



FOR IMMEDIATE RELEASE

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HOUSTON INDEPENDENT POWER PRODUCER GIVES TO LOCAL INNER CITY PRESCHOOL

Despite Economy, Employees of Calpine Corporation Purchased and Delivered Christmas Presents For the Children and Siblings of Small Steps Nurturing Center for the Fourth Year In A Row

It seems that everyone is tightening their purse strings during this economic downturn. However, the employees of Calpine Corporation, a Houston- and California-based independent power producer, purchased and delivered eight carloads of Christmas presents for 116 children and siblings of Small Steps Nurturing Center.

"Small Steps Nurturing Center is thankful to Calpine Corporation and its employees for donating such a generous amount of gifts for the children of Small Steps," said Evan Harrel, Executive Director. "If it were not for the kindness of people like Calpine employees, many of these families would have no way to provide presents for their children at Christmas."

Small Steps Nurturing Center is a preschool for economically at-risk students in the inner city of Houston, Texas, that serves children ages two through six. Small Steps is funded solely through the generosity of corporate, individual, foundation and church donations.

Each year for the last ten years, the students of Small Steps Nurturing Center and their siblings have had their Christmas presents sponsored through the generosity of individuals, corporations, churches, and other groups. This year is no different. For the fourth year in a row, Calpine employees provided gifts for the students and siblings of Small Steps Nurturing Center.

"We at Calpine are honored to be a part of the holiday celebration at Small Steps. We know the agency's accredited child development program is meeting many of the educational and developmental needs of this special population of students. Our gifts, which have been a part of Calpine's annual holiday tradition even during our two-year bankruptcy period, gives us a way to participate in the lives of citizens in our community who need an extra helping hand," said Norma F. Dunn, Vice President of Corporate Communications. "Now that our organization is out of bankruptcy, we want to continue to share our blessings."

Back at the office, Calpine employees hung brightly colored ornaments each containing the name of one of the Small Steps children on the company's "Giving Tree" on Calpine's trading floor. The tree serves as a reminder of the Calpine culture of community service. Each child received a large gift bag loaded with presents to make their Christmas morning a little brighter. Nine employees came to Small Steps on Dec. 15, 2008, to deliver the gifts to the school. The presents will in turn be distributed to the parents to give out on Christmas.

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About Calpine: Calpine Corporation is helping meet the needs of an economy that demands more and cleaner sources of electricity. Founded in 1984, Calpine is a major U.S. power company, currently capable of delivering over 24,000 megawatts of clean, cost-effective, reliable and fuel-efficient electricity to customers and communities in 16 states in the United States and Canada. Calpine owns, leases, and operates low-carbon, natural gas-fueled, and renewable geothermal power plants. Using advanced technologies, Calpine generates electricity in a reliable and environmentally responsible manner for the customers and communities it serves. Please visit www.calpine.com for more information.

About Small Steps Nurturing Center: Small Steps is a nationally accredited school for economically at-risk students ages two through six in inner city Houston. Small Steps provides an early education that fosters the social, emotional, physical, intellectual, and spiritual growth of 117 economically at-risk children and their families. There is no financial cost to Small Steps families; instead, families contribute back to Small Steps through volunteer hours. Small Steps is funded through the generosity of corporate, individual, foundation and church donations, and through its two annual sporting events, the Small Steps Energy Classic and the Small Steps Clays Classic. Small Steps' two campuses are located at 1709 DePelchin (First Ward) and 2902 Jensen (Fifth Ward) in Houston.

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