



SERVICE CENTER—BEAUMONT, TEXAS
GULF STATES UTILITIES COMPANY

GULF STATES UTILITIES COMPANY

Organized in 1925 Under the Laws of Texas

OWNERSHIP

Individuals, including many employees, constitute by far the largest group of Stockholders. A survey in March 1950 showed that the 230,000 shares of our Preferred Stock and 2,719,899 shares of our Common Stock were owned by 11,703 Stockholders scattered throughout 47 States and in several foreign countries, including 8,479 Stockholders owning 100 shares or less. Stockholders numbering 2,089 owning 274,296 shares reside in the States of Texas and Louisiana where all of the properties of the Company are located. Other important ownership rests in churches, hospitals, colleges and trust funds. Also, indirectly, many more thousands of people have an important financial interest in the continued growth and stability of the Company by reason of insurance companies having made substantial investments in our securities.

MANAGEMENT

The Company is not affiliated with any other company or organization. Its management resides in the territory and is under the direction of its Board of Directors, all of whom reside in the territory in which the Company operates.



DIRECTORS

MUNGER T. BALL	ROY S. NELSON
WILLIAM R. BELL	WILL E. ORGAIN
THOMAS J. HANLON, Jr.	C. VERNON PORTER
HAROLD C. LEONARD	EDWARD H. TAUSSIG

OFFICERS

THOMAS J. HANLON, Jr.	GEORGE R. FULTON
Chairman of the Board	Vice President
ROY S. NELSON	HAROLD C. LEONARD
President	Vice President
WILLIAM R. BELL	HENRY V. FABER
Vice President	Treasurer
WILLIAM H. GIESEKE	
Secretary	

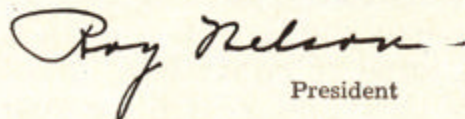
OFFICES

Beaumont, Texas	Lake Charles, Louisiana
Baton Rouge, Louisiana	Port Arthur, Texas
Navasota, Texas	

TO MEET the electric power needs of growing cities and expanding industries of this area, Gulf States Utilities Company was organized in 1925.

For a quarter of a century the company's service has been an important factor in the great industrial, commercial and agricultural progress which has been experienced. Service has been extended and improved, rates have been reduced and there has been plenty of electric power for every need.

Our new Beaumont Division Service Center is one of a number of important projects in our post-war construction program which are being completed by the company in this, our Silver Anniversary year, in order that our service will continue to be the kind of service which contributes importantly to progress, and to the prosperity and happiness of the people in this electrical age.

A handwritten signature in cursive script, reading "Roy Nelson".

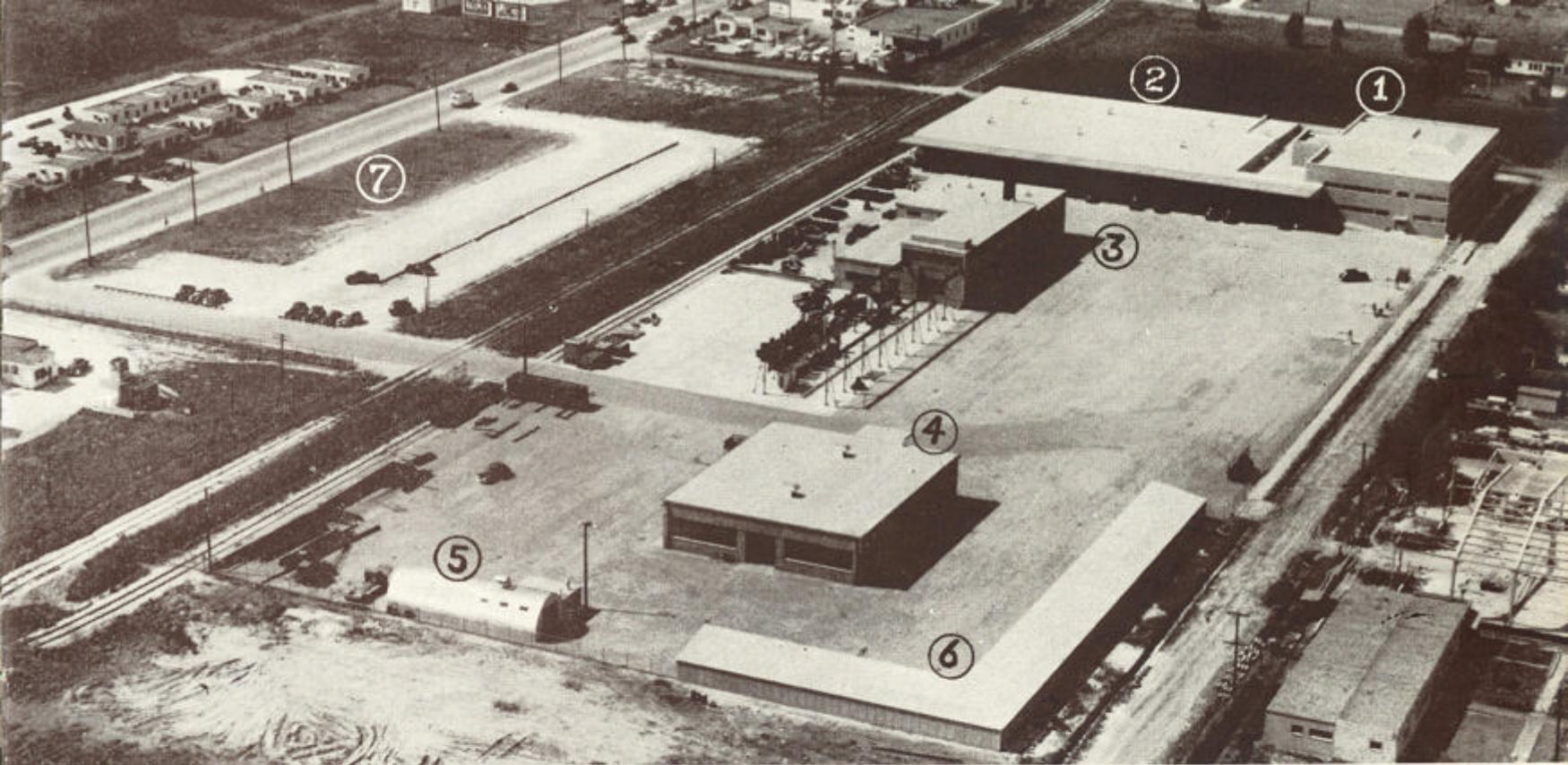
President



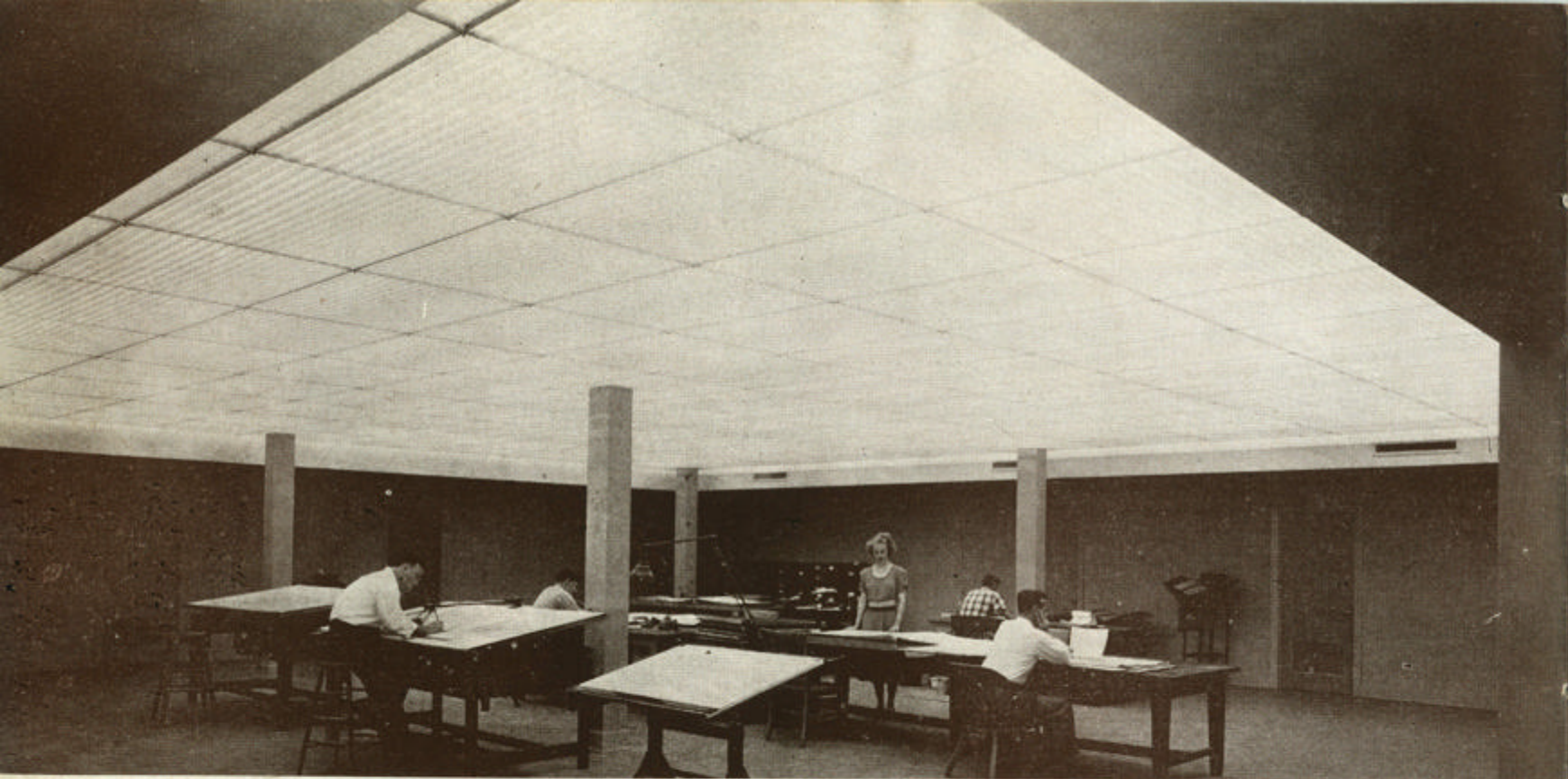
SITUATED on an eight acre site bounded by Eleventh, Oxford, and South streets, our new Beaumont Service Center is headquarters for departments concerned with the delivery of electricity from power plants to you.

Here are warehoused the thousands of supplies—wire, insulators, poles, transformers—required in line construction and maintenance. Here are shops where equipment essential to service is built, repaired, tested. Here is headquarters for Gulf States' short wave radio network which is of great value to our customers in emergencies. Here the heavy trucks essential to rendering efficient service are maintained.

Approximately 300 of the 2,100 members of the Gulf States organization work in, or work out of this Service Center. The facilities provided in order that they can work safely and efficiently are as modern as any in the nation. Some are unique. All are designed to contribute directly, or indirectly, to maintenance of the high standard Gulf States has established in the past quarter of a century of service.



The Service Center is composed of six buildings in which ten different major phases of operations are performed. Quarters in which the various types of work are done are shown on the following pages. Buildings (numbered above) in which these quarters are located are: 1. OFFICE BUILDING, housing personnel in the division transmission and distribution, system purchasing, system stores, accounting, service, meter, appliance repair, distribution dispatching and claim and safety departments; 2. STOREROOM BUILDING; 3. LINE AND SUBSTATION BUILDING, accomodating general line personnel and quarters for substation repair shop; 4. GARAGE; 5. CAR STORAGE SHED; 6. PAINT SHOP; and 7. EMPLOYEES PARKING AREA.



Throughout the center employees are provided with sight-saving lighting best suited to their tasks. "Sky-glo" lighting in the maps and records room in the distribution engineering department provides shadow-free, glareless il-

lumination for draftsmen. Seemingly large for the personnel now occupying it, this space and others in the center provide for future growth in personnel and operations.



To insure accurate measurement of service used by our electric customers, the meter department checks meters with special instruments against standards for meters maintained by the National Bureau of Standards. This permits customers to have a day or night, Sunday and holiday electric service "charge account" with assurance that it's always right.

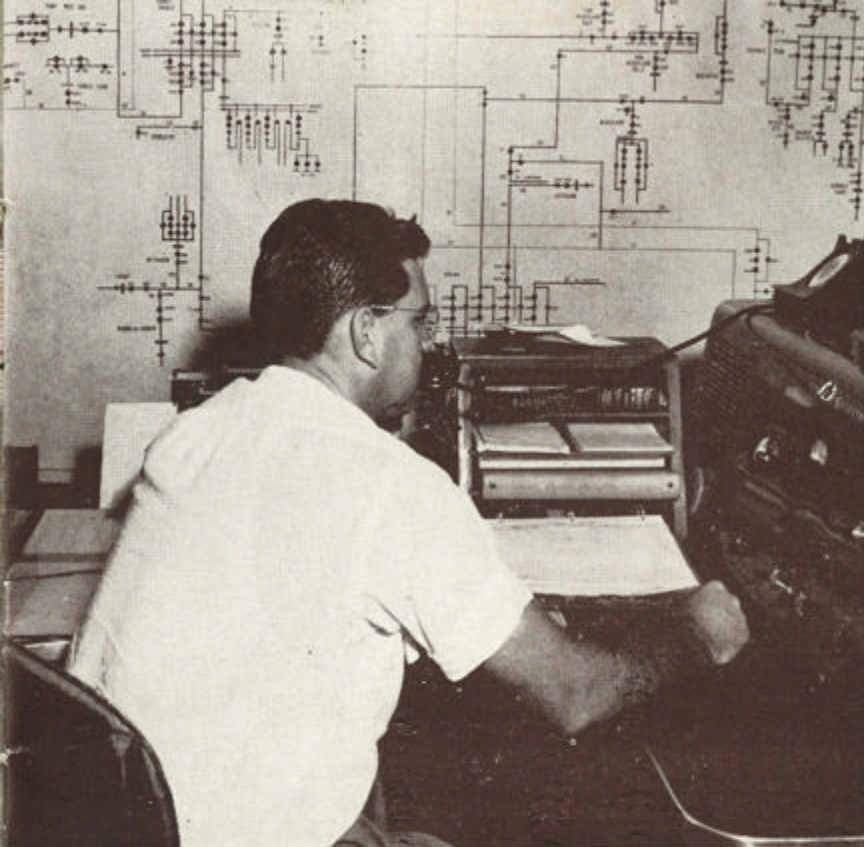


In the appliance service department electric ranges sold by dealers and the company get a final check before delivery to the customer. The well equipped shop, staffed by experienced workers, also handles repairs on miscellaneous household electrical appliances which have been purchased from Gulf States.

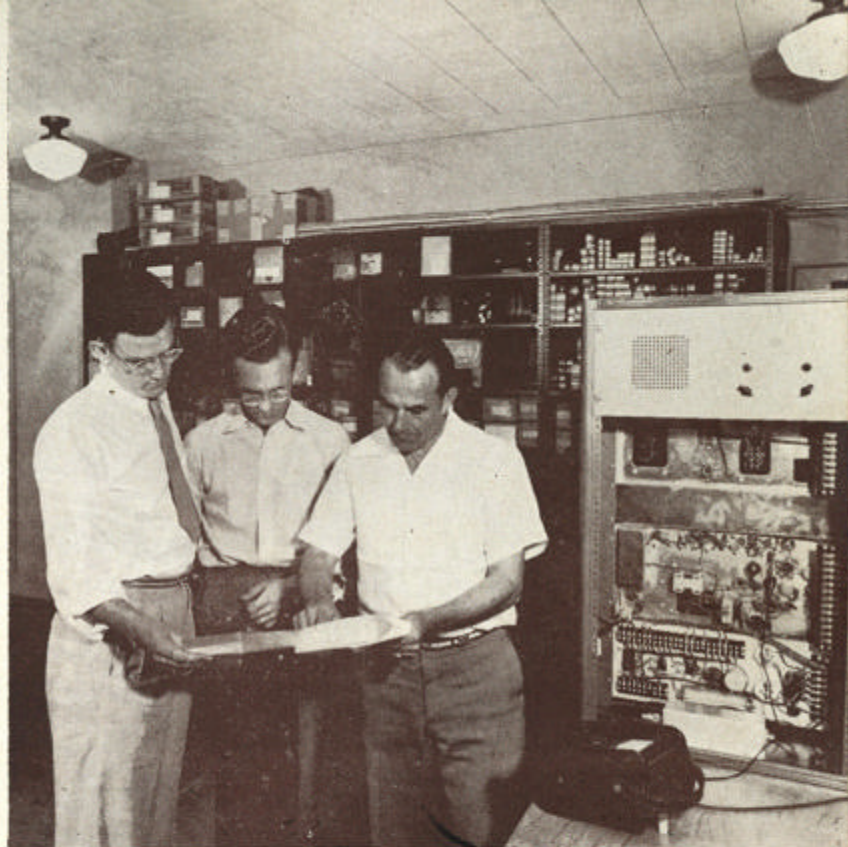


The big warehouse stocks over 1,300 different items used in line and substation construction and maintenance. Designed for efficient handling of these many items, the

warehouse was built to truck-bed level, eliminating costly and time-consuming lifting. Supplies are also delivered at floor level from a railroad spur at the west end of the building.



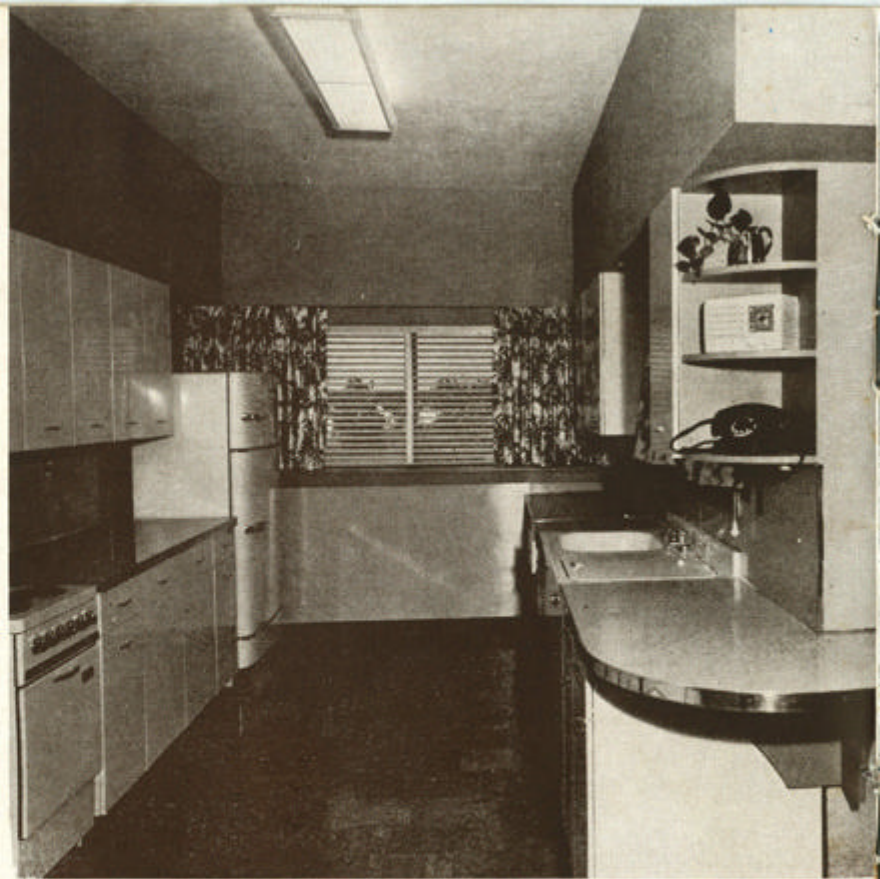
The Beaumont division dispatchers will keep track of the flow of power and operations of switching facilities through remote control equipment located at the Service Center. These quarters will be equipped with auxiliary lighting equipment for use in emergencies.



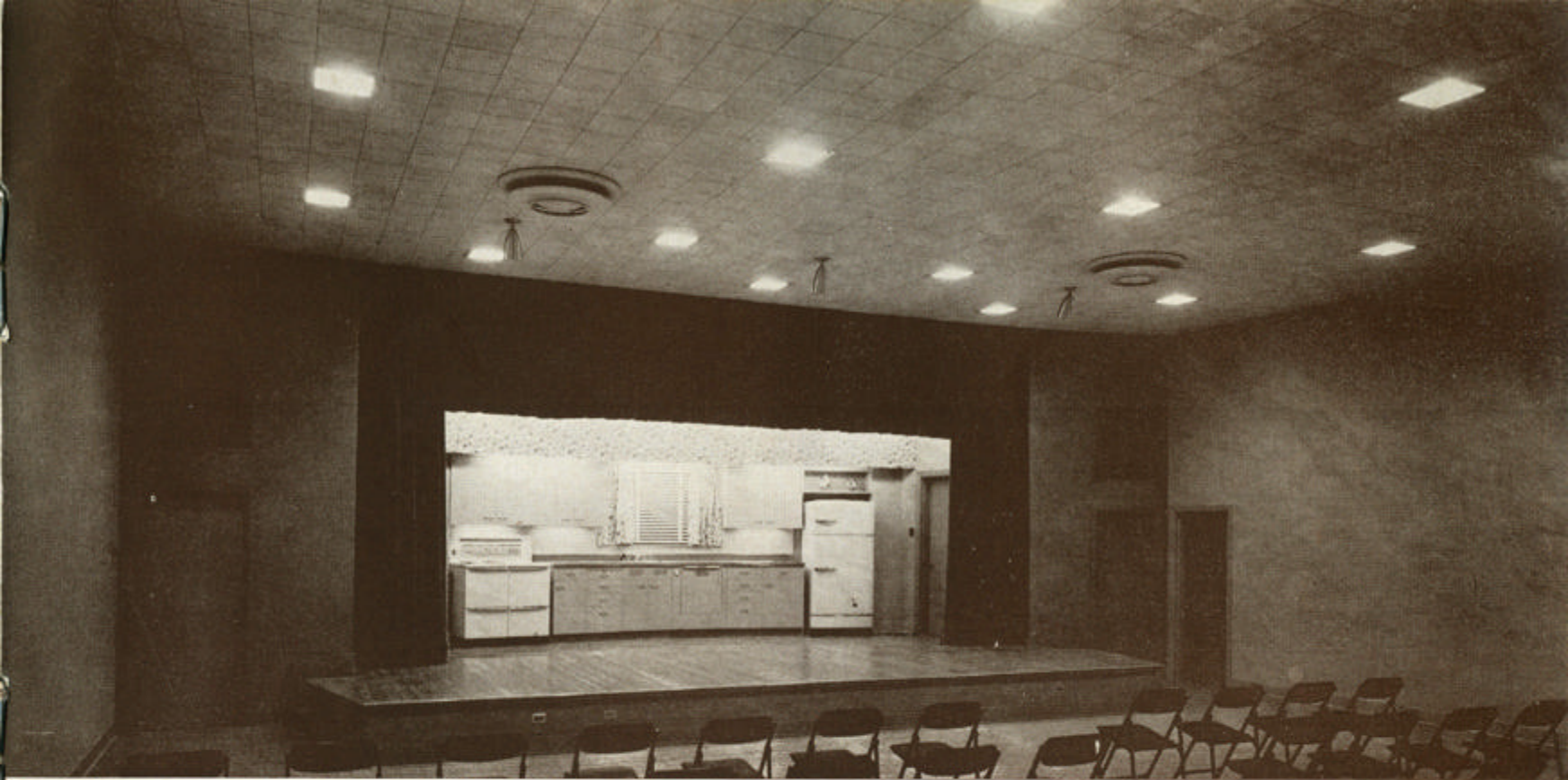
Our use of short-wave radio has greatly increased efficiency in day-to-day operations and in emergencies has proved of great value in facilitating restoration of service. The two way sets on line, and service trucks, and cars and the GSU transmitters are kept in top operating condition by skilled personnel of the Service Center Radio laboratory.



This first aid room serves for the treatment of minor injuries not requiring the services of a physician, or for emergency first aid. Practically every employee in the operating department is thoroughly trained in first aid procedures and is well qualified to handle most emergencies that may arise.



Planned and decorated by our Home Service Department, this compact electric kitchen is equipped to provide meals and hot coffee for personnel during emergencies, when they must remain on their jobs for long periods to facilitate repair of lines or equipment.

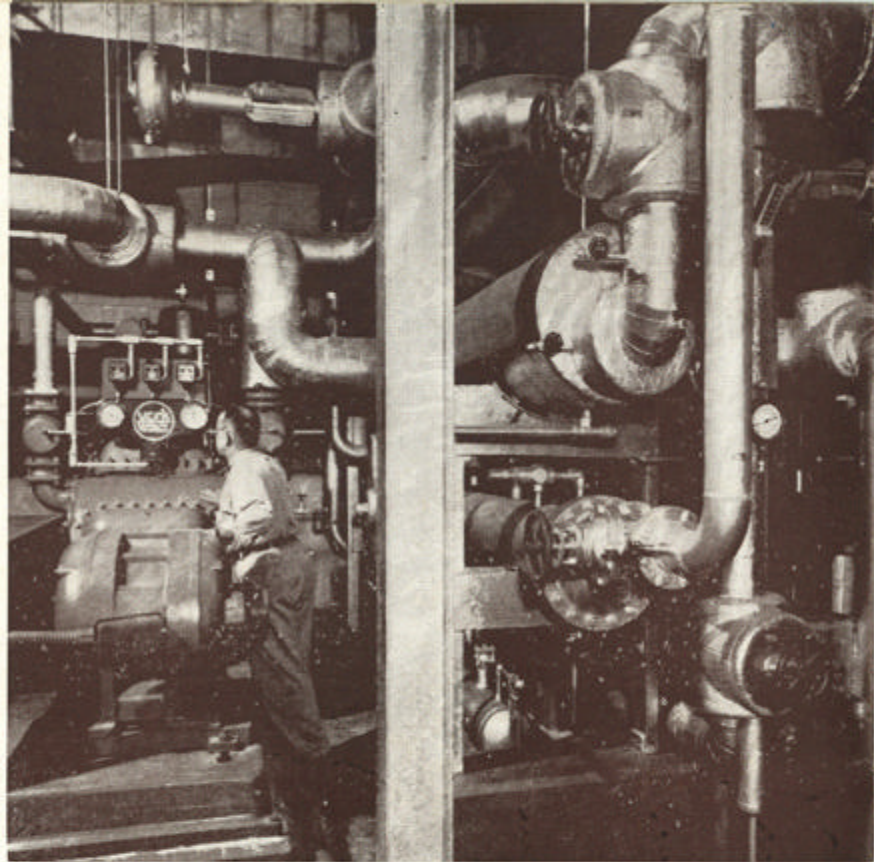


The Service Center auditorium seating 200 comfortably, will be used for demonstrations by our home economists, for employee training classes and for other meetings and events

where large groups must be accommodated. The fully-equipped electric kitchen provided for cooking demonstrations, disappears when curtains at either side are drawn.



At the end of the day, line trucks are parked at the warehouse loading dock to be serviced by warehouse employees with materials for the next day's jobs. The planning and scheduling of work to permit servicing of trucks in this manner results in faster and better service to customers.



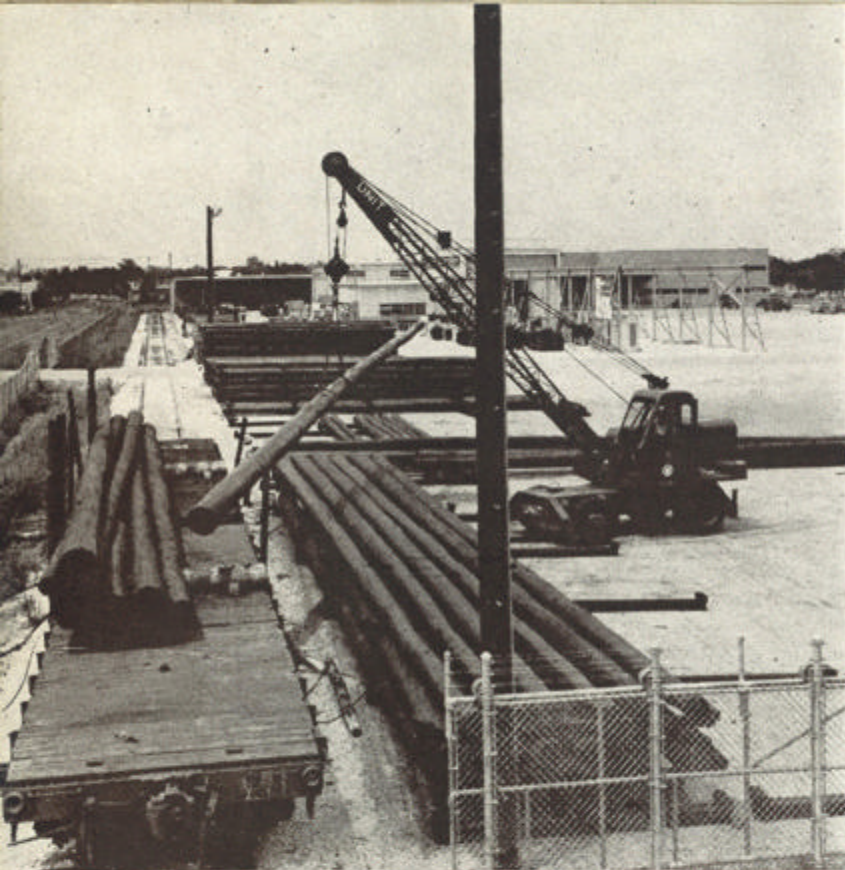
A new entry in the field of year 'round air conditioning cools and heats the office building. The so-called "heat pump" actually is a simple, compression-type refrigeration system and is now available in small package units for homes and small businesses. The refrigeration cycle is reversible, heating in the winter and cooling in the summer.



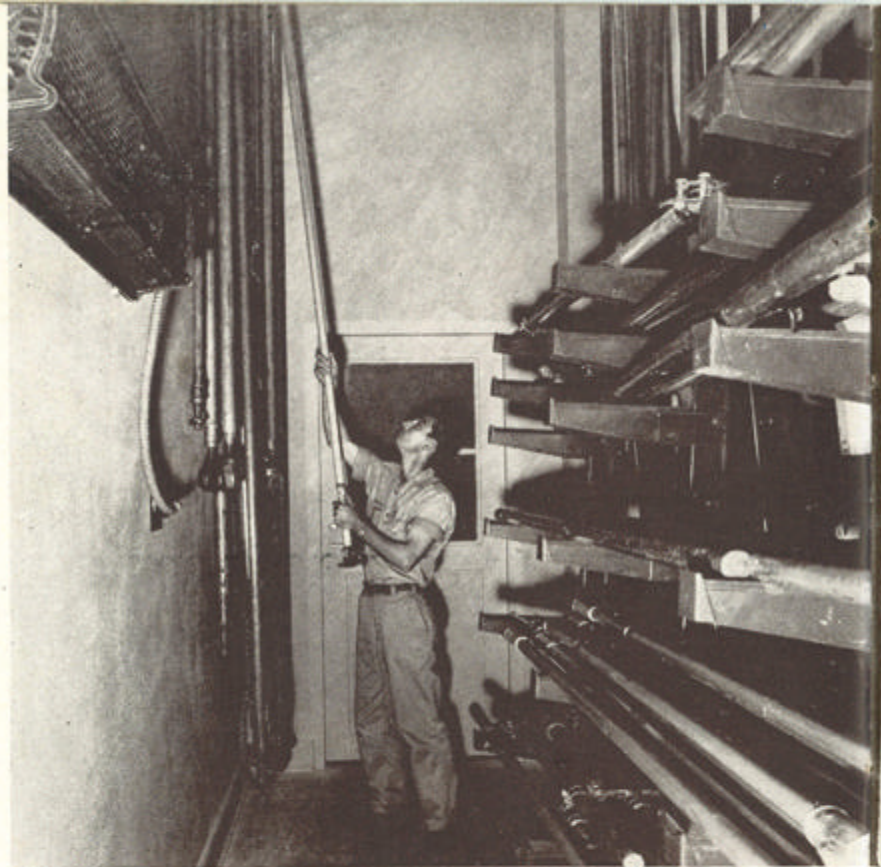
This assembly room provides a place for the safety meetings which are a vital part of the company's health and safety program. Frequent group discussions and demonstrations on working methods, vehicle operation, proper tools and equipment are held so that employees are safety conscious at work and at play.



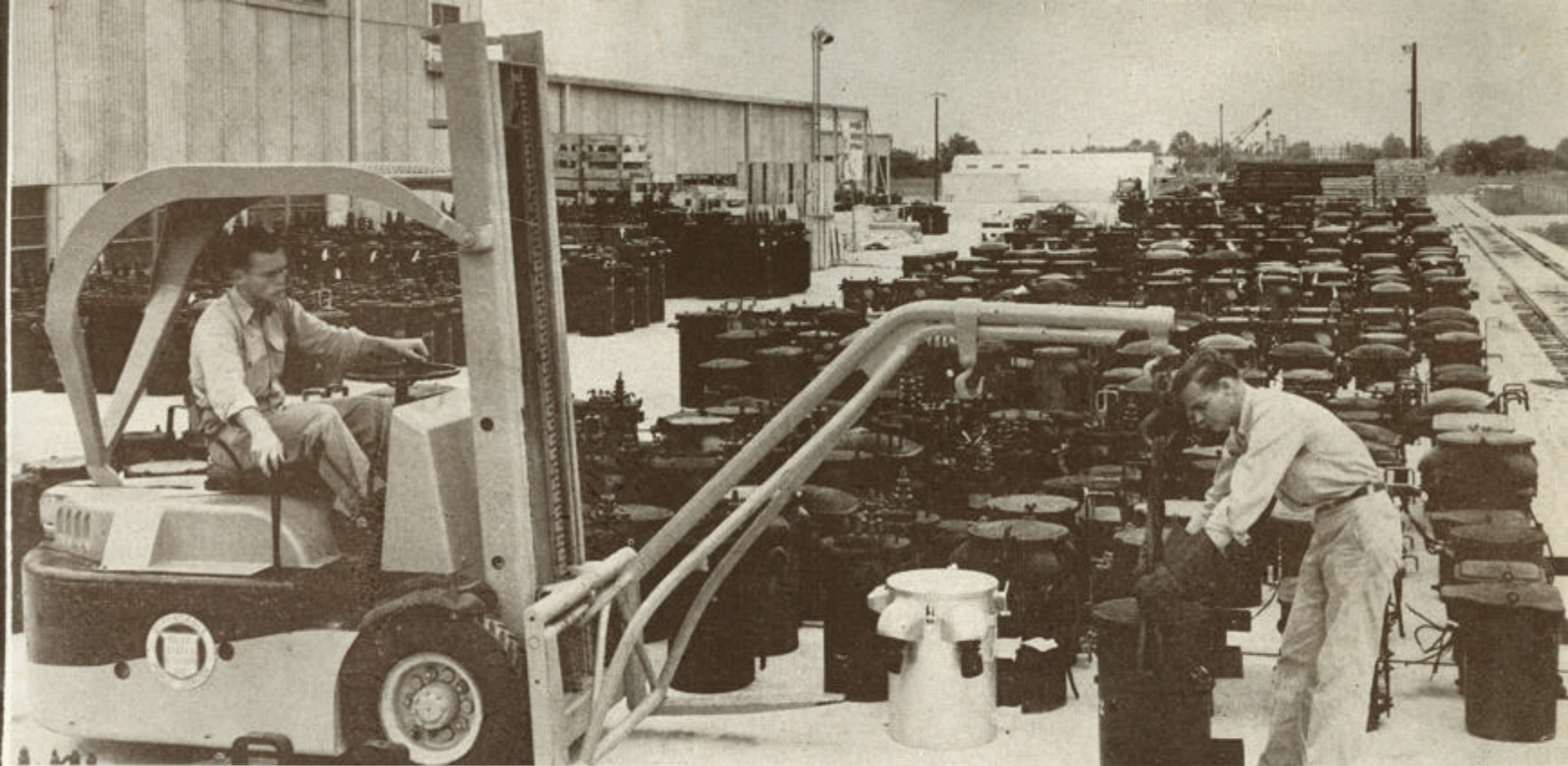
Tiled locker-room facilities are provided for line crews and shop workers. Forced ventilation of all lockers assures the complete drying of work clothes by the time the men return to work the next day.



Poles brought into the service center on flat cars are stored in neat racks until they are needed on the job. Handled by a small mobile crane these poles are moved around easily and quickly by only two men.



In this room, electric heat is employed to remove moisture from the wood handles of the tools linemen use on "live wires" carrying as high as 138,000 volts, so that these tools will not be conductors of electricity. These tools enable linemen to work on "live wires" without causing an interruption to electric service.

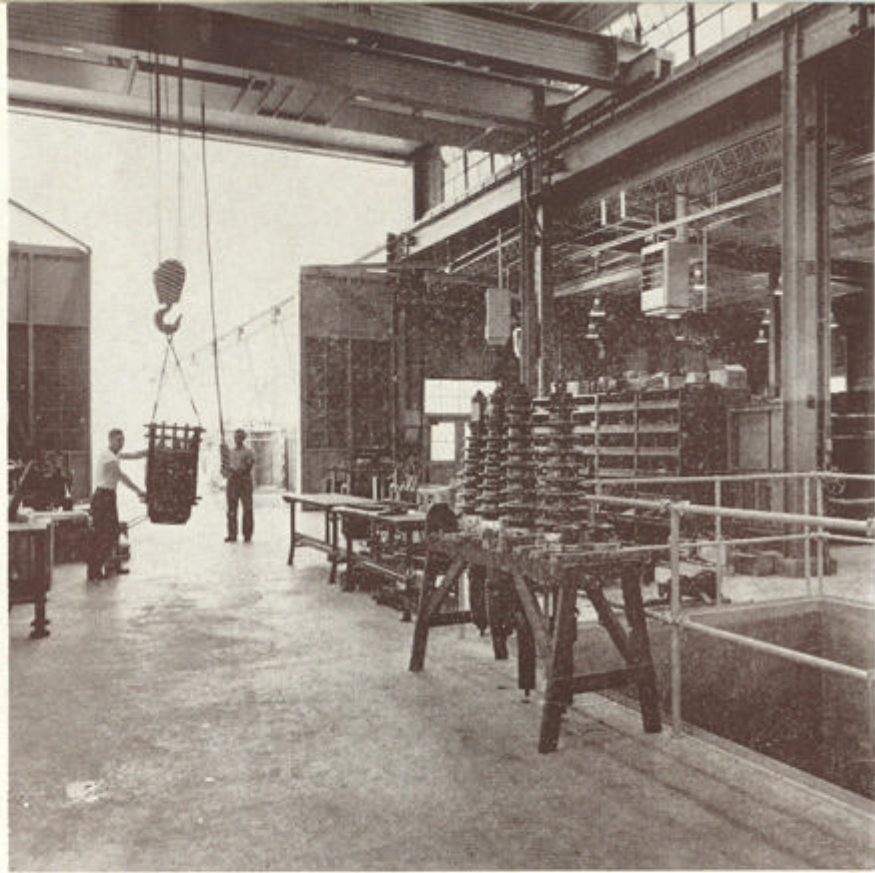


Grouped according to size, transformers are handled quickly and safely with the aid of a mobile-lift. A large

number of transformers of different ratings and capacities must be kept in top-working condition at all times to meet any emergency which may arise.



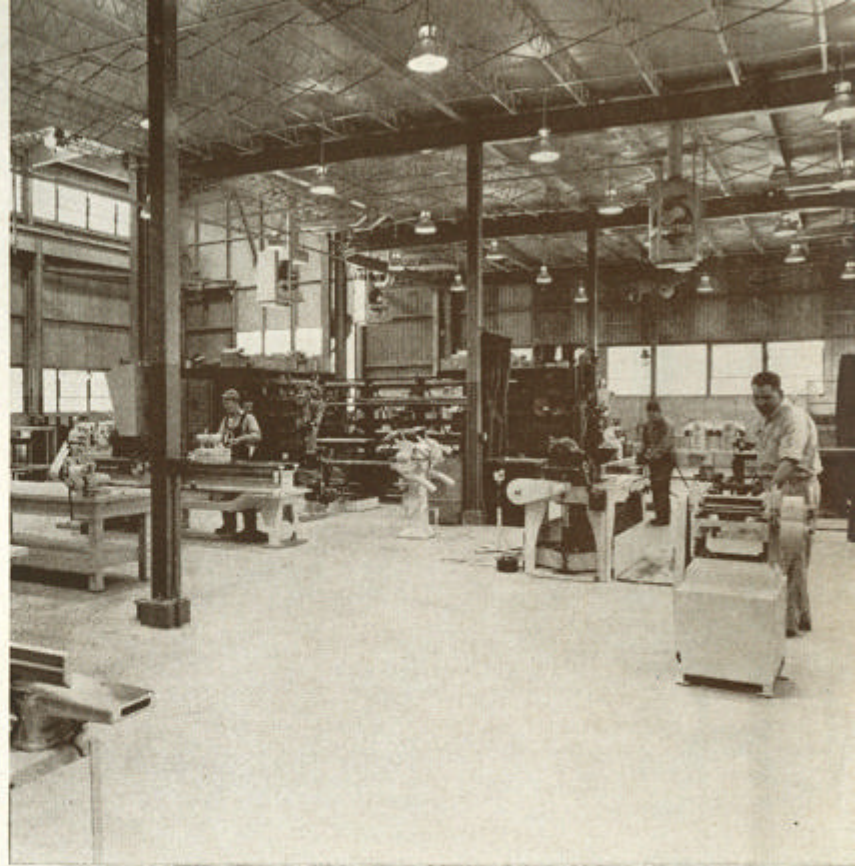
Loading a transformer weighing hundreds of pounds for delivery to the job is accomplished efficiently and safely by men using the substation department's big travelling crane. Facilities such as this at the new service center—with electric motors doing the hard work—result in better service and faster service to the people in this area.



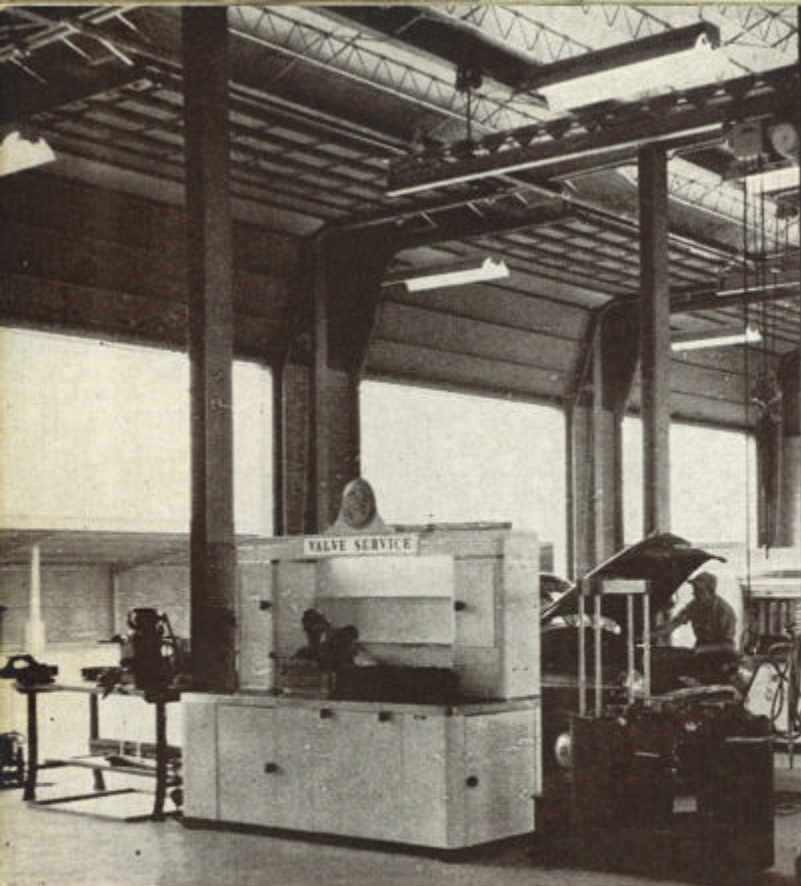
The twenty-ton travelling crane of the substation department shop facilitates the safe handling and repair of the large transformers used in the transmission and distribution of electric power. This equipment in the hands of experienced personnel, is an important factor in maintaining dependable electric service under all conditions.



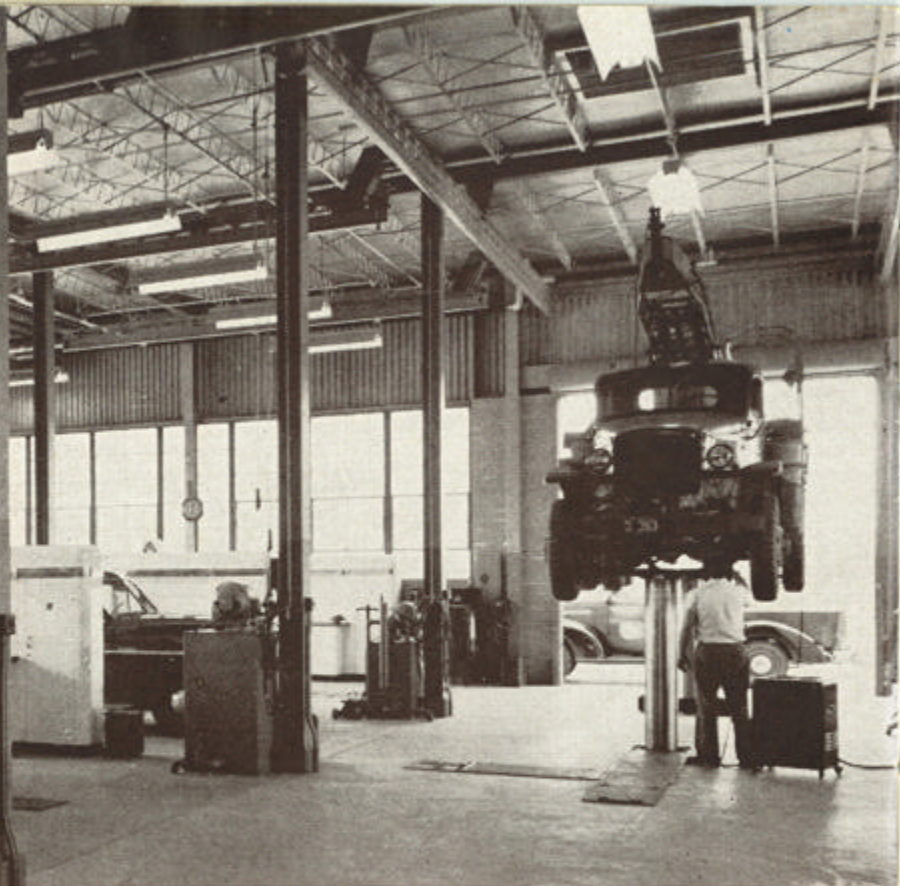
This section of the substation department is used for the general maintenance and repair of small distribution transformers. It is equipped with a small electric crane for ease and speed in handling these transformers and is immediately adjacent to the transformer storage platform—making them easily and handily accessible through the doors at the rear of the picture.



In the machine shop trained welders and machinists turn out parts for transformers, and do other metal and wood working jobs for the operating department. The ability to manufacture replacement parts for equipment, in a hurry, is especially important to the maintenance of good service.



Operation, maintenance and construction of facilities serving an area the size of Gulf States' requires numerous vehicles which must be kept in top working order. Our new



garage is equipped to handle every kind of automotive repair job. One of the features of this shop is radiant floor heating, which keeps mechanics working close to the floor warm and comfortable.

INTERESTING FACTS ABOUT GULF STATES

Industrially, agriculturally and commercially the section of the Gulf Coast served by Gulf States is one of the fastest growing in the nation. The Company has fulfilled and is fulfilling its obligation to provide for the ever growing demand for electric power by continuously expanding its facilities to provide the electric power needed for continued progress.



Gulf States served 90,000 electric customers in 1940. Now almost 200,000 are served. The population of the area is estimated at 720,000.



A pioneer in rural electrification, Gulf States' lines now parallel the highways and byways throughout the area and the percentage of "electrified farms" in Gulf States' territory is above the average for the states of Texas and Louisiana.



A business managed, tax-paying enterprise, Gulf States paid approximately \$12,500 a day in taxes of all kinds in 1949—a total of almost five million for the year.



Last year the Gulf States system delivered almost 2,000,000,000 kilowatt hours of electricity to customers—twice the pre-war record. The great industries of the area use large amounts of electric energy in their operations and farms, commercial establishments and homes are taking greater advantage of the availability of low cost, dependable electric service all the time.



The Company contributed more than \$300,000 in 1949 alone to employee retirement annuities, group insurance and hospitalization. Salaries and wages amounted to more than \$5,000,000.

