



NEWS RELEASE

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Calpine Geothermal Projects Recognized by California for Environmental and Safety Performance

Department of Conservation Award Marks Fourth Consecutive Year of Achievement

(SAN JOSE, CALIF.) / PR Newswire / July 26, 2005 – Calpine Corporation [NYSE: CPN] has received an award from the California Department of Conservation for environmental stewardship, safety, infrastructure maintenance and resource conservation of its Geysers geothermal operations. The award marks the fourth consecutive year Calpine has received such recognition.

“Calpine has continued its outstanding record for lease maintenance and environmental stewardship in The Geysers Geothermal field,” said Hal Bopp, State Oil and Gas Supervisor for the California Department of Conservation. “The Geysers is the largest geothermal field in the world. The electricity produced here is a major contributor to California's clean, renewable power while reducing greenhouse gasses. Calpine is to be congratulated for operating its geothermal field in a safe, environmentally conscientious manner.”

The first Outstanding Lease and Facility Maintenance awards were issued in 1982 with the vast majority going to oil and gas field operations. Calpine is one of only two geothermal operators to ever receive the award.

“Environmental stewardship of this unique renewable resource is something Calpine takes very seriously,” said Calpine Vice President Dennis Gilles. “This award once again honors the hard work and dedication of the more than 350 Calpine employees here at The Geysers.”

Calpine is the largest producer of electricity derived from geothermal resources. The company's history at The Geysers began with the purchase of a five-percent interest in a single 20-megawatt facility at The Geysers in 1989. Since then, Calpine has consolidated operation of 19 of the 21 facilities within the geothermal resource area.

The Geysers is a major source of electrical energy for California, meeting the typical power needs of Sonoma, Lake, and Mendocino counties, as well as portions of the needs of Marin and Napa counties. In fact, The Geysers provides for nearly 70-percent of the average power demand in the North Coast region from the Golden Gate Bridge to the Oregon state line.

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Recognizing the importance of The Geysers, Calpine is working to develop programs that expand and extend the life of this unique area. The company is currently implementing an innovative program that utilizes wastewater from local communities and converts it into steam for electricity production. This “win-win” situation provides an environmentally sound wastewater discharge solution for neighboring cities and increases the productivity of the geothermal operation.

The Outstanding Lease and Facility Maintenance award is displayed at Calpine’s Geothermal Visitor Center in Middletown, Calif. The center offers free admission and tours of one of Calpine’s Geysers facilities. For more information, please contact the center by telephone at 1-866-GEYSERS or check www.geysers.com.

About Calpine

A major power company, Calpine Corporation supplies customers and communities with electricity from clean, efficient, natural gas-fired and geothermal power plants. Calpine owns, leases and operates integrated systems of plants in 21 U.S. states, three Canadian provinces and in the United Kingdom. Its customized products and services include wholesale and retail electricity, natural gas, gas turbine components and services, energy management, and a wide range of power plant engineering, construction and operations services. Calpine was founded in 1984. It is included in the S&P 500 Index and is publicly traded on the New York Stock Exchange under the symbol CPN. For more information, visit <http://www.calpine.com>.

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