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**Calpine and GE Commercial Finance Enter Into \$400 Million
Sale/Leaseback of Fox Energy Center**

(SAN JOSE, CALIF.) /PR Newswire-First Call/ Nov. 21, 2004 — Calpine Corporation [NYSE:CPN] has entered into a \$400 million, 25-year, non-recourse sale/leaseback transaction with affiliates of GE Commercial Finance Energy Financial Services for the 560-megawatt Fox Energy Center under construction in Kaukauna, Wis. This clean-burning, natural gas-fired facility will supply electricity to Wisconsin Public Service Corporation under a ten-year power sales agreement, with electricity deliveries scheduled to begin June 1, 2005.

“We are growing with Calpine in a long-term, multi-faceted relationship,” said Alex Urquhart, president and CEO of GE Commercial Finance Energy Financial Services (EFS). “This is a perfect strategic opportunity for us: investing long-term capital in a state-of-the-art facility with an experienced developer and operator in a market with healthy power market fundamentals.”

Calpine is managing construction in two phases. The first 300-megawatt unit is expected to enter operations in June 2005; the second 260-megawatt phase in December 2005. As a combined-cycle power plant, the Fox Energy Center will use two General Electric 7FB combustion turbines in combination with a steam turbine to maximize fuel efficiency.

A portion of the proceeds will be used to reimburse Calpine for approximately \$135 million of construction capital spent to date on the project and to repay \$20 million of existing debt associated with equipment for the project. The balance of GE Commercial Finance Energy Financial Services’ commitment will be used to complete construction. Upon completion of construction, Calpine will lease the power plant from GE Commercial Finance EFS under a 25-year facility lease. Calpine also has an option to renew the lease for a 15-year term.

“The Fox Energy Center lease is another major milestone in advancing Calpine’s financing and liquidity-enhancing program,” stated Calpine Chief Financial Officer Bob Kelly. “We appreciate the support of GE Commercial Finance EFS in creating an attractive, long-term lease for this new important Wisconsin energy resource.”

In addition to the Fox Energy Center, Calpine operates more than 1,500 megawatts of electric generating capacity in the Wisconsin power market, under contract to utilities throughout the region.

About GE Commercial Finance Energy Financial Services

GE Commercial Finance Energy Financial Services, based in Stamford, Conn., invests about \$3 billion annually in the world's most capital-intensive industry, energy. With more than \$11 billion in assets under management, GE Commercial Finance Energy Financial Services offers structured equity, leveraged leasing, partnerships, project finance and broad-based commercial finance to the global energy industry from wellhead to wall socket. For more information, visit www.geenergyfinancialservices.com. GE Commercial Finance, which offers businesses around the globe an array of financial products and services, has assets of over US\$220 billion and is headquartered in Stamford, Connecticut, USA. General Electric [NYSE: GE] is a diversified technology, media and financial services company dedicated to creating products that make life better.

About Calpine

Calpine Corporation, celebrating its 20th year in power, is a North American power company dedicated to providing electric power to customers from clean, efficient, natural gas-fired and geothermal power plants. The company generates power at plants it owns or leases in 21 states in the United States, three provinces in Canada and in the United Kingdom. The company, founded in 1984, is listed on the S&P 500 and was named *FORTUNE*'s 2004 Most Admired Energy Company. Calpine is publicly traded on the New York Stock Exchange under the symbol CPN. For more information, visit www.calpine.com.

This news release discusses certain matters that may be considered "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, including statements regarding the intent, belief or current expectations of Calpine Corporation ("the Company") and its management. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve a number of risks and uncertainties that could materially affect actual results such as, but not limited to, (i) the timing and extent of deregulation of energy markets and the rules and regulations adopted on a transitional basis with respect thereto; (ii) the timing and extent of changes in commodity prices for energy, particularly natural gas and electricity; (iii) commercial operations of new plants that may be delayed or prevented because of various development and construction risks, such as a failure to obtain the necessary permits to operate or failure of third-party contractors to perform their contractual obligations; (iv) unscheduled outages of operating plants; (v) a competitor's development of lower cost generating gas-fired power plants; (vi) risks associated with marketing and selling power from power plants in the newly-competitive energy market; (vii) other risks identified from time-to-time in the Company's reports and registration statements filed with the SEC, including the risk factors identified in its Annual Report on Form 10-K/A, amendment 2, for the year ended December 31, 2003 and in its Quarterly Report on Form 10-Q for the quarter ended September 30, 2004, which can also be found on the Company's website at www.calpine.com. All information set forth in this news release is as of today's date, and the Company undertakes no duty to update this information.

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