CALPINE®
NYSE CPN

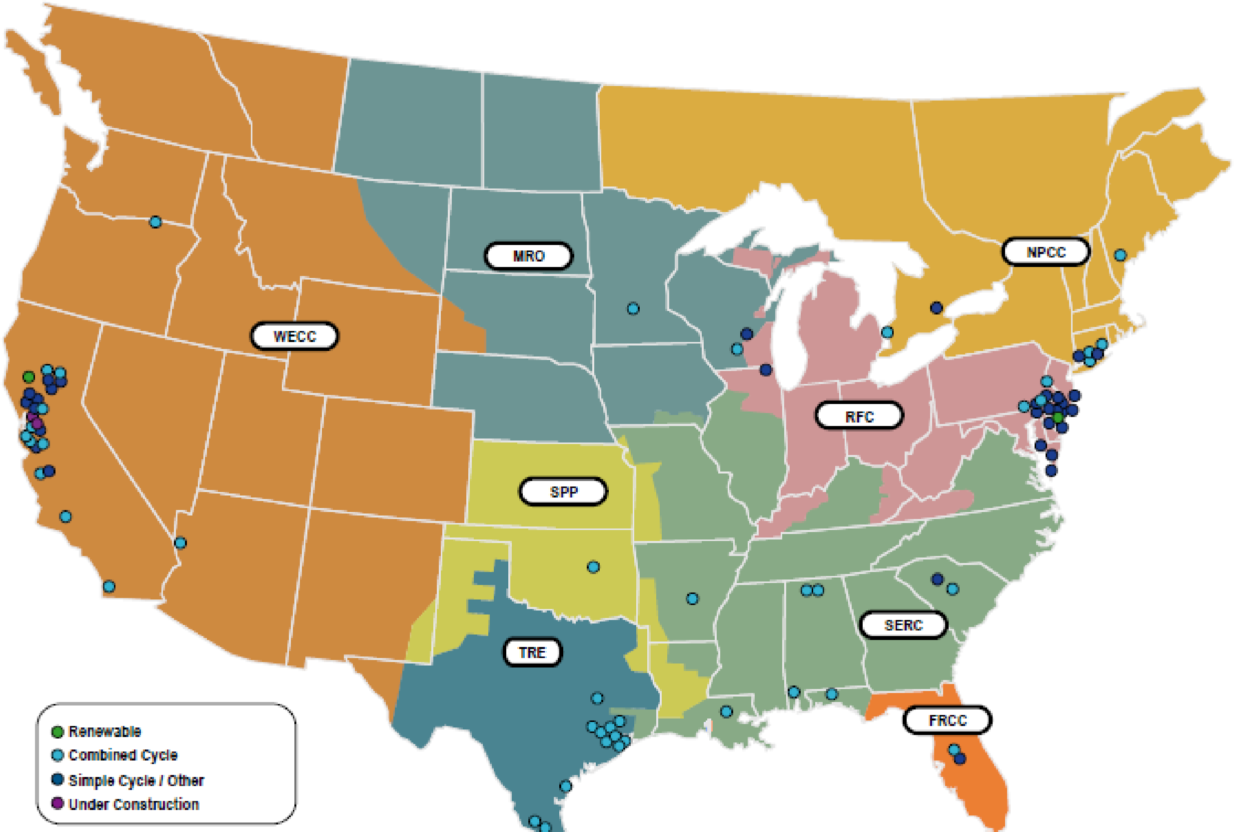
A GENERATION AHEAD, *today*

Platts 27th Annual
Global Power Markets

Jack Fusco
Chief Executive Officer

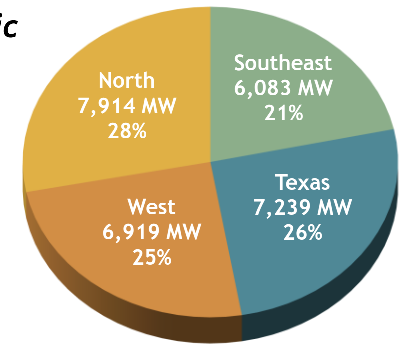
April 2, 2012

National Portfolio of More Than 28,000 MW

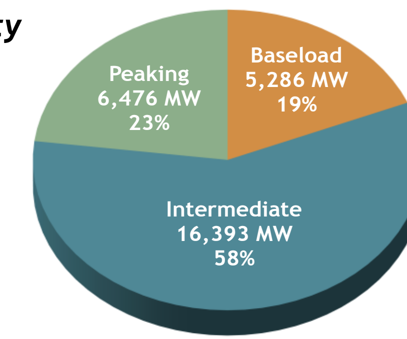


As of December 2011

Geographic Diversity



Dispatch Flexibility



Fleet Facts:

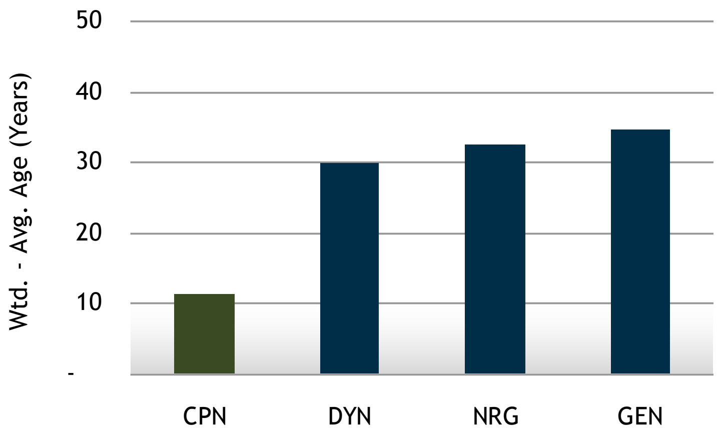
- Among largest consumers of natural gas for power generation in U.S.
- Among largest owners and operators of industrial gas turbines in the world
- Among largest generators of renewable energy[1] in U.S.
- Among largest owners and operators of cogeneration power plants in the world

[1] *Excludes hydro.*

Unique Independent Power Producer

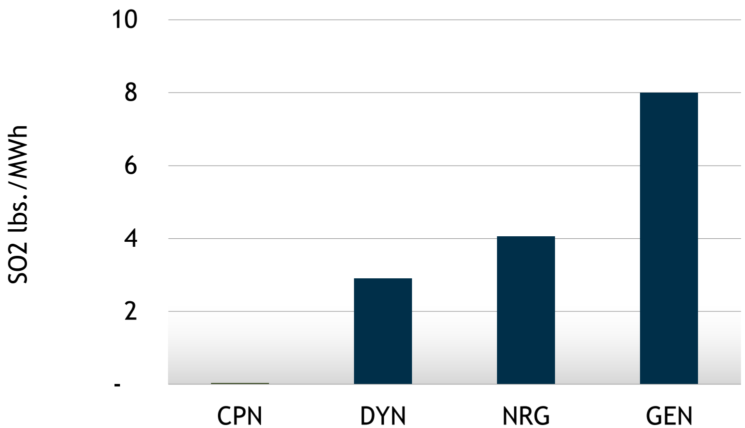
Calpine is the nation's largest baseload renewable, natural gas and cogeneration power provider

Modern



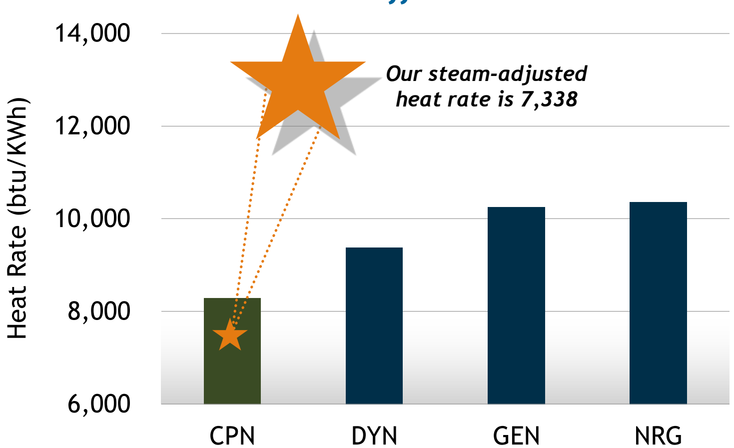
Source: Energy Velocity (2010).

Clean



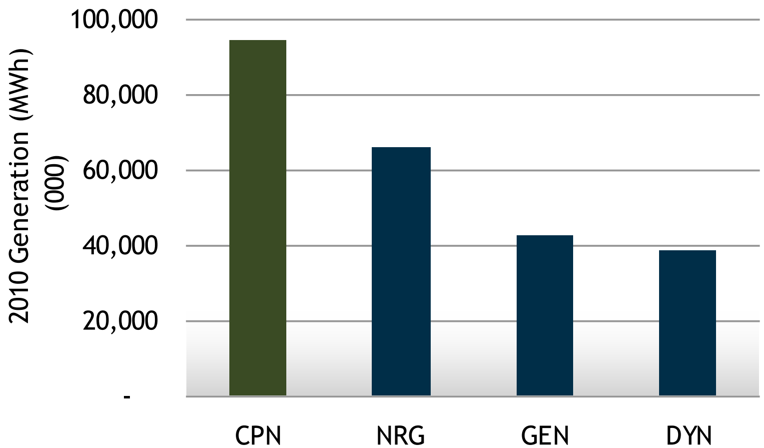
Source: Energy Velocity (2010).

Efficient



Source: Energy Velocity (2010). Not adjusted for steam, and excluding non-fossil fuel generation. Steam-adjusted heat rate does not include peakers.

Scale



Source: 2010 SEC filings.

Secular Forces Affecting U.S. Power Generation Sector: Then vs. Now

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Shifting Fuel Cost Fundamentals

2008:
- Natural gas: Limited domestic supply linked to world oil price; LNG imports
- Coal: Affordable, domestic commodity

2012:
- Natural gas: 100+ years supply of affordable, domestic commodity; LNG exports
- Coal: More expensive international commodity

Stricter Environmental Regulation

2008:
- Climate change driving call for carbon regulation
- Lower priority: CSAPR, MATS

2012:
- Top priority: Health concerns driving CSAPR, MATS rules
- Climate change skeptics prevail… for now

Aging Power Generation Infrastructure

2008:
- Few fossil capacity additions; new renewables subsidized by power prices and government

2012:
- Still limited new capacity: existing fleet continues to age; investments in improvements / maintenance less economic
- Scarcity on the margin in some markets

Government Fiscal Responsibility

2008:
- "Zero carbon" at any cost
- Strong government backing of nuclear and renewables

2012:
- Reality: Solyndra, Fukushima, budget and debt concerns

Calpine: Well-positioned for secular trends

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