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Above, Jill Street, curator of the Edison Plaza museum and first runner-up in Beaumont's Miss Sesquicentennial competition, waves to the crowd during the city's 150th birthday parade. The car is a 1957 Corvette owned by Gulf Stater Ricks Bryant. In the cover photo, Calvin Walker, lineman-1st class, rides past Edison Plaza on a float built by employees of the Beaumont Service Center. Steve Bagley, drafting, shot both photographs. For more on GSU's role in the giant celebration, see pages 5-7.

PLAIN TALKS

November 1987

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Employees who change residences or offices should fill out company mailing-addressforms (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.

Generic drugs save money, maintain quality

Generic drugs can save employees money, says Jommy Holder, coordinator of employee benefits. Holder encourages employees to ask their physician if a generic equivalent is available for prescribed medication. And if so, Holder says, ask the doctor to allow generic substitution.

When a new drug is developed, tested, then approved by the government, its manufacturer receives a patent and markets the drug under a brand name. The patent prohibits other drug manufacturers from making and selling the drug for 17 years. When the patent expires, other approved drug manufacturers can make and sell the drug by its chemical, or generic, name at a substantially lower cost.

Developing and testing new drugs costs manufacturers millions of dollars. The patent provides the manufacturer the opportunity to recover those costs and make a profit. Generic drugs cost less than name brand drugs because their manufacturers do not have to recover the initial research and development costs.

Holder emphasizes that generic drug manufacturers perform "comparative bioavailability" studies. These studies, required by the U.S. Food and Drug Administration, insure that the active ingredients of the generic drug are equal to that of the brand name drug. Holder adds that many generic drugs are produced by the same companies that produce the original brand name drug.

According to America's Pharmacy, the company which provides the mail order drug program at no cost to GSU employees, Gulf

in the

What you should know about Generics

- A Generic Drug is one whose active ingredients duplicate those of the Brand product.
- A Generic Drug's active ingredients must be chemically and biologically equivalent to the Brand product.
- All drugs, Generic or Brand, must meet the same Food and Drug Administration, FDA, standards for safety, purity, strength and effectiveness.
- Over 50% of all long-term medications have an approved Generic substitute available.

Ask your Doctor to authorize Generic substitutes whenever possible.

America's

Pharmacy

Staters fill about 19 percent of their maintenance prescriptions with generic drugs. The average generic fill rate of other companies using America's Pharmacy is 31 percent. A higher generic fill rate would help hold down the rising cost of GSU's medical and prescription drug plans.

"Using generic drugs can save up to 60 percent on each prescription," Holder says. "The higher the generic fill rate, the more money will be saved without reducing the quality of the medication."

A list of common brand name drugs and their generic equivalents is available from Employee Benefits, 733-5715 or 733-2754.

Be aware of subrogation

If you or one of your covered dependents are injured through the fault of another person, and you later receive payment for your injuries from that person or his insurance carrier, you must reimburse GSU's insurance carrier for any medical expenses it paid, Holder says. The procedure an insurance company uses to recover previously paid medical expenses is called subrogation. Holder says subrogation is an important part of GSU's insurance policy and is covered in the group medical plan handbook.

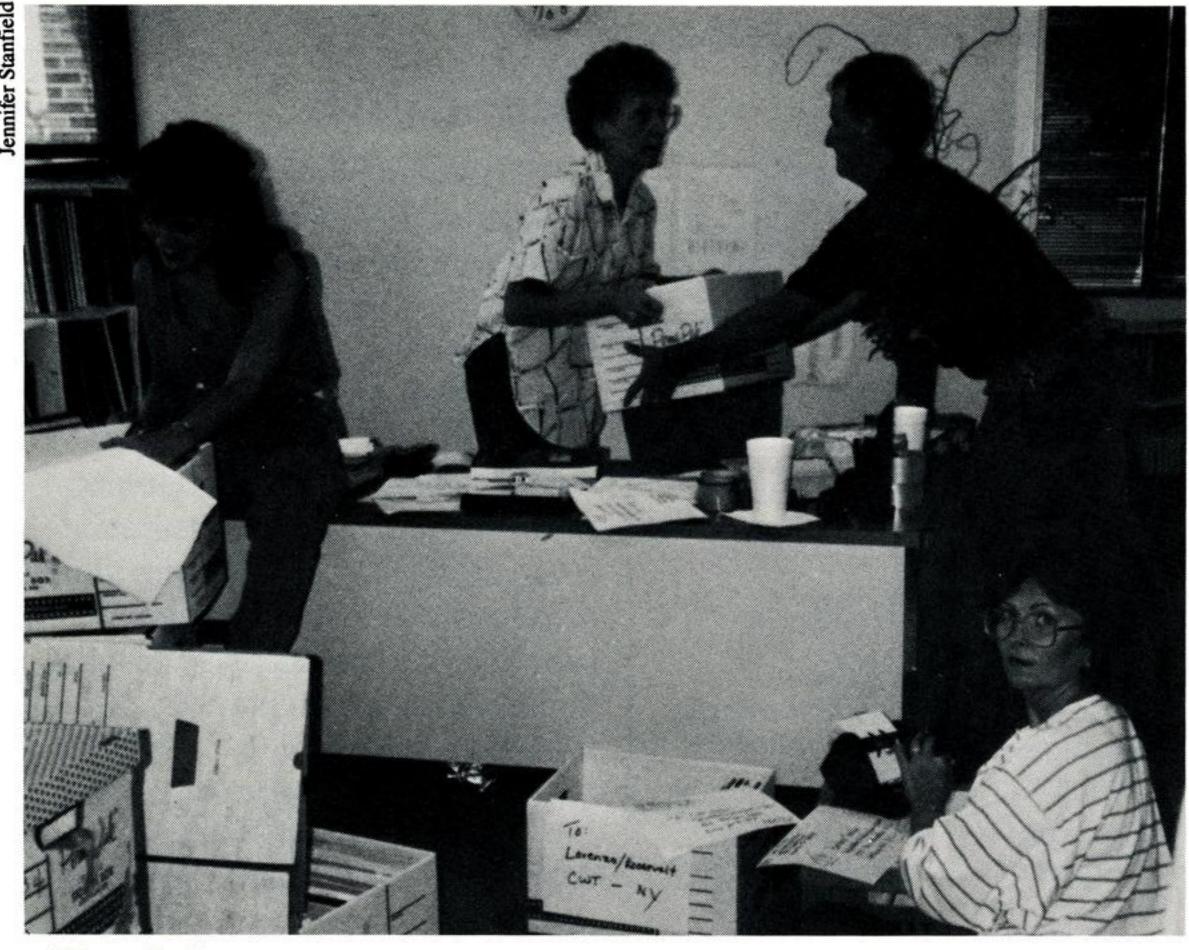
An example of subrogation:
Mike, a GSU employee, was walking across an intersection when a car ran a red light and hit him, injuring him severely. Mike was taken to the hospital. GSU's insurance carrier, Provident Life and Accident Insurance company, paid medical expenses for Mike of \$5,000. Mike sued the driver and two years later was awarded a settlement of \$25,000. By this time, Mike had recovered and forgotten all about the medical bills that Provident paid.

However, he must repay Provident since he was reimbursed for his medical expenses. Therefore, Holder says, it is important to consider the medical costs paid by Provident before agreeing to a settlement.

Provident also holds the right to try to recover damages from the responsible party even if the victim does not. Holder says Provident determines what action it will take on a case by case basis.



NEWS BRIEFS



Packing up . . .

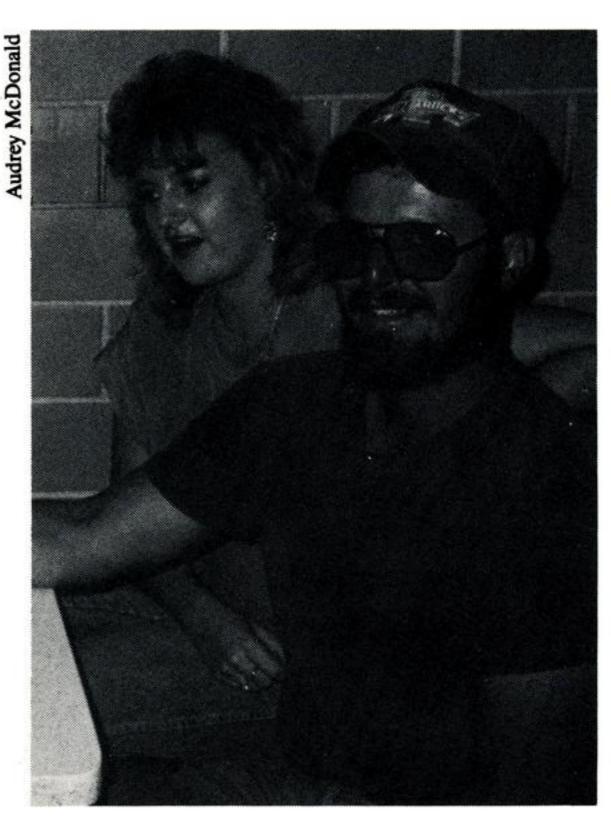
From left, Brenda Rodgers, Linda Werner, Byron Blair and Colleen Church pack up files and supplies from the temporary Austin office. Testimony in the Texas rate case ended in September after six months of hearings. It was the longest rate case in Gulf States' and Texas' history. A decision by the Public Utilities Commission of Texas is expected in January.

-----Awards and honors-

Debra Patin, senior energy auditor, has been honored by the Greater Baton Rouge Chamber of Commerce for her efforts in the "7:30 Club" membership drive. Patin recruited more investors for the Chamber than anyone else during the spring drive. The Chamber is trying to promote Baton Rouge through economic growth and development. Patin says she is only one of several Baton Rouge GSUers who work with the Chamber.

"Everything that GSU does to help the Chamber helps the company. Everything that the Chamber does to promote Baton Rouge promotes GSU," she says.

Bobbie Ireland, commercial development analyst, and editor of The Marketing Letter, was honored by the International Association of **Business Communicators-Houston** Chapter. The quarterly newsletter won an Award of Excellence in the Overall Communications-Newsletters category. The Marketing Letter is mailed to home builders, air-conditioning and heat pump dealers and other "residential and commercial marketing trade allies." Ireland's newsletter beat out other big names in the competition including entries from Exxon and Coca-Cola Foods.



Mark Jennings and customer contact clerk Kami Wright take a break after Jennings received the President's Lifesaving Award from Dr. Linn Draper.

Jennings receives President's award

Lineman-1st class Mark Jennings received the President's Lifesaving Award from GSU Chairman and President E. Linn Draper during a recent ceremony at the Orange Service Center. Jennings saved the life of George Crawford, assistant business manager of the International Brotherhood of Electrical Workers Local Union No. 2286, by applying the Heimlich maneuver as Crawford choked on some food. Jennings and Crawford were attending a graduation buffet at the home of fellow Gulf Stater Nancy Thibodaux.

Jennings learned the Heimlich maneuver at a GSU first-aid course. "It takes a combination of concern, courage and knowledge to be successful in saving a life," Dr. Draper said during the brief award ceremony.

Letter to future CEO stored in time capsule

As part of the Beaumont Sesquicentennial celebration, a time capsule containing a scrapbook of Gulf States memorabilia was sealed, not to be opened for 50 years. The scrapbook contained letters from some GSU officers and managers, newspaper clippings, data on different departments, photographs, a training manual and a four-page letter from GSU Chairman and President E. Linn Draper to the chief executive officer in the year 2037. In the letter, Draper comments on the company's financial situation and predicts what the company will be like in 50 years. Below is an excerpt.

"Regardless of the difficulty involved, let me attempt to do something that may be very entertaining for you as you read this letter--make a few predictions about the future. The accuracy of my predictions may prove to be genius, somewhat respectable or even laughable. However, unless I live to be 95, I will not be present at the time these predictions are read. And if I am present, I probably won't be able to hear the reading anyway. But here goes:

1. The decision in the 1970s to build the River Bend nuclear

The decision to build River Bend will prove to be one of the wisest decisions the management of Gulf States Utilities ever made.

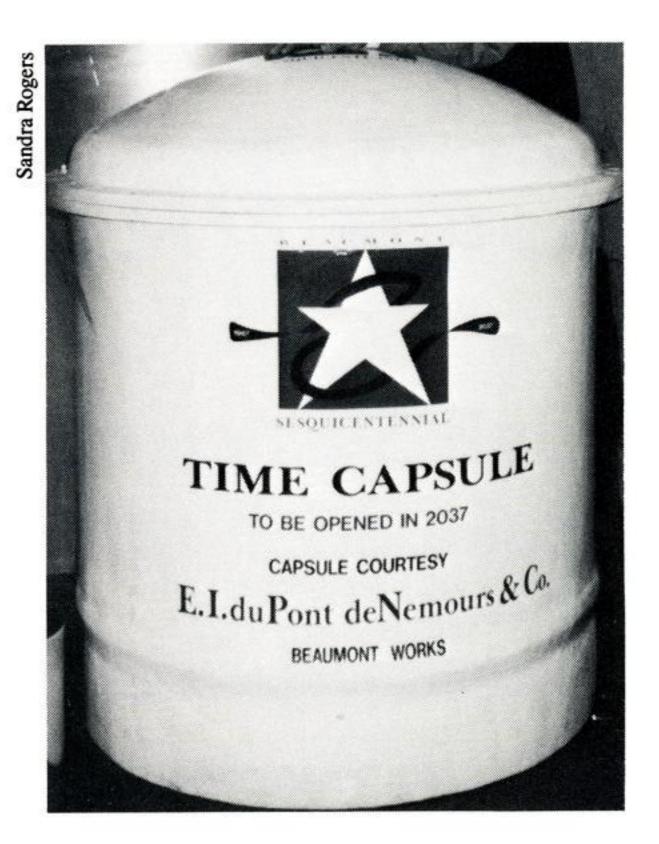
plant will prove to be one of, if not, the wisest and most forward-looking decisions the management of Gulf States Utilities Company ever made. It will save GSU customers millions of dollars in fuel costs, as the price of oil, gas and even coal increases, and the availability of these fuels decreases.

- 2. Due to dramatic shortages and cost increases associated with fossil fuels, government regulation of and public opposition to nuclear energy will ease and GSU, along with other utilities across the country, will have built additional nuclear units.
- 3. The need for and approval of new generation and transmission facilities will be debated and granted at the regional or national level, as more controls are placed on individual utilities in the name of efficiency. State and local regulators will lose some of their authority.
- 4. The generation of electricity will be more diversified. Some will be by your company or an

The price of oil will have risen from \$20/barrel to \$2,000/barrel.

affiliate, some by independent entrepreneurs and even some by individual residences or businesses for which your company will provide back-up.

- 5. The fuels for electric generation will still include coal and uranium, but oil and gas will be used only sparingly. Those fluid fuels will be used mostly for feedstocks and for transportation rather than as boiler fuels. In addition, solar photovoltaic cells will be important for small generation applications and thermonuclear fusion devices will be in the demonstration stage.
- 6. We will have become an increasingly electrified society. In addition to the 40 percent of end use energy supplied by electricity in 1987, there will be substantial use of electricity for



surface transportation. Electric automobiles will be the norm and inter- and intra-city rail systems will be electrified.

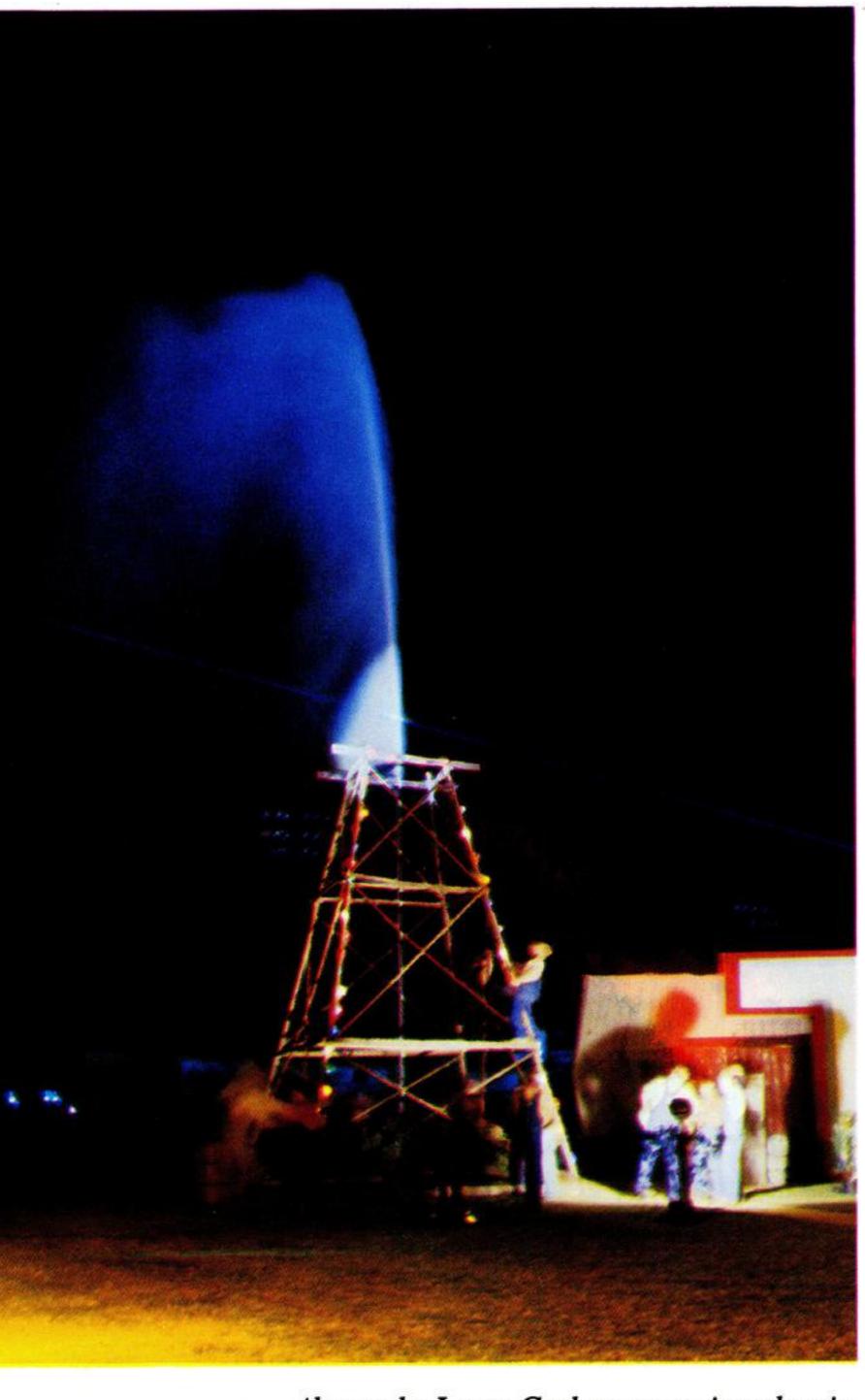
- 7. The Gulf Coast region will still depend in a significant way for its economic strength on fluid hydrocarbons but not nearly to the extent we see in the 1980s. The price of oil and gas will have risen from \$20/barrel and \$1.50/thousand cubic feet, respectively to \$2,000/Barrel and \$200/thousand cubic feet. Almost unbelievable until you see that residential electricity costs \$4/kwh as compared to 1987 prices of 7½ cents.
- 8. Finally, your company, unlike the GSU of 1987, will be in the businesses of providing space conditioning, refrigeration, lighting and a myriad of services rather than the commodity we sell, electricity.

Was I close? Regardless of the accuracy of my predictions, there is one thing I am absolutely sure of--that I have the privilege of working with some of the finest and most dedicated people to be found anywhere. During some very trying times for the company, the men and women that are GSU have shown over and over again that they are capable of meeting extremely difficult challenges head-on and coming out winners."

Celebrating in style

Gulf Staters join in Beaumont birthday bash

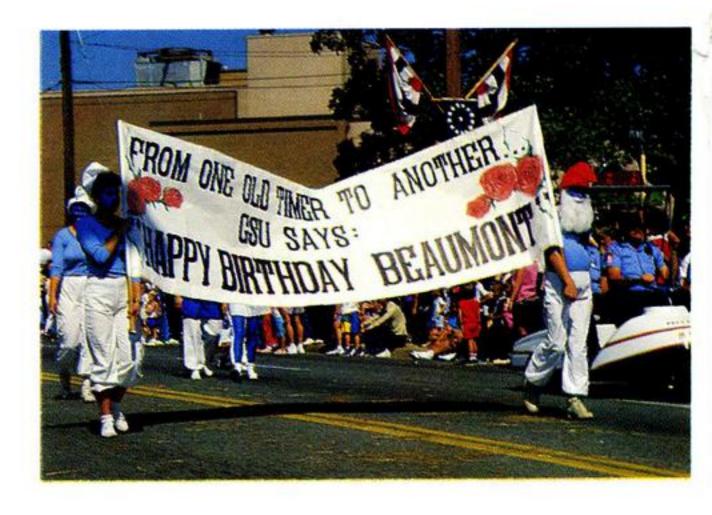
Photos by Steve Bagley and E. Kelly Merritt

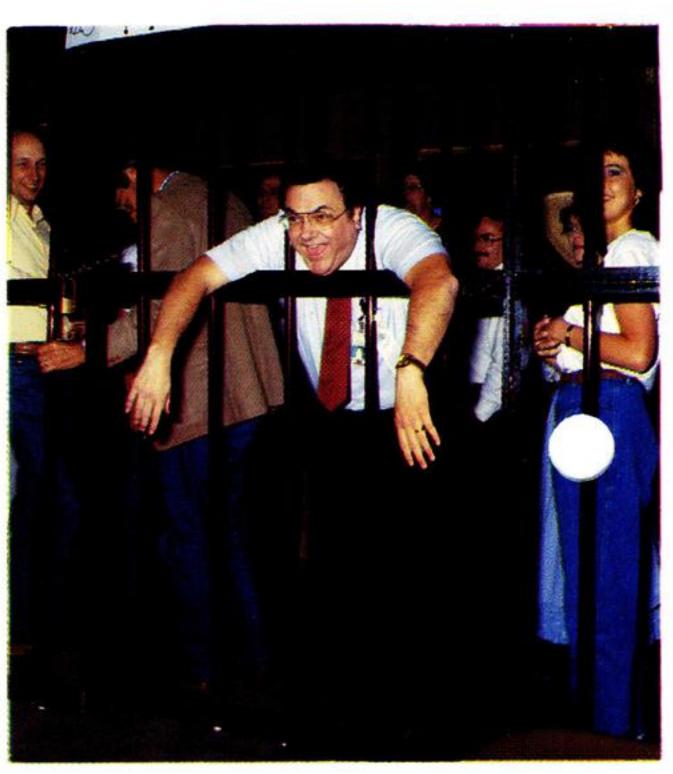


Above, the Lucas Gusher spouts into the air during the Sesquicentennial performance of "Beaumont One-Five-Oh," a play featuring 856 volunteer cast members, about 17 percent of whom were GSU employees. Right, the Keystone Cops apprehended more than 550 "criminals" (some more than once) at Edison Plaza and the Liberty-Pearl building. From right, are "Judge" Mike Morgan, Cynthia Stehle, B.D. Strait, Brent Dorsey, Norma Carlisle, Bennie Hickman, Judy Moses, Sharon Odegar, Linda Bridges, Bill Barksdale and Rhonda Walker.

The city of Beaumont celebrated its 150th birthday and Gulf States employees were an important part of the celebration. The highlight of the celebration was a downtown parade. Above right, a group of Smurfs led the GSU delegation, which included two floats and a group of bicyclists. At right, Bill Pinkerton was one of more than 500 employees "arrested" and jailed in Edison Plaza. Employees paid \$5 to have co-workers arrested. Others were arrested for not dressing in old-fashioned costumes and assessed a \$2 fine. The activities raised \$2,300 for Project CARE.

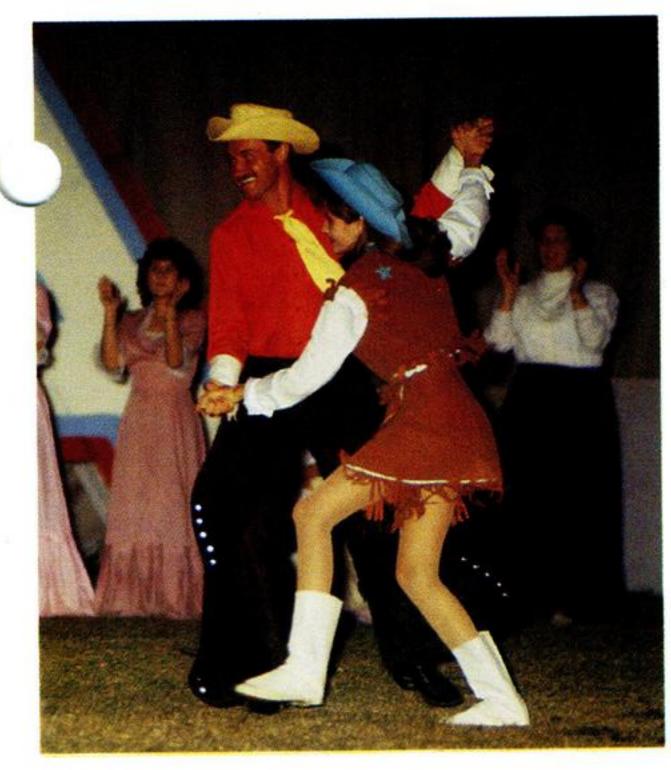






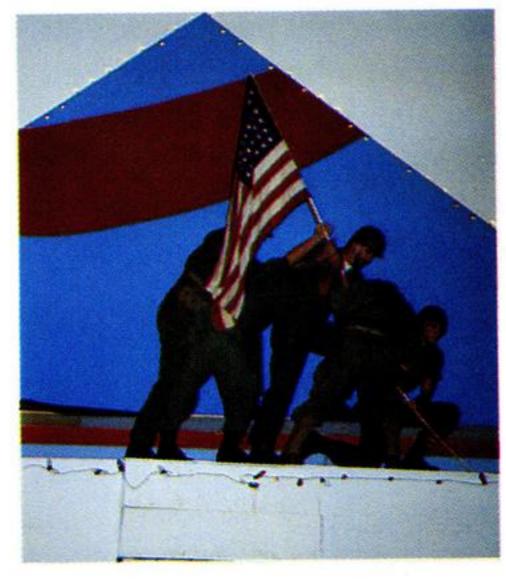


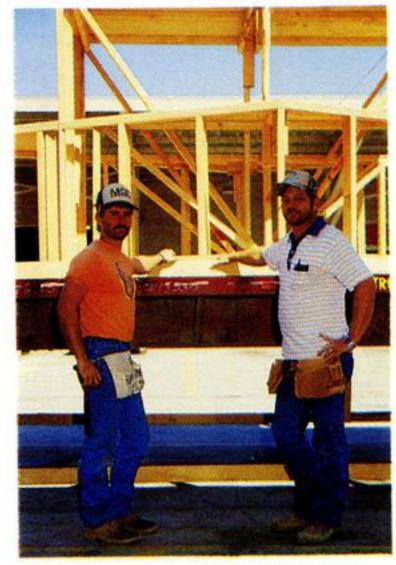




The GSU float, top, won honors as the best commercial float. Gulf States also won best overall theme. The float crew included, from left, Beth Dodge, Petey James, Ruthie Sells (female winner of the best costume competition), Glenda Lindow, Tim Morris and his son, Brett, Pauline Carlson, Virgie Wright, Pat Jordan, and Cheree Peveto, daughter of Linka Peveto. Above, Tim Morris dances during the Spindletop scene of the Beaumont One-Five-Oh pageant, above right, B.D. Strait and others reenact a scene from World War II, and, far right, David Will and Randy Floyd pause while constructing the float.

At right, Jan Smith, Sam Bethea, Molly Field and Brent Dorsey sell Sesquicentennial souvenirs.









Carol Kunk

by E. Kelly Merritt

What does it take to deal effectively with customers? Plain Talks asked that question to five customer service experts and got some interesting, and helpful, answers. Patience, a receptive ear and a good attitude are just three of the qualities named as being helpful when dealing with customers, the experts say. The goal, each expert agrees, is a satisfied customer.

As you might expect, these experts were found right here at Gulf States, doing what they do best--helping customers. They bring their own individual outlook and set of experiences to the job. Their thoughts on customer service follow.

Satisfying the customer

Experts give tips on

Carol Kunk Silsbee office clerk Beaumont Division

Carol Kunk likes dealing with customers because as she puts it, "I just like people. This is one way to get to meet them."

She spends half of each work day answering phone calls from customers and half in the cashier booth, meeting customers face to face. She takes bill payments, completes applications for service and listens to high bill complaints.

Kunk was used to working with the public when she started at Gulf States nearly five years ago. Her supervisor, Northern District superintendent Robert Sheffield, hired her because he had seen her customer relations style when she worked at a coffee shop three years previously.

"Three-quarters of the people are nice," Kunk says. "There are a few that are irate and radical, but overall the good outweigh the bad." She says she strives to make sure the customer is satisfied.

One event she remembers fondly was of a hurricane situation, when many customers frantically reported power outages. After the storm was over, she says, many people came in to show their appreciation.

"That made us feel what we were doing was worth it," she says.

Her advice to others: When helping someone who is irate, remember--there's always the next customer. "Handle him as a new person. Don't carry over the anger that the last one gave you."

Linda Judice department clerk-T&D Port Arthur Division

Depending on weather conditions, Linda Judice usually spends less than one-fourth of her time each day dealing directly with customers. She handles claim requests from customers whose electrical equipment was somehow damaged. She then relays the claim to Beaumont where a decision is made.

Judice feels good about her customer relations when she makes a customer understand. "Some may be mad when they call. When I've talked to them and calmed them down--I usually manage to satisfy them."

The hardest part of dealing with customers, she says: "Some get upset with you even though it's not your fault. Then, being nice is difficult."

Judice also answers telephones during storm situations. Customers act differently during storms. Customers who are usually either irate, pleasant or passive can become good, bad or ugly. "It all depends on how long their power has been out," she says.

When customers call with a claim, "They don't like to wait." She feels it is most important to get an answer to them as soon as she can.

She is most proud of the time she went out on a claim herself. The company was liable for a refrigerator failure at an elderly customer's home. Judice inventoried the food in the refrigerator and estimated

customer relations

the cost of the loss.

"It was a hardship case already," she says. "They were happy when we left because they felt we were trying to help."

Her advice to others: "Treat all customers as if their problem is important. Try to get an answer back to them as soon as possible whether it's the answer they want to hear or not."

Gloria Hebert Sulphur accounting supervisor Lake Charles Division

Gloria Hebert spends about 40 percent of each workday dealing directly with customers. As supervisor, she oversees the work of 12 others who deal with customers. She is usually the second line of contact, dealing with customers who insist on speaking with a supervisor.

Does she like working with the public? "I love it," she says. She enjoys working with people in general, including her employees. But customers make her day. "I would find it a slow day if I didn't have customers to work with."

Hebert strives to be fair in her dealings with customers. "A lot of times the customer will come across as irate and you let them say what they have to say, then they're more reasonable. If I can convince a customer that I am being fair, then I feel comfortable and feel a sense of accomplishment." Even though she handles some difficult customers, Hebert says most of them leave satisfied.

Her advice to others in handling

customers: "Look at everything before you make a decision and above all--be fair. Treat your customer as you would a friend. Be open and receptive to what they have to say."

Myrtle Malveaux Essen Lane customer contact clerk Baton Rouge Division

Myrtle Malveaux spends all

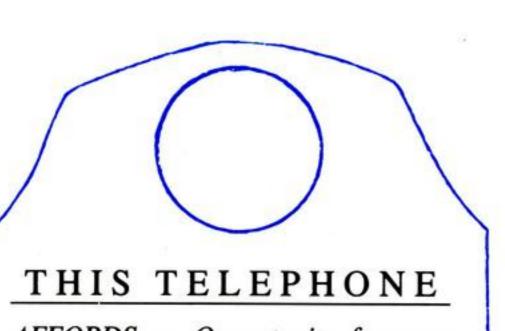
of her workday dealing with customers. Her most important job, she says, is to make sure the customer understands before he or she leaves her desk.

Malveaux loves working with customers. "I wouldn't do anything else. Every job I've had involved serving people."

The best part of her job, she says, is knowing that she has satisfied the customer. Most frustrat-



Linda Judice



AFFORDS an Opportunity for your courtesy to broaden the Company's reputation for cordial relations. In its daily use, remember that so far as the person at the other end of the line is concerned—

You Are The Company

From Plain Talks, May 1925. Signed by

Jack. G. Holtzclaw, manager of Eastern

Texas Electric Co., predecessor to GSU.

ing, however, is when she listens to a customer, but the customer will not listen to her. "Then I have to get a supervisor," she says. Even so, she handles each customer in such a way that calling for a supervisor is rarely necessary.

"Sometimes they are a little irate when they sit here. In that case, they might take a little more time to satisfy. But that's what customer relations is all about, making sure the customer is satisfied."

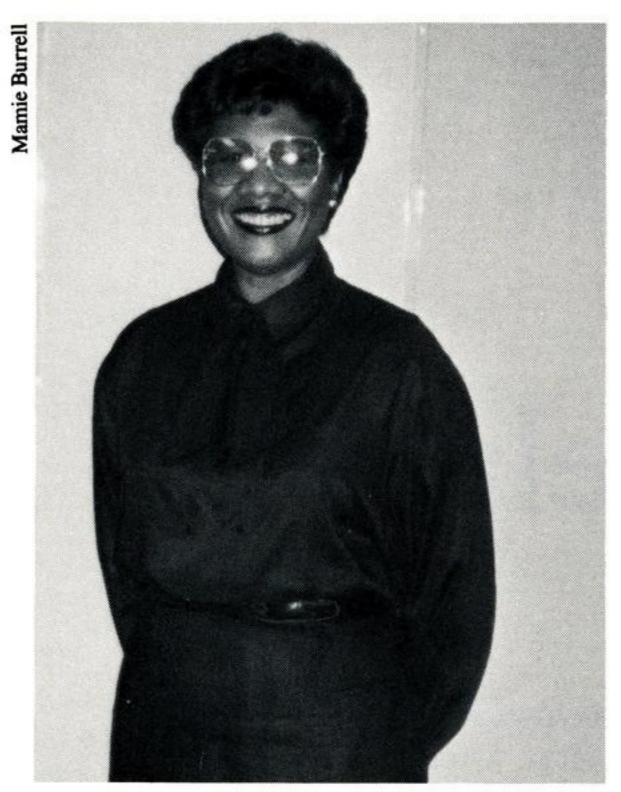
The key to working with customers, Malveaux says, is having a good attitude. She admits that she did not have as good an attitude when she first started working with the public, but it has developed over the last seven years. "I base that on my spiritual life," she says.

Her advice to others on dealing with customers is simple: "Have a good attitude; be a good listener; and take that extra step to satisfy the customer."

Karen Morley Huntsville senior clerk Western Division

Karen Morley goes out of her way to please a customer. Just taking a bill payment or filling an order is not enough for the congenial senior clerk.

"If you treat the customer like you want to be treated, you'll come out okay," she says. Evidently,



Myrtle Malveaux

Morley likes to be treated well.

Her customers are a diverse group. Daily, she assists students and professors from Sam Houston State University, employees of the Texas Department of Corrections and long-time Huntsville residents. She feels the most important part of her job is maintaining the customer's faith in Gulf States.

Discussing customers with Morley, one can feel the empathy in her voice. After a long day of helping several unhappy customers, most people might say, "I've had a bad day." But Morley reverses the situation. "It's been a bad day for them (the customers)," she says.

Morley enjoys dealing with customers all day. "My favorite part is taking a customer who is real mad at Gulf States and turning them around. I'm not always successful, but I enjoy the challenge."

She admits that she's "a real softie" for customers and says collecting delinquent accounts is the least favorable part of her job. "I hate telling a customer either you pay a deposit or your power is cut off."

Her diverse customers hold diverse attitudes as well. Some customers automatically hate utility companies, she says, and those "you can't work with at all." Some customers "think you are picking on them" and some are temperamental, but can be handled with care. But most customers, she says, are nice and easy to work with.



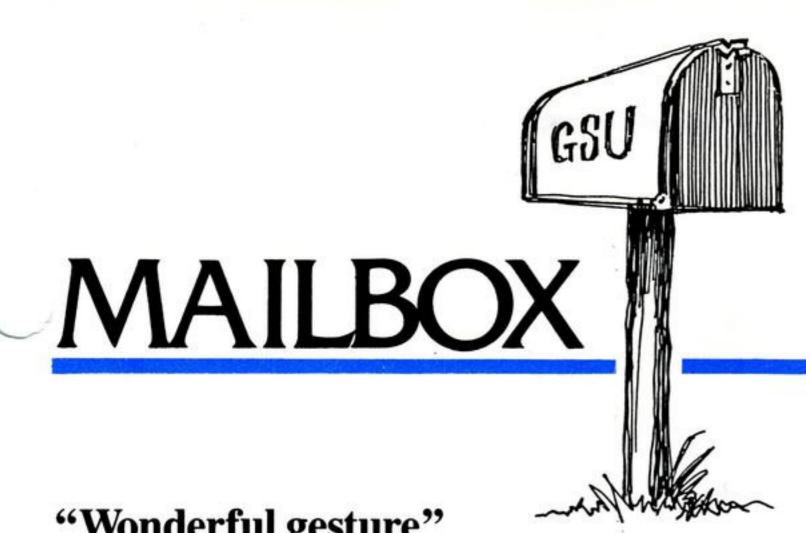
Gloria Hebert



Karen Morley

Many customers call on Morley on a regular basis. One in particular is a poor elderly blind woman who calls her every month. Morley helps the woman with all of her bills, has written letters for her and even arranged for a local organization to provide her with clothing. "I've kind of adopted her; she's adopted me," Morley says.

Her advice to others on dealing with customers: "Treat them like you expect to be treated. Would you like to be put on hold for a long time? Would you like to be transferred all over the building? I know it's easier said than done, but the way you treat others will usually come right back to you."



"Wonderful gesture"

"I was most impressed by the way that one of the ladies in the billing department handled a situation for me," writes Beaumont customer Bernard Dexter to Charlie Bordeman, accounting superintendent. Dexter was referring to customer contact clerk Beverly **Stone.** Dexter had mistakenly dropped off a bank payment to Gulf States instead of her electric payment. "I received a call at my residence about 4:30 p.m. . . . She explained the error to me and offered to drop the payment off at the bank on her way home." Dexter says service like that is a real asset to Gulf States.

Energy Talks informs

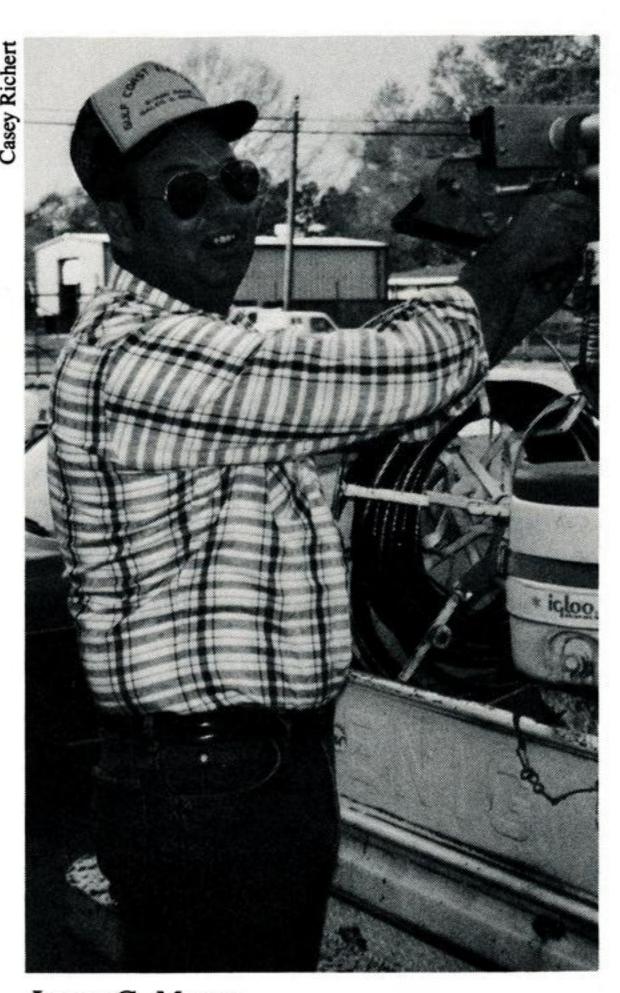
"I want to thank you very much for informing your customers about all the good things you do," writes customer Shirlene Dugas. Dugas read about GSU programs featured in Energy Talks, the monthly bill insert. She especially likes the Gatekeeper Program. "It warms my heart to know you care and your meter readers notice and care about our elderly," she writes. "God bless all of our GSU workers." Energy Talks is produced by Sharon Englade, coordinator of corporate communications, and Mark Viguet, communications representative.

Lights installed

"Thank you for all of your help and immediate response to getting the lights installed," writes customer Kris Baker to James Glascock, industrial representative-Baton Rouge. Glascock helped Baker's community group arrange for expansion of the Road Lighting District on Antioch Road in Baton Rouge.

Deserves recognition

"I am writing to compliment one of your employees, Larry G. Moore, who has, in my opinion, the worst job in Jennings but handles it in a manner which deserves recognition," writes customer Jeannette Jackson, Jackson, who lives alone and is "pretty much house-bound," says she writes the checks to her bills on time but seldom leaves the house to mail them. "Therefore, Larry and I have seen a lot of each other in the past several months," she writes. "God bless him for the work he must do. My instinct wants me to ask you to promote him, but his approach to his job makes all of us he has to visit hear the news in a different spirit." Moore is a serviceman-1st class.



Larry G. Moore

Economic development insight

Nederland, Texas, businesswoman Debra Killian writes to thank Ed Matsoukas, Port Arthur marketing agent, for his tremendous help in locating a building for one of her advertising clients. "I would like to thank GSU for the insight and for making the service available. This service deserves more attention and is good public relations," she writes. Killian was referred to Matsoukas by economic development research analyst Tom Clark.

Dried rice

Delahoussaye Brothers rice farm of Crowley, La., writes to thank the Jennings Service Center for its "super service. Within the hour our troubles were over. The power was back and our (rice) driers were operating." Serviceman-1st class Harold Richard restored the power.

Sabine donors shine again

"You people continue to have OUTSTANDING blood drives," writes Carol Weatherall of the Blood Center of Southeast Texas to Sabine Station superintendent Wes Schattner. By September, Sabine Station employees had made 200 donations for the year, equivalent to 92 percent of the plant population. "I want to thank you, yet again, for your blood, support and leadership of this highly successful blood program. Robert Breaux and Marlan Verdine are two of the nicest people I know, and we count ourselves fortunate to have the pleasure of working with all of you," Weatherall writes. Breaux is planning coordinator and Verdine is painter-production-1st class.

PLAIN TALKS

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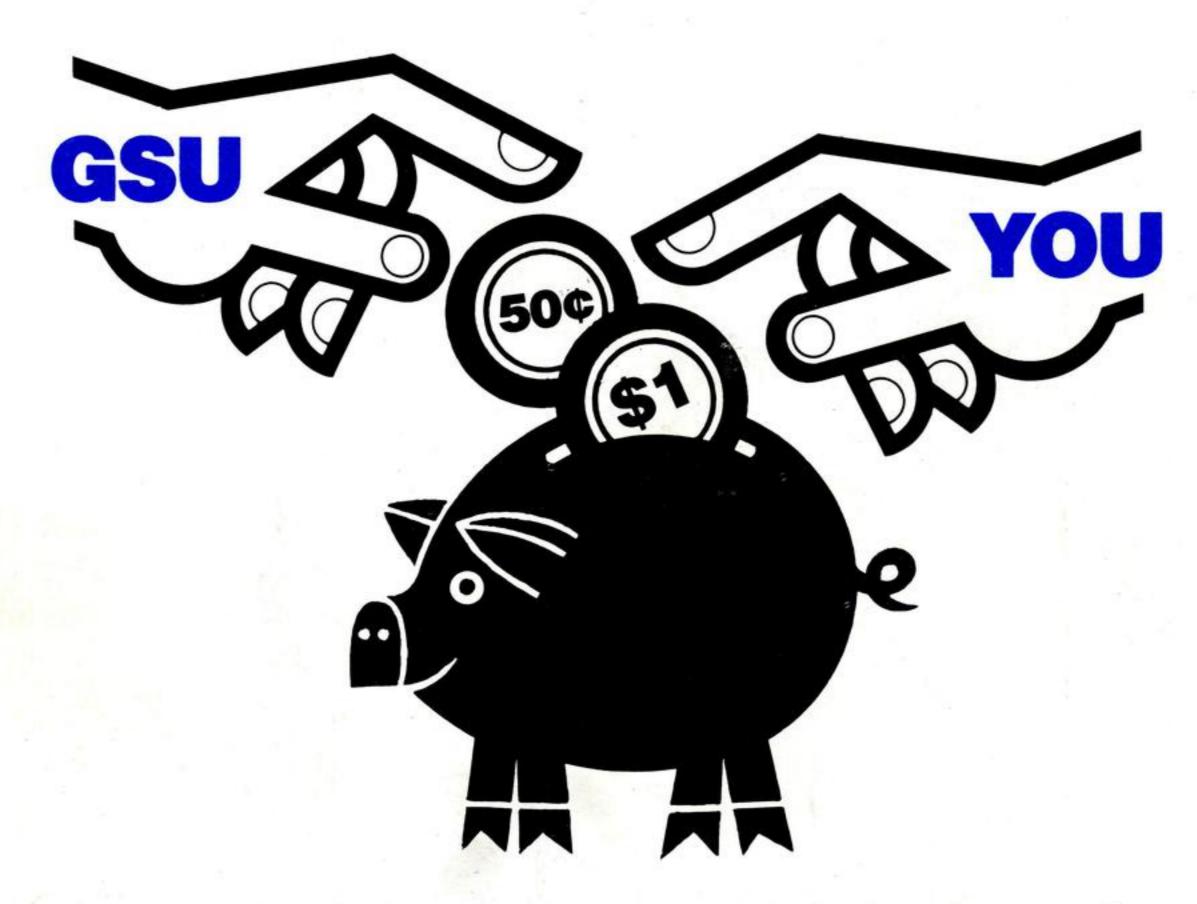
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For every \$1 you put into Basic Thrift or Basic 401(k), GSU adds 50¢ -- instantly. That's an immediate 50% return.

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Basic Thrift deductions come from your "after tax earnings." But

Basic 401(k) deposits come from your "before-tax earnings." So they could offer you the added advantage of lowering your income taxes.

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