Wire Transfer:
BNK: [redacted]

Wire Transfer:
BNK: [redacted]

ABA: Routing # [redacted]
Contact: Margaret Wetter (415) 973-3293
Alternate: Tim Hopkins (415) 973-5621

Credit and Collections:
Attn: Director, Credit Risk
Phone: (713) 830-8877
Facsimile: (713) 570-4764

Credit and Collections:
Attn: Manager, Credit Risk Management
Phone: (415) 972-5422
Facsimile: (415) 973-7031

With additional Notices of an Event of Default or Potential Event of Default to:
Attn: Risk Management Counsel
Phone: (713) 830-8835
Facsimile: (713) 830-8751

With copy to:
Attn: General Counsel
Phone: (408) 995-5115
Facsimile: (408) 995-0505

With additional Notices of an Event of Default or Potential Event of Default to:
Attn: Director, Utility Electric Portfolio Management
Phone: 415/973-4941
Facsimile: 415/973-9176

The Parties hereby agree that the General Terms and Conditions are incorporated herein, and to the following provisions as provided for in the General Terms and Conditions:

Party A Tariff	Tariff : Rate Schedule 1	Dated: Sept. 21, 2000	Docket Number : ER-00-3562
Party B Tariff	Tariff _____	Dated _____	Docket Number _____

Article Two

Transaction Terms and Conditions ☒ Optional provision in Section 2.4. If not checked, inapplicable.

Article Four

Remedies for Failure to Deliver or Receive ☒ Accelerated Payment of Damages. If not checked, inapplicable.

Article Five

Events of Default; Remedies

☐ Cross Default for Party A: Not Applicable

☐ Party A

Cross Default Amount

Stockholders equity_____

☐ Other Entity:

Cross Default Amount

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☐ Cross Default for Party B: Not Applicable

Party B: _____ Cross Default Amount

Stockholders equity_____

☐ Other Entity: _____ Cross Default Amount

Stockholders equity_____

5.6 Closeout Setoff

☒ Option A (Applicable if no other selection is made.)

☐ Option B - Affiliates shall have the meaning set forth in the Agreement unless otherwise specified as follows: _____

_____

☐ Option C (No Setoff)

Article 8

Credit and Collateral Requirements

8.1 Party A Credit Protection:

(a) Financial Information:

☐ Option A
☐ Option B Specify:
☒ Option C Specify: PG&E will provide financial reports as made publicly available.

(b) Credit Assurances:

[select one of the following, but the same selection must be made under both 8.1(b) and 8.2(b)]

☒ Not Applicable
☐ Applicable

(c) Collateral Threshold:

☒ Not Applicable

☐ Applicable

If applicable, complete the following:

Party B Collateral Threshold:

Party B Independent Amount:

Party B Rounding Amount:

(d) Downgrade Event:

☒ Not Applicable
☐ Applicable

If applicable, complete the following:

☐ Other:
☐ Specify: _____

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(e) Guarantor for Party B: Not Applicable

Guarantee Amount: _____

8.2 Party B Credit Protection:

(a) Financial Information:

☐ Option A
☒ Option B Specify: Calpine Corporation
☐ Option C Specify:

(b) Credit Assurances:

☒ Not Applicable
☐ Applicable

(c) Collateral Threshold:

☒ Not Applicable
☐ Applicable

If applicable, complete the following:

Party A Collateral Threshold:

Party A Independent Amount:

Party A Rounding Amount:

(d) Downgrade Event:

☒ Not Applicable
☐ Applicable

If applicable, complete the following:

☐ Other:

(e) Guarantor for Party A: Calpine Corporation

Guarantee Amount: uncapped

Guarantee must be in full force and effect to guaranty the obligations of all Transactions, unless substitute Performance Assurance approved by PG&E, such approval not to be unreasonably withheld.

Article 10

Confidentiality ☒ Confidentiality Applicable If not checked, inapplicable.

Schedule M

☐ Party A is a Governmental Entity or Public Power System
☐ Party B is a Governmental Entity or Public Power System
☐ Add Section 3.6. If not checked, inapplicable
☐ Add Section 8.6. If not checked, inapplicable

Other Changes Specify, if any: _____

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IN WITNESS WHEREOF, the Parties have caused this Master Agreement to be duly executed as of the date first above written.

Party A Name: Calpine Energy Services, L.P.	Party B Name: Pacific Gas and Electric Company
By: Jacob M. Rudisill	By:
Name: Jacob M. Rudisill	Name: GORDON R. SMITH
Title : Senior Vice President	Title : President + CEO

DISCLAIMER: This Master Power Purchase and Sale Agreement was prepared by a committee of representatives of Edison Electric Institute ("EEI") and National Energy Marketers Association ("NEM") member companies to facilitate orderly trading in and development of wholesale power markets. Neither EEI nor NEM nor any member company nor any of their agents, representatives or attorneys shall be responsible for its use, or any damages resulting therefrom. By providing this Agreement EEI and NEM do not offer legal advice and all users are urged to consult their own legal counsel to ensure that their commercial objectives will be achieved and their legal interests are adequately protected.

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