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Two New Calpine Power Plants Begin Commercial Operations in California
Russell City and Los Esteros Represent more than 900 MW of Capacity

(HOUSTON, Texas) – August 13, 2013 – Calpine Corporation (NYSE:CPN) has successfully commenced commercial operations at its Russell City Energy Center and Los Esteros Critical Energy Facility, both located in the San Francisco Bay area. Together, the two plants bring on-line more than 900 megawatts of modern, efficient and environmentally responsible combined-cycle natural gas-fired power generation capacity capable of meeting the electric needs of about 750,000 households. The full power output of both plants will be delivered to Calpine’s customer, Pacific Gas and Electric Company (PG&E), which will also supply the natural gas fuel, under 10-year power purchase agreements.

“We are most pleased to begin commercial operations at these two plants with proven state-of-the-art technology,” said Jack Fusco, Calpine’s Chief Executive Officer. “Bringing this new capacity on-line demonstrates Calpine’s continued commitment to helping meet the power needs of our customers and, importantly, to helping ensure the grid’s reliability by producing flexible, natural gas-fired capacity so critical to the challenges posed by integration of intermittent renewable resources such as wind and solar. We are particularly proud of the environmental attributes of these facilities, with Russell City being the nation’s first power plant to volunteer to accept a permit with a limit on greenhouse gas emissions. In addition, the two plants together will use up to 6 million gallons of recycled wastewater from the local municipalities that would otherwise be discharged into the San Francisco Bay.”

The innovative 619-megawatt Russell City Energy Center, located in Hayward, California, uses the most advanced emissions control technology available today for a natural gas-fired power plant. The fuel-efficient, combined-cycle configuration allows Russell City Energy Center to respond to dynamic grid conditions while still minimizing greenhouse gas emissions. Additionally, the zero-liquid discharge plant will conserve water by using reclaimed wastewater from the City of Hayward’s Water Pollution Control Facility for all cooling and boiler makeup. This environmentally responsible process will prevent up to four million gallons of wastewater from being discharged into San Francisco Bay each day.

Calpine owns 75% of the project, or 464 megawatts of dispatchable capacity, and GE (NYSE:GE) unit GE Energy Financial Services owns the balance.

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“Beginning commercial operations at Russell City is the culmination of years of work with our long-term development partner Calpine, and reflects our commitment to providing our expertise and capital to build America’s critical energy infrastructure,” said Alex Urquhart, president and CEO of GE Energy Financial Services.

Approximately 650 local union workers were employed during peak construction at Russell City, and the plant now employs 30 full-time operations staff. The plant has generated more than \$25 million to date in initial sales and property tax revenue, and recurring property tax revenues during operation are estimated at approximately \$5 million annually to help fund local government services.

Located in San Jose, the Los Esteros Critical Energy Facility first began commercial operations in March 2003 as a 188-megawatt peaking power plant. The plant has now been upgraded to a combined-cycle facility capable of generating up to 309 megawatts. The upgrade and addition of heat-recovery steam generators and a steam turbine generator not only increases the plant’s generation capacity, it improves efficiency and environmental performance. The plant’s unique configuration enables a high degree of flexibility in generation output. It can ramp up and down quickly as the grid demands and remains capable of operating much like a peaking facility if needed. By using recycled wastewater from the San José-Santa Clara Regional Wastewater Facility, Los Esteros also will prevent up to an additional two million gallons per day from being discharged into San Francisco Bay.

Construction at Los Esteros employed approximately 300 local union workers at its peak. With the plant now commercially operational, 19 employees work on site full time, and another four serve Los Esteros in addition to other nearby Calpine plants. The upgraded plant is expected to contribute approximately \$3 million annually in recurring tax revenues to local governments and generated approximately \$5 million in one-time tax revenue as a result of the construction upgrade.

“Achieving commercial operations for these plants represents years of sustained effort by dozens of Calpine employees and contractors, and we are grateful for their dedication,” Mr. Fusco said. “These additions bring our total to 37 power plants in California with the capacity to generate more than 6,300 megawatts, including over 5,600 megawatts of natural gas-fired generation and 725 megawatts of renewable, baseload geothermal capacity at The Geysers.”

About Calpine

Calpine Corporation generates more electricity than any other independent power producer in America, with a fleet of 93 power plants in operation or under construction, representing more than 28,000 megawatts of generation capacity. Serving customers in 20 states and Canada, we specialize in developing, constructing, owning and operating natural gas-fired and renewable geothermal power plants that use advanced technologies to generate power in a low-carbon and environmentally responsible manner. Our clean, efficient, modern and flexible fleet is uniquely positioned to benefit from the secular trends affecting our industry, including the abundant and affordable supply of clean natural gas, stricter environmental regulation, aging power generation

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infrastructure and the increasing need for dispatchable power plants to successfully integrate intermittent renewables into the grid. We focus on competitive wholesale power markets and advocate for market-driven solutions that result in nondiscriminatory forward price signals for investors. Please visit www.calpine.com to learn more about why Calpine is a generation ahead – today.

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 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, 2012. These filings are available by visiting the Securities and Exchange Commission’s website at www.sec.gov or Calpine’s website at 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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