



NEWS RELEASE

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Calpine Geothermal Projects Recognized by California for Environmental and Safety Performance

Department of Conservation Award Marks Second Consecutive Year of Achievement

(SAN JOSE, CALIF.) / PRNEWSWIRE -First Call/ Dec. 16, 2003 – 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 second consecutive year Calpine has received such recognition.

In presenting the Outstanding Lease and Facility Maintenance Award, Hal Bopp, State Oil and Gas Supervisor and head of the Department of Conservation's Division of Oil, Gas, and Geothermal Resources, praised Calpine for environmental cleanup, pollution prevention, air quality improvement, road and well-pad maintenance, and placing highest priority on health and safety.

Bopp added, “Calpine is to be congratulated for consistently exceeding the Division’s regulations and maintaining its geothermal operations in an exemplary 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.

“The Geysers is the world’s largest geothermal facility and has long been an example and proving ground for geothermal power generation,” said Calpine Vice President Dennis Gilles. “This trend has continued with Calpine’s consolidation of operations within The Geysers. Environmental stewardship of this unique and beneficial renewable resource is something we all take very seriously. We are very proud of the progress we’ve made in a relatively short period of time, and we are appreciative of the State of California’s recognition of so many employees’ hard work.”

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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 is a leading North American power company dedicated to providing electric power to wholesale and industrial customers from clean, efficient, natural gas-fired and geothermal power facilities. 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. Calpine owns approximately 900 billion cubic feet equivalent of proved natural gas reserves in Canada and the United States. The company was founded in 1984 and is publicly traded on the New York Stock Exchange under the symbol CPN. For more information about Calpine, visit www.calpine.com.

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