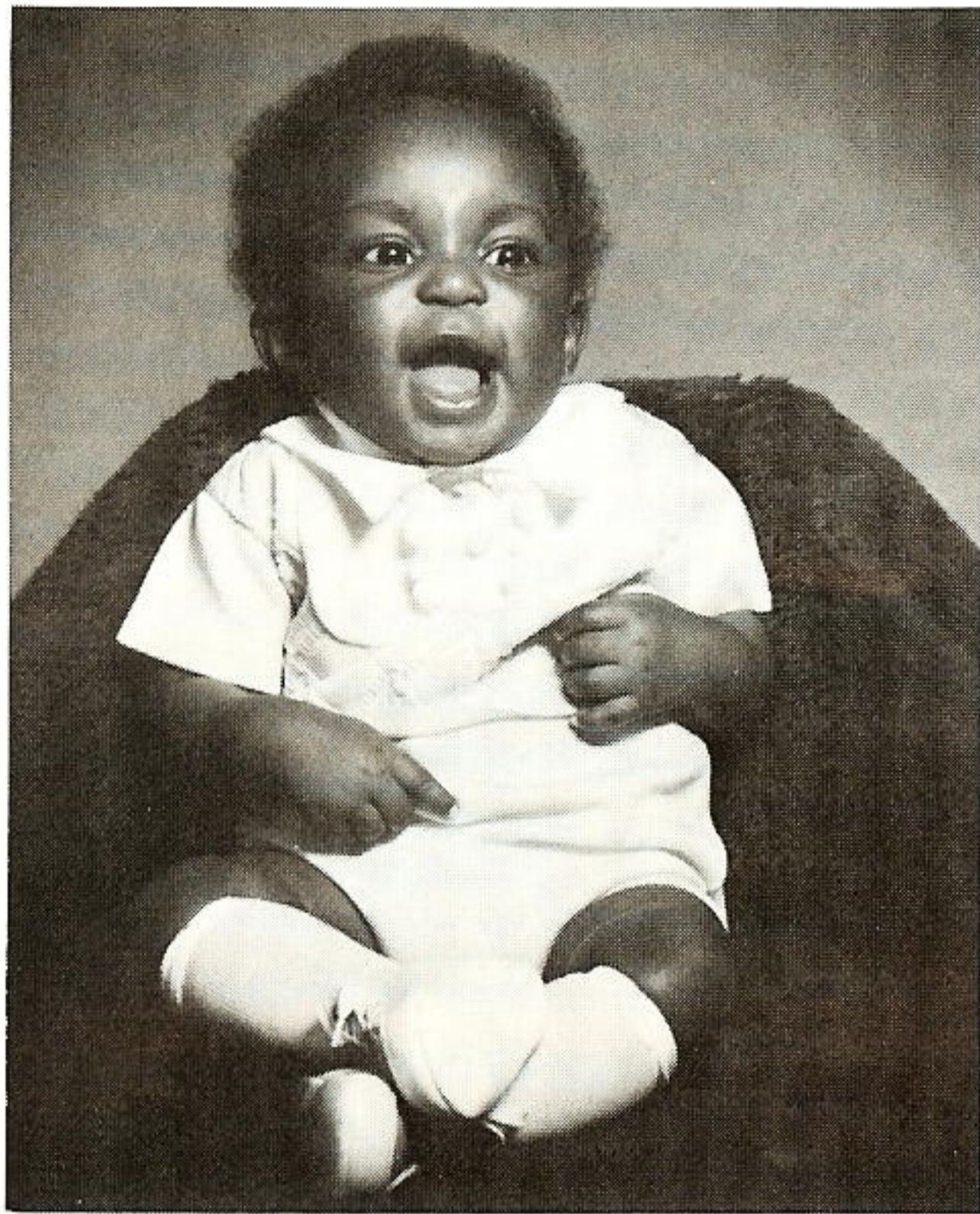
Knowing why medical costs are spiraling is only half the story — doing something to hold them down is the other half.

Unfortunately, there seems to be no clear-cut solution to the dilemma, but Molly Field, coordinator-employee benefits, offers these tips to help us gain better control over these costs:

- Double-check medical bills since mistakes are possible.
- Ask your doctor about drugs and their costs. Sometimes a generic drug can be substituted for a more expensive, name-brand prescription.

- Ask about pre-admission tests since they can shorten a hospital stay by a day or two.
- Consider outpatient surgery for minor operations.
- Seek a second opinion when a doctor recommends surgery.
- Keep children's immunizations up to date.

Since we are all concerned about maintaining good health, Field points out the best way to hold down medical costs is to take care of ourselves through regular exercise and proper diet.



Julius Anthony dubbed "JJ"

Johnnie and Tommy Taylor proudly announce the birth of their godson, Julius Anthony Oglesby on April 1, 1983. Little JJ weighed in at 9 pounds, 10 ounces. He is the son of Mr. and Mrs. Harold Oglesby. JJ's godmother is a secretary in System Safety and Health, Beaumont.



Sanchez receives birthday surprise

Linda Sanchez, a departmental clerk in the Willow Glen Station storeroom, was surprised with a giant-sized decorated chocolate chip cookie on her birthday Aug. 3.

The cookie was a gift from John R. Kirkpatrick, storeroom supervisor.

Division holds fishing rodeo

Thirty-two boats participated in the Baton Rouge Division's annual fishing rodeo at Bayou Pigeon boat landing Aug. 27-28, reports Adelaide Bankston, *Plain Talks* correspondent.

The rodeo and a fish fry were held despite rain.

Winners in the various categories were:

— 1st place: Eddie Jones of Willow Glen Station and Mark Jones of the Line Dept., 27 pounds, 6½ ounces.



Rodney Boudreaux takes a close look at the scales during the Baton Rouge fishing rodeo.

— 2nd place: Larry Heintze of the Service Dept. and Clyde Bordelon of the Line Dept., 25 pounds, 13 ounces.

— 3rd place: Lynelle Juban of North Boulevard and Ernest Kelly of Denham Springs, 24 pounds, 4½ ounces.

— 4th place: Ray Loupe and Rodney Boudreaux, both of the Line Dept., 24 pounds, 4 ounces.

— Big Bass: Ernest Kelly of Denham Springs, 3 pounds, 15 ounces.

Trash Fish: Lynelle Juban of North Boulevard, a gar fish, 13 pounds, 8 ounces.

Chief PBX operator retires in Beaumont

Helen W. Head retired Aug. 1, ending a 33-year career as a GSU switchboard operator. Her



Helen Head and Ed Loggins, executive vice president-administrative and technical services.

latest position was that of chief PBX operator. She joined the company on Aug. 24, 1950.

Mrs. Head was feted at several parties before she retired, including an afternoon reception in the Edison Plaza cafeteria, when co-workers presented her with a microwave oven and cash.



Christian Lee joins family

Little Christian Lee Stewart just arrived July 12, but his dad is already planning his first date!

The infant son of John and Anne Stewart will be available for dating in July 1999, reports his father, who is area development representative in Baton Rouge Division.

Christian weighed 7 pounds, 12 ounces and measured 19½ inches at birth. He is the first grandson on each side of his family.

Twins join Freeman family

Danny and Kimberly Freeman are the proud parents of a new son and daughter born June 13, 1983. Derek Shane weighed 4 pounds, 12½ ounces and measured 18 inches. His twin sister, Lauren Ashley, weighed 4 pounds, 1½ ounces and measured 17 inches.

The twins' mother is a clerk in Accounts Payable in Beaumont.

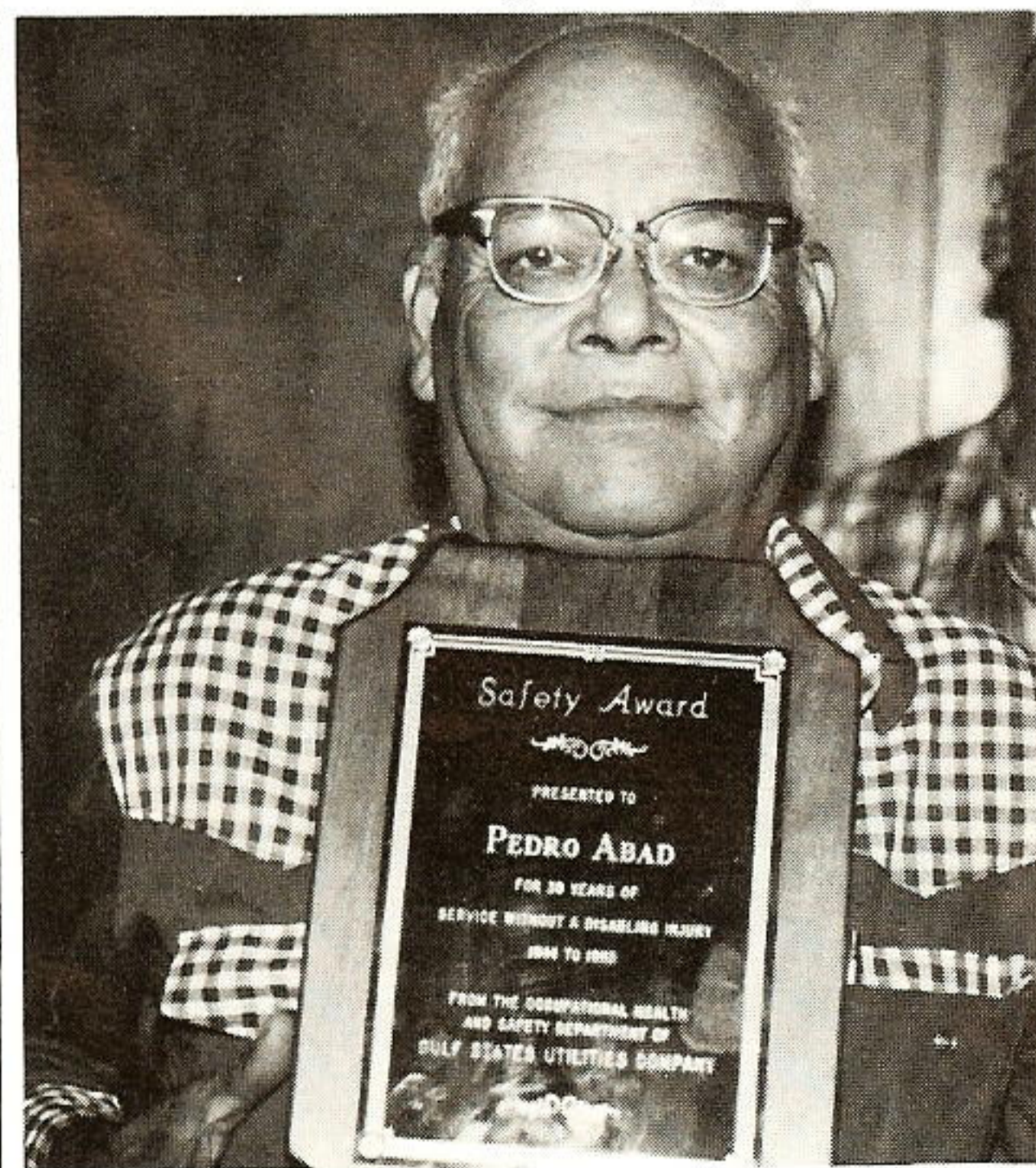


Derek Shane, left, and twin, Lauren Ashley Freeman.

Safety award given Abad

Pedro "Pete" Abad was presented a safety award for having worked at least 30 years without a disabling injury.

Abad retired July 1 as a T&D truckdriver in Navasota, ending a career that began July 1, 1944.



Student chosen for honor society

Marla Verdine, daughter of Marlan Verdine, was selected for membership in the National Junior Honor Society at Orange-field Junior High. Members are chosen on the basis of scholarship, leadership, service and character. Marla has maintained an A average throughout junior high and is on the school's annual staff.

Her father works at Sabine Station in Bridge City.

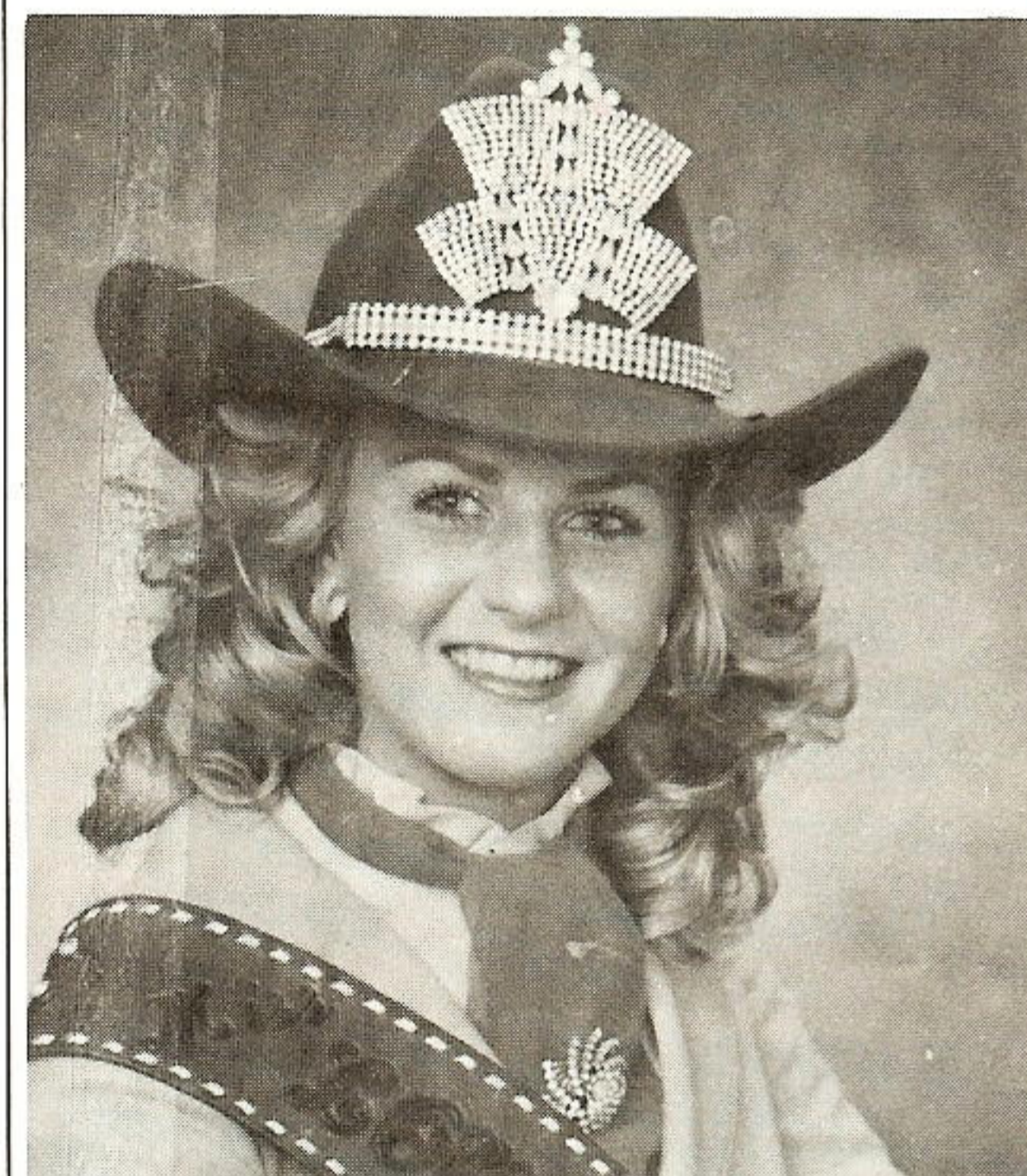


Castellos announce daughter's birth

Kelly René Castello has not filled out a GSU application form yet, but chances are the little girl may do so in a couple of decades.

The infant, who was born May 22, is the daughter of David and Myra Castello. Her mom is a laboratory assistant at Nelson Coal Plant; her grandmother, Gloria Hebert, is a senior clerk in Lake Charles Accounting; her grandfather, John Hebert, is a relayman in Lake Charles T&D; and her cousin, Greg Patin, is a Baton Rouge Division employee.

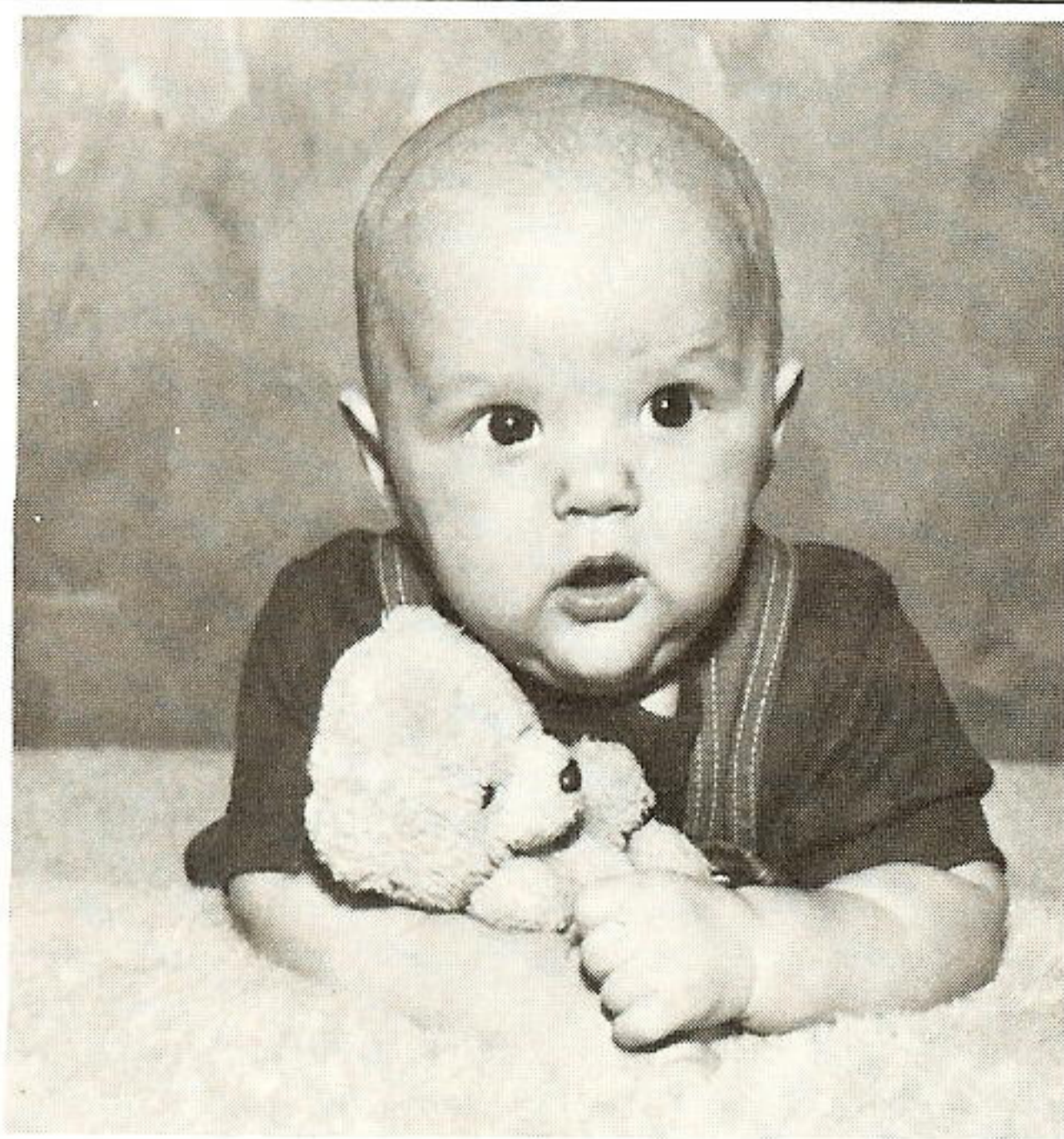
According to Kelly's mom, the little girl weighed 8 pounds, 15 ounces and measured 21 inches at birth.



Benoit crowned rodeo queen

Pamela Benoit was crowned Louisiana High School Rodeo Queen. Pam is the 17-year-old daughter of Garland Benoit, serviceman-1st class in Lake Charles. In addition to winning the queen's crown, Pam won the personality, appearance and photogenic categories. Her fellow contestants selected her Miss Congeniality.

At the National Finals Rodeo in Wyoming, Pam was chosen as second runner-up. She credits Judy Gremillion with helping her in the competitions. Judy is the wife of Grady Gremillion, lineman-1st class in Lake Charles.



Family welcomes newest member

Gary and Karen Bean became the parents of 7 pound, 2 ounce Brent Daniel on March 21. The new arrival was 20½ inches at birth. His mother works in Transmission and Substation Design, Beaumont, as an engineering assistant.

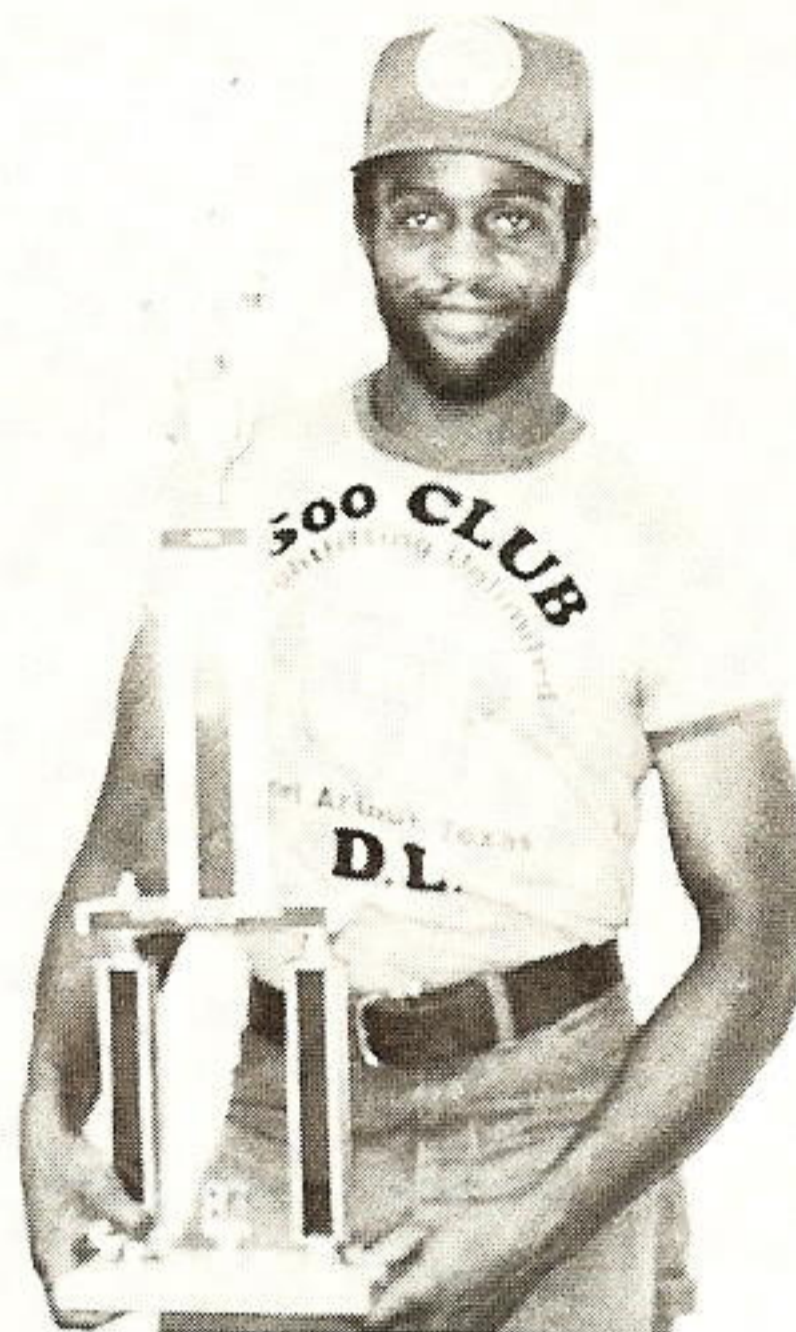


Winners in the team category were the Lucky Strikes from Lewis Creek, shown from left, Frank Keith, Nell Keith, Debra Rutherford and D. W. Rutherford.

Pins fall in Conroe

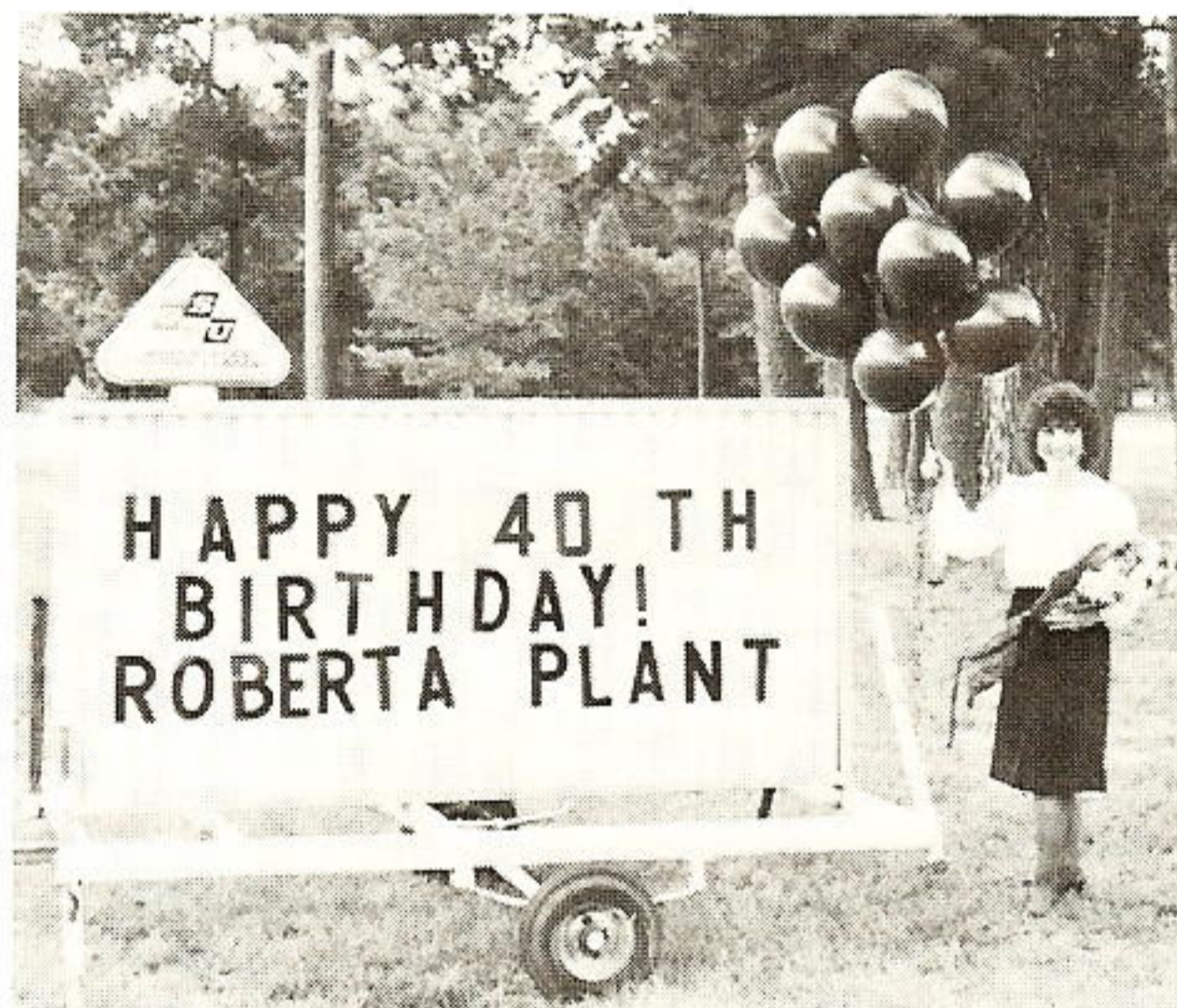
Over 80 bowlers took part in the 22nd Annual GSU Bowling Tournament held in Conroe earlier this year. Employees representing Lake Charles, Beaumont, Port Arthur, Lewis Creek and Conroe bowled in teams, doubles and singles events. In addition to the first place winners in each category, those bowling the high-scoring games during the tournament

and highest tournament series were presented with trophies.



Cole wins power lift

Donnie Cole, a helper in the Port Arthur Line Department, won first place in the Texas State Novice Power Lift Championship last spring. He had to lift a 600-pound deadlift to win. This is not his first time to take the championship. Last year, Cole won first place at a competition held in Lake Charles.



Friends mark milestone

Friends and co-workers of Roberta Plant made certain her birthday didn't pass unnoticed. She received two bouquets — one of flowers and one of black balloons. In case that wasn't enough, a portable sign announcing her birthday was placed near the office entrance where she

works as a consumer information coordinator in Conroe.

Baby boy joins family

John Daniel Pourciau was born May 4 at Woman's Hospital in Baton Rouge weighing 7 pounds, 6 ounces and measuring 19½ inches.

His parents are Kerry and Lorretta Pourciau.

Little John Daniel joined a GSU family because his father is a nuclear communications specialist at the River Bend Energy Center, and his uncle and godfather, Jude "Pete" Honore, is a utility man in Baton Rouge.



Shower honors Karen Landry

Lafayette co-workers honored Karen L. Landry, consumer information coordinator, with a baby shower Sept. 29.

The honoree was given an umbrella stroller with a canopy.



ON THE MOVE

A

Ainsworth, Ralph T., Lewis Creek, to repairman-1st class, Plant Production.

Alleman, Barry J., Louisiana Station, to auxiliary operator, Plant Production.

Ancelet, Harvey J. Jr., Lake Charles, to lineman-1st class, Electric T&D.

Audilet, Raymond L., formerly of Beaumont Power Plant Engineering and Design, to senior systems analyst, Beaumont Computer Applications.

B

Ball, John M., Louisiana Station, to head fireman, Plant Production.

Benedetto, William L., Baton Rouge, to administrator-Louisiana communications, Public Affairs.

Beshears, Eric P., formerly of Louisiana Station, to switchboard operator, Plant Production, River Bend Site.

Blanchard, Mark G., Louisiana Station, to repairman-3rd class, Plant Production.

Boles, Jon F., Baton Rouge, to customer contact clerk, Division Accounting.

Booker, Otis, Louisiana Station, to turbine engineer, Plant Production.

Bordelon, John R., Beaumont, to administrator-economic development, System Marketing and Consumer Services.

Bowen, Joe R., formerly of Cleveland T&D Line, utility foreman, transferred to Oak Ridge T&D Line.

Bridgers, Kenneth R. Jr., Nelson Coal, to mechanic helper, Plant Productions.

Burnham, Beth S., Baton Rouge, to staff accountant I, Division Accounting.

C

Caesar, Alfin A., Nelson Station, to control operations foreman, Plant Production.

Calder, Leslie G., Beaumont, to senior power interconnections engineer, Power Interconnections.

Cannon, George S., Beaumont, to general manager-production, System Production.

Carr, Marcy H., Port Arthur, to repairman-2nd class, Plant Production.

Chase, Donald A., River Bend Station, to systems engineer, River Bend Nuclear Group.

Cline, Danny R., Louisiana Station, to insulator-2nd class, Plant Production.

Collins, Karen M., Beaumont, to staff accountant II, Accounting Services.

Comeaux, Mason L., Louisiana Station, to auxiliary operator, Plant Production.

Copeland, William G., Beaumont, to supervisor-long term finance, Financial Services.

Coxe, Jeffrey A., formerly of Louisiana Station, to turbine engineer, Plant Production.

Cozad, Frederick D., Port Arthur, to test technician-3rd class, Plant Production.

Crouse, Thomas C., River Bend Station, to director-quality assurance, River Bend Nuclear Group.

Cummings, Daniel Jr., Baton Rouge, to senior meter reader, Division Accounting.

D

Davis, Sarah C., Beaumont, to associate systems analyst, Computer Applications.

Dean, Gerald O., Beaumont, to building and grounds maintenance superintendent, General Services.

Deselle, Glenn R., Louisiana Station, to second fireman, Plant Production.

DePoy, Marvin E., Louisiana Station, to switchboard operator, Plant Production.

Dillon, Tracy S., New Caney, to lineman-4th class, Electric T&D.

Dokken, Brian C., Beaumont, to staff accountant I, Accounting Services.

E

Ellis, Cheryl R., Beaumont, to stenographer-senior, Fuel Services.

F

Fields, Joseph C. Jr., Lake Charles, to storekeeper, Electric T&D.

Fontenot, Michael W., Lake Charles, to substation mechanic-1st class, Electric T&D.

Fountleroy, Donald E., Louisiana Station, to turbine engineer, Plant Production.

Fowler, Karla S., Conroe, to stenographer-senior, Division Marketing and Consumer Services.

G

Gavin, John J., Nelson Coal, to repairman-1st class, Plant Production.

Gipson, Douglas R., River Bend Station, to supervisor-planning and scheduling, River Bend Nuclear Group.

Graham, Philip D., River Bend Station, to assistant plant manager-services, River Bend Nuclear Group.

Gray, Daniel B., Beaumont, to administrator-fuel transportation, Fuel Services.

Griffith, Rodney W., Beaumont, to senior relay engineer, System Engineering.

Griffiths, Thomas E., formerly of Beaumont System Production, production engineer, transferred to Willow Glen System Production.

Guthrie, Lewis C., to general manager-system engineering, System Engineering.

H

Hall, Ruth A., Beaumont, to staff accountant I, Accounting Services.

Hamilton, Esquardo H., Baton Rouge, to lineman-1st class, Electric T&D.

Hardy, Ernest D. Jr., Nelson Station, to repairman-1st class, Plant Production.

Hartner, Dennis M., Baton Rouge, to substation mechanic-2nd class, Electric T&D.

Helmick, Randall W., River Bend Station, to project engineer, River Bend Nuclear Group.

Hemby, John W., Beaumont, to building and grounds maintenance supervisor, General Services.

Hoffman, Stephen T., Beaumont, to staff accountant I, Accounting Services.

Hoffpauir, Melvin J., Lafayette, to apprentice T&D Department, Electric T&D.

Hollingsworth, Dewitt C., Beaumont, to administrator-solar project, System Marketing and Consumer Services.

Hollis, Willie, Nelson Coal, to repairman-1st class, Plant Production.

Hooper, Tommy D., Nelson Station, to mechanical maintenance foreman, Plant Production.

Humphrey, Lena J., Gonzales, to senior clerk, Division Accounting.

J

James, Eric M., Port Arthur, to substation mechanic-3rd class, Electric T&D.

Jeansonne, Steven J. Jr., Baton Rouge, to garage mechanic-1st class, Electric T&D.

Jenkins, Thomas N., Beaumont, to staff accountant I, Accounting Services.

Johnson, Cecil L., Beaumont, to general manager-legal services, Legal Services.

Joyner, Henry H., Beaumont, to administrator-advertising and financial information, Public Affairs.

Judice, John A., formerly of Beaumont Accounting Services, to supervisor-consumer credit, Baton Rouge Division Accounting.

K

King, Rickey J., Beaumont, to licensing engineer, River Bend Nuclear Group.

L

Laws, Roger D., Louisiana Station, to second fireman, Plant Production.

Leggett, Travis L., Zachary, to lineman-3rd class, Electric T&D.

Leger, Lonnie D., Beaumont, to foreman-building and grounds, General Services.

Levings, Wilson J. Jr., Nelson Coal, to repairman-1st class, Plant Production.

ON THE MOVE

M

Malik, Iftikhar M., River Bend Station, to senior quality assurance engineer, River Bend Nuclear Group.

Mason, Clarence O., Conroe, to special utility worker, Electric T&D.

McCrea, Wanda J., Jennings, to customer contact clerk, Division Accounting.

McCurtain, Ward C., formerly of Public Affairs, Beaumont, to assistant to the vice president-Rates and Regulatory Affairs, Beaumont.

McMurray, Kim R., Beaumont, to administrator-communications development, Public Affairs.

Merriman, Myra L., Beaumont, to staff accountant I, Division Accounting.

Midkiff, Ralph E., Nelson Coal, to mechanic helper, Plant Production.

Miller, J. Lee, Beaumont, to general manager-organization and manpower development, Human Resources.

Mitchell, William H., formerly of Beaumont System Production, to production engineer, Louisiana Station Plant Production.

Montgomery, Gary C., Conroe, to engineering assistant, Electric T&D.

Morgan, Elizabeth, Louisiana Station, to repairman-3rd class, Plant Production.

Moulder, Davis E., Cleveland, to utility foreman, T&D Line.

Mullin, John D., River Bend Station, to senior planning and scheduling specialist, River Bend Nuclear Group.

Murphy, Thomas G., River Bend Station, to supervisor-cost systems, River Bend Nuclear Group.

N

Newell, Scott D., Beaumont, to senior risk analyst, General Services.

Noland, Larry K., Nelson Coal, to control operator, Plant Production.

O

Olstowski, Henryk A., formerly of Louisiana Station, engineer, transferred to Beaumont System Production.

Ott, Jimmy O., Louisiana Station, to mechanic helper, Plant Production.

P

Paul, Robert M. Jr., Lafayette, to lineman-3rd class, Electric T&D.

Pharr, Milton H., Nelson Station, to planning coordinator, Plant Production.

Pitts, Aubrey Jr., Louisiana Station, to auxiliary operator, Plant Production.

Ponthier, Myra L., Zachary, to senior clerk, Division Accounting.

Price, Avis F., Beaumont, to stenographer-senior, Office Services.

Price, John E., Beaumont, to licensing engineer, River Bend Nuclear Group.

R

Rabalais, James S., Baton Rouge, to serviceman-2nd class, Electric T&D.

Reed, Leonard R., Conroe, to lineman-2nd class, Electric T&D.

Rench, Cheryl D., Beaumont, to staff accountant I, Accounting Services.

Ringler, Patrick J., formerly of Beaumont T&D Engineering, to civil engineer, Beaumont System Engineering.

Roberts, Jeanette B., Denham Springs, to senior clerk, Division Accounting.

Robinson, Deborah P., Beaumont, to operators helper-auxiliary, Plant Production.

Rozas, Frank D., formerly of Lake Charles T&D Communications, to communications foreman, Lafayette T&D Communications.

Ruiz, Robert E., Beaumont, to mechanical engineer, Power Plant Engineering & Design.

S

Schluter, Samuel O., Louisiana Station, to auxiliary operator, Plant Production.

Senter, Thomas E., Nelson Coal, to fuel handling foreman, Plant Production.

Shepard, Gregory K., formerly of Beaumont System Marketing and Consumer Services, to supervisor-marketing and consumer information, Beaumont Division Marketing and Consumer Services.

Smith, Grady M., Beaumont, to director-regulation-Louisiana, Rates and Regulatory Affairs.

Soileau, Joseph B. Jr., Lake Charles, to apprentice-T&D Department, Electric T&D.

Stephenson, Chris E., Beaumont, to lineman-2nd class, Electric T&D.

Stevens, Mary E., Beaumont, to operators helper-auxiliary, Plant Production.

Stirling, Thomas R., Beaumont, to administrator-business development, System Marketing and Consumer Services.

Stricklin, Jeffrey W., Lake Charles, to apprentice-T&D Department, Electric T&D.

T

Talbot, Douglas R., formerly of Louisiana Station, to second fireman, Plant Production, River Bend Site.

Tarver, John S., Beaumont to economic development specialist, System Marketing and Consumer Services.

Tate, Kevin A., Baton Rouge, to pipeman-1st class, Gas Department.

V

Vavasseur, Marie A., Port Allen, to senior clerk, Division Accounting.

Victorian, Joseph L., formerly of Rates and Regulatory Affairs, to administrative assistant, Executive Projects, Beaumont.

W

Walker, Rhonda W., Beaumont, to secretary, Corporate Services.

Warner, Larry D., Port Arthur, to repairman-1st class, Plant Production.

Washington, Leo, Louisiana Station, to second fireman, Plant Production.

Watts, Russell K., Louisiana Station, to auxiliary operator, Plant Production.

Wells, Malcolm Jr., Port Arthur, to utility worker II, Plant Production.

Westerlund, Delores F., Beaumont, to associate systems analyst, Computer Applications.

White, David R., Beaumont, to administrator-Texas communications, Public Affairs.

White, Tommy L. Jr., Louisiana Station, to second fireman, Plant Production.

Whittington, Lloyd A., Beaumont, to senior financial analyst, Financial Services.

Wilcox, William R., Beaumont, to utility truckdriver, Electric T&D.

Wilson, David M., Beaumont, to communications serviceman-1st class, Electric T&D.

Wilson, Martin L., formerly of Beaumont System Production, production engineer, transferred to Lewis Creek Plant Production.

Wright, Richie D., Conroe, to meterman-1st class, Electric T&D.

Wynn, Janice S., Baton Rouge, to area development coordinator, Division Marketing and Consumer Services.

Y

Yeary, William M., formerly of Lewis Creek Plant Production, to production engineer, Beaumont System Production.

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Q. Is the U.S. doing anything to ensure that there would be adequate oil reserves in the event of a cutoff by foreign suppliers?

A. Yes. The Department of Energy is administering a Strategic Petroleum Reserve (SPR) program to store crude oil in underground salt caverns along the Gulf Coast. The program currently has stockpiled 300 million barrels of its 750-million-barrel capacity. When completed in 1990, the reserve will have enough fuel to handle a complete cutoff of foreign oil for about half a year.

