



Kathryn D. Karol  
Vice President

June 18, 2015

The Honorable Edward Whitfield  
Chairman  
Committee on Energy and Commerce, Subcommittee on Energy and Power  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Chairman Whitfield:

On behalf of Caterpillar Inc., I write today in support of H.R. 2042, the Ratepayer Protection Act of 2015, and commend you for your leadership in introducing this important bipartisan legislation.

Your bill will address concerns of Caterpillar and other manufacturers in the United States regarding the Environmental Protection Agency's (EPA) proposed *Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units*, or so-called "Clean Power Plan".

For more than 80 years, Caterpillar has been making sustainable progress possible on every continent. As the world's leading manufacturer of construction and mining equipment, diesel and natural gas engines, industrial gas turbines, and locomotives; along with our commitment to providing leading financial, remanufacturing, logistics and rail services, Caterpillar has a keen interest in the EPA's proposed regulation.

With energy related products and services accounting for over one-fourth of our business, Caterpillar, our dealers, and our customers are uniquely positioned to provide solutions to the world's energy and environmental challenges. Through our core business, and through new innovative technologies, Caterpillar is one of the world's leading technology suppliers to the diverse energy market, and leverages its technology and innovation to meet the world's growing energy needs in sustainable ways.

Caterpillar is very concerned about the impacts that the EPA's proposed rule could have on the cost of domestic manufacturing, our customers, and the U.S. economy as a whole. As a major energy user, Caterpillar relies on secure and affordable energy to drive economic growth and compete in a global economy. As a leading manufacturer of coal mining equipment and natural gas equipment, Caterpillar expects that the proposed rule could lead to significant increases in the cost of energy. Indeed, the proposed rule risks meaningfully increasing the cost of U.S. manufacturing and negatively impacting global competitiveness.

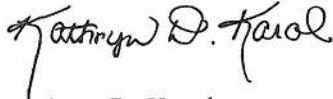
In addition, EPA's aggressive timetable creates significant reliability concerns that pose both economic and safety risks for manufacturers such as Caterpillar. EPA has not built in sufficient time for states to develop thoughtful implementation plans with meaningful stakeholder participation.

**Caterpillar Inc.**

H.R. 2042 would address these concerns by allowing the judicial review process to move forward and conclude before requiring states to develop implementation plans. It would also prevent states from being forced into implementing the rule if doing so would have significant adverse impacts on ratepayers.

Caterpillar commends you for your leadership on this critical issue, and looks forward to working with you to move this important legislation forward.

Sincerely,

A handwritten signature in black ink that reads "Kathryn D. Karol". The signature is written in a cursive style with a large initial 'K'.

Kathryn D. Karol  
Vice President  
Caterpillar Inc.