



**CHARLES "CHIP" BABCOCK**  
Oprah Winfrey's Attorney

Our speaker this week is the attorney who successfully defended Oprah Winfrey in a First Amendment case brought against her by the Cattle Raisers Association.

The cattlemen claimed a discussion on one of her programs about beef processing and disease caused a drop in cattle prices.

Charles Babcock headed a legal team who had the challenge of defending Oprah in the heart of cattle raising country. By his own estimation, there was only about a 20% chance of winning the case.

Babcock is a partner in the Litigation section of Jackson Walker. He has over 20 years experience representing a variety of clients in media and communications law as well as other litigation matters.

Before earning his law degree, Mr. Babcock was a sportswriter for *The Philadelphia Inquirer* and *The Miami Herald*. During college he worked as a broadcaster for Susquehanna Broadcasting.

He received his A.B. degree from Brown University and his J.D. degree from Boston University Law School, where he also served as Executive Editor

for the *Boston University Law Review*.

He is a member of the Dallas Bar Association, Houston Bar Association, Litigation Section of the American Bar Association, Board of Directors for the Freedom of Information Foundation, Board of Directors and Executive Committee for the Better Business Bureau of Metropolitan Dallas, and is General Counsel for the Texas Association of Broadcasters.

In 1986, Mr. Babcock received the Distinguished Pro Bono Service Award. Two years later, he was given the Meritorious Pro Bono Service Award. In 1989, he was appointed by the Texas Supreme Court to a committee charged with proposing a rule of procedure to regulate the sealing of court records including settlement agreements. He also has served a three-year term on the Texas Supreme Court Advisory Committee.

Babcock has taught courses in communications law for SMU, and the Practising Law Institute. He is a frequent speaker at seminars on communications and First Amendment law.

This week's program was arranged by LARRY BEAULIEU.

**"30" SOMETHINGS"**  
**FOR YOU TO MEET THIS WEEK**  
BRAD FOWLER - Badges  
RAY PREGEANT - Ticket Sales  
LEE FREELAND & ARTHUR MARTIN -  
Buffet Lines  
LINDA MOORE - Registration

**PROGRAM REVIEW...**

BESSIE CHISUM enthusiastically introduced last week's program. Mr. Pat Wood, III, Chairman of the Public Utility Commission, gave Rotarians a very informative discussion on the future of utilities by the year 2003. By 2003 deregulation will have occurred in the electrical and telephone industries.

Currently, the PUC regulates all electrical service, both power generation (70% of the cost) and power delivery systems (30% of the cost). In the future the generation of power will be controlled by the market. Through advances made in the aerospace industry, generation of electrical power has been improved greatly. Use of natural gas and turbine power allow for greater efficiencies in power generation and has created competition. These improved economies have allowed the cost of power generation to be reduced. Because of this the average customer should expect the power portion of electrical service cost to decline by 25%. By 2003, the consumer will be allowed to choose their power production provider. Whether it be the lowest cost provider or the most environmentally friendly provider, the consumer will decide. But, the PUC will still be involved in regulating the power delivery system side of the business. There is no need to expend additional funds on duplicative delivery systems. The poles and wires (grid) will still be a monopoly with the PUC providing protection to the consumer to insure the system services their needs.

Regulation of the telephone business will also decrease as improved technologies allow for greater efficient competition. In the future the driving force in this industry will be bandwidth. Previously, phone systems had exclusively been used for voice transmission. In the future, voice transmission will only be a minor part of the business. Data transmission will represent approximately 90% of the business. The industry will be extremely competitive and will be serviced by three alternative delivery systems. Wireline phone companies, cable companies and wireless companies will all compete for the consumers business. The PUC's role will probably be limited to the regular voice telephone service, assuring that adequate service is provided to consumers at a reasonable cost. The

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## CLUB NEWS

other areas will be allowed to compete without government regulation.

Mr. Wood stated, "The future of the world is information based." He indicated that Southeast Texas needs to assure that it is plugged into this arena which will allow for increased economic development in the area. This information based economy needs to have power. Southeast Texas has an advantage in this area with access to natural gas which will drive the turbines that generate electricity. He indicated that the area should develop this energy based infrastructure to insure the future success of our area.

Mr. Wood did discuss recent situations with Entergy and the PUC. He believes that Entergy's problems are behind them and the new management team is dedicated to top notch customer service. Consumers should expect a significant refund in their August and September bills.

Mr. Wood answered questions from Rotarians including concern about the potential Year 2000 problem. He stated that the PUC has had numerous seminars and discussions with the industry on these issues. The larger providers, Entergy included, are believed to have this situation under control. He is worried about the smaller rural co-op systems which may not have solved this problem. On a question of the past investment strategies of Entergy, Mr. Wood believes current management will make better decisions.

In conclusion, Mr. Wood believes the PUC will have less involvement as a regulatory body. Its structure and purpose will probably be similar to that of the State Insurance Department, that is insuring that compliance to laws and standards are maintained with limited involvement on pricing issues.

**The art of being wise is the art of knowing what to overlook.**  
-William James

**Practically Amazing!**



**JK** at the airport

**722-0443**

## Another Run!!!



*Let's hear  
the  
chatter &  
clammer  
for new  
members!!*

**Yeah for New Members!!**

## Home Run Streak

THE YEAR OF THE HOME RUN

### Useless Information:

- \* Rubber bands last longer when refrigerated
- \* Peanuts are one of the ingredients of dynamite
- \* A dime has 118 ridges around the edge
- \* It is impossible to sneeze with your eyes open
- \* In most advertisements, including newspapers, the time displayed on a watch is 10:10

## HAPPY BIRTHDAY!!!

Aug 26 - Sep 1

|       |               |                |
|-------|---------------|----------------|
| 08/26 | JAY EISEN     | Beaumont       |
| 08/27 | LEE FREELAND  | New Orleans    |
| 08/27 | TOM GOBER     | Birmingham, AL |
| 08/27 | KEVIN ROY     | Beaumont       |
| 08/28 | CHARLES GLASS | Mt. Pleasant   |
| 08/29 | FRED YOUNG    | Dallas         |
| 08/30 | JEFF DYSON    | Beaumont       |
| 08/30 | ANN SCOGGIN   | Mexia, TX      |
| 09/01 | JIM MASON     | Rochester, NH  |

## SECRETARY'S NOTES

Your Board of Directors met on August 17 and the following actions pertaining to membership were taken:

**Resignations Accepted With Regret:**  
**DOYLE MCQUILLON**, "Natural Gas Distribution"

**Approved for Membership**, subject to notice given you for comment in writing to the Secretary within ten days:

**Shirley Elskes**, Branch Manager, Corporate Vice President, Painewebber. Proposed by Allison Golias and approved for "Brokerage: Firm-Branch Manager".

**Bruce Walker**, TCI Media Services Executive. Proposed by Bessie Chisum and approved for "past service".

**Jo Nell Evans**, Owner, President & CEO of Reed Service Company. Proposed by John Quigley and approved for "Air Conditioning -Residential".

**Carol Flatten**, Executive Director of Foundation for Southeast Texas. Proposed by John Quigley and approved for "Assns: Foundation for Southeast Texas".

**Cindy Fertitta**, Chief Financial Officer, Southern Avionics Company. Proposed by Jerry Duty and approved for "Machinery & Equipment: Aviation Communication Manufacturing".

**Danny Babineaux**, President/Owner, Air Comfort, Inc. Proposed by Eddie Arnold and approved for "Air Conditioning: Commercial".

**Emelie LaRousse**, Executive Director of southeast Texas Food Bank. Proposed by John Quigley and approved for "Assns: Southeast Texas Food Bank".

**Joe E. Broussard, IV**, Partner, Mehaffy & Weber. Proposed by Roger McCabe and approved for "Law: Tax Law Practice".

**Charlotte Fontenot**, Owner/Suburban T.V. Home Theatre Gallery. Proposed by Jerry Duty and approved for "Furniture, fixtures & furnishings: Television Sales".

## Better Business Bureau\*

of Southeast Texas



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Hardin, Jasper, Jefferson,  
Liberty, Newton, Orange and Tyler counties



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