



April 1, 2009

Mr. Joseph P. Clary
Director
Illinois Department of Transportation
Division of Public and Intermodal Transportation
300 West Adams Street
Chicago, IL 60606

Dear Mr. Clary:

Progress Rail Services Corporation ("Progress Rail"), a wholly owned subsidiary of Caterpillar Inc., is a leading supplier of locomotive, railcar, and track infrastructure products to the North American railroad industry. Its wide range of products and services include track and trackwork components, rail crossing signal devices, freight car and locomotive wheel mounting services, reconditioned freight cars and components, and remanufactured locomotives and locomotive repair services.

Progress Rail employs 385+ dedicated workers at our East Chicago, IN plant and various rail intermodal facilities in Northeastern Illinois. Our employees help to ensure that locomotives and railcars operate safely and efficiently throughout the US railway system. As a strategic player in the transportation industry, we know that a clogged rail infrastructure system can thwart the commercial vitality and economic development of any region, including Northeastern Illinois.

Progress Rail knows first hand the damaging consequences of delays created by railroad congestion. Interruptions to our production and services as a result of untimely and erratic railcar deliveries, holdups in shipping and receipt of critical materials, inaccurate staffing and requirements planning, and ultimately our ability to effectively compete in this market are impacts brought about by railway congestion. Traffic congestion, increases in emissions and fuel consumption,

and potential loss of jobs are all costly results that can be minimized through a fluid, efficient rail system.

The State of Illinois has worked aggressively to make Northeastern Illinois an attractive place for a diversity of business ventures. The region is a home to a variety of manufacturing, logistics, construction, confectionary, agriculture and other vital industries and it is strategically positioned to be a world leader in business expansion and new job creation. However, future economic growth is highly dependent on a modernized rail system with the capacity to handle increased shipping and distribution needs. Currently, existing chokepoints can stall rail traffic up to 36 hours, which is longer than it takes to move freight from Long Beach, CA into Chicago.

Illinois is taking a major step to alleviate rail congestion through CREATE (Chicago Region Environmental and Transportation Efficiency Program). CREATE was founded by a partnership of Class I Railroads, federal and local transportation agencies, and the Illinois Department of Transportation to mitigate railroad congestion by building additional tracks, improving connections and control systems, and constructing rail-over-rail grade separations and highway-rail grade separations throughout the City of Chicago, Cook County and DuPage County. Still, further essential funding is needed. Without additional appropriations from the federal government and the Illinois legislature, the seventy plus CREATE projects that were identified over four years ago may not get completed.

Progress Rail is an advocate for infrastructure improvements that will stimulate the economy, build business efficiencies, and bring jobs to this region. CREATE is well positioned to accomplish these objectives. Progress Rail supports

CREATE's efforts to eliminate rail congestion that threatens Illinois' ability to lead the nation in rail capacity. CREATE's efforts will modernize Illinois' freight and passenger rail systems and enhance the economic growth of the Northeastern Illinois area.

Sincerely,

A handwritten signature in blue ink, appearing to read "Glen Lehmann". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Glen Lehmann
Senior Vice President
Progress Rail Services Corporation