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PRESENTATION

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Welcome, everyone. To those of you in the room and also to those of you who are listening in on the webcast, we really appreciate you being with us here this morning. My name is Wouter van Kempen; I'm the Chairman, President and CEO for DCP Midstream and the Chairman and CEO for DCP Midstream Partners. And on behalf of the entire DCP team I want to welcome you to our investor day.

This day has been a long one in the making, almost nine years, in fact, when we first launched DCP Midstream Partners. And what a growth story it has been and continues to be, one that has delivered strong and consistent return for our unitholders. And what a longer story for the DCP enterprise as a whole, almost 90 years of rich history dressed in industry safety and operational leadership. And it's deliver great value to our shareholders, Phillips 66 and Spectra Energy, and the DPM unitholders.

So we have a lot planned, as you can see from the agenda. And we will end it with a good amount of Q&A towards the end.

Before diving in, please take a look at the Safe Harbor statement on slide 4, and then we will be all squared away on any forward-looking statements that we may make. So let's go on to the good stuff.

Today I'm really pleased to have with me the broader DCP enterprise management team. You asked for that. And I'm proud to showcase the talented team that leads one of the largest midstream players in the industry. Joining me is Greg Smith, President of our Permian and North gathering and processing businesses; Brian Frederick, the President of our Midcontinent and South businesses; Don Baldrige, President of our Marketing and Logistics business, or the integrator, as we call him; Bill Waldheim -- Bill is the President of DPM. Many of you met Bill many times before. And we have Sean O'Brien, the CFO for both DCP Midstream and DCP Midstream Partners, also a pretty familiar face to most of you. And then lastly, Ghazi Shahin. Ghazi is one of our operational leaders whose number-one goal every day, along with the rest of this team, is to ensure the safety and reliability and the operational excellence of our 64 plants, 67,500 miles of integrated pipeline, and 3,400 employees.

Also in the room with us are Brent Backes -- Brent is the General Counsel for the DCP enterprise. Brent is responsible for legal, regulatory, [EHS] strategy and M&A. Mike Richards -- Mike is the General Counsel for DPM. And then we have members of the investor relations teams from DPM, Phillips 66, and Spectra Energy.

The faces on this chart are all smiling for a good reason. This team gets up every day excited about how we work together to add value for our customers, our employees across 17 states, and our shareholders -- ethically, responsibly, with innovation, and accountability. So I'm really proud to share this team with you today.



I'll start with a little housekeeping around naming conventions and our ownership structure. In the upper left, when I talk about the DCP enterprise, I'm referring to the combination of DCP Midstream, the private joint venture owned by Phillips 66 and Spectra Energy, and the publicly traded MLP DCP Midstream Partners, which I'll call DPM or the partnership. And as I assume most of you know, DCP Midstream owns the general partner of DPM and is a strong GP sponsor and the largest unit holder, owning approximately 22% of DPM. So our interests are very much aligned.

DPM has enterprise value of about \$9 billion. And depending on your multiple, together the DCP enterprise is a \$15 billion to \$20 billion company with strong support of Phillips 66 and Spectra Energy. All combined, the companies on this chart represent over \$100 billion in enterprise value. And we are pleased by the value that we have created for our owners. We look forward to updating you more on that together with Phillips 66 and Spectra Energy in the new year.

Today we are really going to focus in on DPM and on its relationship with the DCP enterprise. And on a different note, just out from Hart Energy, the DCP enterprise once again is the number-one natural gas processor and the number-one producer of NGLs in the United States. In fact, DCP's production -- DCP's NGL production is the largest figure ever recorded. And our processing numbers are the largest ever recorded for a pure midstream company. That is pretty exciting and it really demonstrates our focus on being a premier long-standing midstream leader.

Our entire employee workforce agrees on what matters -- our philosophy of managing and operating the DCP enterprise. And we think that philosophy really differentiates us from others who have less seasoned competencies and less conviction for servicing customers for the long-term. I always like to say to our customers DCP is the one that builds it for you. DCP is the one that will operate it for you. And DCP is the company that will dismantle the operation when it's no longer needed in a couple of generations from now. We have been doing that for the last 90 years. That matters for our customers, especially in today's environment.

There's a lot we think you have to do right to be a leader in this space. Some of those are foundational. For us it starts with safety. And not a lot of companies talk about their safety and operating philosophy of their investor day. We think it's a must because it's in our DNA. We have an employee saying, safety takes us home. And it really matters to us that every employee, every visitor, and every contractor makes it home safe every night. A close second -- reliability. It drives our profitability and it allows us to earn the right to grow. Our customers demand it. It pays dividends to everyone. So we invest a lot of resources to continually improve reliability.

Profitability -- we believe in delivering value to our shareholders in all commodity cycles, in all business environments. So that means making smart ROI decisions, being disciplined in a frothy acquisition market. We are constantly mining data on how we can get better, drive margin, and control what we can control.

Next, our customers -- it really starts with them. Anticipating and listening to them, sharing our game plans. We walk side-by-side and we believe in aligning our interests for the long-term. And by no means last, people. There is a war for talent and we believe in investing in our workforce's growth and their opportunities. It's a special calling to work in the oil and gas industry these days, and all our people know that 12% of the country's natural gas is processed in one of our 64 gas processing plants. We have to show up every single day, bringing our best game because our country depends on it. That's integrity. That's the mark of a company that wants to contribute to our nation's success for the long-term.

So, let me take you to slide 8. As we thought about preparing for this day, we were very much focused that we wanted to deliver value to you. We didn't want to just guess at what you wanted to hear. We wanted to address your questions head-on. So we reached out in advance to many of you, in total, over 50 analysts and investors, to ask where you think we do a good job of explaining ourselves and also to see where things are still need a little bit of clarification. So with that great input from you, and I want to thank all of you for taking the time to give us that input, here's our focus today.

Starting at the top of this slide, growth -- not just talk about drop downs, but you called out that you want to see our opportunity set of organic growth. We've got a great story to tell you here, and how we are achieving it leveraging the unmatched footprint that we have. And Greg, Brian, and Don will give you detailed insight not only around the DPM footprint but also around the vast print of assets that still reside in DCP Midstream.

And going clockwise on this chart, the next item is more clarity on our owner coordination and how our owners, their MLPs, and we dance together in coordination without stepping on each other's toes. So let me take that one head-on right now. We often get questions about alignment of



interests, about how we and our owners, Spectra Energy and Phillips 66, think about who does what. When does something gets done at each company or each MLP?

It's actually not a big source of discussion for us. We each have our natural focus areas. We each have our natural competencies. Between all the various entities we tend to be more complementary than anything else. I spend a lot of time with our Board that's made up of the CEOs and CFOs of Phillips 66 and Spectra Energy. So that tees up great alignment from the front, right out of the gate. So all of us have very good line of sight to our strategy and our direction. There are things that keep me up at night. Alignment between DCP, Phillips 66, and Spectra Energy is not one of those.

The next item that you raised was distribution growth. And Bill will discuss that topic during his presentation later on.

Moving on to another topic that you raised, how do we manage commodity exposure at the partnership? And how do we manage our contracting portfolios? You will hear more about that from Sean in his presentation.

And then lastly you asked for some exposure to the broader management team, a team that has accumulated a wealth of collective competencies to run one of the top-flight midstream companies in the country.

One topic that we won't be covering today is our 2015 guidance for the DCP enterprise. We will give that in early 2015 in coordination with our owners. And for DPM specifically we will provide guidance in the new year as well.

At the end of this morning the headline we hope to leave you with is this: we have a tremendous foot print with tremendous competencies in managing sustainable growth and value; we are not the new kids on the block.

Let me put the morning in perspective by giving you a high-level view of our strategy, one that has been very successful. Starting at the top of the slide and moving right, it begins with us checking the box that we have become a fully integrated midstream service provider. And building on this, we will maximize the entire value chain. And as an industry leader we can do that because we are able to leverage our unmatched footprint. We are growing around our footprint through our growth-for-growth strategy. I'll talk more about that here shortly.

And all of this is underpinned by our strategic focus on capital efficiency, our capability in pacing our investments to align customer demand with bringing infrastructure into service when it's needed. And that translates into our strategic focus of delivering long-term sustainable value to our shareholders and unitholders.

So let's take a look at our map. As I said, we have an unmatched footprint across the United States. And it's more than a coincidence that it happens to be in the most profitable basins where our customers are focusing their drill bits. The majority, almost 70% of our volumes, comes from these liquid-rich plays. And these are the areas that afford the best returns for our customers, and we walk alongside them as they plan strategically for their future.

The gathering and processing business is a lot like real estate. Location, location, location. And DCP is in all the right places. Our integrated gathering and processing systems crisscross the top economic basins, creating operating flexibility and greater reliability for our customers. And in all of those basins we are one of the top natural gas processors. And those include the Permian Basin, the Midcontinent, the Niobrara, the DJ Basin, the Eagle Ford, et cetera, et cetera, et cetera. You are going to hear a lot more about those from both Greg and Brian.

Consider the magnitude of all the growth in the spaces for the industry. It adds up to a \$15 billion in potential G&P investments and a further \$20 billion in marketing and logistics by 2023 in the basins where we are. It's all around our footprint. And we actually believe that this growth is going to happen more quickly than by 2023. This growth equates to 1.5 million more NGL barrels, of which 825,000 are squarely in our current footprint. And it means tens and tens of new processing plants, many of which we already have on the drawing boards. So we are excited about the macro fundamentals driving the overall industry growth. We are really excited about where the DCP enterprise is situated in these key basins so we can fully participate in this growth cycle.



Over the next few minutes let me take you on a bit of a journey to experience the dramatic transformation we've undertaken in less than five years to become a fully integrated midstream service provider. We are not just the gathering and processing company anymore. Since 2010 the DCP enterprise has been on a journey of strong self-funded growth, growing about 60% over the last four years.

So how do we do that? We use a phrase growth for growth to describe the synergistic relationships between DCP Midstream and DPM. And since DCP Midstream is self-funded, we are raising capital through dropping down assets into DPM. And then in return DPM will fund those drops by issuing equity and debt and delivering the proceeds from those drop downs back to DCP Midstream -- growth for growth.

And as we grow the enterprise as a whole we grow DPM. So as DCP has transformed, so has DPM, both into companies with size and scale and tremendous competency and plenty of organic opportunity. Bill is going to go into more detail later. And one of the things that you will hear from him is about the flywheel of organic opportunity at DPM and how its size and makeup has evolved. And these organic opportunities grew from initial drop down's that expanded DPM's asset base into new areas and are now driving further growth opportunities around that footprint. That's the flywheel effect that we are achieving.

So let me now shows you put the growth could look like at the DCP enterprise. On the left side of slide 12 you see the location of our assets and on the right the corresponding capital dollars that DCP enterprise expects to put to work through 2016. We have great positions in the Permian and the DJ. We are seeing a lot of opportunities in those areas. So by 2016 we could see up to \$3 billion of capital investment split almost evenly between the Permian and the DJ Basin. And Greg is going to talk to you about that.

In the Midcontinent, where we have already completed a significant amount of investment, it looks like another \$750 million to \$1 billion of capital is going to be needed. In the Eagle Ford we have increased our capacity 50% since 2010. And across DCP's Southern Business Unit, we can see another \$500 million to \$1 billion for future investment. And Brian is going to talk about the Eagle Ford and the Midcontinent.

And lastly, our marketing and logistics business -- we have line of sight of \$750 million to \$1 billion of capital investment. And Don will give you all the insights on that.

So adding it all up, \$4 billion to \$6 billion of organic opportunities by the end of 2016 on top of the \$4 billion we placed into service in 2010 to 2014 time period. That translates into \$3 billion to \$5 billion of potential drop downs into partnership. So our investment opportunity in the next couple of years is larger than most companies in our space. And that takes a lot of capabilities to do it safely, to do it reliably, to do it on time and on budget.

So let me summarize the journey for you. This was our footprint in 2007, when we saw ourself as a solution to the bottleneck of NGL takeaway in the Eagle Ford, the Midcontinent, the Permian, and the DJ, since we already had great footprints in those areas. Fast-forward to today, where we added new processing capacity of almost one BCF. We took on the leadership role of building two, not one but two industry changing NGL pipelines to the premier Mont Belvieu market. We partnered with others to connect to DJ NGL supply.

We built out a series of integrated gathering systems that allowed us to maximize our plan capacity and serve our customers, and we build just in time, on budget, and with utilization that is exceeding our expectations.

Now, let's jump to 2016 and beyond. We can foresee six to eight additional processing plants, again in all economically profitable places, and additional laterals around soldering in Sand Hills and even more network gathering systems.

So let me stop here for now. My goal was to really tee up the DCP enterprise. I'm going to hand it over to the team now to dive deeper into all the details. So with that said, I would like to introduce Ghazi Shahin. Ghazi is our Vice President of Operations for the Midcontinent, the Eagle Ford, and the Southern areas. And I couldn't think of a better advocate to show you our philosophy on operating responsibly. Ghazi?



Ghazi Shahin - DCP Midstream, LLC - VP of Operations

Thank you, Wouter. Now that you heard Wouter's Texas accent, you will be hearing another version of the Texas accent from me. By the way, I really appreciate being part of sharing our story with everyone here today. A little bit about myself -- I started my career in the pet chem side of the industry for about 23 years before joining DCP Midstream about four years ago.

Now, the pet chem culture is one of great depth and breadth when it comes to operational excellence. And it really sets the standard for safety and process management. So, I wasn't really sure what to expect when I joined the midstream business. And I was very pleased and quickly developed a deep appreciation for the extensive operational competencies that DCP possesses being a long-standing midstream company.

Now, very few companies in this space have competencies across the board in operating sweet-and-sour, gathering and processing facilities, DOT regulated pipelines, gas and NGL storage, fractionation and propane terminals. DCP is unique with very complex assets covering the full spectrum of our industry and requiring sophistication in operations.

So, let's talk about how we operate responsibly and execute and maintain this unmatched foot print of assets, all with the goal of delivering value for our customers and, of course, our shareholders. So, I'm going to spend some time on slide 15. Now, these are the five critical success factors we pay attention to every day. They are safety, health and environmental, reliability, people, customers, and profitability, all underscored by a culture of operational excellence that drives all of our decision-making.

So you might ask, why is this important? Why does this matter? I will tell you it's because operating well is safe and profitable. And as Wouter mentioned, our culture is founded upon safety. It's really in our DNA. And for me safety performance is a leading indicator of an organization's engagement and commitment.

And I speak for our entire leadership team when I said how proud we are of the 2,500 field employees that are operating well. They strive every day to meet our country's energy needs safely while watching out for each other and their communities. And we are serious about our safety culture, which drives our behaviors and attitudes. For several years now we have been proud to hold the title of number-one-ranked in safety. Let me repeat that; I'm proud of it. Number-one ranked in safety among the 10 largest midstream companies by the Gas Processors Association.

So this slide shows the journey of continuous improvement. And if you look at the graph in the bottom left it shows the improvement we have made over the last few years. We focused on getting ahead of accidents by having a mindset up invention and really thinking about safety as a process. In our industry, working with hydrocarbon brings risk and challenge. So we adopt an attitude of respect of the difficulty and risk and constantly assess hazards and mitigate them with qualified people and management systems.

And that shows in our results, driving our recordable injury rate down to 0.51, a record for the midstream industry. Think about it. During the time when DCP has spent billions of dollars and millions of man-hours on project execution, we continued to lower our injury rates. I think that's impressive. That extends to our contractors as well. We aligned with vendors that share our standards for safety and environmental excellence and we also have a record low contractor injury rate.

Next, let me talk about reliability. It's really hard to separate out reliability. It's linked in everything we do and drives our decisions every day. Purely from a regulatory perspective it's a must-have. And as I have said, we operate across a wide spectrum of competencies. But it is so much more than just been compliant. It earns us the right to serve our customers and continue to grow. You will be hearing from Greg, Brian, and Don about the organic growth we have underway or foresee. And every time we take on growth we use it as an opportunity to improve the reliability. This may mean shutting down other facilities, upgrading plants, or tying together integrated systems. We are data-driven and we convert data into action, so we track performance indicators to improve run time. We invest in mechanical integrity programs, turnarounds, proactive maintenance, and capital spare parts. Just like the safety, health and environmental side of the business, we prefer to be proactive versus reactive, which really drives costs down and improves productivity. All this translates into stronger earnings and, of course, customer satisfaction.

Now let's move to the most critical success factor, our people. We have terrific and very dedicated people. And our focus here really is to attract, train, and retain the best. So, we spent a lot of time with our people to ensure we operate in a safe and reliable manner. We know for a fact having the right people makes a difference. And as most of you know, the war for talent in the energy industry is very real. And while we appreciate the



service of long-term employees, like most we are challenged demographic changes and attrition. So we have processes focused on people to manage workforce, planning, and development. We continually assess current and future business conditions and needs with a workforce plan in mind.

And that leads to partnerships with trade schools and universities so we can fill in the employment pipeline. And we're investing in an emerging leaders program for operations and engineering. And we are also active in bringing veterans into the workforce. They bring maturity and leadership to our organization. And we do a lot of community outreach to support them.

It's a great time for new talent to join the energy industry. And we find that many are excited about working with a company like us. We are viewed as sustainable, responsible with the right focus. Now, that's a differentiator.

And now from customers' perspective, they want to work with a responsible operator like DCP that is skilled, resource, and equipped to respond to their needs. Reliability is king for them and it's a competitive advantage for us. It keeps the gas flowing. And our integrated systems allow us to optimize our asset base for the benefit of the customer.

I will close with profitability and execution. And that's really the punch line for you, that operating well is safe and profitable. And our operations leadership has a seat at the executive table and we continually look for better ways to improve operations to maximize the bottom line earnings. So project execution is foundational to our growth story. Early on we devote time to align our project objectives to move quickly to define contracting, engineering, execution, construction, and commissioning steps. Our operations and project teams working hand in hand to ensure safe and smooth startup of new facilities.

And now, if I can get your attention to the next slide, I would like to lead you through it. The timeline shows the number of plants, expansions, and pipelines we have executed on safely for the entire DCP enterprise. About \$4 billion of capital placed into service since 2010, all delivering earnings. And in the graph you can see we have put into service about 850 million cubic foot of gas a day of new capacity since 2011, currently operating at about 85% utilization. So we are pacing our capital spend.

Now, think about it. This is the size of some companies that you follow today, just what we incrementally put in service. And that's exactly a great example of strong capital efficiency. And we are all very, very happy with that.

In closing, we are proud but never satisfied in our pursuit of operational excellence. It's a good day when we run well, our people go home safely, our customers are satisfied, our communities are proud to call us neighbors, and we return the shareholders with great value.

With that, I'd like to turn it over to Greg Smith, President of the Permian and North Business Units. Greg?

Greg Smith - DCP Midstream, LLC - President, Permian and North Business Units

Thanks, Ghazi, for underscoring how operational excellence is so important to our company.

My name is Greg Smith. I'm the DCP Midstream resin for our Permian and North business units. I've been in the energy industry for 22 years and have 18 years of service with DCP. In the next two segments of our presentation you will hear Brian and me discuss our businesses that are owned primarily by DCP Midstream, not to be confused with DPM assets.

First, I would like to talk about the Permian, which continues to grow extremely fast with material increases in horizontal drilling. The Permian was once considered the premier oil and gas producing region in the United States but then fell into a state of decline for several decades, as highlighted by the graph in the top right of the slide. As you will see, the pursuit of crude oil and the use of horizontal drilling have once again catapulted the Permian back to the top of the energy map. Words cannot describe activity level in this basin.

DCP has always enjoyed a large presence in the Permian Basin and has a very large footprint. You can see from the map DCP's assets in 2010 canvassed the entire Permian basin, both West Texas and New Mexico including assets and growth projects that I'll discuss in the Wolfcamp, the



Wolfberry, and the Delaware plays. I've traveled to Midland nearly weekly over the last two years and I can assure you that the growth and the activity in the Permian basin is massive.

As you have likely heard, trying to reserve a hotel room or a rental car can be a real challenge in a city that has the second lowest unemployment rate in the United States. I pay more for a standard hotel room in Midland than I spent last night in the Essex.

DCP has experienced firsthand a significant increase in production brought about by horizontal drilling. As you can see from the graph on the right hand side of this slide, the increased focus on horizontal drilling has changed the basin from decline to growth in a very short period of time. To handle this growth from 2010 to 2013 DCP aggressively focused on filling up our 17 gas processing plants and undertaking numerous plant expansions. These are highlighted in the map in yellow. We added over 200 million cubic feet a day of new processing capacity via our plant expansions and restarts.

Starting in 2013 DCP moved beyond plant expansions to building new plants at greenfield locations and tying our plans together with large gathering trunk lines. Notably, our Rawhide plant in the Wolfberry play was placed into service last year and our new Zia II Plant, a 200 million cubic feet a day in the Delaware play, is under construction, as highlighted by the yellow diamond and New Mexico.

I would also highlight in 2013 we connected many of our Permian plants to the new Sand Hills NGL pipeline, as highlighted by the line on this map, and remind everyone, with the completion of the drop down to DPM of our one-third interest in Sand Hills Pipeline that was DPM's first entry into the Permian -- very exciting for DPM.

But the growth shows no sign of stopping, as highlighted by the two graphs on the right side of this slide. As I've mentioned, with the continued growth in the basin, DCP strategy is now focused on building large plants at greenfield locations and interconnecting our systems via large, high-pressure gathering pipelines. This growth is also helping DCP to modernize its gathering systems and optimize our processing fleet. We have large acreage dedications from our customers of about 10 million acres. That's almost the same size of Maryland and Connecticut combined. And we forecast to spend up to \$1.5 billion between now and 2016.

Zia II is a great example of DCP's strategy to build for the future and increase production associated with horizontal drilling. Importantly, the Zia II program isn't just a new plant but an entire growth program that will benefit producers in West Texas and in Southeast New Mexico. It will tie together nine plants via over a 50-mile high-pressure backbone and create a single integrated sour system. It will also allow us to shut down some older, smaller, and less efficient gas processing plants in New Mexico. We are the largest sour gas processor in the basin. Unlike most of our competitors we are focusing on building new capacity for both sweet and sour gas. As Ghazi mentioned, this is an operating competency that distinguishes us.

And we foresee more new plant growth. We have two plants, both 200 million cubic feet a day, on the drawing board to expand our suite capacity. As shown on the map, one is located in the Delaware basin and the other straddles the Wolfberry and Wolfcamp plays.

Lastly, we are focused on tying numerous plants together via large-diameter high-pressure trunk lines. As I mentioned, this is part of our Zia II program. It is also being developed in West Texas and would tie together all of our sweet plants in West Texas, as highlighted on the map with the yellow Y. These large-diameter gut lines connect our plants, improve our operating flexibility, and allow producers to deliver into us at high pressures.

Let me tell you what all this new growth in the Permian means for DPM. Growth equals more NGL production. And that NGL production will find a home on Sand Hills Pipeline. We are very excited that Sand Hills is now in the partnership and the DPM is now in the Permian. This is a great example of our growth for growth strategy.

To summarize, DCP has a vast footprint across the entire Permian basin and is upsizing our strategy to build new plants and new large-diameter pipelines. Further, this growth will result in increased NGL production that will move on Sand Hills Pipeline. DCP is very committed to being the midstream leader in the Permian basin and very excited about the future of the basin.

With that, I'll hand things over to Brian to discuss the Midcontinent.



Brian Frederick - DCP Midstream, LLC - President, South and Midcontinent Business Units

All right, thanks, Greg. So the first thing I have to let you know is I office right next to Ghazi. And somehow our Texas accents are a little bit different. I'm not sure quite how that happened.

But anyway, my name is Brian Frederick. I'm responsible for the Midcontinent and Southern regions within the DCP enterprise. I've been with DCP for 24 years and I have been privileged to be part of what Wouter described as our long time in the making. I'll spend just a bit of time giving you insight into the Midcontinent footprint, its evolution over the last four years, and the opportunity set we see looking forward. As a reminder, these are midstream assets that are not in the partnership.

So let's go back in time. Let me paint of picture for you of the Midcontinent. Similar to the Permian that Greg just described, we enjoy an extensive and unparalleled gathering footprint. We have been and we continue to be the largest gatherer and processor in the region. To the left on the map you see this great footprint. We have a wide reach with 30,000 miles of pipeline connecting 13 plants.

Let's point to the production and rig count stats at the top right. The Midcontinent was overall a declining basin. Production was largely from vertical wells. We viewed this area as a long-term consolidation play, hence the very large footprint. But there's an old saying in the oil patch: where do you look for oil and gas? Well, you look in an oil and gas field. Much like what Greg described to you in the Permian, with the shale revolutions these areas continue to reinvent themselves. Our footprint is situated on all of the new development plays around the Midcontinent -- the SCOOP, the Woodford Cana, the Granite Wash, the Mississippi Lime. They are all right there.

So let's walk forward a little bit more. Let me steer you around this slide. In the top right, from 2010 to 2014 rig counts took off, predominantly horizontal drilling, and production picked up significantly. The Midcontinent fairly quickly became a growth play. Here's where DCP benefited. What our great footprint did was give us a seat at the table. And I can tell you, based on early development in a lot of these plays, if you don't have existing assets you are not in the game.

So instead of consolidating we moved to optimizing. We could expand our footprint incrementally as the play developed and we were able to utilize our expand our existing capacity much more quickly than our competitors could build new facilities. We like to say that existing steel in the ground beats new steel every day. And we've got that steel in the Midcontinent.

We were able to capture significant producer commitments in all of these growth regions, most notably the SCOOP, the Miss Lime and the Granite Wash, by using our existing capacity. So our size and scale brought early phase development to our producers and gave us a competitive advantage. So here are some examples of how we've done that. First, in the middle of the page we restarted our Cimarron plant. Second, on the far west of the map we are in the process of upgrading our national helium plant with increased NGL production capabilities and efficiencies. National Helium is a 600 million cubic foot a day plant in western Kansas that allows us now to process richer shale gas. We don't talk about it much, but this facility is also the largest processor of helium in the entire country.

And third, we built multiple large expansions of our gathering systems. You see highlighted on the map, expansions into the Granite Wash and to the Mississippi Lime. But let me focus on the one to the bottom right. We call it our North-South Connector. The North-South Connector is a 70 mile pipeline that connects our southern Oklahoma assets in and around the SCOOP area up to our central Oklahoma assets. We can now export rich unprocessed gas from the SCOOP in southern Oklahoma to our central Oklahoma areas where we have available processing capacity. And the SCOOP gas to be processed is primarily fee-based in nature. By shifting gas around in our portfolio we can actually create capacity in the SCOOP.

In addition, we have been able to take gas that was moving from the west to the east into central Oklahoma and turn it around and send it west to what is our newly upgraded National Helium facility. Effectively, what we've done is we have built a 200 million cubic foot a day plant in the Midcontinent by laying pipelines and optimizing our system. So again, we can build pipe cheaper and faster than our competitors can build new facilities.

All of this has allowed us to effectively we grow with our producers and meet their timelines. By focusing on our customers and by understanding their drilling programs we can ensure we match our capacity availability with their production growth.



Finally, we believed it was imperative to get our Midcontinent NGLs to the premium market center, which is Mont Belvieu on the Texas Gulf coast. Remember, looking at the slide, we produced over 120,000 barrels a day of NGLs just in the Midcontinent. Don will talk more later about Southern Hills, but Southern Hills created the connection to Mont Belvieu. We are now able to give our producers -- we are now able to connect our producers with a reliable takeaway capacity to the Mont Belvieu market. And this is particularly important and gives us a competitive advantage as the Conway Kansas market has had some historical challenges with reliable takeaway service. I will remind you that Southern Hills is in the DPM asset portfolio.

So what's next? As you can see in the upper right, we and the industry experts expect to see continued growth in the gas and NGL production in the Midcontinent. In addition to the \$2 billion that we have invested over the past few years, we can envision the potential to spend between \$750 million to \$1 billion by 2016 in three big areas. First, continued gathering system expansions to add capacity and optimize our footprint. Second, a potential new plant in the SCOOP/Woodford area. And third, additional laterals to create new opportunities for Southern Hills Pipeline.

In summary, we are very pleased with how we have been able to respond to the emerging plays in the Midcontinent by leveraging our footprint and optimizing our systems. We believe that translates into reliability that our customers appreciate and speed to the ball that they demand. So with that, that's an overview of the Midcontinent region. And I will turn it back to Greg.

Greg Smith - DCP Midstream, LLC - President, Permian and North Business Units

Thanks, Brian. Now let's move to areas within the DCP enterprise that Brian, Don, and I manage that are owned in total or in part in DPM. Specifically, I'll cover our North business unit, which includes DPM assets both in the DJ Basin in Colorado and the Powder River Basin in Wyoming.

The DJ Basin, simply said, is a superstar in the portfolio and a prolific producing region. We are extremely excited about our significant growth and execution in the DJ and even more excited about future opportunities. Like the Permian Basin, the DJ Basin has been and will continue to be an extremely large growth area for DCP and now DPM as well.

Let me help put this growth into perspective by taking you back to 2010, prior to the arrival of horizontal drilling. You can see from the graph in the middle of the slide vertical wells were once the norm in 2010. At that time I had commercial responsibility for DCP's assets in the DJ, which are highlighted by the map on the left.

We were building our Mewbourn plant and contemplating our next processing plant in the DJ. Noble Energy drilled the first horizontal well in 2010 in the DJ. It was called the Gemini well, and DCP connected it to its gathering system. Everything at the well site was under lock and key, and early results were kept very tight.

The well IPed at 4.5 million cubic feet a day, over five times the size of an average vertical well. In 2011 I moved to Tulsa, Oklahoma, to run DCP's Midcontinent business unit, only to return to Denver last year to run our Northern business unit once again. And the changes in the DJ Basin and DCP's infrastructure while I was away were significant.

In short, that success of the Gemini well and the movement towards horizontal drilling has led to material growth for the Basin and the DCP enterprise. As you can see in the upper right corner of this slide, horizontal wells are now the norm. Between 2010 and 2014, DCP finished the construction of its Mewbourn plant, build the O'Connor Plant, and then expanded both of these facilities. And now all of this incremental processing capacity has been filled.

As highlighted in the middle of this slide, we doubled our processing capacity and NGL production between 2010 and 2014. And we think this pace will only increase in the next couple of years. We are now constructing our ninth and largest plant in the DJ, the Lucerne 2 plant, at 200 million cubic feet a day, which is owned by DPM and highlighted at the top of this map. Construction of the plant is progressing faster than we originally thought, and I am really pleased to share that we are forecasting to have this plant come on in the second quarter of 2015, which is earlier than previously announced.

As you are aware, DPM also owns the Lucerne 1 and O'Connor plants. We have very strong relations with our producers in the DJ -- notably, Noble Energy, PDC, Bill Barrett, Bonanza Creek, and a number of smaller but rapidly-growing producers who are solely focused on the DJ Basin.



Our contracts in the DJ have life-of-lease terms and generate solid earnings. We forecasted this prolific growth in the DJ and unlocked its potential using DPM. Specifically, DPM purchased the Wattenberg Pipeline and invested in the Front Range and Texas Express Pipelines -- all to address growing NGL transportation needs in the Basin.

DPM also entered into processing agreements with DCP Midstream for the Lucerne 1 and 2 and O'Connor plants that have fixed fees and volume commitments. That means significant fee-based earnings for DPM through these plants plus fee-based earnings through Wattenburg, Front Range, and Texas Express NGL pipelines.

Touching the energy molecule several times along the value chain is a very good thing. So think about it: we have executed and delivered on the full value chain from wellhead to market center for our customers. We've also begun using DPM to help finance our DJ Basin growth. Quite a transformation in four years, but the growth continues, and it will be significant.

The entire producing basin is very excited about what's happening in the DJ and telling us that significantly more midstream infrastructure is needed. You can see from the graph on the right side of this slide, NGL production in the Basin is forecasted to increase. Noble Energy alone is forecasting to invest over \$12 billion in the Basin over the next five years.

We are playing an important role in these efforts by building new processing plants and tying our infrastructure together via large-diameter pipelines. We continue to expand and build as quickly as regulators and construction timelines will permit.

Our producers' forecasts support DCP building a new plant of at least 200 million cubic feet a day on average every 18 months to keep pace with horizontal drilling. We believe our investment opportunities can be up to \$1.5 billion through 2016.

And the backdrop for this growth feels more certain. Why? Because progress was made by the Governor of Colorado to establish a task force that will look at both industry and local interests, completely avoiding ballot measures that were progressing towards a November 2014 vote.

So let me get into a little more detail on how we are going to satisfy this growth. We have a permit application on trial for our 10th plant, which would bring our processing capacity to approximately 1 Bcf a day.

Again, we can envision a scenario where DCP would add a processing plant approximately every 18 months for the next several years. This would more than double our current processing capacity, and capacity of 1.5 Bcf a day is not out of the question.

But it's not just about building new processing capacity. DCP is also building new large-diameter pipeline systems. These pipeline systems will ensure horizontal production moves efficiently from our processing plants and ultimately to downstream markets. The transformation in the DJ Basin has just begun.

Now let me focus on one other area that is owned by the Partnership. Our Douglas gathering system is located in the Powder River Basin in Wyoming and is shown in the upper left corner of this slide.

This is a crude play that is beginning to catch the attention of E&P companies. You may not have seen the growth firsthand; it's eye-opening when you cross the state line from Colorado into Wyoming and see the amount of activity. It feels like producers are figuring out the science of extracting oil and rich natural gas from this area of the Rocky Mountains.

The Partnership's Douglas asset system is one of the largest in the area and is well positioned. DPM currently gathers over 50 million cubic feet a day and is exploring whether a new processing facility is warranted. Depending upon where the potential plant is located, DPM could double the capacity of its gathering system.

We have a permit application on file for the proposed plant and believe that owning both our existing large gathering system and a new processing plant would be very strategic. More on this exciting potential project in the future.



In summary, the DJ Basin is an amazing growth area for both DCP Midstream and DPM. The success of horizontal drilling in the Basin has been a game-changer. We are committed to building the necessary infrastructure to accommodate one of the fastest-growing areas in the United States. That means building new processing capacity and styling installing miles of new pipe.

It's not a matter of if it gets built, but how fast. And with life-of-lease contracts, DCP Midstream has been able to structure deals with DPM to provide fee-based earnings as part of our financing strategy. This is a perfect example of how we are growing both DCP Midstream and DPM.

I'm now going to hand things back to Brian.

Brian Frederick - DCP Midstream, LLC - President, South and Midcontinent Business Units

So as you can see, Greg and I used to tag teaming quite a bit on this. The areas I'm about to talk about are especially exciting to me. I spent the majority of my time in the last few years in the Southern business unit, and it's got great story to tell.

Now, all these areas are in the Partnership -- the Eagle Ford, East Texas, and the offshore Discovery system. And I have to start out by saying the Eagle Ford in East Texas had a great year so far.

So just like before in the Midcontinent, let's go back in time. We already had an industry-leading position with a large gathering footprint and five existing processing plants. There really was no Eagle Ford Shale. We only processed about 10 million a day of Eagle Ford Shale gas back then.

You can see in the graph at the top right, South Texas was and still is a huge production area -- but a couple of characteristics were very different back then. One, the gas was much drier. And two, as you can see on the production curve, production was large but relatively stable -- not really declining, just kind of stable.

Well, let me plant the teaser again. Like we've said time and time again today, location matters. DCP had great real estate and existing infrastructure to quickly react to the horizontal revolution of the Eagle Ford Shale.

Well, here we are today, and the transformation is truly exciting. This is, again, another area that has reinvented itself.

Let me drive you around this slide. In the upper right, look at the rig counts. They have more than doubled -- and again, no shock -- primarily horizontal drilling. Eagle Ford Shale production has ramp up fast, from practically nothing to a current estimated 5.2 Bcf per day.

Our processing capacity within DCP has increased by 400 million a day, approximately a 50% increase over this time. Our overall plant throughput in South Texas is approaching 1 Bcf per day, and we expect to exit this year at even higher levels.

Our NGL production has also grown significantly, more than doubling over this time period, reflecting the liquids-rich production out of the area. For us the production that feeds these plants is backed by contracts which represent over 900,000 acres from multiple large E&P companies -- great companies: companies like ConocoPhillips, and Pioneer, and Marathon, and many others anchor these systems. And they have delivered.

Here is how we got these results. First, we took our legacy plants and we've retrofitted them for the growth of the liquids-rich Eagle Ford Shale gas. Second, highlighted in black: we laid almost 500 miles of gathering lines, and we designed a system that integrated all of the plants into one big system.

Third, in the middle of the page: we built two new processing facilities. Eagle plant and Goliad plant have both come online in the last 18 months. The net result, an expanded and integrated system that provides reliable service and significant optimization opportunities. I'm happy to report that today, these two new plants that we have built average approximately 85% full.



Remember Wouter talking earlier about pacing capital spend with production growth? The Eagle Ford is a prime example of how we've done that. Finally, with the production of our Sand Hills Pipeline -- which Don will discuss more in a little bit -- we solved the NGL takeaway issues that would have accompanied all of the production growth in this area.

I have to pause for just a second and contrast our experience in the Eagle Ford with some of our competitors. Not everyone is telling the same story, and there's good reason for that. Like we've said, location matters. Our footprint covered prime real estate.

This allowed us to, number one, be a first mover. We signed long-term contracts, many of which are fee-based, with producers who have delivered. Second, the footprint gives us access to the oily windows as well as the rich gas windows, and eventually, even the dry gas windows as they get developed.

And third, we created a very flexible system -- one that we can optimize. Again, it's another example of existing steel that we can expand wins over new steel. We are excited about our continued prospects in the Eagle Ford and how can build off this great footprint.

So looking at our opportunity set, our enthusiasm for the Eagle Ford remains unbridled. That's based on the great relationships that we have with our producers, the great track record they've had, and the line of sight that we have to future production growth.

While you might see some of our midstream competitors with excess capacity or producers not delivering, we are excited to have partnered with the very best of breed. We've worked together and we've delivered for each other.

Across the Southern business unit, we foresee the potential for another \$500 million to \$1 billion of spend over the next couple of years. That may include the potential for a new plant in the Eagle Ford, our eighth overall in the area; continued expansions of this gathering system; and, again, incremental opportunities on Sand Hills. Beyond the next couple of years, our footprint and our presence in this Basin will lead to many more opportunities.

So now let me direct you to another part of the region, which is the Partnership's East Texas assets. It's important to note that East Texas is actually the second-biggest income producer to the Partnership, behind only the Eagle Ford.

East Texas is a complex of six plants and interconnected gathering systems across Northeast Texas. This area has seen a resurgence and reinvention of the Cotton Valley and wet Haynesville plays, and that has us excited for the future.

In East Texas we've been on a multiyear strategy: a strategy of, number one, upgrading the system to increase efficiencies and reliabilities for richer, wetter gas; and, two, expand the gathering reach of the system. You see on the map, highlighted in black, examples of the gathering system expansions we've completed over the last four years.

The highlighted areas represent approximately 70 miles of new gathering system. During this time we also purchased and integrated the Crossroads plant into the asset. We continue to see good growth opportunities in East Texas. Again, another earnings powerhouse for the Partnership.

Finally, I know you've been hearing all year long from Bill about our progress on the Keathley Canyon project on the Discovery system. A quick reminder on this project: Keathley Canyon is over 200 miles of 20-inch pipeline out into the Deepwater Gulf of Mexico. It also includes an onshore methanol extraction plant.

Pre-commissioning for this project has begun, and we expect the project to be operational this quarter. We are very, very excited about this project and the positive impact it will have on the Partnership. I know Bill will speak about it more shortly, and we think it deserves a very bright spotlight.

In summary, the Eagle Ford is one of the most prolific growth stories that I've seen in my career. We were a first mover in the Eagle Ford, with a great footprint right in the heart of play. We signed long-term contracts with quality companies. We interconnected all of our plants, so our producers have the benefit of a very reliable system. When you add the value chain of Sand Hills, we think you've got a real winner.

Finally, we have lot of confidence in the Eagle Ford going forward. That's based on our line of sight to production growth. That growth will allow us to make a decision on a new plant in the very near future, so stay tuned.

With that, let me introduce Don Baldrige, the President of our marketing and logistics business.

Don Baldrige - *DCP Midstream, LLC - President, Marketing and Logistics*

Thanks, Brian and Greg, for teeing me up to be the closer on the DCP enterprise. I'll describe our achievement in becoming an integrated, full-service midstream provider. I'm Don Baldrige, President of DCP's marketing and logistics business unit, and I have had the privilege of seeing our Sand Hills Pipeline and our Southern Hills Pipeline grow from an idea to a reality. And it's great to have them in the Partnership. It's also great to be able to say that we have become the third-largest NGL pipeline operator in the country.

You just heard about the growth in our gathering and processing footprint over the past four years, and the strategy that has differentiated us competitively is through our system integration and flexibility. Well, it's this same system integration and flexibility that also extends into our downstream logistics business. So keep in mind as I go through my presentation today that all of these assets and associated earnings currently reside in the DPM entity.

Since 2010, we have been growing our downstream capability across our footprint to deliver value to our DCP enterprise. In doing so, we have become a substantial entity. We have transformed into a full-service midstream provider.

So how did we get here? As you might recall, back in 2010 the NGLs were oversupplied, and the takeaway capacity was limited. This caused many bottlenecks and constraints and kept the NGLs from making it to the market.

And as you look at us today, you can see that we stepped up and answered the industry call. We saw the NGL capacity needs in the basins that we operate. These capacity needs were caused by changes in technology and the renaissance of the shale plays. We just had too much supply for the infrastructure.

So we've answered that call through the breadth, capacity, and reliability of our downstream logistics network. It's good for our customers; and it's certainly good for our G&P business, which is dependent on adequate NGL takeaway.

So we have been proactive in making sure that the NGL infrastructure is reliable in all of the areas that we operate. Our customers benefit from this NGL network because we provide extensive access and connectivity to the Mont Belvieu and Gulf Coast markets. We've also expanded our market access by connecting our Sand Hills and Southern Hills Pipeline to our Black Lake system, where we can reverse flow and serve markets in Louisiana.

We've now integrated our G&P business and connected each of our basins to the premier Gulf Coast and Mont Belvieu markets. We are the largest NGL producer in the country. This gives us a strategic competitive advantage, as we are able to maximize the NGL value chain. We can drive NGL infrastructure projects because we have the barrels to back them up. And being the anchor tenant, we've been able to create an NGL network of considerable scale in a short amount of time.

So I've talked about capacity. Let's talk about the reliability that these pipelines deliver to our G&P asset base by keeping the NGLs flowing to the Mont Belvieu market. That creates value for our business and our customers.

What we like about these pipelines is that they deliver long-term, fee-based earnings with significant growth opportunities. And over time we are shifting our production from third-party systems to our pipelines. So we have extended the DCP value chain well beyond our G&P footprint, and we are now capturing incremental value for our shareholders by transporting our produced barrels and those of third parties on our NGL pipelines. We like to say we are getting paid every time we touch the molecule, and that feels pretty good.

So in exploring our pipeline network a little more deeply, it's best characterized by its unparalleled access and connectivity. Now let's look at our Texas Express and Front Range assets. They have unlocked the DJ Basin from the Midcontinent markets for the first time.



They are providing additional market optionality and takeaway capacity for the growing Niobrara and Granite Wash plays. As shown by the blue arrows, we are flowing barrels from the DJ Basin to Mont Belvieu, from the Permian Basin to the Gulf Coast, and all points in between.

And as a great byproduct of creating this integrated network, we have also expanded our customer base. We are actively connecting third-party facilities, extending our NGL footprint, and adding value for the services that we offer.

In addition to the barrels we produce, DCP is now a large purchaser of third-party barrels in these basins. We provide one-stop service for these NGL customers with transportation and fractionation service. It's our growing NGL network that keeps the flywheel of lower risk, high return, organic projects moving. With our size and scale our G&P growth will deliver additional barrels into our systems.

And it all began with these two great pipelines, Sand Hills and Southern Hills. As I stand here today, I am excited to share with you that we are well on our way to reaching our 2014 exit rate guidance.

As you may recall, we previously stated that our expectation of about 230,000 barrels per day for Sand Hills and Southern Hills combined. In fact, we've seen periods of time in August and September where we exceeded this throughput. Thus I believe our guidance is conservative. These volumes will continue to grow over the next several years as the development in the Permian, the Eagle Ford, and the Midcontinent continues.

Now, at DCP's last earnings call, Bill shared details on \$160 million of organic growth projects. A book of that is related to laterals off of Sand Hills. We are expanding our Sand Hills Pipeline into Southeast New Mexico, where DCP is expanding its G&P capacity, as you just heard from Greg.

We are also increasing our capacity into the Delaware Basin, with a new 12-inch lateral serving the growth in that region. We are very excited for the continued organic growth opportunities prompted by both our G&P expansions around our footprint and the contracting success that we are having with the third parties.

In fact, as you can see on the map with the yellow circles for Sand Hills, we are already in the planning process of adding additional pumps. These will handle the increase in volumes that we are seeing across that system.

Now, one question that we often get: why isn't DCP in the Marcellus? I'm here to tell you that we are very much in the Marcellus. In fact, we are one of the larger NGLs distribution networks in that Basin.

As depicted by the arrows on the map, we are an active purchaser and transporter of NGLs from the Marcellus to our network of terminals, storage, and export facilities. So we are very much an integral part of the Basin's development.

As you can see, our downstream business model extends beyond our pipeline network. In fact, if you include Marysville, which is located in Michigan, with our terminals this is all very complementary business.

So how does this work? In essence we provide an important propane market access to our customers through our rail terminals and market linkage. And at Marysville we have expanded into ethane storage where we are serving the Sarnia and refining chemical markets as well as the producers.

The lack of storage in this Basin makes Marysville ethane and butane capabilities a key reliability component. We are enhancing Marysville by expanding our truck and rail capacities as more and more Marcellus production makes its way to us.

Given the robust demand, we are also evaluating cavern expansions at Marysville, because we have plenty of room to expand there. Finally, we have recently broadened our services to butane exports and have an agreement in place with a large Marcellus gas processor to export butane from our Chesapeake terminal. We are doing this by converting our propane import terminal to a rail-based butane export facility.

Phase II of this project is to store and export butane. I'm very pleased to report that we are filling the tanks right now, and we expect to load our first ship of butane later this quarter. Chesapeake will now be able to handle about 7,000 to 8,000 barrels per day of butane.



So to give you a perspective, that is about the amount of product that you would receive off a 75,000 barrel a day fractionator. This project gives needed international market access to the Marcellus production. Chesapeake also has room to grow, and we are evaluating additional expansion opportunities there.

So this is not just a wholesale propane business. We have become an important Marcellus NGL network. That creates value for our customers and our unitholders. As I said in the beginning, we are very much in the Marcellus.

Here is the takeaway from walking you through our NGL pipeline terminal and storage network. We have integrated our G&P business with our downstream marketing and logistics business. As shown by the graphic, we now provide the full midstream solution to our customers.

This is a competitive advantage, as there are only a few midstream companies that provide that breadth of service. Now, as you can probably guess, our capital opportunities don't stop at the terminus of our pipelines.

For example, today DCP holds a permit and we are evaluating engineering and cost estimates on a fractionation and storage complex in Beaumont, Texas. We can offer all of the services that you would expect from a Mont Belvieu fractionator there. As the largest producer of NGLs, DCP has the ability to derisk this project with our owned and controlled barrels. We are evaluating the development of this opportunity and assessing its fit with our overall strategy, so there will be more to come as we finalize project scope.

The marketing and logistics business is an important differentiator in the midstream and the MLP space. It defines us as a fully integrated midstream company -- one that delivers fee-based earnings and grows with the areas that we operate in, like the DJ, the Permian, and the Marcellus. As the shale development continues, our NGL pipeline network will add additional supply connections and build out laterals. We call that hanging ornaments on the tree, as these are high-return growth projects and are enhancing the economics of our original pipeline investment.

So with that, I will pass it along to Bill Waldheim, who will give us a Partnership view.

Bill Waldheim - *DCP Midstream Partners, LP - President of DCP Midstream Partners*

Thanks, Don. I'm going to further bring together how this all fits into DPM. I believe I know or have met most of you in this room here today. If not, my name is Bill Waldheim, and I'm President of DCP Midstream Partners.

I've spent a majority of my career in the downstream logistics business, but more recently focused on the growth at DPM. Wouter led off telling you about our Growth for Growth strategy and how drop-downs create organic growth opportunities.

Next, you heard from Ghazi -- talk about our strong focus on safety, reliability, and operational excellence. Greg and Brian covered the tremendous opportunities that we see around the DCP footprint. And Don just explained how all this is tied together with the growth in the scale and scope of the logistics business. Now I want to tell me what this means for DPM and how this translates into our business; capital opportunities; and, ultimately, earnings.

Looking back to 2005 when DCP was formed, total long-term assets were about \$300 million. And we have grown that to almost \$5 billion, an increase of 1,500%. In fact, as our timeline shows, DPM has executed on 23 drop-downs or acquisitions since inception, plus a healthy mix of organic growth projects. That means we've been averaging between two and three major transactions a year.

So to put it in perspective, our organic spend of \$500 million in each of the past two years exceeds DPM's original asset value back in 2005. We've come a long way.

And with the recent drop-downs comes a multitude of higher-return organic projects. So the organic flywheel is delivering momentum on project development around our footprint, further ramping growth at DPM. For our shareholders this strategy supports sustainable distribution growth for years to come.

Looking to slide 45, you can see how the Partnership has executed around several different strategies over time. On the left pie chart you can see how the Partnership started primarily as an acquisition vehicle. Then, starting in 2010, DPM began financing the DCP enterprise growth.

This program included projects in both gathering and processing as well as the newly founded downstream logistics business. The transition was underway to transform DCP to a fully integrated midstream company.

This was also the start of the Growth for Growth strategy, with drop-downs being accelerated into DPM. Executing on our Growth for Growth strategy has served DPM well, tripling DPM in size over the past several years to a \$9 billion enterprise value entity.

One consistently stated goal at DPM was to gain scale and scope to become a large, integrated MLP that can grow through drop-downs, organic projects, and acquisitions. I am happy to say we are there. We have met that goal.

Another important transformation is occurring. As you can see on the right-hand pie chart, DPM has opportunities for growth via drop-downs; however, our organic opportunities are growing significantly, as well. That's the organic flywheel effect: delivering momentum around our footprint, successfully growing earnings, and creating long-term sustainable value for our unitholders.

On slide 46 I'd like to provide you with an update on how we are executing on our 2014 guidance and provide you with a revised capital and DCF outlook. First, as a reminder, the timing of drop-downs generally coincides with the overall funding needs of the DCP enterprise. With DCP Midstream's current capital spend profile, we don't expect any additional drop-downs in 2014; however, we are reaffirming our drop-down target of \$3 billion to \$5 billion dollars in the 2014 to 2016 time frame.

Second, I am happy to say that even without another drop-down in 2014, we are updating our target 2014 DCF guidance range to between \$435 million and \$450 million. This is a 10% increase in earnings from our previous guidance.

The reasons for this improvement: our DPM assets are ramping and performing as, if not better, than expected; and we are revising our maintenance capital guidance in the range of \$30 million to \$35 million.

As Wouter mentioned, from 2014 to 2016 the DCP enterprise expects to execute on about \$4 billion to \$6 billion of organic growth projects. DPM expects drop-downs in the range of \$3 billion to \$5 billion and will execute on over \$2 billion of growth via direct investment in organic projects.

Specifically, as the bar chart indicates, for 2015 and 2016 DPM is increasing its target organic spend to approximately \$750 million per year from our previous target of \$500 million due to the many G&P and logistics growth projects that we're contemplating around the DCP footprint that you just heard about.

If we look back to 2014, we expect to meet our forecast of \$500 million organic growth projects. The project list includes \$270 million for our Keathley Canyon and Lucerne 2 projects; approximately \$70 million for three Sand Hills laterals; \$30 million for the condensate handling at two Eagle Ford plants; \$40 million for improved liquids handling at our Marysville storage facility; \$20 million on the facility modifications at Chesapeake to export butanes; and, finally, we have several miscellaneous projects to round out the balance.

And with our first and second quarter distribution increases, we are on track to reach our 2014 distribution growth target rate of 7%. Let me remind you that although we have just increased our 2014 DCF guidance, we will continue to balance the needs of the Partnership in terms of funding organic growth while at the same time maintaining our investment-grade metrics around DPM's leverage and distribution coverage.

The next several slides provide a brief update on DPM's three business segments, starting with natural gas services. This segment has become an earnings machine. I am pleased to say our Lucerne 2 plant is coming along faster than expected and should be in service in the second quarter of 2015. We expect to spend about \$170 million on Lucerne 2 this year and \$250 million overall.

We are wrapping up our Keathley Canyon capital spend, as this project is ready for start-up and should be in service later this fourth quarter. DPM has spent about \$100 million in 2014 on this project and \$300 million overall net to our 40% interest. This is a great project, with continued drilling



success in and around the Keathley area. We expect strong returns on the lower end of 5 to 7 times multiple range, which equates to about \$60 million to \$70 million of incremental DCF in 2015. Both Lucerne and Keathley are predominantly fee-based, which will improve DPM's overall fee-based earnings in 2015 and beyond.

We also placed our Goliad and O'Connor plant expansions into service in February, with earnings and volumes ramping up quicker than expected. And let's not forget about our 750 million a day East Texas system that has been setting throughput records recently. As Brian mentioned, East Texas is our second-highest earning asset in the natural gas services segment that gets little mention; however, it's performing very well.

But what I'm most excited about in the natural gas segment is the progress we are making on planning our next Eagle Ford and Douglas system expansions, as well as working with DCP Midstream on the next drop-down opportunity. Permits are forthcoming, and engineering costs and project scopes are being finalized for a couple of potential plant opportunities in the Eagle Ford Shale and Powder River Basin of Wyoming.

With our Eagle Ford system capable of moving approximately 1.4 Bcf a day of raw gas, and given the forecasted production growth from our Eagle Ford producers, there is a need to expand our processing capacity. This should be a very economic expansion, as the gathering system, with only minor modifications, is already capable of handling additional gas volume.

Of course, this project does require further work and management approvals before it takes flight. Likewise, in the Niobrara around Douglas, Wyoming, producer activity is expanding. As Greg mentioned, we are evaluating the potential to add processing capacity to our industry-leading gathering system in the area. Again, further work and management approval is needed. And with the extensive project list we just saw from both Brian and Greg, I'd like to think DPM will be called upon to build some of these potential growth projects as well.

Next, turning to NGL logistics segment, as we mentioned previously in the lower right-hand corner, DPM approved three Sand Hills bolt-on projects: the Lea County, Red Bluff Lake, and Spraberry laterals, totaling approximately \$70 million of net investment to connect Sand Hills mainline to DCP and third-party plants in Southeast New Mexico, Delaware Basin, and the Cline Shale of West Texas.

Don and his team have done a great job in adding NGL volume to our pipeline network, where volumes are beginning to surpass our 2014 exit rate on both systems. I'm also excited about the Sand Hills expansion, taking capacity up to 350,000 barrels per day. We are working the approval process on the project with our Sand Hills joint owners, Phillips 66 and Spectra Energy, and we anticipate final approvals in the near future. The capacity addition will be much needed in coming years, based on current projections. The returns associated with adding pump stations to Sand Hills are significant and will drive earnings growth into the foreseeable future.

Also, our Front Range and Texas Express pipelines continue to grow volumes with the start-up and ramp-up of several DJ Basin plants. And as a reminder, the ship-or-pay contracts are active on these pipelines.

We also approved \$40 million for our Marysville liquid handling project, which will improve our ability to receive and deliver NGL products at this facility via truck and rail. This is a much-needed project that ultimately could result in additional storage cavern capability.

And as you heard Don mention, we are actively evaluating a fractionation project in Beaumont, Texas. I'm extremely excited about the project's potential, but more work lies ahead prior to any decision to move forward on this project. So overall, the logistics business is humming, with fee-based earnings and growth continuing to ramp up.

And lastly, on our wholesale propane segment, Phase II of our Chesapeake export project is underway, where we expect to spend approximately \$20 million on this facility modification to allow the exporting of butanes by year-end. As Don mentioned, we have already begun accepting butane railcars into this facility and are storing butane awaiting for export. And as a reminder, there is potential for us to further expand this facility if we see an increased need.

Finally, let's talk about how our assets are ramping up and performing, which further highlights our capital efficiency and improves our overall return on capital. In fact, this is one of the reasons for our improved DCF guidance.



First, our Eagle Ford system's throughput continues to grow and is currently at about 85% of the system's 1.2 Bcf of processing capacity. Part of the reason for this exceptional performance is our 200 million a day Goliad plant is now running over 70 million a day and climbing. Our 160 a day O'Connor plant is running at capacity, and like Goliad has ramped up much faster than originally anticipated.

In our NGL logistics segment, as Don mentioned, our fee-based Sand and Southern Hills Pipeline systems have been ramping up nicely. We believe the combined exit rate should surpass our previous guidance, as we have been experiencing periods of throughput in excess of 250,000 barrels per day -- not a bad story.

So not to steal Wouter's thunder -- let me summarize a few things. First, I am very excited about DPM's continued growth projects, not only through drop-downs, but with great organic growth opportunities before us. This is exactly the position we wanted DPM to be in. We've grown the Partnership in scale and scope.

This allows us to fund DCP Midstream's growth while at the same time execute on quality organic opportunities at DPM. The result is sustainable distribution growth. DPM has great capital opportunities across all our business segments. It's a target-rich environment. Whether it's in the Eagle Ford, the DJ Basin, or the Powder River area; or in marketing and logistics, with Sand Hills, Marysville, or a potential frac, these are all opportunities getting teed up and ready to go.

And that's not even considering the entry into the G&P business of the Midcontinent or Permian via a potential drop-down. All these projects are exciting possibilities to grow DPM.

So, yes, at DPM the future is bright. With that, I will turn it over to Sean to provide a financial overview.

Sean O'Brien - DCP Midstream Partners, LLC - CFO and CFO, DCP Midstream Partners, LP

Thanks, Bill. Good morning, everyone. It is terrific to be in New York today and see so many familiar faces. I am Sean O'Brien, CFO of both DCP Midstream and DCP Midstream Partners. And I want to thank all of you for your interest in our companies today and I am very excited to continue to share with you what I believe is an impressive story of disciplined and sustainable growth.

As the leadership team has shared with you this morning, we have delivered strong execution through this exciting and transformational period for our Company. And we are not stopping here.

This morning, I am going to talk primarily about DPM and what I will focus on is DPM's strong financial track record, solid execution acting as the funding source for the enterprise, and our growing fee-based and hedged cash flow. And finally, I will close by discussing our proven track record delivering sustainable DCF and distribution growth.

So as I look back on my five-year tenure with the Company, I am amazed at the transformation and wanted to highlight a few of the key milestones. On slide 52, from 2010 to now, we have increased the size of DPM by 245%.

We have grown our distributable cash flow by almost 175% and have transformed and diversified DPM's DCF from primarily gathering and processing focused to a more diversified integrated DCF, now inclusive of the growing marketing and logistics revenues and long-term fixed contracts increasing the fee revenue stream.

DPM also has expanded its regional footprint to include the prolific Eagle Ford, Permian, DJ Basins, and Mid-Continent. And finally, we are not stopping here. In fact, as you have seen in the previous presentations, our growth for growth strategy coupled with the DPM organic flywheel affords us a terrific line of sight to disciplined future sustainable growth, with approximately \$3 to \$5 billion in dropdowns and \$2 billion in organic growth opportunities.

Now let me talk about a little bit our financial strategy. DPM's balance sheet provides the DCP enterprise a solid platform to support growth. We are keenly focused on maintaining our investment grade ratings and strong liquidity levels.

Earlier this year, we proactively renewed our credit facilities at both DCP Midstream and DPM, totaling \$3.25 billion, increasing DPM's portion to \$1.25 billion, up \$250 million. We have a proven track record of execution in the capital markets, with over \$6 billion raised over the past four years.

As you have seen today, DPM has a strong line of sight to disciplined growth through dropdowns and organic opportunities over the next few years, with the catalyst be our position in the industry-leading basis basins, such as the Eagle Ford, DJ, and the Permian.

Now I would like to highlight DPM's strong returns. Since inception, DPM has delivered a total shareholder return of 350%, outpacing the AMZ by 70 percentage points. This return has been driven by a disciplined sustainable growth strategy coupled with 15 consecutive quarters of distribution increases and a current distribution growth target of about 7%.

We believe that not all returns are created equal. And that when you look at DPM's track record, premier positions in key basins and solid line of sight to future growth, that we have a strong strategy of continued, sustainable returns.

So as I mentioned earlier, DPM is the funding vehicle for the DCP enterprise. On slide 54, we have shown our liquidity progression since 2011. And it highlights the impressive approximately \$6 billion that DPM has raised to fund our phenomenal growth across the DCP enterprise.

Carving the \$6 billion out, we have raised over \$2 billion in the debt markets, \$3 billion in equity, and \$1.25 billion through our credit facility. What is striking to me is that while executing on all these transactions, we have been able to maintain investment-grade ratings at all three rating agencies at DPM and have extended our debt maturity by seven years, lowered our cost of capital, and kept our credit metrics in line with our 3 to 4 times goal, all while we are in an unprecedented period of growth.

Now on slide 55, I want to spend some time on DPM's fee-based portfolio. And this is something we are very proud in terms of our execution over the past few years. As you can see, we increased our fee or hedge position to 95% in 2014, up 10% over previous years. Also note that we have increased our pure fees margin to 55%, up from our historical levels of about 45%.

The far right side of the graph on this slide demonstrates how DPM's current fee-based revenue stream will grow over the next few years as we see investments like Sand and Southern Hills, Keathley Canyon, and the Lucerne 2 plant, all continue to grow their revenue stream.

The growth in fee-based earnings will help offset some of the direct commodity hedges that roll off in the first quarter of 2016. The table in the middle of this slide shows how we have been able to execute over the past two years by adding significant fee-based revenue streams to DPM.

As DPM has grown, we have been very successful in adding fee-based assets and/or contracts to the portfolio. This is demonstrated by our track record and highlights our commitment to driving and growing sustainable cash flow.

Now I want to address a key question that we often get around the commodity exposure in our portfolio. Since inception, we have consistently hedged a significant portion of DPM's commodity-sensitive margin. We have been able to do this as the nation's largest NGL producer coupled with our sophisticated marketing group.

So as we look out over the next several years, we are confident that we will be able to continue to grow our fee-based cash flows and proactively manage our commodity sensitivities.

Slide 56 illustrates the terrific amount of products that have and will come online over the next few years, driving significant growth in our cash flow. This slide also demonstrates the diversity of growth that DPM has realized, with dropdowns shown in dark blue, organic growth in green, and acquisitions in light blue, all as levers.

Focusing on the future, DPM will have a significant cash flow growth as the flywheel continues to deliver incremental cash flows, projects ramp up, and organic opportunities continue in the investment-rich basins.



By executing on our growth for growth strategy coupled with our increased organic strong return capital outlet, we are confident that we will deliver on our growth commitments at DPM.

So to summarize, we'll look back at our proven track record and then more importantly, I will look forward and show you how we are going to deliver sustainable shareholder returns.

Since 2010, you can see that we will have increased adjusted EBITDA and DCF by about four times. Compounded annually, that is about a 30% growth rate. And we have already delivered 15 consecutive distribution increases.

And now looking forward, first, the catalyst for sustainable long-term growth is DCP's unmatched footprint and impressive \$4 billion to \$6 billion pipeline of organic projects with EBITDA returns in the five to seven times range.

Second, we will fund this growth, utilizing DPM's strong investment-grade balance sheet and proven capital markets execution. Finally, we continue to deliver solid DCF growth tied to our growing fee-based revenue stream, altogether driving a sustainable total shareholder return outlook you can count on.

With that, I want to thank you again for your time today and I will turn it over to Wouter for closing remarks.

Wouter van Kempen - DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP

Great. Thank you, Sean. And we want to thank you for investing your morning with the DCP management team and hopefully, you will leave with more clarity on how we are executing on our strategy. What sets DPM apart from other MLPs and inside seen our growth opportunities.

So let me summarize some of the highlights for you of what makes DPM such a strong value proposition. To give you a broader perspective, we began with a DCP enterprise view since DCP -- or since DPM is a sponsored MLP.

You have met the experienced management team, who manages and operates the DCP enterprise with one strategy. There is a good reason why we have a wealth of opportunities ahead for the partnership. DPM in its own right has become a fully integrated midstream service provider. And we are able to maximize opportunities along the entire value chain.

Through our growth for growth strategy and numerous organic opportunities that have evolved from dropdowns, we have already tripled DPM in size over the past couple of years. And also allowed DPM to answer several new economically attractive basins in the past four years, with DPM's recent entry into the Permian Basin as a great example.

As a DCP enterprise, we see an opportunity set \$4 billion to \$6 billion of investments around our footprint between 2014 and 2016. That translates in \$3 billion to \$5 billion in dropdowns and \$2 billion in high return organic growth for the partnership.

Growth for growth. Pretty successful and we have a lot of runway ahead of us. Our ability to deliver on these opportunities results in long-term sustainable value creation to our unitholders. And the best example of that is that we just increased our DCF range by about 10% for 2014 and that was without an additional dropdown.

We look forward to checking the remainder of the boxes in 2014. Keathley Canyon going into service. Chesapeake, with its [forest] butane export. We are excited about the progress of projects in development. The Sand Hills laterals. The Lucerne 2 plant in the DJ, expected to come in service in the second quarter of 2015, ahead of schedule.

And we are eager to press on to develop the great slate of opportunities we described in each of our business units, which have the potential to be in the partnership in the future. And we look forward to sharing those opportunities with you as they come into being.



With that, I will stop and we move on to questions. Again, thank you. It has been really a pleasure to share this time with you this morning. So let's go on to Q&A. We probably have about 45 minutes or so to address anything that you have heard from the team or any other questions that you would like to ask us.

We have members of our IR team that are ready to come to you with a microphone so your question can be heard on the webcast. Just wave your hand, please state your name, and the firm that you represent, and then we will start with that. I already see the microphone there.

QUESTIONS AND ANSWERS

Vince Knowler - *Arts Capital - Analyst*

Good morning. It's [Vince Knowler] from [Arts Capital]. A question about, I guess, [pertains] to national helium. [Glen], could you talk a little bit about what that opportunity is. Is that what the name says - it's an opportunity you guys are looking to exploit?

Helium, what you think about that marketing opportunity there. It's something [that would] be a little different. Maybe it wasn't migrate itself (inaudible - microphone inaccessible).

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Great. And that is the question around national helium predominantly. Let me give a couple of remarks briefly and then I will hand it over to Brian to give you a little bit more detail.

Our national helium plant in the Mid-Continent, which is sitting in the LLC, has been -- it is the largest plant that we have in our footprint overall. We have been basically converting that plant from its current state into a deep-cut cryo. So that has been ongoing for the last, call it, 18, 24 months.

The plant is coming -- the upgraded plant will be placed in service here in the fourth quarter. That plant has been around for a number of decades and we have been producing helium out of that plant for a long time.

So as Brian mentioned, we are the largest helium producer in the country. We don't talk about it very often, but it is an interesting niche business for us. So Brian, anything you want to add?

Brian Frederick - *DCP Midstream, LLC - President, South and Midcontinent Business Units*

Yes. I think it is really just an incremental opportunity. The helium production out of the gas is relatively small as a percentage of the gas stream. So it is really more just an incremental opportunity.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Okay. Question around exports. How important are exports to the DCP enterprise and I think the marketplace overall. And I will hand it to Don Baldrige shortly.



I think overall, the way we look at it is any type of demand that is being created for our product, being the largest NGL producer in the nation, is something that we are cheering for and we look forward to.

And we can either create that ourselves, like we've done in the Northeast with Chesapeake or in Marysville. Either we are working with producers or an exporters in the Bellevue area. But Don, anything you want to add to that?

Don Baldridge - DCP Midstream, LLC - President, Marketing and Logistics

Yes. I would just say that we think exports are going to be very important in terms of balancing the market, when you look at ethane, propane, and butane. And then, for us, we pay particular attention, just given the size and scale that we have with those products and making sure that we have access to those markets.

So we do think it is an important part of the midstream industry and we are welcoming its continued development.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Wouter van Kempen - DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP

Yes, Michael. So around kind of our \$3 billion to \$5 billion of dropdown strategy, we came out of the gate pretty strong this year when we did the \$1.15 billion dropdown in the first quarter, kind of towards the \$3 billion to \$5 billion target.

As I explained, for us, it is really kind of the growth for growth strategy. That is how we finance the dropdown story is how we finance the enterprise as a whole. So part of what we wanted to do for all of you today is to really kind of show not only DPM and the opportunities we have there, but also all of these assets that we still have in the DCP enterprise at the LLC level and the private entity.

Because that is really what is going to drive those dropdowns in future. If we continue to build around our Mid-Continent business, around our North business, around our Permian business, all of those are mostly still sitting in the LLC. You see all that growth there. All the opportunities. There is a vast amount of opportunities around those areas.

That is really what is going to drive that dropdown activity into the partnership. So we thought it was an important thing for all of you to not look only at the DPM side of the house, but see the LLC side of the house, because that is what is driving things from a dropdown point of view going forward.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Wouter van Kempen - DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP

Yes. That is a great question, [Elvira]. I will hand that one over to Don.



Don Baldridge - *DCP Midstream, LLC - President, Marketing and Logistics*

Yes. So as you think about how we look at the fractionation market, it's obviously an extension of our value chain. And so as we look at this opportunity, it has a couple things that come to mind in terms of the overall capacity development of the market and kind of where we fit in with that.

And then also just around our capital opportunities and how we allocate resources to various projects. So as we kind of work through those two items, that would be, I think, what will help kind of steer us one direction or another.

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

[Becca], it is a great opportunity for us. It's one that we continue to kind of look at and hopefully, if all the signals are pointing in the right direction, is something that we can execute on.

Unidentified Audience Member

(inaudible - microphone inaccessible) As you think about the transformation of the partnership (inaudible - microphone inaccessible) cash flow, what's the ability for the LLC with the appropriate amount of assets to continue to structure them so that they're fee-based, given the fact that there's more assets dropdown. It's almost comparable (inaudible - microphone inaccessible).

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Yes. Well, I will let Sean kind of go into it in detail. I think, just as a high level background, as you have seen us do very significant drops over the last number of years, we always have an opportunity to structure those based on what is good not only for the partnership, but also for Midstream.

So there is a number of tools that we have in the toolbox to make sure that we optimize both midstream as well as the partnership. And Sean, do you have anything to add to that?

Sean O'Brien - *DCP Midstream Partners, LLC - CFO and CFO, DCP Midstream Partners, LP*

What I would add is that a competitive advantage we have. I showed on the center of that slide 55 how we have executed, whether it be through fee-based assets or contracts to give the partnership a fee-based component.

I think the key thing to consider is as the partnership is growing -- and I show it on there -- we are increasing our fee-based revenue stream significantly with things like Sand Hills, Southern Hills, Keathley Canyon, Lucerne 2, the O'Connor plant.

So our ability going forward -- I will throw some numbers out there. In 2015, we are going to be in that 90%, 95% range again, in terms of fee or hedged. And even in 2016, if we didn't put another NGL hedge on and just hedged gas and crude, which is very liquid, with the growth of our fee-based, we would be in the 75% range.

So the good news is, we focus on it, we have got a lot of tools available, and I think we have a great line of sight over the next three or four years to keep us where we want to be.

Unidentified Audience Member

(inaudible - microphone inaccessible)



Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Okay. Thanks for the questions. I'm going to hand the organic \$750 million over to Bill Waldheim. Let me before that, answer your question around the frac.

We are looking at the frac at this stage -- is it something that makes sense. Is it something that stacks up and kind of hold the other opportunities that we see. And then, lastly, from a structuring point of view, would we do that at as 100% or as a joint venture. I think it is all to be determined, depending on how it stacks up with the other opportunities that we are seeing in the enterprise.

And Bill, you want to talk about the organic multiples?

Bill Waldheim - *DCP Midstream Partners, LP - President of DCP Midstream Partners*

Sure. I think in the past, we have generally said that our organic opportunities are in that 5x to 7x range. And so I don't think these would be any different. They are very good, quality projects that are more bolt-on in nature and have a good returns. So I would think the previous guidance that we give around that would hold true for this as well.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Those are great questions. It really is -- the way we derive the \$3 billion to \$5 billion is thinking about what can we do at the LLC level. So we are always working from an enterprise point of you and say, what are the opportunities that we see around our footprints over the next number of years. And then basically, the dropdown is a function of the opportunity itself that we see around the footprint.

So to your question of how can you get to \$5 billion or maybe even beyond \$5 billion, it all depends around the opportunity set around the footprint. So if we believe that there is more opportunity in the Permian or there is more opportunity around the marketing and logistics or Mid-Continent or North business unit than there currently is and there is more things therefore that we will do organically at the LLC level, that is something that could potentially take you up to the \$5 billion or even over the \$5 billion, if it happened to be that amount of opportunities.

Does that answer your question? Great. Thanks.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Okay. I'm going to hand that one over to Greg. But just to make sure that I correct you, we are not one of the largest in the Permian. We are actually the largest [cutter] and processor in the Permian. But with that said, I will have Greg go through the details.

Greg Smith - *DCP Midstream, LLC - President, Permian and North Business Units*

Just by clarity, I didn't hear the exact -- was question on the split between kind of the Midland Basin and the Delaware Basin? So as I had mentioned, DCP has the benefit of having a very large footprint that covers both West Texas and New Mexico, Midland Basin, Delaware Basin.

Horizontal drilling, as you are familiar, is kind of across all slots of both, really, West Texas and New Mexico. So we see growth opportunities in both areas. The split between the two would be hard to say. We look at all opportunities, the fit of our assets, the fact that we have both a sweet and a sour system. And the fact that we see growth in both of those areas really gives us opportunity in both of those areas.

In addition to that, from a Sand Hills standpoint, as was mentioned, we continue to see laterals off of that in both the Midland and Delaware Basins. And so growth opportunities in both locations.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Great. And you are specifically talking about oxygen in the system up in the DJ Basin?

Unidentified Audience Member

Yes, sir.

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Correct? Okay. Let me hand that over to Greg to kind of go through that detail.

Greg Smith - *DCP Midstream, LLC - President, Permian and North Business Units*

So the question is in regard to oxygen in the DJ Basin, Weld County. I guess for way of backdrop, gas gathering and processing facilities are constructed to not take oxygen. It is a corrosive environment by taking oxygen in with gas gathering and processing facilities.

More recently, with kind of the onslaught of horizontal drilling in the DJ and just given the size of DCP's footprint, we have on occasion had scenarios where producers would be bringing on a new well and introduce oxygen into our system or, alternatively, have some of their equipment, oftentimes, a vapor recovery unit where it could introduce oxygen into our system.

When that occurs, given the corrosive nature of the oxygen and downstream residue specifications, we cannot accept that into our system. We need to back out production in order to find the source of that oxygen.

It is a situation that we are dealing with right now, working with the producing community and ensuring that all producers in the Basin understand the parameters upon which they can introduce gas into our gathering and processing assets and ensuring that they are operating within those parameters so that we don't have curtailment. We believe that it is something that we have addressed and will continue to address in the future.

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

So actually, today, probably right as we speak in Colorado, we are meeting with all of our producers -- producer customers -- to really get around this and try to solve this. This is an issue that is driven by the producer community putting oxygen in the system. And from our side, you will see us react pretty aggressively, shutting producers out when they don't deliver spec product to us.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Sure. And I will probably have both Bill and Sean kind of go through it. And I think the important thing is that -- what we always try to do is we try to balance distribution growth going forward with our coverage, and then all the opportunities that we have around our organic projects and our organic footprints.

We need to get all of those right to kind of think about what falls out. And Sean or Bill, if you want to add anything to it.

Bill Waldheim - *DCP Midstream Partners, LP - President of DCP Midstream Partners*

Sure. I would just like to say organic projects really are what we like to do, because it gives us the platform to continue to grow in the future. And so as we -- if we were to sit here and look today on funding organic growth, a lot of times those projects, if we are going to build them, are long lead time-type projects.

So if we are increasing our amount of organic spend, that is a good thing for the long-term sustainable distribution growth. And we do, as Wouter said, we then balance the need for the capital to fund those growths -- fund that growth versus just raising distributions.

And I think we prefer long-term sustainable growth and be able to fund organic projects and then maintain good, healthy leverage and coverage metrics.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Okay. Both of those, let me just take them as one like -- both of the owners, Phillips and Spectra Energy, comfortable with the current structure and/or with that potentially, is there an opportunity to take the GP public.

We have come out, I think, fairly clear earlier in 2014, that there really isn't a great appetite for both of the owners, Spectra Energy and Phillips 66, to take a GP public. Our org chart, as you see it today, is not always the easiest to follow either.

And we, in the end, taking a GP public is something that is fairly easy to do if you want to do it, but you have got to be convinced that it, in the end, will create additional see-through value for both of the owners, Phillips and Spectra Energy. At this stage, we've all concluded that it probably won't create any additional see-through value. So no real reason to take a GP public.



As it pertains to the rest of the ownership structure, we continue to dividend a very, very significant amount of cash to both of our owners and every time that Sean and I have a meeting with our owners and we talk through the distributions, I think they are both pretty happy. So I think they are pretty happy with the structure as we currently have it.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Yes. It is something that we spend a lot of time thinking about -- M&A. And I always, when we get this question, I'm like we look at anything and everything that you see that is being traded, that you hear a rumor to potentially be traded, or that you may have not even heard of that may be traded.

So we have a very active group within the enterprise that is looking at different M&A opportunities. For us, it is always about kind of balancing what makes sense. And there is a lot of people who have to do transactions because they don't have that organic growth.

We have this great map and a tremendous amount of organic growth around that map, which gives you the opportunity to be a little bit more selective, to kind of say, okay, do I really need to reach out for this hockey stick that someone else is portraying to us or are we better off continuing to execute on our organic growth program.

Right now, we think the organic growth program is something that is really good for us. But that doesn't mean that we are not looking. It doesn't mean that you won't see us announcing something somewhere in the future if it is right for us.

If it strategically makes a lot of sense, either because it is an entry into new areas or it is an extension of the value chain or it really bolsters our footprint that we currently have. Those are kind of the three strategic ways we look at doing potential M&A.

And the good thing, again, is we can be pretty selective. That is a great position to be in. Not everybody in the market space has that opportunity.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

That is a great question. I ask Don Baldridge that question every day. And say how big can this thing be. So I am going to see if he gives you the same answer as he gives me.

Don Baldridge - *DCP Midstream, LLC - President, Marketing and Logistics*

She must be a plant. Yes. I mean, I will give you a perspective. So for Chesapeake, what we have in place today is really just using one tank, and we have two tanks at that site. So we can easily think about doubling that capacity with some additional refrigeration capacity.

But then even beyond that, I think there is opportunities to expand that facility as the production growth in the Marcellus. It is a good opportunity when you have waterborne access in this market. So I think there is a fair amount of potential that we can see there.

And at Marysville, again, storage is very limited, almost nonexistent in the Marcellus play. And Marysville is a very close proximity to that Basin. And we are blessed with that facility in that we have a significant land as part of that facility, so it is very easy to expand in terms of additional caverns, additional brine ponds.

And so I think that is another facility that you can see us grow into additional caverns and develop additional storage for the propane, butane, in addition to the ethane that we have today.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

I think that my answer would be, it depends. And I think one thing that is really important for us is putting up a plant just for the sake of saying you have a plant is, I don't think, the right thing to do.

So in the end, I look at myself and this team. What we are basically doing is we're capital allocators and making sure that when we put capital to work, we do it in places where we get the best return, where we can fill up a capacity. And if you look at what we have done, we have almost put a Bcf of new capacity into service and it is 85% filled up right now. That is, I think, what is the key question.

So there are places where there is a lot of predominantly private equity coming in. And people are putting new plants down very quickly with one idea, in most cases, and that is can we kind of flip out of it here in the future and try to amass a company that way.

We don't always think that that is the best way to go. So filling up our capacity, making sure that we utilize, like Brian was talking about in the Mid-Continent, where we have existing steel in the ground and via our integrated systems, instead of building a new plant in the SCOOP area, which we could have done, what we did is we put a large piece of pipe in and started taking that gas into our Central Oklahoma asset.

So what we ended up doing is utilizing our capacity much more efficient versus just building a new plant. If you go to other areas, places like the DJ, for instance, and like we are -- we are probably growing our capacity faster than anybody else.

So if you look at each of these different areas, I think it is difficult to say that, overall, are you continuing to kind of hold gain on those market share. I think you really got to look at it on an asset by asset basis.

And then, total capacity for us is not a goal. For us, it is about how do we maximize the investments that we do and the overall throughput that we can get through the systems that we currently have and systems that we continue to build.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Sean, do you want to take that?

Sean O'Brien - *DCP Midstream Partners, LLC - CFO and CFO, DCP Midstream Partners, LP*

Yes. I think, first of all, seeing that growth is phenomenal, right? You have the core underlying cash flow, especially the fee component. We believe, as I mentioned -- we have the ability to hedge it. We look at -- and I think we said it earlier -- we look at all three metrics -- our leverage metrics, we are looking at our coverage ratio, and, obviously, growth on one hand. And we have got all three and we are managing all three fairly well.

So I think what we see -- I guess the last component, which was a goal of ours, was adding scale and scope to DPM, and we have done that. And if you look at what we're going to do over the next few years, that will continue.

So it is not that we are not focused on that element. We feel we have it under fairly good control and we have many, many levers to manage it. So hopefully that answers your question.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Sean O'Brien - *DCP Midstream Partners, LLC - CFO and CFO, DCP Midstream Partners, LP*

We are staying in the comfort -- we believe those ranges are still well within our range as we look at where we think our fee and commodity exposure will be in the future, but still right in the sweet spot in that range.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Right now, when we look at that frac, it is probably more just fractionation in kind of local storage opportunities around that at this stage. Don, anything you want to add?

Don Baldridge - *DCP Midstream, LLC - President, Marketing and Logistics*

Just on the distribution network, downstream of the frac, I mean, obviously, having connectivity to export facilities is important.

Unidentified Audience Member

(inaudible - microphone inaccessible) Are the higher growth -- excuse me, higher organic growth investments you're talking to (inaudible - microphone inaccessible), is that inclusive, potential partnership collect bolt-ons from that point forward and how do you think about, call it, the partnership of organic opportunities as (inaudible - microphone inaccessible).

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Okay. If I understand your question correctly, the question is is this \$3 billion to \$5 billion, is that pure dropdowns or is the dropdowns inclusive of what we call this kind of flywheel effect. Is that correct?



Unidentified Audience Member

Well, more -- yes, that as well as the \$750 million organic. Does that include already potentially -- opportunities are a good thing (inaudible - microphone inaccessible)

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Okay. I am going to hand that one over to you, Bill.

Bill Waldheim - *DCP Midstream Partners, LP - President of DCP Midstream Partners*

If I understood the question properly, for instance, in the Mid-Continent, should the dropdowns come to the partnership, they could come in the form of just a specific asset in the Mid-Continent, for instance, or it could come as a percentage of the Mid-Continent or the Permian as well.

So there is no real firm thought in our mind as to how that would occur. We would be happy to receive anything from DCP Midstream that makes sense for the partnership. And some of these areas, like Brian mentioned, in the Mid-Continent, there is a trend more towards fee.

So some of those assets could be friendly, overall. So we are very pleased with those assets. You just heard from Brian and Greg about the quality of these assets and so if those assets were to come to the partnership, we would certainly be willing and wanting to bring them into the partnership.

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Sean, why don't you add some?

Sean O'Brien - *DCP Midstream Partners, LLC - CFO and CFO, DCP Midstream Partners, LP*

I think the other part of your question, as you think about the \$750 million, which is an increase from our previous guidance, that is driven -- that has enhanced one of the big concepts we are throwing out here -- the flywheel concept.

So that \$750 million, if you look at the numbers on page 12, is tied to regions that the partnership is already in. So I think your question was if then the partnership gets into other areas, like Bill just mentioned, does that then create more organic opportunities for the partnership? Absolutely.

And that is what we are calling the flywheel. The Eagle Ford is in the partnership today. All the growth in the Eagle Ford is directly occurring at the partnership. We like that -- organic projects. Good returns.

Unidentified Audience Member

Just a quick follow-up to that question, just to clarify a [slowburner] again. So the \$750 million of anticipated growth at this point in time, in 2015, 2016 organic portion, that's all tied to the assets currently owned by the partnership? None of this tied (inaudible - microphone inaccessible). So it's \$1.5 billion over the [two] year. Surely around the assets currently held today by the partnership; is that correct?

Sean O'Brien - *DCP Midstream Partners, LLC - CFO and CFO, DCP Midstream Partners, LP*

Yes.

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

That's correct.

Sean O'Brien - *DCP Midstream Partners, LLC - CFO and CFO, DCP Midstream Partners, LP*

And to give you a little more clarity, I know on slide 12, if you think about the Eagle Ford South, that is the partnership. So we show the opportunity range there up to \$1 billion.

The marketing logistics predominantly owned by the partnership; we show that range -- \$750 million up to \$1 billion. And then as we know in the north DJ Basin, those assets are shared, so we won't get into the exact split going forward, but there is another \$1 billion to \$1.5 billion of opportunities there. You can assume the partnership is going to partake in some of that.

Unidentified Audience Member

(inaudible - microphone inaccessible)

Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Yes. And I am going to probably hand it over to Greg for that. But we see it really come on right now in a number of our areas. So I can probably highlight two different areas.

The North region and our Permian region, where both we have some older plants that we have decided over the last couple of years to start up and to kind of deal with get capacity online very quickly, but at the same time in those areas, what we are doing is putting new state-of-the-art plants in.

And then what you tend to do is when you have those plants come online, you can take some of that older steel and kind of mothball it for a time period until it is needed. So that is kind of what we are doing around our footprint whenever we see the opportunities. But Greg and Mike, anything you want to add to that?

Greg Smith - *DCP Midstream, LLC - President, Permian and North Business Units*

No, I think Wouter described it well. I guess the way that I think about it is some of these older plants were really built for vertical wells and in an age that is much different than today.

As you have heard through the course of this morning, the horizontal revolution has really brought on larger and larger packages of gas. We need larger and larger plants. We are building larger plants in a number of locations.

And so as we do that, some of these older plants that were built for vertical wells really are not efficient enough from recoveries, from kind of their capabilities, some higher OpEx. And, as a consequence, we can shut those down.

At the same time, when we take them down, we put them in a state where if we need to bring them up for variable capacity before another new plant comes on, they are there for us if we need them.



Wouter van Kempen - *DCP Midstream, LLC - Chairman, President, and CEO and Chairman and CEO of DCP Midstream Partners, LP*

Great. If there is no more questions, I want to thank you. And on behalf of the entire team here, thanks for your interest. Thanks for your participation. If questions come to mind later, obviously feel free to reach out to our IR team. We are always happy to take your phone calls.

And with that, wherever your travel takes you today, have a safe day. Thank you very much.

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