



CONTACTS:

Shelly Lewis
EBPRD Public Information Supervisor
510-544-2208
slewis@ebparks.org

NEWS RELEASE

Media Relations:
Norma F. Dunn
713-830-8883
norma.dunn@calpine.com

Investor Relations:
Andre Walker
713-830-8775
andrew@calpine.com

**East Bay Regional Park District and Russell City Energy Center
Reach Agreement to Preserve, Improve and Expand
the Hayward Regional Shoreline**

Land, Funds to be Donated for Conservation and Park Improvement

(HAYWARD, Calif.) – June 17, 2010 – The East Bay Regional Park District (EBRPD) and the Russell City Energy Company, LLC, (RCEC) a partnership comprised of Calpine Corporation (NYSE:CPN) and GE Energy Financial Services, a unit of GE (NYSE: GE), have reached an agreement on conservation and park improvements to the Hayward Shoreline Park related to the development of the Russell City Energy Center near Hayward. The EBRPD’s agreement with RCEC extends and updates a February 2002 funding and land donation agreement previously approved between the parties as part of regulatory proceedings before the California Energy Commission (CEC).

Under the agreement, RCEC will donate land and contribute funds with a total value of approximately \$1.6 million. Its contributions will include the following:

- Donation of 26 acres of land– to remain undeveloped in perpetuity – to expand EBRPD’s conservation area on the shoreline
- Contribution for an endowment to manage and maintain the conservation easement
- Six-year commitment of funds for trailside improvement and maintenance within the Hayward Regional Shoreline
- Contribution for improvement to West Winton Entrance to the shoreline park

The Park District has been closely monitoring the development and potential impacts of this power generation facility on the Hayward Regional Shoreline for nearly a decade. “With all regulatory approvals largely obtained, the agreement adds valuable wetlands to our existing

parklands, and funding for improvements to serve the public for many, many years to come,” said a Park District spokesperson.

“Calpine is committed not only to leading the fight against climate change but to conserving California’s land and water resources as well,” said Joe Ronan, Calpine’s Senior Vice President of Government and Regulatory Affairs. “We are grateful to EBRPD for this opportunity to help conserve natural habitat and improve shoreline amenities for future generations.”

In February, the planned Russell City Energy Center became the first power plant in the nation to receive an air-quality permit with a federal limit on greenhouse gas emissions. The 600-megawatt plant will employ the most advanced emissions control technology available for a natural gas-fired power plant and a highly efficient combined-cycle generation process.

Other environmentally responsible features include the use of reclaimed water from the City of Hayward’s Water Pollution Control Facility for all cooling and boiler makeup. This process will prevent nearly four million gallons of water a day from being discharged into San Francisco Bay.

In addition to measures set out in the agreement with EBRPD, RCEC had previously agreed to donate \$10 million to help build a new library for Hayward. RCEC also will work with the Hayward Area Recreation and Park District to install trailside amenities, including interpretive panels, at the Hayward Region Shoreline, and will provide landscaping between industrial park complexes and the shoreline wetlands as required by the CEC.

About the East Bay Regional Park District

Founded in 1934, the East Bay Regional Park District serves the 2.5 million residents of the East Bay Area counties of Alameda and Contra Costa. With 65 parks totaling more than 100,000 acres and 1,100 miles of trails, the East Bay Regional Park District is the nation’s largest regional park agency. The district offers a great variety of outdoor opportunities for individuals, groups, and families including hiking, nature study, swimming, boating, fishing, picnicking and camping. Overall, district parks and trails receive approximately 14 million visits per year.

About Calpine

Founded in 1984, Calpine Corporation is a major U.S. power company, currently capable of delivering nearly 25,000 megawatts of clean, cost-effective, reliable and fuel-efficient power from its 75 operating plants to customers and communities in 16 states in the United States and Canada. Calpine Corporation is committed to helping meet the needs of an economy that demands more and cleaner sources of electricity. Calpine owns, leases and operates low-carbon, natural gas-fired and renewable geothermal power plants. Using advanced technologies, Calpine generates power in a reliable and environmentally responsible manner for the customers and communities it serves. Please visit our Web site at www.calpine.com for more information.

Forward-Looking Information

In addition to historical information, this release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Words such as “believe,” “intend,” “expect,” “anticipate,” “plan,” “may,” “will” and similar expressions identify forward-looking statements. Such statements include, among others, those concerning expected financial performance and strategic and operational plans, as well as assumptions, expectations, predictions, intentions or beliefs about future events. You are cautioned that any such forward-looking statements are not guarantees of future performance and that a number of risks and uncertainties could cause actual results to differ materially from those anticipated in the forward-looking statements. Please see the risks identified in this release or in Calpine’s reports and registration statements filed with the Securities and Exchange Commission, including, without limitation, the risk factors identified in its Annual Report on Form 10-K for the year ended Dec. 31, 2009, and its Quarterly Report on Form 10-Q for the quarter ended March 31, 2010. These filings are available by visiting the Securities and Exchange Commission’s Web site at www.sec.gov or Calpine’s Web site at www.calpine.com. Actual results or developments may differ materially from the expectations expressed or implied in the forward-looking statements, and Calpine undertakes no obligation to update any such statements.

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