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**Calpine, GE Complete \$844.5 Million Power Plant Financing  
for New Generation in San Francisco Bay Area**

(HAYWARD, Calif.) – June 27, 2011 – Calpine Corporation (NYSE:CPN) and GE (NYSE: GE) unit GE Energy Financial Services announced today that they have obtained an \$844.5 million credit facility to finance construction of the 619-megawatt, combined-cycle Russell City Energy Center in Hayward, California. The power plant, now under construction, was the nation’s first to receive a federal air permit that includes a voluntary limit on greenhouse gas emissions.

The project finance facility announced today includes a construction loan that will convert to a 10-year term loan when commercial operations begin, expected in mid-2013. The construction loan and term loan facility will initially be priced at LIBOR plus 2.25%. The loan facility – jointly arranged by MUFG Power & Utilities Group; ING Capital LLC; Lloyds Bank Corporate Markets; BMO Capital Markets and CoBank, ACB – is non-recourse to Calpine and GE Energy Financial Services.

“This financing marks an important milestone in our effort to bring much-needed electric power supply to California’s Bay Area, allowing us to complete the construction of a modern, flexible, highly efficient, clean and low-carbon energy resource,” said Jack Fusco, Calpine’s President and Chief Executive Officer. “Building upon our 27-year history in the state, this project demonstrates our ongoing commitment to providing reliable and sustainable electricity.”

GE Energy Financial Services sees the project as an example of its strategic emphasis on partnering with energy project developers.

“This project shows how we complement the resources of respected developers such as Calpine by providing more than money, at a time when energy projects are becoming more complex, costly and time-consuming,” said Alex Urquhart, president and CEO of GE Energy Financial Services. “We offer developers not only capital but our 30 years of energy investing experience, long-term view and commitment, technical and regulatory capabilities, and power and construction contracting expertise.”

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## Calpine, GE Complete \$844.5 Million Power Plant Financing for New Generation in San Francisco Bay Area

Page 2

June 27, 2011

Under development since 2001, the Russell City Energy Center will use the most advanced emissions control technology available today for a natural gas-fired power plant. Pacific Gas and Electric has agreed to purchase the full output of electricity from Russell City upon completion and will supply natural gas fuel to the plant under a 10-year power purchase agreement approved by the California Public Utilities Commission in September 2010. The facility is expected to play a critical role in meeting the Bay Area's power needs as older, emissions-intensive plants shut down and in supporting the integration of renewable energy projects into California's power grid.

A Calpine affiliate owns 75% of Russell City while a GE Energy Financial Services affiliate owns the balance.

### **About Calpine**

Founded in 1984, Calpine Corporation is a major U.S. power company, currently capable of delivering approximately 28,000 megawatts of clean, cost-effective, reliable and fuel-efficient power from its 92 operating plants to customers and communities in 20 U.S. 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 primarily 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 website at [www.calpine.com](http://www.calpine.com) for more information.

### **About GE Energy Financial Services**

GE Energy Financial Services' experts invest globally across the capital spectrum in essential, long-lived, and capital-intensive energy assets that meet the world's energy needs. In addition to capital, GE Energy Financial Services offers the best of GE's technical know-how, technology innovation, financial strength, and rigorous risk management. Based in Stamford, Connecticut, the GE business unit helps its customers and GE grow through new investments, strong partnerships, and optimization of its \$21 billion in assets. For more information, visit <http://www.geenergyfinancialservices.com>.

### **About GE**

GE (NYSE: GE) is an advanced technology, services and finance company taking on the world's toughest challenges. Dedicated to innovation in energy, health, transportation and infrastructure, GE operates in more than 100 countries and employs about 300,000 people worldwide. For more information, visit the company's Web site at [www.ge.com](http://www.ge.com).

### **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

Calpine, GE Complete \$844.5 Million Power Plant Financing for New Generation in San Francisco Bay Area

Page 3

June 27, 2011

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, 2010, and its Quarterly Report on Form 10-Q for the quarter ended March 31, 2011. These filings are available by visiting the Securities and Exchange Commission's website at [www.sec.gov](http://www.sec.gov) or Calpine's website at [www.calpine.com](http://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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