



NEWS RELEASE

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Calpine Geothermal Projects Recognized by California for Environmental and Safety Performance

Department of Conservation Award Marks Third Consecutive Year of Achievement

(SAN JOSE, CALIF.) / PRNEWswire - First Call/ Dec. 2, 2004 – Calpine Corporation's [NYSE: CPN] Geysers geothermal operations has received an award for environmental stewardship, safety, infrastructure maintenance and resource conservation from the California Department of Conservation. The award marks the third consecutive year Calpine has received such recognition.

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.

“Calpine is honored to receive this award on behalf of The Geysers,” said Calpine Vice President Dennis Gilles. “Environmental stewardship of this unique and beneficial renewable resource is something we all take very seriously. Our employees work hard to maintain our facilities while focusing on safety.”

Calpine's ownership in power generation began with the purchase of a five percent interest in a 20-megawatt facility at The Geysers in 1989. Since then, Calpine has consolidated ownership of 19 of the 21 facilities within the geothermal resource area. As a result, Calpine is the world's largest private producer of electricity derived from geothermal resources. Further, recognizing the importance of The Geysers, Calpine is expanding and extending this renewable resource through wastewater recharge projects whereby clean reclaimed wastewater from local municipalities is recycled into the geothermal resource where it is converted 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 award is displayed at Calpine's Geothermal Visitor Center in Middletown, California. 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 the Website at www.geysers.com.

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.