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Geysers Power Company, LLC Announces Senior Secured Notes Offerings

(HOUSTON, Texas) – October 17, 2019 – Geysers Power Company, LLC (“GPC”), an indirect wholly owned subsidiary of Calpine Corporation and the owner of 13 Geysers geothermal power plants and related assets (the “Geysers Assets”), today announced that it intends to offer Senior Secured Notes, Series A, due 2039 and Senior Secured Notes, Series B, due 2039 in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), and to non-U.S. persons outside the United States pursuant to Regulation S under the Securities Act. The Senior Secured Notes, Series B, due 2039 will be fully amortizing according to a fixed sculpted amortization schedule. Prior to consummating the notes offerings, GPC and certain other Calpine Corporation subsidiaries (collectively, the “Geysers Entities”) involved in the geothermal power generation business will each be released from current guarantee obligations in respect of Calpine Corporation’s indebtedness and the related liens encumbering the Geysers Assets will be released and no longer available to satisfy creditors of Calpine Corporation. The notes will be guaranteed by the Geysers Entities. Neither Calpine Corporation nor any other affiliates of Calpine Corporation will guarantee the payment of the notes or will have any liability for any of GPC’s or the guarantors’ obligations under the notes. The notes and related guarantees will be secured equally and ratably with the indebtedness under a new seven-year senior secured revolving credit facility and a new ten-year senior secured term loan facility in an estimated aggregate principal amount of up to \$320.0 million and \$400.0 million, respectively (which GPC intends to enter into concurrently with the consummation of this offering) and other indebtedness that is permitted to be secured by such assets, by a first-priority lien on substantially all of GPC’s and the guarantors’ existing and future assets, subject to certain exceptions and permitted liens.

GPC intends to use the proceeds from the offerings, together with borrowings under the new term loan facility and letters of credit issued under the new revolving credit facility, to (i) fund a debt service reserve account and a major maintenance reserve account, (ii) pay costs associated with the offerings and entry into the new revolving credit facility and the new term loan facility, (iii) pay a dividend to Calpine Corporation (the majority of which Calpine Corporation intends to use to repay a portion of its existing indebtedness, and any excess funds from such dividend may be used by Calpine Corporation for general corporate purposes) and (iv) fund working capital, ongoing capital requirements and general corporate purposes of the Geysers Entities.

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The notes will not be registered under the Securities Act, and may not be offered or sold in the U.S. without registration under the Securities Act or pursuant to an applicable exemption from such registration.

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any security and nor shall there be any offer, solicitation or sale of any security in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Geysers Power Company

GPC is the single largest geothermal power producer in the United States, with a 725 MW fleet of 13 plants in operation in California. The Geysers Assets were the largest renewable energy power generation asset portfolio in California in terms of MWh of renewable electricity produced in 2018. All of the Geysers Assets are located in an area called The Geysers in the Mayacamas Mountains of northwestern California. GPC sells power, resource adequacy capacity and green attributes to wholesale customers, including electric utility companies and electric cooperatives.

Forward-Looking Statements

In addition to historical information, this release contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements may appear throughout this release. We use words such as “believe,” “intend,” “expect,” “anticipate,” “plan,” “may,” “will,” “should,” “estimate,” “potential,” “project” and similar expressions to identify forward-looking statements. Such statements include, among others, those concerning expectations regarding the use of proceeds from the offering, expected financial performance, strategic and operational plans, GPC’s ability to syndicate the new revolving credit facility and the new term loan facility, as well as assumptions, expectations, predictions, intentions or beliefs about future events. We believe that the forward-looking statements are based upon reasonable assumptions and expectations. However, 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.

Given the risks and uncertainties surrounding forward-looking statements, you should not place undue reliance on these statements. Many of these factors are beyond our ability to control or predict. Our forward-looking statements speak only as of the date of this release. Actual results or developments may differ materially from the expectations expressed or implied in the forward-looking statements, and, other than as required by law, GPC undertakes no obligation to update any such statements, whether as a result of new information, future events, or otherwise.

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