

IN THE MATTER OF  
THE SECURITIES LEGISLATION  
OF ALBERTA, BRITISH COLUMBIA, SASKATCHEWAN, MANITOBA, NOVA SCOTIA,  
AND NEWFOUNDLAND AND LABRADOR

AND IN THE MATTER OF  
THE MUTUAL RELIANCE REVIEW SYSTEM  
FOR EXEMPTIVE RELIEF APPLICATIONS

AND IN THE MATTER OF CALPINE POWER INCOME FUND

MRRS DECISION DOCUMENT

1. WHEREAS the local securities regulatory authority or regulator (the "Decision Makers") in each of Alberta, British Columbia, Saskatchewan, Manitoba, Nova Scotia and Newfoundland and Labrador (the "Jurisdictions") has received an application from Calpine Canada Power Ltd. (the "Manager") and Calpine Power Income Fund (the "Fund") (the Manager and the Fund are collectively referred to as, the "Filer") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirement contained in the Legislation to deliver to each holder of securities of the Fund (the "Unitholders") the comparative audited financial statements and auditor's report relating to the Fund's financial year ended December 31, 2002 (collectively, the "Annual Financial Statements") concurrently with the filing of the Annual Financial Statements with the Jurisdictions shall not apply to the Fund on the basis described below;

2. AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Alberta Securities Commission (the "Principal Regulator") is the principal regulator for this application;

3. AND WHEREAS the Filer has represented to the Decision Makers that:

3.1 The Fund is an unincorporated open-ended trust organized under the laws of Alberta pursuant to a Trust Indenture dated July 16, 2002;

3.2 The Fund is authorized to issue an unlimited number of trust units (the "Trust Units"), of which 52,001,352 Trust Units have been issued and are outstanding;

3.3 The Fund became a reporting issuer on August 22, 2002 in each of the provinces of Canada that recognize the concept. To the filer's knowledge, the Fund is not in default of securities legislation in Alberta or any other province and territory of Canada. The Trust Units are listed for trading on the Toronto Stock Exchange under the trading symbol CF.UN;

3.4 The fiscal year of the Fund ends on December 31, of each year (the "Fiscal Year").

3.5 The Manager is a corporation incorporated under the laws of Alberta pursuant to articles of incorporation dated January 12, 1998, as amended;

3.6 The Manager is the administrator of the Fund pursuant to an Amended and Restated Administration Agreement dated August 29, 2002;

3.7 The Manager is not a reporting issuer.

3.8 The Fund is required under the Legislation to file its Annual Financial Statements with the securities regulatory authorities and regulators of the Jurisdictions within 140 days from the end of the Fund's Fiscal Year, and to deliver the Annual Financial Statements to each Unitholder of the Fund concurrently with the filing of the Annual Financial Statements with the Jurisdictions;

3.9 The Annual Financial Statements, together with Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") relating to the Annual Financial Statements, will be finalized prior to the sending of proxy-related materials to Unitholders of the Fund for the annual meeting of Unitholders (the "Annual Meeting") in accordance with National Instrument 54-101 ("National Instrument 54-101, Communication with Beneficial Owners of Securities of a Reporting Issuer");

3.10 The Filer proposes to file the Annual Financial Statements and MD&A with the Jurisdictions in advance of the time required under the Legislation;

3.11 Concurrently with the filing of the Annual Financial Statements and MD&A, the Filer proposes to issue a press release indicating that Unitholders of the Fund may obtain copies of the Annual Financial Statements and MD&A on request, or, by access the Annual Financial Statements and MD&A on the SEDAR website or the Fund's website;

3.12 The Filer proposes to deliver the Annual Financial Statements and MD&A to Unitholders of the Fund concurrently with the delivery of the Fund's Annual Report and the proxy-related materials for the Annual Meeting in accordance with NI 54-101;

3.13 The Fund, by filing its Annual Financial Statements and MD&A in advance of the time required under the Legislation, will provide complete disclosure available to capital market participants on equal terms.

4. AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

5. AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

6. The Decision of the Decision Makers under the Legislation is that the requirement contained in the Legislation to deliver to the Unitholders of the Fund the Annual Financial Statements concurrently with the filing of the Annual Financial Statements with the Jurisdictions shall not apply to the Fund provided that the Filer shall;

6.1 concurrently with the filing of the Annual Financial Statements with the Jurisdictions, issue a press release indicating that Unitholders of the Fund may obtain copies of the Annual Financial Statements and MD&A on request, or, by accessing the Annual Financial Statements and MD&A on the SEDAR website or the Fund's website; and

6.2 deliver the Annual Financial Statements to the Unitholders of the Fund in accordance with NI 54-101 and, in any event, not later than the date the Annual Financial Statements would have been filed with the Jurisdictions in compliance with the Legislation.

DATED at Calgary, Alberta on January 15, 2003.

(signed by)

Mavis Legg,

Manager, Securities Analysis