UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON D.C. 20549

FORM 10-Q

(Mark one)

[X] Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended April 30, 1999.

or

[ ] Transition Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from ______________ to ______________

COMMISSION FILE NUMBER 0-6050

POWELL INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

NEVADA	88-0106100
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
8550 Mosley Drive, Houston, Texas	77075-1180
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (713) 944-6900

Indicate by "X" whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

Common Stock, par value $.01 per share; 10,659,345 shares outstanding on June 11, 1999.

Powell Industries, Inc. and Subsidiaries

POWELL INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

	APRIL 30, 1999	OCTOBER 31, 1998
ASSETS	(UNAUDITED)	
Current Assets:		
Cash and cash equivalents	$ 478	$ 601
Accounts receivable, less allowance for doubtful accounts of $ 713 and $ 761, respectively	53,470	44,255
Costs and estimated earnings in excess of billings	22,303	24,783
Inventories	16,952	16,284
Deferred income taxes	451	709
Income taxes receivable	--	945
Prepaid expenses and other current assets	2,346	1,441
Total Current Assets	96,000	89,018
Property, plant and equipment, net	34,161	32,311
Deferred income taxes	1,142	833
Other assets	5,140	4,969
Total Assets	$136,443	$127,131
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts and income taxes payable	$ 12,184	$ 12,094
Accrued salaries, bonuses and commissions	4,735	6,784
Accrued product warranty	1,506	1,388
Other accrued expenses	3,834	4,652
Billings in excess of costs and estimated earnings	7,002	3,845
Current maturities of long-term debt	2,429	1,429
Total Current Liabilities	31,690	30,192
Long-term debt, net of current maturities	15,358	11,571
Deferred compensation expense	1,162	1,187
Postretirement benefits liability	761	845
Commitments and contingencies		
Stockholders' Equity:		
Preferred stock, par value $.01; 5,000,000 shares authorized; none issued		
Common stock, par value $.01; 30,000,000 shares authorized; 10,659,345 and 10,656,945 shares issued and outstanding	107	107
Additional paid-in capital	5,950	5,919
Retained earnings	84,233	80,237
Deferred compensation-ESOP	(2,818)	(2,927)
Total Stockholders' Equity	87,472	83,336
Total Liabilities and Stockholders' Equity	$136,443	$127,131

The accompanying notes are an integral part of these condensed consolidated financial statements.

POWELL INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

	THREE MONTHS ENDED APRIL 30, 1999	1998
Revenues	$ 56,331	$ 53,989
Cost of goods sold	46,093	41,708
Gross profit	10,238	12,281
Selling, general and administrative expenses	7,497	7,335
Earnings from operations before interest and income taxes	2,741	4,946
Interest expense, net	137	30
Earnings from operations before income taxes	2,604	4,916
Income tax provision	784	1,602
Net earnings	$ 1,820	$ 3,314
Net earnings per common share:		
Basic	$ 0.17	$ 0.31
Diluted	0.17	0.31
Weighted average number of common shares outstanding	10,660,905	10,642,613
Weighted average number of common and common equivalent shares outstanding	10,720,233	10,743,872

The accompanying notes are an integral part of these condensed consolidated financial statements.

POWELL INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)
(IN THOUSANDS, EXCEPT SHARE AND PER SHARE DATA)

	SIX MONTHS ENDED APRIL 30, 1999	1998
Revenues	$ 110,465	$ 100,339
Cost of goods sold	89,295	77,427
Gross profit	21,170	22,912
Selling, general and administrative expenses	15,008	14,463
Earnings from operations before interest and income taxes	6,162	8,449
Interest expense, net	273	53
Earnings from operations before income taxes	5,889	8,396
Income tax provision	1,891	2,684
Net earnings	$ 3,998	$ 5,712
Net earnings per common share:		
Basic	$ 0.38	$ 0.54
Diluted	0.37	0.53
Weighted average number of common shares outstanding	10,659,725	10,641,806
Weighted average number of common and common equivalent shares outstanding	10,743,872	10,753,379

The accompanying notes are an integral part of these condensed consolidated financial statements.

POWELL INDUSTRIES, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)
(IN THOUSANDS)

	SIX MONTHS ENDED APRIL 30, 1999	1998
Operating Activities:		
Net earnings	$ 3,998	$ 5,712
Adjustments to reconcile net earnings to net cash provided by (used in) operating activities:		
Depreciation and amortization	2,185	1,977
Deferred income tax provision (benefit)	(51)	446
Postretirement benefits liability	(84)	(180)
Changes in operating assets and liabilities:		
Accounts receivable	(9,215)	11,045
Costs and estimated earnings in excess of billings	2,480	1,855
Inventories	(668)	(9,049)
Prepaid expenses and other current assets	(905)	267
Other assets	(463)	119
Accounts payable and income taxes payable or receivable	1,035	1,498
Accrued liabilities	(2,749)	(2,925)
Billings in excess of costs and estimated earnings	3,157	(6,718)
Deferred compensation expense	82	117
Net cash provided by (used in) operating activities	(1,198)	4,164
Investing Activities:		
Purchases of property, plant and equipment	(3,743)	(5,510)
Net cash used in investing activities	(3,743)	(5,510)
Financing Activities:		
Borrowings of long-term debt	17,500	11,000
Repayment of long term debt	(12,713)	(10,000)
Exercise of stock options	31	63
Net cash provided by financing activities	4,818	1,063
Net decrease in cash and cash equivalents	(123)	(283)
Cash and cash equivalents at beginning of period	601	2,219
Cash and cash equivalents at end of period	$ 478	$ 1,936
Supplemental disclosure of cash flow information (in thousands):		
Cash paid during the quarter for:		
Interest	$ 570	$ 171
Income taxes	$ 0	$ 0

The accompanying notes are an integral part of these condensed consolidated financial statements.

POWELL INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

A. BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and, in the opinion of management, reflect all adjustments which are of a normal recurring nature necessary for a fair presentation of financial position, results of operations, and cash flows. These financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's October 31, 1998 annual report on Form 10-K.

SFAS No. 130, "Reporting Comprehensive Income", was issued in June 1997. SFAS No. 130 requires the presentation of comprehensive income in an entity's financial statements. Comprehensive income represents all changes in equity of an entity during the reporting period, including net income and charges directly to equity which are excluded from net income. The Company adopted SFAS No. 130 during fiscal year ended October 31, 1998. The adoption had no effect on the Company's consolidated financial position or results of operations.

B. INVENTORY

	April 30, 1999 (unaudited)	October 31, 1998
The components of inventory are summarized below (in thousands):		
Raw materials and subassemblies	$10,202	$ 9,795
Work-in-process	6,750	6,489
Total inventories	$16,952	$16,284

C. PROPERTY, PLANT AND EQUIPMENT

	April 30, 1999 (unaudited)	October 31, 1999
Property, plant and equipment is summarized below (in thousands):		
Land	$ 3,193	$ 2,720
Buildings and improvements	30,588	27,478
Machinery and equipment	29,216	28,149
Furniture & fixtures	4,345	4,039
Construction in process	2,151	3,364
	69,493	65,750
Less-accumulated depreciation	(35,332)	(33,439)
Total property, plant and equipment, net	$34,161	$32,311

Part I
Item 1

D. PRODUCTION CONTRACTS

For contracts for which the percentage-of-completion method is used, costs and estimated earnings in excess of billings are shown as a current asset and billings in excess of costs and estimated earnings are shown as a current liability. The components of these contracts are as follows (in thousands):

	April 30, 1999 (unaudited)	October 31, 1998
Costs and estimated earnings	$ 97,227	$114,127
Progress billings	(74,924)	(89,344)
Total costs and estimated earnings in excess of billings	$ 22,303	$ 24,783
Progress billings	$97,055	$ 67,471
Costs and estimated earnings	(90,003)	(63,626)
Total billings in excess of costs and estimated earnings	$ 7,022	$ 3,845

E. EARNINGS PER SHARE

The following table sets forth the computation of basic and diluted earnings per share (in thousands, except share and per share data):

	Three Months Ended April 30, 1999	Three Months Ended April 30, 1998	Six Months Ended April 30, 1999	Six Months Ended April 30, 1998
	(unaudited)		(unaudited)	
Numerator:				
Numerator for basic and diluted earnings per share-earnings from continuing operations available to common stockholders	$ 1,820	$ 3,314	$ 3,998	$ 5,712
Denominator:				
Denominator for basic earnings per share-weighted average shares	10,660,905	10,642,613	10,659,725	10,641,806
Effect of dilutive securities-employee stock options	59,327	101,259	84,147	111,573
Denominator for diluted earnings per share-adjusted weighted-average shares with assumed conversions	10,720,233	10,743,872	10,743,872	10,753,379
Basic earning per share	$ 0.17	$ 0.31	$ 0.38	$ 0.54
Diluted earnings per share	$ 0.17	$ 0.31	$ 0.37	$ 0.53

Part I
Item 1

F. BUSINESS SEGMENTS (unaudited)

The Company has three reportable segments: 1. Switchgear and related equipment and service (Switchgear) for distribution, control and management of electrical energy. 2. Bus duct products (Bus Duct) for distribution of electric power. 3. Process Control Systems which consists principally of instrumentation, computer control, communications and data management systems for the control of dynamic processes.

The required disclosures for the business segments are set forth below (in thousands):

	Three Months Ended April 30, 1999	1998	Six Months Ended April 30, 1999	1998
	(unaudited)		(unaudited)	
Revenues:				
Switchgear	$37,973	$38,721	$77,209	$71,335
Bus Duct	7,517	6,524	13,757	12,682
Process Control Systems	8,440	6,674	14,807	11,192
Sub-total	53,930	51,919	105,773	95,209
Other	4,139	3,250	6,944	7,257
Intercompany Eliminations	(1,738)	(1,180)	(2,252)	(2,127)
Total Revenues	$56,331	$53,989	$110,465	$100,339
Earnings from operations before income taxes:				
Switchgear	$ 1,999	$ 4,025	$ 5,051	$ 7,116
Bus Duct	1,386	1,504	2,474	2,670
Process Control Systems	301	98	549	243
Sub-total	3,686	5,627	8,074	10,029
Other	(1,082)	(712)	(2,185)	(1,633)
Total earnings from operations before income taxes	$ 2,604	$ 4,916	$ 5,889	$ 8,396

	April 30, 1999	October 31, 1998
	(Unaudited)	
Assets		
Switchgear	$ 95,362	$ 90,603
Bus Duct	11,984	12,271
Process Control Systems	12,029	10,309
Sub-total	119,375	113,183
Corporate and Other	17,068	13,948
Total Assets	$136,443	$127,131

Part I
Item 2

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND QUARTERLY RESULTS OF OPERATIONS

RESULTS OF OPERATIONS

The following table sets forth, as a percentage of revenues, certain items from the Condensed Consolidated Statements of Operations.

	April 30, 1999		April 30, 1998	
	three months ended	six months ended	three months ended	six months ended
Revenues	100.0%	100.0%	100.0%	100.0%
Gross Profit	18.2	19.2	22.7	22.8
Selling, general and administrative expenses	13.3	13.6	13.6	14.4
Interest expense, net	.2	.2	.1	.1
Earnings from operations before income taxes	4.6	5.3	9.1	8.4
Net earnings	3.2	3.6	6.1	5.7

Revenues for the quarter ended April 30, 1999, were up 4.3 percent to $56,331,000 from $53,989,000 in the second quarter of last year. Revenues for the six months ended April 30, 1998 were up 10 percent to $110,465,000 from $100,339,000. The increases in revenues were in the export markets. Sales increases from the Bus Duct and Process Control Systems business segments accounted for the majority of the increase for the quarter. Export revenues continued to be an important component of the Company's operations, accounting for $45,635,000 for the six months ending April 30, 1999 compared to $39,240,000 for the same period of 1998.

Gross profit, as a percentage of revenues, was 18.2 percent and 22.7 percent for the quarter ended April 30, 1999 and 1998, respectively. The lower percentages in 1999 were mainly due to the decline in performance of the Switchgear business segment and lower prices, and changes in product mix to lower gross margin products.

Selling, general and administrative expenses as a percentage of revenues were 13.3 percent and 13.6 percent for the quarters ended April 30, 1999 and 1998, respectively. The decrease in percentages reflects the increased volume of revenues.

Interest expense, net The following schedule shows the amounts for interest expense and income:

	April 30, 1999		April 30, 1998	
	Three month Ended	six months ended	three months ended	six months ended
Expense............................	$216	$429	$106	$223
Income.............................	(79)	(156)	(76)	(170)
Net................................	$137	$273	$ 30	$ 53

Sources of interest expense were primarily related to 10.5% in 1996 bank notes payable in 1999 and 1998 at rates between 6 and 8%.

Sources of the interest income were related to notes receivable and short-term investment of available funds at various rates between 4 and 7%.

Income tax provision The effective tax rates on continuing operations earnings were 30.1 percent and 32.6 percent for the quarter ended April 30, 1999 and 1998, respectively. The decrease was primarily due to higher estimated foreign sales corporation credits compared to the prior year as a result of a higher than normal volume of international percentage of completion projects in process at the end of the quarter. This effective tax rate difference should be a timing difference and the effective rate should finish the year at approximately 31-32 percent which is more consistent with past years.

Earnings from continuing operations were $1,820,000 or $.17 per diluted share for the second quarter of fiscal 1999, a decrease from $3,314,000 or $.30 per diluted share for the same period last year. The decrease was mainly due to lower gross margins in the Switchgear and Bus Duct business segments.

Backlog The order backlog at April 30, 1999 was $136.2 million, compared to $143.4 million at October 31, 1998.

LIQUIDITY AND CAPITAL RESOURCES

In September 1998, the Company amended an existing revolving line of credit agreement with a major domestic bank. The agreement provided for a $10,000,000 term loan and a revolving line of credit of $15,000,000. In February 1999 the agreement was amended to increase the revolving line of credit to $20,000,000. The Company had borrowings outstanding of $3,500,000 under this line on June 11, 1999 and was in compliance with all financial covenants of the agreement.

The Company's ability to satisfy its cash requirements is evaluated by analyzing key measures of liquidity applicable to the Company. The following table is a summary of the measures which are significant to management:

	April 30, 1999	October 31, 1998
Working Capital	$64,310,000	$58,826,000
Current Ratio	3.03 to 1	2.95 to 1
Long-term Debt to Capitalization	.2 to 1	.1 to 1

Management believes that the Company continues to maintain a strong liquidity position. The increase in working capital at April 30, 1999, as compared to October 31, 1998, is due mainly to an increase in accounts receivable.

Cash and cash equivalents decreased by $123,000 during the six months ended April 30, 1999. The primary use of cash during this period was for the increase of accounts receivable. The net borrowings and the net earnings were the primary sources of required cash for the quarter.

The Company's fiscal 1999 asset management program will continue to focus on the collection of receivables and reduction in inventories. The Company plans to satisfy its fiscal 1999 capital requirements and operating needs primarily with funds available in cash and cash equivalents of $478,000, funds generated from operating activities and funds available under its existing revolving credit line.

The previous discussion should be read in conjunction with the consolidated financial statements.

Year 2000 Readiness

The Year 2000 readiness issue results from the historical use in computer software programs and operating systems of a two digit number to represent the year. Certain software and hardware may fail to properly function when confronted with dates that contain "00" as a two digit year. New information about the nuances of the problem seems to become available on almost a daily basis and that is likely to continue as companies around the world focus increased attention and resources on finding solutions to the problem's many manifestations.

To address the potential risk for disruption of operations, each subsidiary of the Company has developed a compliance plan. The Company has substantially completed a comprehensive initial assessment of the readiness of its internal systems and manufacturing systems. Many of the readiness issues identified in internal systems during the course of the initial assessment have already been addressed. Numerous tests have been conducted to confirm the effectiveness of applied solutions. Additional testing will occur throughout 1999. While the Company's initial assessment is substantially complete, the Company intends to continue to update the assessment of its state of readiness based upon new information that may become available from third party vendors, suppliers and manufacturers in the months to come.

All components originally manufactured by the Company are inherently compliant in that the components do not manipulate, process, store or record date-related information. However, a few subsidiaries, including the Company's largest subsidiary, Powell Electrical Manufacturing Company, sell engineered systems that include potentially noncompliant components manufactured by third parties. The Company is pursuing a plan to evaluate the compliance status of all components manufactured by third parties and will pass through to its customers any compliance warranties provided by the components' manufacturers. The Company will continue to strongly recommend to its customers that each of them make an independent evaluation of the readiness of manufactured products that include potentially noncompliant components.

The Transdyn Controls, Inc. subsidiary is a systems integrator of primarily third party products. As an integrator, Transdyn must rely on the readiness information provided by the providers of those third party products. Microsoft is the primary provider of software Transdyn utilizes in its integrated systems. Based on currently available information, Transdyn believes that the versions of third party products currently integrated into systems it develops are either compliant or will be compliant upon application of readily available patches. Earlier versions of third party products integrated in systems delivered by Transdyn in the past are known to be noncompliant, and Transdyn will continue to work to identify and notify affected customers. Transdyn is offering its services to affected customers to assist in the testing, retrofit or upgrade process.

The costs to the Company to achieve Year 2000 readiness are believed to be approximately $100,000 to $200,000. Most tasks associated with compliance plan implementation have been or will be completed by internal employees. Certain tasks will be performed by external solution providers; however, reliance on external resources will not be significant.

The most likely worst case Year 2000 scenario for the Company includes the following possibilities:

* A limited number of components manufactured by third parties will fail in some respect despite the manufacturers' assurances that such components are compliant. To the extent that this occurs and the Company is obligated to do so under contractual warranties, the Company will make replacement components available to customers. Otherwise, the Company will facilitate the identification of viable compliant components and replacement of the noncompliant components.

* A limited number of customers who were notified of possible compliance issues associated with older equipment will fail to timely address the issue and will seek assistance from the Company after roll-over. To the extent sufficient and appropriate resources are available, the Company will facilitate component replacement or upgrades.

* Some customers may suffer failures that cause those customers to delay placing additional orders of new equipment during the first quarter of 2000 or to delay payment for previously ordered products. The Company plans to position itself to adjust to any temporary reduction of new orders and to withstand short term cash flow issues.

* One or more physical facilities may suffer some degree of infrastructure failure, due in part to the number of geographic locations of the various subsidiaries. The Company plans to carefully manage its contractual obligations to customers during the first month of 2000 so as to minimize the effect any infrastructure failure might have on its ability to satisfy those obligations. At this time, the Company does not intend to invest in alternative sources of water, power or telecommunications. The Company will prepare further contingency plan s to deal with potential in frastructure failure if and when additional information becomes available from current providers as to their state of readiness.

While other scenarios are possible given the interdependent nature of all businesses, the Company believes that the foregoing elements, individually or any combination of one or more other element, represent the most likely worst case scenario.

Part I
Item 3

Quantitative and Qualitative Disclosure about Market Risk

The Company's financial instruments include cash and equivalents, accounts receivable, accounts payable, debt obligations and interest rate swaps. The book value of cash and equivalents, accounts receivable and payable and short-term debt are considered to be representative of fair value because of the short maturity of these instruments. The Company believes that the carrying value of its borrowings under the credit agreement approximate their fair value as they bear interest at rates indexed to IBOR. The Company receivables are not concentrated in one customer or one industry and is not viewed as an unusual credit risk. The Company had recorded an allowance for doubtful accounts of $713,000 at April 30, 1999 and $761,000 at October 31, 1998, respectively.

The rate swap agreement, which is used by the Company in the management of interest rate exposure is accounted for on the accrual basis. Income and expense resulting from this agreement is recorded in the same category as interest expense accrued on the related term note. Amounts to be paid on received under the interest rate swap agreement is recognized as an adjustment to expense in the periods in which they accure. At April 30, 1999 the Company had $9,786,000 of borrowings subject to interest rate swap at a rate of 5.20% through September 30, 2003. The agreements require that the Company pay the counterparty at the above fixed swap rate and requires the counterparty to pay the Company interest ar the 30 day IBOR rate. The closing 30 day IBOR rate on April 30, 1999 was 4.90%.

Any forward looking statements in the preceding paragraphs of this Form 10-Q are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such forward looking statements involve risks and uncertainty in that actual results may differ materially from those projected in the forward looking statements. These risks and uncertainties include, without limitation, difficulties which could arise in obtaining materials or components in sufficient quantities as needed for the Company's manufacturing and assembly operations, unforeseen political or economic problems in countries to which the Company exports its products in relation to the Company's principal competitors, any significant decrease in the Company's backlog of orders, any material employee relations problems, or any material litigation or claims made against the Company, as well as general market conditions, competition and pricing.

OTHER INFORMATION

ITEM 1. Legal Proceedings
The Company is a party to disputes arising in the ordinary course of business. Management does not believe that the ultimate outcome of these disputes will materially affect the financial position of results of operations of the Company.

ITEM 2. Changes in Securities and Use of Proceeds
None

ITEM 3. Defaults Upon Senior Securities
Not applicable

ITEM 4. Submission of Matters to a Vote of Security Holders
At the annual meeting of stockholders of the Company held on March 19, 1999, J. F. Ahart, Eugene L. Butler, and Bonnie L. Powell were elected as directors of the Company with terms ending in 2002. The directors continuing in office after the meeting are Stephen W, Seale, Jr., Thomas W. Powell, Lawrence R. Tanner and Joseph L. Becherer. As to each nominee for director, the number of votes cast for or ithheld, as well as the number of abstentions and broker non-votes, were as follows:

Nominee	Votes Cast for	Votes Withheld	Abstentions	Non-Votes
J. F. Ahart	10,293,166	34,364	---	333,149
Eugene L. Butler	10,293,026	34,504	---	333,149
Bonnie L. Powell	10,290,777	36,753	---	333,149

At the annual meeting, the stockholders also approved and ratified the actions of the directors and officers of the Company during fiscal 1998 as the acts of the Company. The number of votes cast for, against, or withheld, as well as the number of abstentions and broker non-votes, with respect to such matter was as follows:

Votes Cast For	Votes Cast Against	Abstentions	Non-Votes
10,327,530	---	---	333,149

ITEM 5. Other Information
None

ITEM 6. Exhibits and Reports on Form 8-K
a. Exhibits

10.6 Amendment dated February 26 , 1999 to credit agreement between Powell Industries, Inc. and Bank of America Texas, N.A.

27.0 Financial Data Schedule

b. Reports on Form 8-K
None

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

POWELL INDUSTRIES, INC.
Registrant

June 10, 1999	/s/ THOMAS W. POWELL
Date	Thomas W. Powell President and Chief Executive Officer (Principal Executive Officer)
June 10, 1999	/s/ J. F. AHART
Date	J.F. Ahart Vice President, Secretary-Treasurer Chief Financial Officer (Principal Financial and Accounting Officer)

EXHIBIT 10.6

AMENDMENT TO DOCUMENTS

FOURTH AMENDMENT TO BUSINESS LOAN AGREEMENT

This Fourth Amendment to Business Loan Agreement is entered into as of February 26, 1999, between Bank of America Texas, N.A. ("Bank") and Powell Industries, Inc. ("Borrower").

RECITALS

A. WHEREAS, Bank and Borrower have entered into that certain Business Loan Agreement dated August 21, 1997, and amended on September 16, 1998, September 25, 1998, and October 15, 1998 (collectively the "Agreement"); and

B. WHEREAS, Borrower and Bank desire to amend certain terms and provisions of said Agreement as more specifically hereinafter set forth.

AGREED

NOW, THEREFORE, in consideration of the foregoing recitals and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Bank and Borrower mutually agree to amend said Agreement as follows:

1. In Paragraph 1.1 (Line of Credit Amount) of the Agreement, the amount "Twenty Million and No/100 Dollars ($20,000,000.00)," is substituted for the amount "Fifteen Million and No/100 Dollars ($15,000,000.00)."

2. In Paragraph 1.2 (Availability) of the Agreement, the date "February 28, 2001," is substituted for the date "February 28, 2000."

3. Paragraph one of Paragraph 1.5 (Letters of Credit) is amended in its entirety to read as follows:

   1.5 LETTERS OF CREDIT. This line of credit may be used for issuing commercial letters of credit and standby letters of credit with a maximum maturity of February 28, 2001, provided however that letters of credit of One Million and No/100 Dollars ($1,000,000.00) or less may mature one year beyond the Expiration Date. Each commercial letter of credit will require drafts payable at sight.

This Amendment will become effective as of the date first written above, provided that each of the following conditions precedent have been satisfied in a manner satisfactory to Bank:

The Bank has received from the Borrower a duly executed original of this Amendment, together with a duly executed Guarantor Acknowledgment and Consent in the form attached hereto (the "Consent").

The Bank has received from the Borrower a corporate resolution in the amount of Thirty Million and No/100 Dollars ($30,000,000.00).

The Bank has received guaranties signed by Powell Electrical Manufacturing Company, Delta-Unibus Corp., Unibus, Inc., Powell-ESCO Company, and Transdyn Controls, Inc. in the amount of Thirty Million and No/100 Dollars ($30,000,000.00).

Except as provided in this Amendment, all of the terms and provisions of the Agreement and the documents executed in connection therewith shall remain in full force and effect. All references in such other documents to the Agreement shall hereafter be deemed to be references to the Agreement as amended hereby.

THIS WRITTEN AMENDMENT AND THE DOCUMENTS EXECUTED IN CONNECTION HEREWITH REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES.

IN WITNESS WHEREOF, this Amendment has been executed by the parties hereto as of the date first written above.

BANK OF AMERICA TEXAS, N.A.	POWELL INDUSTRIES, INC.
By: /s/ JOSEPH PATTERSON	By: /s/ J. F. AHART
Joseph Patterson, Vice President	J.F. Ahart, Vice President

GUARANTOR ACKNOWLEDGMENT
AND CONSENT

The undersigned, each a guarantor of the Borrower's obligations to the Bank under the Agreement, each hereby (i) acknowledge and consent to the execution, delivery, and performance by Borrower of the foregoing Fourth Amendment to Agreement (the "Amendment"), and (ii) reaffirm and agree that the guaranty to which the undersigned is party and all other documents and agreements executed and delivered by the undersigned to the Bank in connection with the Agreement are in full force and effect, without defense, offset, or counterclaim, to secure the indebtedness of the Borrower to the Bank, including without limitation the indebtedness evidenced by the Agreement as amended. (Capitalized terms used herein have the meanings specified in the Amendment.)

Dated: February 26, 1999

POWELL ELECTRICAL MANUFACTURING COMPANY

By: /s/ J. F. AHART

J. F. Ahart, Vice President

GUARANTOR ACKNOWLEDGMENT
AND CONSENT

The undersigned, each a guarantor of the Borrower's obligations to the Bank under the Agreement, each hereby (i) acknowledge and consent to the execution, delivery, and performance by Borrower of the foregoing Fourth Amendment to Agreement (the "Amendment"), and (ii) reaffirm and agree that the guaranty to which the undersigned is party and all other documents and agreements executed and delivered by the undersigned to the Bank in connection with the Agreement are in full force and effect, without defense, offset, or counterclaim, to secure the indebtedness of the Borrower to the Bank, including without limitation the indebtedness evidenced by the Agreement as amended. (Capitalized terms used herein have the meanings specified in the Amendment.)

Dated: February 26, 1999

DELTA-UNIBUS CORP.

By: /s/ J. F. AHART

J. F. Ahart, Vice President

GUARANTOR ACKNOWLEDGMENT
AND CONSENT

The undersigned, each a guarantor of the Borrower's obligations to the Bank under the Agreement, each hereby (i) acknowledge and consent to the execution, delivery, and performance by Borrower of the foregoing Fourth Amendment to Agreement (the "Amendment"), and (ii) reaffirm and agree that the guaranty to which the undersigned is party and all other documents and agreements executed and delivered by the undersigned to the Bank in connection with the Agreement are in full force and effect, without defense, offset, or counterclaim, to secure the indebtedness of the Borrower to the Bank, including without limitation the indebtedness evidenced by the Agreement as amended. (Capitalized terms used herein have the meanings specified in the Amendment.)

Dated: February 26, 1999

UNIBUS, INC.

By: /s/ J. F. AHART

J. F. Ahart, Vice President

GUARANTOR ACKNOWLEDGMENT
AND CONSENT

The undersigned, each a guarantor of the Borrower's obligations to the Bank under the Agreement, each hereby (i) acknowledge and consent to the execution, delivery, and performance by Borrower of the foregoing Fourth Amendment to Agreement (the "Amendment"), and (ii) reaffirm and agree that the guaranty to which the undersigned is party and all other documents and agreements executed and delivered by the undersigned to the Bank in connection with the Agreement are in full force and effect, without defense, offset, or counterclaim, to secure the indebtedness of the Borrower to the Bank, including without limitation the indebtedness evidenced by the Agreement as amended. (Capitalized terms used herein have the meanings specified in the Amendment.)

Dated: February 26, 1999

POWELL-ESCO COMPANY

By: /s/ J. F. AHART

J. F. Ahart, Vice President

GUARANTOR ACKNOWLEDGMENT
AND CONSENT

The undersigned, each a guarantor of the Borrower's obligations to the Bank under the Agreement, each hereby (i) acknowledge and consent to the execution, delivery, and performance by Borrower of the foregoing Fourth Amendment to Agreement (the "Amendment"), and (ii) reaffirm and agree that the guaranty to which the undersigned is party and all other documents and agreements executed and delivered by the undersigned to the Bank in connection with the Agreement are in full force and effect, without defense, offset, or counterclaim, to secure the indebtedness of the Borrower to the Bank, including without limitation the indebtedness evidenced by the Agreement as amended. (Capitalized terms used herein have the meanings specified in the Amendment.)

Dated: February 26, 1999

TRANSDYN CONTROLS, INC.

By: J. F. AHART

J. F. Ahart, Vice President

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This schedule contains summary financial information extracted from the
Company's unaudited condensed consolidated financial statements for the quarter
ended April 30, 1999 and is qualified in its entirety by reference to such
financial statements.

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3-MOS
OCT-31-1999
APR-30-1999
478
0
54,183
713
16,952
96,000
69,493
35,332
136,443
31,690
15,358
0
0
107
87,365
136,443
56,331
56,331
46,093
46,093
7,497
0
137
2,604
784
1,820
0
0
0
1,820
0.17
0.17