



**Caterpillar Inc.**

100 NE Adams St.  
Peoria, IL 61629-9640

Date: May 15, 2009

To: Electric Power North American Dealers

From: Electric Power North American

Re: Caterpillar Electric Power Products for ARRA-Funded Construction Projects

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### **Introduction**

Among other things, the American Recovery and Reinvestment Act (“ARRA”) provides funds to federal government agencies and federal grants to state and local governments for the construction of public buildings and works projects as a means to stimulate the U.S. economy. This recent legislation contains a “Buy American” provision, which applies to federal ARRA-funded public building and works projects, as well as to state and local ARRA grant-funded public building and works projects. The provision prohibits stimulus funds from being used for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured construction materials used in the project are produced in the United States. This provision will be applied in a manner consistent with U.S. international trade obligations.

### **Applicability to Caterpillar Products**

Generator Sets, Power Modules, Switchgear, UPS Systems, etc. permanently incorporated into a public building or works project are considered manufactured construction materials and, as such, are covered by the ARRA “Buy American” requirements. To meet these requirements, such manufactured construction materials must be “substantially transformed” in the United States. Caterpillar Generator Sets, Power Modules, Cat Switchgear, ATS and UPS Systems manufactured in our Mossville, Illinois; Griffin, Georgia; Lafayette, Indiana; Newberry, South Carolina or other United States facilities for domestic consumption meet the ARRA “Buy American” requirements and are eligible for use on ARRA-funded projects.

ARRA funding is only available for projects installed in the United States, therefore certain models, such as GEH220-2, GEH250-2 and GEH275-2, which are built in the United States for export only are not eligible for ARRA-funded projects.

For questions concerning sales to state and local government agencies or contractors bidding for ARRA funded state and local governmental public buildings and public works stimulus projects, please contact your Electric Power North American representative or Julie Ierulli (309-675-4096).

For questions concerning sales to contractors for the construction of federal government public buildings and public works, please contact Brian Rydell (202-466-0673), Amber DeJong (309-494-5622) or Jerry Datzman (309-578-5593) of Defense & Federal Products.

For direct sales to federal governmental agencies please contact Brian Glass (888-228-7472) or Jerry Datzman (309-578-5593) of Defense & Federal Products. These sales are covered under specific guidelines that need to be analyzed on a case-by-case basis.

Sincerely,

Steve Niehaus  
Power Systems Manager  
Electric Power North America