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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**SCHEDULE 13E-3**

**RULE 13e-3 TRANSACTION STATEMENT UNDER SECTION 13(e)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

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**DCP MIDSTREAM, LP**

(Name of the Issuer)

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DCP Midstream, LP  
DCP Midstream GP, LP  
DCP Midstream GP, LLC  
DCP Midstream, LLC  
Phillips Gas Company LLC  
Phillips 66 Project Development Inc.  
Dynamo Merger Sub LLC  
Phillips 66  
(Name of Persons Filing Statement)

**COMMON UNITS  
REPRESENTING LIMITED PARTNER INTERESTS**  
(Title of Class of Securities)

**23311P100**  
(CUSIP Number of Class of Securities)

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(Name, Address, and Telephone Numbers of Person Authorized to Receive Notices and Communications on Behalf of the Persons Filing Statement)

*With copies to:*

**William S. Anderson**  
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This statement is filed in connection with (check the appropriate box):

- a. ☒ The filing of solicitation materials or an information statement subject to Regulation 14A (§§240.14a-1 through 240.14b-2), Regulation 14C (§§240.14c-1 through 240.14c-101) or Rule 13e-3(c) (§240.13e-3(c)) under the Securities Exchange Act of 1934.
- b. ☐ The filing of a registration statement under the Securities Act of 1933.
- c. ☐ A tender offer.
- d. ☐ None of the above.

Check the following box if the soliciting materials or information statement referred to in checking box (a) are preliminary copies: ☒

Check the following box if the filing is a final amendment reporting the results of the transaction: ☐

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## INTRODUCTION

This Rule 13e-3 Transaction Statement on Schedule 13E-3 (this “Transaction Statement”), together with the exhibits hereto, is being filed with the Securities and Exchange Commission (the “SEC”) pursuant to Section 13(e) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), by (i) DCP Midstream, LP, a Delaware limited partnership (the “Partnership”), (ii) DCP Midstream GP, LP, a Delaware limited partnership and the general partner of the Partnership (the “General Partner”), (iii) DCP Midstream GP, LLC, a Delaware limited liability company and the general partner of the General Partner (“DCP GP LLC”), (iv) DCP Midstream, LLC, a Delaware limited liability company (“DCP Midstream”), (v) Phillips Gas Company LLC, a Delaware limited liability company and the Class A Managing Member of DCP Midstream (“PGC”), (vi) Phillips 66 Project Development Inc., a Delaware corporation and indirect wholly owned subsidiary of Phillips 66 (“PDI”), (vii) Dynamo Merger Sub LLC, a Delaware limited liability company and wholly owned subsidiary of PDI (“Merger Sub”), and (viii) Phillips 66, a Delaware corporation (“Phillips 66”). Collectively, the persons filing this Transaction Statement are referred to as the “filing persons.”

This Transaction Statement relates to the Agreement and Plan of Merger, dated as of January 5, 2023, by and among Phillips 66, PDI, Merger Sub, the Partnership, the General Partner and DCP GP LLC (the “Merger Agreement”). Pursuant to the Merger Agreement, Merger Sub will merge with and into the Partnership, with the Partnership surviving as a Delaware limited partnership (the “Merger”). Under the terms of the Merger Agreement, at the effective time of the Merger (the “Effective Time”), each common unit representing a limited partner interest in the Partnership (each, a “Common Unit”) issued and outstanding as of immediately prior to the Effective Time (other than the Sponsor Owned Units, as defined below) (each, a “Public Common Unit”) will be converted into the right to receive \$41.75 per Public Common Unit in cash, without interest. The Partnership’s Series B Preferred Units and Series C Preferred Units will be unaffected by the Merger and will remain issued and outstanding immediately following the Merger. The Common Units owned by DCP Midstream and the General Partner (collectively, the “Sponsor Owned Units”) will be unaffected by the Merger and will remain issued and outstanding immediately following the Merger. Under the terms of the Merger Agreement, at the Effective Time, PDI’s ownership interest in Merger Sub will be converted into a number of new Common Units equal to the number of Public Common Units.

On January 5, 2023, the Special Committee (the “Special Committee”) of the Board of Directors of DCP GP LLC (the “GP Board”), consisting entirely of individuals that satisfy the independence and other requirements for service on the Special Committee that are set forth in the Partnership’s Fifth Amended and Restated Agreement of Limited Partnership (the “Partnership Agreement”), by unanimous vote, (i) determined that the proposed Merger, on the terms and conditions set forth in the Merger Agreement, is in the best interests of the Partnership and the holders of Common Units other than DCP Midstream, the General Partner, Phillips 66 and each of their respective affiliates (the “Public Unitholders”) and the consideration to be paid to the Public Unitholders is fair to the Public Unitholders, (ii) approved the Merger Agreement and the transactions contemplated thereby, including the Merger, with such approval constituting “Special Approval” for all purposes of the Partnership Agreement, including Section 7.9(a) thereof, DCP GP LLC’s Amended and Restated Limited Liability Company Agreement, including Section 6.09(a) thereof, and the General Partner’s Amended and Restated Agreement of Limited Partnership, including Section 7.9(a) thereof, (iii) recommended that the GP Board approve the Merger Agreement and the transactions contemplated thereby, including the Merger, and the execution, delivery and performance of the Merger Agreement and the transactions contemplated thereby, including the Merger, and (iv) recommended that the GP Board resolve to direct that the Merger Agreement and the approval of the Merger be submitted to a vote of the holders of Common Units.

Following the receipt of the Special Committee’s determination and approvals and its related recommendations, at a meeting held on January 5, 2023, the GP Board (acting, in part, based upon the receipt of the Special Committee’s determination and approvals and its related recommendations), by unanimous vote, (i) determined that the Merger Agreement and the transactions contemplated thereby, including the Merger, are in the best interests of the Partnership and the Public Unitholders, (ii) authorized and approved the execution and delivery of the Merger Agreement and the consummation of the transactions contemplated thereby, including the Merger, on the terms and subject to the conditions set forth in the Merger Agreement, (iii) directed that the approval of the Merger Agreement and the approval of the Merger be submitted to a vote of the holders of Common Units pursuant to Section 14.3 of the Partnership Agreement and (iv) authorized the holders of Common Units to act by written consent pursuant to Section 13.11 of the Partnership Agreement.



Pursuant to the Partnership Agreement, the approval of the Merger Agreement and the Merger by the Partnership's limited partners requires the affirmative vote or written consent of a majority of the outstanding Common Units. On January 5, 2023, concurrently with the execution and delivery of the Merger Agreement, DCP Midstream and the General Partner, which together owned 56.5% of the Common Units issued and outstanding as of such date, delivered a written consent to the General Partner approving the Merger Agreement and the transactions contemplated thereby, including the Merger.

Completion of the Merger is subject to satisfaction or waiver of certain customary conditions.

Concurrently with the filing of this Transaction Statement, the Partnership is filing a preliminary information statement on Schedule 14C (the "Information Statement"). A copy of the Information Statement is attached hereto as Exhibit (a)(1) and a copy of the Merger Agreement is attached as Annex A to the Information Statement. All references in this Transaction Statement to Items numbered 1001 to 1016 are references to Items contained in Regulation M-A under the Exchange Act.

Pursuant to General Instruction F to Schedule 13E-3, the information contained in the Information Statement, including all annexes thereto, is expressly incorporated herein by reference in its entirety, and responses to each item herein are qualified in their entirety by the information contained in the Information Statement and the annexes thereto. The cross-references below are being supplied pursuant to General Instruction G to Schedule 13E-3 and show the location in the Information Statement of the information required to be included in response to the items of Schedule 13E-3. As of the date hereof, the Information Statement is in preliminary form and is subject to completion. Terms used but not defined in this Transaction Statement shall have the meanings given to them in the Information Statement.

All information concerning the Partnership contained in, or incorporated by reference into, this Transaction Statement was supplied by the Partnership. Similarly, all information concerning each other filing person contained in, or incorporated by reference into, this Transaction Statement was supplied by such filing person.

## **ITEM 1. SUMMARY TERM SHEET**

### **Regulation M-A, Item 1001**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*"Summary Term Sheet"*

*"Questions and Answers"*

## **ITEM 2. SUBJECT COMPANY INFORMATION**

### **Regulation M-A, Item 1002**

#### **(a) Name and Address.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*"Summary Term Sheet—Parties to the Merger"*

*"Information Concerning the Partnership"*

#### **(b) Securities.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*"Summary Term Sheet—Parties to the Merger"*

*"Information Concerning the Partnership"*

**(c) Trading Market and Price.**

The information set forth in the Information Statement under the following caption is incorporated herein by reference:

*“Common Unit Market Price and Distribution Information—Common Unit Market Price Information”*

**(d) Dividends.**

The information set forth in the Information Statement under the following caption is incorporated herein by reference:

*“Common Unit Market Price and Distribution Information—Distribution Information”*

**(e) Prior Public Offerings.**

Not applicable.

**(f) Prior Stock Purchases.**

Not applicable.

**ITEM 3. IDENTITY AND BACKGROUND OF FILING PERSON**

**Regulation M-A, Item 1003**

**(a) Name and Address.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet—Parties to the Merger”*

*“Information Concerning the Partnership”*

*“Information Concerning the Phillips 66 Filing Parties”*

**(b) Business and Background of Entities.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet—Parties to the Merger”*

*“Information Concerning the Partnership”*

*“Information Concerning the Phillips 66 Filing Parties”*

**(c) Business and Background of Natural Persons.**

The information set forth in the Information Statement under the following caption is incorporated herein by reference:

*“Business and Background of Natural Persons”*

**ITEM 4. TERMS OF THE TRANSACTION**

**Regulation M-A, Item 1004**

**(a) Material Terms.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Questions and Answers”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Position of the Phillips 66 Filing Parties as to the Fairness of the Merger”*

*“Special Factors—Purposes and Reasons of the Phillips 66 Filing Parties for the Merger”*

*“Special Factors—Effects of the Merger”*

*“Special Factors—Primary Benefits and Detriments of the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“Special Factors—Material U.S. Federal Income Tax Consequences of the Merger”*

*“Special Factors—Ownership of the Partnership After the Merger”*

*“Special Factors—Financing of the Merger”*

*“Special Factors—Provisions for Public Unitholders”*

*“Special Factors—Delisting and Deregistration”*

*“Special Factors—No Dissenters’ or Appraisal Rights”*

*“Special Factors—Accounting Treatment of the Merger”*

*“The Merger Agreement”*

*“Material U.S. Federal Income Tax Consequences of the Merger”*

*“Unit Ownership of Certain Beneficial Owners, Directors and Executive Officers”*

*“Delisting and Deregistration of Common Units”*

*“Annex A: Agreement and Plan of Merger”*

**(b) Purchases.**

Not required by Schedule 13E-3.

**(c) Different Terms.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Questions and Answers”*

*“Special Factors—Effects of the Merger”*

*“Special Factors—Primary Benefits and Detriments of the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“Special Factors—No Dissenters’ or Appraisal Rights”*

*“The Merger Agreement”*

*“Annex A: Agreement and Plan of Merger”*

**(d) Appraisal Rights.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet—No Dissenters’ or Appraisal Rights”*

*“Questions and Answers”*

*“Special Factors—No Dissenters’ or Appraisal Rights”*

**(e) Provisions for Unaffiliated Security Holders.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet—Provisions for Public Unitholders”*

*“Special Factors—Provisions for Public Unitholders”*

**(f) Eligibility for Listing or Trading.**

Not applicable.

**ITEM 5. PAST CONTACTS, TRANSACTIONS, NEGOTIATIONS AND AGREEMENTS**

**Regulation M-A, Item 1005**

**(a) Transactions.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Questions and Answers”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“Information Concerning the Phillips 66 Filing Parties”*

*“Unit Ownership of Certain Beneficial Owners, Directors and Executive Officers”*

*“Past Contacts, Transactions, Negotiations and Agreements”*

*“Certain Purchases and Sales of Common Units”*

*“Where You Can Find More Information”*

**(b) Significant Corporate Events.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Position of the Phillips 66 Filing Parties as to the Fairness of the Merger”*

*“Special Factors—Purposes and Reasons of the Phillips 66 Filing Parties for the Merger”*

*“Special Factors—Effects of the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“The Merger Agreement”*

*“Information Concerning the Phillips 66 Filing Parties”*

*“Past Contacts, Transactions, Negotiations and Agreements”*

*“Certain Purchases and Sales of Common Units”*

*“Where You Can Find More Information”*

*“Annex A: Agreement and Plan of Merger”*

**(c) Negotiations or Contacts.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Position of the Phillips 66 Filing Parties as to the Fairness of the Merger”*

*“Special Factors—Purposes and Reasons of the Phillips 66 Filing Parties for the Merger”*

*“Special Factors—Effects of the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“The Merger Agreement”*

*“Information Concerning the Phillips 66 Filing Parties”*

*“Past Contacts, Transactions, Negotiations and Agreements”*

*“Certain Purchases and Sales of Common Units”*

*“Where You Can Find More Information”*

*“Annex A: Agreement and Plan of Merger”*

**(d) Conflicts of Interest.**

Not required by Schedule 13E-3.

**(e) Agreements Involving the Subject Company’s Securities.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“The Merger Agreement”*

*“Unit Ownership of Certain Beneficial Owners, Directors and Executive Officers”*

*“Past Contacts, Transactions, Negotiations and Agreements”*

*“Certain Purchases and Sales of Common Units”*

*“Where You Can Find More Information”*

*“Annex A: Agreement and Plan of Merger”*

**ITEM 6. PURPOSES OF THE TRANSACTION AND PLANS OR PROPOSALS**

**Regulation M-A, Item 1006**

**(a) Purposes.**

Not required by Schedule 13E-3.

**(b) Use of Securities Acquired.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Questions and Answers”*

*“Special Factors—Effects of the Merger”*

*“Special Factors—Primary Benefits and Detriments of the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“The Merger Agreement”*

*“Delisting and Deregistration of Common Units”*

*“Annex A: Agreement and Plan of Merger”*

**(c) (1)-(8) Plans.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Questions and Answers”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Purposes and Reasons of the Phillips 66 Filing Parties for the Merger”*

*“Special Factors—Effects of the Merger”*

*“Special Factors—Primary Benefits and Detriments of the Merger”*

*“Special Factors—Financing of the Merger”*

*“Special Factors—Delisting and Deregistration”*

*“The Merger Agreement”*

*“Common Unit Market Price and Distribution Information”*

*“Unit Ownership of Certain Beneficial Owners, Directors and Executive Officers”*

*“Delisting and Deregistration of Common Units”*

*“Annex A: Agreement and Plan of Merger”*

**(d) Subject Company Negotiations.**

Not required by Schedule 13E-3.

**ITEM 7. PURPOSES, ALTERNATIVES, REASONS AND EFFECTS**

**Regulation M-A, Item 1013**

**(a) Purposes.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Questions and Answers”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Position of the Phillips 66 Filing Parties as to the Fairness of the Merger”*

*“Special Factors—Purposes and Reasons of the Phillips 66 Filing Parties for the Merger”*

*“Special Factors—Effects of the Merger”*

*“Special Factors—Primary Benefits and Detriments of the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“Special Factors—Ownership of the Partnership After the Merger”*

**(b) Alternatives.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Position of the Phillips 66 Filing Parties as to the Fairness of the Merger”*

*“Special Factors—Purposes and Reasons of the Phillips 66 Filing Parties for the Merger”*

*“Special Factors—Primary Benefits and Detriments of the Merger”*

**(c) Reasons.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Questions and Answers”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Position of the Philips 66 Filing Parties as to the Fairness of the Merger”*

*“Special Factors—Purposes and Reasons of the Phillips 66 Filing Parties for the Merger”*

*“Special Factors—Effects of the Merger”*

*“Special Factors—Primary Benefits and Detriments of the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“Special Factors—Ownership of the Partnership After the Merger”*

**(d) Effects.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Questions and Answers”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Purposes and Reasons of the Phillips 66 Filing Parties for the Merger”*

*“Special Factors—Effects of the Merger”*

*“Special Factors—Primary Benefits and Detriments of the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“Special Factors—Material U.S. Federal Income Tax Consequences of the Merger”*

*“The Merger Agreement”*

*“Material U.S. Federal Income Tax Consequences of the Merger”*

*“Delisting and Deregistration of Common Units”*

*“Annex A: Agreement and Plan of Merger”*

## **ITEM 8. FAIRNESS OF THE TRANSACTION**

### **Regulation M-A, Item 1014**

**(a) Fairness.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Questions and Answers”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Resolution of Conflicts of Interest; Standards of Conduct and Modification of Duties”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Opinion of Evercore – Financial Advisor to the Special Committee”*

*“Special Factors—Position of the Phillips 66 Filing Parties as to the Fairness of the Merger”*

*“Special Factors—Purposes and Reasons of the Phillips 66 Filing Parties for the Merger”*

*“Special Factors—Effects of the Merger”*

*“Special Factors—Primary Benefits and Detriments of the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“The Merger Agreement”*

*“Common Unit Market Price and Distribution Information”*

*“Annex A: Agreement and Plan of Merger”*

*“Annex B: Opinion of Evercore Group L.L.C.”*

**(b) Factors Considered in Determining Fairness.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Questions and Answers”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Resolution of Conflicts of Interest; Standards of Conduct and Modification of Duties”*



*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Opinion of Evercore – Financial Advisor to the Special Committee”*

*“Special Factors—Position of the Phillips 66 Filing Parties as to the Fairness of the Merger”*

*“Special Factors—Purposes and Reasons of the Phillips 66 Filing Parties for the Merger”*

*“Special Factors—Effects of the Merger”*

*“Special Factors—Primary Benefits and Detriments of the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“The Merger Agreement”*

*“Common Unit Market Price and Distribution Information”*

*“Annex A: Agreement and Plan of Merger”*

*“Annex B: Opinion of Evercore Group L.L.C.”*

**(c) Approval of Security Holders.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Questions and Answers”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Purposes and Reasons of the Phillips 66 Filing Parties for the Merger”*

*“Special Factors—Primary Benefits and Detriments of the Merger”*

*“The Merger Agreement”*

*“Annex A: Agreement and Plan of Merger”*

**(d) Unaffiliated Representative.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Opinion of Evercore – Financial Advisor to the Special Committee”*

*“Special Factors—Position of the Phillips 66 Filing Parties as to the Fairness of the Merger”*

*“Annex B: Opinion of Evercore Group L.L.C.”*

**(e) Approval of Directors.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Position of the Phillips 66 Filing Parties as to the Fairness of the Merger”*

**(f) Other Offers.**

Not applicable.

**ITEM 9. REPORTS, OPINIONS, APPRAISALS AND NEGOTIATIONS**

**Regulation M-A, Item 1015**

**(a) Report, Opinion or Appraisal.**

The discussion materials prepared by Evercore Group L.L.C. and provided to the Special Committee, dated October 26, 2022, November 2, 2022, November 13, 2022, November 14, 2022, November 15, 2022, November 29, 2022, December 7, 2022, December 14, 2022, December 17, 2022, December 19, 2022 and January 5, 2023 are set forth as Exhibits (c)(2)—(c)(14), respectively, hereto and are incorporated herein by reference. The discussion materials prepared by Barclays Capital Inc. and provided to Phillips 66, dated August 30, 2022 and January 3, 2023 are set forth as Exhibits (c)(15) and (c)(16), respectively, hereto and are incorporated herein by reference. The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet—Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Summary Term Sheet—Opinion of Evercore – Financial Advisor to the Special Committee”*

*“Summary Term Sheet—Position of the Phillips 66 Filing Parties as to the Fairness of the Merger”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Unaudited Financial Projections of the Partnership”*

*“Special Factors—Opinion of Evercore – Financial Advisor to the Special Committee”*

*“Special Factors—Financial Advisor Discussion Materials Provided to Phillips 66”*

*“Special Factors—Position of the Phillips 66 Filing Parties as to the Fairness of the Merger”*

*“Special Factors—Purposes and Reasons of the Phillips 66 Filing Parties for the Merger”*

*“Annex B: Opinion of Evercore Group L.L.C.”*

**(b) Preparer and Summary of Report, Opinion or Appraisal.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet—Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Summary Term Sheet—Opinion of Evercore – Financial Advisor to the Special Committee”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Opinion of Evercore – Financial Advisor to the Special Committee”*

*“Special Factors—Financial Advisor Discussion Materials Provided to Phillips 66”*

*“Special Factors—Position of the Phillips 66 Filing Parties as to the Fairness of the Merger”*

*“Special Factors—Purposes and Reasons of the Phillips 66 Filing Parties for the Merger”*

*“Special Factors—Fees and Expenses Relating to the Merger”*

*“Annex B: Opinion of Evercore Group L.L.C.”*

**(c) Availability of Documents.**

The reports, opinions or appraisals referenced in this Item 9 are filed herewith and will be made available for inspection and copying at the principal executive offices of the Partnership during its regular business hours by any interested holder of Public Common Units or representative who has been so designated in writing.

**ITEM 10. SOURCE AND AMOUNTS OF FUNDS OR OTHER CONSIDERATION**

**Regulation M-A, Item 1007**

**(a) Source of Funds.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet—Financing of the Merger”*

*“Summary Term Sheet—Fees and Expenses Relating to the Merger”*

*“Special Factors—Financing of the Merger”*

*“Special Factors—Fees and Expenses Relating to the Merger”*

*“The Merger Agreement”*

*“Annex A: Agreement and Plan of Merger”*

**(b) Conditions.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet—Conditions to Completion of the Merger”*

*“Summary Term Sheet—Financing of the Merger”*

*“Summary Term Sheet—Fees and Expenses Relating to the Merger”*

*“Special Factors—Financing of the Merger”*

*“Special Factors—Fees and Expenses Relating to the Merger”*

*“The Merger Agreement”*

*“Annex A: Agreement and Plan of Merger”*

**(c) Expenses.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet—Effect of Termination; Termination Expenses”*

*“Summary Term Sheet—Financing of the Merger”*

*“Summary Term Sheet—Fees and Expenses Relating to the Merger”*

*“Special Factors—Opinion of Evercore – Financial Advisor to the Special Committee”*

*“Special Factors—Financial Advisor Discussion Materials Provided to Phillips 66”*

*“Special Factors—Financing of the Merger”*

*“Special Factors—Fees and Expenses Relating to the Merger”*

*“The Merger Agreement”*

*“Annex A: Agreement and Plan of Merger”*

**(d) Borrowed Funds.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet—Financing of the Merger”*

*“Special Factors—Financing of the Merger”*

**ITEM 11. INTEREST IN SECURITIES OF THE SUBJECT COMPANY**

**Regulation M-A, Item 1008**

**(a) Securities Ownership.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Effects of the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“Information Concerning the Partnership”*

*“Information Concerning the Phillips 66 Filing Parties”*

*“Unit Ownership of Certain Beneficial Owners, Directors and Executive Officers”*

**(b) Securities Transactions.**

The information set forth in the Information Statement under the following caption is incorporated herein by reference:

*“Certain Purchases and Sales of Common Units”*

**ITEM 12. THE SOLICITATION OR RECOMMENDATION**

**Regulation M-A, Item 1012**

**(a) Solicitation or Recommendation.**

Not required by Schedule 13E-3.

**(b) Reasons.**

Not required by Schedule 13E-3.

**(c) Intent to Tender.**

Not required by Schedule 13E-3.

**(d) Intent to Tender or Vote in a Going-Private Transaction.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Questions and Answers”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Purposes and Reasons of the Phillips 66 Filing Parties for the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“The Merger Agreement”*

*“Annex A: Agreement and Plan of Merger”*

**(e) Recommendations of Others.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Questions and Answers”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Position of the Phillips 66 Filing Parties as to the Fairness of the Merger”*

*“Special Factors—Purposes and Reasons of the Phillips 66 Filing Parties for the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“The Merger Agreement”*

*“Annex A: Agreement and Plan of Merger”*

**ITEM 13. FINANCIAL STATEMENTS**

**Regulation M-A, Item 1010**

**(a) Financial Information.**

The Partnership’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2022 are incorporated herein by reference.

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Special Factors—Effects of the Merger”*

*“Incorporation of Certain Documents by Reference”*

*“Where You Can Find More Information”*

**(b) Pro Forma Information.**

Not applicable. Paragraph (b) of Item 1010 of Regulation M-A requires the presentation of such pro forma data only if material. The Merger Consideration will consist solely of cash, and, as a result, the Public Unitholders will not have a continuing interest in the Partnership after the Merger. Additionally, the Merger is not subject to any financing condition and Phillips 66 does not anticipate any difficulties obtaining the cash required to fund the Merger. Accordingly, such pro forma data is not material to the Public Unitholders and has not been presented.

**ITEM 14. PERSONS/ASSETS, RETAINED, EMPLOYED, COMPENSATED OR USED**

**Regulation M-A, Item 1009**

**(a) Solicitations or Recommendations.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Questions and Answers”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Opinion of Evercore – Financial Advisor to the Special Committee”*

*“Special Factors—Financial Advisor Discussion Materials Provided to Phillips 66”*

*“Special Factors—Position of the Phillips 66 Filing Parties as to the Fairness of the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“Special Factors—Fees and Expenses Relating to the Merger”*

**(b) Employees and Corporate Assets.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet”*

*“Questions and Answers”*

*“Special Factors—Background of the Merger”*

*“Special Factors—Reasons for Approval of the Merger Agreement by the Special Committee and the GP Board”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“Special Factors—Fees and Expenses Relating to the Merger”*

**ITEM 15. ADDITIONAL INFORMATION**

**Regulation M-A Item 1011**

**(a) Agreements, Regulatory Requirements and Legal Proceedings.**

Not required by Schedule 13E-3.

**(b) Golden Parachute Compensation.**

The information set forth in the Information Statement under the following captions is incorporated herein by reference:

*“Summary Term Sheet—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“Special Factors—Interests of the Directors and Executive Officers of DCP GP LLC in the Merger”*

*“The Merger Agreement”*

*“Unit Ownership of Certain Beneficial Owners, Directors and Executive Officers”*

*“Annex A: Agreement and Plan of Merger”*

**(c) Other Material Information.**

The information set forth in the Information Statement, including all annexes thereto, is incorporated herein by reference.

**ITEM 16. EXHIBITS****Regulation M-A, Item 1016**

<b>Exhibit No.</b>	<b>Description</b>
(a)(1)	Preliminary Information Statement of DCP Midstream, LP (incorporated herein by reference to DCP Midstream, LP's Information Statement on Schedule 14C filed concurrently with the SEC).
(a)(2)	Press release issued by DCP Midstream, LP and Phillips 66, dated January 6, 2023 (incorporated by reference to Exhibit 99.1 to DCP Midstream, LP's Current Report on Form 8-K filed on January 6, 2023).
(a)(3)	Letter to DCP Midstream, LP's limited partners (incorporated herein by reference to the Information Statement filed herewith as Exhibit (a)(1)).
(c)(1)	Opinion of Evercore Group L.L.C. to the Special Committee of the Board of Directors of DCP Midstream GP, LLC, dated January 5, 2023 (incorporated herein by reference to Annex B to the Information Statement filed herewith as Exhibit (a)(1)).
(c)(2)	Discussion materials prepared by Evercore Group L.L.C., dated October 26, 2022, for the Special Committee of the Board of Directors of DCP Midstream GP, LLC.
(c)(3)	Discussion materials prepared by Evercore Group L.L.C., dated November 2, 2022, for the Special Committee of the Board of Directors of DCP Midstream GP, LLC.
(c)(4)	Discussion materials prepared by Evercore Group L.L.C., dated November 13, 2022, for the Special Committee of the Board of Directors of DCP Midstream GP, LLC.
(c)(5)	Discussion materials prepared by Evercore Group L.L.C., dated November 14, 2022, for the Special Committee of the Board of Directors of DCP Midstream GP, LLC.
(c)(6)	Discussion materials prepared by Evercore Group L.L.C., dated November 15, 2022, for the Special Committee of the Board of Directors of DCP Midstream GP, LLC.
(c)(7)	Discussion materials prepared by Evercore Group L.L.C., dated November 15, 2022, for the Special Committee of the Board of Directors of DCP Midstream GP, LLC.
(c)(8)	Discussion materials prepared by Evercore Group L.L.C., dated November 29, 2022, for the Special Committee of the Board of Directors of DCP Midstream GP, LLC.
(c)(9)	Discussion materials prepared by Evercore Group L.L.C., dated December 7, 2022, for the Special Committee of the Board of Directors of DCP Midstream GP, LLC.
(c)(10)	Discussion materials prepared by Evercore Group L.L.C., dated December 14, 2022, for the Special Committee of the Board of Directors of DCP Midstream GP, LLC.
(c)(11)	Discussion materials prepared by Evercore Group L.L.C., dated December 17, 2022, for the Special Committee of the Board of Directors of DCP Midstream GP, LLC.
(c)(12)	Discussion materials prepared by Evercore Group L.L.C., dated December 19, 2022, for the Special Committee of the Board of Directors of DCP Midstream GP, LLC.
(c)(13)	Discussion materials prepared by Evercore Group L.L.C., dated January 5, 2023, for the Special Committee of the Board of Directors of DCP Midstream GP, LLC.
(c)(14)	Discussion materials prepared by Evercore Group L.L.C., dated January 5, 2023, for the Special Committee of the Board of Directors of DCP Midstream GP, LLC.
(c)(15)	Discussion materials prepared by Barclays, dated August 30, 2022, for Phillips 66.
(c)(16)	Discussion materials prepared by Barclays, dated January 3, 2023, for Phillips 66.
(d)(1)	Agreement and Plan of Merger, dated as of January 5, 2023, by and among Phillips 66, Phillips 66 Project Development Inc., Dynamo Merger Sub LLC, DCP Midstream, LP, DCP Midstream GP, LP and DCP Midstream GP, LLC (incorporated herein by reference to Annex A to the Information Statement filed herewith as Exhibit (a)(1)).

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- (f)(1) Fifth Amended and Restated Agreement of Limited Partnership of DCP Midstream, LP, dated as of November 6, 2019 (incorporated by reference to Exhibit 3.1 to DCP Midstream, LP's Current Report on Form 8-K filed on November 8, 2019).
- (f)(2) Delaware Code Title 6 § 17-212.
- (107) Filing Fee Table.



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**SIGNATURES**

After due inquiry and to the best of each of the undersigned's knowledge and belief, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Dated as of March 22, 2023

**DCP MIDSTREAM, LP**

By: DCP Midstream GP, LP  
its General Partner

By: DCP Midstream GP, LLC  
its General Partner

By: /s/ Donald A. Baldrige  
Name: Donald A. Baldrige  
Title: Interim Chief Executive Officer

Dated as of March 22, 2023

**DCP MIDSTREAM GP, LLC**

By: /s/ Kamal Gala  
Name: Kamal Gala  
Title: Corporate Secretary

Dated as of March 22, 2023

**DCP MIDSTREAM GP, LP**

By: DCP Midstream GP, LLC  
its General Partner

By: /s/ Kamal Gala  
Name: Kamal Gala  
Title: Corporate Secretary

Dated as of March 22, 2023

**DCP MIDSTREAM, LLC**

By: Phillips Gas Company LLC  
its Class A Managing Member

By: /s/ Kevin J. Mitchell  
Name: Kevin J. Mitchell  
Title: President

Dated as of March 22, 2023

**PHILLIPS 66**

By: /s/ Timothy D. Roberts  
Name: Timothy D. Roberts  
Title: Executive Vice President, Midstream and Chemicals

Dated as of March 22, 2023

**PHILLIPS 66 PROJECT DEVELOPMENT INC.**

By: /s/ Timothy D. Roberts  
Name: Timothy D. Roberts  
Title: President

Dated as of March 22, 2023

**PHILLIPS GAS COMPANY LLC**

By: /s/ Kevin J. Mitchell  
Name: Kevin J. Mitchell  
Title: President

Dated as of March 22, 2023

**DYNAMO MERGER SUB LLC**

By: /s/ Timothy D. Roberts  
Name: Timothy D. Roberts  
Title: President

## **Discussion Materials Prepared for the Special Committee of the Board of Directors of DCP Midstream GP, LLC**

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October 26, 2022

EVERCORE



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These materials have been prepared by Evercore Group L.L.C. ("Evercore") for the Special Committee (the "Special Committee") of the Board of Directors of DCP Midstream GP, LLC, the general partner of DCP Midstream, LP ("DCP" or the "Partnership") to whom such materials are directly addressed and delivered and may not be used or relied upon for any purpose other than as specifically contemplated. These materials are based on information provided by or on behalf of the Partnership and/or other potential transaction participants, from public sources or otherwise reviewed by Evercore. Evercore assumes no responsibility for independent investigation or verification of such information and has relied on such information being complete and accurate in all material respects. To the extent such information includes estimates and forecasts of future financial performance prepared by or reviewed with the management of the Partnership and/or other potential transaction participants or obtained from public sources, Evercore has assumed that such estimates and forecasts have been reasonably prepared on bases reflecting the best currently available estimates and judgments of such management (or, with respect to estimates and forecasts obtained from public sources, represent reasonable estimates). No representation or warranty, express or implied, is made as to the accuracy or completeness of such information and nothing contained herein is, or shall be relied upon as, a representation, whether as to the past, the present or the future. These materials were designed for use by specific persons familiar with the business and affairs of the Partnership. These materials are not intended to provide the sole basis for evaluating, and should not be considered a recommendation with respect to, any transaction or other matter. These materials have been developed by and are proprietary to Evercore and were prepared exclusively for the benefit and internal use of the Special Committee.

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## I. Executive Summary

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EVERCORE

# Executive Summary

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## Introduction and Overview of Materials

- Evercore Group L.L.C. ("Evercore") is pleased to provide the following materials to the Special Committee of the Board of DCP Midstream GP, LLC (the "Special Committee"), the general partner of DCP Midstream LP ("DCP" or the "Partnership"), regarding the proposed acquisition by Phillips 66 and its affiliates (collectively, "PSX," "Phillips 66" or the "Company") of all of the outstanding common units (the "Common Units") of the Partnership not already owned by Phillips 66, Enbridge, Inc. ("ENB") and their affiliates (the "Unaffiliated Unitholders"), for cash (the "Proposed Transaction" or "Project Dynamo")
  - ▶ PSX, ENB and their affiliates currently own 117,762,526 DCP Common Units<sup>1</sup>
    - 56.5% of the total outstanding common units
  - ▶ PSX has proposed to acquire each outstanding DCP common unit at a value equal to \$34.75 as of August 17, 2022 (the "Proposed Consideration") in an all-cash transaction
    - Implies an at market offer as of August 17, 2022
- The Evercore analysis reviews valuation in terms of absolute unit price for DCP based on the financial projections for DCP as provided by DCP management (the "DCP Financial Projections")

Source: DCP Management, FactSet  
1. As of 8/26/22

## Executive Summary

### Overview of the Transaction

Counterparty	<ul style="list-style-type: none"><li>■ Phillips 66 (NYSE: PSX)</li></ul>
Transaction Summary	<ul style="list-style-type: none"><li>■ PSX to acquire 100% of the Common Units owned by the Unaffiliated Unitholders</li><li>■ DCP will cease to be a publicly-traded partnership</li></ul>
Proposed Consideration	<ul style="list-style-type: none"><li>■ \$34.75 in cash per Common Unit</li></ul>
Timing and Approvals	<ul style="list-style-type: none"><li>■ Approval of the Special Committee and the board of directors of the general partner of DCP</li><li>■ Regulatory filing requirements to be confirmed</li></ul>
Other	<ul style="list-style-type: none"><li>■ The Proposed Transaction is taxable to the Unaffiliated Unitholders resulting in the realization of taxes on deferred income and capital gains</li></ul>

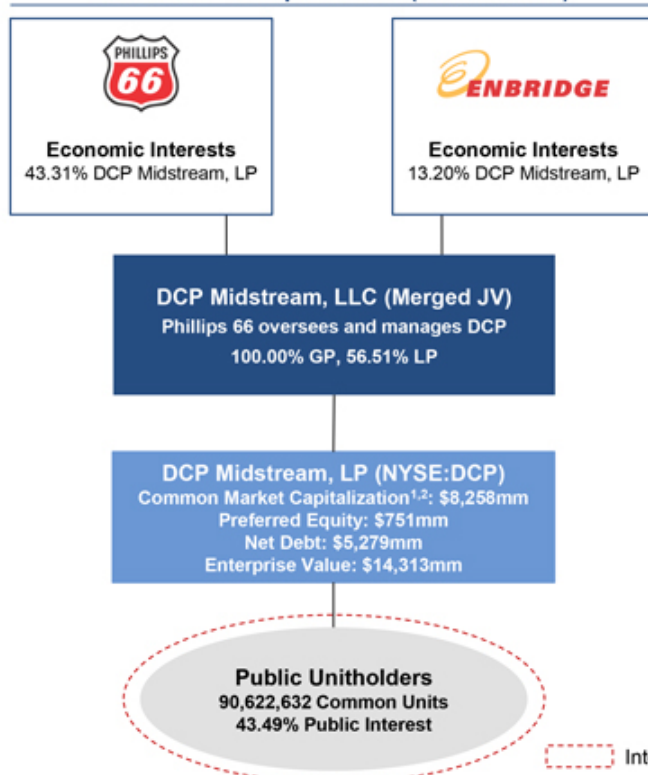


## Executive Summary

### Summary Organizational Structure and Transaction Economics

(\$ in millions, except per unit amounts)

#### Current Ownership Structure (As-Converted)



#### Sources and Uses

<b>Sources</b>			
Cash			\$3,149
<b>Total Sources</b>			<b>\$3,149</b>
<b>Uses</b>			
	<u>Units</u>	<u>Price</u>	
Public Common Units (mm)	91	\$34.75	\$3,149
<b>Total Uses</b>			<b>\$3,149</b>

#### Transaction Economics

Proposed Consideration		\$34.75
Common Units Outstanding <sup>1,2</sup> (mm)		210
<b>Total Equity Value</b>		<b>\$7,285</b>
Plus: Preferred Equity @ 12/31/22		271
Plus: DCP Net Debt @ 12/31/22		5,331
Plus: Noncontrolling Interests		25
<b>Total Implied Enterprise Value</b>		<b>\$12,912</b>
<b>Implied EV/EBITDA (DCP Financial Projections)</b>		
	<u>Metric</u>	<u>Multiple</u>
2022E	\$1,749	7.4x
2023E	1,698	7.6
<b>Implied EV/EBITDA (Wall Street Consensus Estimates)</b>		
2022E	\$1,777	7.3x
2023E	1,762	7.3

Source: DCP Management, FactSet, Wall St Research; Proposed transaction Sources and Uses assumes 12/31 balance sheet date per management model

1. As of October 21, 2022; Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP | 2. Includes 1.3mm phantom and performance units

## Executive Summary

### DCP Common Unit Price Prior to the Unaffected Date of August 17, 2022



Source: FactSet; as of October 21, 2022

## Executive Summary

### Analysis at Various Prices

DCP Price per Unit	Implied Premium to:					EV / EBITDA <sup>1</sup>	
	August 17 Price \$34.75	October 21 Price \$39.39	10-Day VWAP <sup>2</sup> of \$34.46	20-Day VWAP <sup>2</sup> of \$33.88	30-Day VWAP <sup>2</sup> of \$32.49	2022E	2023E
\$34.75	--%	(11.8%)	0.8%	2.6%	6.9%	7.4x	7.6x
35.25	1.4%	(10.5%)	2.3%	4.0%	8.5%	7.4	7.7
35.75	2.9%	(9.2%)	3.8%	5.5%	10.0%	7.5	7.7
36.25	4.3%	(8.0%)	5.2%	7.0%	11.6%	7.6	7.8
36.75	5.8%	(6.7%)	6.7%	8.5%	13.1%	7.6	7.9
37.25	7.2%	(5.4%)	8.1%	9.9%	14.6%	7.7	7.9
37.75	8.6%	(4.2%)	9.6%	11.4%	16.2%	7.7	8.0
38.25	10.1%	(2.9%)	11.0%	12.9%	17.7%	7.8	8.0
38.75	11.5%	(1.6%)	12.5%	14.4%	19.3%	7.9	8.1
39.25	12.9%	(0.4%)	13.9%	15.8%	20.8%	7.9	8.2
39.39	13.4%	--%	14.3%	16.3%	21.2%	7.9	8.2
39.75	14.4%	0.9%	15.4%	17.3%	22.3%	8.0	8.2
40.25	15.8%	2.2%	16.8%	18.8%	23.9%	8.0	8.3
40.75	17.3%	3.5%	18.3%	20.3%	25.4%	8.1	8.3
41.25	18.7%	4.7%	19.7%	21.7%	27.0%	8.2	8.4
41.75	20.1%	6.0%	21.2%	23.2%	28.5%	8.2	8.5
42.25	21.6%	7.3%	22.6%	24.7%	30.0%	8.3	8.5
42.75	23.0%	8.5%	24.1%	26.2%	31.6%	8.3	8.6
43.25	24.5%	9.8%	25.5%	27.6%	33.1%	8.4	8.7
43.75	25.9%	11.1%	27.0%	29.1%	34.6%	8.5	8.7
44.25	27.3%	12.3%	28.4%	30.6%	36.2%	8.5	8.8
44.75	28.8%	13.6%	29.9%	32.1%	37.7%	8.6	8.8
45.00	29.5%	14.2%	30.6%	32.8%	38.5%	8.6	8.9

Source: DCP filings, FactSet; as of October 21, 2022

1. EBITDA based on the DCP Financial Projections; Enterprise Value assumes balance sheet items as of December 31, 2022 per management model

2. Based on August 17, 2022 unaffected price date

## Executive Summary

### Side-by-Side Analysis

(\$ in millions, except per unit / share amounts)

DCP					PSX				
Total Units Outstanding <sup>1</sup>		210			Fully-Diluted Shares Outstanding		486		
Common Unit Price		\$39.39			Common Share Price		\$100.44		
Total Equity Value		\$8,258			Total Equity Value		\$48,769		
Plus: Preferred Equity		751			Plus: Net Debt		10,160		
Plus: Net Debt		5,279			Plus: Noncontrolling Interest		297		
Plus: Noncontrolling Interest		25			Enterprise Value		\$59,226		
Enterprise Value		\$14,313							
DCP Financial Projections					Consensus Data				
		Metric	Yield/Multiple				Metric	Yield/Multiple	
EV/EBITDA					EV/EBITDA				
2022E		\$1,749	8.2x		2022E		\$13,137	4.5x	
2023E		1,698	8.4		2023E		9,659	6.1	
2024E		1,578	9.1		2024E		8,376	7.1	
P / DCF per LP Unit					P / FCFPS				
2022E		\$6.12	6.4x		2022E		\$16.13	6.2x	
2023E		5.92	6.7		2023E		11.49	8.7	
2024E		5.55	7.1		2024E		8.84	11.4	
Distribution Yield					Dividend Yield				
Current		\$1.72	4.4%		Current		\$3.88	3.9%	
2023E		1.72	4.4%		2023E		3.94	3.9%	
2024E		1.72	4.4%		2024E		4.15	4.1%	
Distribution Coverage									
2022E		\$6.12	3.7x		2022E		\$6.42	3.8x	
2023E		5.92	3.4		2023E		6.34	3.5	
2024E		5.55	3.2		2024E		6.01	3.2	

Note: As of October 21, 2022; Balance sheet data per Partnership / Company filings as of June 30, 2022; DCP debt pro forma for James Lake system acquisition

Source: FactSet, company filings, DCP Management

1. Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.3mm phantom and performance units

## II. DCP Situation Analysis

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# DCP Situation Analysis

## Partnership Overview

### Description

- DCP is a Delaware limited partnership formed to own and operate a diversified portfolio of midstream energy assets
- Two reportable segments: Logistics and Marketing; Gathering and Processing
  - ▶ Logistics and Marketing includes fractionating NGLs as well as transporting, trading, marketing and storing natural gas and NGLs
  - ▶ Gathering and Processing includes gathering, compressing, treating, and processing natural gas, as well as producing and fractionating NGLs and recovering condensate
- Credit rating: Ba1 (Moody's); BBB+ (S&P)

### Volumes By Segment (Q2'22)

#### NGL Pipeline Volume and Utilization

(MMbbls/d)	Q2'22 Avg. Throughput	Q2'22 Pipeline Utilization
Sand Hills	304	91%
Southern Hills	122	95%
Front Range	78	90%
Texas Express	23	62%
Other	193	62%
<b>Total</b>	<b>720</b>	<b>80%</b>

#### G&P Volume and Utilization

(MMcf/d)	Q2'22 Avg. Wellhead Vol.	Q2'22 Plant Utilization
North	1,578	100%
Midcontinent	838	75%
Permian	982	89%
South	985	60%
<b>Total</b>	<b>4,383</b>	<b>81%</b>

### Asset Map



# DCP Situation Analysis

## Logistics and Marketing Overview

Logistics & Marketing segment is fee-based or fee-like and includes NGL and gas takeaway pipelines, marketing, trading, storage and fractionators

### DCP Logistics Assets

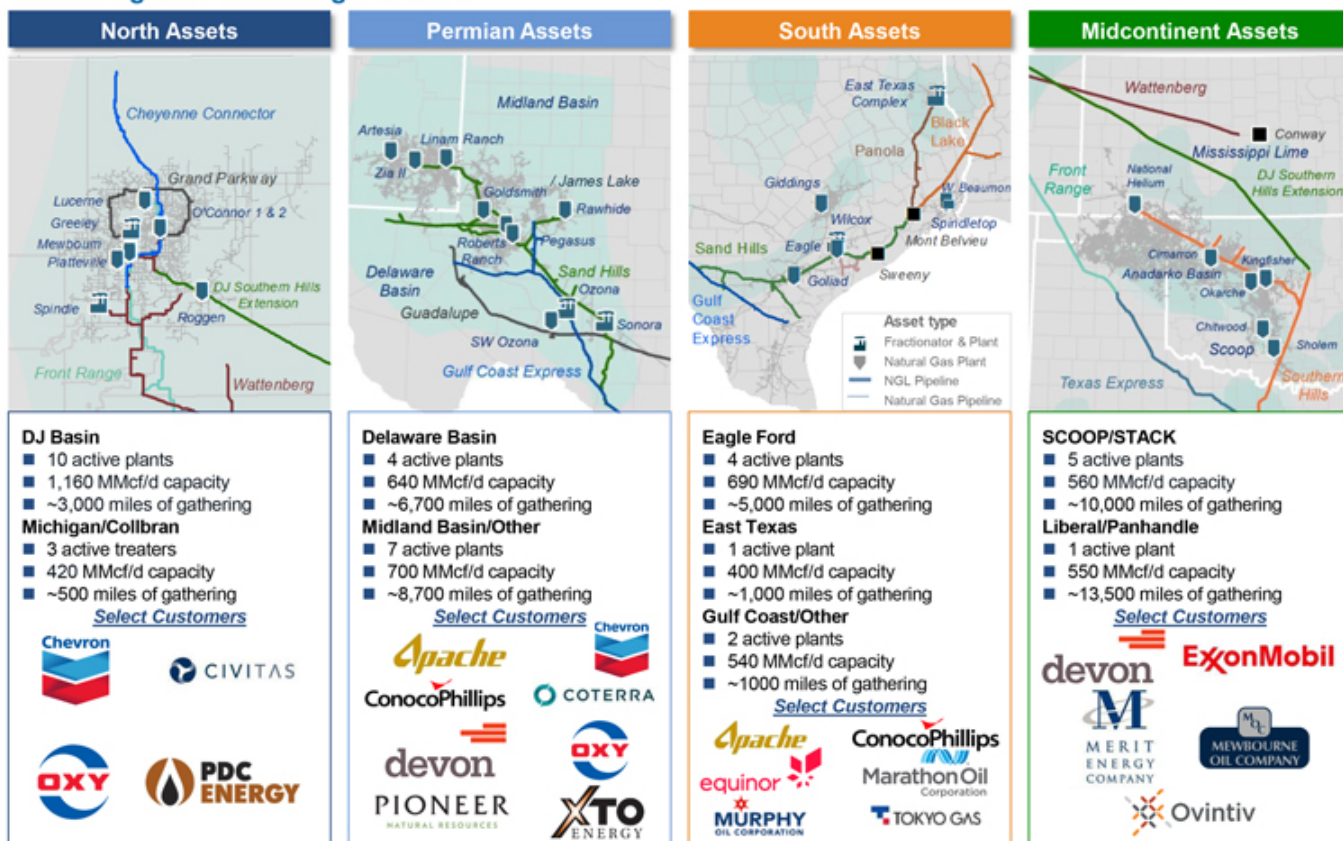


Segment	Description	% Ownership / Operated
NGL Takeaway	■ <b>Sand Hills</b> provides NGL takeaway from the Permian and Eagle Ford to the Gulf Coast	67% / ✓
	■ <b>Southern Hills</b> provides NGL takeaway from the DJ Basin and the Midcontinent to Gulf Coast markets	67% / ✓
	■ <b>Front Range / Texas Express</b> provide NGL takeaway from the DJ Basin ▶ Both operated by Enterprise Products Partners L.P. ("EPD")	33% / 10% / ✗
Gas Takeaway	■ <b>Gulf Coast Express</b> provides ~2.0 Bcf/d gas takeaway from the Permian to the Gulf Coast ▶ Operated by Kinder Morgan, Inc. ("KMI")	25% / ✗
	■ <b>Guadalupe</b> provides 245 MMcf/d gas takeaway from the Permian	50% / ✗
	■ <b>Cheyenne Connector</b> provides 600 MMcf/d gas takeaway from the DJ Basin to the Rockies Express Pipeline ▶ Operated by Tallgrass Energy Partners, LP ("Tallgrass")	50% / ✗
Gas & NGL Storage	■ 12 Bcf <b>Spindletop</b> natural gas storage facility in SE Texas	100% / ✓
	■ 8 MMBbls <b>Marysville</b> NGL storage facility in Michigan	100% / ✓
Fractionation	■ Equity ownership of 56 MBpd of Mont Belvieu <b>fractionation capacity</b> ■ Additional field fractionation capacity of 70 MBpd	12.5% / 20% / ✗



# DCP Situation Analysis

## Gathering and Processing Overview

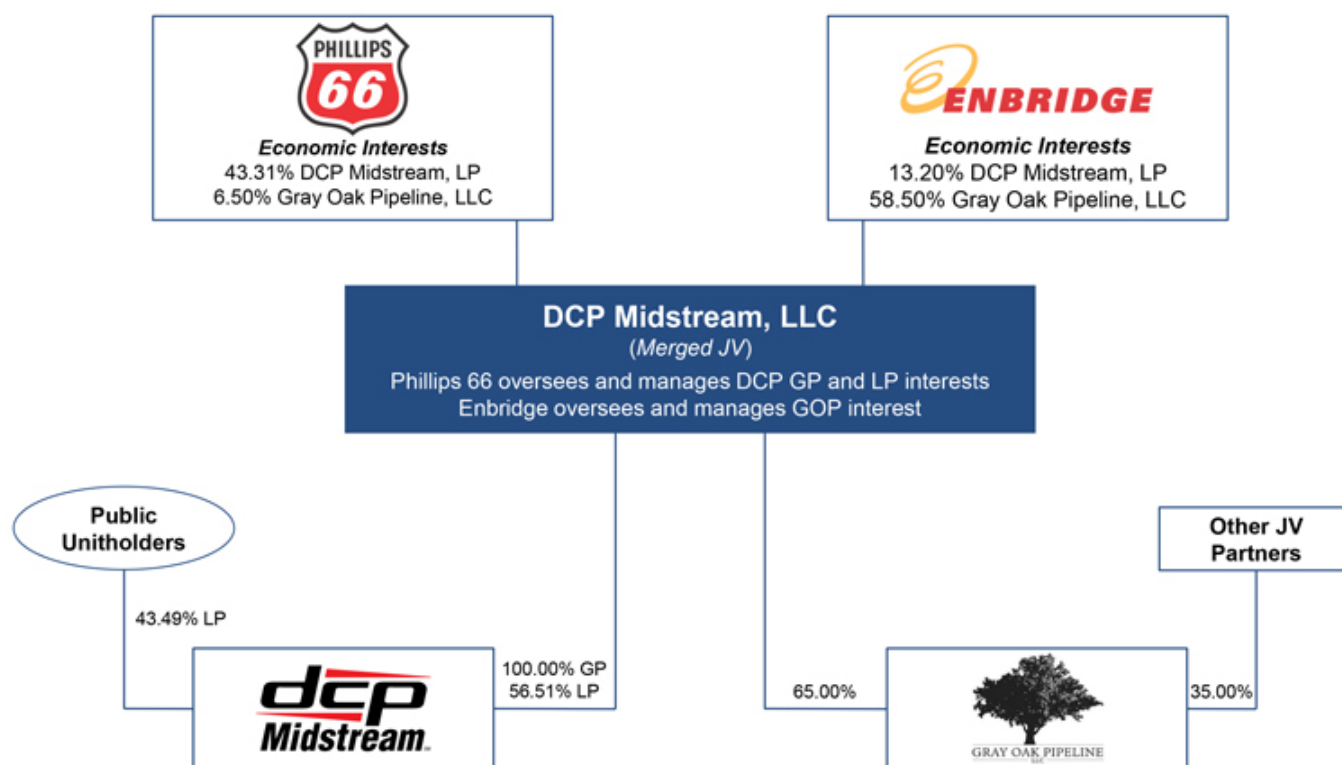


Note: Number of active processing plants and active plant capacity excludes idled plants and includes DCP's proportionate ownership share of capacity. Delaware Basin includes recently acquired James Lake System



## DCP Situation Analysis

### DCP Organizational Structure



Source: Public filings

EVERCORE

## DCP Situation Analysis

(\$ in millions, except per unit amounts)

### Market Capitalization

As of October 21, 2022	
Total Units Outstanding <sup>1</sup>	210
Common Unit Price	\$39.39
<b>Total Equity Value</b>	<b>\$8,258</b>
Plus: Preferred Equity	751
Plus: Net Debt	5,279
Plus: Noncontrolling Interest	25
<b>Enterprise Value</b>	<b>\$14,313</b>

	DCP Financial Projections		Consensus Data	
	Metric	Yield/Multiple	Metric	Yield/Multiple
Distribution Yield				
Current	\$1.72	4.4%	\$1.72	4.4%
2022E	1.64	4.2%	1.68	4.3%
2023E	1.72	4.4%	1.80	4.6%
EV/EBITDA				
2022E	\$1,749	8.2x	\$1,777	8.1x
2023E	1,698	8.4	1,762	8.1
2024E	1,578	9.1	1,642	8.7

### Balance Sheet and Credit Data

As of June 30, 2022	
Cash and Marketable Securities	\$8
Short-Term Debt	505
Long-Term Debt <sup>2</sup>	4,782
<b>Total Debt</b>	<b>\$5,287</b>
Net Debt	\$5,279
Plus: Noncontrolling Interest	25
Plus: Preferred Equity	751
Plus: Partners' Capital	5,374
<b>Net Book Capitalization</b>	<b>\$11,429</b>
Revolver Availability / Total Revolver Capacity <sup>2</sup>	\$1,220 / \$1,400
Net Debt / Net Book Cap	46.2%
Net Debt / 2022E EBITDA	3.0x
Net Debt / 2023E EBITDA	3.0

### Unit Price and Distribution



Source: DCP filings, FactSet as of October 21, 2022

- Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.3mm phantom and performance units
- Pro forma for the \$160mm James Lake System acquisition from Woodland Midstream II

# DCP Situation Analysis

## DCP Wall Street Research

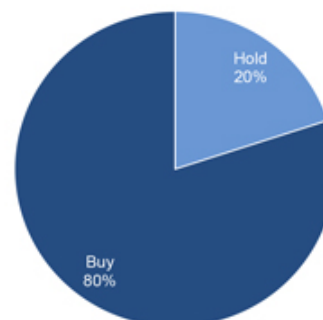
(\$ in millions, except per unit amounts)

### Summary Price Targets

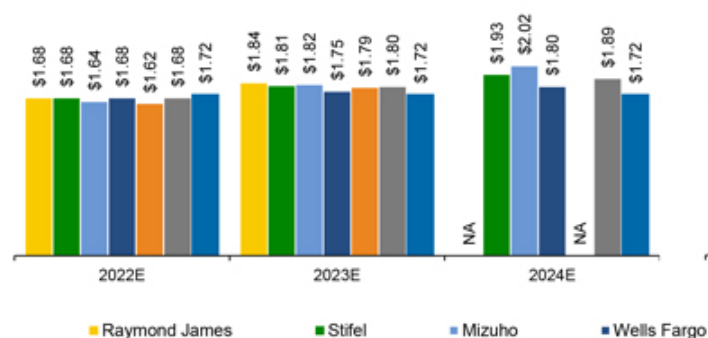
Firm	Analyst	Date	Recommendation	Target Price
Raymond James	J.R. Weston	10/18/22	Buy	\$45.00
Stifel	Selman Akyol	10/14/22	Buy	45.00
Mizuho	Gabriel Moreen	9/14/22	Buy	45.00
Wells Fargo	Michael Blum	8/25/22	Buy	45.00
RBC	Elvira Scotto	8/17/22	Hold	38.00

Median:	\$45.00
Mean:	43.60
High:	45.00
Low:	38.00

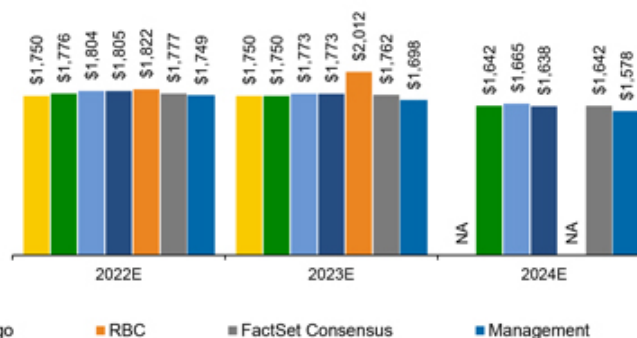
### Analyst Recommendations



### Distribution Per Unit Estimates




### EBITDA Estimates

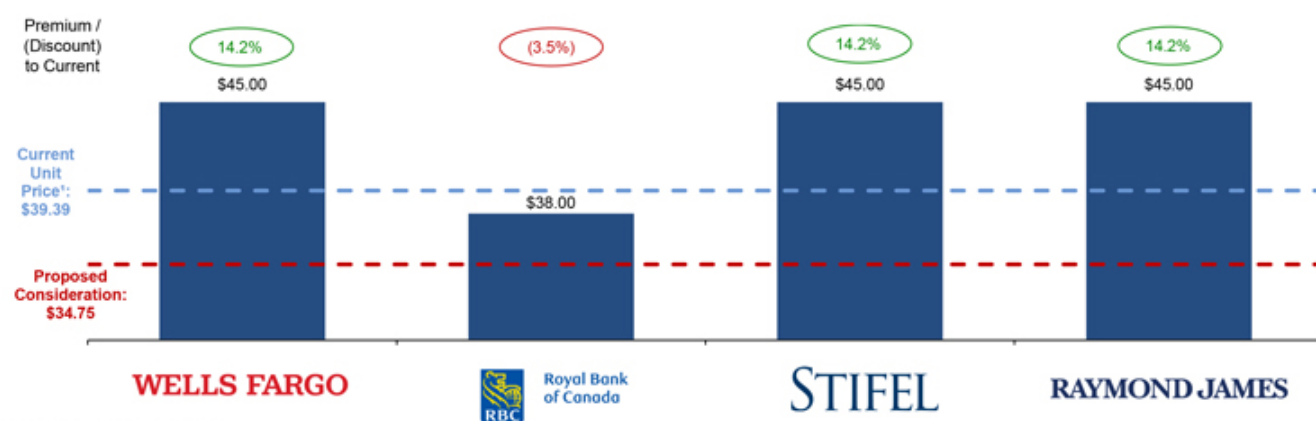


Source: FactSet, public filings; as of October 21, 2022

## DCP Situation Analysis

### Analyst Price Targets and Comparison of Valuation Methodologies

Price Target	Date	Broker	Valuation Methodology
\$45.00	25-Aug-22	<b>WELLS FARGO</b>	Based on a blend of: (1) a three-stage distribution/dividend discount model, which assumes a 10% required rate of return and a long-term decline rate of -1.0%; (2) a three-stage discounted free cash flow analysis using a discount rate of 8.1% and a long-term decline rate of -1.0%; and (3) a sum-of-the-parts valuation based on WF's 2023 forecast
\$38.00	17-Aug-22	 <b>Royal Bank of Canada</b>	\$38 price target using PSX's \$34.75 offer price and adding a 10% premium, based on some previous transactions in the space. The \$38 price target represents an overall EV/EBITDA of ~6.9x and a target yield of 4.3% off of RBC's one-year-out annualized distribution estimate
\$45.00	14-Oct-22	<b>STIFEL</b>	Derived by applying a 9.0x multiple to Stifel's 2023 EBITDA estimate of \$1.75 billion
\$45.00	18-Oct-22	<b>RAYMOND JAMES</b>	Blended valuation based on: (1) a 10-year, three-stage distribution/dividend discount model; (2) forward free cash flow yield relative to comparable industry peers; and (3) forward enterprise value-to-EBITDA multiples relative to comparable industry peers



Source: Wall Street research, FactSet  
1. Unit price as of October 21, 2022

# DCP Situation Analysis

## Ratings Agency Commentary

The credit profile is now closely tied to PSX and agencies anticipate continued debt reduction



**STANDARD & POOR'S  
RATINGS SERVICES**



**MOODY'S**

### Current Ratings

Senior Unsecured Outlook Analyst	BBB+ Stable Mike Llanos	Senior Unsecured Outlook Analyst	Ba1 Positive James Wilkins
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### Recent Comments

#### S&P's Credit Opinion: August 18, 2022

- The stable outlook reflects expectation that Phillips 66 will fully integrate DCP's assets into its midstream operations while the partnership maintains S&P Global Ratings-adjusted leverage of less than 4x over the intermediate term
- The partnership is 70% fee-based allowing it to capitalize on the above-average commodity price, however this level of direct commodity price exposure makes the partnership more susceptible to cash flow volatility

#### What could prompt an UPGRADE:

- ▶ Would only raise rating on DCP if they raise rating on Phillips 66
- ▶ Could raise PSX rating if non-refining segments account for much larger share of future consolidated EBITDA, which would mitigate cash flow volatility of its refining assets

#### What could prompt a DOWNGRADE:

- ▶ If Phillips 66's adjusted debt to EBITDA consistently exceeds 3.0x

#### Moody's Credit Opinion: August 19, 2022

- Expects credit metrics will continue to improve and be supportive of an investment grade rating as free cash flow continues to be applied towards debt reduction
- Credit challenges include exposure to regulatory risk for DJ Basin operations in the state of Colorado and uncertainty regarding longer term demand for hydrocarbons

#### What could prompt an UPGRADE:

- ▶ EBITDA continues to grow
- ▶ Debt to EBITDA is maintained below 4.0x on a sustained basis
- ▶ Distribution coverage remains above 1.3x

#### What could prompt a DOWNGRADE:

- ▶ Debt to EBITDA exceeds 4.5x
- ▶ Distribution coverage falls below 1.0x

Source: Standard & Poor's Rating Services and Moody's

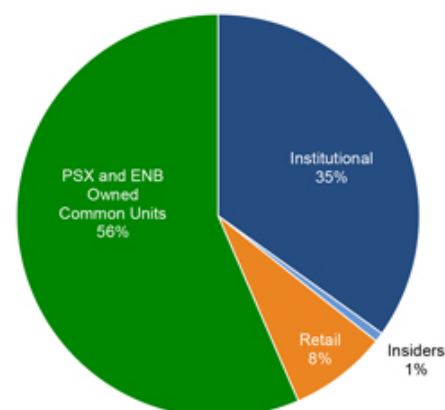
# DCP Situation Analysis

## DCP Midstream, LP Common Unit Ownership Summary

### Top 20 Institutional Unit Holders

Rank	Investor	Type	Units (000's)	% of Total
1	ALPS Advisors, Inc.	Investment Adviser	13,204	6.3%
2	Tortoise Capital Advisors LLC	Investment Adviser	9,174	4.4%
3	Harvest Fund Advisors LLC	Investment Adviser	8,125	3.9%
4	Goldman Sachs Asset Management LP	Investment Adviser	4,691	2.3%
5	JPMorgan Securities LLC	Investment Adviser	3,136	1.5%
6	JPMorgan Securities LLC (Investment Management)	Investment Adviser	3,132	1.5%
7	ClearBridge Investments LLC	Investment Adviser	2,292	1.1%
8	RR Advisors LLC	Hedge Fund Manager	2,085	1.0%
9	Global X Management Co. LLC	Investment Adviser	2,056	1.0%
10	Invesco Advisers, Inc.	Investment Adviser	2,003	1.0%
11	Barclays Bank Plc	Private Banking/Wealth Mgmt	1,615	0.8%
12	Energy Income Partners LLC	Investment Adviser	1,478	0.7%
13	Jennison Associates LLC	Mutual Fund Manager	1,250	0.6%
14	First Trust Advisors LP	Investment Adviser	1,090	0.5%
15	UBS Securities LLC	Broker	1,037	0.5%
16	Wells Fargo Bank, NA	Private Banking/Wealth Mgmt	977	0.5%
17	Infrastructure Capital Advisors LLC	Investment Adviser	960	0.5%
18	DWS Investments (UK) Ltd.	Hedge Fund Manager	898	0.4%
19	Salient Capital Advisors LLC	Investment Adviser	847	0.4%
20	Cushing Asset Management LP	Investment Adviser	771	0.4%
<b>Remainder</b>			<b>11,975</b>	<b>5.7%</b>
<b>Total Institutional Ownership</b>			<b>72,797</b>	<b>34.9%</b>

### Unit Ownership Breakdown



### Unit Ownership Summary

Holder	Units (000's)	Ownership %
Institutional	72,797	34.9%
Insiders	1,581	0.8%
Retail	16,245	7.8%
<b>Total Common Units Outstanding</b>	<b>90,623</b>	<b>43.5%</b>
Plus: PSX and ENB Owned Common Units	117,763	56.5%
<b>Total Units Outstanding<sup>1</sup></b>	<b>208,385</b>	<b>100.0%</b>

Source: Wall Street research, FactSet; as of October 21, 2022

1. Excludes 1.3mm phantom and performance units

### III. LPG Market Overview

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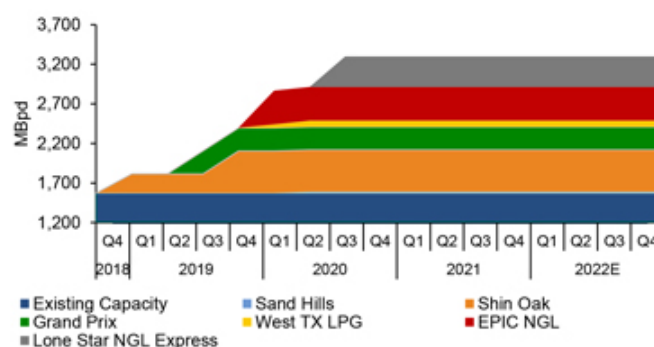
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## LPG Market Overview

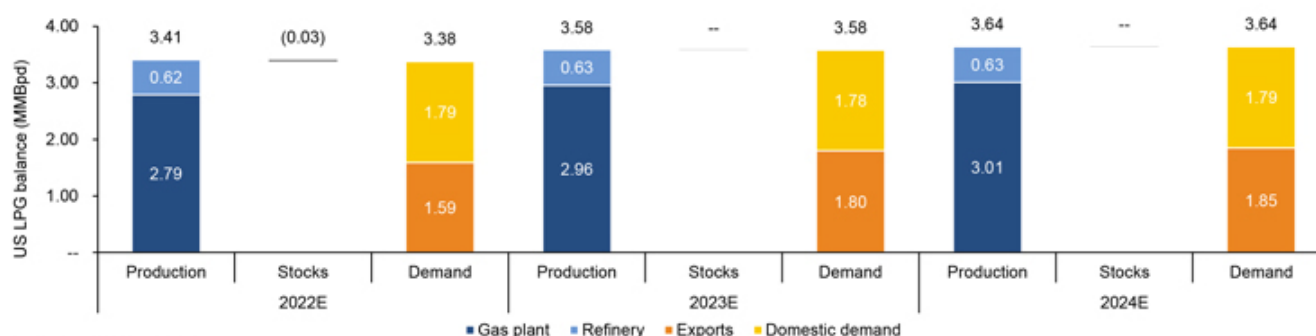
### Overview Gulf Coast LPG Export Market

- **Global Demand:** Significant and persistent global demand for LPGs is primarily driven by Asian markets, which lack both local petroleum feedstock and local refining and/or processing infrastructure
- **U.S. Surplus:** Rapid growth in U.S. domestic oil and gas production has resulted in LPGs exceeding domestic demand with domestic demand for LPGs remaining relatively flat over the past two decades and projected to remain relatively flat over the near-to-medium term
- **Gulf Coast Infrastructure:** Several major expansions of LPG export capacity are underway to accommodate the anticipated long-term eastward flows of global LPG trade
- **Fungibility:** DCP delivers significant NGL volumes primarily to Mont Belvieu, the primary hub for both domestic and exported LPGs

Permian Basin NGL Pipelines to Gulf Coast Market



U.S. Domestic LPG Supply and Demand Balance



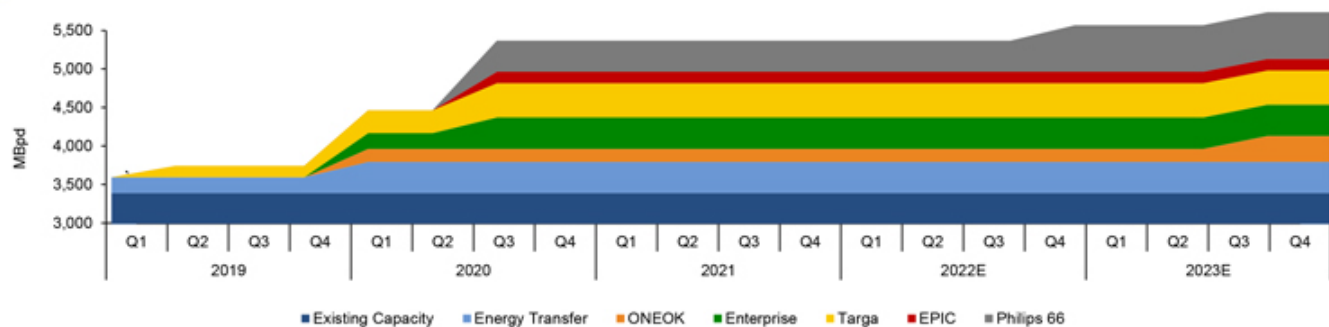
Source: Wall Street Research



## LPG Market Overview

### Texas Fractionation Overview

Texas NGL Fractionation Capacity



U.S. Gulf Coast Capacity Additions

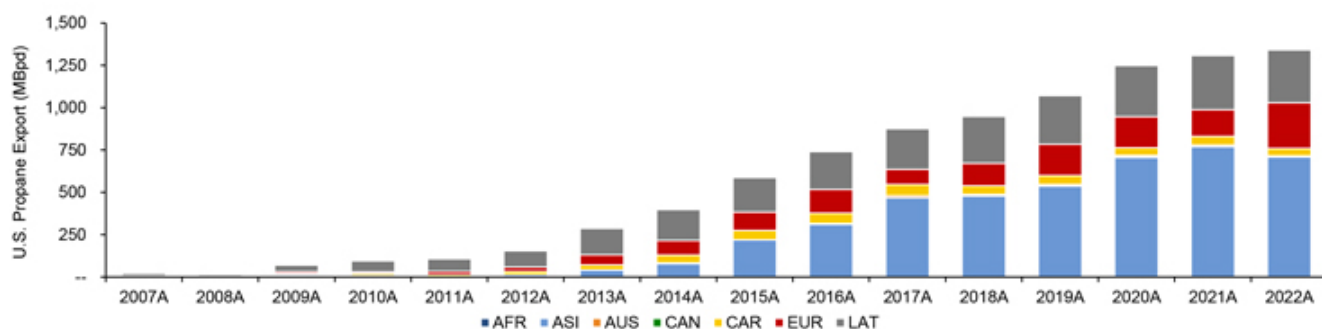


Source: Wall Street Research

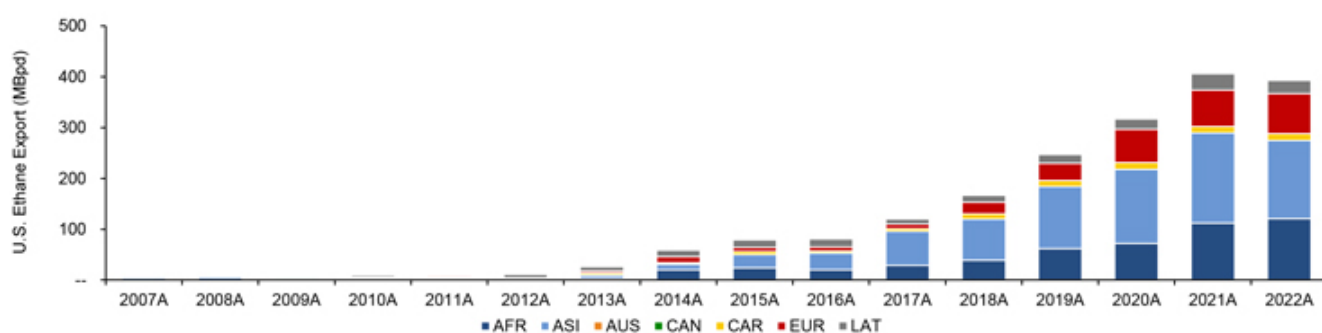
## LPG Market Overview

### U.S. LPG Oceangoing LPG Exports

Historical U.S. Propane Export Total (MBpd)



Historical U.S. Ethane Export Total (MBpd)



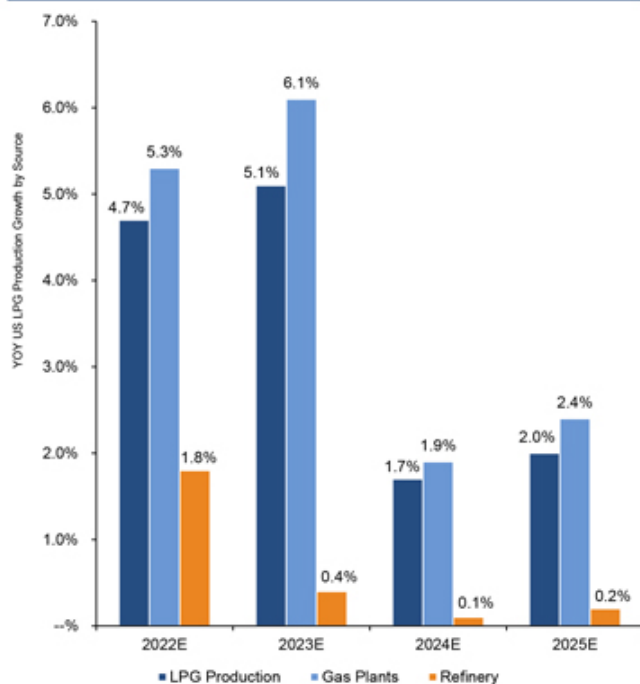
Source: RBN Energy

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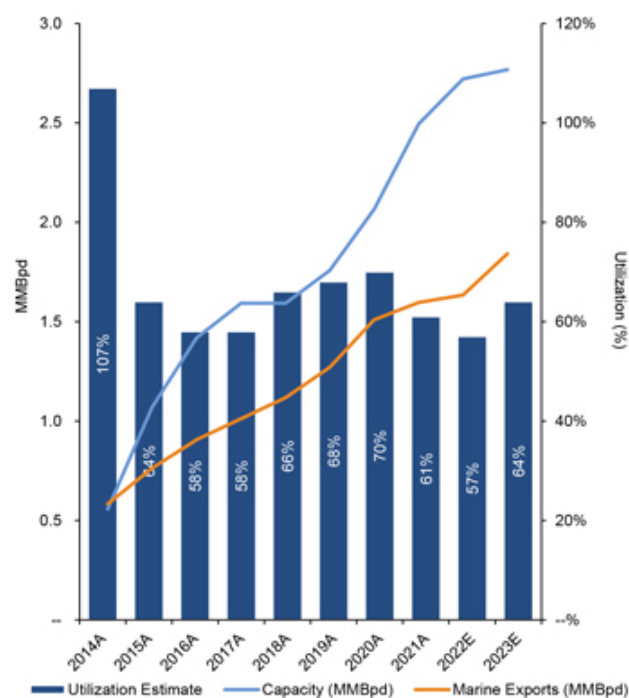
## LPG Market Overview

### LPG Production Growth and Capacity Utilization

YoY LPG Production Growth



Terminal Capacity Utilization vs. Actual Seaborne Exports

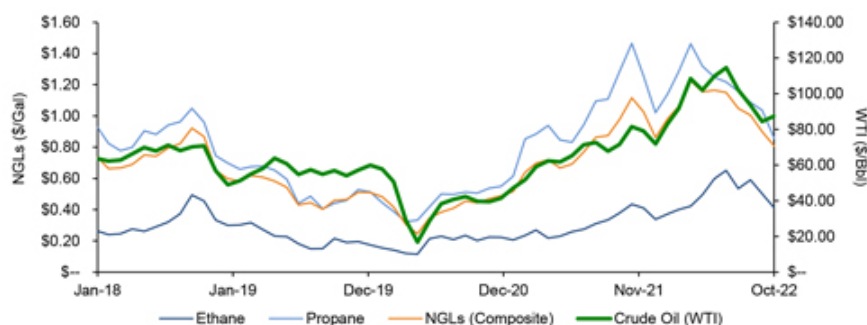


Source: Wall Street Research

## LPG Market Overview

### Historical Pricing of NGLs/LPGs vs. Crude Oil

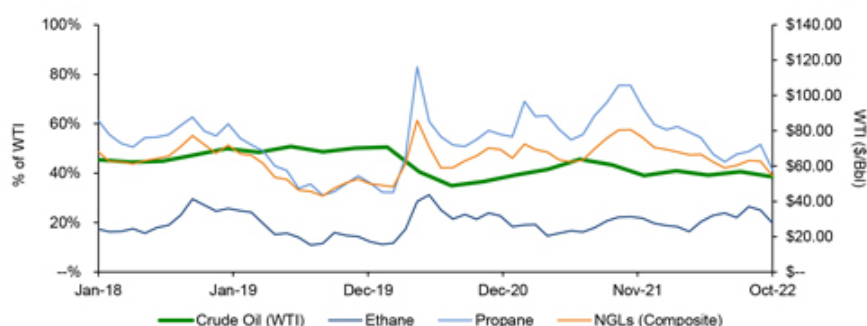
Historical Commodity Prices



Domestic Market

	2018A	2019A	2020A	2021A	2022A
Ethane	\$0.32	\$0.22	\$0.19	\$0.31	\$0.50
Propane	\$0.87	\$0.54	\$0.47	\$1.04	\$1.19
Iso-Butane	\$1.02	\$0.71	\$0.59	\$1.17	\$1.49
Normal-Butane	\$1.01	\$0.65	\$0.57	\$1.18	\$1.40
Natural Gasoline	\$1.44	\$1.14	\$0.78	\$1.54	\$2.01
NGLs (Composite)	\$0.74	\$0.51	\$0.41	\$0.83	\$1.06
Crude Oil (WTI)	\$64.94	\$56.97	\$39.37	\$68.07	\$98.19

Historical Commodity Prices (% of WTI)



Domestic Market

	2018A	2019A	2020A	2021A	2022A
Ethane	20.8%	16.0%	20.2%	19.0%	21.5%
Propane	56.5%	40.1%	50.1%	64.5%	51.0%
Iso-Butane	65.7%	52.2%	62.9%	72.5%	63.6%
Normal-Butane	65.6%	47.9%	61.0%	72.8%	59.9%
Natural Gasoline	92.8%	84.2%	83.7%	95.3%	86.1%
NGLs (Composite)	48.0%	37.8%	44.1%	51.0%	45.3%

Source: FactSet as of October 21, 2022

## LPG Market Overview

### NGL and LPG Pricing: Historicals vs. NYMEX Strip



Source: DCP Management, NYMEX Strip as of October 21, 2022

Note: 2022A represents YTD actual pricing through October 20, 2022 whereas 2022E represents NYMEX forward curves as of October 21, 2022 through YE 2022

## LPG Market Overview

### NGL Consensus Pricing Commentary

**"3Q22 ethane prices of 55c/gal could fall to ~40c/gal in 4Q22/1Q23, with another step-down to 33c/gal in 2Q23+ as Henry Hub/Waha prices slide to \$4.94/\$2.18 per Mcf in 2Q23...ethane is typically 35-45% of the composite NGL barrel, causing its pricing to have an outsized impact on NGL prices vs. other purity products."**

*Chase Mulvehill, BofA Securities (October 9, 2022)*

**"Given the significant increase in oil and gas prices driven by a host of factors including: a strong rebound in oil demand as the world emerges from COVID, continued supply-chain issues which are driving inflation, a tight global LNG market, and the Russia/Ukraine conflict, we are materially increasing our NGL price estimates. We're raising our 2022 and 2023 NGL price estimates to \$1.18/g and \$1.06/g, respectively, from \$0.92/g and \$0.82/g. The increase to our NGL price deck reflects higher near-term crude oil and natural gas price estimates from our E&P and refining teams, partially offset by lower assumed LPG-to-Brent ratios."**

*Michael Blum, Wells Fargo (March 23, 2022)*

**"The NGL-to-WTI and NGL-to-Brent crude oil ratios averaged 52% and 51%, respectively, in February, both of which are below the prior month. NGL prices to a large extent track Brent more closely than WTI, given that a significant portion of overall demand for NGLs is predicated on exports and competition in the global markets (e.g., ethylene derivative and LPG exports)."**

*Praneeth Satish, Wells Fargo (March 23, 2022)*

**"The move up in NGL pricing is driven by higher oil prices, which NGL pricing is tied to. But we are also seeing increasing demand (including exports) for NGLs moving up pricing relative to WTI (a higher % of WTI). Generally speaking, midstreamers with NGL marketing capabilities fare well in a rising price environment."**

*Robert Hope, Scotiabank (November 16, 2021)*

Source: Wall Street Research

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dcp  
Midstream

## IV. DCP Financial Projections

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## DCP Financial Projections

### DCP Financial Projections – Assumptions

- The DCP Financial Projections as provided by DCP Management and reviewed by Evercore, incorporate the following assumptions:

- ▶ September 23, 2022 price deck as follows:

	Price Deck					
	2022E	2023E	2024E	2025E	2026E	2027E
NGLs (\$/Gal)	\$1.04	\$0.75	\$0.66	\$0.60	\$0.60	\$0.60
WTI (\$/Bbl)	93.75	73.80	68.04	64.12	61.16	58.81
Henry Hub (\$/MMBtu)	7.26	5.56	4.76	4.59	4.52	4.50

- ▶ Interest rates on debt as follows:

- Revolving Credit Facility: Approximately 4.5%-5.5% annually
- Permanent Debt Average: Approximately 5.5%-6.0% annually

- ▶ Preferred Equity redeemed once eligible and financed with debt and cash flow from operations:

- \$500 Series A redeemed in Q3 2022
- \$161 Series B redeemed in Q2 2023
- \$110 Series C redeemed in Q4 2023

- ▶ Common Units outstanding:

- 90.6 million publicly held LP Units
- 117.8 million DCP LP Units

- ▶ Quarterly distributions per LP held flat at \$0.43/unit throughout the projection period

- ▶ No minimum cash balance

- ▶ Maintenance capital expenditures of \$134.7 million per year in 2022E, \$150.0 million per year in 2023E and 2024E and \$125.0 million per year from 2025E to 2027E

- ▶ Growth capital expenditures:

- Identified organic capital expenditures of \$114.4 million in 2H 2022
- Identified acquisition capital expenditures of \$144.0 million in 2H 2022
- Unidentified organic capital expenditures of \$125.0 million in 2023E and \$50.0 million per year from 2024E to 2027E

NGL Composite Pricing



Source: DCP Management  
Note: DCP Financial Projections do not include effects of the Proposed Transaction



## DCP Financial Projections

### DCP Financial Projections – Gathering & Processing Segment

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
<b>G&amp;P Wellhead Volumes (Mcf)</b>							
North Region	1,600	1,639	1,677	1,707	1,707	1,707	1.3%
South Region	944	1,034	1,034	1,034	1,034	1,034	1.8%
Midcontinent Region	820	806	790	770	770	770	(1.3%)
Permian Region	1,019	1,134	1,151	1,162	1,162	1,162	2.7%
<b>Total G&amp;P Wellhead Mcfd</b>	<b>4,385</b>	<b>4,613</b>	<b>4,652</b>	<b>4,674</b>	<b>4,674</b>	<b>4,674</b>	<b>1.3%</b>
<b>Implied Weighted Average Fees</b>							
North Region (\$ / Mcf)	\$1.95	\$1.44	\$1.25	\$1.17	\$1.15	\$1.14	
South Region (\$ / Mcf)	0.55	0.39	0.36	0.34	0.34	0.34	
Midcontinent Region (\$ / Mcf)	0.92	0.81	0.78	0.75	0.75	0.74	
Permian Region (\$ / Mcf)	1.57	1.41	1.33	1.26	1.24	1.23	
<b>Gross Margin</b>							
North Region	\$1,140	\$864	\$767	\$726	\$717	\$711	(9.0%)
South Region	191	147	137	129	128	127	(7.9%)
Midcontinent Region	275	239	225	212	209	207	(5.5%)
Permian Region	584	585	562	533	527	522	(2.2%)
Other G&P	—	—	—	—	—	—	—
<b>Total Gathering &amp; Processing Gross Margin</b>	<b>\$2,190</b>	<b>\$1,835</b>	<b>\$1,690</b>	<b>\$1,601</b>	<b>\$1,581</b>	<b>\$1,568</b>	<b>(6.5%)</b>
<b>Total Costs</b>							
North Region	(\$157)	(\$144)	(\$154)	(\$154)	(\$156)	(\$158)	0.2%
South Region	(99)	(99)	(92)	(92)	(94)	(95)	(0.8%)
Midcontinent Region	(165)	(162)	(174)	(174)	(177)	(179)	1.6%
Permian Region	(251)	(293)	(307)	(308)	(312)	(317)	4.7%
Other G&P	(19)	(23)	(20)	(21)	(21)	(21)	2.6%
<b>Total Gathering &amp; Processing Costs</b>	<b>(\$691)</b>	<b>(\$721)</b>	<b>(\$748)</b>	<b>(\$748)</b>	<b>(\$760)</b>	<b>(\$771)</b>	<b>2.2%</b>
<b>Total Gathering &amp; Processing Segment Margin</b>	<b>\$1,499</b>	<b>\$1,113</b>	<b>\$942</b>	<b>\$852</b>	<b>\$821</b>	<b>\$797</b>	<b>(11.9%)</b>

Source: DCP Management

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## DCP Financial Projections

### DCP Financial Projections – Logistics & Marketing Segment

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
<b>NGL Throughput Volumes (MBpd)</b>							
Southern Hills + Sand Hills	421	435	430	430	430	430	0.4%
Other NGL Pipelines	289	288	288	288	288	288	(0.1%)
<b>Total NGL Pipelines Throughput (MBpd)</b>	<b>710</b>	<b>722</b>	<b>718</b>	<b>718</b>	<b>718</b>	<b>718</b>	<b>0.2%</b>
<b>Implied Weighted Average Fees</b>							
Southern Hills + Sand Hills (\$ / Bbl)	\$2.79	\$2.75	\$2.81	\$2.86	\$2.86	\$2.86	
Other NGL Pipelines (\$ / Bbl)	1.34	1.42	1.48	1.51	1.51	1.51	
<b>Gross Margin</b>							
Southern Hills + Sand Hills	\$429	\$436	\$442	\$449	\$449	\$449	0.9%
Other NGL Pipelines	141	149	156	158	158	158	2.3%
NGL Marketing + Storage	46	49	39	39	39	39	(3.2%)
Downstream Fractionation	19	21	21	21	21	21	2.0%
Gas Marketing + Other Income	18	13	13	13	13	13	(7.1%)
Gas Storage	2	13	12	12	12	12	43.2%
Guadalupe	62	48	40	40	40	40	(8.5%)
Gulf Coast Express Equity Earnings	66	66	66	66	66	66	(0.0%)
Cheyenne Connector Equity Earnings	14	14	14	14	14	14	0.0%
<b>Total Logistics &amp; Marketing Gross Margin</b>	<b>\$798</b>	<b>\$810</b>	<b>\$804</b>	<b>\$812</b>	<b>\$812</b>	<b>\$812</b>	<b>0.4%</b>
<b>Total Costs</b>							
Logistics & Marketing Costs	(\$44)	(\$47)	(\$41)	(\$41)	(\$42)	(\$42)	(0.9%)
<b>Total Logistics &amp; Marketing Segment Margin</b>	<b>\$754</b>	<b>\$763</b>	<b>\$763</b>	<b>\$771</b>	<b>\$771</b>	<b>\$770</b>	<b>0.4%</b>

Source: DCP Management

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## DCP Financial Projections

### DCP Financial Projections – Summary Cash Flows

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
Gathering & Processing Segment Margin	\$1,499	\$1,113	\$942	\$852	\$821	\$797	(11.9%)
Logistics & Marketing Segment Margin	754	763	763	771	771	770	0.4%
Less: Corporate Costs	(255)	(257)	(236)	(236)	(239)	(243)	(1.0%)
Plus: Adj. Distribution in Excess of Equity Earnings - Logistics	77	80	80	80	80	80	0.9%
Plus: Adj. Distribution in Excess of Equity Earnings - Discovery	13	9	9	9	9	9	(7.3%)
Plus: Hedge settlement	(339)	(11)	2	(4)	--	--	
<b>Adjusted EBITDA</b>	<b>\$1,749</b>	<b>\$1,698</b>	<b>\$1,560</b>	<b>\$1,473</b>	<b>\$1,442</b>	<b>\$1,414</b>	<b>(4.2%)</b>
Plus: Growth Projects	--	--	18	25	32	39	
<b>Total Adjusted EBITDA</b>	<b>\$1,749</b>	<b>\$1,698</b>	<b>\$1,578</b>	<b>\$1,498</b>	<b>\$1,474</b>	<b>\$1,453</b>	<b>(3.6%)</b>
Less: Interest Expense	(\$273)	(\$286)	(\$258)	(\$221)	(\$210)	(\$183)	
Less: Preferred Securities	(58)	(15)	--	--	--	--	
Less: Sustaining Capital	(135)	(150)	(150)	(125)	(125)	(125)	
Less: Income Taxes	(5)	(5)	(5)	(5)	(5)	(5)	
Less: Other	(3)	(7)	(7)	(5)	(5)	(5)	
<b>Distributable Cash Flow</b>	<b>\$1,275</b>	<b>\$1,235</b>	<b>\$1,157</b>	<b>\$1,142</b>	<b>\$1,128</b>	<b>\$1,135</b>	<b>(2.3%)</b>
Identified Organic Capital	(\$140)	\$--	\$--	\$--	\$--	\$--	
Unidentified Organic Capital	--	(125)	(50)	(50)	(50)	(50)	
Acquisition Capital	(160)	--	--	--	--	--	
Distributions	(342)	(359)	(359)	(359)	(359)	(359)	1.0%
Working Capital and Interest Timing	(30)	133	90	--	--	--	
<b>Cash Surplus / (Shortfall)</b>	<b>\$603</b>	<b>\$884</b>	<b>\$838</b>	<b>\$733</b>	<b>\$719</b>	<b>\$726</b>	<b>3.8%</b>
LP Units Outstanding	208	209	209	209	209	209	0.0%
<b>Distributable Cash Flow per LP Unit</b>	<b>\$6.12</b>	<b>\$5.92</b>	<b>\$5.55</b>	<b>\$5.47</b>	<b>\$5.41</b>	<b>\$5.44</b>	<b>(2.3%)</b>
<b>Distribution per Unit</b>	<b>1.64</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.0%</b>
<b>Total Distributions</b>	<b>\$342</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>1.0%</b>

Source: DCP Management

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## DCP Financial Projections

### DCP Financial Projections – Sources and Uses

(\$ in millions)

	For the Years Ending December 31,					
	2022E	2023E	2024E	2025E	2026E	2027E
<b>Sources</b>						
DCF Surplus / (Shortfall)	\$603	\$884	\$838	\$733	\$719	\$726
Revolver Draw	246	--	--	--	--	--
<b>Total Sources</b>	<b>\$849</b>	<b>\$884</b>	<b>\$838</b>	<b>\$733</b>	<b>\$719</b>	<b>\$726</b>
<b>Uses</b>						
Revolver Paydown	\$--	\$113	\$393	\$--	\$--	\$--
Long-Term Debt Paydown	350	500	--	825	--	500
Preferred Equity Redemption	500	271	--	--	--	--
Cash Balance Increase / (Decrease)	(1)	--	445	(92)	719	226
<b>Total Uses</b>	<b>\$849</b>	<b>\$884</b>	<b>\$838</b>	<b>\$733</b>	<b>\$719</b>	<b>\$726</b>
<b>Memo:</b>						
Cash	\$--	\$--	\$445	\$353	\$1,073	\$1,298
Total Debt	5,331	4,718	4,325	3,500	3,500	3,000
<b>Net Debt</b>	<b>\$5,331</b>	<b>\$4,718</b>	<b>\$3,880</b>	<b>\$3,147</b>	<b>\$2,427</b>	<b>\$1,702</b>
Preferred Equity	271	--	--	--	--	--
<b>Net Debt + Preferred Equity</b>	<b>\$5,602</b>	<b>\$4,718</b>	<b>\$3,880</b>	<b>\$3,147</b>	<b>\$2,427</b>	<b>\$1,702</b>
Total Debt / Adjusted EBITDA	3.0x	2.8x	2.7x	2.3x	2.4x	2.1x
Net Debt / Adjusted EBITDA	3.0	2.8	2.5	2.1	1.6	1.2
(Net Debt + Preferred Equity) / Adjusted EBITDA	3.2	2.8	2.5	2.1	1.6	1.2

Source: DCP Management

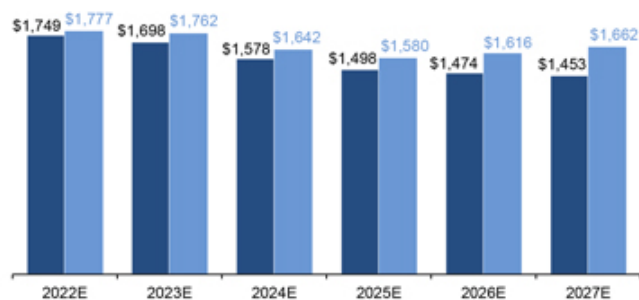
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# DCP Financial Projections

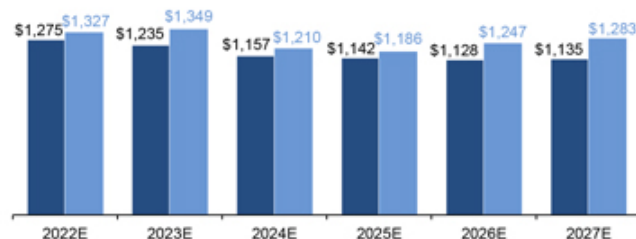
## DCP Financial Projections Summary

(\$ in millions)

### EBITDA



### Distributable Cash Flow

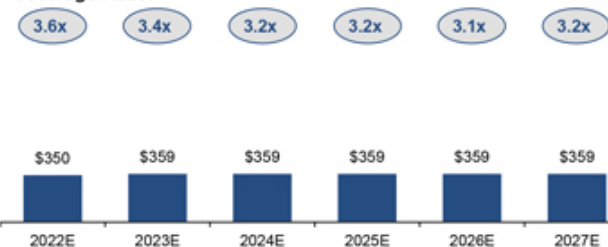


DCP Financial Projections

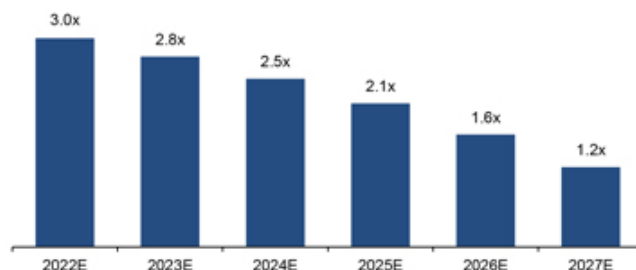
Wall Street Consensus Estimates

### Distributed Cash Flow

#### Coverage Ratio:



### Net Debt / EBITDA

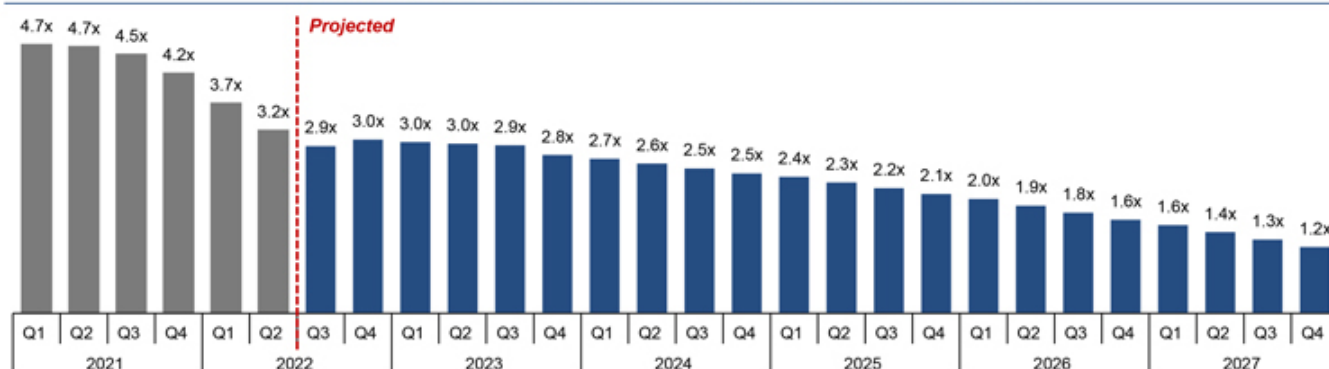


Source: DCP Management; FactSet, as of October 21, 2022

## DCP Financial Projections

### Historical Leverage and Distribution Coverage

Historical and Forecasted Leverage (Net Debt / LTM Adjusted EBITDA)



Historical and Forecasted Distribution Coverage (Distributable Cash Flow per LP Unit / Distribution per LP Unit)



Source: Public filings, DCP Management

## V. Preliminary Valuation of the Common Units

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## Preliminary Valuation of the Common Units

### Potential Valuation Methodologies

- Evercore utilized the following methodologies to analyze the value of the Common Units:

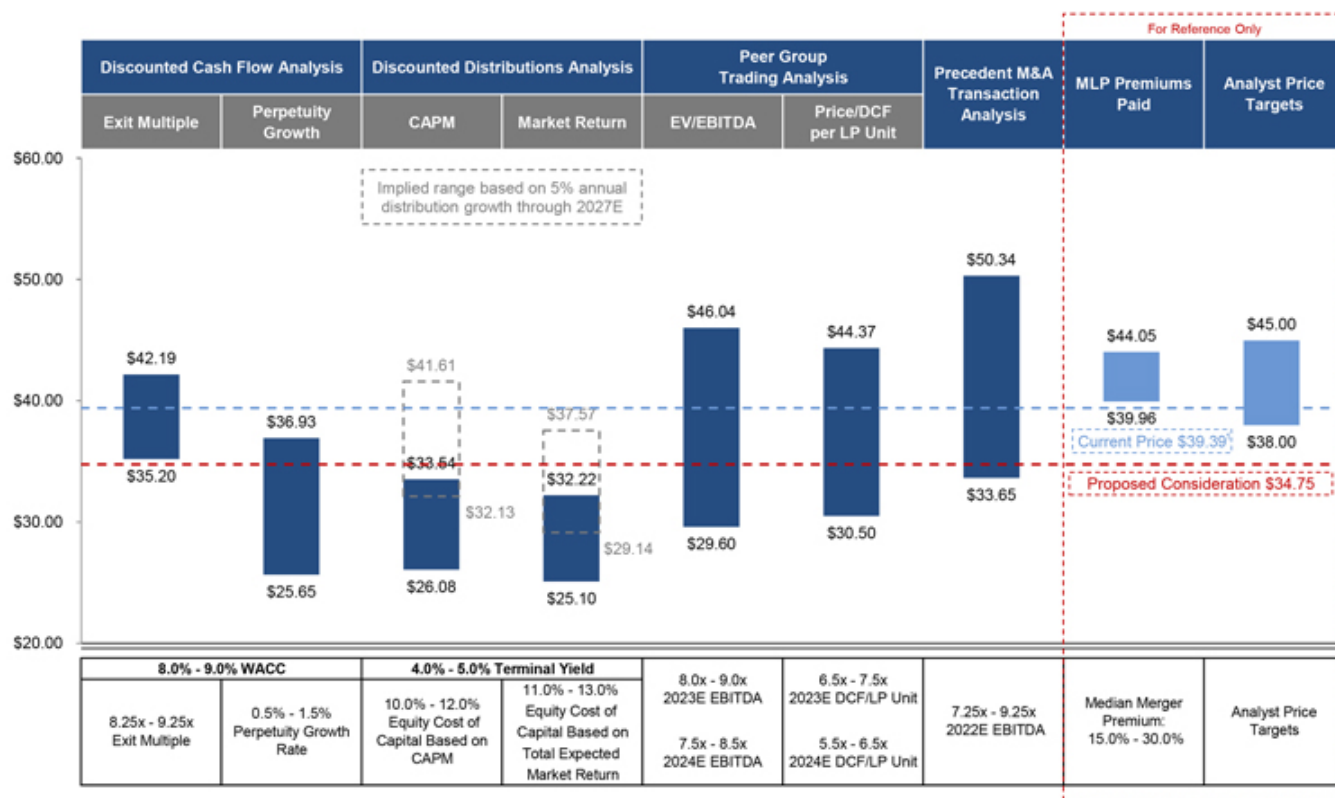
Methodology	Description	Assumptions / Detail
<b>Discounted Cash Flow Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on the concept of the time value of money</li> <li>■ Utilizes varying weighted average cost of capital ("WACC") discount rates and applies various perpetuity growth rates to derive after-tax valuation ranges</li> <li>■ Calculated terminal values based on a range of multiples of EBITDA and assumed perpetuity growth rates</li> </ul>	<ul style="list-style-type: none"> <li>■ Projected cash flow discounted to 12/31/22</li> <li>■ EBITDA exit multiple based on peer group trading multiples and precedent transaction multiples</li> <li>■ WACC based on the Capital Asset Pricing Model ("CAPM")</li> </ul>
<b>Discounted Distributions Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on the present value of the future cash distributions</li> </ul>	<ul style="list-style-type: none"> <li>■ Projected distributions discounted to 12/31/22</li> <li>■ Terminal yield range based on the distribution yield at which DCP has traded over the last 52 weeks</li> <li>■ Cost of equity based on CAPM and total expected market return for MLPs and companies with similar assets to those of DCP</li> </ul>
<b>Peer Group Trading Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on EV/EBITDA and Price/DCF trading multiples</li> <li>■ Multiples selected based on EV/EBITDA and Price/DCF multiples of MLPs and companies with assets similar to those owned by DCP</li> </ul>	<ul style="list-style-type: none"> <li>■ EV/EBITDA multiples applied to 2023E and 2024E EBITDA</li> <li>■ Price/DCF LP unit applied to 2023E and 2024E DCF/LP unit</li> </ul>
<b>Precedent M&amp;A Transaction Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on multiples of transaction value to EBITDA in historical transactions involving assets similar to those owned by DCP</li> </ul>	<ul style="list-style-type: none"> <li>■ EV/EBITDA multiples applied to 2022E EBITDA</li> </ul>
<b>Premiums Paid Analysis</b>	<ul style="list-style-type: none"> <li>■ Values DCP common units based on historical premiums paid in (i) MLP buy-ins and (ii) MLP mergers since 2018</li> </ul>	<ul style="list-style-type: none"> <li>■ Median 1-Day spot and 20-Day volume weighted average price ("VWAP") premiums paid applied to relevant unit prices</li> </ul>

For  
Reference  
Only



# Preliminary Valuation of the Common Units

## Preliminary Valuation Summary



Note: Sensitivity case using a 5% annual distribution growth rate which assumes lower than the commodity super cycle board assumption of 7.5% growth and management 0% growth scenarios  
 1. As of October 21, 2022

## Preliminary Valuation of the Common Units

### Five-Year Discounted Cash Flow Analysis

(\$ in millions, except per unit amounts)

#### Summary Results

	For the Years Ending December 31,					Exit Multiple	Perpetuity Growth
	2023E	2024E	2025E	2026E	2027E		
Adjusted EBITDA	\$1,698	\$1,578	\$1,498	\$1,474	\$1,453	\$1,453	\$1,453
Less: Tax Depreciation and Amortization <sup>1</sup>	(13,110)	(154)	(127)	(118)	(116)		(125)
EBIT	(\$11,412)	\$1,424	\$1,371	\$1,356	\$1,338		\$1,328
Less: Cash Taxes	--	(84)	(81)	(80)	(79)		(491)
EBIAT	(\$11,412)	\$1,340	\$1,290	\$1,275	\$1,258		\$837
Plus: Tax Depreciation and Amortization	13,110	154	127	118	116		125
Less: Maintenance Capex	(150)	(150)	(125)	(125)	(125)		(125)
Less: Growth Capex	(125)	(50)	(50)	(50)	(50)		(50)
Unlevered Free Cash Flow	\$1,423	\$1,293	\$1,242	\$1,219	\$1,199		\$787
EBITDA Multiple / Perpetuity Growth Rate						8.75x	1.0%
Implied Terminal Value						\$12,714	\$10,594
Present Value of Terminal Value @ 8.5% Discount Rate						\$8,455	\$6,764
Plus: Present Value of Unlevered Free Cash Flow @ 8.5% Discount Rate						5,270	
<b>Implied Enterprise Value</b>						<b>\$13,725</b>	<b>\$12,033</b>
Less: Preferred Equity <sup>2</sup>							(\$271)
Less: Net Debt <sup>2</sup>							(5,331)
Less: Noncontrolling Interests <sup>2</sup>							(25)
<b>Implied Equity Value</b>						<b>\$8,098</b>	<b>\$6,406</b>
DCP Units Outstanding <sup>3</sup>						210	
<b>Implied Value per Unit</b>						<b>\$38.63</b>	<b>\$30.56</b>

#### Sensitivity Analysis

		Terminal Exit Multiple					Perpetuity Growth Rate					
		7.75x	8.25x	8.75x	9.25x	9.75x	--%	0.5%	1.0%	1.5%	2.0%	
WACC	7.5%	\$36.24	\$38.66	\$41.07	\$43.48	\$45.90	\$32.44	\$35.02	\$38.00	\$41.47	\$45.58	
	8.0%	35.12	37.47	39.83	42.19	44.55	29.28	31.49	34.01	36.93	40.33	
	8.5%	34.02	36.32	38.63	40.93	43.24	26.48	28.39	30.56	33.03	35.89	
	9.0%	32.95	35.20	37.45	39.70	41.96	23.99	25.65	27.53	29.65	32.07	
	9.5%	31.90	34.10	36.31	38.51	40.71	21.76	23.22	24.85	26.68	28.76	
WACC	7.5%						\$32.44	\$35.02	\$38.00	\$41.47	\$45.58	
	8.0%						29.28	31.49	34.01	36.93	40.33	
	8.5%						26.48	28.39	30.56	33.03	35.89	
	9.0%						23.99	25.65	27.53	29.65	32.07	
	9.5%						21.76	23.22	24.85	26.68	28.76	

## Preliminary Valuation of the Common Units

### Discounted Distribution Analysis

	For the Years Ending December 31,					Terminal Value	
	2023E	2024E	2025E	2026E	2027E	Low	High
DCP Distribution per Unit (Cash, As Paid)	\$1.72	\$1.72	\$1.72	\$1.72	\$1.72	\$1.72	\$1.72
Terminal Yield <sup>1</sup>						5.0%	4.0%
<b>Terminal Value</b>						<b>\$34.40</b>	<b>\$43.00</b>
<b>Equity Cost of Capital Based on CAPM</b>							
Present Value @ 9.0% Cost of Equity						\$29.34	\$34.93
Present Value @ 10.0% Cost of Equity						28.20	33.54
Present Value @ 11.0% Cost of Equity						27.11	32.22
Present Value @ 12.0% Cost of Equity						26.08	30.96
Present Value @ 13.0% Cost of Equity						25.10	29.77
<b>Implied DCP Unit Value – Based on CAPM</b>						<b>\$26.08</b>	<b>\$33.54</b>
<b>Equity Cost of Capital Based on Total Expected Market Return<sup>2,3</sup></b>							
Present Value @ 10.0% Cost of Equity						\$28.20	\$33.54
Present Value @ 11.0% Cost of Equity						27.11	32.22
Present Value @ 12.0% Cost of Equity						26.08	30.96
Present Value @ 13.0% Cost of Equity						25.10	29.77
Present Value @ 14.0% Cost of Equity						24.17	28.64
<b>Implied DCP Unit Value – Based on Total Expected Market Return</b>						<b>\$25.10</b>	<b>\$32.22</b>

Source: DCP Management

1. Based on DCP's 52-week yield range of 4.0% to 5.6% with a median of 4.5% and mean of 4.5%; Current yield is 4.4% as of October 21, 2022
2. Detail on Equity Cost of Capital calculations in Appendix
3. Assumes terminal year distribution grows 2.5% - 3.5% in low and high terminal values, respectively, in line with Wall St estimates

## Preliminary Valuation of the Common Units

### Discounted Distribution Analysis – 5% Annual Distribution Growth

For Reference Only

	For the Years Ending December 31,					Terminal Value		
	2023E	2024E	2025E	2026E	2027E	Low		High
DCP Distribution per Unit (Cash, As Paid)	\$1.72	\$1.81	\$1.90	\$1.99	\$2.09	\$2.09	–	\$2.09
Distribution Growth		5.0%	5.0%	5.0%	5.0%			
Terminal Yield <sup>1</sup>						5.0%		4.0%
Terminal Value						\$41.80		\$52.25
Equity Cost of Capital Based on CAPM								
Present Value @ 8.0% Cost of Equity						\$36.27	–	\$43.39
Present Value @ 9.0% Cost of Equity						34.82	–	41.61
Present Value @ 10.0% Cost of Equity						33.44	–	39.93
Present Value @ 11.0% Cost of Equity						32.13	–	38.33
Present Value @ 12.0% Cost of Equity						30.89	–	36.82
Implied DCP Unit Value – Based on CAPM						\$32.13	–	\$41.61
Equity Cost of Capital Based on Total Expected Market Return <sup>2,3</sup>								
Present Value @ 10.5% Cost of Equity						\$32.78	–	\$39.12
Present Value @ 11.5% Cost of Equity						31.50	–	37.57
Present Value @ 12.5% Cost of Equity						30.29	–	36.09
Present Value @ 13.5% Cost of Equity						29.14	–	34.69
Present Value @ 14.5% Cost of Equity						28.05	–	33.36
Implied DCP Unit Value – Based on Total Expected Market Return						\$29.14	–	\$37.57

Source: DCP Management

Note: Sensitivity case using a 5% annual distribution growth rate which assumes lower than the commodity super cycle board assumption of 7.5% growth and management 0% growth scenarios

1. Based on DCP's 52-week yield range of 4.0% to 5.6% with a median of 4.5% and mean of 4.5%; Current yield is 4.4% as of October 21, 2022

2. Detail on Equity Cost of Capital calculations in Appendix

3. Assumes terminal year distribution grows 2.5% - 3.5% in low and high terminal values, respectively, in line with Wall St estimates

## Preliminary Valuation of the Common Units

### Peer Group Trading Analysis

(\$ in millions, except per unit/share amounts)

Partnership / Company	Price 10/21/22	Equity Value	Enterprise Value	Enterprise Value/EBITDA			Price/DCF		Distribution Yield		Dist. Growth	Net Debt / 2022E EBITDA
				2022E	2023E	2024E	/ CAFD per Share		Current	2023E		
Gathering & Processing MLPs/Companies												
Antero Midstream Corporation	\$10.31	\$4,990	\$8,375	9.5x	8.9x	8.4x	8.7x	8.3x	8.7%	8.7%	NM	3.8x
Crestwood Equity Partners LP	30.30	3,744	7,886	9.6	8.4	7.9	5.4	5.2	8.6%	8.9%	5.0%	3.8
DT Midstream, Inc.	56.16	5,501	8,913	10.8	9.4	8.8	8.8	8.3	4.6%	4.8%	5.0%	4.0
EnLink Midstream, LLC	11.06	5,438	11,664	9.2	8.8	8.7	5.5	5.5	4.1%	4.4%	10.0%	3.6
Equitrans Midstream Corporation	8.09	3,539	11,026	10.3	10.2	8.8	7.9	5.9	7.4%	7.4%	2.4%	5.9
Hess Midstream Partners LP	27.25	6,540	9,475	9.7	8.9	8.4	7.6	NM	8.2%	8.6%	4.0%	3.0
Kinetik Holdings Inc.	34.96	4,720	8,207	9.9	9.1	8.1	6.4	5.6	8.6%	9.0%	4.3%	4.2
ONEOK, Inc.	56.60	25,392	39,025	10.8	10.1	9.8	10.5	9.9	6.6%	6.6%	3.0%	3.8
Summit Midstream Partners, LP	18.57	195	1,918	8.9	5.6	6.8	NM	NM	--%	--%	NM	7.1
Targa Resources Corp.	67.79	15,667	28,830	9.0	8.9	8.3	6.8	6.4	2.1%	2.3%	5.0%	3.4
Western Midstream Partners, LP	28.11	10,931	17,703	8.1	7.9	7.7	6.6	6.1	7.1%	7.1%	11.2%	3.1
Mean				9.6x	8.7x	8.3x	7.4x	6.8x	6.0%	6.2%	5.5%	4.1x
Median				9.6	8.9	8.4	7.2	6.1	7.1%	7.1%	5.0%	3.8
DCP Midstream, LP (Consensus)	\$39.39	\$8,258	\$14,313	8.1x	8.1x	8.7x	6.2x	6.6x	4.4%	4.6%	3.1%	3.0x
DCP Midstream, LP (DCP Financial Projections)	\$39.39	\$8,258	\$14,313	8.2x	8.4x	9.1x	6.7x	7.1x	4.4%	4.4%	--%	2.9x

Source: Company filings, FactSet, Wall Street Research; as of October 21, 2022

## Preliminary Valuation of the Common Units

### Peer Group Trading Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2023E EBITDA		\$1,698	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2023E EBITDA</b>	<b>\$13,582</b>	-	<b>\$15,280</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$7,955</b>	-	<b>\$9,652</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2023E EBITDA</b>	<b>\$37.94</b>	-	<b>\$46.04</b>
<hr/>			
2024E EBITDA		\$1,578	
Relevant EBITDA Multiple	7.5x	-	8.5x
<b>Implied Enterprise Value Based on 2024E EBITDA</b>	<b>\$11,832</b>	-	<b>\$13,410</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$6,205</b>	-	<b>\$7,783</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2024E EBITDA</b>	<b>\$29.60</b>	-	<b>\$37.12</b>
<b>Implied DCP Unit Price Range - 2023E and 2024E EBITDA</b>	<b>\$29.60</b>	-	<b>\$46.04</b>

1. As of December 31, 2022

## Preliminary Valuation of the Common Units

### Peer Group Trading Analysis – Price/DCF per LP Unit

(\$ in millions, except per unit amounts)

2023E DCF / LP Unit		\$5.92	
Relevant Multiple	6.5x	-	7.5x
Implied DCP Unit Price Range - 2023E Price / DCF	\$38.45	-	\$44.37
2024E DCF / LP Unit		\$5.55	
Relevant Multiple	5.5x	-	6.5x
Implied DCP Unit Price Range - 2024E Price / DCF	\$30.50	-	\$36.04
Implied DCP Unit Price Range - 2023E and 2024E Price / DCF	\$30.50	-	\$44.37

## Preliminary Valuation of the Common Units

### Precedent M&A Transaction Analysis

(\$ in millions, except per unit amounts)

#### Gathering & Processing Transactions

Date Announced	Acquiror / Target (Seller)	Transaction Value (\$MM)	EBITDA Multiple
Sep-22	Antero Midstream / Marcellus G&P System (Crestwood Equity Partners)	\$205	7.0x
Jun-22	Targa Resources / Lucid Energy	3,550	7.5
Jun-22	DCP Midstream / James Lake System (Woodland Midstream II)	160	5.5
May-22	EnLink Midstream / Barnett Gathering and Processing System (Crestwood Equity Partners)	275	4.0
May-22	Crestwood Equity Partners / Sendero Midstream	600	7.0
Apr-22	Delek Logistics Partners / 3Bear Energy	625	8.8
Mar-22	Targa Resources / Southcross Energy Operating	200	4.0
Mar-22	Williams Companies / Trace Midstream	950	6.0
Jan-22	Enterprise Products Partners / Navitas Midstream Partners	3,250	7.8
Oct-21	Crestwood Equity Partners / Oasis Midstream	1,848	8.3
Oct-21	Altus Midstream / BCP Raptor/EagleClaw Midstream	6,248	11.7
Apr-21	EnLink Midstream LLC / Amarillo Rattler JV (Rattler Midstream Partners LP, Amarillo Midstream)	60	6.0
Aug-20	Citizen Energy II LLC / Blue Mountain Midstream LLC (Riviera Resources, Inc.)	111	7.1
Jul-20	CNX Resources Corporation / 46.9% stake in CNX Midstream Partners LP	728	7.7
Feb-20	Equitrans Midstream Corporation / EQM Midstream Partners	1,762	8.3
	<b>Mean</b>		<b>7.1x</b>
	<b>Median</b>		<b>7.1</b>
	<b>Min</b>		<b>4.0</b>
	<b>Max</b>		<b>11.7</b>

Source: Public filings, FactSet



## Preliminary Valuation of the Common Units

### Precedent M&A Transaction Analysis (cont'd)

(\$ in millions, except per unit amounts)

#### Natural Gas Transportation Transactions

Date Announced	Acquiror / Target (Seller)	Transaction Value (\$MM)	EBITDA Multiple
Sep-22	DT Midstream / 26.25% Ownership Interest in Millennium Pipeline (National Grid)	\$552	10.0x
Jun-21	Kinder Morgan / Stagecoach Gas Services (Crestwood Equity Partners LP, Consolidated Edison Inc)	857	10.7
Feb-21	ArcLight Capital Partners LLC / 25% Interest in Natural Gas Pipeline Company of America LLC (Kinder Morgan)	1,300	11.2
Jul-20	Berkshire Hathaway Energy / Dominion Energy Natural Gas Transmission and Storage Business	9,700	9.7
Mar-20	ATCO Gas and Pipelines Ltd / Pioneer Pipeline (Tidewater Midstream and Infrastructure Ltd. & TransAlta Corp.)	184	NA
Feb-20	Equitrans Midstream Corporation / EQM Midstream Partners, LP	1,762	8.3
Sep-19	NextEra Energy Partners, LP / Meade Pipeline Co LLC	1,280	11.6
Sep-19	Kinder Morgan / Corpus Christi Pipeline Network (Southcross)	76	9.0
Jan-19	NEXUS Gas Transmission, LLC (Enbridge Inc.; DTE Energy Company) / Generation Pipeline LLC	160	14.4
Feb-18	Tallgrass Energy GP, LP / 25.01% interest in Rockies Express Pipeline LLC (Tallgrass Development LP)	1,044	6.4
Nov-17	American Midstream Partners, LP / Trans-Union Interstate Pipeline (ArcLight Capital Partners, LLC)	48	6.5
Jul-17	Blackstone Energy Partners / 32.44% interest in Rover Pipeline (Energy Transfer Partners, LP)	1,571	10.7
Jun-17	TC Pipelines / 49.3% interest in Iroquois Gas Transmission System, LP and 11.8% interest in Portland Natural Gas Transmission (TransCanada Corp.)	765	10.9
Apr-17	Tallgrass Energy Partners, LP / 24.99% interest in Rockies Express Pipeline LLC (Tallgrass Development, LP)	1,043	6.6
	Mean		9.7x
	Median		10.0
	Min		6.4
	Max		14.4

Source: Public filings, FactSet

## Preliminary Valuation of the Common Units

### Precedent M&A Transaction Analysis (cont'd)

(\$ in millions, except per unit amounts)

#### NGL and NGL-Related Transportation Transactions

Date Announced	Acquiror / Target (Seller)	Transaction Value (\$MM)	EBITDA Multiple
Mar-22	ArcLight / 25% Interest in Gulf Coast Express Pipeline (Targa Resources)	\$857	11.1x
Oct-21	Phillips 66 / Phillips 66 Partners	14,400	10.1
Aug-19	Pembina Pipeline Corporation / Cochin Pipeline (Kinder Morgan)	1,546	13.0
Jul-19	Altus Midstream / 33.0% interest in Shin Oak Pipeline (Enterprise Products Partners L.P.)	1,336	13.8
Oct-17	Blackstone Energy Partners / 25% interest in Grand Prix Pipeline (Targa Resources Corp)	325	10.0
Oct-16	Phillips 66 Partners LP / 30 crude oil, refined products and NGL logistics assets (Phillips 66)	1,300	8.7
Jun-16	Riverstone Investment Group LLC / 50% Partner Interest in Utopia Pipeline Project (Kinder Morgan, Inc.)	300	12.0
May-16	Phillips 66 Partners LP / Standish Pipeline and remaining 75% in Phillips 66 Sweeny Frac LLC (Phillips 66)	1,033	8.6
	<b>Mean</b>		<b>10.9x</b>
	<b>Median</b>		<b>10.6</b>
	<b>Min</b>		<b>8.6</b>
	<b>Max</b>		<b>13.8</b>

Source: Public filings, FactSet

## Preliminary Valuation of the Common Units

### Precedent M&A Transaction Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2022E EBITDA		\$1,749	
Relevant EBITDA Multiple	7.25x	-	9.25x
<b>Implied Enterprise Value Based on 2022E EBITDA</b>	<b>\$12,682</b>	-	<b>\$16,180</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$7,055</b>	-	<b>\$10,553</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2022E EBITDA</b>	<b>\$33.65</b>	-	<b>\$50.34</b>

1. As of December 31, 2022

## Preliminary Valuation of the Common Units

### Premiums Paid Analysis

(\$ in millions, except per unit amounts)

Date Announced	Acquiror / Target	Consideration	Premium <sup>1</sup>	
			1-Day Prior Spot	20-Day VWAP
07/28/22	PBF Energy, Inc. / PBF Logistics LP	Cash/Stock-for-Unit	(3.0%)	9.5%
07/25/22	Shell USA, Inc. / Shell Midstream Partners, L.P.	Cash-for-Unit	23.0%	23.6%
06/02/22	Hartree Partners, LP / Sprague Resources LP	Cash-for-Unit	25.2%	27.0%
05/25/22	Höegh LNG Holdings Ltd / Höegh LNG Partners LP	Cash-for-Unit	35.0%	42.2%
05/16/22	Diamondback Energy / Rattler Midstream LP	Stock-for-Unit	17.3%	10.3%
04/22/22	Ergon, Inc. / Blueknight Energy Partners, L.P.	Cash-for-Unit	51.5%	47.5%
12/20/21	BP p.l.c. / BP Midstream Partners LP	Stock-for-Unit	10.8%	4.0%
10/27/21	Phillips 66 / Phillips 66 Partners LP	Stock-for-Unit	4.8%	6.7%
10/04/21	Stonepeak Infrastructure Partners / Teekay LNG Partners LP	Cash-for-Unit	8.3%	5.3%
08/23/21	Landmark Dividend / Landmark Infrastructure Partners LP	Cash-for-Unit	38.4%	35.0%
03/05/21	Chevron Corporation / Noble Midstream Partners LP	Stock-for-Unit	16.7%	18.0%
12/15/20	TC Energy Corporation / TC PipeLines, LP	Stock-for-Unit	19.5%	15.5%
07/27/20	CNX Resources Corporation / CNX Midstream Partners	Stock-for-Unit	28.1%	3.9%
02/27/20	Equitrans Midstream Corporation / EQM Midstream Partners, LP	Stock-for-Unit	(1.5%)	(5.6%)
12/17/19	Blackstone Infrastructure Partners / Tallgrass Energy LP	Cash-for-Unit	56.4%	33.9%
10/01/19	Brookfield Business Partners L.P. / Teekay Offshore Partners L.P.	Cash-for-Unit	28.1%	15.1%
09/16/19	Energy Transfer LP / SemGroup Corporation	Cash/Unit-for-Share	65.4%	87.3%
08/21/19	Pembina Pipeline Corporation / Kinder Morgan Canada Limited	Share-for-Share	37.7%	34.7%
05/10/19	IFM Investors / Buckeye Partners, L.P.	Cash-for-Unit	27.5%	23.8%
05/08/19	MPLX LP / Andeavor (Marathon Petroleum Corporation; Andeavor Logistics LP)	Unit-for-Unit	1.8%	1.3%
04/02/19	UGI Corporation / AmeriGas Partners, L.P.	Cash/Stock-for-Unit	13.5%	22.2%
03/18/19	ArcLight Energy Partners Fund V, L.P. / American Midstream, LP	Cash-for-Unit	31.2%	31.2%
02/05/19	SunCoke Energy, Inc. / SunCoke Energy Partners, L.P.	Stock-for-Unit	9.3%	19.5%
11/26/18	ArcLight Energy Partners Fund VI, L.P. / TransMontaigne Partners L.P.	Cash-for-Unit	12.6%	9.2%
11/08/18	Western Gas Equity Partners, LP / Western Gas Partners, LP	Unit-for-Unit	7.6%	62.4%
10/22/18	EnLink Midstream, LLC / EnLink Midstream Partners, LP	Unit-for-Unit	1.1%	(0.5%)
10/18/18	Valero Energy Corporation / Valero Energy Partners LP	Cash-for-Unit	6.0%	9.4%
10/09/18	Antero Midstream GP LP / Antero Midstream Partners LP	Cash/Stock-for-Unit	63.7%	54.6%
All Transactions	Min		(3.0%)	(5.6%)
	Median		18.4%	18.8%
	Mean		22.7%	23.1%
	Max		65.4%	87.3%
Cash-for-Unit	Min		6.0%	5.3%
	Median		27.8%	25.4%
	Mean		28.6%	25.3%
	Max		56.4%	47.5%

Source: Bloomberg, FactSet, Public filings

1. VWAP premiums paid are calculated by dividing the value of the offer, defined as the exchange ratio multiplied by the closing price of the acquiror's shares / units on the last trading day prior to announcement plus any cash received, by the 20-trading day VWAP of the target as calculated from the last undisturbed trading day prior to the announcement.

## Preliminary Valuation of the Common Units

### Premiums Paid Analysis (cont'd)

(\$ in millions, except per unit amounts)

For Reference Only

### Summary Results – Cash-for-Unit Transactions

	1-Day Prior Spot			20-Day VWAP		
Share Price as of 8/17/22	\$34.75			\$33.88		
Historical Merger Premium Range	6.0%	—	56.4%	5.3%	—	47.5%
<b>Implied DCP Unit Price Range</b>	<b>\$36.84</b>	—	<b>\$54.36</b>	<b>\$35.67</b>	—	<b>\$49.97</b>
Merger Premium Selected Range	15.0%			30.0%		
<b>Median-Implied DCP Unit Value</b>	<b>\$39.96</b>			<b>\$44.05</b>		

Source: FactSet

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## VI. Next Steps and Follow-Up

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## Next Steps and Follow-Up

### Diligence Update

- Completed model and financial diligence call on October 24, 2022 with DCP Management, [PSX Management] and Barclays
  - ▶ To discuss preliminary observations
- Having recently received a limited data set, Evercore has not yet prepared sensitivity analyses for the Special Committee, but will be prepared to do so in the next set of materials

	Analysis	Detail	Commentary
Additional Diligence To-Be-Completed	Commodity Price Sensitivity	<ul style="list-style-type: none"> <li>■ The DCP Financial Projections assume NYMEX forward curve pricing as of September 23, 2022, as per DCP Management</li> <li>■ Evercore to discuss price sensitivity case with the committee               <ul style="list-style-type: none"> <li>▶ Sensitivity case at this commodity price deck will subsequently be requested by Evercore</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>■ DCP's exposure to commodity price provides upside in higher commodity price environments</li> </ul>
	Tax Analysis	<ul style="list-style-type: none"> <li>■ The Proposed Transaction triggers a tax liability for the Unaffiliated Unitholders               <ul style="list-style-type: none"> <li>▶ Sale will pull forward a future tax liability and eliminate upside participation in future growth</li> </ul> </li> <li>■ Evercore has requested information to perform a tax impact analysis</li> </ul>	<ul style="list-style-type: none"> <li>■ To be discussed with the Conflicts Committee and presented in future materials</li> </ul>
	Synergy Valuation	<ul style="list-style-type: none"> <li>■ PSX estimates operational synergies can be achieved through the Proposed Transaction</li> <li>■ Evercore to evaluate and analyze such synergies</li> </ul>	<ul style="list-style-type: none"> <li>■ To be discussed with the Conflicts Committee and presented in future materials</li> </ul>

# Appendix

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## A. Weighted Average Cost of Capital Analysis

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# Weighted Average Cost of Capital Analysis

## DCP Common Units – Capital Asset Pricing Model

(\$ in millions, except per unit/share amounts)

	Partnership/Corporation	Unit/Share Price 10/21/22	Market Equity Value	Total Debt and Preferred Equity	Total Debt / Total Capitalization	Adjusted Beta <sup>1</sup>	Unlevered Beta <sup>2</sup>
CAPM	Antero Midstream Corporation	\$10.31	\$4,990	\$3,386	40.4%	0.84	0.54
	Crestwood Equity Partners LP	30.30	3,744	3,617	49.1%	0.56	0.33
	EnLink Midstream, LLC	11.06	5,438	4,555	45.6%	1.05	0.63
	Equitrans Midstream Corporation	8.09	3,539	7,110	66.8%	0.88	0.34
	Hess Midstream Partners LP	27.25	6,540	2,957	31.1%	0.67	0.51
	Kinetik Holdings Inc.	34.96	4,720	3,492	42.5%	2.20	1.39
	ONEOK, Inc.	56.60	25,392	13,769	35.2%	0.99	0.69
	Summit Midstream Partners, LP	18.57	195	1,730	89.9%	1.12	0.15
	Targa Resources Corp.	67.79	15,667	11,011	41.3%	0.99	0.64
	Western Midstream Partners, LP	28.11	10,931	6,725	38.1%	0.94	0.66
				Mean	48.0%	1.02	0.59
				Median	41.9%	0.96	0.59
	DCP Midstream, LP	\$39.39	\$8,258	\$6,038	42.2%	0.84	0.55
WACC	Risk-free Rate <sup>3</sup>	4.5%					
	Unlevered Beta	0.55					
	Debt and Preferred / Total Capitalization	42.2%					
	Adjusted Levered Equity Beta	0.84					
		Supply-Side MRP	Historical MRP				
	Market Risk Premium ("MRP") <sup>4</sup>	6.2%	7.5%				
	Small Company Risk Premium <sup>5</sup>	0.7%					
	Equity Cost of Capital <sup>6</sup>	10.5%	11.5%				
	Pre-Tax Cost of Debt <sup>7</sup>	7.2%					
	After-Tax Cost of Debt <sup>8</sup>	5.0%					
	WACC	8.2%	8.8%				

### DCP Midstream Cost of Debt<sup>7</sup>

	Yield-to-Worst
DCP Midstream 5.600% Senior Notes Due 2044	6.99%
U.S. Treasury Note Due 2042	4.54%
Less: U.S. Treasury Note Due 2044	4.37%
	0.18%
DCP Midstream Implied 20-Year Cost of Debt	7.17%

### WACC Sensitivity (Supply-Side / Historical)

Unlevered Beta	Debt and Preferred / Total Capitalization				
	45.0%	50.0%	55.0%	60.0%	65.0%
0.45	7.6% / 8.1%	7.5% / 8.0%	7.5% / 7.9%	7.4% / 7.9%	7.4% / 7.8%
0.50	7.9% / 8.4%	7.8% / 8.3%	7.7% / 8.3%	7.7% / 8.2%	7.6% / 8.1%
0.55	8.1% / 8.7%	8.1% / 8.6%	8.0% / 8.6%	7.9% / 8.5%	7.9% / 8.4%
0.60	8.4% / 9.0%	8.3% / 9.0%	8.3% / 8.9%	8.2% / 8.8%	8.1% / 8.7%
0.65	8.7% / 9.4%	8.6% / 9.3%	8.5% / 9.2%	8.5% / 9.1%	8.4% / 9.0%

### Equity Cost of Capital Sensitivity (Supply-Side / Historical)

Unlevered Beta	Debt and Preferred / Total Capitalization				
	45.0%	50.0%	55.0%	60.0%	65.0%
0.45	9.7% / 10.5%	10.0% / 11.0%	10.5% / 11.5%	11.0% / 12.2%	11.7% / 13.0%
0.50	10.2% / 11.1%	10.5% / 11.6%	11.0% / 12.2%	11.6% / 12.9%	12.4% / 13.9%
0.55	10.6% / 11.7%	11.1% / 12.2%	11.6% / 12.9%	12.3% / 13.7%	13.1% / 14.7%
0.60	11.1% / 12.3%	11.6% / 12.9%	12.2% / 13.6%	12.9% / 14.5%	13.9% / 15.6%
0.65	11.6% / 12.9%	12.1% / 13.5%	12.8% / 14.3%	13.6% / 15.2%	14.6% / 16.4%

- Source: Predicted raw betas from FactSet; Adjusted Equity Beta calculated as:  $(0.67) \times \text{Raw Beta} + (0.33) \times 1.0$
- Unlevered Beta calculated as:  $\text{Adjusted Equity Beta} \times (E/(E + D \times (1-T)))$ ; Assumes corporate tax rate of 29.6% for partnerships and 21.0% for corporations
- 20-year Treasury as of October 21, 2022
- Source: Duff & Phelps
- Decile: Mid Cap (5) with equity value range of \$6,743.4 million to \$13,177.8 million
- Equity Cost of Capital calculated as:  $\text{Risk-free rate} + (\text{Levered Equity Beta} \times \text{Market Risk Premium}) + \text{Small Company Risk Premium}$
- Implied DCP 20-year cost of debt based on the yield-to-worst of DCP's 5.600% Senior Notes Due 2044 adjusted for 20-year maturity using the implied yield spread from relevant U.S. treasury notes
- Assumes U.S. individual partnership income tax structure through 2025 of 80.0% of income taxable at highest tax rate of 37.0%, or 29.6%

## Weighted Average Cost of Capital Analysis

### DCP Common Units – Total Expected Market Return

(\$ in millions, except per unit/share amounts)

	Partnership/Corporation	Unit/Share Price 10/21/22	Market Equity Value	Current Yield	Distribution/Dividend Growth	Total Return
Total Expected Market Return	Antero Midstream Corporation	\$10.31	\$4,990	8.7%	--%	8.7%
	Crestwood Equity Partners LP	30.30	3,744	8.6%	5.0%	13.6%
	EnLink Midstream, LLC	11.06	5,438	4.1%	10.0%	14.1%
	Equitrans Midstream Corporation	8.09	3,539	7.4%	2.4%	9.8%
	Hess Midstream Partners LP	27.25	6,540	8.2%	4.0%	12.2%
	Kinetik Holdings Inc.	34.96	4,720	8.6%	4.3%	12.9%
	ONEOK, Inc.	56.60	25,392	6.6%	3.0%	9.6%
	Targa Resources Corp.	67.79	15,667	2.1%	5.0%	7.0%
	Western Midstream Partners, LP	28.11	10,931	7.1%	11.2%	18.3%
					Mean	11.8%
					Median	12.2%
	DCP Midstream, LP	\$39.39	\$8,258	4.4%	3.1%	7.5%
WACC		WACC				
	Debt and Preferred / Total Capitalization	42.2%				
	Market Required Equity Return	12.2%				
	Pre-Tax Cost of Debt <sup>1</sup>	7.2%				
	After-Tax Cost of Debt <sup>2</sup>	5.0%				
	WACC	9.2%				

### DCP Cost of Debt<sup>1</sup>

	Yield-to-Worst
DCP Midstream 5.600% Senior Notes Due 2044	6.99%
U.S. Treasury Note Due 2042	4.54%
Less: U.S. Treasury Note Due 2044	4.37%
	0.18%
DCP Midstream Implied 20-Year Cost of Debt	7.17%

1. Implied DCP 20-year cost of debt based on the yield-to-worst of DCP's 5.600% Senior Notes Due 2044 Adjusted for 20-year maturity using the implied yield spread from relevant U.S. treasury notes
2. Assumes U.S. individual partnership income tax structure through 2025 of 80.0% of income taxable at highest tax rate of 37.0%, or 29.6%

## Discussion Materials Prepared for the Special Committee of the Board of Directors of DCP Midstream GP, LLC

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November 2, 2022

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These materials have been prepared by Evercore Group L.L.C. ("Evercore") for the Special Committee (the "Special Committee") of the Board of Directors of DCP Midstream GP, LLC, the general partner of DCP Midstream, LP ("DCP" or the "Partnership") to whom such materials are directly addressed and delivered and may not be used or relied upon for any purpose other than as specifically contemplated. These materials are based on information provided by or on behalf of the Partnership and/or other potential transaction participants, from public sources or otherwise reviewed by Evercore. Evercore assumes no responsibility for independent investigation or verification of such information and has relied on such information being complete and accurate in all material respects. To the extent such information includes estimates and forecasts of future financial performance prepared by or reviewed with the management of the Partnership and/or other potential transaction participants or obtained from public sources, Evercore has assumed that such estimates and forecasts have been reasonably prepared on bases reflecting the best currently available estimates and judgments of such management (or, with respect to estimates and forecasts obtained from public sources, represent reasonable estimates). No representation or warranty, express or implied, is made as to the accuracy or completeness of such information and nothing contained herein is, or shall be relied upon as, a representation, whether as to the past, the present or the future. These materials were designed for use by specific persons familiar with the business and affairs of the Partnership. These materials are not intended to provide the sole basis for evaluating, and should not be considered a recommendation with respect to, any transaction or other matter. These materials have been developed by and are proprietary to Evercore and were prepared exclusively for the benefit and internal use of the Special Committee.

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## I. Executive Summary

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# Executive Summary

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## Introduction and Overview of Materials

- Evercore Group L.L.C. ("Evercore") is pleased to provide the following materials to the Special Committee of the Board of DCP Midstream GP, LLC (the "Special Committee"), the general partner of DCP Midstream LP ("DCP" or the "Partnership"), regarding the proposed acquisition by Phillips 66 and its affiliates (collectively, "PSX," "Phillips 66" or the "Company") of all of the outstanding common units (the "Common Units") of the Partnership not already owned by Phillips 66, Enbridge, Inc. ("ENB") and their affiliates (the "Unaffiliated Unitholders"), for cash (the "Proposed Transaction" or "Project Dynamo")
  - ▶ PSX, ENB and their affiliates currently own 117,762,526 DCP Common Units<sup>1</sup>
    - 56.5% of the total outstanding common units
  - ▶ PSX has proposed to acquire each outstanding DCP common unit at a value equal to \$34.75 as of August 17, 2022 (the "Proposed Consideration") in an all-cash transaction
    - Implies an at market offer as of August 17, 2022
- A The Evercore analysis reviews valuation in terms of absolute unit price for DCP based on the financial projections for DCP as provided by DCP management (the "DCP Financial Projections") as well as sensitivities based on certain price decks including:
  - B A sensitivity case utilizing NYMEX Strip Pricing as of October 26, 2022
  - C A sensitivity case based on assumed pricing higher than that utilized in the DCP Financial Projections
  - D A sensitivity case based on assumed pricing lower than that utilized in the DCP Financial Projections

Source: DCP Management, FactSet  
1. As of 8/26/22



## Executive Summary

### Overview of the Transaction

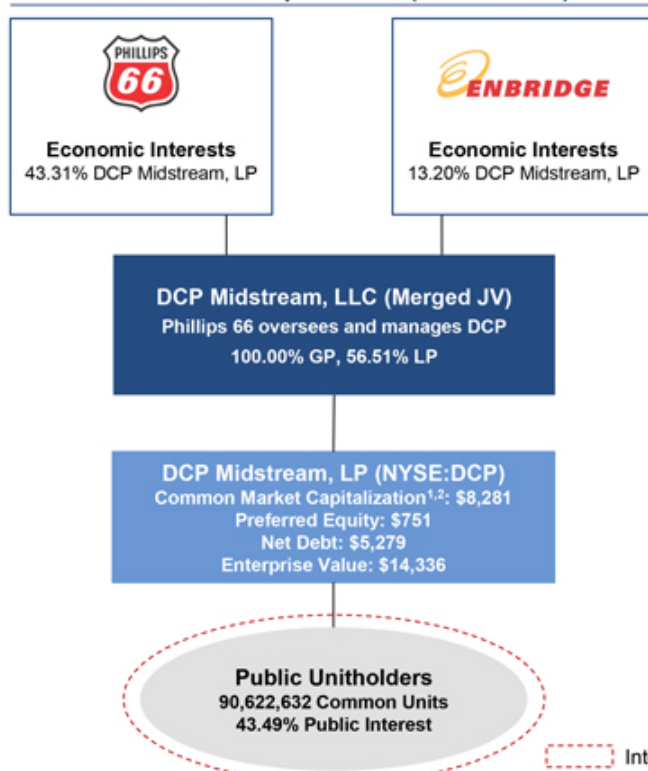
Counterparty	<ul style="list-style-type: none"><li>■ Phillips 66 (NYSE: PSX)</li></ul>
Transaction Summary	<ul style="list-style-type: none"><li>■ PSX to acquire 100% of the Common Units owned by the Unaffiliated Unitholders</li><li>■ DCP will cease to be a publicly-traded partnership</li></ul>
Proposed Consideration	<ul style="list-style-type: none"><li>■ \$34.75 in cash per Common Unit</li></ul>
Timing and Approvals	<ul style="list-style-type: none"><li>■ Approval of the Special Committee and the board of directors of the general partner of DCP</li><li>■ Regulatory filing requirements to be confirmed</li></ul>
Other	<ul style="list-style-type: none"><li>■ The Proposed Transaction is taxable to the Unaffiliated Unitholders resulting in the realization of taxes on deferred income and capital gains</li></ul>

## Executive Summary

### Summary Organizational Structure and Transaction Economics

(\$ in millions, except per unit amounts)

#### Current Ownership Structure (As-Converted)



#### Sources and Uses

<b>Sources</b>			
Cash			\$3,149
<b>Total Sources</b>			<b>\$3,149</b>
<b>Uses</b>			
	<u>Units (mm)</u>	<u>Price</u>	
Public Common Units (mm)	91	\$34.75	\$3,149
<b>Total Uses</b>			<b>\$3,149</b>

#### Transaction Economics

Proposed Consideration	\$34.75
Common Units Outstanding <sup>1,2</sup> (mm)	210
<b>Total Equity Value</b>	<b>\$7,285</b>
Plus: Preferred Equity @ 12/31/22	271
Plus: DCP Net Debt @ 12/31/22	5,331
Plus: Noncontrolling Interests	25
<b>Total Implied Enterprise Value</b>	<b>\$12,912</b>

<i>Implied EV/EBITDA (DCP Financial Projection)</i>	<u>Metric</u>	<u>Multiple</u>
2022E	\$1,749	7.4x
2023E	1,698	7.6
<i>Implied EV/EBITDA (Wall Street Consensus Estimates)</i>		
2022E	\$1,776	7.3x
2023E	1,751	7.4

Source: DCP Management, FactSet, Wall St Research; Proposed transaction Sources and Uses assumes 12/31 balance sheet date per management model

1. As of October 28, 2022; Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP | 2. Includes 1.3mm phantom and performance units

## Executive Summary

### DCP Common Unit Price Prior to the Unaffected Date of August 17, 2022

	DCP Price	Premium at Unaffected Date Relative to Historical Average
<b>Proposed Consideration</b>	<b>\$34.75</b>	
YTD 2022 Average	\$32.39	7.3%
Last 20 Trading Days Average	\$33.80	2.8%
Last 30 Trading Days Average	\$32.46	7.0%
Last 60 Trading Days Average	\$32.79	6.0%
<b>Last 6 Months Average</b>	<b>\$33.13</b>	<b>4.9%</b>
Last 12 Months Average	\$30.88	12.5%



Source: FactSet; as of October 28, 2022

## Executive Summary

### Analysis at Various Prices

DCP Price per Unit	Implied Premium to:				EV / EBITDA <sup>1</sup>		For Reference Only Implied Premium to:
	August 17 Price \$34.75	10-Day VWAP <sup>2</sup> of \$34.46	20-Day VWAP <sup>2</sup> of \$33.88	30-Day VWAP <sup>2</sup> of \$32.49	2022E	2023E	October 28 Price \$39.50
\$34.75	—%	0.8%	2.6%	6.9%	7.4x	7.6x	(12.0%)
35.00	0.7%	1.6%	3.3%	7.7%	7.4	7.6	(11.4%)
36.00	3.6%	4.5%	6.2%	10.8%	7.5	7.8	(8.9%)
37.00	6.5%	7.4%	9.2%	13.9%	7.7	7.9	(6.3%)
38.00	9.4%	10.3%	12.1%	16.9%	7.8	8.0	(3.8%)
39.00	12.2%	13.2%	15.1%	20.0%	7.9	8.1	(1.3%)
40.00	15.1%	16.1%	18.1%	23.1%	8.0	8.3	1.3%
41.00	18.0%	19.0%	21.0%	26.2%	8.1	8.4	3.8%
42.00	20.9%	21.9%	24.0%	29.3%	8.3	8.5	6.3%
43.00	23.7%	24.8%	26.9%	32.3%	8.4	8.6	8.9%
44.00	26.6%	27.7%	29.9%	35.4%	8.5	8.7	11.4%
45.00	29.5%	30.6%	32.8%	38.5%	8.6	8.9	13.9%
46.00	32.4%	33.5%	35.8%	41.6%	8.7	9.0	16.5%
47.00	35.3%	36.4%	38.7%	44.6%	8.8	9.1	19.0%
48.00	38.1%	39.3%	41.7%	47.7%	9.0	9.2	21.5%
49.00	41.0%	42.2%	44.6%	50.8%	9.1	9.4	24.1%
50.00	43.9%	45.1%	47.6%	53.9%	9.2	9.5	26.6%
51.00	46.8%	48.0%	50.5%	57.0%	9.3	9.6	29.1%
52.00	49.6%	50.9%	53.5%	60.0%	9.4	9.7	31.6%
53.00	52.5%	53.8%	56.4%	63.1%	9.6	9.9	34.2%

Source: DCP filings, FactSet; as of October 28, 2022

1. EBITDA based on the DCP Financial Projections; Enterprise Value assumes balance sheet items as of December 31, 2022 per management model

2. Based on August 17, 2022 unaffected price date

## Executive Summary

### Side-by-Side Analysis

(\$ in millions, except per unit / share amounts)

DCP					PSX		
Total Units Outstanding <sup>1</sup>				210	Fully-Diluted Shares Outstanding		486
Common Unit Price				\$39.50	Common Share Price		\$104.20
<b>Total Equity Value</b>				<b>\$8,281</b>	<b>Total Equity Value</b>		<b>\$50,614</b>
Plus: Preferred Equity				751	Plus: Net Debt		10,160
Plus: Net Debt				5,279	Plus: Noncontrolling Interest		297
Plus: Noncontrolling Interest				25	<b>Enterprise Value</b>		<b>\$61,071</b>
<b>Enterprise Value</b>				<b>\$14,336</b>			
DCP Financial Projections					Consensus Data		
	Metric	Yield/Multiple	Metric	Yield/Multiple		Metric	Yield/Multiple
<b>EV/EBITDA</b>					<b>EV/EBITDA</b>		
2022E	\$1,749	8.2x	\$1,776	8.1x	2022E	\$13,137	4.6x
2023E	1,698	8.4	1,751	8.2	2023E	9,659	6.3
2024E	1,578	9.1	1,642	8.7	2024E	8,376	7.3
<b>P / DCF per LP Unit</b>					<b>P / FCFPS</b>		
2022E	\$6.12	6.5x	\$6.47	6.1x	2022E	\$16.13	6.5x
2023E	5.92	6.7	6.97	5.7	2023E	11.48	9.1
2024E	5.55	7.1	5.96	6.6	2024E	8.83	11.8
<b>Distribution Yield</b>					<b>Dividend Yield</b>		
Current	\$1.72	4.4%	\$1.72	4.4%	Current	\$3.88	3.7%
2023E	1.72	4.4%	1.80	4.6%	2023E	3.94	3.8%
2024E	1.72	4.4%	1.89	4.8%	2024E	4.15	4.0%
<b>Distribution Coverage</b>							
2022E	\$6.12	3.7x	\$6.47	3.8x			
2023E	5.92	3.4	6.97	3.9			
2024E	5.55	3.2	5.96	3.2			

Note: As of October 28, 2022; Balance sheet data per Partnership / Company filings as of June 30, 2022; DCP debt pro forma for James Lake system acquisition

Source: FactSet, company filings, DCP Management

1. Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.3mm phantom and performance units

## II. DCP Situation Analysis

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# DCP Situation Analysis

## Partnership Overview

### Description

- DCP is a Delaware limited partnership formed to own and operate a diversified portfolio of midstream energy assets
- Two reportable segments: Logistics and Marketing; Gathering and Processing
  - ▶ Logistics and Marketing includes fractionating NGLs as well as transporting, trading, marketing and storing natural gas and NGLs
  - ▶ Gathering and Processing includes gathering, compressing, treating, and processing natural gas, as well as producing and fractionating NGLs and recovering condensate
- Credit rating: Ba1 (Moody's); BBB+ (S&P)

### Volumes By Segment (Q2'22)

#### NGL Pipeline Volume and Utilization

(MMbbls/d)	Q2'22 Avg. Throughput	Q2'22 Pipeline Utilization
Sand Hills	304	91%
Southern Hills	122	95%
Front Range	78	90%
Texas Express	23	62%
Other	193	62%
<b>Total</b>	<b>720</b>	<b>80%</b>

#### G&P Volume and Utilization

(MMcf/d)	Q2'22 Avg. Wellhead Vol.	Q2'22 Plant Utilization
North	1,578	100%
Midcontinent	838	75%
Permian	982	89%
South	985	60%
<b>Total</b>	<b>4,383</b>	<b>81%</b>

### Asset Map



# DCP Situation Analysis

## Logistics and Marketing Overview

Logistics & Marketing segment is fee-based or fee-like and includes NGL and gas takeaway pipelines, marketing, trading, storage and fractionators

### DCP Logistics Assets

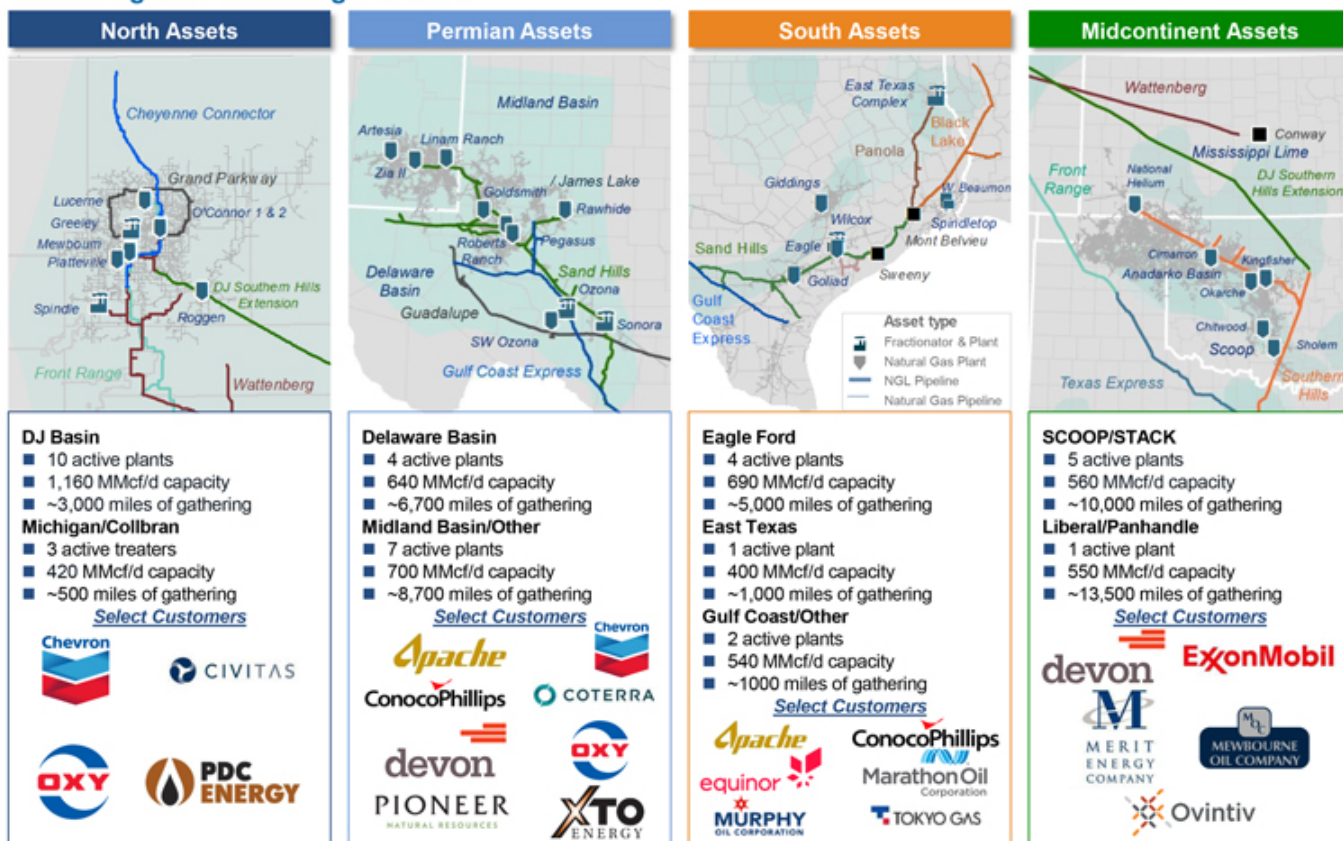


Segment	Description	% Ownership / Operated
NGL Takeaway	■ <b>Sand Hills</b> provides NGL takeaway from the Permian and Eagle Ford to the Gulf Coast	67% / ✓
	■ <b>Southern Hills</b> provides NGL takeaway from the DJ Basin and the Midcontinent to Gulf Coast markets	67% / ✓
	■ <b>Front Range / Texas Express</b> provide NGL takeaway from the DJ Basin ▶ Both operated by Enterprise Products Partners L.P. ("EPD")	33% / 10% / ✗
Gas Takeaway	■ <b>Gulf Coast Express</b> provides ~2.0 Bcf/d gas takeaway from the Permian to the Gulf Coast ▶ Operated by Kinder Morgan, Inc. ("KMI")	25% / ✗
	■ <b>Guadalupe</b> provides 245 MMcf/d gas takeaway from the Permian	50% / ✗
	■ <b>Cheyenne Connector</b> provides 600 MMcf/d gas takeaway from the DJ Basin to the Rockies Express Pipeline ▶ Operated by Tallgrass Energy Partners, LP ("Tallgrass")	50% / ✗
Gas & NGL Storage	■ 12 Bcf <b>Spindletop</b> natural gas storage facility in SE Texas	100% / ✓
	■ 8 MMBbls <b>Marysville</b> NGL storage facility in Michigan	100% / ✓
Fractionation	■ Equity ownership of 56 MBpd of Mont Belvieu <b>fractionation capacity</b> ■ Additional field fractionation capacity of 70 MBpd	12.5% / 20% / ✗



# DCP Situation Analysis

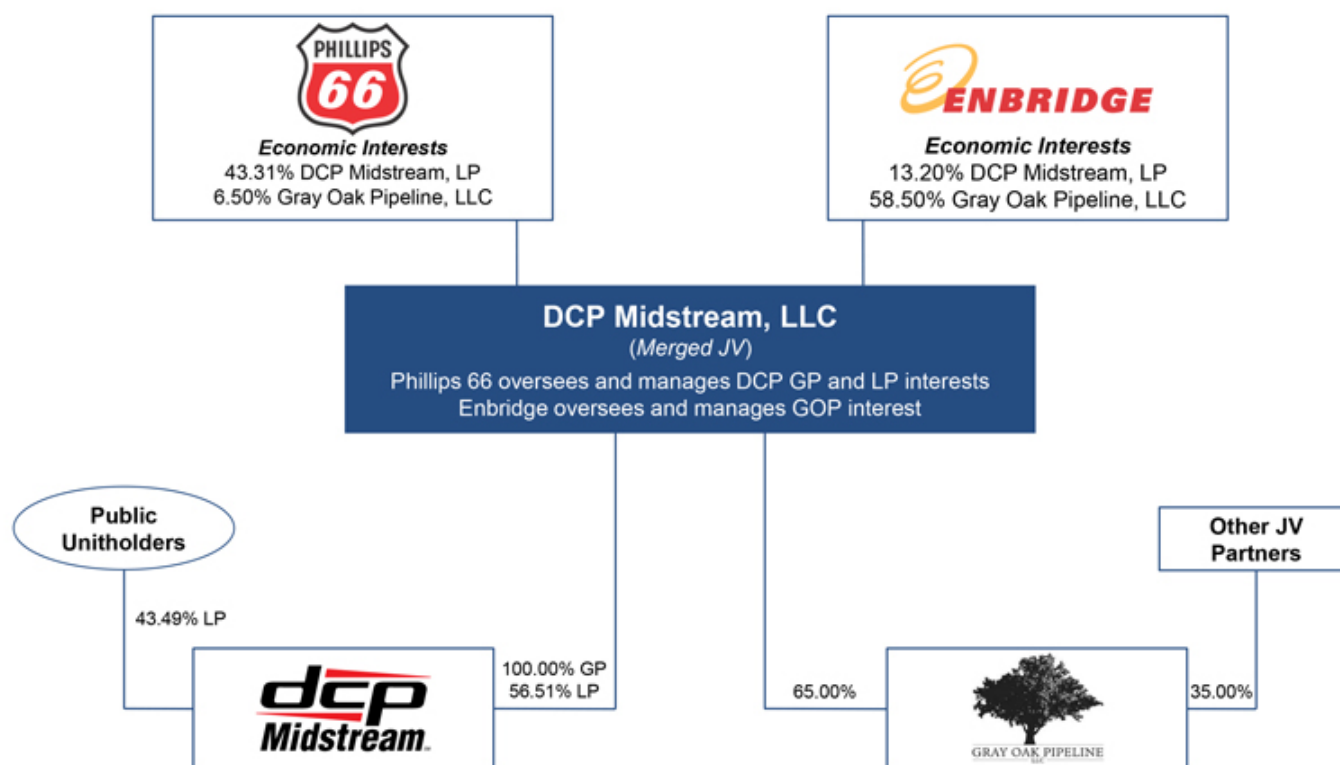
## Gathering and Processing Overview



Note: Number of active processing plants and active plant capacity excludes idled plants and includes DCP's proportionate ownership share of capacity. Delaware Basin includes recently acquired James Lake System

## DCP Situation Analysis

### DCP Organizational Structure



Source: Public filings

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## DCP Situation Analysis

### Market Capitalization

As of October 28, 2022

Total Units Outstanding <sup>1</sup>	210
Common Unit Price	\$39.50
<b>Total Equity Value</b>	<b>\$8,281</b>
Plus: Preferred Equity	751
Plus: Net Debt	5,279
Plus: Noncontrolling Interest	25
<b>Enterprise Value</b>	<b>\$14,336</b>

	DCP Financial Projections		Consensus Data	
	Metric	Yield/Multiple	Metric	Yield/Multiple
Distribution Yield				
Current	\$1.72	4.4%	\$1.72	4.4%
2022E	1.64	4.2%	1.68	4.3%
2023E	1.72	4.4%	1.80	4.6%
EV/EBITDA				
2022E	\$1,749	8.2x	\$1,776	8.1x
2023E	1,698	8.4	1,751	8.2
2024E	1,578	9.1	1,642	8.7

(\$ in millions, except per unit amounts)

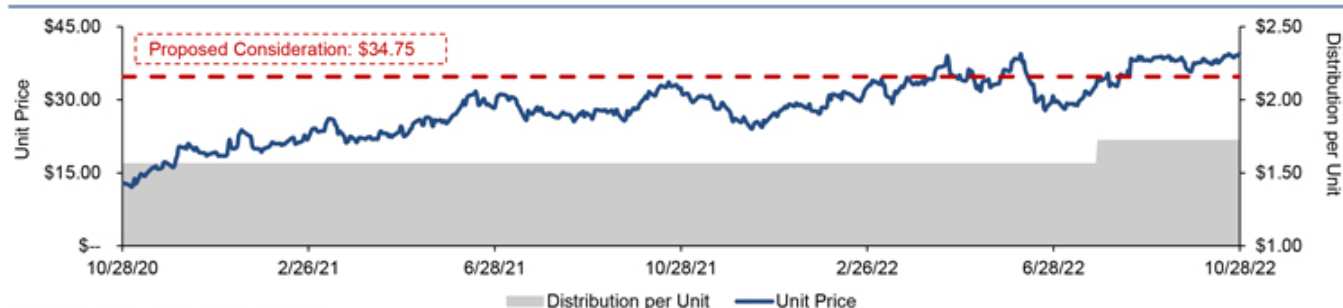
### Balance Sheet and Credit Data

As of June 30, 2022

Cash and Marketable Securities	\$8
Short-Term Debt	505
Long-Term Debt <sup>2</sup>	4,782
<b>Total Debt</b>	<b>\$5,287</b>
Net Debt	\$5,279
Plus: Noncontrolling Interest	25
Plus: Preferred Equity	751
Plus: Partners' Capital	5,374
<b>Net Book Capitalization</b>	<b>\$11,429</b>

Revolver Availability / Total Revolver Capacity <sup>2</sup>	\$1,220 / \$1,400
Net Debt / Net Book Cap	46.2%
Net Debt / 2022E EBITDA	3.0x
Net Debt / 2023E EBITDA	3.0

### Unit Price and Distribution



Source: DCP filings, FactSet as of October 28, 2022

- Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.3mm phantom and performance units
- Pro forma for the \$160mm James Lake System acquisition from Woodland Midstream II

# DCP Situation Analysis

## DCP Wall Street Research

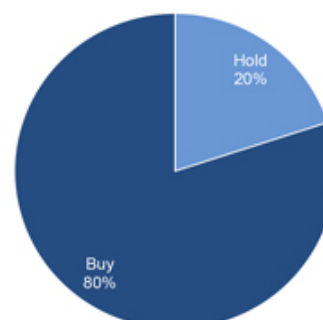
(\$ in millions, except per unit amounts)

### Summary Price Targets

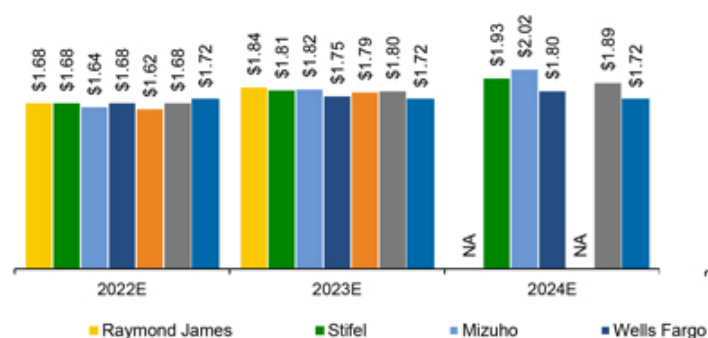
Firm	Analyst	Date	Recommendation	Target Price
Raymond James	J.R. Weston	10/18/22	Buy	\$45.00
Stifel	Selman Akyol	10/14/22	Buy	45.00
Mizuho	Gabriel Moreen	9/14/22	Buy	45.00
Wells Fargo	Michael Blum	8/25/22	Buy	45.00
RBC	Elvira Scotto	8/17/22	Hold	38.00

Median:	\$45.00
Mean:	43.60
High:	45.00
Low:	38.00

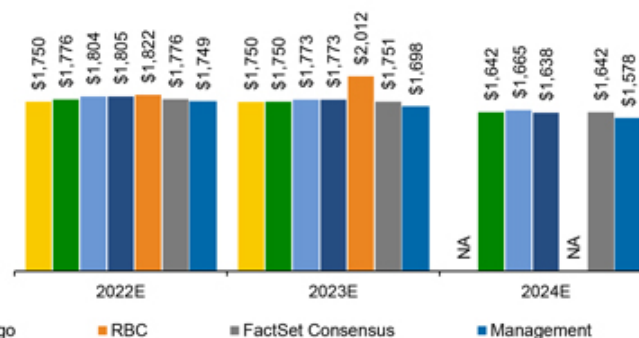
### Analyst Recommendations



### Distribution Per Unit Estimates



### EBITDA Estimates

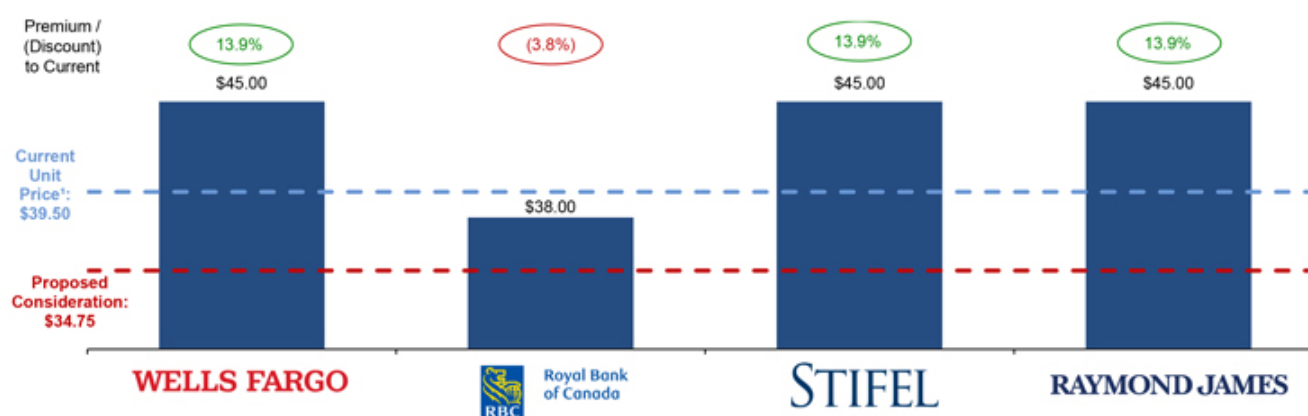


Source: FactSet, public filings; as of October 28, 2022

## DCP Situation Analysis

### Analyst Price Targets and Comparison of Valuation Methodologies

Price Target	Date	Broker	Valuation Methodology
\$45.00	25-Aug-22	<b>WELLS FARGO</b>	Based on a blend of: (1) a three-stage distribution/dividend discount model, which assumes a 10% required rate of return and a long-term decline rate of -1.0%; (2) a three-stage discounted free cash flow analysis using a discount rate of 8.1% and a long-term decline rate of -1.0%; and (3) a sum-of-the-parts valuation based on WF's 2023 forecast
\$38.00	17-Aug-22	 <b>Royal Bank of Canada</b>	\$38 price target using PSX's \$34.75 offer price and adding a 10% premium, based on some previous transactions in the space. The \$38 price target represents an overall EV/EBITDA of ~6.9x and a target yield of 4.3% off of RBC's one-year-out annualized distribution estimate
\$45.00	14-Oct-22	<b>STIFEL</b>	Derived by applying a 9.0x multiple to Stifel's 2023 EBITDA estimate of \$1.75 billion
\$45.00	18-Oct-22	<b>RAYMOND JAMES</b>	Blended valuation based on: (1) a 10-year, three-stage distribution/dividend discount model; (2) forward free cash flow yield relative to comparable industry peers; and (3) forward enterprise value-to-EBITDA multiples relative to comparable industry peers



Source: Wall Street research, FactSet  
1. Unit price as of October 28, 2022

# DCP Situation Analysis

## Ratings Agency Commentary

The credit profile is now closely tied to PSX and agencies anticipate continued debt reduction



### Current Ratings

Senior Unsecured Outlook Analyst	BBB+ Stable Mike Llanos	Senior Unsecured Outlook Analyst	Ba1 Positive James Wilkins
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### Recent Comments

#### S&P's Credit Opinion: August 18, 2022

- The stable outlook reflects expectation that Phillips 66 will fully integrate DCP's assets into its midstream operations while the partnership maintains S&P Global Ratings-adjusted leverage of less than 4x over the intermediate term
- The partnership is 70% fee-based allowing it to capitalize on the above-average commodity price, however this level of direct commodity price exposure makes the partnership more susceptible to cash flow volatility

#### What could prompt an UPGRADE:

- ▶ Would only raise rating on DCP if they raise rating on Phillips 66
- ▶ Could raise PSX rating if non-refining segments account for much larger share of future consolidated EBITDA, which would mitigate cash flow volatility of its refining assets

#### What could prompt a DOWNGRADE:

- ▶ If Phillips 66's adjusted debt to EBITDA consistently exceeds 3.0x

#### Moody's Credit Opinion: August 19, 2022

- Expects credit metrics will continue to improve and be supportive of an investment grade rating as free cash flow continues to be applied towards debt reduction
- Credit challenges include exposure to regulatory risk for DJ Basin operations in the state of Colorado and uncertainty regarding longer term demand for hydrocarbons

#### What could prompt an UPGRADE:

- ▶ EBITDA continues to grow
- ▶ Debt to EBITDA is maintained below 4.0x on a sustained basis
- ▶ Distribution coverage remains above 1.3x

#### What could prompt a DOWNGRADE:

- ▶ Debt to EBITDA exceeds 4.5x
- ▶ Distribution coverage falls below 1.0x

Source: Standard & Poor's Rating Services and Moody's



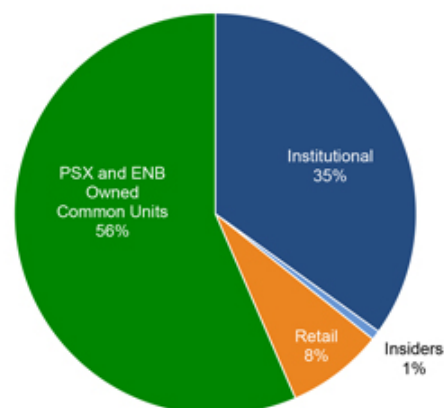
# DCP Situation Analysis

## DCP Midstream, LP Common Unit Ownership Summary

### Top 20 Institutional Unit Holders

Rank	Investor	Type	Units (000's)	% of Total
1	ALPS Advisors, Inc.	Investment Adviser	13,204	6.3%
2	Tortoise Capital Advisors LLC	Investment Adviser	9,174	4.4%
3	Harvest Fund Advisors LLC	Investment Adviser	8,125	3.9%
4	Goldman Sachs Asset Management LP	Investment Adviser	4,691	2.3%
5	Chickasaw Capital Management LLC	Investment Adviser	3,136	1.5%
6	JPMorgan Securities LLC	Investment Adviser	3,132	1.5%
7	ClearBridge Investments LLC	Investment Adviser	2,292	1.1%
8	RR Advisors LLC	Hedge Fund Manager	2,085	1.0%
9	Global X Management Co. LLC	Investment Adviser	2,056	1.0%
10	Invesco Advisers, Inc.	Investment Adviser	2,003	1.0%
11	Barclays Bank Plc	Private Banking/Wealth Mgmt	1,615	0.8%
12	Energy Income Partners LLC	Investment Adviser	1,478	0.7%
13	Jennison Associates LLC	Mutual Fund Manager	1,250	0.6%
14	First Trust Advisors LP	Investment Adviser	1,090	0.5%
15	UBS Securities LLC	Broker	1,037	0.5%
16	Wells Fargo Bank, NA	Private Banking/Wealth Mgmt	977	0.5%
17	Infrastructure Capital Advisors LLC	Investment Adviser	960	0.5%
18	DWS Investments (UK) Ltd.	Hedge Fund Manager	898	0.4%
19	Eagle Global Advisors LLC	Private Banking/Wealth Mgmt	880	0.4%
20	Salient Capital Advisors LLC	Investment Adviser	847	0.4%
<b>Remainder</b>			<b>11,883</b>	<b>5.7%</b>
<b>Total Institutional Ownership</b>			<b>72,814</b>	<b>34.9%</b>

### Unit Ownership Breakdown



### Unit Ownership Summary

Holder	Units (000's)	Ownership %
Institutional	72,814	34.9%
Insiders	1,581	0.8%
Retail	16,228	7.8%
<b>Total Common Units Outstanding</b>	<b>90,623</b>	<b>43.5%</b>
Plus: PSX and ENB Owned Common Units	117,763	56.5%
<b>Total Units Outstanding<sup>1</sup></b>	<b>208,385</b>	<b>100.0%</b>

Source: Wall Street research, FactSet; as of October 28, 2022  
1. Excludes 1.3mm phantom and performance units

### III. LPG Market Overview

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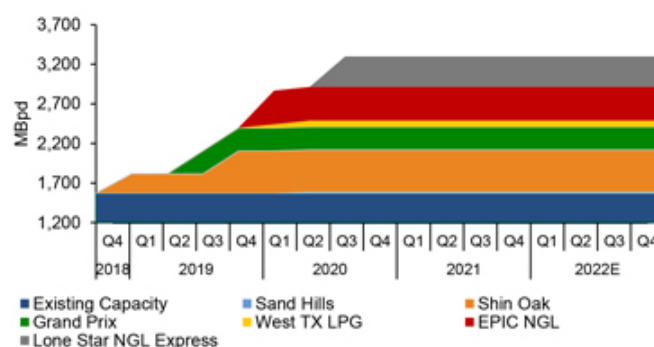


## LPG Market Overview

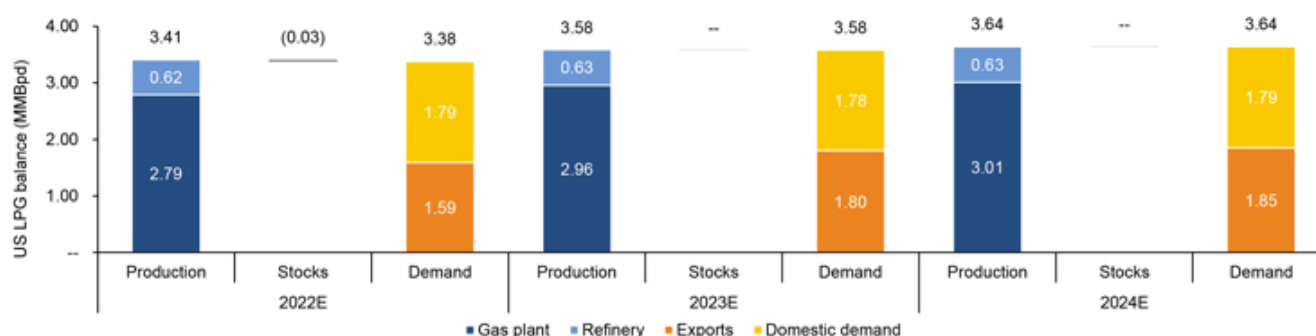
### Overview Gulf Coast LPG Export Market

- **Global Demand:** Significant and persistent global demand for LPGs is primarily driven by Asian markets, which lack both local petroleum feedstock and local refining and/or processing infrastructure
- **U.S. Surplus:** Rapid growth in U.S. domestic oil and gas production has resulted in LPGs exceeding domestic demand with domestic demand for LPGs remaining relatively flat over the past two decades and projected to remain relatively flat over the near-to-medium term
- **Gulf Coast Infrastructure:** Several major expansions of LPG export capacity are underway to accommodate the anticipated long-term eastward flows of global LPG trade
- **Fungibility:** DCP delivers significant NGL volumes primarily to Mont Belvieu, the primary hub for both domestic and exported LPGs

Permian Basin NGL Pipelines to Gulf Coast Market



U.S. Domestic LPG Supply and Demand Balance

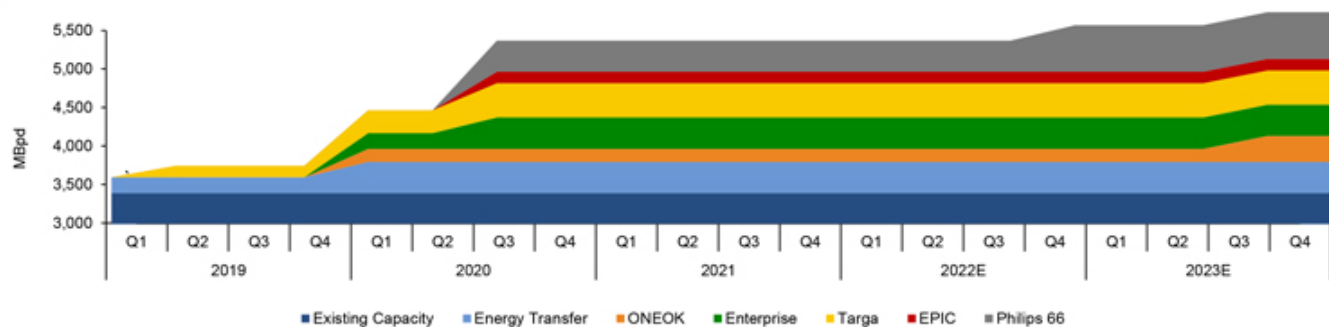


Source: Wall Street Research

## LPG Market Overview

### Texas Fractionation Overview

Texas NGL Fractionation Capacity



U.S. Gulf Coast Capacity Additions

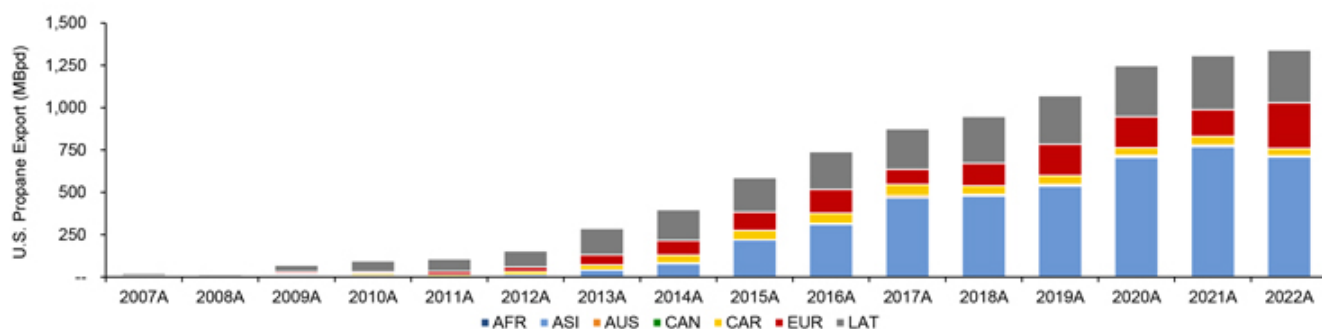


Source: Wall Street Research

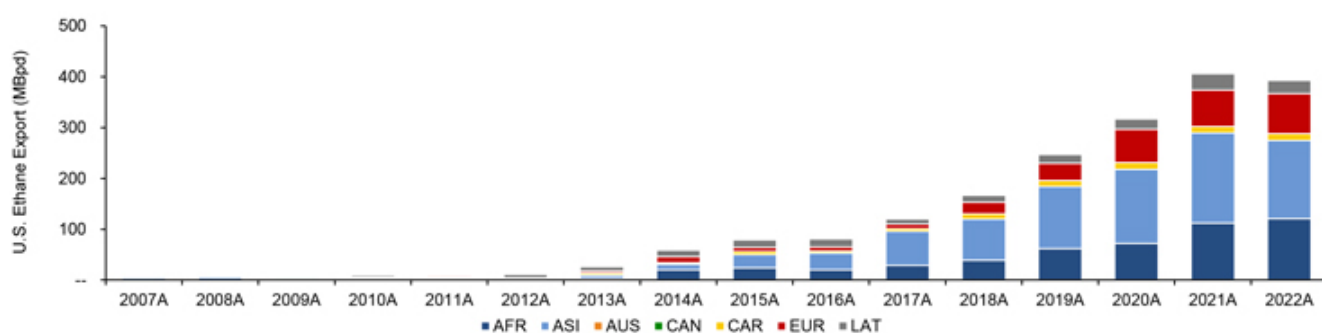
## LPG Market Overview

### U.S. LPG Oceangoing LPG Exports

Historical U.S. Propane Export Total (MBpd)



Historical U.S. Ethane Export Total (MBpd)



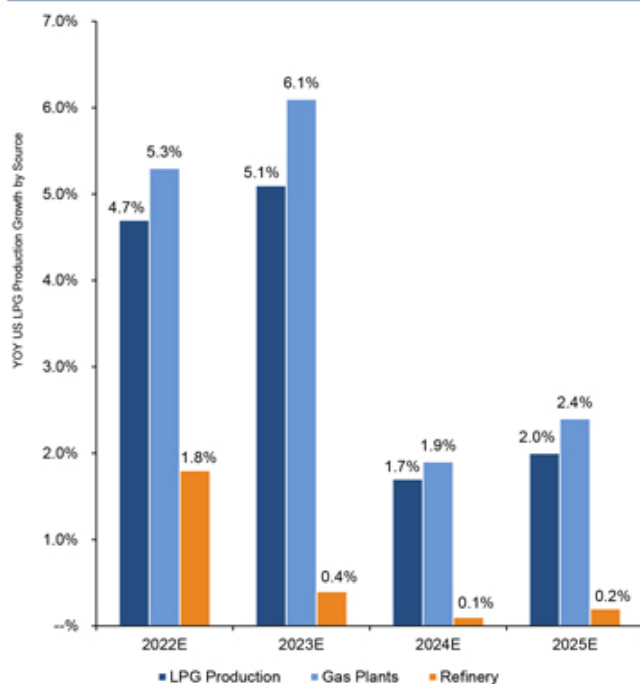
Source: RBN Energy

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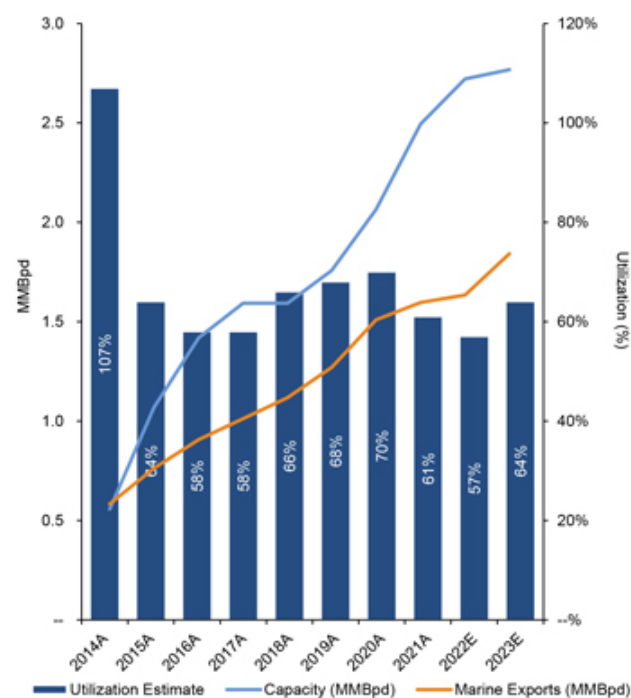
## LPG Market Overview

### LPG Production Growth and Capacity Utilization

YoY LPG Production Growth



Terminal Capacity Utilization vs. Actual Seaborne Exports

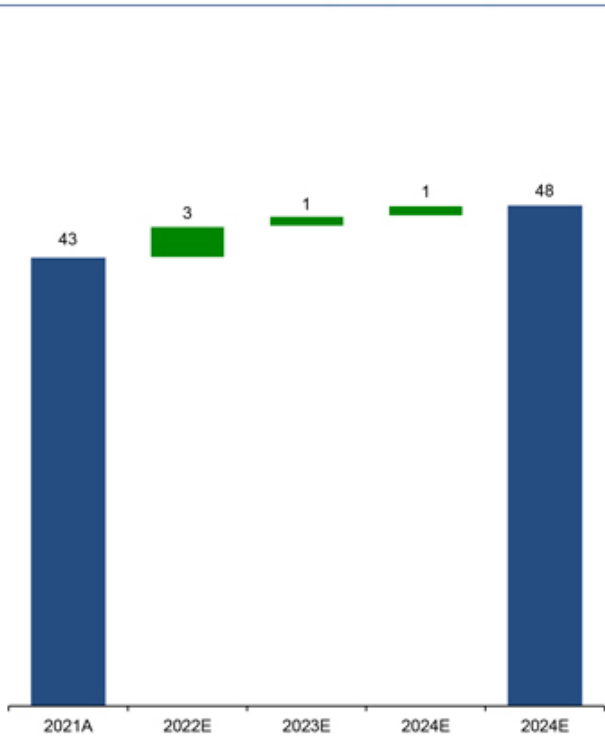


Source: Wall Street Research

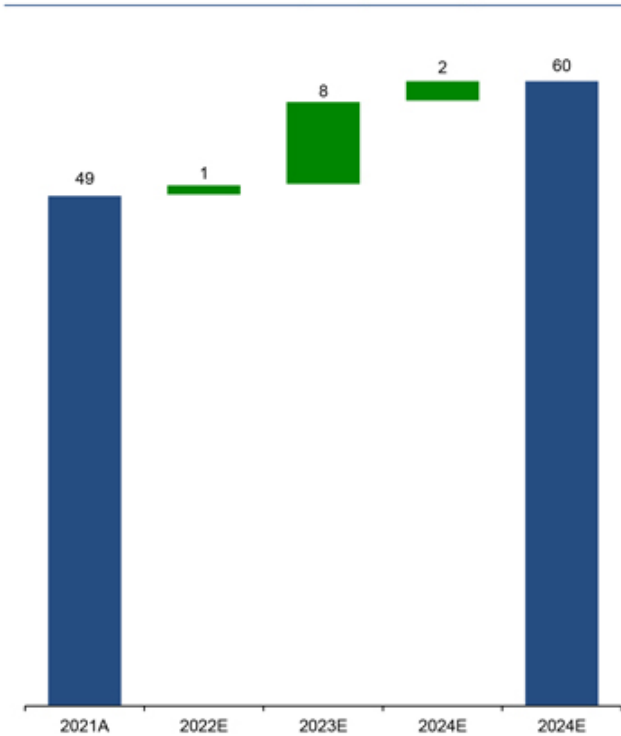
# LPG Market Overview

## LPG Export Supply Growth Primary Sources

Middle East LPG Exports (m tonnes)



U.S. LPG Exports (m tonnes)

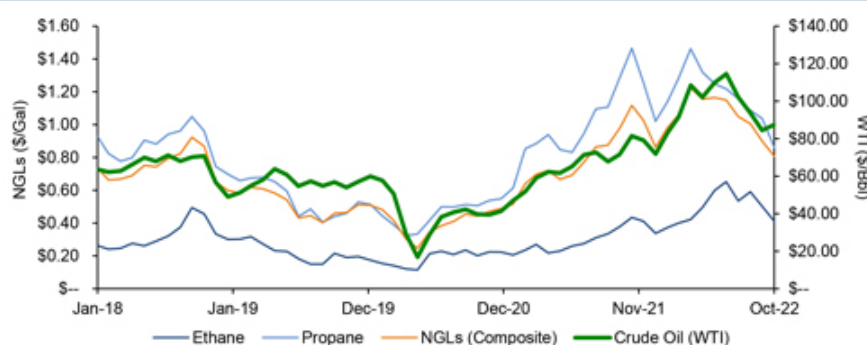


Source: Wall Street Research

## LPG Market Overview

### Historical Pricing of NGLs/LPGs vs. Crude Oil

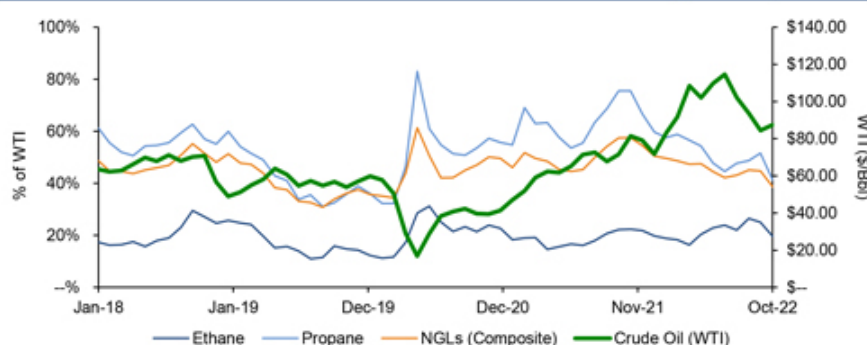
Historical Commodity Prices



Domestic Market

	2018A	2019A	2020A	2021A	2022A
Ethane	\$0.32	\$0.22	\$0.19	\$0.31	\$0.50
Propane	\$0.87	\$0.54	\$0.47	\$1.04	\$1.18
Iso-Butane	\$1.02	\$0.71	\$0.59	\$1.17	\$1.48
Normal-Butane	\$1.01	\$0.65	\$0.57	\$1.18	\$1.39
Natural Gasoline	\$1.44	\$1.14	\$0.78	\$1.54	\$2.00
NGLs (Composite)	\$0.74	\$0.51	\$0.41	\$0.83	\$1.05
Crude Oil (WTI)	\$64.94	\$56.97	\$39.37	\$68.07	\$97.94

Historical Commodity Prices (% of WTI)



Domestic Market

	2018A	2019A	2020A	2021A	2022A
Ethane	20.8%	16.0%	20.2%	19.0%	21.4%
Propane	56.5%	40.1%	50.1%	64.5%	50.8%
Iso-Butane	65.7%	52.2%	62.9%	72.5%	63.3%
Normal-Butane	65.6%	47.9%	61.0%	72.8%	59.6%
Natural Gasoline	92.8%	84.2%	83.7%	95.3%	86.0%
NGLs (Composite)	48.0%	37.8%	44.1%	51.0%	45.1%

Source: FactSet as of October 28, 2022

## LPG Market Overview

### NGL and LPG Pricing: Historicals vs. NYMEX Strip



Source: DCP Management, NYMEX Strip as of October 28, 2022

Note: 2022A represents YTD actual pricing through October 28, 2022 whereas 2022E represents NYMEX forward curves as of October 29, 2022 through YE 2022

## LPG Market Overview

### NGL Consensus Pricing Commentary

**"3Q22 ethane prices of 55c/gal could fall to ~40c/gal in 4Q22/1Q23, with another step-down to 33c/gal in 2Q23+ as Henry Hub/Waha prices slide to \$4.94/\$2.18 per Mcf in 2Q23...ethane is typically 35-45% of the composite NGL barrel, causing its pricing to have an outsized impact on NGL prices vs. other purity products."**

*Chase Mulvehill, BofA Securities (October 9, 2022)*

**"Given the significant increase in oil and gas prices driven by a host of factors including: a strong rebound in oil demand as the world emerges from COVID, continued supply-chain issues which are driving inflation, a tight global LNG market, and the Russia/Ukraine conflict, we are materially increasing our NGL price estimates. We're raising our 2022 and 2023 NGL price estimates to \$1.18/g and \$1.06/g, respectively, from \$0.92/g and \$0.82/g. The increase to our NGL price deck reflects higher near-term crude oil and natural gas price estimates from our E&P and refining teams, partially offset by lower assumed LPG-to-Brent ratios."**

*Michael Blum, Wells Fargo (March 23, 2022)*

**"The NGL-to-WTI and NGL-to-Brent crude oil ratios averaged 52% and 51%, respectively, in February, both of which are below the prior month. NGL prices to a large extent track Brent more closely than WTI, given that a significant portion of overall demand for NGLs is predicated on exports and competition in the global markets (e.g., ethylene derivative and LPG exports)."**

*Praneeth Satish, Wells Fargo (March 23, 2022)*

**"The move up in NGL pricing is driven by higher oil prices, which NGL pricing is tied to. But we are also seeing increasing demand (including exports) for NGLs moving up pricing relative to WTI (a higher % of WTI). Generally speaking, midstreamers with NGL marketing capabilities fare well in a rising price environment."**

*Robert Hope, Scotiabank (November 16, 2021)*

Source: Wall Street Research

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dcp  
Midstream



## IV. DCP Financial Projections

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## DCP Financial Projections

### DCP Financial Projections – Assumptions

**A** The DCP Financial Projections as provided by DCP Management and reviewed by Evercore, incorporate the following assumptions:

- ▶ September 23, 2022 price deck as follows:

	Price Deck					
	2022E	2023E	2024E	2025E	2026E	2027E
NGLs (\$/Gal)	\$1.04	\$0.75	\$0.66	\$0.60	\$0.60	\$0.60
WTI (\$/Bbl)	93.75	73.80	68.04	64.12	61.16	58.81
Henry Hub (\$/MMBtu)	7.26	5.56	4.76	4.59	4.52	4.50

- ▶ Interest rates on debt as follows:

- Revolving Credit Facility: Approximately 4.5%-5.5% annually
- Permanent Debt Average: Approximately 5.5%-6.0% annually

- ▶ Preferred Equity redeemed once eligible and financed with debt and cash flow from operations:

- \$500 Series A redeemed in Q3 2022
- \$161 Series B redeemed in Q2 2023
- \$110 Series C redeemed in Q4 2023

- ▶ Common Units outstanding:

- 90.6 million publicly held LP Units
- 117.8 million DCP LP Units

- ▶ Quarterly distributions per LP held flat at \$0.43/unit throughout the projection period

- ▶ No minimum cash balance

- ▶ Maintenance capital expenditures of \$134.7 million per year in 2022E, \$150.0 million per year in 2023E and 2024E and \$125.0 million per year from 2025E to 2027E

- ▶ Growth capital expenditures:

- Identified organic capital expenditures of \$114.4 million in 2H 2022
- Identified acquisition capital expenditures of \$144.0 million in 2H 2022
- Unidentified organic capital expenditures of \$125.0 million in 2023E and \$50.0 million per year from 2024E to 2027E

**NGL Composite Pricing**



Source: DCP Management  
Note: DCP Financial Projections do not include effects of the Proposed Transaction

## DCP Financial Projections

### DCP Financial Projections – Sensitivity Assumptions

- DCP Management provided financial projections for DCP assuming the following commodity prices as requested by Evercore

- B** A sensitivity case which assumes the following NYMEX Strip Pricing as of October 26, 2022 ("**Sensitivity Case B – NYMEX Strip Pricing Case**"):

	NYMEX Strip Pricing Case					
	2022E	2023E	2024E	2025E	2026E	2027E
NGLs (\$/Gal)	\$1.01	\$0.75	\$0.70	\$0.67	\$0.66	\$0.66
WTI (\$/Bbl)	95.10	81.18	74.19	69.88	66.71	64.08
Henry Hub (\$/MMBtu)	6.50	5.23	4.64	4.47	4.40	4.35

- C** A sensitivity case which assumes the following higher commodity pricing ("**Sensitivity Case C – Higher Commodity Prices**"):

	Higher Commodity Prices					
	2022E	2023E	2024E	2025E	2026E	2027E
NGLs (\$/Gal)	\$1.01	\$0.90	\$0.78	\$0.77	\$0.76	\$0.75
WTI (\$/Bbl)	95.10	87.50	76.50	75.50	74.50	73.50
Henry Hub (\$/MMBtu)	6.50	5.85	5.15	5.10	5.05	5.00

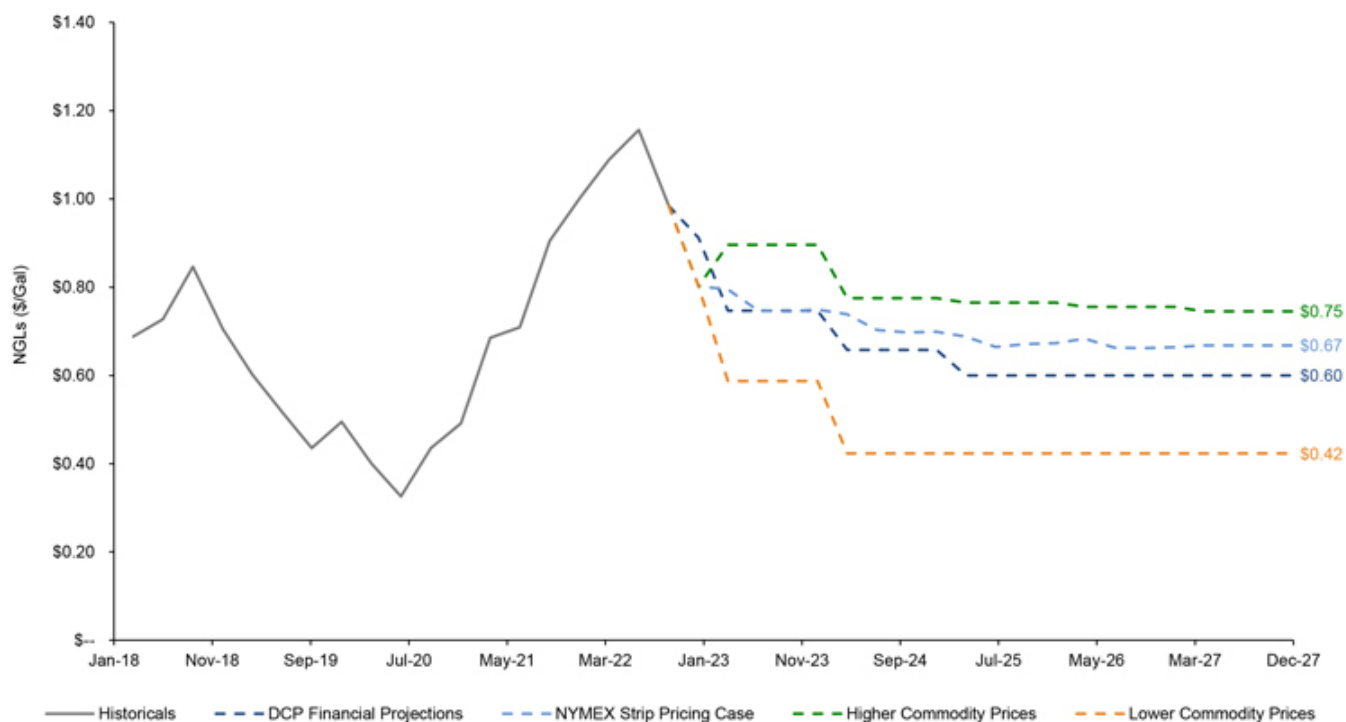
- D** A sensitivity case which assumes the following lower commodity pricing ("**Sensitivity Case D – Lower Commodity Prices**"):

	Lower Commodity Prices					
	2022E	2023E	2024E	2025E	2026E	2027E
NGLs (\$/Gal)	\$1.01	\$0.59	\$0.42	\$0.42	\$0.42	\$0.42
WTI (\$/Bbl)	95.10	40.00	40.00	40.00	40.00	40.00
Henry Hub (\$/MMBtu)	6.50	2.25	2.25	2.25	2.25	2.25

## DCP Financial Projections

### DCP Financial Projections – NGL Price Cases

NGL Composite Barrel (\$/Gal)



## DCP Financial Projections

### A DCP Financial Projections

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
<b>Gathering &amp; Processing Segment</b>							
North Region	\$1,140	\$864	\$767	\$726	\$717	\$711	(9.0%)
South Region	191	147	137	129	128	127	(7.9%)
Midcontinent Region	275	239	225	212	209	207	(5.5%)
Permian Region	584	585	562	533	527	522	(2.2%)
Other G&P	—	—	—	—	—	—	—
<b>Total Gathering &amp; Processing Gross Margin</b>	<b>\$2,190</b>	<b>\$1,835</b>	<b>\$1,690</b>	<b>\$1,601</b>	<b>\$1,581</b>	<b>\$1,568</b>	<b>(6.5%)</b>
<b>Total Costs</b>							
North Region	(\$157)	(\$144)	(\$154)	(\$154)	(\$156)	(\$158)	0.2%
South Region	(99)	(99)	(92)	(92)	(94)	(95)	(0.8%)
Midcontinent Region	(165)	(162)	(174)	(174)	(177)	(179)	1.6%
Permian Region	(251)	(293)	(307)	(308)	(312)	(317)	4.7%
Other G&P	(19)	(23)	(20)	(21)	(21)	(21)	2.6%
<b>Total Gathering &amp; Processing Costs</b>	<b>(\$691)</b>	<b>(\$721)</b>	<b>(\$748)</b>	<b>(\$748)</b>	<b>(\$760)</b>	<b>(\$771)</b>	<b>2.2%</b>
<b>Total Gathering &amp; Processing Segment Margin</b>	<b>\$1,499</b>	<b>\$1,113</b>	<b>\$942</b>	<b>\$852</b>	<b>\$821</b>	<b>\$797</b>	<b>(11.9%)</b>
<b>Logistics &amp; Marketing Segment</b>							
Southern Hills + Sand Hills	\$429	\$436	\$442	\$449	\$449	\$449	0.9%
Other NGL Pipelines	141	149	156	158	158	158	2.3%
NGL Marketing + Storage	46	49	39	39	39	39	(3.2%)
Downstream Fractionation	19	21	21	21	21	21	2.0%
Gas Marketing + Other Income	18	13	13	13	13	13	(7.1%)
Gas Storage	2	13	12	12	12	12	43.2%
Guadalupe	62	48	40	40	40	40	(8.5%)
Gulf Coast Express Equity Earnings	66	66	66	66	66	66	(0.0%)
Cheyenne Connector Equity Earnings	14	14	14	14	14	14	0.0%
<b>Total Logistics &amp; Marketing Gross Margin</b>	<b>\$798</b>	<b>\$810</b>	<b>\$804</b>	<b>\$812</b>	<b>\$812</b>	<b>\$812</b>	<b>0.4%</b>
<b>Total Costs</b>							
Logistics & Marketing Costs	(\$44)	(\$47)	(\$41)	(\$41)	(\$42)	(\$42)	(0.9%)
<b>Total Logistics &amp; Marketing Segment Margin</b>	<b>\$754</b>	<b>\$763</b>	<b>\$763</b>	<b>\$771</b>	<b>\$771</b>	<b>\$770</b>	<b>0.4%</b>

Source: DCP Management

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## DCP Financial Projections

### A DCP Financial Projections – Summary Cash Flows

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
Gathering & Processing Segment Margin	\$1,499	\$1,113	\$942	\$852	\$821	\$797	(11.9%)
Logistics & Marketing Segment Margin	754	763	763	771	771	770	0.4%
Less: Corporate Costs	(255)	(257)	(236)	(236)	(239)	(243)	(1.0%)
Plus: Adj. Distribution in Excess of Equity Earnings - Logistics	77	80	80	80	80	80	0.9%
Plus: Adj. Distribution in Excess of Equity Earnings - Discovery	13	9	9	9	9	9	(7.3%)
Plus: Hedge settlement	(339)	(11)	2	(4)	—	—	
<b>Adjusted EBITDA</b>	<b>\$1,749</b>	<b>\$1,698</b>	<b>\$1,560</b>	<b>\$1,473</b>	<b>\$1,442</b>	<b>\$1,414</b>	<b>(4.2%)</b>
Plus: Growth Projects	—	—	18	25	32	39	
<b>Total Adjusted EBITDA</b>	<b>\$1,749</b>	<b>\$1,698</b>	<b>\$1,578</b>	<b>\$1,498</b>	<b>\$1,474</b>	<b>\$1,453</b>	<b>(3.6%)</b>
Less: Interest Expense	(\$273)	(\$286)	(\$258)	(\$221)	(\$210)	(\$183)	
Less: Preferred Securities	(58)	(15)	—	—	—	—	
Less: Sustaining Capital	(135)	(150)	(150)	(125)	(125)	(125)	
Less: Income Taxes	(5)	(5)	(5)	(5)	(5)	(5)	
Less: Other	(3)	(7)	(7)	(5)	(5)	(5)	
<b>Distributable Cash Flow</b>	<b>\$1,275</b>	<b>\$1,235</b>	<b>\$1,157</b>	<b>\$1,142</b>	<b>\$1,128</b>	<b>\$1,135</b>	<b>(2.3%)</b>
Identified Organic Capital	(\$140)	\$—	\$—	\$—	\$—	\$—	
Unidentified Organic Capital	—	(125)	(50)	(50)	(50)	(50)	
Acquisition Capital	(160)	—	—	—	—	—	
Distributions	(342)	(359)	(359)	(359)	(359)	(359)	1.0%
Working Capital and Interest Timing	(30)	133	90	—	—	—	
<b>Cash Surplus / (Shortfall)</b>	<b>\$603</b>	<b>\$884</b>	<b>\$838</b>	<b>\$733</b>	<b>\$719</b>	<b>\$726</b>	<b>3.8%</b>
LP Units Outstanding	208	209	209	209	209	209	0.0%
<b>Distributable Cash Flow per LP Unit</b>	<b>\$6.12</b>	<b>\$5.92</b>	<b>\$5.55</b>	<b>\$5.47</b>	<b>\$5.41</b>	<b>\$5.44</b>	<b>(2.3%)</b>
<b>Distribution per Unit</b>	<b>1.64</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.0%</b>
<b>Total Distributions</b>	<b>\$342</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>1.0%</b>

Source: DCP Management

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## DCP Financial Projections

### A DCP Financial Projections – Sources and Uses

(\$ in millions)

	For the Years Ending December 31,					
	2022E	2023E	2024E	2025E	2026E	2027E
<b>Sources</b>						
DCF Surplus / (Shortfall)	\$603	\$884	\$838	\$733	\$719	\$726
Revolver Draw	246	—	—	—	—	—
<b>Total Sources</b>	<b>\$849</b>	<b>\$884</b>	<b>\$838</b>	<b>\$733</b>	<b>\$719</b>	<b>\$726</b>
<b>Uses</b>						
Revolver Paydown	\$—	\$113	\$393	\$—	\$—	\$—
Long-Term Debt Paydown	350	500	—	825	—	500
Preferred Equity Redemption	500	271	—	—	—	—
Cash Balance Increase / (Decrease)	(1)	—	445	(92)	719	226
<b>Total Uses</b>	<b>\$849</b>	<b>\$884</b>	<b>\$838</b>	<b>\$733</b>	<b>\$719</b>	<b>\$726</b>
<b>Memo:</b>						
Cash	\$—	\$—	\$445	\$353	\$1,073	\$1,298
Total Debt	5,331	4,718	4,325	3,500	3,500	3,000
<b>Net Debt</b>	<b>\$5,331</b>	<b>\$4,718</b>	<b>\$3,880</b>	<b>\$3,147</b>	<b>\$2,427</b>	<b>\$1,702</b>
Preferred Equity	271	—	—	—	—	—
<b>Net Debt + Preferred Equity</b>	<b>\$5,602</b>	<b>\$4,718</b>	<b>\$3,880</b>	<b>\$3,147</b>	<b>\$2,427</b>	<b>\$1,702</b>
Total Debt / Adjusted EBITDA	3.0x	2.8x	2.7x	2.3x	2.4x	2.1x
Net Debt / Adjusted EBITDA	3.0	2.8	2.5	2.1	1.6	1.2
(Net Debt + Preferred Equity) / Adjusted EBITDA	3.2	2.8	2.5	2.1	1.6	1.2

Source: DCP Management

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## DCP Financial Projections

### B DCP Financial Projections

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
<b>Gathering &amp; Processing Segment</b>							
North Region	\$1,075	\$855	\$797	\$771	\$752	\$744	(7.1%)
South Region	190	152	143	137	134	133	(6.9%)
Midcontinent Region	275	243	230	218	213	211	(5.2%)
Permian Region	572	590	569	541	532	526	(1.7%)
Other G&P	—	—	—	—	—	—	—
<b>Total Gathering &amp; Processing Gross Margin</b>	<b>\$2,112</b>	<b>\$1,840</b>	<b>\$1,739</b>	<b>\$1,668</b>	<b>\$1,631</b>	<b>\$1,614</b>	<b>(5.2%)</b>
<b>Total Costs</b>							
North Region	(\$157)	(\$144)	(\$154)	(\$154)	(\$156)	(\$158)	0.2%
South Region	(99)	(99)	(92)	(92)	(94)	(95)	(0.8%)
Midcontinent Region	(165)	(162)	(174)	(174)	(177)	(179)	1.6%
Permian Region	(251)	(293)	(307)	(308)	(312)	(317)	4.7%
Other G&P	(19)	(23)	(20)	(21)	(21)	(21)	2.6%
<b>Total Gathering &amp; Processing Costs</b>	<b>(\$691)</b>	<b>(\$721)</b>	<b>(\$748)</b>	<b>(\$748)</b>	<b>(\$760)</b>	<b>(\$771)</b>	<b>2.2%</b>
<b>Total Gathering &amp; Processing Segment Margin</b>	<b>\$1,421</b>	<b>\$1,118</b>	<b>\$991</b>	<b>\$919</b>	<b>\$871</b>	<b>\$844</b>	<b>(9.9%)</b>
<b>Logistics &amp; Marketing Segment</b>							
Southern Hills + Sand Hills	\$429	\$436	\$442	\$449	\$449	\$449	0.9%
Other NGL Pipelines	141	149	156	158	158	158	2.3%
NGL Marketing + Storage	46	49	39	39	39	39	(3.2%)
Downstream Fractionation	19	21	21	21	21	21	2.0%
Gas Marketing + Other Income	18	13	13	13	13	13	(7.1%)
Gas Storage	2	13	12	12	12	12	43.2%
Guadalupe	62	48	40	40	40	40	(8.5%)
Gulf Coast Express Equity Earnings	66	66	66	66	66	66	(0.0%)
Cheyenne Connector Equity Earnings	14	14	14	14	14	14	0.0%
<b>Total Logistics &amp; Marketing Gross Margin</b>	<b>\$798</b>	<b>\$810</b>	<b>\$804</b>	<b>\$812</b>	<b>\$812</b>	<b>\$812</b>	<b>0.4%</b>
<b>Total Costs</b>							
Logistics & Marketing Costs	(\$44)	(\$47)	(\$41)	(\$41)	(\$42)	(\$42)	(0.9%)
<b>Total Logistics &amp; Marketing Segment Margin</b>	<b>\$754</b>	<b>\$763</b>	<b>\$763</b>	<b>\$771</b>	<b>\$771</b>	<b>\$770</b>	<b>0.4%</b>

Source: DCP Management

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## DCP Financial Projections

### B DCP Financial Projections – Summary Cash Flows

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
Gathering & Processing Segment Margin	\$1,421	\$1,118	\$991	\$919	\$871	\$844	(9.9%)
Logistics & Marketing Segment Margin	754	763	763	771	771	770	0.4%
Less: Corporate Costs	(255)	(257)	(236)	(236)	(239)	(243)	(1.0%)
Plus: Adj. Distribution in Excess of Equity Earnings - Logistics	77	80	80	80	80	80	0.9%
Plus: Adj. Distribution in Excess of Equity Earnings - Discovery	13	9	9	9	9	9	(7.3%)
Plus: Hedge settlement	(294)	(16)	(2)	(3)	—	—	
<b>Adjusted EBITDA</b>	<b>\$1,717</b>	<b>\$1,698</b>	<b>\$1,606</b>	<b>\$1,541</b>	<b>\$1,492</b>	<b>\$1,460</b>	<b>(3.2%)</b>
Plus: Growth Projects	—	—	18	25	32	39	
<b>Total Adjusted EBITDA</b>	<b>\$1,717</b>	<b>\$1,698</b>	<b>\$1,624</b>	<b>\$1,566</b>	<b>\$1,524</b>	<b>\$1,499</b>	<b>(2.7%)</b>
Less: Interest Expense	(\$273)	(\$287)	(\$258)	(\$220)	(\$210)	(\$183)	
Less: Preferred Securities	(58)	(15)	—	—	—	—	
Less: Sustaining Capital	(135)	(150)	(150)	(125)	(125)	(125)	
Less: Income Taxes	(5)	(5)	(5)	(5)	(5)	(5)	
Less: Other	(3)	(7)	(7)	(5)	(5)	(5)	
<b>Distributable Cash Flow</b>	<b>\$1,242</b>	<b>\$1,234</b>	<b>\$1,203</b>	<b>\$1,210</b>	<b>\$1,179</b>	<b>\$1,181</b>	<b>(1.0%)</b>
Identified Organic Capital	(\$140)	\$—	\$—	\$—	\$—	\$—	
Unidentified Organic Capital	—	(125)	(50)	(50)	(50)	(50)	
Acquisition Capital	(160)	—	—	—	—	—	
Distributions	(342)	(359)	(359)	(359)	(359)	(359)	1.0%
Working Capital and Interest Timing	(30)	133	90	—	—	—	
<b>Cash Surplus / (Shortfall)</b>	<b>\$570</b>	<b>\$883</b>	<b>\$884</b>	<b>\$801</b>	<b>\$770</b>	<b>\$772</b>	<b>6.3%</b>
LP Units Outstanding	208	209	209	209	209	209	0.0%
<b>Distributable Cash Flow per LP Unit</b>	<b>\$5.96</b>	<b>\$5.91</b>	<b>\$5.77</b>	<b>\$5.80</b>	<b>\$5.65</b>	<b>\$5.66</b>	<b>(1.0%)</b>
<b>Distribution per Unit</b>	<b>1.68</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>0.5%</b>
<b>Total Distributions</b>	<b>\$342</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>1.0%</b>

Source: DCP Management

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## DCP Financial Projections

### B DCP Financial Projections – Sources and Uses

(\$ in millions)

	For the Years Ending December 31,					
	2022E	2023E	2024E	2025E	2026E	2027E
<b>Sources</b>						
DCF Surplus / (Shortfall)	\$570	\$883	\$884	\$801	\$770	\$772
Revolver Draw	279	—	—	—	—	—
<b>Total Sources</b>	<b>\$849</b>	<b>\$883</b>	<b>\$884</b>	<b>\$801</b>	<b>\$770</b>	<b>\$772</b>
<b>Uses</b>						
Revolver Paydown	\$—	\$112	\$427	\$—	\$—	\$—
Long-Term Debt Paydown	350	500	—	825	—	500
Preferred Equity Redemption	500	271	—	—	—	—
Cash Balance Increase / (Decrease)	(1)	—	457	(24)	770	272
<b>Total Uses</b>	<b>\$849</b>	<b>\$883</b>	<b>\$884</b>	<b>\$801</b>	<b>\$770</b>	<b>\$772</b>
<b>Memo:</b>						
Cash	\$—	\$—	\$457	\$433	\$1,203	\$1,475
Total Debt	5,364	4,752	4,325	3,500	3,500	3,000
<b>Net Debt</b>	<b>\$5,364</b>	<b>\$4,752</b>	<b>\$3,868</b>	<b>\$3,067</b>	<b>\$2,297</b>	<b>\$1,525</b>
Preferred Equity	271	—	—	—	—	—
<b>Net Debt + Preferred Equity</b>	<b>\$5,635</b>	<b>\$4,752</b>	<b>\$3,868</b>	<b>\$3,067</b>	<b>\$2,297</b>	<b>\$1,525</b>
Total Debt / Adjusted EBITDA	3.1x	2.8x	2.7x	2.2x	2.3x	2.0x
Net Debt / Adjusted EBITDA	3.1	2.8	2.4	2.0	1.5	1.0
(Net Debt + Preferred Equity) / Adjusted EBITDA	3.3	2.8	2.4	2.0	1.5	1.0

Source: DCP Management

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## DCP Financial Projections

### C DCP Financial Projections

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
<b>Gathering &amp; Processing Segment</b>							
North Region	\$1,075	\$1,005	\$884	\$890	\$878	\$867	(4.2%)
South Region	190	162	147	144	143	142	(5.7%)
Midcontinent Region	275	254	232	222	221	220	(4.4%)
Permian Region	572	612	577	557	555	552	(0.7%)
Other G&P	—	—	—	—	—	—	—
<b>Total Gathering &amp; Processing Gross Margin</b>	<b>\$2,112</b>	<b>\$2,033</b>	<b>\$1,839</b>	<b>\$1,812</b>	<b>\$1,796</b>	<b>\$1,780</b>	<b>(3.4%)</b>
<b>Total Costs</b>							
North Region	(\$157)	(\$144)	(\$154)	(\$154)	(\$156)	(\$158)	0.2%
South Region	(99)	(99)	(92)	(92)	(94)	(95)	(0.8%)
Midcontinent Region	(165)	(162)	(174)	(174)	(177)	(179)	1.6%
Permian Region	(251)	(293)	(307)	(308)	(312)	(317)	4.7%
Other G&P	(19)	(23)	(20)	(21)	(21)	(21)	2.6%
<b>Total Gathering &amp; Processing Costs</b>	<b>(\$691)</b>	<b>(\$721)</b>	<b>(\$748)</b>	<b>(\$748)</b>	<b>(\$760)</b>	<b>(\$771)</b>	<b>2.2%</b>
<b>Total Gathering &amp; Processing Segment Margin</b>	<b>\$1,421</b>	<b>\$1,312</b>	<b>\$1,091</b>	<b>\$1,064</b>	<b>\$1,037</b>	<b>\$1,010</b>	<b>(6.6%)</b>
<b>Logistics &amp; Marketing Segment</b>							
Southern Hills + Sand Hills	\$429	\$436	\$442	\$449	\$449	\$449	0.9%
Other NGL Pipelines	141	149	156	158	158	158	2.3%
NGL Marketing + Storage	46	49	39	39	39	39	(3.2%)
Downstream Fractionation	19	21	21	21	21	21	2.0%
Gas Marketing + Other Income	18	13	13	13	13	13	(7.1%)
Gas Storage	2	13	12	12	12	12	43.2%
Guadalupe	62	48	40	40	40	40	(8.5%)
Gulf Coast Express Equity Earnings	66	66	66	66	66	66	(0.0%)
Cheyenne Connector Equity Earnings	14	14	14	14	14	14	0.0%
<b>Total Logistics &amp; Marketing Gross Margin</b>	<b>\$798</b>	<b>\$810</b>	<b>\$804</b>	<b>\$812</b>	<b>\$812</b>	<b>\$812</b>	<b>0.4%</b>
<b>Total Costs</b>							
Logistics & Marketing Costs	(\$44)	(\$47)	(\$41)	(\$41)	(\$42)	(\$42)	(0.9%)
<b>Total Logistics &amp; Marketing Segment Margin</b>	<b>\$754</b>	<b>\$763</b>	<b>\$763</b>	<b>\$771</b>	<b>\$771</b>	<b>\$770</b>	<b>0.4%</b>

Source: DCP Management

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## DCP Financial Projections

### C DCP Financial Projections – Summary Cash Flows

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
Gathering & Processing Segment Margin	\$1,421	\$1,312	\$1,091	\$1,064	\$1,037	\$1,010	(6.6%)
Logistics & Marketing Segment Margin	754	763	763	771	771	770	0.4%
Less: Corporate Costs	(255)	(257)	(236)	(236)	(239)	(243)	(1.0%)
Plus: Adj. Distribution in Excess of Equity Earnings - Logistics	77	80	80	80	80	80	0.9%
Plus: Adj. Distribution in Excess of Equity Earnings - Discovery	13	9	9	9	9	9	(7.3%)
Plus: Hedge settlement	(294)	(47)	(8)	(8)	—	—	
<b>Adjusted EBITDA</b>	<b>\$1,717</b>	<b>\$1,860</b>	<b>\$1,700</b>	<b>\$1,681</b>	<b>\$1,657</b>	<b>\$1,626</b>	<b>(1.1%)</b>
Plus: Growth Projects	—	—	18	25	32	39	
<b>Total Adjusted EBITDA</b>	<b>\$1,717</b>	<b>\$1,860</b>	<b>\$1,718</b>	<b>\$1,706</b>	<b>\$1,690</b>	<b>\$1,666</b>	<b>(0.6%)</b>
Less: Interest Expense	(\$273)	(\$282)	(\$256)	(\$220)	(\$210)	(\$183)	
Less: Preferred Securities	(58)	(15)	—	—	—	—	
Less: Sustaining Capital	(135)	(150)	(150)	(125)	(125)	(125)	
Less: Income Taxes	(5)	(5)	(5)	(5)	(5)	(5)	
Less: Other	(3)	(7)	(7)	(5)	(5)	(5)	
<b>Distributable Cash Flow</b>	<b>\$1,242</b>	<b>\$1,401</b>	<b>\$1,300</b>	<b>\$1,351</b>	<b>\$1,344</b>	<b>\$1,347</b>	<b>1.6%</b>
Identified Organic Capital	(\$140)	\$—	\$—	\$—	\$—	\$—	
Unidentified Organic Capital	—	(125)	(50)	(50)	(50)	(50)	
Acquisition Capital	(160)	—	—	—	—	—	
Distributions	(342)	(359)	(359)	(359)	(359)	(359)	1.0%
Working Capital and Interest Timing	(30)	133	90	—	—	—	
<b>Cash Surplus / (Shortfall)</b>	<b>\$570</b>	<b>\$1,050</b>	<b>\$981</b>	<b>\$942</b>	<b>\$935</b>	<b>\$938</b>	<b>10.5%</b>
LP Units Outstanding	208	209	209	209	209	209	0.0%
<b>Distributable Cash Flow per LP Unit</b>	<b>\$5.96</b>	<b>\$6.71</b>	<b>\$6.23</b>	<b>\$6.47</b>	<b>\$6.44</b>	<b>\$6.46</b>	<b>1.6%</b>
<b>Distribution per Unit</b>	<b>1.68</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>0.5%</b>
<b>Total Distributions</b>	<b>\$342</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>1.0%</b>

Source: DCP Management

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## DCP Financial Projections

### C DCP Financial Projections – Sources and Uses

(\$ in millions)

	For the Years Ending December 31,					
	2022E	2023E	2024E	2025E	2026E	2027E
<b>Sources</b>						
DCF Surplus / (Shortfall)	\$570	\$1,050	\$981	\$942	\$935	\$938
Revolver Draw	279	—	—	—	—	—
<b>Total Sources</b>	<b>\$849</b>	<b>\$1,050</b>	<b>\$981</b>	<b>\$942</b>	<b>\$935</b>	<b>\$938</b>
<b>Uses</b>						
Revolver Paydown	\$—	\$279	\$260	\$—	\$—	\$—
Long-Term Debt Paydown	350	500	—	825	—	500
Preferred Equity Redemption	500	271	—	—	—	—
Cash Balance Increase / (Decrease)	(1)	—	720	117	935	438
<b>Total Uses</b>	<b>\$849</b>	<b>\$1,050</b>	<b>\$981</b>	<b>\$942</b>	<b>\$935</b>	<b>\$938</b>
<b>Memo:</b>						
Cash	\$—	\$—	\$720	\$837	\$1,772	\$2,211
Total Debt	5,364	4,585	4,325	3,500	3,500	3,000
<b>Net Debt</b>	<b>\$5,364</b>	<b>\$4,585</b>	<b>\$3,605</b>	<b>\$2,663</b>	<b>\$1,728</b>	<b>\$789</b>
Preferred Equity	271	—	—	—	—	—
<b>Net Debt + Preferred Equity</b>	<b>\$5,635</b>	<b>\$4,585</b>	<b>\$3,605</b>	<b>\$2,663</b>	<b>\$1,728</b>	<b>\$789</b>
Total Debt / Adjusted EBITDA	3.1x	2.5x	2.5x	2.1x	2.1x	1.8x
Net Debt / Adjusted EBITDA	3.1	2.5	2.1	1.6	1.0	0.5
(Net Debt + Preferred Equity) / Adjusted EBITDA	3.3	2.5	2.1	1.6	1.0	0.5

Source: DCP Management

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## DCP Financial Projections

### D DCP Financial Projections

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
<b>Gathering &amp; Processing Segment</b>							
North Region	\$1,075	\$478	\$397	\$414	\$414	\$414	(17.4%)
South Region	190	127	115	113	113	113	(9.9%)
Midcontinent Region	275	222	209	201	201	201	(6.1%)
Permian Region	572	487	487	469	469	469	(3.9%)
Other G&P	—	—	—	—	—	—	—
<b>Total Gathering &amp; Processing Gross Margin</b>	<b>\$2,112</b>	<b>\$1,314</b>	<b>\$1,208</b>	<b>\$1,197</b>	<b>\$1,197</b>	<b>\$1,197</b>	<b>(10.7%)</b>
<b>Total Costs</b>							
North Region	(\$157)	(\$144)	(\$154)	(\$154)	(\$156)	(\$158)	0.2%
South Region	(99)	(99)	(92)	(92)	(94)	(95)	(0.8%)
Midcontinent Region	(165)	(162)	(174)	(174)	(177)	(179)	1.6%
Permian Region	(251)	(293)	(307)	(308)	(312)	(317)	4.7%
Other G&P	(19)	(23)	(20)	(21)	(21)	(21)	2.6%
<b>Total Gathering &amp; Processing Costs</b>	<b>(\$691)</b>	<b>(\$721)</b>	<b>(\$748)</b>	<b>(\$748)</b>	<b>(\$760)</b>	<b>(\$771)</b>	<b>2.2%</b>
<b>Total Gathering &amp; Processing Segment Margin</b>	<b>\$1,421</b>	<b>\$593</b>	<b>\$460</b>	<b>\$449</b>	<b>\$437</b>	<b>\$426</b>	<b>(21.4%)</b>
<b>Logistics &amp; Marketing Segment</b>							
Southern Hills + Sand Hills	\$429	\$436	\$442	\$449	\$449	\$449	0.9%
Other NGL Pipelines	141	149	156	158	158	158	2.3%
NGL Marketing + Storage	46	49	39	39	39	39	(3.2%)
Downstream Fractionation	19	21	21	21	21	21	2.0%
Gas Marketing + Other Income	18	13	13	13	13	13	(7.1%)
Gas Storage	2	13	12	12	12	12	43.2%
Guadalupe	62	48	40	40	40	40	(8.5%)
Gulf Coast Express Equity Earnings	66	66	66	66	66	66	(0.0%)
Cheyenne Connector Equity Earnings	14	14	14	14	14	14	0.0%
<b>Total Logistics &amp; Marketing Gross Margin</b>	<b>\$798</b>	<b>\$810</b>	<b>\$804</b>	<b>\$812</b>	<b>\$812</b>	<b>\$812</b>	<b>0.4%</b>
<b>Total Costs</b>							
Logistics & Marketing Costs	(\$44)	(\$47)	(\$41)	(\$41)	(\$42)	(\$42)	(0.9%)
<b>Total Logistics &amp; Marketing Segment Margin</b>	<b>\$754</b>	<b>\$763</b>	<b>\$763</b>	<b>\$771</b>	<b>\$771</b>	<b>\$770</b>	<b>0.4%</b>

Source: DCP Management

## DCP Financial Projections

### D DCP Financial Projections – Summary Cash Flows

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
Gathering & Processing Segment Margin	\$1,421	\$593	\$460	\$449	\$437	\$426	(21.4%)
Logistics & Marketing Segment Margin	754	763	763	771	771	770	0.4%
Less: Corporate Costs	(255)	(257)	(236)	(236)	(239)	(243)	(1.0%)
Plus: Adj. Distribution in Excess of Equity Earnings - Logistics	77	80	80	80	80	80	0.9%
Plus: Adj. Distribution in Excess of Equity Earnings - Discovery	13	9	9	9	9	9	(7.3%)
Plus: Hedge settlement	(294)	112	42	13	—	—	
<b>Adjusted EBITDA</b>	<b>\$1,717</b>	<b>\$1,300</b>	<b>\$1,118</b>	<b>\$1,087</b>	<b>\$1,058</b>	<b>\$1,043</b>	<b>(9.5%)</b>
Plus: Growth Projects	—	—	18	25	32	39	
<b>Total Adjusted EBITDA</b>	<b>\$1,717</b>	<b>\$1,300</b>	<b>\$1,136</b>	<b>\$1,112</b>	<b>\$1,090</b>	<b>\$1,082</b>	<b>(8.8%)</b>
Less: Interest Expense	(\$273)	(\$302)	(\$286)	(\$262)	(\$247)	(\$229)	
Less: Preferred Securities	(58)	(15)	—	—	—	—	
Less: Sustaining Capital	(135)	(150)	(150)	(125)	(125)	(125)	
Less: Income Taxes	(5)	(5)	(5)	(5)	(5)	(5)	
Less: Other	(3)	(7)	(7)	(5)	(5)	(5)	
<b>Distributable Cash Flow</b>	<b>\$1,242</b>	<b>\$822</b>	<b>\$688</b>	<b>\$715</b>	<b>\$708</b>	<b>\$718</b>	<b>(10.4%)</b>
Identified Organic Capital	(\$140)	\$—	\$—	\$—	\$—	\$—	
Unidentified Organic Capital	—	(125)	(50)	(50)	(50)	(50)	
Acquisition Capital	(160)	—	—	—	—	—	
Distributions	(342)	(359)	(359)	(359)	(359)	(359)	1.0%
Working Capital and Interest Timing	(30)	133	90	—	—	—	
<b>Cash Surplus / (Shortfall)</b>	<b>\$570</b>	<b>\$471</b>	<b>\$369</b>	<b>\$306</b>	<b>\$299</b>	<b>\$309</b>	<b>(11.5%)</b>
LP Units Outstanding	208	209	209	209	209	209	0.0%
<b>Distributable Cash Flow per LP Unit</b>	<b>\$5.96</b>	<b>\$3.94</b>	<b>\$3.30</b>	<b>\$3.43</b>	<b>\$3.39</b>	<b>\$3.44</b>	<b>(10.4%)</b>
<b>Distribution per Unit</b>	<b>1.68</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>0.5%</b>
<b>Total Distributions</b>	<b>\$342</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>1.0%</b>

Source: DCP Management

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## DCP Financial Projections

### D DCP Financial Projections – Sources and Uses

(\$ in millions)

	For the Years Ending December 31,					
	2022E	2023E	2024E	2025E	2026E	2027E
<b>Sources</b>						
DCF Surplus / (Shortfall)	\$570	\$471	\$369	\$306	\$299	\$309
Revolver Draw	279	300	—	519	—	191
<b>Total Sources</b>	<b>\$849</b>	<b>\$771</b>	<b>\$369</b>	<b>\$825</b>	<b>\$299</b>	<b>\$500</b>
<b>Uses</b>						
Revolver Paydown	\$—	\$—	\$369	\$—	\$299	\$—
Long-Term Debt Paydown	350	500	—	825	—	500
Preferred Equity Redemption	500	271	—	—	—	—
Cash Balance Increase / (Decrease)	(1)	—	—	—	—	—
<b>Total Uses</b>	<b>\$849</b>	<b>\$771</b>	<b>\$369</b>	<b>\$825</b>	<b>\$299</b>	<b>\$500</b>
<b>Memo:</b>						
Cash	\$—	\$—	\$—	\$—	\$—	\$—
Total Debt	5,364	5,164	4,795	4,489	4,190	3,881
<b>Net Debt</b>	<b>\$5,364</b>	<b>\$5,164</b>	<b>\$4,795</b>	<b>\$4,489</b>	<b>\$4,190</b>	<b>\$3,881</b>
Preferred Equity	271	—	—	—	—	—
<b>Net Debt + Preferred Equity</b>	<b>\$5,635</b>	<b>\$5,164</b>	<b>\$4,795</b>	<b>\$4,489</b>	<b>\$4,190</b>	<b>\$3,881</b>
Total Debt / Adjusted EBITDA	3.1x	4.0x	4.2x	4.0x	3.8x	3.6x
Net Debt / Adjusted EBITDA	3.1	4.0	4.2	4.0	3.8	3.6
(Net Debt + Preferred Equity) / Adjusted EBITDA	3.3	4.0	4.2	4.0	3.8	3.6

Source: DCP Management

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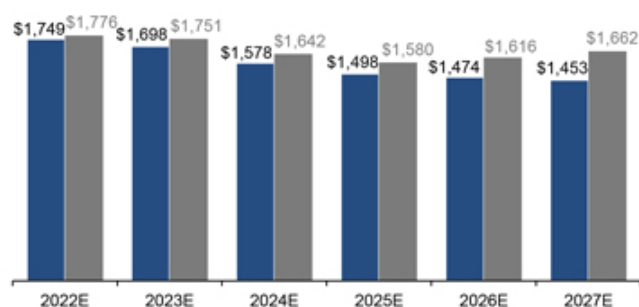


## DCP Financial Projections

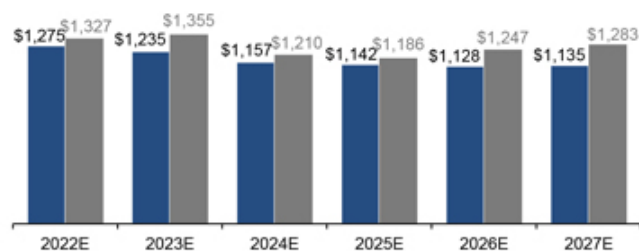
### DCP Financial Projections Summary – Comparison to Wall Street Consensus Estimates

(\$ in millions)

#### Adjusted EBITDA

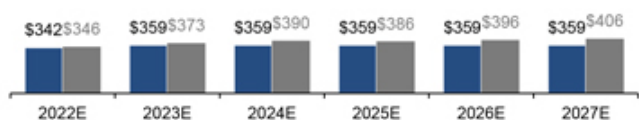


#### Distributable Cash Flow

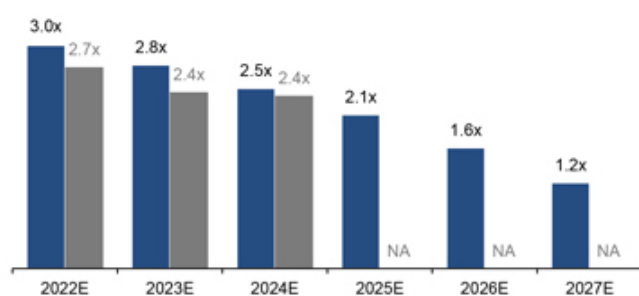


#### Distributed Cash Flow

##### Coverage Ratio:



#### Net Debt / Adjusted EBITDA



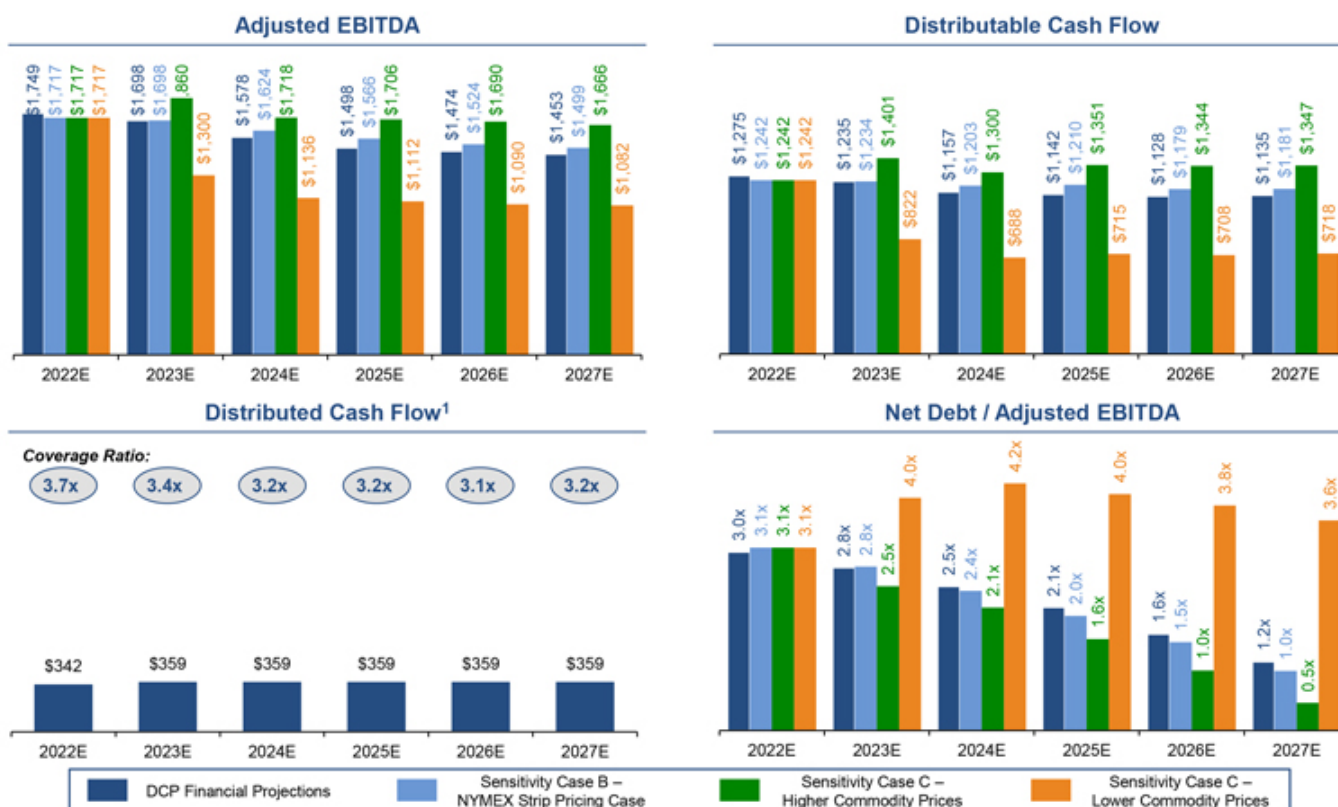
DCP Financial Projections Wall Street Consensus Estimates

Source: DCP Management; FactSet, as of October 28, 2022

# DCP Financial Projections

## DCP Financial Projections Summary – Comparison to Sensitivity Cases

(\$ in millions)



Source: DCP Management; FactSet, as of October 28, 2022

1. Projected distributions remain the same through sensitivity cases

## V. Preliminary Valuation of the Common Units

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## Preliminary Valuation of the Common Units

### Valuation Methodologies

- Evercore utilized the following methodologies to analyze the value of the Common Units:

Methodology	Description	Assumptions / Detail
<b>Discounted Cash Flow Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on the concept of the time value of money</li> <li>■ Utilizes varying weighted average cost of capital ("WACC") discount rates and applies various perpetuity growth rates to derive after-tax valuation ranges</li> <li>■ Calculated terminal values based on a range of multiples of EBITDA and assumed perpetuity growth rates</li> </ul>	<ul style="list-style-type: none"> <li>■ Projected cash flow discounted to 12/31/22</li> <li>■ EBITDA exit multiple based on peer group trading multiples and precedent transaction multiples</li> <li>■ WACC based on the Capital Asset Pricing Model ("CAPM")</li> </ul>
<b>Discounted Distributions Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on the present value of the future cash distributions</li> </ul>	<ul style="list-style-type: none"> <li>■ Projected distributions discounted to 12/31/22</li> <li>■ Terminal yield range based on the distribution yield at which DCP has traded over the last 52 weeks</li> <li>■ Cost of equity based on CAPM and total expected market return for MLPs and companies with similar assets to those of DCP</li> </ul>
<b>Peer Group Trading Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on EV/EBITDA and Price/DCF trading multiples</li> <li>■ Multiples selected based on EV/EBITDA and Price/DCF multiples of MLPs and companies with assets similar to those owned by DCP</li> </ul>	<ul style="list-style-type: none"> <li>■ EV/EBITDA multiples applied to 2023E and 2024E EBITDA</li> <li>■ Price/DCF LP unit applied to 2023E and 2024E DCF/LP unit</li> </ul>
<b>Precedent M&amp;A Transaction Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on multiples of transaction value to EBITDA in historical transactions involving assets similar to those owned by DCP</li> </ul>	<ul style="list-style-type: none"> <li>■ EV/EBITDA multiples applied to 2022E EBITDA</li> </ul>
<b>Premiums Paid Analysis</b>	<ul style="list-style-type: none"> <li>■ Values DCP common units based on historical premiums paid in (i) MLP buy-ins and (ii) MLP mergers since 2018</li> </ul>	<ul style="list-style-type: none"> <li>■ Median 1-Day spot and 20-Day volume weighted average price ("VWAP") premiums paid applied to relevant unit prices</li> </ul>

For  
Reference  
Only

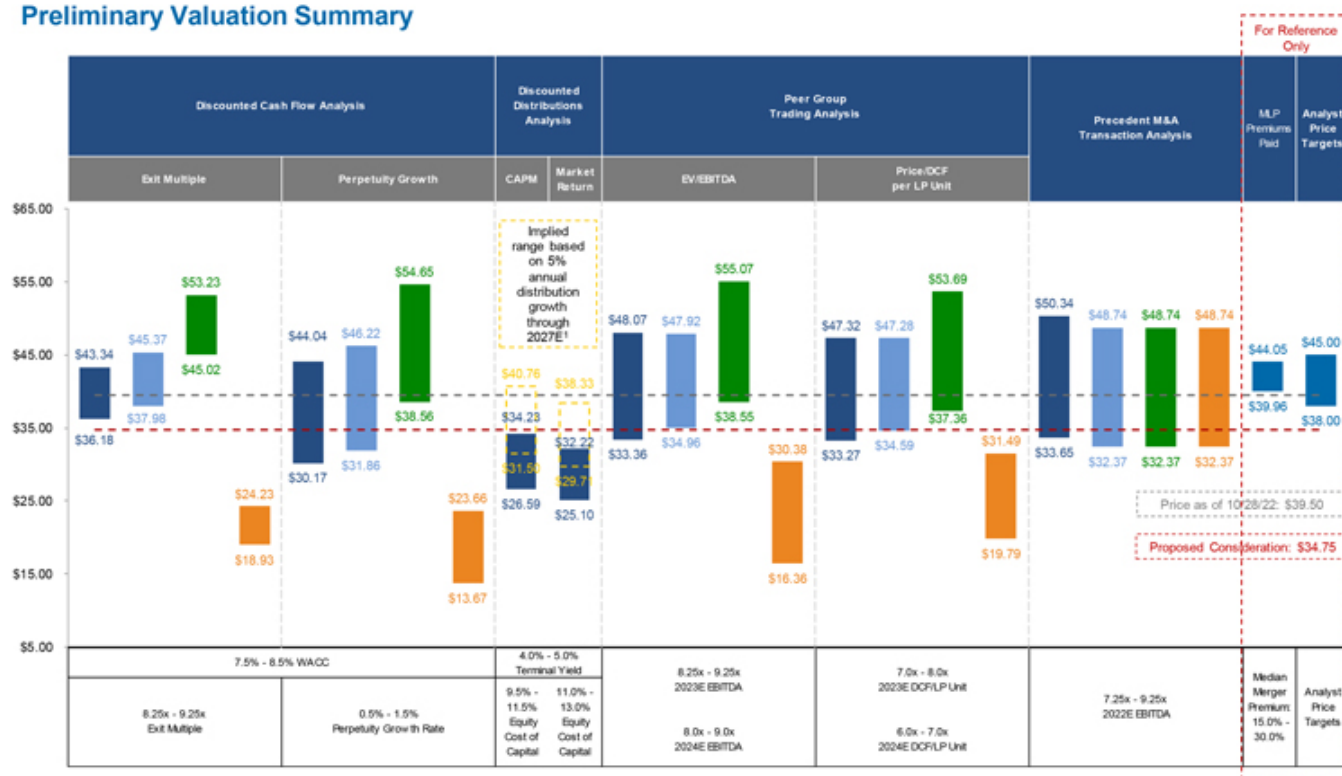
## Preliminary Valuation of the Common Units

### Summary Updates to Valuation Assumptions

Methodology	1 <sup>st</sup> Committee Meeting	Current Presentation
Discounted Cash Flow Analysis	<ul style="list-style-type: none"> <li>WACC: 8.0% - 9.0%</li> </ul>	<ul style="list-style-type: none"> <li>WACC: 7.5% - 8.5%</li> </ul>
Discounted Distributions Analysis	<ul style="list-style-type: none"> <li>Equity Cost of Capital Based on CAPM: 10.0% - 12.0%</li> </ul>	<ul style="list-style-type: none"> <li>Equity Cost of Capital Based on CAPM: 9.5% - 11.5%</li> </ul>
Peer Group Trading Analysis	<ul style="list-style-type: none"> <li>2023E EV/EBITDA multiples: 8.0x - 9.0x</li> <li>2024E EV/EBITDA multiples: 7.5x - 8.5x</li> <li>2023E Price/DCF multiples: 6.5x - 7.5x</li> <li>2024E Price/DCF multiples: 5.5x - 6.5x</li> </ul>	<ul style="list-style-type: none"> <li>2023E EV/EBITDA multiples: 8.25x - 9.25x</li> <li>2024E EV/EBITDA multiples: 8.0x - 9.0x</li> <li>2023E Price/DCF multiples: 7.0x - 8.0x</li> <li>2024E Price/DCF multiples: 6.0x - 7.0x</li> </ul>

# Preliminary Valuation of the Common Units

## Preliminary Valuation Summary



1. For reference only: sensitivity case using a 5% annual distribution growth rate which assumes lower than the commodity super cycle board assumption of 7.5% growth and management 0% growth scenarios

## Preliminary Valuation of the Common Units

### A Discounted Cash Flow Analysis

(\$ in millions, except per unit amounts)

#### Summary Results

	For the Years Ending December 31,					Exit Multiple	Perpetuity Growth
	2023E	2024E	2025E	2026E	2027E		
Adjusted EBITDA	\$1,698	\$1,578	\$1,498	\$1,474	\$1,453	\$1,453	\$1,453
Less: Tax Depreciation and Amortization <sup>1</sup>	(13,806)	(154)	(127)	(118)	(116)		(125)
EBIT	(\$12,108)	\$1,424	\$1,371	\$1,356	\$1,338		\$1,328
Less: Cash Taxes	—	(84)	(81)	(100)	(99)		(491)
EBIAT	(\$12,108)	\$1,340	\$1,290	\$1,255	\$1,239		\$837
Plus: Tax Depreciation and Amortization	13,806	154	127	118	116		125
Less: Maintenance Capex	(150)	(150)	(125)	(125)	(125)		(125)
Less: Growth Capex	(125)	(50)	(50)	(50)	(50)		—
Unlevered Free Cash Flow	\$1,423	\$1,293	\$1,242	\$1,199	\$1,179		\$837
EBITDA Multiple / Perpetuity Growth Rate						8.75x	1.0%
Implied Terminal Value						\$12,714	\$12,072
Present Value of Terminal Value @ 8.0% Discount Rate						\$8,653	\$7,906
Plus: Present Value of Unlevered Free Cash Flow @ 8.0% Discount Rate						5,295	
<b>Implied Enterprise Value</b>						<b>\$13,948</b>	<b>\$13,201</b>
Less: Preferred Equity <sup>2</sup>							(\$271)
Less: Net Debt <sup>2</sup>							(5,331)
Less: Noncontrolling Interests <sup>2</sup>							(25)
<b>Implied Equity Value</b>						<b>\$8,321</b>	<b>\$7,574</b>
DCP Units Outstanding <sup>3</sup>						210	
<b>Implied Value per Unit</b>						<b>\$39.69</b>	<b>\$36.13</b>

#### Sensitivity Analysis

		Terminal Exit Multiple							Perpetuity Growth Rate				
		7.75x	8.25x	8.75x	9.25x	9.75x			—%	0.5%	1.0%	1.5%	2.0%
WACC	7.0%	\$37.25	\$39.72	\$42.19	\$44.67	\$47.14	WACC	7.0%	\$38.25	\$41.49	\$45.26	\$49.72	\$55.07
	7.5%	36.10	38.51	40.93	43.34	45.76		7.5%	34.43	37.18	40.34	44.04	48.41
	8.0%	34.98	37.33	39.69	42.05	44.41		8.0%	31.09	33.44	36.13	39.23	42.85
	8.5%	33.88	36.18	38.49	40.79	43.10		8.5%	28.13	30.17	32.47	35.10	38.14
	9.0%	32.81	35.06	37.32	39.57	41.82		9.0%	25.51	27.28	29.27	31.52	34.10

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- 2023E tax DD&A assumes 80% bonus depreciation calculated as the midpoint of the enterprise value range plus 2023E capital expenditures
- Per DCP Management as of December 31, 2022
- Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.3mm phantom and performance units

## Preliminary Valuation of the Common Units

### Discounted Distribution Analysis

	For the Years Ending December 31,					Terminal Value	
	2023E	2024E	2025E	2026E	2027E	Low	High
DCP Distribution per Unit (Cash, As Paid)	\$1.72	\$1.72	\$1.72	\$1.72	\$1.72	\$1.72	\$1.72
Terminal Yield <sup>1</sup>						5.0%	4.0%
<b>Terminal Value</b>						<b>\$34.40</b>	<b>\$43.00</b>
<b>Equity Cost of Capital Based on CAPM</b>							
Present Value @ 8.5% Cost of Equity						\$29.94	\$35.66
Present Value @ 9.5% Cost of Equity						28.76	34.23
Present Value @ 10.5% Cost of Equity						27.65	32.87
Present Value @ 11.5% Cost of Equity						26.59	31.58
Present Value @ 12.5% Cost of Equity						25.59	30.36
<b>Implied DCP Unit Value – Based on CAPM</b>						<b>\$26.59</b>	<b>\$34.23</b>
<b>Equity Cost of Capital Based on Total Expected Market Return<sup>2,3</sup></b>							
Present Value @ 10.0% Cost of Equity						\$28.20	\$33.54
Present Value @ 11.0% Cost of Equity						27.11	32.22
Present Value @ 12.0% Cost of Equity						26.08	30.96
Present Value @ 13.0% Cost of Equity						25.10	29.77
Present Value @ 14.0% Cost of Equity						24.17	28.64
<b>Implied DCP Unit Value – Based on Total Expected Market Return</b>						<b>\$25.10</b>	<b>\$32.22</b>

Source: DCP Management

1. Based on DCP's 52-week yield range of 4.0% to 5.6% with a median of 4.5% and mean of 4.5%; Current yield is 4.4% as of October 28, 2022
2. Detail on Equity Cost of Capital calculations in Appendix
3. Assumes terminal year distribution grows 2.5% - 3.5% in low and high terminal values, respectively, in line with Wall St estimates



## Preliminary Valuation of the Common Units

### Discounted Distribution Analysis – 5% Annual Distribution Growth

For Reference Only

	For the Years Ending December 31,					Terminal Value	
	2023E	2024E	2025E	2026E	2027E	Low	High
DCP Distribution per Unit (Cash, As Paid)	\$1.72	\$1.81	\$1.90	\$1.99	\$2.09	\$2.09	\$2.09
Distribution Growth		5.0%	5.0%	5.0%	5.0%		
Terminal Yield <sup>1</sup>						5.0%	4.0%
<b>Terminal Value</b>						<b>\$41.80</b>	<b>\$52.25</b>

#### Equity Cost of Capital Based on CAPM

Present Value @ 8.5% Cost of Equity	\$35.54	–	\$42.49
Present Value @ 9.5% Cost of Equity	34.12	–	40.76
Present Value @ 10.5% Cost of Equity	32.78	–	39.12
Present Value @ 11.5% Cost of Equity	31.50	–	37.57
Present Value @ 12.5% Cost of Equity	30.29	–	36.09

<b>Implied DCP Unit Value – Based on CAPM</b>	<b>\$31.50</b>	<b>–</b>	<b>\$40.76</b>
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#### Equity Cost of Capital Based on Total Expected Market Return<sup>2,3</sup>

Present Value @ 10.0% Cost of Equity	\$33.44	–	\$39.93
Present Value @ 11.0% Cost of Equity	32.13	–	38.33
Present Value @ 12.0% Cost of Equity	30.89	–	36.82
Present Value @ 13.0% Cost of Equity	29.71	–	35.38
Present Value @ 14.0% Cost of Equity	28.59	–	34.01

<b>Implied DCP Unit Value – Based on Total Expected Market Return</b>	<b>\$29.71</b>	<b>–</b>	<b>\$38.33</b>
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Source: DCP Management

Note: Sensitivity case using a 5% annual distribution growth rate which assumes lower than the commodity super cycle board assumption of 7.5% growth and management 0% growth scenarios

1. Based on DCP's 52-week yield range of 4.0% to 5.6% with a median of 4.5% and mean of 4.5%; Current yield is 4.4% as of October 28, 2022

2. Detail on Equity Cost of Capital calculations in Appendix

3. Assumes terminal year distribution grows 2.5% - 3.5% in low and high terminal values, respectively, in line with Wall St estimates

## Preliminary Valuation of the Common Units

### Peer Group Trading Analysis

(\$ in millions, except per unit/share amounts)

Partnership / Company	Price 10/28/22	Equity Value	Enterprise Value	Enterprise Value/EBITDA			Price/DCF		Distribution Yield		Dist. Growth	Net Debt / 2022E EBITDA
				2022E	2023E	2024E	/ CAFD per Share		Current	2023E		
Gathering & Processing MLPs/Companies												
Antero Midstream Corporation	\$10.49	\$5,076	\$8,445	9.6x	8.9x	8.5x	8.7x	8.5x	8.6%	8.6%	NM	3.8x
Crestwood Equity Partners LP	30.64	3,786	7,928	9.7	8.5	8.0	5.5	5.2	8.6%	8.8%	5.0%	3.8
DT Midstream, Inc.	58.89	5,769	9,181	11.2	9.5	9.1	9.0	8.7	4.3%	4.6%	5.0%	4.0
EnLink Midstream, LLC	11.68	5,743	11,969	9.4	9.0	8.9	5.8	5.8	3.9%	4.2%	10.0%	3.6
Equitrans Midstream Corporation	8.20	3,587	11,074	10.4	10.2	8.8	8.0	5.9	7.3%	7.3%	2.4%	5.9
Hess Midstream Partners LP	28.65	6,876	9,811	10.0	9.3	8.6	7.9	7.6	7.8%	8.2%	4.0%	3.0
Kinetik Holdings Inc.	36.29	4,899	8,386	10.1	9.4	8.3	6.7	5.8	8.3%	8.6%	4.2%	4.2
ONEOK, Inc.	59.72	26,792	40,424	11.2	10.4	10.2	11.1	10.5	6.3%	6.3%	3.0%	3.8
Summit Midstream Partners, LP	19.95	209	1,933	9.0	5.7	6.8	NM	NM	—%	—%	NM	7.1
Targa Resources Corp.	67.16	15,522	28,685	9.0	8.8	8.3	6.8	6.3	2.1%	2.3%	5.0%	3.4
Western Midstream Partners, LP	28.41	11,048	17,819	8.2	7.9	7.7	6.7	6.2	7.0%	7.0%	11.2%	3.1
Mean				9.8x	8.9x	8.5x	7.6x	7.0x	5.8%	6.0%	5.5%	4.1x
Median				9.7	9.0	8.5	7.3	6.2	7.0%	7.0%	5.0%	3.8
DCP Midstream, LP (Consensus)	\$39.50	\$8,281	\$14,336	8.1x	8.2x	8.7x	5.7x	6.6x	4.4%	4.6%	3.1%	3.0x
DCP Midstream, LP (DCP Financial Projections)	\$39.50	\$8,281	\$14,336	8.2x	8.4x	9.1x	6.7x	7.1x	4.4%	4.4%	—%	2.9x

Source: Company filings, FactSet, Wall Street Research; as of October 28, 2022

## Preliminary Valuation of the Common Units

### A Peer Group Trading Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2023E Adjusted EBITDA		\$1,698	
Relevant EBITDA Multiple	8.25x	-	9.25x
<b>Implied Enterprise Value Based on 2023E Adjusted EBITDA</b>	<b>\$14,006</b>	<b>-</b>	<b>\$15,704</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$8,379</b>	<b>-</b>	<b>\$10,077</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2023E EBITDA</b>	<b>\$39.97</b>	<b>-</b>	<b>\$48.07</b>
<hr/>			
2024E Adjusted EBITDA		\$1,578	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2024E Adjusted EBITDA</b>	<b>\$12,621</b>	<b>-</b>	<b>\$14,199</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$6,994</b>	<b>-</b>	<b>\$8,572</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2024E EBITDA</b>	<b>\$33.36</b>	<b>-</b>	<b>\$40.89</b>
<b>Implied DCP Unit Price Range - 2023E and 2024E EBITDA</b>	<b>\$33.36</b>	<b>-</b>	<b>\$48.07</b>

1. As of December 31, 2022

## Preliminary Valuation of the Common Units

### A Peer Group Trading Analysis – Price/DCF per LP Unit

(\$ in millions, except per unit amounts)

2023E DCF / LP Unit		\$5.92	
Relevant Multiple	7.0x	-	8.0x
Implied DCP Unit Price Range - 2023E Price / DCF	\$41.41	-	\$47.32
2024E DCF / LP Unit		\$5.55	
Relevant Multiple	6.0x	-	7.0x
Implied DCP Unit Price Range - 2024E Price / DCF	\$33.27	-	\$38.82
Implied DCP Unit Price Range - 2023E and 2024E Price / DCF	\$33.27	-	\$47.32

## Preliminary Valuation of the Common Units

### Precedent M&A Transaction Analysis

(\$ in millions, except per unit amounts)

#### Gathering & Processing Transactions

Date Announced	Acquiror / Target (Seller)	Transaction Value (\$MM)	EBITDA Multiple
Sep-22	Antero Midstream / Marcellus G&P System (Crestwood Equity Partners)	\$205	7.0x
Jun-22	Targa Resources / Lucid Energy	3,550	7.5
Jun-22	DCP Midstream / James Lake System (Woodland Midstream II)	160	5.5
May-22	EnLink Midstream / Barnett Gathering and Processing System (Crestwood Equity Partners)	275	4.0
May-22	Crestwood Equity Partners / Sendero Midstream	600	7.0
Apr-22	Delek Logistics Partners / 3Bear Energy	625	8.8
Mar-22	Targa Resources / Southcross Energy Operating	200	4.0
Mar-22	Williams Companies / Trace Midstream	950	6.0
Jan-22	Enterprise Products Partners / Navitas Midstream Partners	3,250	7.8
Oct-21	Crestwood Equity Partners / Oasis Midstream	1,848	8.3
Oct-21	Altus Midstream / BCP Raptor/EagleClaw Midstream	6,248	11.7
Apr-21	EnLink Midstream LLC / Amarillo Rattler JV (Rattler Midstream Partners LP, Amarillo Midstream)	60	6.0
Aug-20	Citizen Energy II LLC / Blue Mountain Midstream LLC (Riviera Resources, Inc.)	111	7.1
Jul-20	CNX Resources Corporation / 46.9% stake in CNX Midstream Partners LP	728	7.7
Feb-20	Equitrans Midstream Corporation / EQM Midstream Partners	1,762	8.3
	<b>Mean</b>		<b>7.1x</b>
	<b>Median</b>		<b>7.1</b>
	<b>Min</b>		<b>4.0</b>
	<b>Max</b>		<b>11.7</b>

Source: Public filings, FactSet

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## Preliminary Valuation of the Common Units

### Precedent M&A Transaction Analysis (cont'd)

(\$ in millions, except per unit amounts)

#### Natural Gas Transportation Transactions

Date Announced	Acquiror / Target (Seller)	Transaction Value (\$MM)	EBITDA Multiple
Sep-22	DT Midstream / 26.25% Ownership Interest in Millennium Pipeline (National Grid)	\$552	10.0x
Jun-21	Kinder Morgan / Stagecoach Gas Services (Crestwood Equity Partners LP, Consolidated Edison Inc)	857	10.7
Feb-21	ArcLight Capital Partners LLC / 25% Interest in Natural Gas Pipeline Company of America LLC (Kinder Morgan)	1,300	11.2
Jul-20	Berkshire Hathaway Energy / Dominion Energy Natural Gas Transmission and Storage Business	9,700	9.7
Mar-20	ATCO Gas and Pipelines Ltd / Pioneer Pipeline (Tidewater Midstream and Infrastructure Ltd. & TransAlta Corp.)	184	NA
Feb-20	Equitrans Midstream Corporation / EQM Midstream Partners, LP	1,762	8.3
Sep-19	NextEra Energy Partners, LP / Meade Pipeline Co LLC	1,280	11.6
Sep-19	Kinder Morgan / Corpus Christi Pipeline Network (Southcross)	76	9.0
Jan-19	NEXUS Gas Transmission, LLC (Enbridge Inc.; DTE Energy Company) / Generation Pipeline LLC	160	14.4
Feb-18	Tallgrass Energy GP, LP / 25.01% interest in Rockies Express Pipeline LLC (Tallgrass Development LP)	1,044	6.4
Nov-17	American Midstream Partners, LP / Trans-Union Interstate Pipeline (ArcLight Capital Partners, LLC)	48	6.5
Jul-17	Blackstone Energy Partners / 32.44% interest in Rover Pipeline (Energy Transfer Partners, LP)	1,571	10.7
Jun-17	TC Pipelines / 49.3% interest in Iroquois Gas Transmission System, LP and 11.8% interest in Portland Natural Gas Transmission (TransCanada Corp.)	765	10.9
Apr-17	Tallgrass Energy Partners, LP / 24.99% interest in Rockies Express Pipeline LLC (Tallgrass Development, LP)	1,043	6.6
	Mean		9.7x
	Median		10.0
	Min		6.4
	Max		14.4

Source: Public filings, FactSet

## Preliminary Valuation of the Common Units

### Precedent M&A Transaction Analysis (cont'd)

(\$ in millions, except per unit amounts)

#### NGL and NGL-Related Transportation Transactions

Date Announced	Acquiror / Target (Seller)	Transaction Value (\$MM)	EBITDA Multiple
Mar-22	ArcLight / 25% Interest in Gulf Coast Express Pipeline (Targa Resources)	\$857	11.1x
Oct-21	Phillips 66 / Phillips 66 Partners	14,400	10.1
Aug-19	Pembina Pipeline Corporation / Cochin Pipeline (Kinder Morgan)	1,546	13.0
Jul-19	Altus Midstream / 33.0% interest in Shin Oak Pipeline (Enterprise Products Partners L.P.)	1,336	13.8
Oct-17	Blackstone Energy Partners / 25% interest in Grand Prix Pipeline (Targa Resources Corp)	325	10.0
Oct-16	Phillips 66 Partners LP / 30 crude oil, refined products and NGL logistics assets (Phillips 66)	1,300	8.7
Jun-16	Riverstone Investment Group LLC / 50% Partner Interest in Utopia Pipeline Project (Kinder Morgan, Inc.)	300	12.0
May-16	Phillips 66 Partners LP / Standish Pipeline and remaining 75% in Phillips 66 Sweeny Frac LLC (Phillips 66)	1,033	8.6
	<b>Mean</b>		<b>10.9x</b>
	<b>Median</b>		<b>10.6</b>
	<b>Min</b>		<b>8.6</b>
	<b>Max</b>		<b>13.8</b>

Source: Public filings, FactSet

## Preliminary Valuation of the Common Units

### A Precedent M&A Transaction Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2022E Adjusted EBITDA		\$1,749	
Relevant EBITDA Multiple	7.25x	-	9.25x
<b>Implied Enterprise Value Based on 2022E Adjusted EBITDA</b>	<b>\$12,682</b>	-	<b>\$16,180</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$7,055</b>	-	<b>\$10,553</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2022E EBITDA</b>	<b>\$33.65</b>	-	<b>\$50.34</b>

1. As of December 31, 2022



## Preliminary Valuation of the Common Units

### Premiums Paid Analysis

(\$ in millions, except per unit amounts)

Date Announced	Acquiror / Target	Consideration	Premium <sup>1</sup>	
			1-Day Prior Spot	20-Day VWAP
07/28/22	PBF Energy, Inc. / PBF Logistics LP	Cash/Stock-for-Unit	(3.0%)	9.5%
07/25/22	Shell USA, Inc. / Shell Midstream Partners, L.P.	Cash-for-Unit	23.0%	23.6%
06/02/22	Hartree Partners, LP / Sprague Resources LP	Cash-for-Unit	25.2%	27.0%
05/25/22	Höegh LNG Holdings Ltd / Höegh LNG Partners LP	Cash-for-Unit	35.0%	42.2%
05/16/22	Diamondback Energy / Rattler Midstream LP	Stock-for-Unit	17.3%	10.3%
04/22/22	Ergon, Inc. / Blueknight Energy Partners, L.P.	Cash-for-Unit	51.5%	47.5%
12/20/21	BP p.l.c. / BP Midstream Partners LP	Stock-for-Unit	10.8%	4.0%
10/27/21	Phillips 66 / Phillips 66 Partners LP	Stock-for-Unit	4.8%	6.7%
10/04/21	Stonepeak Infrastructure Partners / Teekay LNG Partners LP	Cash-for-Unit	8.3%	5.3%
08/23/21	Landmark Dividend / Landmark Infrastructure Partners LP	Cash-for-Unit	38.4%	35.0%
03/05/21	Chevron Corporation / Noble Midstream Partners LP	Stock-for-Unit	16.7%	18.0%
12/15/20	TC Energy Corporation / TC PipeLines, LP	Stock-for-Unit	19.5%	15.5%
07/27/20	CNX Resources Corporation / CNX Midstream Partners	Stock-for-Unit	28.1%	3.9%
02/27/20	Equitrans Midstream Corporation / EQM Midstream Partners, LP	Stock-for-Unit	(1.5%)	(5.6%)
12/17/19	Blackstone Infrastructure Partners / Tallgrass Energy LP	Cash-for-Unit	56.4%	33.9%
10/01/19	Brookfield Business Partners L.P. / Teekay Offshore Partners L.P.	Cash-for-Unit	28.1%	15.1%
09/16/19	Energy Transfer LP / SemGroup Corporation	Cash/Unit-for-Share	65.4%	87.3%
08/21/19	Pembina Pipeline Corporation / Kinder Morgan Canada Limited	Share-for-Share	37.7%	34.7%
05/10/19	IFM Investors / Buckeye Partners, L.P.	Cash-for-Unit	27.5%	23.8%
05/08/19	MPLX LP / Andeavor (Marathon Petroleum Corporation; Andeavor Logistics LP)	Unit-for-Unit	1.8%	1.3%
04/02/19	UGI Corporation / AmeriGas Partners, L.P.	Cash/Stock-for-Unit	13.5%	22.2%
03/18/19	ArcLight Energy Partners Fund V, L.P. / American Midstream, LP	Cash-for-Unit	31.2%	31.2%
02/05/19	SunCoke Energy, Inc. / SunCoke Energy Partners, L.P.	Stock-for-Unit	9.3%	19.5%
11/26/18	ArcLight Energy Partners Fund VI, L.P. / TransMontaigne Partners L.P.	Cash-for-Unit	12.6%	9.2%
11/08/18	Western Gas Equity Partners, LP / Western Gas Partners, LP	Unit-for-Unit	7.6%	62.4%
10/22/18	EnLink Midstream, LLC / EnLink Midstream Partners, LP	Unit-for-Unit	1.1%	(0.5%)
10/18/18	Valero Energy Corporation / Valero Energy Partners LP	Cash-for-Unit	6.0%	9.4%
10/09/18	Antero Midstream GP LP / Antero Midstream Partners LP	Cash/Stock-for-Unit	63.7%	54.6%
All Transactions	Min		(3.0%)	(5.6%)
	Median		18.4%	18.8%
	Mean		22.7%	23.1%
	Max		65.4%	87.3%
Cash-for-Unit	Min		6.0%	5.3%
	Median		27.8%	25.4%
	Mean		28.6%	25.3%
	Max		56.4%	47.5%

Source: Bloomberg, FactSet, Public filings

1. VWAP premiums paid are calculated by dividing the value of the offer, defined as the exchange ratio multiplied by the closing price of the acquiror's shares / units on the last trading day prior to announcement plus any cash received, by the 20-trading day VWAP of the target as calculated from the last undisturbed trading day prior to the announcement.

## Preliminary Valuation of the Common Units

### Premiums Paid Analysis (cont'd)

(\$ in millions, except per unit amounts)

For Reference Only

### Summary Results – Cash-for-Unit Transactions

	1-Day Prior Spot			20-Day VWAP		
Unit Price as of 8/17/22	\$34.75			\$33.88		
Historical Merger Premium Range	6.0%	—	56.4%	5.3%	—	47.5%
<b>Implied DCP Unit Price Range</b>	<b>\$36.84</b>	<b>—</b>	<b>\$54.36</b>	<b>\$35.67</b>	<b>—</b>	<b>\$49.97</b>
Merger Premium Selected Range	15.0%			30.0%		
<b>Median-Implied DCP Unit Value</b>	<b>\$39.96</b>			<b>\$44.05</b>		

Source: FactSet

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## Preliminary Valuation of the Common Units

(\$ in millions, except per unit amounts)

### Net Present Value of PSX/DCP Operational Efficiencies

For Reference Only

	For the Years Ending December 31,					Terminal Value
	2023E	2024E	2025E	2026E	2027E	
Net Operational Efficiencies	(\$34)	\$93	\$93	\$93	\$93	\$93
Terminal Multiple						8.0x
Implied Terminal Value						\$744
Present Value of Terminal Value @ 13.0% Discount Rate						\$404
Plus: Present Value of Unlevered Free Cash Flow @ 13.0% Discount Rate						229
<b>Implied NPV of Operational Efficiencies</b>						<b>\$633</b>
DCP Units Outstanding <sup>1</sup>						210
<b>Implied Value per Unit</b>						<b>\$3.02</b>

NPV of Operational Efficiencies Based on a Range of Discount Rates	NPV	Value Per
		DCP Unit
Present Value @ 10.0% Discount Rate	\$711	\$3.39
Present Value @ 11.0% Discount Rate	684	3.26
Present Value @ 12.0% Discount Rate	657	3.14
Present Value @ 13.0% Discount Rate	633	3.02
Present Value @ 14.0% Discount Rate	609	2.90
Present Value @ 15.0% Discount Rate	586	2.80

Source: DCP Management

1. Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.3mm phantom and performance units

## VI. Illustrative DCP Unitholder Tax Analysis

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## Illustrative DCP Unitholder Tax Analysis

### DCP Unitholder Tax Analysis @ Illustrative Offer Price (\$38.00 / unit) – Assumptions (Allowing for Tax Losses Offset)

- PricewaterhouseCoopers LLP ("PwC") provided the DCP unaffiliated unitholders tax liability by unit acquisition date information, which included the following:
  - ▶ **Adjusted Basis** – Represents the weighted average price acquired, plus cumulative income, less cumulative distributions and DD&A from the acquisition date to Dec 2021
  - ▶ **\$751 Gain** – Recharacterization of gain or loss on the sale of a partnership interest from capital to ordinary on \$751 property owned by the partnership
  - ▶ **Net Ordinary Gain / (Loss) per Unit** – Calculated as \$751 Gain less Passive Loss Carryover assuming Passive Loss Carryover amounts are 100% available to offset Ordinary Gains
  - ▶ **Net Capital Gain / (Loss) per Unit** – Calculated as Total Gain / (Loss) per Unit less \$751 Gain
  - ▶ **Estimated Taxes** – Calculated based on the Net Ordinary Gain / (Loss) per Unit assuming a 37.0% tax rate and the Net Capital Gain / (Loss) per Unit assuming a 20.0% tax rate

Year	DCP Units	% of Total Units	Average Purchase Price	Total Gain / (Loss) Per Unit			Ordinary Gain / (Loss) Per Unit			Capital Gain / (Loss) Per Unit			Tax Liability Per Unit		
				A	B	C = A - B	D	E	F = D + E	G	H	I = G - D	H = F * T1	I = G * T2	J = H + I
				Offer Price	Adjusted Basis	Total Gain / (Loss)	751 Gain	Carryover Passive Losses	Net Ordinary Gain / (Loss)	Total Gain / (Loss)	751 Gain	Net Capital Gain / (Loss)	Ordinary Tax Liability	Capital Tax Liability	Total Tax Liability
2005	270,466	0.3%	\$22.26	\$38.00	(\$8.11)	\$46.11	\$39.86	(\$0.25)	\$39.61	\$46.11	\$39.86	\$6.25	\$14.65	\$1.25	\$15.90
2006	211,417	0.2%	27.41	38.00	(5.73)	43.73	39.84	(0.25)	39.59	43.73	39.84	3.89	14.65	0.78	15.43
2007	59,522	0.1%	38.33	38.00	1.22	36.78	40.05	(0.86)	39.19	36.78	40.05	(3.27)	14.50	(0.65)	13.85
2008	796,037	0.8%	15.39	38.00	(10.08)	48.08	38.68	(0.26)	38.42	48.08	38.68	9.40	14.22	1.88	16.10
2009	732,186	0.7%	17.63	38.00	(4.94)	42.94	38.72	(0.27)	38.45	42.94	38.72	4.22	14.23	0.84	15.07
2010	433,527	0.4%	31.70	38.00	3.10	34.90	38.52	(1.31)	37.21	34.90	38.52	(3.62)	13.77	(0.72)	13.04
2011	336,480	0.3%	38.71	38.00	7.30	30.70	37.87	(3.61)	34.26	30.70	37.87	(7.16)	12.68	(1.43)	11.24
2012	624,009	0.6%	41.45	38.00	13.06	24.94	37.25	(3.73)	33.52	24.94	37.25	(12.31)	12.40	(2.46)	9.94
2013	1,518,266	1.5%	44.98	38.00	10.53	27.47	36.23	(12.39)	23.85	27.47	36.23	(8.76)	8.82	(1.75)	7.07
2014	4,317,028	4.2%	48.17	38.00	7.88	30.12	36.08	(17.11)	18.97	30.12	36.08	(5.96)	7.02	(1.19)	5.83
2015	2,304,183	2.2%	31.43	38.00	(0.92)	38.92	33.58	(12.45)	21.13	38.92	33.58	5.33	7.82	1.07	8.89
2016	2,139,528	2.1%	26.57	38.00	(1.29)	39.29	31.89	(11.28)	20.60	39.29	31.89	7.41	7.62	1.48	9.10
2017	1,740,235	1.7%	33.50	38.00	4.54	33.46	34.18	(15.42)	18.76	33.46	34.18	(0.72)	6.94	(0.14)	6.80
2018	5,404,934	5.2%	32.57	38.00	9.24	28.76	30.51	(13.35)	17.16	28.76	30.51	(1.75)	6.35	(0.35)	6.00
2019	10,563,654	10.3%	24.85	38.00	8.31	29.69	25.90	(9.80)	16.10	29.69	25.90	3.80	5.96	0.76	6.72
2020	34,033,552	33.0%	9.52	38.00	2.31	35.69	15.91	(2.87)	13.04	35.69	15.91	19.78	4.83	3.96	8.78
2021	37,515,444	36.4%	23.64	38.00	15.05	22.95	14.45	(5.69)	8.76	22.95	14.45	8.50	3.24	1.70	4.94
Total / Wtd. Avg.	103,000,468	100.0%	\$21.41	\$38.00	\$8.07	\$29.93	\$20.11	(\$6.44)	\$13.67	\$29.93	\$20.11	\$9.82	\$5.06	\$1.96	\$7.02

Source: PwC

## Illustrative DCP Unitholder Tax Analysis

### DCP Unitholder Tax Analysis @ Illustrative Offer Price (\$38.00 / unit) – Assumptions (No Tax Losses Offset)

- PricewaterhouseCoopers LLP ("PwC") provided the DCP unaffiliated unitholders tax liability by unit acquisition date information, which included the following:
  - ▶ **Adjusted Basis** – Represents the weighted average price acquired, plus cumulative income, less cumulative distributions and DD&A from the acquisition date to Dec 2021
  - ▶ **\$751 Gain** – Recharacterization of gain or loss on the sale of a partnership interest from capital to ordinary on \$751 property owned by the partnership
  - ▶ **Net Ordinary Gain / (Loss) per Unit** – Calculated as \$751 Gain less Passive Loss Carryover assuming Passive Loss Carryover amounts are 100% available to offset Ordinary Gains
  - ▶ **Net Capital Gain / (Loss) per Unit** – Calculated as Total Gain / (Loss) per Unit less \$751 Gain
  - ▶ **Estimated Taxes** – Calculated based on the Net Ordinary Gain / (Loss) per Unit assuming a 37.0% tax rate and the Net Capital Gain / (Loss) per Unit assuming a 20.0% tax rate

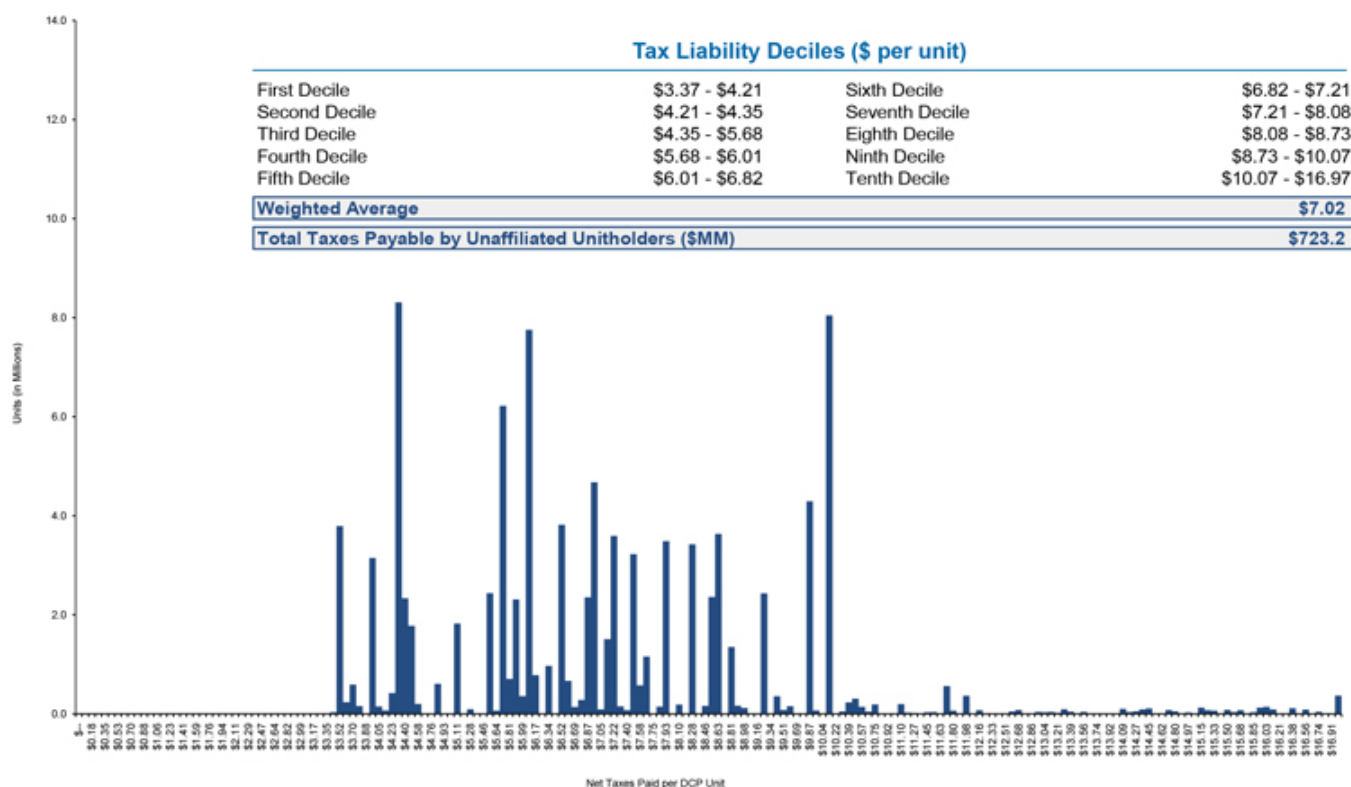
Year	DCP Units	% of Total Units	Average Purchase Price	Total Gain / (Loss) Per Unit			Ordinary Gain / (Loss) Per Unit			Capital Gain / (Loss) Per Unit			Tax Liability Per Unit		
				A	B	C = A - B	D	E	F = D + E	G	H	I = G - H	J = F * T1	K = G * T2	L = H + I
				Offer Price	Adjusted Basis	Total Gain / (Loss)	751 Gain	Carryover Passive Losses	Net Ordinary Gain / (Loss)	Total Gain / (Loss)	751 Gain	Net Capital Gain / (Loss)	Ordinary Tax Liability	Capital Tax Liability	Total Tax Liability
2005	270,466	0.3%	\$22.26	\$38.00	(\$8.11)	\$46.11	\$39.86	(\$0.25)	\$39.61	\$46.11	\$39.86	\$6.25	\$14.65	\$1.25	\$15.90
2006	211,417	0.2%	\$27.41	38.00	(5.73)	43.73	39.84	(0.25)	39.59	43.73	39.84	3.89	14.65	0.78	15.43
2007	59,522	0.1%	\$8.33	38.00	1.22	36.78	40.05	(0.86)	39.19	36.78	40.05	(3.27)	14.50	-	14.50
2008	796,037	0.8%	\$15.39	38.00	(10.08)	48.08	38.68	(0.26)	38.42	48.08	38.68	9.40	14.22	1.88	16.10
2009	732,186	0.7%	\$17.63	38.00	(4.94)	42.94	38.72	(0.27)	38.45	42.94	38.72	4.22	14.23	0.84	15.07
2010	433,527	0.4%	\$31.70	38.00	3.10	34.90	38.52	(1.31)	37.21	34.90	38.52	(3.62)	13.77	-	13.77
2011	336,480	0.3%	\$8.71	38.00	7.30	30.70	37.87	(3.61)	34.26	30.70	37.87	(7.16)	12.68	-	12.68
2012	624,009	0.6%	\$11.45	38.00	13.06	24.94	37.25	(3.73)	33.52	24.94	37.25	(12.31)	12.40	-	12.40
2013	1,518,266	1.5%	\$44.98	38.00	10.53	27.47	36.23	(12.39)	23.85	27.47	36.23	(8.76)	8.82	-	8.82
2014	4,317,028	4.2%	\$8.17	38.00	7.88	30.12	36.08	(17.11)	18.97	30.12	36.08	(5.96)	7.02	-	7.02
2015	2,304,183	2.2%	\$31.43	38.00	(0.92)	38.92	33.58	(12.45)	21.13	38.92	33.58	5.33	7.82	1.07	8.89
2016	2,139,528	2.1%	\$26.57	38.00	(1.29)	39.29	31.89	(11.28)	20.60	39.29	31.89	7.41	7.62	1.48	9.10
2017	1,740,235	1.7%	\$33.50	38.00	4.54	33.46	34.18	(15.42)	18.76	33.46	34.18	(0.72)	6.94	-	6.94
2018	5,404,934	5.2%	\$32.57	38.00	9.24	28.76	30.51	(13.35)	17.16	28.76	30.51	(1.75)	6.35	-	6.35
2019	10,563,654	10.3%	\$24.85	38.00	8.31	29.69	25.90	(9.80)	16.10	29.69	25.90	3.80	5.96	0.76	6.72
2020	34,033,552	33.0%	\$9.52	38.00	2.31	35.69	15.91	(2.87)	13.04	35.69	15.91	19.78	4.83	3.96	8.78
2021	37,515,444	36.4%	\$23.64	38.00	15.05	22.95	14.45	(5.69)	8.76	22.95	14.45	8.50	3.24	1.70	4.94
Total / Wtd. Avg.	103,000,468	100.0%	\$21.41	\$38.00	\$8.07	\$29.93	\$20.11	(\$6.44)	\$13.67	\$29.93	\$20.11	\$9.82	\$5.06	\$2.10	\$7.16

Source: PwC

## Illustrative DCP Unitholder Tax Analysis

### DCP Unitholder Tax Analysis @ Illustrative Offer Price (\$38.00 / unit) – Allowing for Tax Losses Offset

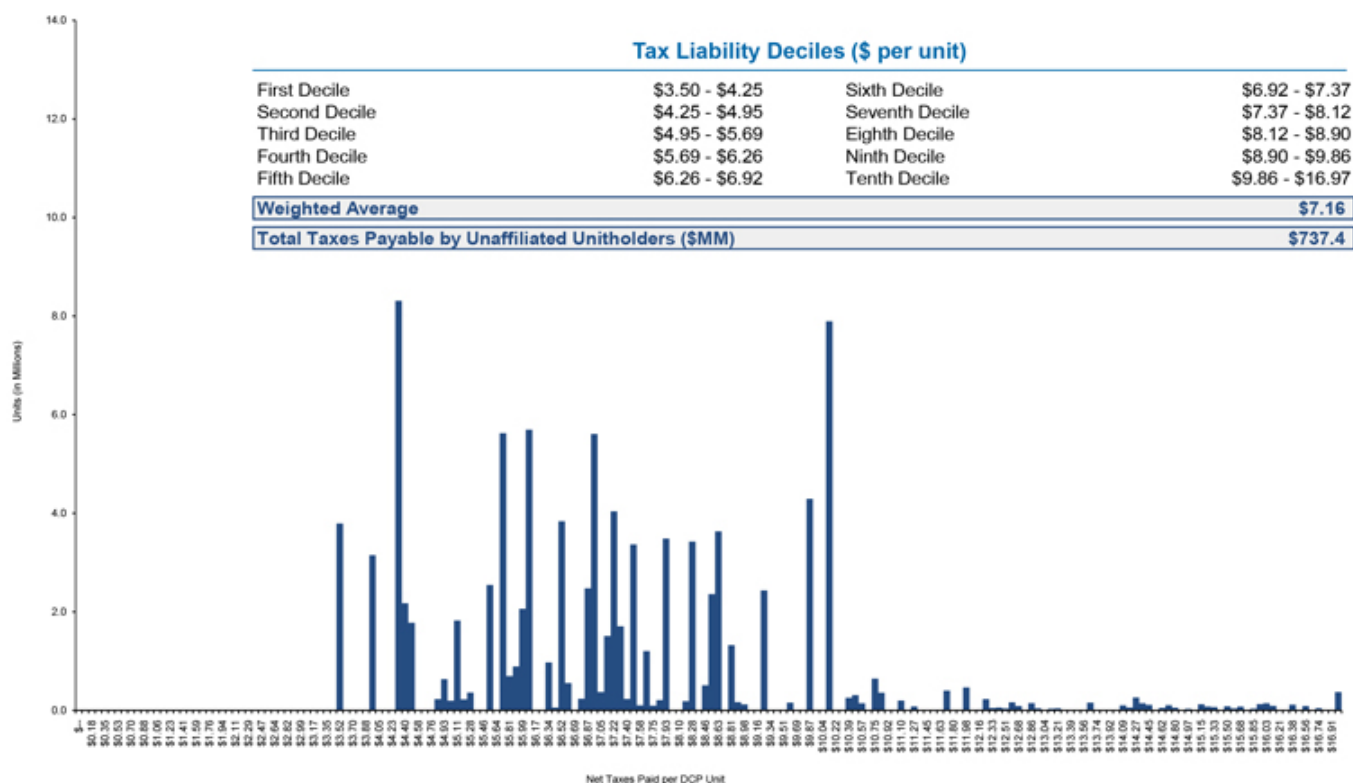
Implied Taxes @ 37.0% Ordinary Gain / 20.0% Capital Gain



## Illustrative DCP Unitholder Tax Analysis

### DCP Unitholder Tax Analysis @ Illustrative Offer Price (\$38.00 / unit) – No Tax Losses Offset

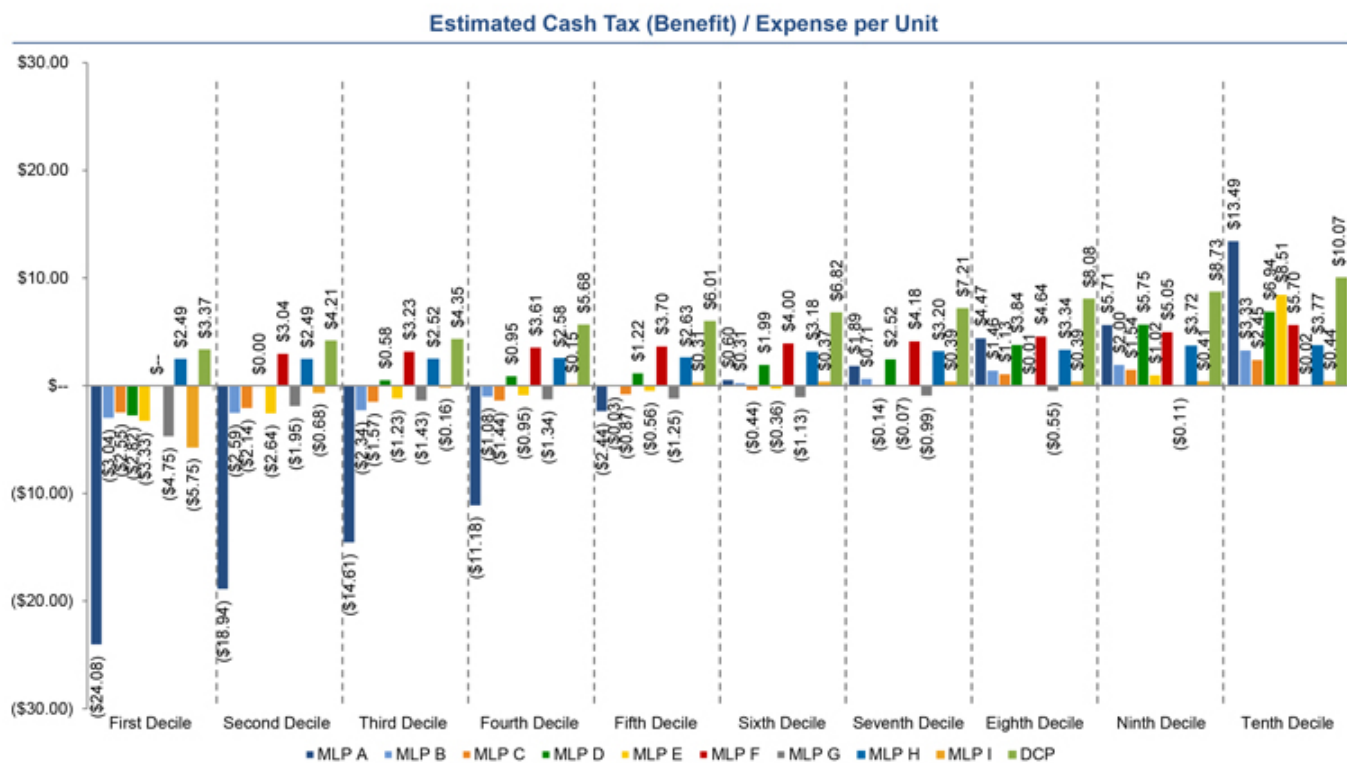
Implied Taxes @ 37.0% Ordinary Gain / 20.0% Capital Gain





# Illustrative DCP Unitholder Tax Analysis

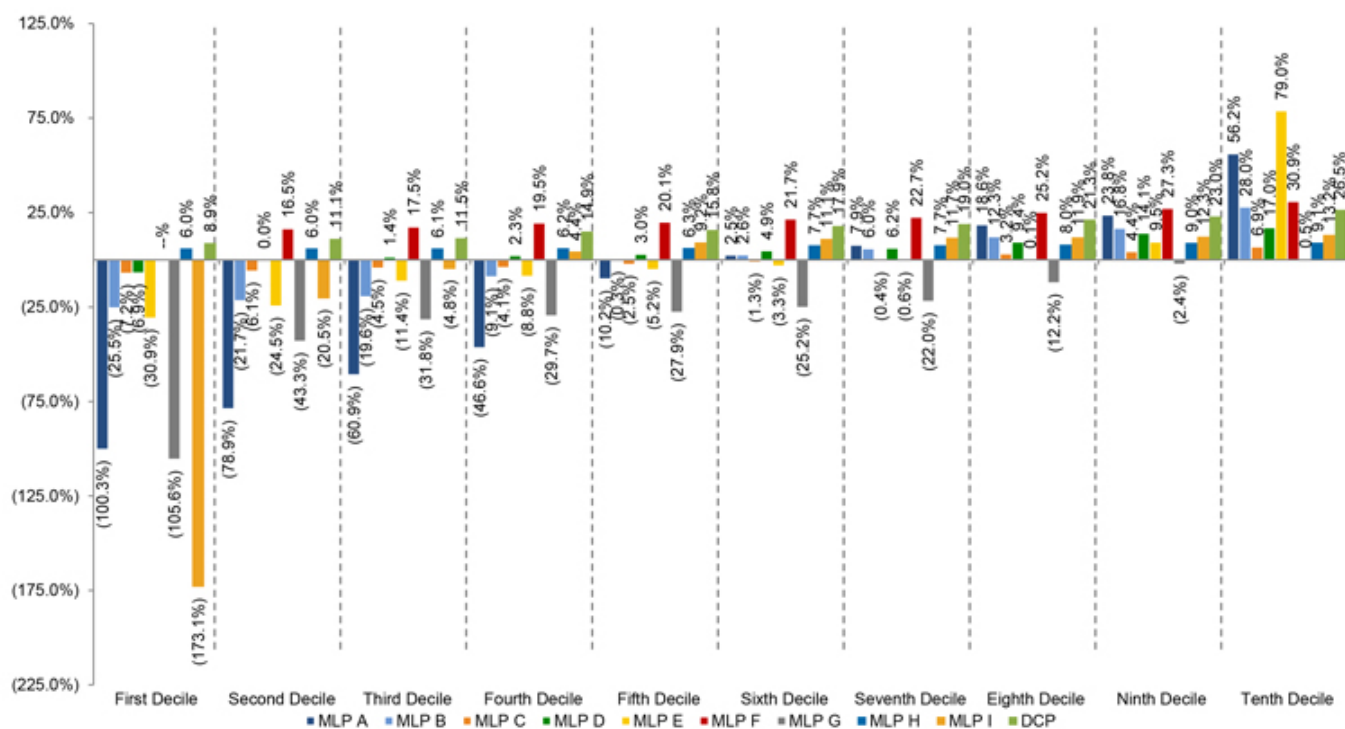
## Precedent Taxable MLP Buy-In Unitholder Tax Impact



# Illustrative DCP Unitholder Tax Analysis

## Precedent Taxable MLP Buy-In Unitholder Tax Impact (cont'd)

Estimated Cash Tax (Benefit) / Expense per Unit as % of Offer Value



# Appendix

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## A. Weighted Average Cost of Capital Analysis

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# Weighted Average Cost of Capital Analysis

## DCP Common Units – Capital Asset Pricing Model

(\$ in millions, except per unit/share amounts)

	Partnership/Corporation	Unit/Share Price 10/28/22	Market Equity Value	Total Debt and Preferred Equity	Total Debt / Total Capitalization	Adjusted Beta <sup>1</sup>	Unlevered Beta <sup>2</sup>
CAPM	Antero Midstream Corporation	\$10.49	\$5,076	\$3,370	39.9%	0.77	0.51
	Crestwood Equity Partners LP	30.64	3,766	3,617	48.9%	0.53	0.32
	EnLink Midstream, LLC	11.68	5,743	4,555	44.2%	1.02	0.63
	Equitrans Midstream Corporation	8.20	3,587	7,110	66.5%	0.82	0.32
	Hess Midstream Partners LP	28.65	6,876	2,957	30.1%	0.67	0.51
	Kinetik Holdings Inc.	36.29	4,899	3,492	41.6%	2.21	1.42
	ONEOK, Inc.	59.72	26,792	13,769	33.9%	0.99	0.70
	Summit Midstream Partners, LP	19.95	209	1,730	89.2%	1.06	0.16
	Targa Resources Corp.	67.16	15,522	11,011	41.5%	0.96	0.61
	Western Midstream Partners, LP	28.41	11,048	6,725	37.8%	0.88	0.61
				Mean	47.4%	0.99	0.58
				Median	41.6%	0.92	0.56
	DCP Midstream, LP	\$39.50	\$8,281	\$6,038	42.2%	0.77	0.51
WACC	Risk-free Rate <sup>3</sup>	4.4%					
	Unlevered Beta	0.51					
	Debt and Preferred / Total Capitalization	42.2%					
	Adjusted Levered Equity Beta	0.77					
	Supply-Side MRP	6.2%	Historical MRP	7.5%			
	Market Risk Premium ("MRP") <sup>4</sup>	6.2%		7.5%			
	Small Company Risk Premium <sup>5</sup>	0.7%					
	Equity Cost of Capital <sup>6</sup>	9.9%		10.8%			
	Pre-Tax Cost of Debt <sup>7</sup>	6.5%					
	After-Tax Cost of Debt <sup>8</sup>	4.6%					
	WACC	7.6%	8.2%				

## DCP Midstream Cost of Debt<sup>7</sup>

	Yield-to-Worst
DCP Midstream 5.600% Senior Notes Due 2044	6.57%
U.S. Treasury Note Due 2042	4.38%
Less: U.S. Treasury Note Due 2044	4.47%
	(0.09%)
DCP Midstream Implied 20-Year Cost of Debt	6.48%

## WACC Sensitivity (Supply-Side / Historical)

Unlevered Beta	Debt and Preferred / Total Capitalization				
	45.0%	50.0%	55.0%	60.0%	65.0%
0.45	7.3% / 7.8%	7.2% / 7.7%	7.1% / 7.6%	7.1% / 7.5%	7.0% / 7.5%
0.50	7.5% / 8.1%	7.5% / 8.0%	7.4% / 7.9%	7.3% / 7.8%	7.3% / 7.8%
0.55	7.8% / 8.4%	7.7% / 8.3%	7.7% / 8.2%	7.6% / 8.1%	7.5% / 8.1%
0.60	8.1% / 8.7%	8.0% / 8.6%	7.9% / 8.5%	7.8% / 8.5%	7.8% / 8.4%
0.65	8.4% / 9.1%	8.3% / 9.0%	8.2% / 8.9%	8.1% / 8.8%	8.0% / 8.7%

## Equity Cost of Capital Sensitivity (Supply-Side / Historical)

Unlevered Beta	Debt and Preferred / Total Capitalization				
	45.0%	50.0%	55.0%	60.0%	65.0%
0.45	9.5% / 10.4%	9.9% / 10.8%	10.3% / 11.3%	10.8% / 12.0%	11.5% / 12.8%
0.50	10.0% / 11.0%	10.4% / 11.4%	10.9% / 12.0%	11.5% / 12.8%	12.3% / 13.7%
0.55	10.5% / 11.6%	10.9% / 12.1%	11.5% / 12.7%	12.1% / 13.5%	13.0% / 14.6%
0.60	11.0% / 12.1%	11.4% / 12.7%	12.0% / 13.4%	12.8% / 14.3%	13.7% / 15.4%
0.65	11.5% / 12.7%	12.0% / 13.4%	12.6% / 14.1%	13.4% / 15.1%	14.4% / 16.3%

- Source: Predicted raw betas from FactSet; Adjusted Equity Beta calculated as:  $(0.67) \times \text{Raw Beta} + (0.33) \times 1.0$
- Unlevered Beta calculated as:  $\text{Adjusted Equity Beta} \times (E/(E + D \times (1-T)))$ ; Assumes corporate tax rate of 29.6% for partnerships and 21.0% for corporations
- 20-year Treasury as of October 28, 2022
- Source: Duff & Phelps
- Decile: Mid Cap (5) with equity value range of \$6,743.4 million to \$13,177.8 million
- Equity Cost of Capital calculated as:  $\text{Risk-free rate} + (\text{Levered Equity Beta} \times \text{Market Risk Premium}) + \text{Small Company Risk Premium}$
- Implied DCP 20-year cost of debt based on the yield-to-worst of DCP's 5.600% Senior Notes Due 2044 adjusted for 20-year maturity using the implied yield spread from relevant U.S. treasury notes
- Assumes U.S. individual partnership income tax structure through 2025 of 80.0% of income taxable at highest tax rate of 37.0%, or 29.6%

## Weighted Average Cost of Capital Analysis

### DCP Common Units – Total Expected Market Return

(\$ in millions, except per unit/share amounts)

Partnership/Corporation	Unit/Share Price 10/28/22	Market Equity Value	Current Yield	Distribution/Dividend Growth	Total Return
Antero Midstream Corporation	\$10.49	\$5,076	8.6%	—%	8.6%
Crestwood Equity Partners LP	30.64	3,786	8.6%	5.0%	13.5%
EnLink Midstream, LLC	11.68	5,743	3.9%	10.0%	13.9%
Equitrans Midstream Corporation	8.20	3,587	7.3%	2.4%	9.7%
Hess Midstream Partners LP	28.65	6,876	7.8%	4.0%	11.8%
Kinetik Holdings Inc.	36.29	4,899	8.3%	4.2%	12.5%
ONEOK, Inc.	59.72	26,792	6.3%	3.0%	9.3%
Targa Resources Corp.	67.16	15,522	2.1%	5.0%	7.1%
Western Midstream Partners, LP	28.41	11,048	7.0%	11.2%	18.3%
				Mean	11.6%
				Median	11.8%
DCP Midstream, LP	\$39.50	\$8,281	4.4%	3.1%	7.5%

	WACC
Debt and Preferred / Total Capitalization	42.2%
Market Required Equity Return	11.8%
Pre-Tax Cost of Debt <sup>1</sup>	6.5%
After-Tax Cost of Debt <sup>2</sup>	4.6%
WACC	8.7%

#### DCP Cost of Debt<sup>1</sup>

	Yield-to-Worst
DCP Midstream 5.600% Senior Notes Due 2044	6.57%
U.S. Treasury Note Due 2042	4.38%
Less: U.S. Treasury Note Due 2044	4.47%
	(0.09%)
DCP Midstream Implied 20-Year Cost of Debt	6.48%

1. Implied DCP 20-year cost of debt based on the yield-to-worst of DCP's 5.600% Senior Notes Due 2044 Adjusted for 20-year maturity using the implied yield spread from relevant U.S. treasury notes  
2. Assumes U.S. individual partnership income tax structure through 2025 of 80.0% of income taxable at highest tax rate of 37.0%, or 29.6%

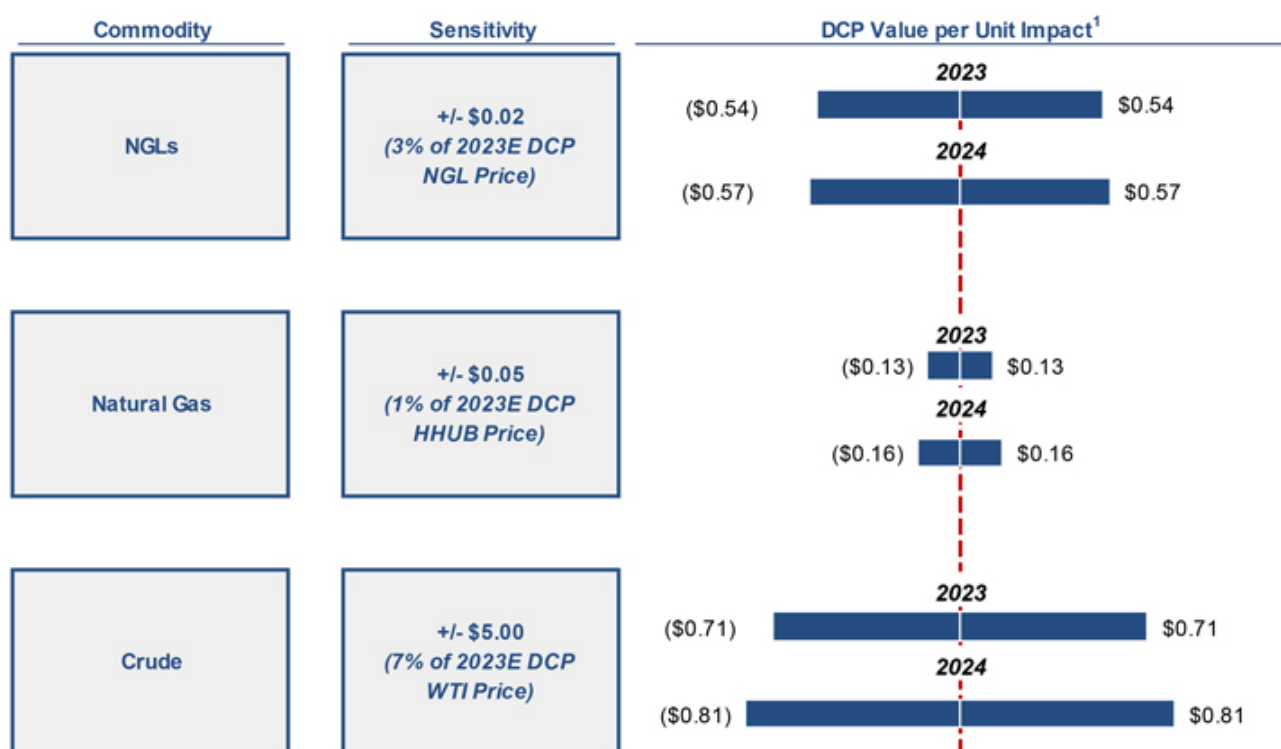
## B. Supplemental Valuation Materials

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## Supplemental Valuation Materials

### DCP Valuation – Commodity Price Sensitivity



Source: DCP Management

1. Assumes EV/EBITDA multiples of 8.75x 2023E EBITDA and 8.50x 2024E EBITDA representing the midpoint of Evercore's Peer Group Trading Analysis



## B NYMEX Strip Pricing

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## Supplemental Valuation Materials – NYMEX Strip Pricing

### B Discounted Cash Flow Analysis

(\$ in millions, except per unit amounts)

#### Summary Results

	For the Years Ending December 31,					Exit Multiple	Perpetuity Growth
	2023E	2024E	2025E	2026E	2027E		
Adjusted EBITDA	\$1,698	\$1,624	\$1,566	\$1,524	\$1,499	\$1,499	\$1,499
Less: Tax Depreciation and Amortization <sup>1</sup>	(14,238)	(154)	(127)	(118)	(116)		(125)
EBIT	(\$12,540)	\$1,470	\$1,439	\$1,406	\$1,384		\$1,374
Less: Cash Taxes	—	(87)	(85)	(104)	(102)		(508)
EBIAT	(\$12,540)	\$1,383	\$1,354	\$1,302	\$1,281		\$866
Plus: Tax Depreciation and Amortization	14,238	154	127	118	116		125
Less: Maintenance Capex	(150)	(150)	(125)	(125)	(125)		(125)
Less: Growth Capex	(125)	(50)	(50)	(50)	(50)		—
Unlevered Free Cash Flow	\$1,423	\$1,337	\$1,306	\$1,245	\$1,222		\$866
EBITDA Multiple / Perpetuity Growth Rate						8.75x	1.0%
Implied Terminal Value						\$13,119	\$12,492
Present Value of Terminal Value @ 8.0% Discount Rate						\$8,928	\$8,181
Plus: Present Value of Unlevered Free Cash Flow @ 8.0% Discount Rate						5,453	
<b>Implied Enterprise Value</b>						<b>\$14,381</b>	<b>\$13,634</b>
Less: Preferred Equity <sup>2</sup>							(\$271)
Less: Net Debt <sup>2</sup>							(5,364)
Less: Noncontrolling Interests <sup>2</sup>							(25)
<b>Implied Equity Value</b>						<b>\$8,721</b>	<b>\$7,974</b>
DCP Units Outstanding <sup>3</sup>						210	
<b>Implied Value per Unit</b>						<b>\$41.60</b>	<b>\$38.03</b>

#### Sensitivity Analysis

		Terminal Exit Multiple							Perpetuity Growth Rate				
		7.75x	8.25x	8.75x	9.25x	9.75x			--%	0.5%	1.0%	1.5%	2.0%
WACC	7.0%	\$39.08	\$41.63	\$44.18	\$46.73	\$49.28	WACC	7.0%	\$40.23	\$43.58	\$47.49	\$52.10	\$57.64
	7.5%	37.89	40.38	42.87	45.37	47.86		7.5%	36.28	39.12	42.40	46.22	50.74
	8.0%	36.73	39.17	41.60	44.03	46.47		8.0%	32.82	35.25	38.03	41.24	44.99
	8.5%	35.60	37.98	40.36	42.73	45.11		8.5%	29.76	31.86	34.25	36.97	40.12
	9.0%	34.50	36.82	39.14	41.47	43.79		9.0%	27.04	28.87	30.93	33.27	35.94

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- 2023E tax DD&A assumes 80% bonus depreciation calculated as the midpoint of the enterprise value range plus 2023E capital expenditures
- Per DCP Management as of December 31, 2022
- Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.3mm phantom and performance units

DCP  
Midstream

## Supplemental Valuation Materials – NYMEX Strip Pricing

### B Peer Group Trading Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2023E Adjusted EBITDA		\$1,698	
Relevant EBITDA Multiple	8.25x	-	9.25x
<b>Implied Enterprise Value Based on 2023E Adjusted EBITDA</b>	<b>\$14,009</b>	<b>-</b>	<b>\$15,707</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$8,349</b>	<b>-</b>	<b>\$10,047</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2023E EBITDA</b>	<b>\$39.82</b>	<b>-</b>	<b>\$47.92</b>
<hr/>			
2024E Adjusted EBITDA		\$1,624	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2024E Adjusted EBITDA</b>	<b>\$12,989</b>	<b>-</b>	<b>\$14,613</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$7,329</b>	<b>-</b>	<b>\$8,953</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2024E EBITDA</b>	<b>\$34.96</b>	<b>-</b>	<b>\$42.70</b>
<b>Implied DCP Unit Price Range - 2023E and 2024E EBITDA</b>	<b>\$34.96</b>	<b>-</b>	<b>\$47.92</b>

1. As of December 31, 2022

## Supplemental Valuation Materials – NYMEX Strip Pricing

### B Peer Group Trading Analysis – Price/DCF per LP Unit

(\$ in millions, except per unit amounts)

2023E DCF / LP Unit		\$5.91	
Relevant Multiple	7.0x	-	8.0x
Implied DCP Unit Price Range - 2023E Price / DCF	\$41.37	-	\$47.28
<hr/>			
2024E DCF / LP Unit		\$5.77	
Relevant Multiple	6.0x	-	7.0x
Implied DCP Unit Price Range - 2024E Price / DCF	\$34.59	-	\$40.36
Implied DCP Unit Price Range - 2023E and 2024E Price / DCF	\$34.59	-	\$47.28

## Supplemental Valuation Materials – NYMEX Strip Pricing

### B Precedent M&A Transaction Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2022E Adjusted EBITDA		\$1,717	
Relevant EBITDA Multiple	7.25x	-	9.25x
<b>Implied Enterprise Value Based on 2022E Adjusted EBITDA</b>	<b>\$12,446</b>	-	<b>\$15,879</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$6,785</b>	-	<b>\$10,219</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2022E EBITDA</b>	<b>\$32.37</b>	-	<b>\$48.74</b>

1. As of December 31, 2022

## Higher Commodity Prices

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## Supplemental Valuation Materials – Higher Commodity Prices

### C Discounted Cash Flow Analysis

(\$ in millions, except per unit amounts)

#### Summary Results

	For the Years Ending December 31,					Exit Multiple	Perpetuity Growth
	2023E	2024E	2025E	2026E	2027E		
Adjusted EBITDA	\$1,860	\$1,718	\$1,706	\$1,690	\$1,666	\$1,666	\$1,666
Less: Tax Depreciation and Amortization <sup>1</sup>	(15,798)	(154)	(127)	(118)	(116)		(125)
EBIT	(\$13,938)	\$1,564	\$1,579	\$1,571	\$1,550		\$1,541
Less: Cash Taxes	—	(93)	(93)	(116)	(115)		(570)
EBIAT	(\$13,938)	\$1,472	\$1,486	\$1,455	\$1,435		\$971
Plus: Tax Depreciation and Amortization	15,798	154	127	118	116		125
Less: Maintenance Capex	(150)	(150)	(125)	(125)	(125)		(125)
Less: Growth Capex	(125)	(50)	(50)	(50)	(50)		—
Unlevered Free Cash Flow	\$1,585	\$1,425	\$1,438	\$1,398	\$1,376		\$971
EBITDA Multiple / Perpetuity Growth Rate						8.75x	1.0%
Implied Terminal Value						\$14,574	\$14,004
Present Value of Terminal Value @ 8.0% Discount Rate						\$9,919	\$9,171
Plus: Present Value of Unlevered Free Cash Flow @ 8.0% Discount Rate						6,022	
<b>Implied Enterprise Value</b>						<b>\$15,941</b>	<b>\$15,194</b>
Less: Preferred Equity <sup>2</sup>						(\$271)	
Less: Net Debt <sup>2</sup>						(5,364)	
Less: Noncontrolling Interests <sup>2</sup>						(25)	
<b>Implied Equity Value</b>						<b>\$10,281</b>	<b>\$9,533</b>
DCP Units Outstanding <sup>3</sup>						210	
<b>Implied Value per Unit</b>						<b>\$49.04</b>	<b>\$45.47</b>

#### Sensitivity Analysis

		Terminal Exit Multiple							Perpetuity Growth Rate				
		7.75x	8.25x	8.75x	9.25x	9.75x			--%	0.5%	1.0%	1.5%	2.0%
WACC	7.0%	\$46.25	\$49.08	\$51.91	\$54.75	\$57.58	WACC	7.0%	\$47.93	\$51.69	\$56.06	\$61.24	\$67.45
	7.5%	44.92	47.69	50.46	53.23	55.99		7.5%	43.51	46.69	50.36	54.65	59.72
	8.0%	43.63	46.34	49.04	51.74	54.45		8.0%	39.63	42.36	45.47	49.07	53.27
	8.5%	42.38	45.02	47.66	50.30	52.94		8.5%	36.20	38.56	41.23	44.29	47.81
	9.0%	41.15	43.73	46.31	48.90	51.48		9.0%	33.16	35.21	37.52	40.14	43.13

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- 2023E tax DD&A assumes 80% bonus depreciation calculated as the midpoint of the enterprise value range plus 2023E capital expenditures
- Per DCP Management as of December 31, 2022
- Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.3mm phantom and performance units

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## Supplemental Valuation Materials – Higher Commodity Prices

### C Peer Group Trading Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2023E Adjusted EBITDA		\$1,860	
Relevant EBITDA Multiple	8.25x	-	9.25x
<b>Implied Enterprise Value Based on 2023E Adjusted EBITDA</b>	<b>\$15,345</b>	<b>-</b>	<b>\$17,205</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$9,685</b>	<b>-</b>	<b>\$11,545</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2023E EBITDA</b>	<b>\$46.20</b>	<b>-</b>	<b>\$55.07</b>
<hr/>			
2024E Adjusted EBITDA		\$1,718	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2024E Adjusted EBITDA</b>	<b>\$13,742</b>	<b>-</b>	<b>\$15,459</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$8,082</b>	<b>-</b>	<b>\$9,799</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2024E EBITDA</b>	<b>\$38.55</b>	<b>-</b>	<b>\$46.74</b>
<b>Implied DCP Unit Price Range - 2023E and 2024E EBITDA</b>	<b>\$38.55</b>	<b>-</b>	<b>\$55.07</b>

1. As of December 31, 2022



## Supplemental Valuation Materials – Higher Commodity Prices

### C Peer Group Trading Analysis – Price/DCF per LP Unit

(\$ in millions, except per unit amounts)

2023E DCF / LP Unit		\$6.71	
Relevant Multiple	7.0x	-	8.0x
Implied DCP Unit Price Range - 2023E Price / DCF	\$46.98	-	\$53.69
2024E DCF / LP Unit		\$6.23	
Relevant Multiple	6.0x	-	7.0x
Implied DCP Unit Price Range - 2024E Price / DCF	\$37.36	-	\$43.59
Implied DCP Unit Price Range - 2023E and 2024E Price / DCF	\$37.36	-	\$53.69

## Supplemental Valuation Materials – Higher Commodity Prices

### C Precedent M&A Transaction Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2022E Adjusted EBITDA		\$1,717	
Relevant EBITDA Multiple	7.25x	-	9.25x
<b>Implied Enterprise Value Based on 2022E Adjusted EBITDA</b>	<b>\$12,446</b>	<b>-</b>	<b>\$15,879</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$6,785</b>	<b>-</b>	<b>\$10,219</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2022E EBITDA</b>	<b>\$32.37</b>	<b>-</b>	<b>\$48.74</b>

1. As of December 31, 2022

## Downside Case

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## Supplemental Valuation Materials – Lower Commodity Prices

### D Discounted Cash Flow Analysis

(\$ in millions, except per unit amounts)

#### Summary Results

	For the Years Ending December 31,					Exit Multiple	Perpetuity Growth
	2023E	2024E	2025E	2026E	2027E		
Adjusted EBITDA	\$1,300	\$1,136	\$1,112	\$1,090	\$1,082	\$1,082	\$1,082
Less: Tax Depreciation and Amortization <sup>1</sup>	(10,031)	(154)	(127)	(118)	(116)		(125)
EBIT	(\$8,730)	\$983	\$984	\$972	\$967		\$957
Less: Cash Taxes	—	(58)	(58)	(72)	(72)		(354)
EBIAT	(\$8,730)	\$924	\$926	\$900	\$895		\$603
Plus: Tax Depreciation and Amortization	10,031	154	127	118	116		125
Less: Maintenance Capex	(150)	(150)	(125)	(125)	(125)		(125)
Less: Growth Capex	(125)	(50)	(50)	(50)	(50)		—
Unlevered Free Cash Flow	\$1,025	\$878	\$878	\$843	\$836		\$603
EBITDA Multiple / Perpetuity Growth Rate						8.75x	1.0%
Implied Terminal Value						\$9,469	\$8,701
Present Value of Terminal Value @ 8.0% Discount Rate						\$6,444	\$5,698
Plus: Present Value of Unlevered Free Cash Flow @ 8.0% Discount Rate						3,729	
<b>Implied Enterprise Value</b>						<b>\$10,173</b>	<b>\$9,427</b>
Less: Preferred Equity <sup>2</sup>						(\$271)	
Less: Net Debt <sup>2</sup>						(5,364)	
Less: Noncontrolling Interests <sup>2</sup>						(25)	
<b>Implied Equity Value</b>						<b>\$4,513</b>	<b>\$3,767</b>
DCP Units Outstanding <sup>3</sup>						210	
<b>Implied Value per Unit</b>						<b>\$21.53</b>	<b>\$17.97</b>

#### Sensitivity Analysis

		Terminal Exit Multiple					Perpetuity Growth Rate					
		7.75x	8.25x	8.75x	9.25x	9.75x	--%	0.5%	1.0%	1.5%	2.0%	
WACC	7.0%	\$19.69	\$21.53	\$23.37	\$25.21	\$27.05	7.0%	\$19.49	\$21.82	\$24.54	\$27.75	\$31.61
	7.5%	18.84	20.64	22.44	24.23	26.03	7.5%	16.74	18.72	21.00	23.66	26.81
	8.0%	18.01	19.77	21.53	23.28	25.04	8.0%	14.33	16.03	17.97	20.20	22.81
	8.5%	17.21	18.93	20.64	22.36	24.08	8.5%	12.21	13.67	15.34	17.23	19.42
	9.0%	16.42	18.10	19.78	21.46	23.13	9.0%	10.32	11.60	13.03	14.66	16.52
WACC	7.0%						7.0%					
	7.5%						7.5%					
	8.0%						8.0%					
	8.5%						8.5%					
	9.0%						9.0%					

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- 2023E tax DD&A assumes 80% bonus depreciation calculated as the midpoint of the enterprise value range plus 2023E capital expenditures
- Per DCP Management as of December 31, 2022
- Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.3mm phantom and performance units

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## Supplemental Valuation Materials – Lower Commodity Prices

### D Peer Group Trading Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2023E Adjusted EBITDA		\$1,300	
Relevant EBITDA Multiple	8.25x	-	9.25x
<b>Implied Enterprise Value Based on 2023E Adjusted EBITDA</b>	<b>\$10,729</b>	<b>-</b>	<b>\$12,029</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$5,069</b>	<b>-</b>	<b>\$6,369</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2023E EBITDA</b>	<b>\$24.18</b>	<b>-</b>	<b>\$30.38</b>
<hr/>			
2024E Adjusted EBITDA		\$1,136	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2024E Adjusted EBITDA</b>	<b>\$9,090</b>	<b>-</b>	<b>\$10,226</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$3,430</b>	<b>-</b>	<b>\$4,566</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2024E EBITDA</b>	<b>\$16.36</b>	<b>-</b>	<b>\$21.78</b>
<b>Implied DCP Unit Price Range - 2023E and 2024E EBITDA</b>	<b>\$16.36</b>	<b>-</b>	<b>\$30.38</b>

1. As of December 31, 2022

## Supplemental Valuation Materials – Lower Commodity Prices

### D Peer Group Trading Analysis – Price/DCF per LP Unit

(\$ in millions, except per unit amounts)

2023E DCF / LP Unit		\$3.94	
Relevant Multiple	7.0x	-	8.0x
Implied DCP Unit Price Range - 2023E Price / DCF	\$27.56	-	\$31.49
2024E DCF / LP Unit		\$3.30	
Relevant Multiple	6.0x	-	7.0x
Implied DCP Unit Price Range - 2024E Price / DCF	\$19.79	-	\$23.09
Implied DCP Unit Price Range - 2023E and 2024E Price / DCF	\$19.79	-	\$31.49

## Supplemental Valuation Materials – Lower Commodity Prices

### D Precedent M&A Transaction Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2022E Adjusted EBITDA		\$1,717	
Relevant EBITDA Multiple	7.25x	-	9.25x
<b>Implied Enterprise Value Based on 2022E Adjusted EBITDA</b>	<b>\$12,446</b>	-	<b>\$15,879</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$6,785</b>	-	<b>\$10,219</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2022E EBITDA</b>	<b>\$32.37</b>	-	<b>\$48.74</b>

1. As of December 31, 2022

## Analysis at Various Prices

Offer	DCP Price per Unit	Implied Premium to:				EV / EBITDA <sup>1</sup>		For Reference Only Implied Premium to:
		August 17 Price \$34.75	10-Day VWAP <sup>2</sup> of \$34.46	20-Day VWAP <sup>2</sup> of \$33.88	30-Day VWAP <sup>2</sup> of \$32.49	2022E	2023E	November 11 Price \$38.73
Initial Offer	\$34.75	--%	0.8%	2.6%	6.9%	7.4x	7.6x	(10.3%)
	35.00	0.7%	1.6%	3.3%	7.7%	7.4	7.6	(9.6%)
	36.00	3.6%	4.5%	6.2%	10.8%	7.5	7.8	(7.0%)
	37.00	6.5%	7.4%	9.2%	13.9%	7.7	7.9	(4.5%)
	38.00	9.4%	10.3%	12.1%	16.9%	7.8	8.0	(1.9%)
Current Offer	38.25	10.1%	11.0%	12.9%	17.7%	7.8	8.1	(1.2%)
	39.00	12.2%	13.2%	15.1%	20.0%	7.9	8.1	0.7%
	40.00	15.1%	16.1%	18.1%	23.1%	8.0	8.3	3.3%
	41.00	18.0%	19.0%	21.0%	26.2%	8.1	8.4	5.9%
	42.00	20.9%	21.9%	24.0%	29.3%	8.3	8.5	8.4%
	43.00	23.7%	24.8%	26.9%	32.3%	8.4	8.6	11.0%
	44.00	26.6%	27.7%	29.9%	35.4%	8.5	8.8	13.6%
	45.00	29.5%	30.6%	32.8%	38.5%	8.6	8.9	16.2%
	46.00	32.4%	33.5%	35.8%	41.6%	8.7	9.0	18.8%
	47.00	35.3%	36.4%	38.7%	44.6%	8.9	9.1	21.4%
	48.00	38.1%	39.3%	41.7%	47.7%	9.0	9.3	23.9%
DCP 1st Counter	49.00	41.0%	42.2%	44.6%	50.8%	9.1	9.4	26.5%

Source: DCP filings, FactSet; as of November 11, 2022

1. EBITDA based on the DCP Financial Projections; Enterprise Value assumes balance sheet items as of December 31, 2022 per management model

2. Based on August 17, 2022 unaffected price date

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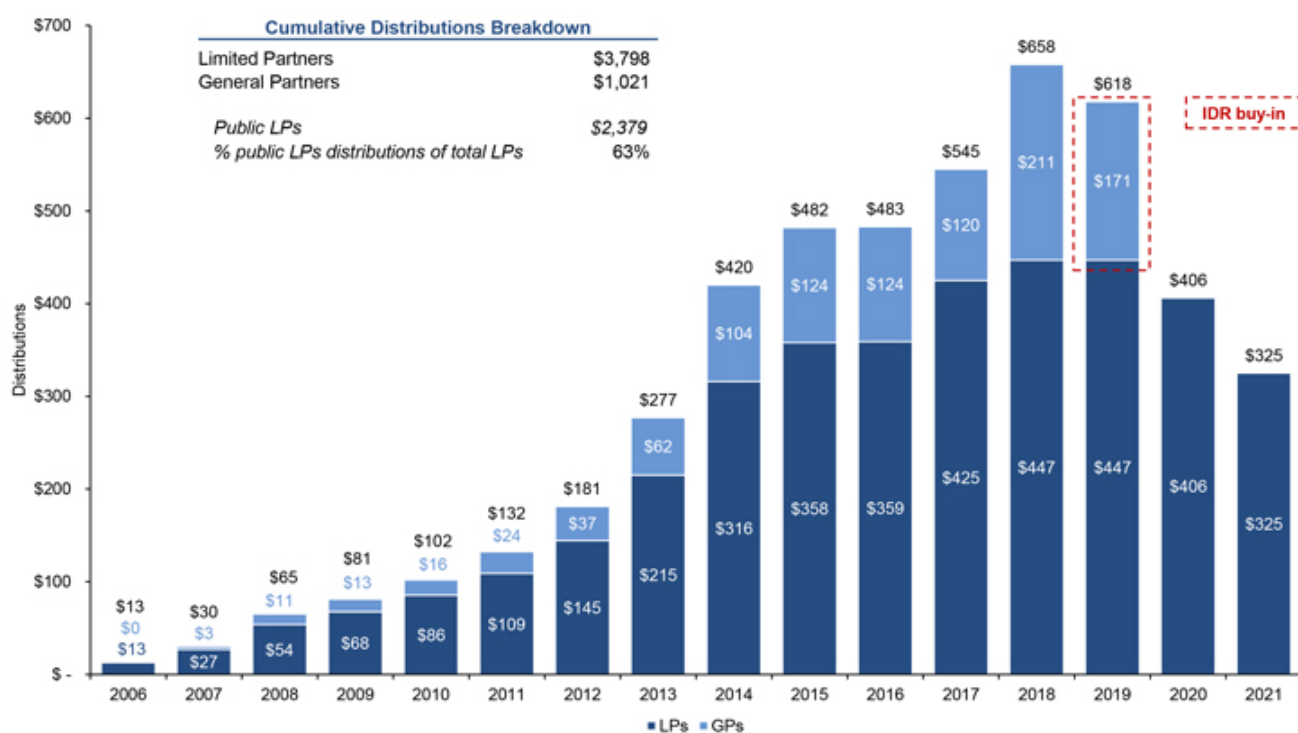
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## DCP Distributions Analysis

(\$ in millions)

### DCP Distributions 2006–2021



Source: DCP filings

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## DCP Financial Performance Overview

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November 15, 2022

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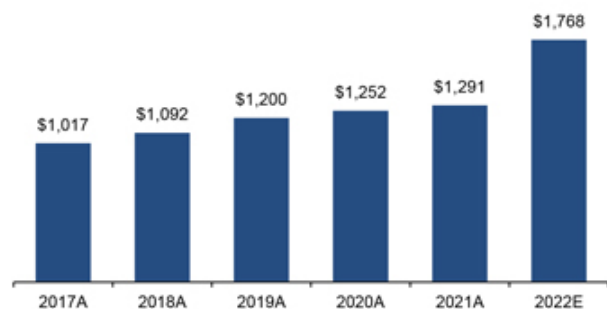


## DCP Financial Performance Overview

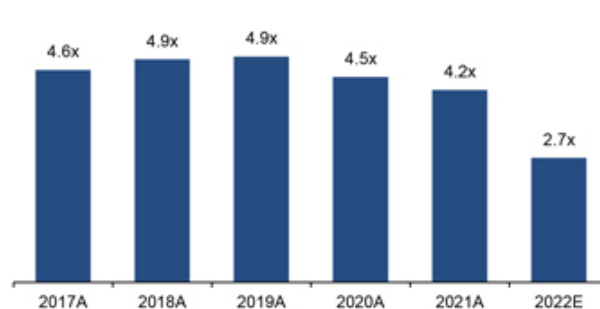
(\$ in millions, except per unit amounts)

### DCP Historical Performance – Continued Improvement

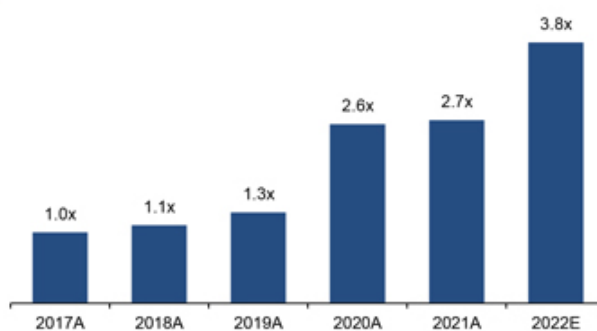
Adjusted EBITDA



Total Debt / EBITDA



Coverage Ratio



Source: Public Filings; FactSet; as of November 11, 2022

## DCP Financial Performance Overview

(\$ in millions, except per unit amounts)

### DCP Financial Projections – Project Speedmaster vs. Project Dynamo

PRIOR - Project Speedmaster Management Projections <sup>1</sup>						
	2022E	2023E	2024E	2025E	2026E	2027E
NGLs (\$/Gal)	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60	\$0.60
WTI (\$/Bbl)	57.00	57.00	57.00	57.00	57.00	57.00
Henry Hub (\$/MMBtu)	2.80	2.80	2.80	2.80	2.80	2.80
<b>EBITDA</b>	<b>\$1,441</b>	<b>\$1,486</b>	<b>\$1,527</b>	<b>\$1,527</b>	<b>\$1,527</b>	<b>\$1,527</b>
<b>Growth Capital</b>	<b>\$250</b>	<b>\$250</b>	<b>\$250</b>	<b>\$250</b>	<b>\$250</b>	<b>\$250</b>
<div>Unclear on why EBITDA is lower in Current projections</div>						
CURRENT - Project Dynamo Management Projections						
	2022E	2023E	2024E	2025E	2026E	2027E
NGLs (\$/Gal)	\$1.04	\$0.75	\$0.66	\$0.60	\$0.60	\$0.60
WTI (\$/Bbl)	93.75	73.80	68.04	64.12	61.16	58.81
Henry Hub (\$/MMBtu)	7.26	5.56	4.76	4.59	4.52	4.50
<b>EBITDA</b>	<b>\$1,749</b>	<b>\$1,698</b>	<b>\$1,578</b>	<b>\$1,498</b>	<b>\$1,474</b>	<b>\$1,453</b>
<b>Growth Capital</b>	<b>\$140</b>	<b>\$125</b>	<b>\$50</b>	<b>\$50</b>	<b>\$50</b>	<b>\$50</b>
<b>EBITDA Difference</b>	<b>\$308</b>	<b>\$212</b>	<b>\$51</b>	<b>(\$29)</b>	<b>(\$53)</b>	<b>(\$74)</b>
<b>% Difference</b>	<b>21.4%</b>	<b>14.2%</b>	<b>3.3%</b>	<b>(1.9%)</b>	<b>(3.5%)</b>	<b>(4.8%)</b>

Source: DCP Management

1. Project Speedmaster Management Projections run through 2024E and are held flat thereafter

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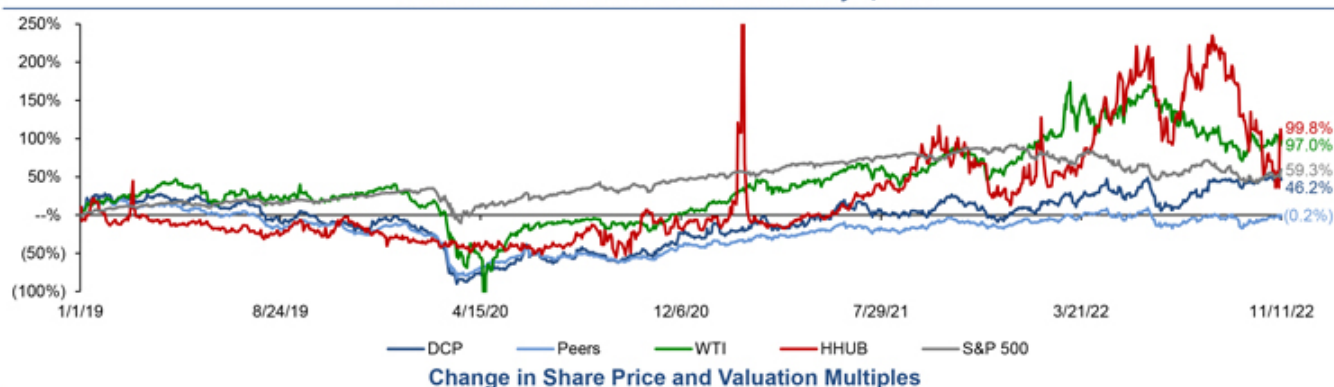
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## Historical Multiples and Share Price Performance

Relative Price Performance Since January 1, 2019<sup>1</sup>



	Share Price									EV / NTM EBITDA <sup>2</sup>								
	12/31/18	12/31/19	12/31/20	12/31/21	11/11/22	Δ 12/18-12/19	Δ 12/18-12/20	Δ 12/18-12/21	Δ 12/18-11/22	12/31/18	12/31/19	12/31/20	12/31/21	11/11/22	Δ 12/18-12/19	Δ 12/18-12/20	Δ 12/18-12/21	Δ 12/18-11/22
DCP	\$26.49	\$24.49	\$18.52	\$27.48	\$38.73	(7.6%)	(30.1%)	3.7%	46.2%	7.9x	8.5x	8.6x	8.1x	7.7x	6.9%	9.2%	2.0%	(2.9%)
<b>Peers:</b>																		
AM	\$11.18	\$7.59	\$7.71	\$9.68	\$11.18	(32.1%)	(31.0%)	(13.4%)	0.0%	2.7x	6.9x	8.1x	8.8x	9.1x	159.2%	200.5%	228.0%	239.4%
CEQP	27.91	30.82	18.98	27.59	28.96	10.4%	(32.0%)	(1.1%)	3.8%	9.5	9.3	8.9	6.8	7.8	(2.1%)	(6.6%)	(28.3%)	(18.0%)
DTM	NA	NA	NA	47.98	60.06	NA	NA	NA	NA	NA	NA	NA	9.8	9.7	NA	NA	NA	NA
ENLC	9.49	6.13	3.71	6.89	12.02	(35.4%)	(60.9%)	(27.4%)	26.7%	8.2	8.7	8.6	8.6	9.0	6.1%	3.7%	4.4%	9.7%
ETRN	20.02	13.36	8.04	10.34	8.32	(33.3%)	(59.8%)	(48.4%)	(58.4%)	12.4	10.5	9.5	10.3	10.8	(15.2%)	(23.1%)	(16.9%)	(12.7%)
HESM	16.98	22.68	19.57	27.63	28.91	33.6%	15.3%	62.7%	70.3%	28.1	4.6	4.0	3.9	4.1	(83.6%)	(85.8%)	(86.1%)	(85.5%)
KNTK	77.30	28.60	23.73	30.66	34.94	(63.0%)	(69.3%)	(60.3%)	(54.8%)	23.6	9.0	10.0	11.2	8.7	(61.9%)	(57.6%)	(52.5%)	(63.1%)
OKE	53.95	75.67	38.38	58.76	64.65	40.3%	(28.9%)	8.9%	19.8%	12.1	13.7	10.1	11.0	11.0	13.9%	(16.2%)	(8.7%)	(8.7%)
SMLP	150.75	49.65	12.49	22.20	20.14	(67.1%)	(91.7%)	(85.3%)	(86.6%)	7.1	6.5	6.7	7.0	5.3	(8.2%)	(6.2%)	(1.2%)	(25.1%)
TRGP	36.02	40.83	26.38	52.24	72.64	13.4%	(26.8%)	45.0%	101.7%	10.3	12.6	10.4	9.7	9.1	22.8%	0.6%	(5.5%)	(12.0%)
WES	27.73	19.69	13.82	22.27	28.38	(29.0%)	(50.2%)	(19.7%)	2.3%	7.8	8.7	7.3	7.9	8.3	11.4%	(6.6%)	0.8%	6.0%
Peer Median						(30.6%)	(41.1%)	(16.6%)	3.1%	9.9x	8.9x	8.7x	8.8x	9.0x	2.0%	(6.6%)	(7.1%)	(12.3%)

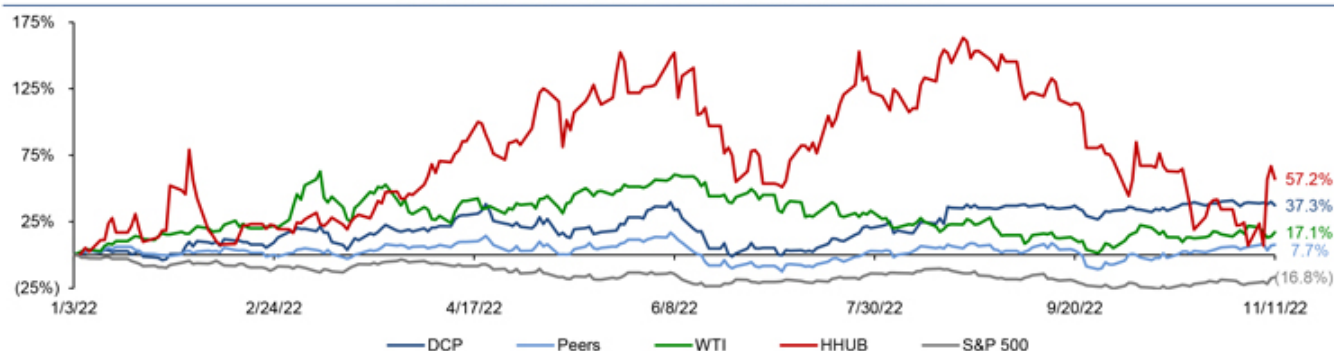
Source: FactSet market data as of November 11, 2022

1. Peers relative price performance calculated as an average of Peers indexed price performance

2. EV / NTM EBITDAX based on FactSet Consensus trading multiples

## Historical Multiples and Share Price Performance

Relative Price Performance Since January 3, 2022<sup>1</sup>



### Change in Share Price and Valuation Multiples

	Share Price			EV / NTM EBITDA <sup>2</sup>		
	8/17/22	Current	Δ 8/17/22 - Current	8/17/22	Current	Δ 8/17/22 - Current
<b>DCP</b>	\$34.75	\$38.73	11.5%	7.4x	7.7x	3.4%
<b>Peers:</b>						
AM	\$10.32	\$11.18	8.3%	9.0x	9.1x	1.0%
CEQP	26.03	28.96	11.3%	6.5	7.8	19.6%
DTM	57.27	60.06	4.9%	10.1	9.7	(3.7%)
ENLC	9.84	12.02	22.2%	8.4	9.0	7.9%
ETRN	9.53	8.32	(12.7%)	11.1	10.8	(2.3%)
HESM	29.99	28.91	(3.6%)	4.0	4.1	0.9%
KNTK	38.61	34.94	(9.5%)	9.3	8.7	(6.1%)
OKE	62.96	64.65	2.7%	11.1	11.0	(0.4%)
SMLP	15.97	20.14	26.1%	7.2	5.3	(26.6%)
TRGP	67.44	72.64	7.7%	8.3	9.1	9.1%
WES	27.44	28.38	3.4%	8.0	8.3	3.7%
<b>Peer Median</b>	<b>\$27.44</b>	<b>\$28.91</b>	<b>4.9%</b>	<b>8.4x</b>	<b>9.0x</b>	<b>0.9%</b>

Source: FactSet market data as of November 11, 2022

1. First trading day of 2022 – peers relative price performance calculated as an average of Peers indexed price performance

2. EV / NTM EBITDAX based on FactSet Consensus trading multiples



## Analysis at Various Prices

Offer	DCP Price per Unit	Implied Premium to:				EV / EBITDA <sup>1</sup>		For Reference Only Implied Premium to:
		August 17 Price \$34.75	10-Day VWAP <sup>2</sup> of \$34.46	20-Day VWAP <sup>2</sup> of \$33.88	30-Day VWAP <sup>2</sup> of \$32.49	2022E	2023E	November 28 Price \$38.65
Initial Offer	\$34.75	—%	0.8%	2.6%	6.9%	7.4x	7.6x	(10.1%)
	35.00	0.7%	1.6%	3.3%	7.7%	7.4	7.6	(9.4%)
	36.00	3.6%	4.5%	6.2%	10.8%	7.5	7.8	(6.9%)
	37.00	6.5%	7.4%	9.2%	13.9%	7.7	7.9	(4.3%)
	38.00	9.4%	10.3%	12.1%	16.9%	7.8	8.0	(1.7%)
2nd Offer	38.25	10.1%	11.0%	12.9%	17.7%	7.8	8.1	(1.0%)
	39.00	12.2%	13.2%	15.1%	20.0%	7.9	8.1	0.9%
Current Offer	39.25	12.9%	13.9%	15.8%	20.8%	7.9	8.2	1.6%
	40.00	15.1%	16.1%	18.1%	23.1%	8.0	8.3	3.5%
	41.00	18.0%	19.0%	21.0%	26.2%	8.1	8.4	6.1%
	42.00	20.9%	21.9%	24.0%	29.3%	8.3	8.5	8.7%
	43.00	23.7%	24.8%	26.9%	32.3%	8.4	8.6	11.3%
	44.00	26.6%	27.7%	29.9%	35.4%	8.5	8.8	13.8%
	45.00	29.5%	30.6%	32.8%	38.5%	8.6	8.9	16.4%
	46.00	32.4%	33.5%	35.8%	41.6%	8.7	9.0	19.0%
SC 2nd Counter	47.00	35.3%	36.4%	38.7%	44.6%	8.9	9.1	21.6%
	47.25	36.0%	37.1%	39.4%	45.4%	8.9	9.2	22.3%
SC 1st Counter	48.00	38.1%	39.3%	41.7%	47.7%	9.0	9.3	24.2%
	49.00	41.0%	42.2%	44.6%	50.8%	9.1	9.4	26.8%

Source: DCP filings, FactSet; as of November 28, 2022

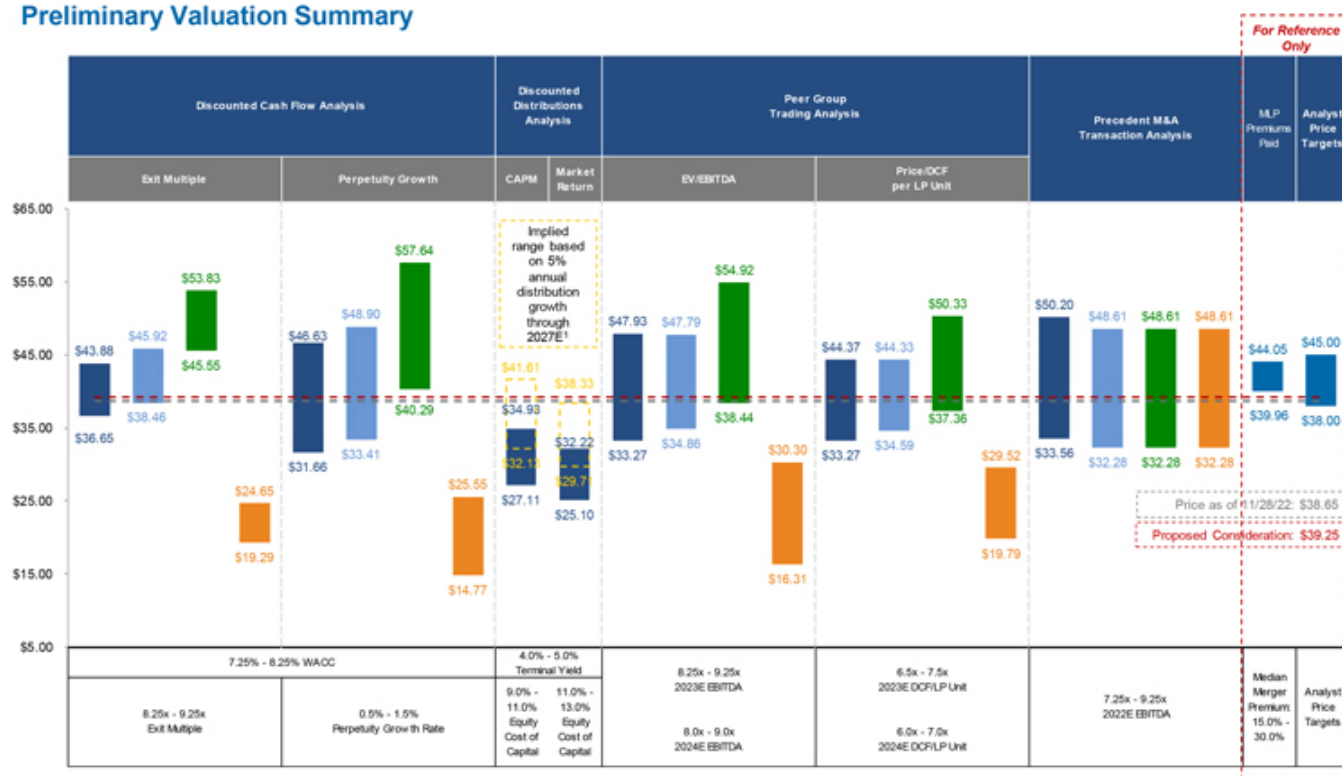
1. EBITDA based on the DCP Financial Projections; Enterprise Value assumes balance sheet items as of December 31, 2022 per management model

2. Based on August 17, 2022 unaffected price date



# Preliminary Valuation of the Common Units

## Preliminary Valuation Summary



1. For reference only: sensitivity case using a 5% annual distribution growth rate which assumes lower than the commodity super cycle board assumption of 7.5% growth and management 0% growth scenarios

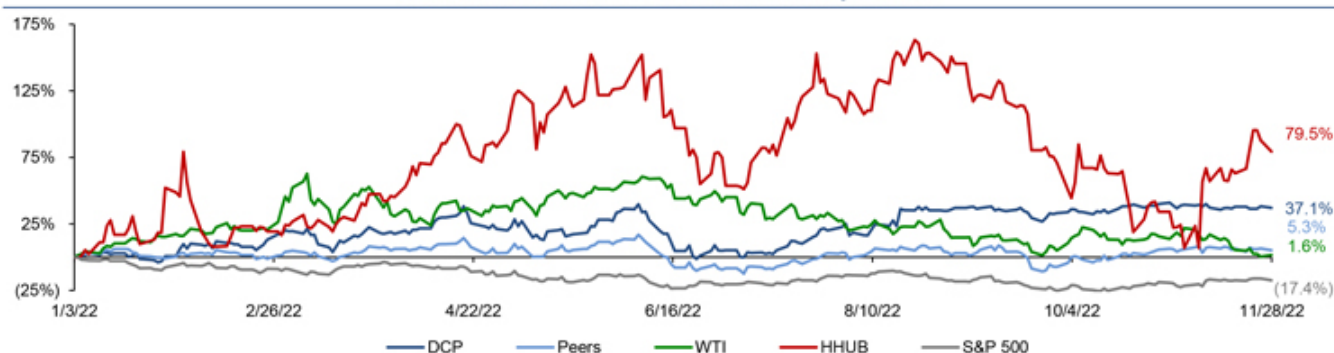
# Appendix

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EVERCORE

## Historical Multiples and Share Price Performance

Relative Price Performance Since January 3, 2022<sup>1</sup>



### Change in Share Price and Valuation Multiples

	Share Price			EV / NTM EBITDA <sup>2</sup>		
	8/17/22	Current	Δ 8/17/22 - Current	8/17/22	Current	Δ 8/17/22 - Current
<b>DCP</b>	\$34.75	\$38.65	11.2%	7.4x	7.8x	0.4x
<b>Peers:</b>						
AM	\$10.32	\$10.97	6.3%	9.0x	9.2x	0.2x
CEQP	26.03	28.40	9.1%	6.5	8.3	1.8
DTM	57.27	58.66	2.4%	10.1	10.2	0.1
ENLC	9.84	12.38	25.8%	8.4	9.0	0.7
ETRN	9.53	7.86	(17.5%)	11.1	10.3	(0.8)
HESM	29.99	29.57	(1.4%)	9.5	9.5	(0.1)
KNTK	38.61	32.51	(15.8%)	9.3	9.0	(0.3)
OKE	62.96	63.72	1.2%	11.1	10.6	(0.5)
SMLP	15.97	20.23	26.7%	7.2	6.6	(0.6)
TRGP	67.44	72.29	7.2%	8.3	9.0	0.7
WES	27.44	27.01	(1.6%)	8.0	7.9	(0.1)
<b>Peer Median</b>	<b>\$27.44</b>	<b>\$28.40</b>	<b>2.4%</b>	<b>9.0x</b>	<b>9.0x</b>	<b>(0.1x)</b>

Source: FactSet market data as of November 28, 2022

1. First trading day of 2022 – peers relative price performance calculated as an average of Peers indexed price performance

2. EV / NTM EBITDAX based on FactSet Consensus trading multiples

## Preliminary Valuation of the Common Units

### Peer Group Trading Analysis

(\$ in millions, except per unit/share amounts)

Partnership / Company	Price 11/28/22	Equity Value	Enterprise Value	Enterprise Value/EBITDA 2023E	Enterprise Value/EBITDA 2024E	Price/DCF		Distribution Yield		Dist. Growth	Net Debt / 2023E EBITDA
						/ CAFD per Share		Current	2023E		
						2023E	2024E				
Gathering & Processing MLPs/Companies											
Antero Midstream Corporation	\$10.97	\$5,308	\$8,678	9.1x	8.6x	9.2x	8.1x	8.2%	8.2%	NM	3.5x
Crestwood Equity Partners LP	28.40	3,057	7,461	8.2	7.8	5.1	4.7	9.2%	9.2%	3.7%	3.7
DT Midstream, Inc.	58.66	5,747	9,149	10.1	9.5	9.9	9.3	4.4%	4.6%	6.9%	3.6
EnLink Midstream, LLC	12.38	5,997	12,192	9.0	8.8	6.0	5.8	3.6%	4.0%	10.0%	3.4
Equitrans Midstream Corporation	7.86	3,438	10,882	10.4	9.2	6.3	5.4	7.6%	7.6%	2.4%	6.0
Hess Midstream Partners LP	29.57	7,097	10,003	9.4	8.8	8.1	7.8	7.6%	7.9%	4.0%	2.7
Kinetik Holdings Inc.	32.51	4,465	7,904	8.8	7.8	6.1	5.3	9.2%	9.6%	4.2%	3.8
ONEOK, Inc.	63.72	28,592	41,445	10.6	10.3	11.7	11.0	5.9%	5.9%	4.0%	3.3
Summit Midstream Partners, LP	20.23	213	1,944	6.5	6.0	NM	NM	—%	—%	NM	5.1
Targa Resources Corp.	72.29	16,694	30,046	8.9	8.7	7.0	6.8	1.9%	2.2%	10.0%	3.3
Western Midstream Partners, LP	27.01	10,711	17,520	7.8	7.6	6.3	5.9	7.4%	7.4%	11.8%	3.0
Mean				9.0x	8.5x	7.6x	7.0x	5.9%	6.1%	6.3%	3.8x
Median				9.0	8.7	6.6	6.3	7.4%	7.4%	4.2%	3.5
DCP Midstream, LP (Consensus) <sup>1</sup>	\$38.65	\$8,078	\$13,594	7.8x	8.2x	6.3x	6.7x	4.5%	4.7%	3.1%	2.7x
DCP Midstream, LP (DCP Financial Projections) <sup>1</sup>	\$38.65	\$8,078	\$13,594	8.0x	8.6x	6.5x	7.0x	4.5%	4.4%	—%	3.0x

Source: Company filings, FactSet, Wall Street Research; as of November 28, 2022  
 1. Balance sheet data as of September 30, 2022

# Weighted Average Cost of Capital Analysis

## DCP Common Units – Capital Asset Pricing Model

(\$ in millions, except per unit/share amounts)

	Partnership/Corporation	Unit/Share Price 11/28/22	Market Equity Value	Total Debt and Preferred Equity	Total Debt / Total Capitalization	Adjusted Beta <sup>1</sup>	Unlevered Beta <sup>2</sup>
CAPM	Antero Midstream Corporation	\$10.97	\$5,308	\$3,370	38.8%	0.77	0.51
	Crestwood Equity Partners LP	28.40	3,057	4,182	57.8%	0.60	0.31
	EnLink Midstream, LLC	12.38	5,997	4,579	43.3%	1.01	0.63
	Equitrans Midstream Corporation	7.86	3,438	7,014	67.1%	0.89	0.34
	Hess Midstream Partners LP	29.57	7,097	2,909	29.1%	0.73	0.57
	Kinetik Holdings Inc.	32.51	4,465	3,448	43.6%	0.76	0.47
	ONEOK, Inc.	63.72	28,592	12,876	31.1%	1.03	0.76
	Summit Midstream Partners, LP	20.23	213	1,728	89.0%	0.91	0.13
	Targa Resources Corp.	72.29	16,694	11,198	40.1%	0.90	0.59
	Western Midstream Partners, LP	27.01	10,711	7,095	39.8%	0.88	0.60
				Mean	48.0%	0.85	0.49
				Median	41.7%	0.89	0.54
	DCP Midstream, LP	\$38.65	\$8,078	\$5,584	40.9%	0.74	0.50
WACC	Risk-free Rate <sup>3</sup>	4.0%					
	Unlevered Beta	0.50					
	Debt and Preferred / Total Capitalization	40.9%					
	Adjusted Levered Equity Beta	0.74					
	Supply-Side MRP	6.2%	Historical MRP	7.5%			
	Market Risk Premium ("MRP") <sup>4</sup>	6.2%		7.5%			
	Small Company Risk Premium <sup>5</sup>	0.7%					
	Equity Cost of Capital <sup>6</sup>	9.3%		10.2%			
	Pre-Tax Cost of Debt <sup>7</sup>	6.0%					
	After-Tax Cost of Debt <sup>8</sup>	4.2%					
	WACC	7.2%		7.7%			

### DCP Midstream Cost of Debt<sup>7</sup>

	Yield-to-Worst
DCP Midstream 5.600% Senior Notes Due 2044	6.08%
U.S. Treasury Note Due 2042	3.97%
Less: U.S. Treasury Note Due 2044	4.08%
	(0.11%)
DCP Midstream Implied 20-Year Cost of Debt	5.97%

### WACC Sensitivity (Supply-Side / Historical)

Unlevered Beta	Debt and Preferred / Total Capitalization				
	45.0%	50.0%	55.0%	60.0%	65.0%
0.45	6.9% / 7.4%	6.8% / 7.3%	6.8% / 7.2%	6.7% / 7.2%	6.6% / 7.1%
0.50	7.2% / 7.7%	7.1% / 7.6%	7.0% / 7.5%	7.0% / 7.5%	6.9% / 7.4%
0.55	7.4% / 8.0%	7.4% / 7.9%	7.3% / 7.9%	7.2% / 7.8%	7.1% / 7.7%
0.60	7.7% / 8.3%	7.6% / 8.3%	7.5% / 8.2%	7.5% / 8.1%	7.4% / 8.0%
0.65	8.0% / 8.7%	7.9% / 8.6%	7.8% / 8.5%	7.7% / 8.4%	7.6% / 8.3%

### Equity Cost of Capital Sensitivity (Supply-Side / Historical)

Unlevered Beta	Debt and Preferred / Total Capitalization				
	45.0%	50.0%	55.0%	60.0%	65.0%
0.45	9.1% / 10.0%	9.4% / 10.4%	9.9% / 10.9%	10.4% / 11.6%	11.1% / 12.4%
0.50	9.6% / 10.6%	10.0% / 11.0%	10.5% / 11.6%	11.1% / 12.3%	11.9% / 13.3%
0.55	10.1% / 11.1%	10.5% / 11.7%	11.0% / 12.3%	11.7% / 13.1%	12.6% / 14.1%
0.60	10.6% / 11.7%	11.0% / 12.3%	11.6% / 13.0%	12.4% / 13.9%	13.3% / 15.0%
0.65	11.1% / 12.3%	11.6% / 12.9%	12.2% / 13.7%	13.0% / 14.6%	14.0% / 15.9%

- Source: Predicted raw betas from FactSet; Adjusted Equity Beta calculated as:  $(0.67) \times \text{Raw Beta} + (0.33) \times 1.0$
- Unlevered Beta calculated as:  $\text{Adjusted Equity Beta} \times (E/(E + D \times (1-T)))$ ; Assumes corporate tax rate of 29.6% for partnerships and 21.0% for corporations
- 20-year Treasury as of November 28, 2022
- Source: Duff & Phelps
- Decile: Mid Cap (5) with equity value range of \$6,743.4 million to \$13,177.8 million
- Equity Cost of Capital calculated as:  $\text{Risk-free rate} + (\text{Levered Equity Beta} \times \text{Market Risk Premium}) + \text{Small Company Risk Premium}$
- Implied DCP 20-year cost of debt based on the yield-to-worst of DCP's 5.600% Senior Notes Due 2044 adjusted for 20-year maturity using the implied yield spread from relevant U.S. treasury notes
- Assumes U.S. individual partnership income tax structure through 2025 of 80.0% of income taxable at highest tax rate of 37.0%, or 29.6%

## Weighted Average Cost of Capital Analysis

### DCP Common Units – Total Expected Market Return

(\$ in millions, except per unit/share amounts)

	Partnership/Corporation	Unit/Share Price 11/28/22	Market Equity Value	Current Yield	Distribution/Dividend Growth	Total Return
Total Expected Market Return	Antero Midstream Corporation	\$10.97	\$5,308	8.2%	—%	8.2%
	Crestwood Equity Partners LP	28.40	3,057	9.2%	3.7%	12.9%
	EnLink Midstream, LLC	12.38	5,997	3.6%	10.0%	13.7%
	Equitrans Midstream Corporation	7.86	3,438	7.6%	2.4%	10.0%
	Hess Midstream Partners LP	29.57	7,097	7.6%	4.0%	11.6%
	Kinetik Holdings Inc.	32.51	4,465	9.2%	4.2%	13.5%
	ONEOK, Inc.	63.72	28,592	5.9%	4.0%	9.9%
	Targa Resources Corp.	72.29	16,694	1.9%	10.0%	11.9%
	Western Midstream Partners, LP	27.01	10,711	7.4%	11.8%	19.2%
					Mean	12.3%
					Median	11.9%
	DCP Midstream, LP	\$38.65	\$8,078	4.5%	3.1%	7.6%

WACC		WACC
	Debt and Preferred / Total Capitalization	40.9%
	Market Required Equity Return	11.9%
	Pre-Tax Cost of Debt <sup>1</sup>	6.0%
	After-Tax Cost of Debt <sup>2</sup>	4.2%
	WACC	8.8%

#### DCP Cost of Debt<sup>1</sup>

	Yield-to-Worst
DCP Midstream 5.600% Senior Notes Due 2044	6.08%
U.S. Treasury Note Due 2042	3.97%
Less: U.S. Treasury Note Due 2044	4.08%
	(0.11%)
<b>DCP Midstream Implied 20-Year Cost of Debt</b>	<b>5.97%</b>

1. Implied DCP 20-year cost of debt based on the yield-to-worst of DCP's 5.600% Senior Notes Due 2044 Adjusted for 20-year maturity using the implied yield spread from relevant U.S. treasury notes  
2. Assumes U.S. individual partnership income tax structure through 2025 of 80.0% of income taxable at highest tax rate of 37.0%, or 29.6%

## Analysis at Various Prices

Offer	DCP Price per Unit	Implied Premium to:				EV / EBITDA <sup>1</sup>		For Reference Only Implied Premium to:
		August 17 Price \$34.75	10-Day VWAP <sup>2</sup> of \$34.46	20-Day VWAP <sup>2</sup> of \$33.88	30-Day VWAP <sup>2</sup> of \$32.49	2022E	2023E	December 6 Price \$38.73
Initial Offer	\$34.75	--%	0.8%	2.6%	6.9%	7.4x	7.6x	(10.3%)
	35.00	0.7%	1.6%	3.3%	7.7%	7.4	7.6	(9.6%)
	36.00	3.6%	4.5%	6.2%	10.8%	7.5	7.8	(7.0%)
	37.00	6.5%	7.4%	9.2%	13.9%	7.7	7.9	(4.5%)
	38.00	9.4%	10.3%	12.1%	16.9%	7.8	8.0	(1.9%)
2nd Offer	38.25	10.1%	11.0%	12.9%	17.7%	7.8	8.1	(1.2%)
	39.00	12.2%	13.2%	15.1%	20.0%	7.9	8.1	0.7%
3rd Offer	39.25	12.9%	13.9%	15.8%	20.8%	7.9	8.2	1.3%
Current Offer	39.75	14.4%	15.4%	17.3%	22.3%	8.0	8.2	2.6%
	40.00	15.1%	16.1%	18.1%	23.1%	8.0	8.3	3.3%
	41.00	18.0%	19.0%	21.0%	26.2%	8.1	8.4	5.9%
	42.00	20.9%	21.9%	24.0%	29.3%	8.3	8.5	8.4%
	43.00	23.7%	24.8%	26.9%	32.3%	8.4	8.6	11.0%
	44.00	26.6%	27.7%	29.9%	35.4%	8.5	8.8	13.6%
	45.00	29.5%	30.6%	32.8%	38.5%	8.6	8.9	16.2%
	46.00	32.4%	33.5%	35.8%	41.6%	8.7	9.0	18.8%
SC 3rd Counter	46.25	33.1%	34.2%	36.5%	42.3%	8.8	9.0	19.4%
	47.00	35.3%	36.4%	38.7%	44.6%	8.9	9.1	21.4%
SC 2nd Counter	47.25	36.0%	37.1%	39.4%	45.4%	8.9	9.2	22.0%
	48.00	38.1%	39.3%	41.7%	47.7%	9.0	9.3	23.9%
SC 1st Counter	49.00	41.0%	42.2%	44.6%	50.8%	9.1	9.4	26.5%

Source: DCP filings, FactSet; as of December 6, 2022

1. EBITDA based on the DCP Financial Projections; Enterprise Value assumes balance sheet items as of December 31, 2022 per management model

2. Based on August 17, 2022 unaffected price date

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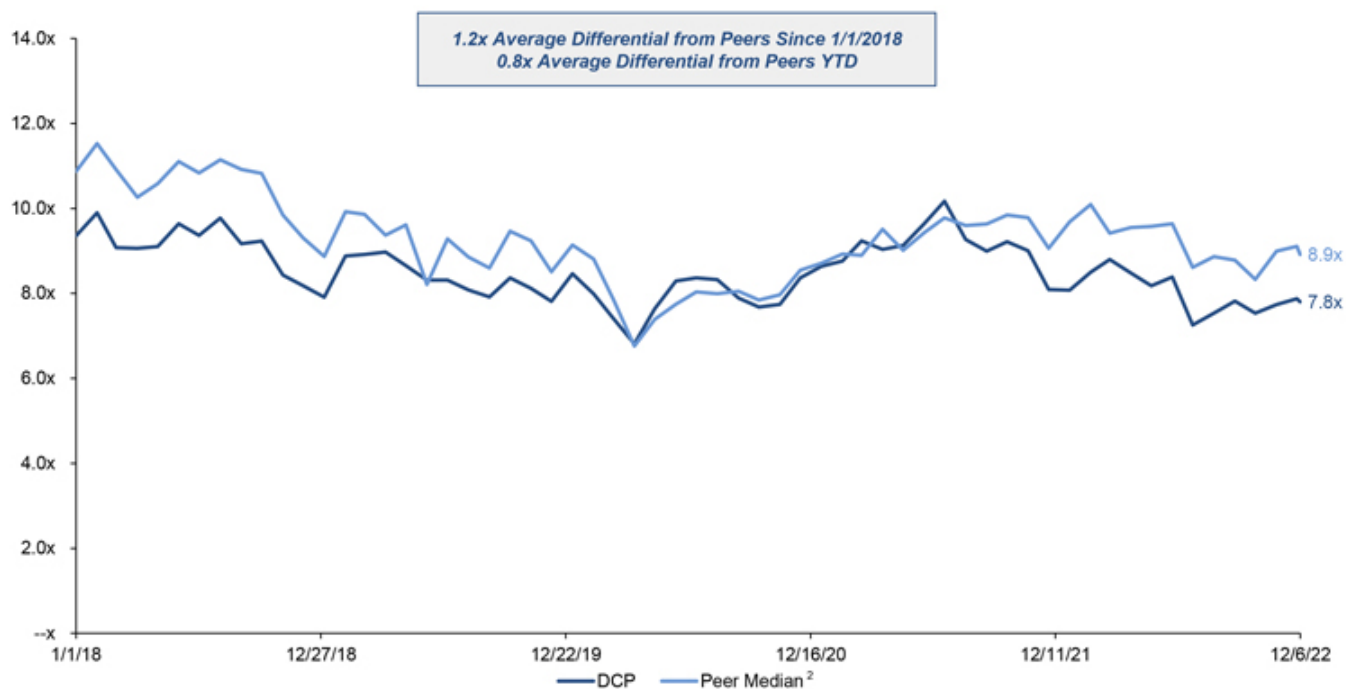




## Historical Multiples

### Change in Valuation Multiples Over Time

#### EV / NTM EBITDA Multiples<sup>1</sup>



Source: FactSet market data as of December 6, 2022

1. EV / NTM EBITDA based on FactSet Consensus trading multiples

2. Peers include AM, CEQP, DTM, ENLC, ETRN, HESM, KNTK, OKE, SMLP, TRGP and WES

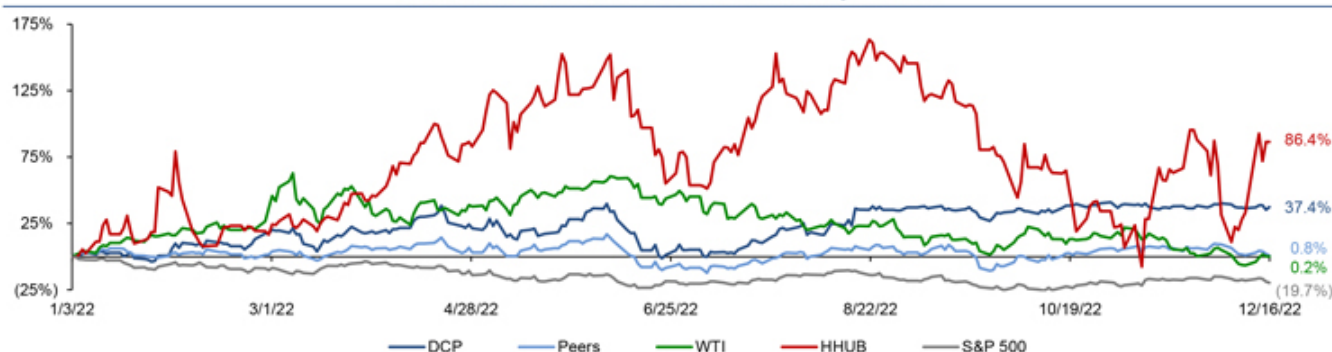
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**dcp**  
Midstream



## Historical Multiples and Share Price Performance

Relative Price Performance Since January 3, 2022<sup>1</sup>



Change in Share Price and Valuation Multiples

	Share Price			EV / NTM EBITDA <sup>2</sup>		
	8/17/22	Current	Δ 8/17/22 - Current	8/17/22	Current	Δ 8/17/22 - Current
<b>DCP</b>	\$34.75	\$38.74	11.5%	7.4x	7.8x	0.4x
<b>Peers:</b>						
AM	\$10.32	\$10.57	2.4%	9.0x	8.7x	(0.3x)
CEQP	26.03	27.53	5.8%	6.5	7.7	1.2
DTM	57.27	55.35	(3.4%)	10.1	9.1	(1.0)
ENLC	9.84	11.56	17.5%	8.4	8.7	0.3
ETRN	9.53	6.72	(29.5%)	11.1	10.2	(0.9)
HESM	29.99	28.54	(4.8%)	9.7	9.2	(0.5)
KNTK	38.61	32.39	(16.1%)	9.3	8.5	(0.8)
OKE	62.96	64.49	2.4%	11.1	10.9	(0.2)
SMLP	15.97	17.53	9.8%	7.2	6.4	(0.8)
TRGP	67.44	70.10	3.9%	8.3	8.7	0.4
WES	27.44	26.26	(4.3%)	8.0	7.9	(0.1)
<b>Peer Median</b>			<b>2.4%</b>	<b>9.0x</b>	<b>8.7x</b>	<b>(0.3x)</b>

Source: FactSet market data as of December 16, 2022

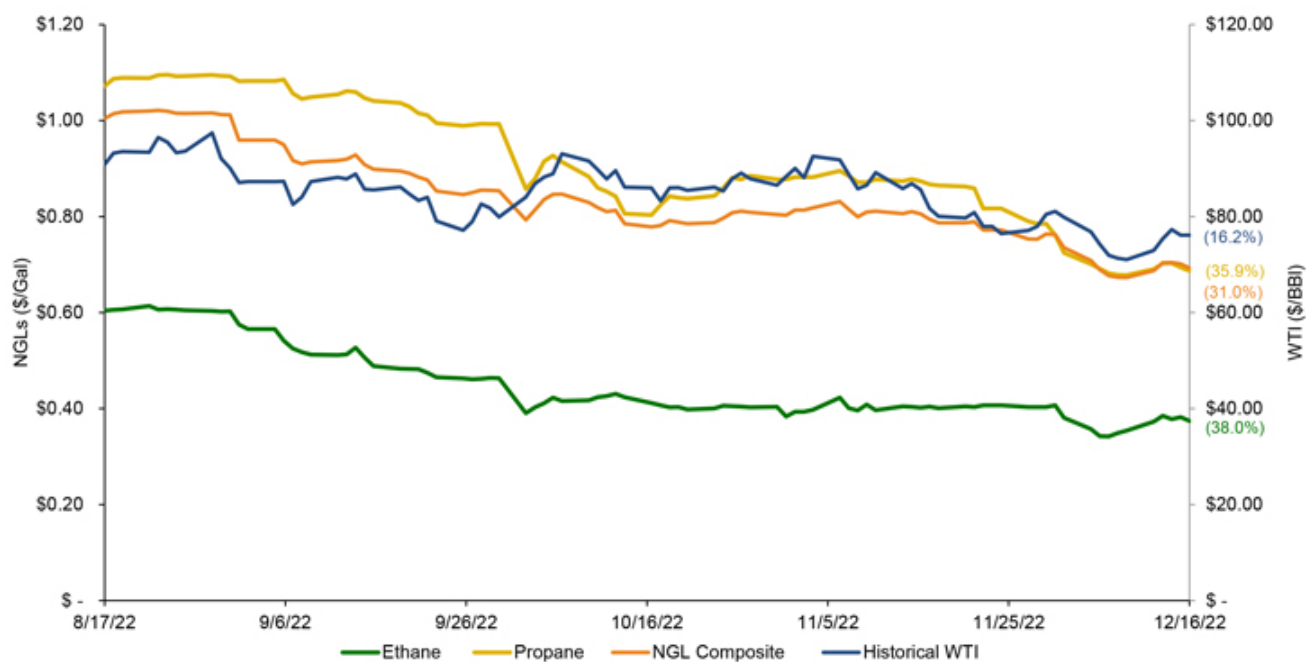
1. First trading day of 2022 – peers relative price performance calculated as an average of Peers indexed price performance

2. EV / NTM EBITDA based on FactSet Consensus trading multiples

## Historical Commodity Prices

### Historical Pricing of NGLs vs. Crude Oil since announcement

Commodity Prices Since August 17, 2022



WTI is down by 16.2% and NGL Composite is down by 31.0% since announcement

Source: FactSet data as of December 16, 2022

## Analysis at Various Prices

Offer	DCP Price per Unit	Implied Premium to:				EV / EBITDA <sup>1</sup>		For Reference Only
		August 17 Price \$34.75	10-Day			2022E	2023E	Implied Premium to: December 16 Price \$38.74
			VWAP <sup>2</sup> of \$34.46	VWAP <sup>2</sup> of \$33.88	VWAP <sup>2</sup> of \$32.49			
Initial Offer	\$34.75	—%	0.8%	2.6%	7.0%	7.4x	7.6x	(10.3%)
	35.00	0.7%	1.6%	3.3%	7.7%	7.4	7.6	(9.7%)
	36.00	3.6%	4.5%	6.3%	10.8%	7.5	7.8	(7.1%)
	37.00	6.5%	7.4%	9.2%	13.9%	7.7	7.9	(4.5%)
	38.00	9.4%	10.3%	12.2%	17.0%	7.8	8.0	(1.9%)
2nd Offer	38.25	10.1%	11.0%	12.9%	17.7%	7.8	8.1	(1.3%)
	39.00	12.2%	13.2%	15.1%	20.0%	7.9	8.1	0.7%
3rd Offer	39.25	12.9%	13.9%	15.9%	20.8%	7.9	8.2	1.3%
4th Offer	39.75	14.4%	15.4%	17.3%	22.3%	8.0	8.2	2.6%
	40.00	15.1%	16.1%	18.1%	23.1%	8.0	8.3	3.3%
Current Offer	40.50	16.5%	17.5%	19.5%	24.7%	8.1	8.3	4.5%
	41.00	18.0%	19.0%	21.0%	26.2%	8.1	8.4	5.8%
	42.00	20.9%	21.9%	24.0%	29.3%	8.3	8.5	8.4%
	43.00	23.7%	24.8%	26.9%	32.3%	8.4	8.6	11.0%
	44.00	26.6%	27.7%	29.9%	35.4%	8.5	8.8	13.6%
SC 4th Counter	44.75	28.8%	29.9%	32.1%	37.7%	8.6	8.9	15.5%
	45.00	29.5%	30.6%	32.8%	38.5%	8.6	8.9	16.2%
	46.00	32.4%	33.5%	35.8%	41.6%	8.7	9.0	18.7%
SC 3rd Counter	46.25	33.1%	34.2%	36.5%	42.4%	8.8	9.0	19.4%
	47.00	35.3%	36.4%	38.7%	44.7%	8.9	9.1	21.3%
SC 2nd Counter	47.25	36.0%	37.1%	39.5%	45.4%	8.9	9.2	22.0%
	48.00	38.1%	39.3%	41.7%	47.7%	9.0	9.3	23.9%
SC 1st Counter	49.00	41.0%	42.2%	44.6%	50.8%	9.1	9.4	26.5%

Source: DCP filings, FactSet; as of December 16, 2022

1. EBITDA based on the DCP Financial Projections; Enterprise Value assumes balance sheet items as of December 31, 2022 per management model

2. Based on August 17, 2022 unaffected price date

## Analysis at Various Prices

Offer	DCP Price per Unit	Implied Premium to:				EV / EBITDA <sup>1</sup>		For Reference Only Implied Premium to:
		August 17 Price \$34.75	10-Day VWAP <sup>2</sup> of \$34.46	20-Day VWAP <sup>2</sup> of \$33.88	30-Day VWAP <sup>2</sup> of \$32.49	2022E	2023E	December 16 Price \$38.74
Initial Offer	\$34.75	–%	0.8%	2.6%	7.0%	7.4x	7.6x	(10.3%)
	35.00	0.7%	1.6%	3.3%	7.7%	7.4	7.6	(9.7%)
	36.00	3.6%	4.5%	6.3%	10.8%	7.5	7.8	(7.1%)
	37.00	6.5%	7.4%	9.2%	13.9%	7.7	7.9	(4.5%)
2nd Offer	38.00	9.4%	10.3%	12.2%	17.0%	7.8	8.0	(1.9%)
	38.25	10.1%	11.0%	12.9%	17.7%	7.8	8.1	(1.3%)
	39.00	12.2%	13.2%	15.1%	20.0%	7.9	8.1	0.7%
	39.25	12.9%	13.9%	15.9%	20.8%	7.9	8.2	1.3%
3rd Offer	39.75	14.4%	15.4%	17.3%	22.3%	8.0	8.2	2.6%
	40.00	15.1%	16.1%	18.1%	23.1%	8.0	8.3	3.3%
	40.50	16.5%	17.5%	19.5%	24.7%	8.1	8.3	4.5%
	41.00	18.0%	19.0%	21.0%	26.2%	8.1	8.4	5.8%
Current Offer	42.00	20.9%	21.9%	24.0%	29.3%	8.3	8.5	8.4%
	43.00	23.7%	24.8%	26.9%	32.3%	8.4	8.6	11.0%
	43.25	24.5%	25.5%	27.7%	33.1%	8.4	8.7	11.6%
	44.00	26.6%	27.7%	29.9%	35.4%	8.5	8.8	13.6%
SC 5th Counter	44.75	28.8%	29.9%	32.1%	37.7%	8.6	8.9	15.5%
	45.00	29.5%	30.6%	32.8%	38.5%	8.6	8.9	16.2%
	46.00	32.4%	33.5%	35.8%	41.6%	8.7	9.0	18.7%
	46.25	33.1%	34.2%	36.5%	42.4%	8.8	9.0	19.4%
SC 3rd Counter	47.00	35.3%	36.4%	38.7%	44.7%	8.9	9.1	21.3%
	47.25	36.0%	37.1%	39.5%	45.4%	8.9	9.2	22.0%
	48.00	38.1%	39.3%	41.7%	47.7%	9.0	9.3	23.9%
	49.00	41.0%	42.2%	44.6%	50.8%	9.1	9.4	26.5%
SC 1st Counter								

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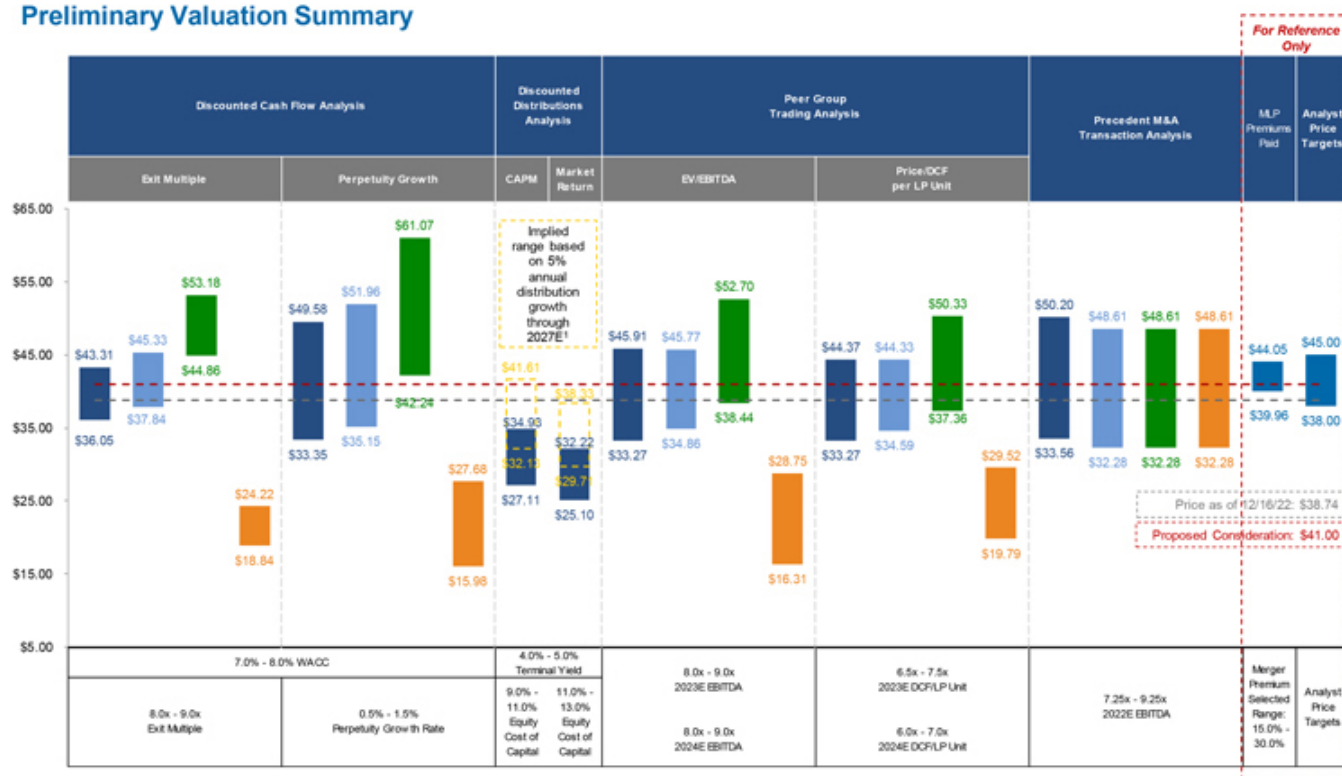
Source: DCP filings, FactSet; as of December 16, 2022

1. EBITDA based on the DCP Financial Projections; Enterprise Value assumes balance sheet items as of December 31, 2022 per management model

2. Based on August 17, 2022 unaffected price date

# Preliminary Valuation of the Common Units

## Preliminary Valuation Summary



1. For reference only: sensitivity case using a 5% annual distribution growth rate which assumes lower than the commodity super cycle board assumption of 7.5% growth and management 0% growth scenarios

# Appendix

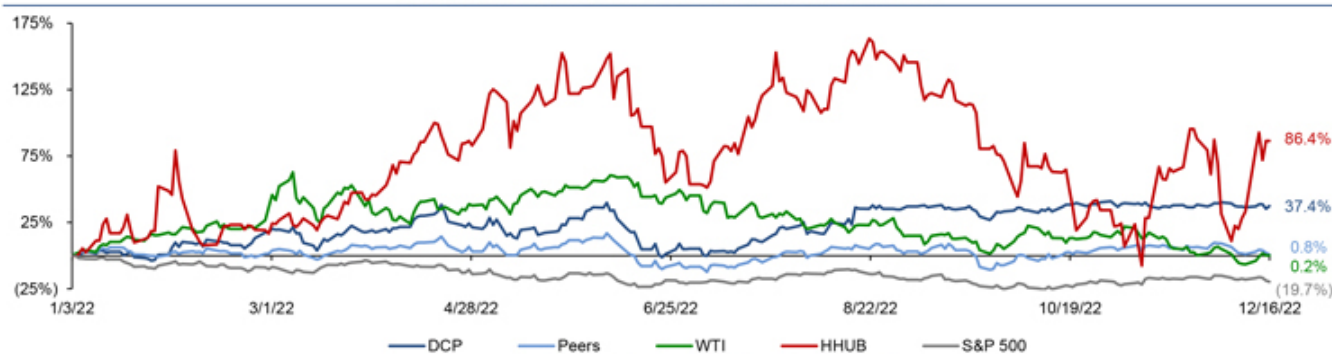
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## Historical Multiples and Share Price Performance

Relative Price Performance Since January 3, 2022<sup>1</sup>



### Change in Share Price and Valuation Multiples

	Share Price			EV / NTM EBITDA <sup>2</sup>		
	8/17/22	Current	Δ 8/17/22 - Current	8/17/22	Current	Δ 8/17/22 - Current
<b>DCP</b>	\$34.75	\$38.74	11.5%	7.4x	7.8x	0.3x
<b>Peers:</b>						
AM	\$10.32	\$10.57	2.4%	9.0x	9.0x	(0.0x)
CEQP	26.03	27.53	5.8%	6.5	8.2	1.6
DTM	57.27	55.35	(3.4%)	10.1	9.8	(0.3)
ENLC	9.84	11.56	17.5%	8.4	8.7	0.3
ETRN	9.53	6.72	(29.5%)	11.1	9.8	(1.3)
HESM	29.99	28.54	(4.8%)	9.7	9.2	(0.5)
KNTK	38.61	32.39	(16.1%)	9.3	8.9	(0.4)
OKE	62.96	64.49	2.4%	11.1	10.6	(0.4)
SMLP	15.97	17.53	9.8%	7.2	6.4	(0.8)
TRGP	67.44	70.10	3.9%	8.3	8.8	0.5
WES	27.44	26.26	(4.3%)	8.0	7.8	(0.2)
<b>Peer Median</b>			<b>2.4%</b>	<b>9.0x</b>	<b>8.9x</b>	<b>(0.3x)</b>

Source: FactSet market data as of December 16, 2022

1. First trading day of 2022 – peers relative price performance calculated as an average of Peers indexed price performance

2. EV / NTM EBITDA based on FactSet Consensus trading multiples

## Preliminary Valuation of the Common Units

### Peer Group Trading Analysis

(\$ in millions, except per unit/share amounts)

Partnership / Company	Price 12/16/22	Equity Value	Enterprise Value	Enterprise Value/EBITDA 2023E	Enterprise Value/EBITDA 2024E	Price/DCF / CAFD per Share		Distribution Yield		Dist. Growth	Net Debt / 2023E EBITDA
						2023E	2024E	Current	2023E		
Gathering & Processing MLPs/Companies											
Antero Midstream Corporation	\$10.57	\$5,114	\$8,484	8.9x	8.5x	8.8x	7.9x	8.5%	8.5%	NM	3.5x
Crestwood Equity Partners LP	27.53	2,964	7,368	8.1	7.7	4.9	4.6	9.5%	9.5%	3.7%	3.7
DT Midstream, Inc.	55.35	5,423	8,825	9.7	9.2	9.1	8.6	4.6%	4.9%	6.9%	3.6
EnLink Midstream, LLC	11.56	5,600	11,795	8.7	8.5	5.5	5.3	3.9%	4.3%	10.0%	3.4
Equitrans Midstream Corporation	6.72	2,940	10,384	9.8	9.1	5.3	4.9	8.9%	8.9%	0.8%	6.0
Hess Midstream Partners LP	28.54	6,849	9,756	9.4	8.9	7.9	7.5	7.9%	8.3%	4.0%	2.8
Kinetik Holdings Inc.	32.39	4,449	7,888	8.8	7.9	6.1	5.4	9.3%	9.7%	4.3%	3.8
ONEOK, Inc.	64.49	28,937	41,791	10.5	10.2	11.8	11.2	5.8%	5.8%	4.0%	3.2
Summit Midstream Partners, LP	17.53	184	1,916	6.4	6.2	NM	NM	—%	—%	NM	5.1
Targa Resources Corp.	70.10	16,188	29,540	8.8	8.5	6.8	6.5	2.0%	2.4%	10.0%	3.3
Western Midstream Partners, LP	26.26	10,414	17,222	7.8	7.5	6.9	6.3	7.6%	7.6%	10.9%	3.0
Mean				8.8x	8.4x	7.3x	6.8x	6.2%	6.4%	6.1%	3.8x
Median				8.8	8.5	6.8	6.4	7.6%	7.6%	4.3%	3.5
DCP Midstream, LP (Consensus) <sup>1</sup>	\$38.74	\$8,097	\$13,613	7.8x	8.2x	6.3x	6.7x	4.4%	4.7%	3.1%	2.7x
DCP Midstream, LP (DCP Financial Projections) <sup>1</sup>	\$38.74	\$8,097	\$13,613	8.0x	8.6x	6.5x	7.0x	4.4%	4.4%	—%	3.0x

Source: Company filings, FactSet, Wall Street Research; as of December 16, 2022  
1. Balance sheet data as of September 30, 2022



# Weighted Average Cost of Capital Analysis

## DCP Common Units – Capital Asset Pricing Model

(\$ in millions, except per unit/share amounts)

	Partnership/Corporation	Unit/Share Price 12/16/22	Market Equity Value	Total Debt and Preferred Equity	Total Debt / Total Capitalization	Adjusted Beta <sup>1</sup>	Unlevered Beta <sup>2</sup>
CAPM	Antero Midstream Corporation	\$10.57	\$5,114	\$3,370	39.7%	0.79	0.52
	Crestwood Equity Partners LP	27.53	2,964	4,182	58.5%	0.62	0.31
	EnLink Midstream, LLC	11.58	5,600	4,579	45.0%	0.98	0.60
	Equitrans Midstream Corporation	6.72	2,940	7,014	70.5%	0.94	0.33
	Hess Midstream Partners LP	28.54	6,849	2,909	29.8%	0.75	0.58
	Kinetik Holdings Inc.	32.39	4,449	3,448	43.7%	0.73	0.45
	ONEOK, Inc.	64.49	28,937	12,876	30.8%	1.04	0.77
	Summit Midstream Partners, LP	17.53	184	1,728	90.4%	0.90	0.12
	Targa Resources Corp.	70.10	16,188	11,198	40.9%	0.92	0.60
	Western Midstream Partners, LP	26.26	10,414	7,095	40.5%	0.89	0.60
				Mean	49.0%	0.86	0.49
				Median	42.3%	0.90	0.55
	DCP Midstream, LP	\$38.74	\$8,097	\$5,584	40.8%	0.72	0.49
WACC	Risk-free Rate <sup>3</sup>		3.7%				
	Unlevered Beta		0.49				
	Debt and Preferred / Total Capitalization		40.8%				
	Adjusted Levered Equity Beta		0.72				
		Supply-Side MRP	Historical MRP				
	Market Risk Premium ("MRP") <sup>4</sup>	6.2%	7.5%				
	Small Company Risk Premium <sup>5</sup>		0.7%				
	Equity Cost of Capital <sup>6</sup>	8.9%	9.8%				
	Pre-Tax Cost of Debt <sup>7</sup>		5.5%				
	After-Tax Cost of Debt <sup>8</sup>		3.8%				
	WACC	6.9%	7.4%				

### DCP Midstream Cost of Debt<sup>7</sup>

	Yield-to-Worst
DCP Midstream 5.600% Senior Notes Due 2044	5.81%
U.S. Treasury Note Due 2042	3.73%
Less: U.S. Treasury Note Due 2044	4.08%
	(0.35%)
DCP Midstream Implied 20-Year Cost of Debt	5.47%

### WACC Sensitivity (Supply-Side / Historical)

Unlevered Beta	Debt and Preferred / Total Capitalization				
	45.0%	50.0%	55.0%	60.0%	65.0%
0.45	6.6% / 7.1%	6.5% / 7.0%	6.5% / 6.9%	6.4% / 6.8%	6.3% / 6.8%
0.50	6.9% / 7.4%	6.8% / 7.3%	6.7% / 7.2%	6.6% / 7.2%	6.6% / 7.1%
0.55	7.1% / 7.7%	7.1% / 7.6%	7.0% / 7.5%	6.9% / 7.5%	6.8% / 7.4%
0.60	7.4% / 8.1%	7.3% / 8.0%	7.2% / 7.9%	7.2% / 7.8%	7.1% / 7.7%
0.65	7.7% / 8.4%	7.6% / 8.3%	7.5% / 8.2%	7.4% / 8.1%	7.3% / 8.0%

### Equity Cost of Capital Sensitivity (Supply-Side / Historical)

Unlevered Beta	Debt and Preferred / Total Capitalization				
	45.0%	50.0%	55.0%	60.0%	65.0%
0.45	8.9% / 9.7%	9.2% / 10.2%	9.6% / 10.7%	10.2% / 11.3%	10.9% / 12.2%
0.50	9.3% / 10.3%	9.7% / 10.8%	10.2% / 11.4%	10.8% / 12.1%	11.6% / 13.0%
0.55	9.8% / 10.9%	10.3% / 11.4%	10.8% / 12.1%	11.5% / 12.9%	12.3% / 13.9%
0.60	10.3% / 11.5%	10.8% / 12.1%	11.4% / 12.8%	12.1% / 13.6%	13.1% / 14.8%
0.65	10.8% / 12.1%	11.3% / 12.7%	12.0% / 13.5%	12.8% / 14.4%	13.8% / 15.6%

- Source: Predicted raw betas from FactSet; Adjusted Equity Beta calculated as:  $(0.67) \times \text{Raw Beta} + (0.33) \times 1.0$
- Unlevered Beta calculated as:  $\text{Adjusted Equity Beta} \times (E/(E + D \times (1-T)))$ ; Assumes corporate tax rate of 29.6% for partnerships and 21.0% for corporations
- 20-year Treasury as of December 16, 2022
- Source: Duff & Phelps
- Decile: Mid Cap (5) with equity value range of \$6,743.4 million to \$13,177.8 million
- Equity Cost of Capital calculated as:  $\text{Risk-free rate} + (\text{Levered Equity Beta} \times \text{Market Risk Premium}) + \text{Small Company Risk Premium}$
- Implied DCP 20-year cost of debt based on the yield-to-worst of DCP's 5.600% Senior Notes Due 2044 adjusted for 20-year maturity using the implied yield spread from relevant U.S. treasury notes
- Assumes U.S. individual partnership income tax structure through 2025 of 80.0% of income taxable at highest tax rate of 37.0%, or 29.6%

## Weighted Average Cost of Capital Analysis

### DCP Common Units – Total Expected Market Return

(\$ in millions, except per unit/share amounts)

	Partnership/Corporation	Unit/Share Price 12/16/22	Market Equity Value	Current Yield	Distribution/Dividend Growth	Total Return
Total Expected Market Return	Antero Midstream Corporation	\$10.57	\$5,114	8.5%	—%	8.5%
	Crestwood Equity Partners LP	27.53	2,964	9.5%	3.7%	13.2%
	EnLink Midstream, LLC	11.56	5,600	3.9%	10.0%	13.9%
	Equitrans Midstream Corporation	6.72	2,940	8.9%	0.8%	9.8%
	Hess Midstream Partners LP	28.54	6,849	7.9%	4.0%	11.9%
	Kinetik Holdings Inc.	32.39	4,449	9.3%	4.3%	13.5%
	ONEOK, Inc.	64.49	28,937	5.8%	4.0%	9.8%
	Targa Resources Corp.	70.10	16,188	2.0%	10.0%	12.0%
	Western Midstream Partners, LP	26.26	10,414	7.6%	10.9%	18.6%
					Mean Median	12.4% 12.0%
	DCP Midstream, LP	\$38.74	\$8,097	4.4%	3.1%	7.6%

WACC		WACC
	Debt and Preferred / Total Capitalization	40.8%
	Market Required Equity Return	12.0%
	Pre-Tax Cost of Debt <sup>1</sup>	5.5%
	After-Tax Cost of Debt <sup>2</sup>	3.8%
	WACC	8.7%

#### DCP Cost of Debt<sup>1</sup>

	Yield-to-Worst
DCP Midstream 5.600% Senior Notes Due 2044	5.81%
U.S. Treasury Note Due 2042	3.73%
Less: U.S. Treasury Note Due 2044	4.08%
	(0.35%)
DCP Midstream Implied 20-Year Cost of Debt	5.47%

1. Implied DCP 20-year cost of debt based on the yield-to-worst of DCP's 5.600% Senior Notes Due 2044 Adjusted for 20-year maturity using the implied yield spread from relevant U.S. treasury notes
2. Assumes U.S. individual partnership income tax structure through 2025 of 80.0% of income taxable at highest tax rate of 37.0%, or 29.6%

## Discussion Materials Prepared for the Special Committee of the Board of Directors of DCP Midstream GP, LLC

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January 5, 2023

EVERCORE



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These materials have been prepared by Evercore Group L.L.C. ("Evercore") for the Special Committee (the "Special Committee") of the Board of Directors of DCP Midstream GP, LLC, the general partner of the general partner of DCP Midstream, LP ("DCP" or the "Partnership"), to whom such materials are directly addressed and delivered and may not be used or relied upon for any purpose other than as specifically contemplated. These materials are based on information provided by or on behalf of the Partnership and/or other potential transaction participants, from public sources or otherwise reviewed by Evercore. Evercore assumes no responsibility for independent investigation or verification of such information and has relied on such information being complete and accurate in all material respects. To the extent such information includes estimates and forecasts of future financial performance prepared by or reviewed with the management of the Partnership and/or other potential transaction participants or obtained from public sources, Evercore has assumed that such estimates and forecasts have been reasonably prepared on bases reflecting the best currently available estimates and judgments of such management (or, with respect to estimates and forecasts obtained from public sources, represent reasonable estimates). No representation or warranty, express or implied, is made as to the accuracy or completeness of such information and nothing contained herein is, or shall be relied upon as, a representation, whether as to the past, the present or the future. These materials were designed for use by specific persons familiar with the business and affairs of the Partnership. These materials are not intended to provide the sole basis for evaluating, and should not be considered a recommendation with respect to, any transaction or other matter. These materials have been developed by and are proprietary to Evercore and were prepared exclusively for the benefit and internal use of the Special Committee.

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## I. Executive Summary

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# Executive Summary

## Introduction and Overview of Materials

- Evercore Group L.L.C. ("Evercore") is pleased to provide the following materials to the Special Committee (the "Special Committee") of the Board of Directors of DCP Midstream GP, LLC ("DCP GP LLC"), the general partner of DCP Midstream GP, LP (the "General Partner"), which is the general partner of DCP Midstream, LP ("DCP" or the "Partnership"), regarding the proposed acquisition by Phillips 66 and its affiliates (collectively, "PSX," "Phillips 66" or the "Parent") of all of the outstanding common units (the "Common Units") of the Partnership not already owned by Phillips 66, Enbridge, Inc. ("ENB") and their affiliates (the "Public Common Units" and the holders of such Public Common Units, the "Partnership Unaffiliated Unitholders") for cash (the "Merger")
  - ▶ Pursuant to an agreement and plan of merger by and among the Partnership, DCP GP LLC, the General Partner, the Parent, Phillips 66 Project Development Inc., a wholly-owned subsidiary of the Parent ("PDI"), and Dynamo Merger Sub LLC, a wholly-owned subsidiary of PDI ("Merger Sub") (the "Merger Agreement"), Merger Sub shall merge with and into the Partnership and each Common Unit owned by a Partnership Unaffiliated Unitholder shall be converted into the right to receive \$41.75 in cash (the "Merger Consideration")
    - Implies a 20.1% premium to PSX's offer of \$34.75 per Public Common Unit (the "Original Offer") made as of August 17, 2022 (the "Unaffected Date")
    - Represents a 21.2% premium to the 10-day<sup>1</sup> VWAP of the Common Units as of the Unaffected Date
    - Represents a 28.5% premium to the 30-day<sup>1</sup> VWAP of the Common Units as of the Unaffected Date
    - PSX currently owns 43.3% of the Common Units<sup>2</sup>
- A The Evercore analysis reviews valuation of the Common Units based on the financial projections for DCP as provided by DCP management (the "DCP Financial Projections" or the "Forecast") as well as sensitivities based on certain price decks including:
  - B A sensitivity case utilizing NYMEX Strip Pricing as of January 3, 2023 ("Sensitivity Case B – NYMEX Strip Pricing Case")
  - C A sensitivity case based on assumed pricing higher than that utilized in the DCP Financial Projections ("Sensitivity Case C – Higher Commodity Prices")
  - D A sensitivity case based on assumed pricing lower than that utilized in the DCP Financial Projections ("Sensitivity Case D – Lower Commodity Prices")

Source: DCP Management, FactSet

1. Trading days  
2. As of January 4, 2023

## Executive Summary

### Overview of the Transaction

Counterparty	<ul style="list-style-type: none"><li>■ Phillips 66 (NYSE: PSX)</li></ul>
Transaction Summary	<ul style="list-style-type: none"><li>■ PSX to acquire 100% of the Public Common Units owned by the Partnership Unaffiliated Unitholders</li><li>■ DCP's Common Units will cease to be publicly traded<ul style="list-style-type: none"><li>▶ DCP's preferred units will continue to be publicly traded</li></ul></li></ul>
Merger Consideration	<ul style="list-style-type: none"><li>■ \$41.75 in cash per Public Common Unit</li></ul>
Approvals	<ul style="list-style-type: none"><li>■ Approval of the Special Committee and the Board of Directors of DCP Midstream GP, LLC, the general partner of the general partner of DCP</li></ul>
Other	<ul style="list-style-type: none"><li>■ The Merger is a taxable transaction for the Partnership Unaffiliated Unitholders resulting in the realization of taxes on deferred income and capital gains</li></ul>



## Executive Summary

### Evercore Evaluation Process

**Opinion  
Requested:**

Evercore has been asked by the Special Committee, whether, in Evercore's opinion, as of the date hereof, and based upon and subject to the assumptions, qualifications, limitations and other matters set forth therein, the Merger Consideration to be received in the Merger is fair, from a financial point of view, to the Partnership and the Partnership Unaffiliated Unitholders

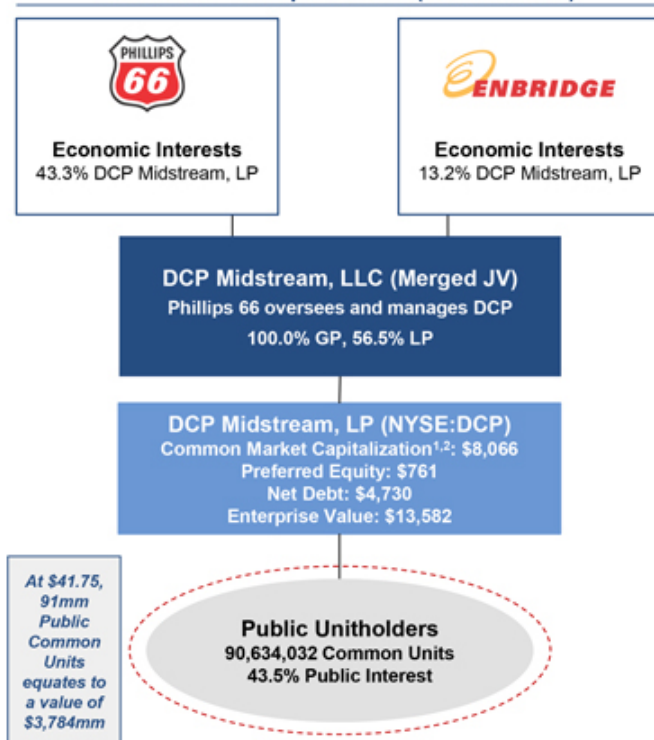
- In connection with rendering an opinion, Evercore has, among other things:
  - ▶ reviewed certain publicly available historical operating and financial information relating to the Partnership that we deemed relevant, including as set forth in the Partnership's Annual Report on Form 10-K for the year ended December 31, 2021, the Partnership's Quarterly Report on Form 10-Q for the quarter ended September 30, 2022, and certain of the Partnership's Current Reports on Form 8-K, in each case as filed with or furnished to the Securities and Exchange Commission;
  - ▶ reviewed certain publicly available business and financial information relating to the Partnership that we deemed to be relevant, including publicly available research analysts' estimates;
  - ▶ reviewed certain internal projected financial data relating to the Partnership prepared and furnished to us by management of the Partnership, as approved for our use by the Partnership (the "Forecast");
  - ▶ reviewed certain published information regarding commodity prices;
  - ▶ discussed with management of the Partnership its assessment of the past and current operations of the Partnership, the current financial condition and prospects of the Partnership, and the Forecast;
  - ▶ reviewed the reported prices and the historical trading activity of the Common Units;
  - ▶ performed discounted cash flow analyses for the Partnership based on the Forecast and other data provided by management of the Partnership;
  - ▶ performed discounted distributions analyses based on projected financial data and other data provided by management of the Partnership;
  - ▶ compared the financial performance of the Partnership and its stock market trading multiples with those of certain other publicly-traded companies and partnerships that we deemed relevant;
  - ▶ compared the financial performance of the Partnership and the valuation multiples relating to the Merger with the financial terms, to the extent publicly available, of certain other historical transactions that we deemed relevant;
  - ▶ reviewed the financial terms and conditions of a draft Merger Agreement dated January 4, 2023; and
  - ▶ performed such other analyses and examinations and considered such other factors that we deemed appropriate.

## Executive Summary

### Summary Organizational Structure and Transaction Economics

(\$ in millions, except per unit amounts)

#### Current Ownership Structure (As-Converted)



#### Transaction Economics

Merger Consideration	\$41.75
Common Units Outstanding <sup>1,2</sup> (mm)	210
<b>Total Equity Value</b>	<b>\$8,777</b>
Plus: Preferred Equity @ 12/31/22	271
Plus: DCP Net Debt @ 12/31/22	5,331
Plus: Noncontrolling Interests	25
<b>Total Implied Enterprise Value</b>	<b>\$14,404</b>
<b>Implied Premium To:</b>	<b>Premium</b>
Unaffected Date (8/17/22)	\$34.75 20.1%
10-Day VWAP <sup>3</sup>	34.46 21.2%
20-Day VWAP <sup>3</sup>	33.88 23.2%
30-Day VWAP <sup>3</sup>	32.49 28.5%
<b>Implied EV/EBITDA (DCP Financial Projections)</b>	<b>Metric Multiple</b>
2022E	\$1,749 8.2x
2023E	1,698 8.5
<b>Implied EV/EBITDA (Wall Street Consensus Estimates)</b>	
2022E	\$1,776 8.1x
2023E	1,750 8.2

Source: DCP Management, FactSet, Wall St Research; Sources and Uses assumes 12/31 balance sheet date per management model

1. As of January 4, 2023; Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP | 2. Includes 1.8mm phantom and performance units  
3. Based on August 17, 2022 unaffected price date; based on trading days

## Executive Summary

### DCP Common Unit Trading Analysis

	DCP Price	Premium of Merger Consideration Relative to Historical Average
<b>Merger Consideration</b>	<b>\$41.75</b>	
<b>Unaffected Date (8/17/22)</b>	<b>\$34.75</b>	<b>20.1%</b>
10-Day VWAP Prior to Unaffected Date	34.46	21.2%
20-Day VWAP Prior to Unaffected Date	33.88	23.2%
30-Day VWAP Prior to Unaffected Date	32.49	28.5%
<b>60-Day VWAP Prior to Unaffected Date</b>	<b>32.47</b>	<b>28.6%</b>
6-Month VWAP Prior to Unaffected Date	33.00	26.5%
<b>12-Month VWAP Prior to Unaffected Date</b>	<b>30.84</b>	<b>35.4%</b>



Source: FactSet; as of January 4, 2023

Note: VWAP based on August 17, 2022 unaffected price date; based on trading days

## Executive Summary

### Side-by-Side Analysis

(\$ in millions, except per unit / share amounts)

DCP					PSX		
Total Units Outstanding <sup>1</sup>	209				Fully-Diluted Shares Outstanding	476	
Common Unit Price	\$38.59				Common Share Price	\$100.68	
<b>Total Equity Value</b>	<b>\$8,066</b>				<b>Total Equity Value</b>	<b>\$47,936</b>	
Plus: Preferred Equity	761				Plus: Net Debt	13,913	
Plus: Net Debt	4,730				Plus: Noncontrolling Interest	5,076	
Plus: Noncontrolling Interest	25				<b>Enterprise Value</b>	<b>\$66,925</b>	
<b>Enterprise Value</b>	<b>\$13,582</b>						
	DCP Financial Projections		Consensus Data			Consensus Data	
	Metric	Yield/Multiple	Metric	Yield/Multiple		Metric	Yield/Multiple
<b>EV/EBITDA</b>					<b>EV/EBITDA</b>		
2022E	\$1,749	7.8x	\$1,776	7.6x	2022E	\$15,612	4.3x
2023E	1,698	8.0	1,750	7.8	2023E	11,075	6.0
2024E	1,578	8.6	1,665	8.2	2024E	9,536	7.0
<b>P / DCF per LP Unit</b>					<b>P / FCFPS</b>		
2022E	\$6.12	6.3x	\$6.26	6.2x	2022E	\$15.45	6.5x
2023E	5.92	6.5	6.15	6.3	2023E	12.85	7.8
2024E	5.55	7.0	5.81	6.6	2024E	10.74	9.4
<b>Distribution Yield</b>					<b>Dividend Yield</b>		
Current	\$1.72	4.5%	\$1.72	4.5%	Current	\$3.88	3.9%
2023E	1.72	4.5%	1.81	4.7%	2023E	3.98	3.9%
2024E	1.72	4.5%	1.91	4.9%	2024E	4.15	4.1%
<b>Distribution Coverage</b>							
2022E	\$6.12	3.7x	\$6.26	3.7x			
2023E	5.92	3.4	6.15	3.4			
2024E	5.55	3.2	5.81	3.0			

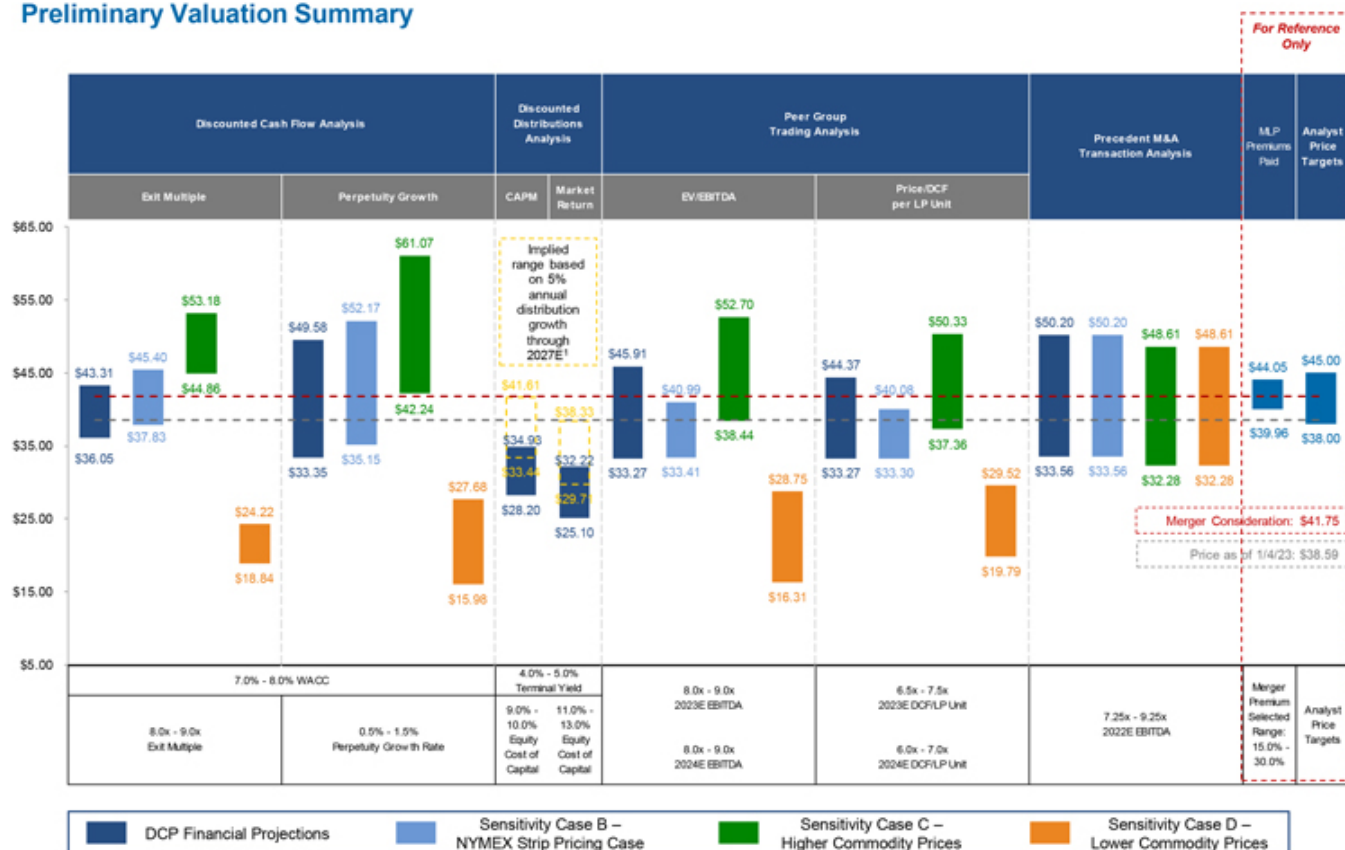
Note: As of January 4, 2023; Balance sheet data per Partnership / Company filings as of September 30, 2022

Source: FactSet, company filings, DCP Management

1. Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 0.6mm phantom and performance units

# Executive Summary

## Preliminary Valuation Summary



1. For reference only: sensitivity case using a 5% annual distribution growth rate which assumes lower than the commodity super cycle board assumption of 7.5% growth and higher than DCP Financial Projections' 0% growth

## Executive Summary

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### Benefits to the Partnership of the Merger

- Simplified structure
- Reduced cost of capital under the Parent's capital structure and improved access to capital
- Reduced pro forma leverage given ability to repay debt on an accelerated basis
- Participation in pro forma cost savings and operating synergies including enhanced connectivity from wellhead to end markets
- Greater flexibility and ability to pursue growth projects and strategic acquisitions
- Reduced reporting requirements as a wholly-owned subsidiary of PSX

## II. DCP Situation Analysis

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# DCP Situation Analysis

## Partnership Overview

### Description

- DCP is a Delaware limited partnership formed to own and operate a diversified portfolio of midstream energy assets
- Two reportable segments: Logistics and Marketing; Gathering and Processing
  - ▶ Logistics and Marketing includes fractionating NGLs as well as transporting, trading, marketing and storing natural gas and NGLs
  - ▶ Gathering and Processing includes gathering, compressing, treating, and processing natural gas, as well as producing and fractionating NGLs and recovering condensate
- Credit rating: Ba1 (Moody's); BBB+ (S&P)

### Volumes By Segment (Q3'22)

#### NGL Pipeline Volume and Utilization

(MMbbls/d)	Q3'22 Avg. Throughput	Q3'22 Pipeline Utilization
Sand Hills	313	94%
Southern Hills	117	91%
Front Range	79	91%
Texas Express	23	62%
Other	199	64%
<b>Total</b>	<b>731</b>	<b>81%</b>

#### G&P Volume and Utilization

(MMcf/d)	Q3'22 Avg. Wellhead Vol.	Q3'22 Plant Utilization
North	1,600	101%
Midcontinent	840	76%
Permian	1,047	86%
South	1,005	62%
<b>Total</b>	<b>4,492</b>	<b>81%</b>

### Asset Map





# DCP Situation Analysis

## Logistics and Marketing Overview

Logistics & Marketing segment is fee-based or fee-like and includes NGL and gas takeaway pipelines, marketing, trading, storage and fractionators

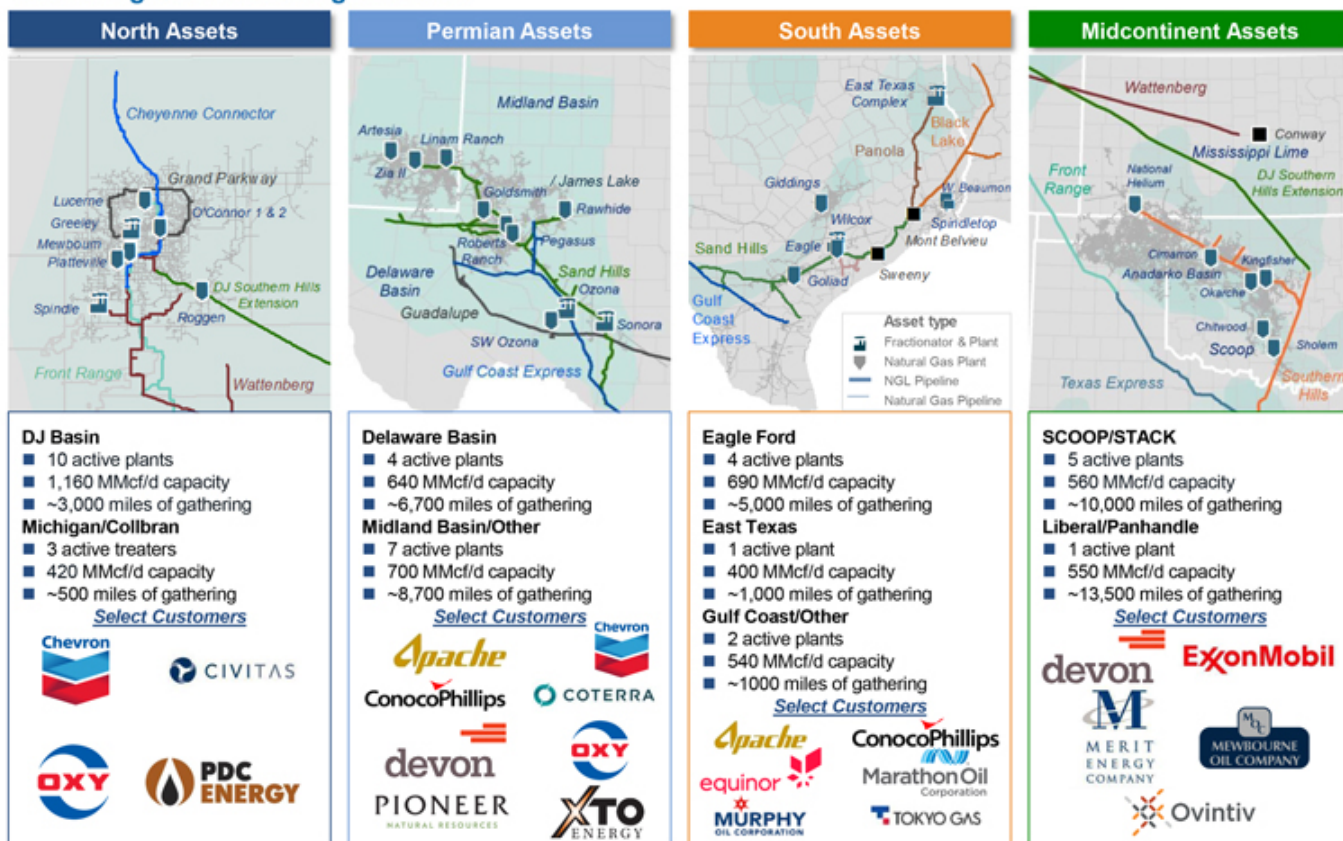
### DCP Logistics Assets



Segment	Description	% Ownership / Operated
NGL Takeaway	■ <b>Sand Hills</b> provides NGL takeaway from the Permian and Eagle Ford to the Gulf Coast	67% / ✓
	■ <b>Southern Hills</b> provides NGL takeaway from the DJ Basin and the Midcontinent to Gulf Coast markets	67% / ✓
	■ <b>Front Range / Texas Express</b> provide NGL takeaway from the DJ Basin ▶ Both operated by Enterprise Products Partners L.P. ("EPD")	33% / 10% / ✗
Gas Takeaway	■ <b>Gulf Coast Express</b> provides ~2.0 Bcf/d gas takeaway from the Permian to the Gulf Coast ▶ Operated by Kinder Morgan, Inc. ("KMI")	25% / ✗
	■ <b>Guadalupe</b> provides 245 MMcf/d gas takeaway from the Permian	50% / ✗
	■ <b>Cheyenne Connector</b> provides 600 MMcf/d gas takeaway from the DJ Basin to the Rockies Express Pipeline ▶ Operated by Tallgrass Energy Partners, LP ("Tallgrass")	50% / ✗
Gas & NGL Storage	■ 12 Bcf <b>Spindletop</b> natural gas storage facility in SE Texas	100% / ✓
	■ 8 MMBbls <b>Marysville</b> NGL storage facility in Michigan	100% / ✓
Fractionation	■ Equity ownership of 56 MBpd of Mont Belvieu <b>fractionation capacity</b> ■ Additional field fractionation capacity of 70 MBpd	12.5% / 20% / ✗

# DCP Situation Analysis

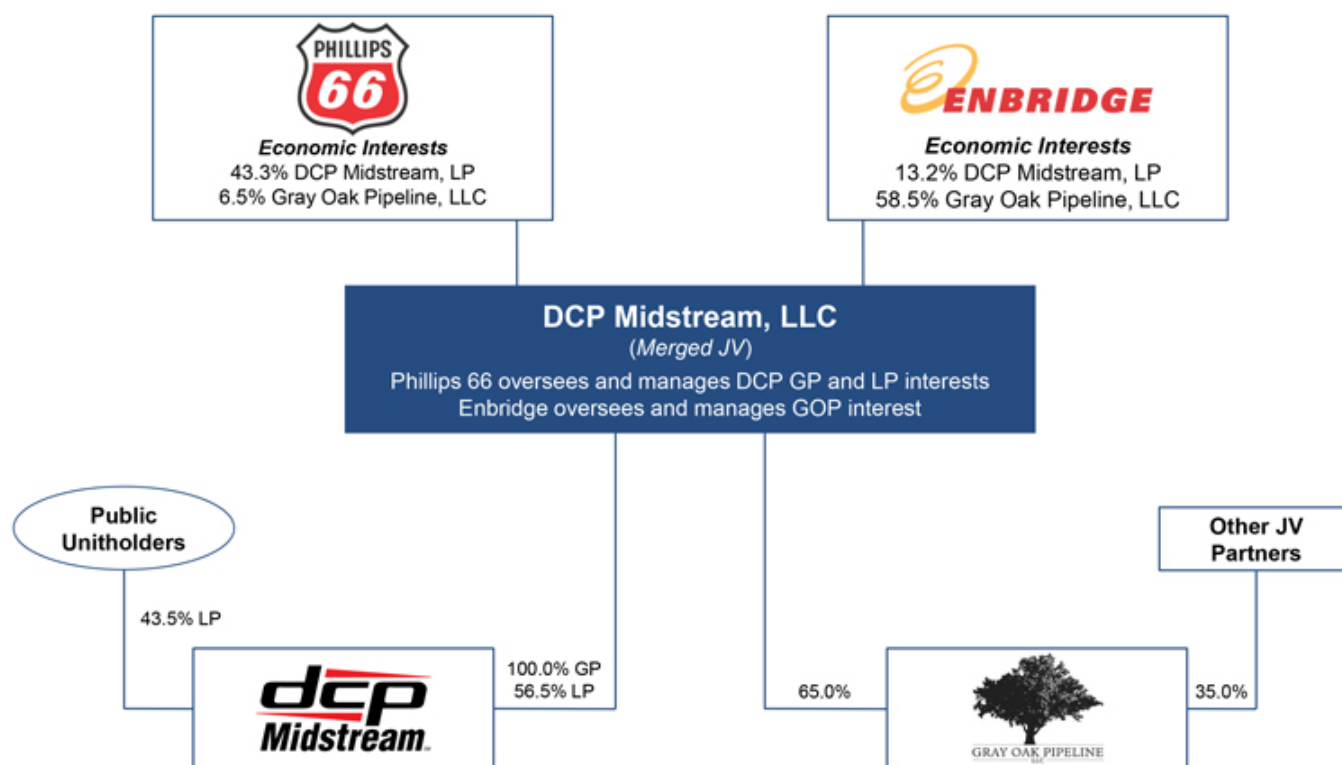
## Gathering and Processing Overview



Note: Number of active processing plants and active plant capacity excludes idled plants and includes DCP's proportionate ownership share of capacity. Delaware Basin includes recently acquired James Lake System

## DCP Situation Analysis

### DCP Organizational Structure



Source: Public filings

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## DCP Situation Analysis

(\$ in millions, except per unit amounts)

### Market Capitalization

As of January 4, 2023

Total Units Outstanding <sup>1</sup>	209
Common Unit Price	\$38.59
<b>Total Equity Value</b>	<b>\$8,066</b>
Plus: Preferred Equity	761
Plus: Net Debt	4,730
Plus: Noncontrolling Interest	25
<b>Enterprise Value</b>	<b>\$13,582</b>

	DCP Financial Projections		Consensus Data	
	Metric	Yield/Multiple	Metric	Yield/Multiple
Distribution Yield				
Current	\$1.72	4.5%	\$1.72	4.5%
2022E	1.64	4.2%	1.68	4.4%
2023E	1.72	4.5%	1.81	4.7%
EV/EBITDA				
2022E	\$1,749	7.8x	\$1,776	7.6x
2023E	1,698	8.0	1,750	7.8
2024E	1,578	8.6	1,665	8.2

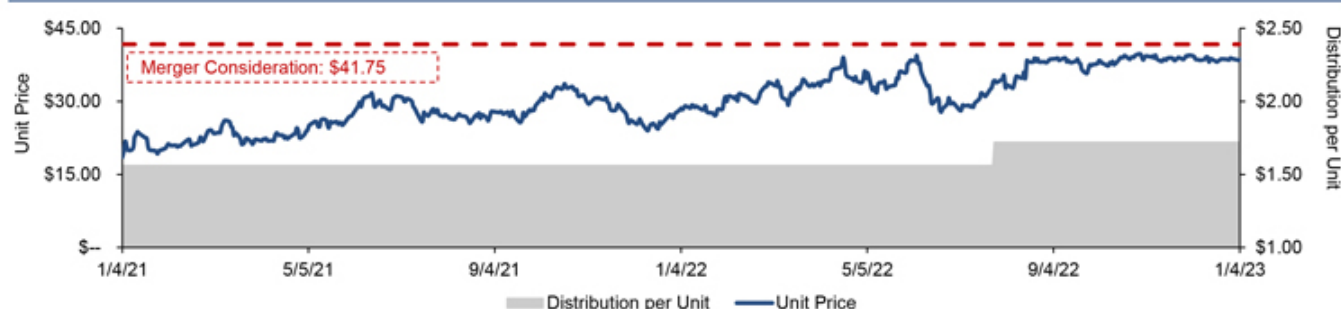
### Balance Sheet and Credit Data

As of September 30, 2022

Cash and Marketable Securities	\$93
Short-Term Debt	506
Long-Term Debt	4,317
<b>Total Debt</b>	<b>\$4,823</b>
Net Debt	\$4,730
Plus: Noncontrolling Interest	25
Plus: Preferred Equity	761
Plus: Partners' Capital	5,600
<b>Net Book Capitalization</b>	<b>\$11,116</b>

Revolver Availability / Total Revolver Capacity	\$1,390 / \$1,400
Net Debt / Net Book Cap	42.6%
Net Debt / 2022E EBITDA	2.7x
Net Debt / 2023E EBITDA	2.7

### Unit Price and Distribution



Source: DCP filings, FactSet as of January 4, 2023

1. Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 0.6mm phantom and performance units

# DCP Situation Analysis

## DCP Wall Street Research

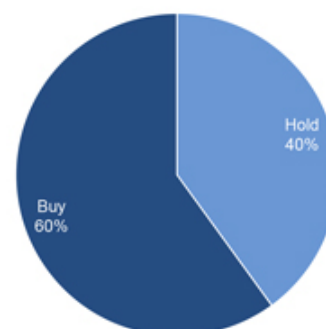
(\$ in millions, except per unit amounts)

### Summary Price Targets

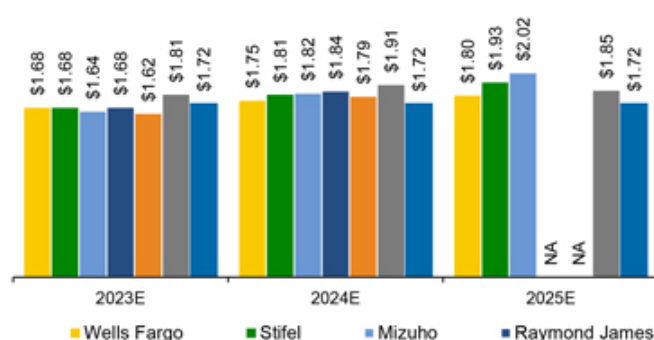
Firm	Analyst	Date	Recommendation	Target Price
Wells Fargo	Michael Blum	12/15/22	Hold	\$39.00
Stifel	Selman Akyol	12/12/22	Buy	45.00
Mizuho	Gabriel Moreen	12/2/22	Buy	45.00
Raymond James	J.R. Weston	11/4/22	Buy	45.00
RBC	Elvira Scotto	11/3/22	Hold	38.00

Median:	\$45.00
Mean:	42.40
High:	45.00
Low:	38.00

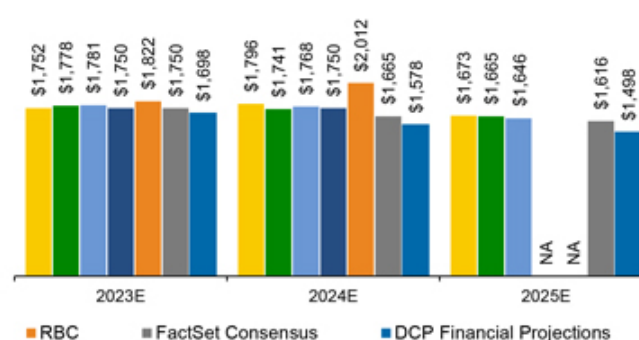
### Analyst Recommendations



### Distribution Per Unit Estimates



### EBITDA Estimates




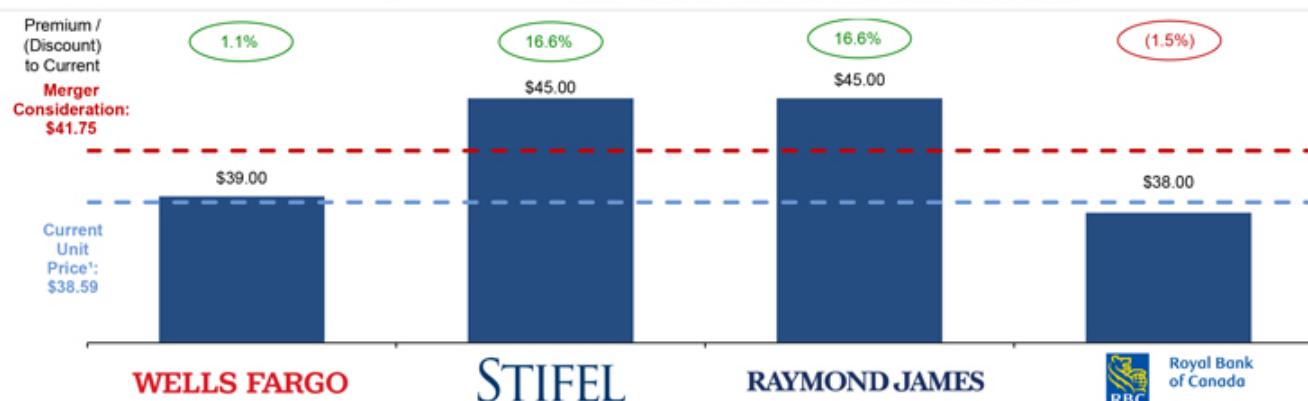
Source: FactSet, public filings; as of January 4, 2023

Note: Analyst estimates do not reflect information provided by P66 on how P66 plans to manage DCP going forward if the Merger were not to proceed

## DCP Situation Analysis

### Analyst Price Targets and Comparison of Valuation Methodologies

Price Target	Date	Broker	Valuation Methodology
\$39.00	15-Dec-22	<b>WELLS FARGO</b>	Based on PSX's original buyout offer of \$34.75/unit plus an assumption that the company raises its offer by ~12% based on past midstream simplification transactions
\$45.00	12-Dec-22	<b>STIFEL</b>	Derived by applying a 9.0x multiple to Stifel's 2023 EBITDA estimate of \$1.7 billion
\$45.00	4-Nov-22	<b>RAYMOND JAMES</b>	Blended valuation based on: (1) a 10-year, three-stage distribution/dividend discount model; (2) forward free cash flow yield relative to comparable industry peers; and (3) forward enterprise value-to-EBITDA multiples relative to comparable industry peers
\$38.00	3-Nov-22	 <b>Royal Bank of Canada</b>	\$38 price target using PSX's \$34.75 offer price and adding a 10% premium, based on some previous transactions in the space. The \$38 price target represents an overall EV/EBITDA of ~6.9x and a target yield of 4.3% off of RBC's one-year-out annualized distribution estimate



Source: Wall Street research, FactSet

Note: Analyst estimates do not reflect information provided by P66 on how P66 plans to manage DCP going forward if the Merger were not to proceed

1. Unit price as of January 4, 2023



# DCP Situation Analysis

## Ratings Agency Commentary

The credit profile is now closely tied to PSX and agencies anticipate continued debt reduction



**STANDARD & POOR'S  
RATINGS SERVICES**



**MOODY'S**

### Current Ratings

Senior Unsecured Outlook Analyst	BBB+ Stable Mike Llanos	Senior Unsecured Outlook Analyst	Ba1 Positive James Wilkins
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### Recent Comments

#### S&P's Credit Opinion: August 18, 2022

- The stable outlook reflects expectation that Phillips 66 will fully integrate DCP's assets into its midstream operations while the partnership maintains S&P Global Ratings-adjusted leverage of less than 4x over the intermediate term
- The partnership is 70% fee-based allowing it to capitalize on the above-average commodity price, however this level of direct commodity price exposure makes the partnership more susceptible to cash flow volatility

#### What could prompt an UPGRADE:

- ▶ Would only raise rating on DCP if they raise rating on Phillips 66
- ▶ Could raise PSX rating if non-refining segments account for much larger share of future consolidated EBITDA, which would mitigate cash flow volatility of its refining assets

#### What could prompt a DOWNGRADE:

- ▶ If Phillips 66's adjusted debt to EBITDA consistently exceeds 3.0x

#### Moody's Credit Opinion: August 19, 2022

- Expects credit metrics will continue to improve and be supportive of an investment grade rating as free cash flow continues to be applied towards debt reduction
- Credit challenges include exposure to regulatory risk for DJ Basin operations in the state of Colorado and uncertainty regarding longer term demand for hydrocarbons

#### What could prompt an UPGRADE:

- ▶ EBITDA continues to grow
- ▶ Debt to EBITDA is maintained below 4.0x on a sustained basis
- ▶ Distribution coverage remains above 1.3x

#### What could prompt a DOWNGRADE:

- ▶ Debt to EBITDA exceeds 4.5x
- ▶ Distribution coverage falls below 1.0x

Source: Standard & Poor's Rating Services and Moody's

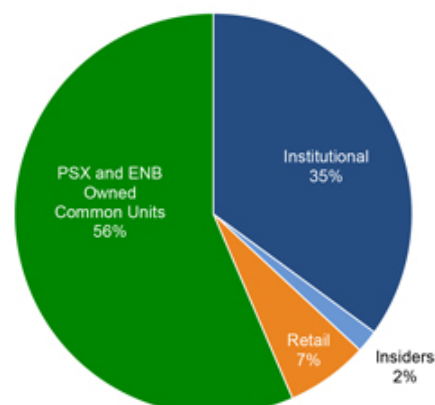
# DCP Situation Analysis

## DCP Midstream, LP Common Unit Ownership Summary

### Top 20 Institutional Unit Holders

Rank	Investor	Type	Units (000's)	% of Total
1	ALPS Advisors, Inc.	Investment Adviser	12,890	6.2%
2	Tortoise Capital Advisors LLC	Investment Adviser	8,892	4.3%
3	Harvest Fund Advisors LLC	Investment Adviser	8,075	3.9%
4	Goldman Sachs Asset Management LP	Investment Adviser	5,711	2.7%
5	JPMorgan Securities LLC	Investment Adviser	4,591	2.2%
6	Chickasaw Capital Management LLC	Investment Adviser	3,136	1.5%
7	Citigroup Global Markets, Inc. (Investment Management)	Investment Adviser	2,241	1.1%
8	ClearBridge Investments LLC	Investment Adviser	2,108	1.0%
9	Global X Management Co. LLC	Investment Adviser	2,094	1.0%
10	Barclays Bank Plc	Private Banking/Wealth Mgmt	1,792	0.9%
11	Invesco Advisers, Inc.	Investment Adviser	1,757	0.8%
12	RR Advisors LLC	Hedge Fund Manager	1,379	0.7%
13	Bank of America, NA (Private Banking)	Private Banking/Wealth Mgmt	1,281	0.6%
14	First Trust Advisors LP	Investment Adviser	1,154	0.6%
15	CIBC Private Wealth Advisors, Inc.	Investment Adviser	952	0.5%
16	Eagle Global Advisors LLC	Private Banking/Wealth Mgmt	880	0.4%
17	Wells Fargo Bank, NA	Private Banking/Wealth Mgmt	867	0.4%
18	Infrastructure Capital Advisors LLC	Investment Adviser	855	0.4%
19	Antara Capital LP	Hedge Fund Manager	790	0.4%
20	UBS Securities LLC	Broker	769	0.4%
<b>Remainder</b>			<b>10,750</b>	<b>5.2%</b>
<b>Total Institutional Ownership</b>			<b>72,963</b>	<b>35.0%</b>

### Unit Ownership Breakdown



### Unit Ownership Summary

Holder	Units (000's)	Ownership %
Institutional	72,963	35.0%
Insiders	3,808	1.8%
Retail	13,863	6.7%
<b>Total Common Units Outstanding</b>	<b>90,634</b>	<b>43.5%</b>
Plus: PSX and ENB Owned Common Units	117,763	56.5%
<b>Total Units Outstanding<sup>1</sup></b>	<b>208,397</b>	<b>100.0%</b>

Source: Wall Street research, FactSet; as of January 4, 2023  
1. Excludes 0.6mm phantom and performance units



### III. DCP Financial Projections

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# DCP Financial Projections

## DCP Financial Projections – Assumptions

**A** The DCP Financial Projections as provided by DCP Management and reviewed by Evercore, incorporate the following assumptions:

- ▶ September 23, 2022 price deck as follows:

	Price Deck					
	2022E	2023E	2024E	2025E	2026E	2027E
NGLs (\$/Gal)	\$1.04	\$0.75	\$0.66	\$0.60	\$0.60	\$0.60
WTI (\$/Bbl)	93.75	73.80	68.04	64.12	61.16	58.81
Henry Hub (\$/MMBtu)	7.26	5.56	4.76	4.59	4.52	4.50

- ▶ Interest rates on debt as follows:

- Revolving Credit Facility: Approximately 4.5%-5.5% annually
- Permanent Debt Average: Approximately 5.5%-6.0% annually

- ▶ Preferred Equity redeemed once eligible and financed with debt and cash flow from operations:

- \$500 Series A redeemed in Q3 2022
- \$161 Series B redeemed in Q2 2023
- \$110 Series C redeemed in Q4 2023

- ▶ Common Units outstanding:

- 90.6 million publicly held LP Units
- 117.8 million DCP LP Units

- ▶ Quarterly distributions per LP held flat at \$0.43/unit throughout the projection period

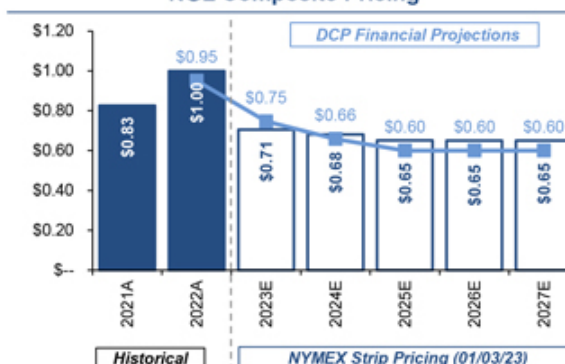
- ▶ No minimum cash balance

- ▶ Maintenance capital expenditures of \$134.7 million per year in 2022E, \$150.0 million per year in 2023E and 2024E and \$125.0 million per year from 2025E to 2027E

- ▶ Growth capital expenditures:

- Identified organic capital expenditures of \$114.4 million in 2H 2022
- Identified acquisition capital expenditures of \$144.0 million in 2H 2022
- Unidentified organic capital expenditures of \$125.0 million in 2023E and \$50.0 million per year from 2024E to 2027E

**NGL Composite Pricing**



Source: DCP Management  
Note: DCP Financial Projections do not include effects of the Merger

## DCP Financial Projections

### DCP Financial Projections – Sensitivity Assumptions

- B** At the direction of the Special Committee, Evercore requested that DCP Management provide financial projections for DCP assuming NYMEX Strip Pricing as of January 3, 2023 ("**Sensitivity Case B – NYMEX Strip Pricing Case**");

	NYMEX Strip Pricing Case					
	2022E	2023E	2024E	2025E	2026E	2027E
NGLs (\$/Gal)	\$1.04	\$0.71	\$0.68	\$0.66	\$0.66	\$0.66
WTI (\$/Bbl)	93.75	76.58	72.42	68.61	65.57	62.98
Henry Hub (\$/MMBtu)	7.26	3.90	4.14	4.31	4.41	4.45

- Also at the direction of the Special Committee, the following two additional commodity price cases were requested to reflect higher and lower price environments, although these levels have not been realized historically over a long period of time:

- C** A sensitivity case which assumes the following higher commodity pricing ("**Sensitivity Case C – Higher Commodity Prices**");

	Higher Commodity Prices					
	2022E	2023E	2024E	2025E	2026E	2027E
NGLs (\$/Gal)	\$1.01	\$0.90	\$0.78	\$0.77	\$0.76	\$0.75
WTI (\$/Bbl)	95.10	87.50	76.50	75.50	74.50	73.50
Henry Hub (\$/MMBtu)	6.50	5.85	5.15	5.10	5.05	5.00

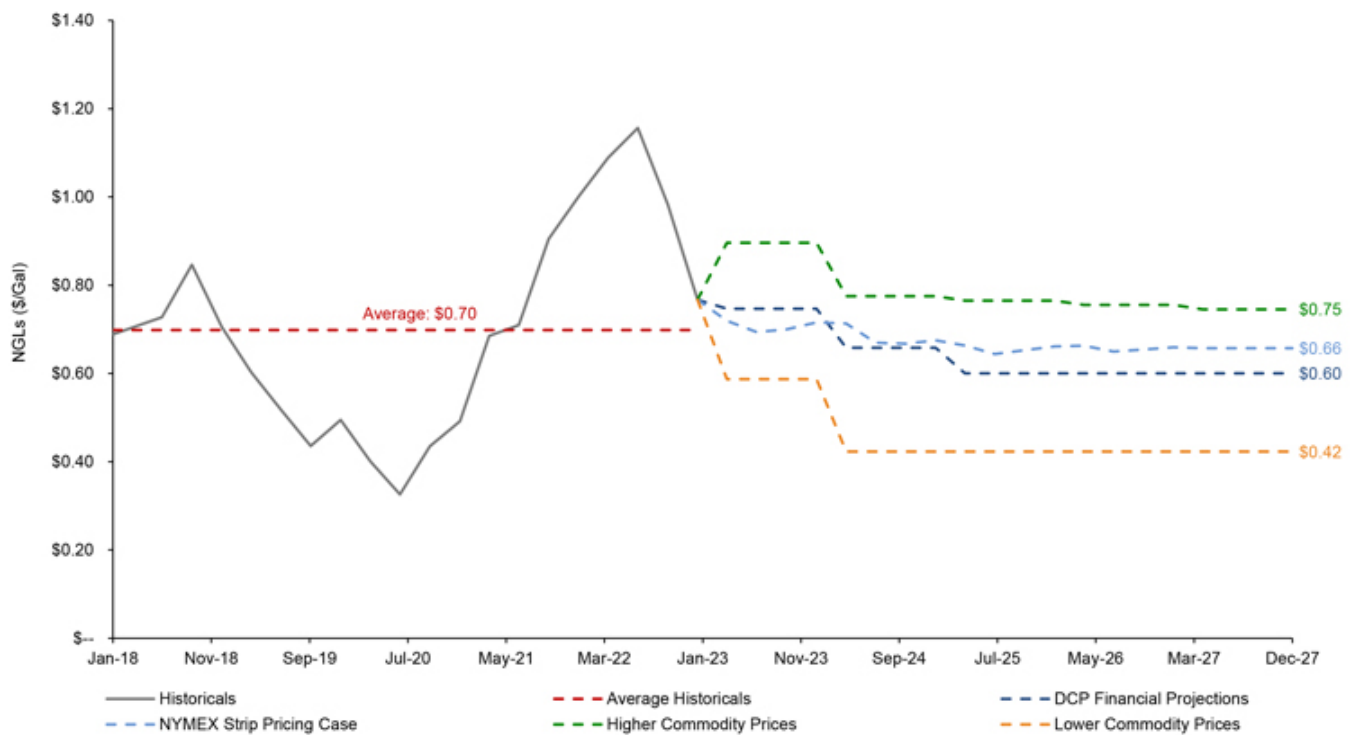
- D** A sensitivity case which assumes the following lower commodity pricing ("**Sensitivity Case D – Lower Commodity Prices**");

	Lower Commodity Prices					
	2022E	2023E	2024E	2025E	2026E	2027E
NGLs (\$/Gal)	\$1.01	\$0.59	\$0.42	\$0.42	\$0.42	\$0.42
WTI (\$/Bbl)	95.10	40.00	40.00	40.00	40.00	40.00
Henry Hub (\$/MMBtu)	6.50	2.25	2.25	2.25	2.25	2.25

## DCP Financial Projections

### DCP Financial Projections – NGL Price Cases

NGL Composite Barrel (\$/Gal)



## DCP Financial Projections

### A DCP Financial Projections

(\$ in millions)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
<b>Gathering &amp; Processing Segment</b>							
North Region	\$1,140	\$864	\$767	\$726	\$717	\$711	(9.0%)
South Region	191	147	137	129	128	127	(7.9%)
Midcontinent Region	275	239	225	212	209	207	(5.5%)
Permian Region	584	585	562	533	527	522	(2.2%)
Other G&P	—	—	—	—	—	—	—
<b>Total Gathering &amp; Processing Gross Margin</b>	<b>\$2,190</b>	<b>\$1,835</b>	<b>\$1,690</b>	<b>\$1,601</b>	<b>\$1,581</b>	<b>\$1,568</b>	<b>(6.5%)</b>
<b>Total Costs</b>							
North Region	(\$157)	(\$144)	(\$154)	(\$154)	(\$156)	(\$158)	0.2%
South Region	(99)	(99)	(92)	(92)	(94)	(95)	(0.8%)
Midcontinent Region	(165)	(162)	(174)	(174)	(177)	(179)	1.6%
Permian Region	(251)	(293)	(307)	(308)	(312)	(317)	4.7%
Other G&P	(19)	(23)	(20)	(21)	(21)	(21)	2.6%
<b>Total Gathering &amp; Processing Costs</b>	<b>(\$691)</b>	<b>(\$721)</b>	<b>(\$748)</b>	<b>(\$748)</b>	<b>(\$760)</b>	<b>(\$771)</b>	<b>2.2%</b>
<b>Total Gathering &amp; Processing Segment Margin</b>	<b>\$1,499</b>	<b>\$1,113</b>	<b>\$942</b>	<b>\$852</b>	<b>\$821</b>	<b>\$797</b>	<b>(11.9%)</b>
<b>Logistics &amp; Marketing Segment</b>							
Southern Hills + Sand Hills	\$429	\$436	\$442	\$449	\$449	\$449	0.9%
Other NGL Pipelines	141	149	156	158	158	158	2.3%
NGL Marketing + Storage	46	49	39	39	39	39	(3.2%)
Downstream Fractionation	19	21	21	21	21	21	2.0%
Gas Marketing + Other Income	18	13	13	13	13	13	(7.1%)
Gas Storage	2	13	12	12	12	12	43.2%
Guadalupe	62	48	40	40	40	40	(8.5%)
Gulf Coast Express Equity Earnings	66	66	66	66	66	66	(0.0%)
Cheyenne Connector Equity Earnings	14	14	14	14	14	14	0.0%
<b>Total Logistics &amp; Marketing Gross Margin</b>	<b>\$798</b>	<b>\$810</b>	<b>\$804</b>	<b>\$812</b>	<b>\$812</b>	<b>\$812</b>	<b>0.4%</b>
<b>Total Costs</b>							
Logistics & Marketing Costs	(\$44)	(\$47)	(\$41)	(\$41)	(\$42)	(\$42)	(0.9%)
<b>Total Logistics &amp; Marketing Segment Margin</b>	<b>\$754</b>	<b>\$763</b>	<b>\$763</b>	<b>\$771</b>	<b>\$771</b>	<b>\$770</b>	<b>0.4%</b>

Source: DCP Management

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## DCP Financial Projections

### A DCP Financial Projections – Summary Cash Flows

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
Gathering & Processing Segment Margin	\$1,499	\$1,113	\$942	\$852	\$821	\$797	(11.9%)
Logistics & Marketing Segment Margin	754	763	763	771	771	770	0.4%
Less: Corporate Costs	(255)	(257)	(236)	(236)	(239)	(243)	(1.0%)
Plus: Adj. Distribution in Excess of Equity Earnings - Logistics	77	80	80	80	80	80	0.9%
Plus: Adj. Distribution in Excess of Equity Earnings - Discovery	13	9	9	9	9	9	(7.3%)
Plus: Hedge settlement	(339)	(11)	2	(4)	—	—	
<b>Adjusted EBITDA</b>	<b>\$1,749</b>	<b>\$1,698</b>	<b>\$1,560</b>	<b>\$1,473</b>	<b>\$1,442</b>	<b>\$1,414</b>	<b>(4.2%)</b>
Plus: Growth Projects	—	—	18	25	32	39	
<b>Total Adjusted EBITDA</b>	<b>\$1,749</b>	<b>\$1,698</b>	<b>\$1,578</b>	<b>\$1,498</b>	<b>\$1,474</b>	<b>\$1,453</b>	<b>(3.6%)</b>
Less: Interest Expense	(\$273)	(\$286)	(\$258)	(\$221)	(\$210)	(\$183)	
Less: Preferred Securities	(58)	(15)	—	—	—	—	
Less: Sustaining Capital	(135)	(150)	(150)	(125)	(125)	(125)	
Less: Income Taxes	(5)	(5)	(5)	(5)	(5)	(5)	
Less: Other	(3)	(7)	(7)	(5)	(5)	(5)	
<b>Distributable Cash Flow</b>	<b>\$1,275</b>	<b>\$1,235</b>	<b>\$1,157</b>	<b>\$1,142</b>	<b>\$1,128</b>	<b>\$1,135</b>	<b>(2.3%)</b>
Identified Organic Capital	(\$140)	\$—	\$—	\$—	\$—	\$—	
Unidentified Organic Capital	—	(125)	(50)	(50)	(50)	(50)	
Acquisition Capital	(160)	—	—	—	—	—	
Distributions	(342)	(359)	(359)	(359)	(359)	(359)	1.0%
Working Capital and Interest Timing	(30)	133	90	—	—	—	
<b>Cash Surplus / (Shortfall)</b>	<b>\$603</b>	<b>\$884</b>	<b>\$838</b>	<b>\$733</b>	<b>\$719</b>	<b>\$726</b>	<b>3.8%</b>
LP Units Outstanding	208	209	209	209	209	209	0.0%
<b>Distributable Cash Flow per LP Unit</b>	<b>\$6.12</b>	<b>\$5.92</b>	<b>\$5.55</b>	<b>\$5.47</b>	<b>\$5.41</b>	<b>\$5.44</b>	<b>(2.3%)</b>
<b>Distribution per Unit</b>	<b>1.64</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.0%</b>
<b>Total Distributions</b>	<b>\$342</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>1.0%</b>

Source: DCP Management

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## DCP Financial Projections

### A DCP Financial Projections – Sources and Uses

(\$ in millions)

	For the Years Ending December 31,					
	2022E	2023E	2024E	2025E	2026E	2027E
<b>Sources</b>						
DCF Surplus / (Shortfall)	\$603	\$884	\$838	\$733	\$719	\$726
Revolver Draw	246	—	—	—	—	—
<b>Total Sources</b>	<b>\$849</b>	<b>\$884</b>	<b>\$838</b>	<b>\$733</b>	<b>\$719</b>	<b>\$726</b>
<b>Uses</b>						
Revolver Paydown	\$—	\$113	\$393	\$—	\$—	\$—
Long-Term Debt Paydown	350	500	—	825	—	500
Preferred Equity Redemption	500	271	—	—	—	—
Cash Balance Increase / (Decrease)	(1)	—	445	(92)	719	226
<b>Total Uses</b>	<b>\$849</b>	<b>\$884</b>	<b>\$838</b>	<b>\$733</b>	<b>\$719</b>	<b>\$726</b>
<b>Memo:</b>						
Cash	\$—	\$—	\$445	\$353	\$1,073	\$1,298
Total Debt	5,331	4,718	4,325	3,500	3,500	3,000
<b>Net Debt</b>	<b>\$5,331</b>	<b>\$4,718</b>	<b>\$3,880</b>	<b>\$3,147</b>	<b>\$2,427</b>	<b>\$1,702</b>
Preferred Equity	271	—	—	—	—	—
<b>Net Debt + Preferred Equity</b>	<b>\$5,602</b>	<b>\$4,718</b>	<b>\$3,880</b>	<b>\$3,147</b>	<b>\$2,427</b>	<b>\$1,702</b>
Total Debt / Adjusted EBITDA	3.0x	2.8x	2.7x	2.3x	2.4x	2.1x
Net Debt / Adjusted EBITDA	3.0	2.8	2.5	2.1	1.6	1.2
(Net Debt + Preferred Equity) / Adjusted EBITDA	3.2	2.8	2.5	2.1	1.6	1.2

Source: DCP Management

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## DCP Financial Projections

### B DCP Financial Projections

(\$ in millions)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
<b>Gathering &amp; Processing Segment</b>							
North Region	\$1,140	\$729	\$752	\$758	\$756	\$756	(7.9%)
South Region	191	151	144	138	136	135	(6.8%)
Midcontinent Region	275	243	231	218	214	211	(5.2%)
Permian Region	584	568	565	542	535	531	(1.9%)
Other G&P	—	—	—	—	—	—	—
<b>Total Gathering &amp; Processing Gross Margin</b>	<b>\$2,190</b>	<b>\$1,691</b>	<b>\$1,692</b>	<b>\$1,655</b>	<b>\$1,641</b>	<b>\$1,633</b>	<b>(5.7%)</b>
<b>Total Costs</b>							
North Region	(\$157)	(\$144)	(\$154)	(\$154)	(\$156)	(\$158)	0.2%
South Region	(99)	(99)	(92)	(92)	(94)	(95)	(0.8%)
Midcontinent Region	(165)	(162)	(174)	(174)	(177)	(179)	1.6%
Permian Region	(251)	(293)	(307)	(308)	(312)	(317)	4.7%
Other G&P	(19)	(23)	(20)	(21)	(21)	(21)	2.6%
<b>Total Gathering &amp; Processing Costs</b>	<b>(\$691)</b>	<b>(\$721)</b>	<b>(\$748)</b>	<b>(\$748)</b>	<b>(\$760)</b>	<b>(\$771)</b>	<b>2.2%</b>
<b>Total Gathering &amp; Processing Segment Margin</b>	<b>\$1,499</b>	<b>\$970</b>	<b>\$944</b>	<b>\$907</b>	<b>\$881</b>	<b>\$862</b>	<b>(10.5%)</b>
<b>Logistics &amp; Marketing Segment</b>							
Southern Hills + Sand Hills	\$429	\$436	\$442	\$449	\$449	\$449	0.9%
Other NGL Pipelines	141	149	156	158	158	158	2.3%
NGL Marketing + Storage	46	49	39	39	39	39	(3.2%)
Downstream Fractionation	19	21	21	21	21	21	2.0%
Gas Marketing + Other Income	18	13	13	13	13	13	(7.1%)
Gas Storage	2	13	12	12	12	12	43.2%
Guadalupe	62	48	40	40	40	40	(8.5%)
Gulf Coast Express Equity Earnings	66	66	66	66	66	66	(0.0%)
Cheyenne Connector Equity Earnings	14	14	14	14	14	14	0.0%
<b>Total Logistics &amp; Marketing Gross Margin</b>	<b>\$798</b>	<b>\$810</b>	<b>\$804</b>	<b>\$812</b>	<b>\$812</b>	<b>\$812</b>	<b>0.4%</b>
<b>Total Costs</b>							
Logistics & Marketing Costs	(\$44)	(\$47)	(\$41)	(\$41)	(\$42)	(\$42)	(0.9%)
<b>Total Logistics &amp; Marketing Segment Margin</b>	<b>\$754</b>	<b>\$763</b>	<b>\$763</b>	<b>\$771</b>	<b>\$771</b>	<b>\$770</b>	<b>0.4%</b>

Source: DCP Management

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## DCP Financial Projections

### B DCP Financial Projections – Summary Cash Flows

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
Gathering & Processing Segment Margin	\$1,499	\$970	\$944	\$907	\$881	\$862	(10.5%)
Logistics & Marketing Segment Margin	754	763	763	771	771	770	0.4%
Less: Corporate Costs	(255)	(257)	(236)	(236)	(239)	(243)	(1.0%)
Plus: Adj. Distribution in Excess of Equity Earnings - Logistics	77	80	80	80	80	80	0.9%
Plus: Adj. Distribution in Excess of Equity Earnings - Discovery	13	9	9	9	9	9	(7.3%)
Plus: Hedge settlement	(339)	18	4	(2)	—	—	
<b>Adjusted EBITDA</b>	<b>\$1,749</b>	<b>\$1,583</b>	<b>\$1,563</b>	<b>\$1,530</b>	<b>\$1,501</b>	<b>\$1,478</b>	<b>(3.3%)</b>
Plus: Growth Projects	—	—	18	25	32	39	
<b>Total Adjusted EBITDA</b>	<b>\$1,749</b>	<b>\$1,583</b>	<b>\$1,581</b>	<b>\$1,555</b>	<b>\$1,534</b>	<b>\$1,518</b>	<b>(2.8%)</b>
Less: Interest Expense	(\$273)	(\$290)	(\$261)	(\$222)	(\$210)	(\$183)	
Less: Preferred Securities	(58)	(15)	—	—	—	—	
Less: Sustaining Capital	(135)	(150)	(150)	(125)	(125)	(125)	
Less: Income Taxes	(5)	(5)	(5)	(5)	(5)	(5)	
Less: Other	(3)	(7)	(7)	(5)	(5)	(5)	
<b>Distributable Cash Flow</b>	<b>\$1,275</b>	<b>\$1,115</b>	<b>\$1,158</b>	<b>\$1,198</b>	<b>\$1,188</b>	<b>\$1,199</b>	<b>(1.2%)</b>
Identified Organic Capital	(\$140)	\$—	\$—	\$—	\$—	\$—	
Unidentified Organic Capital	—	(125)	(50)	(50)	(50)	(50)	
Acquisition Capital	(160)	—	—	—	—	—	
Distributions	(342)	(359)	(359)	(359)	(359)	(359)	1.0%
Working Capital and Interest Timing	(30)	133	90	—	—	—	
<b>Cash Surplus / (Shortfall)</b>	<b>\$603</b>	<b>\$764</b>	<b>\$839</b>	<b>\$789</b>	<b>\$779</b>	<b>\$790</b>	<b>5.6%</b>
LP Units Outstanding	208	209	209	209	209	209	0.0%
<b>Distributable Cash Flow per LP Unit</b>	<b>\$6.12</b>	<b>\$5.34</b>	<b>\$5.55</b>	<b>\$5.74</b>	<b>\$5.69</b>	<b>\$5.75</b>	<b>(1.2%)</b>
<b>Distribution per Unit</b>	<b>1.68</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>0.5%</b>
<b>Total Distributions</b>	<b>\$342</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>1.0%</b>

Source: DCP Management

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## DCP Financial Projections

### B DCP Financial Projections – Sources and Uses

(\$ in millions)

	For the Years Ending December 31,					
	2022E	2023E	2024E	2025E	2026E	2027E
<b>Sources</b>						
DCF Surplus / (Shortfall)	\$603	\$764	\$839	\$789	\$779	\$790
Revolver Draw	246	7	–	–	–	–
<b>Total Sources</b>	<b>\$849</b>	<b>\$771</b>	<b>\$839</b>	<b>\$789</b>	<b>\$779</b>	<b>\$790</b>
<b>Uses</b>						
Revolver Paydown	\$–	\$–	\$513	\$–	\$–	\$–
Long-Term Debt Paydown	350	500	–	825	–	500
Preferred Equity Redemption	500	271	–	–	–	–
Cash Balance Increase / (Decrease)	(1)	–	327	(36)	779	290
<b>Total Uses</b>	<b>\$849</b>	<b>\$771</b>	<b>\$839</b>	<b>\$789</b>	<b>\$779</b>	<b>\$790</b>
<b>Memo:</b>						
Cash	\$–	\$–	\$327	\$291	\$1,070	\$1,360
Total Debt	5,331	4,838	4,325	3,500	3,500	3,000
<b>Net Debt</b>	<b>\$5,331</b>	<b>\$4,838</b>	<b>\$3,998</b>	<b>\$3,209</b>	<b>\$2,430</b>	<b>\$1,640</b>
Preferred Equity	271	–	–	–	–	–
<b>Net Debt + Preferred Equity</b>	<b>\$5,602</b>	<b>\$4,838</b>	<b>\$3,998</b>	<b>\$3,209</b>	<b>\$2,430</b>	<b>\$1,640</b>
Total Debt / Adjusted EBITDA	3.0x	3.1x	2.7x	2.3x	2.3x	2.0x
Net Debt / Adjusted EBITDA	3.0	3.1	2.5	2.1	1.6	1.1
(Net Debt + Preferred Equity) / Adjusted EBITDA	3.2	3.1	2.5	2.1	1.6	1.1

Source: DCP Management

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## DCP Financial Projections

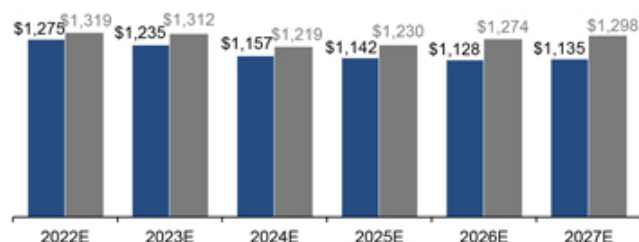
### DCP Financial Projections Summary – Comparison to Wall Street Consensus Estimates

(\$ in millions)

#### Adjusted EBITDA

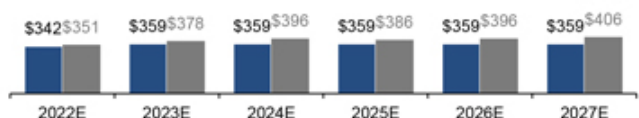


#### Distributable Cash Flow

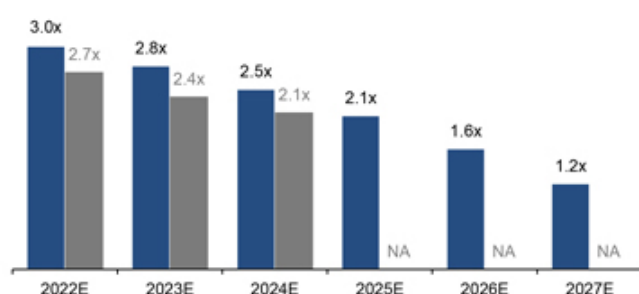


#### Distributed Cash Flow

##### Coverage Ratio:



#### Net Debt / Adjusted EBITDA



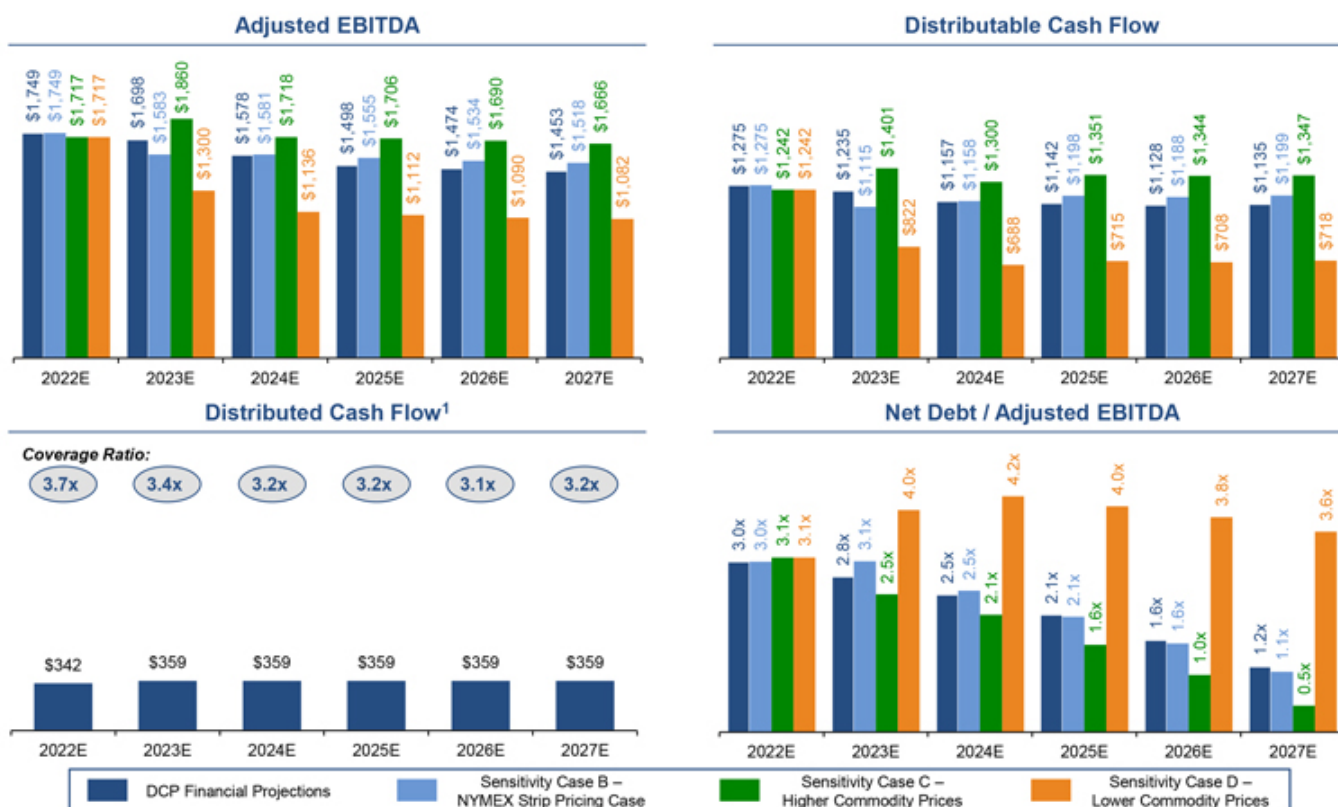
DCP Financial Projections Wall Street Consensus Estimates

Source: DCP Management; FactSet, as of January 4, 2023

# DCP Financial Projections

## DCP Financial Projections Summary – Comparison to Sensitivity Cases

(\$ in millions)



Source: DCP Management

1. Projected distributions remain the same through sensitivity cases

## IV. Preliminary Valuation of the Common Units

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## Preliminary Valuation of the Common Units

### Valuation Methodologies

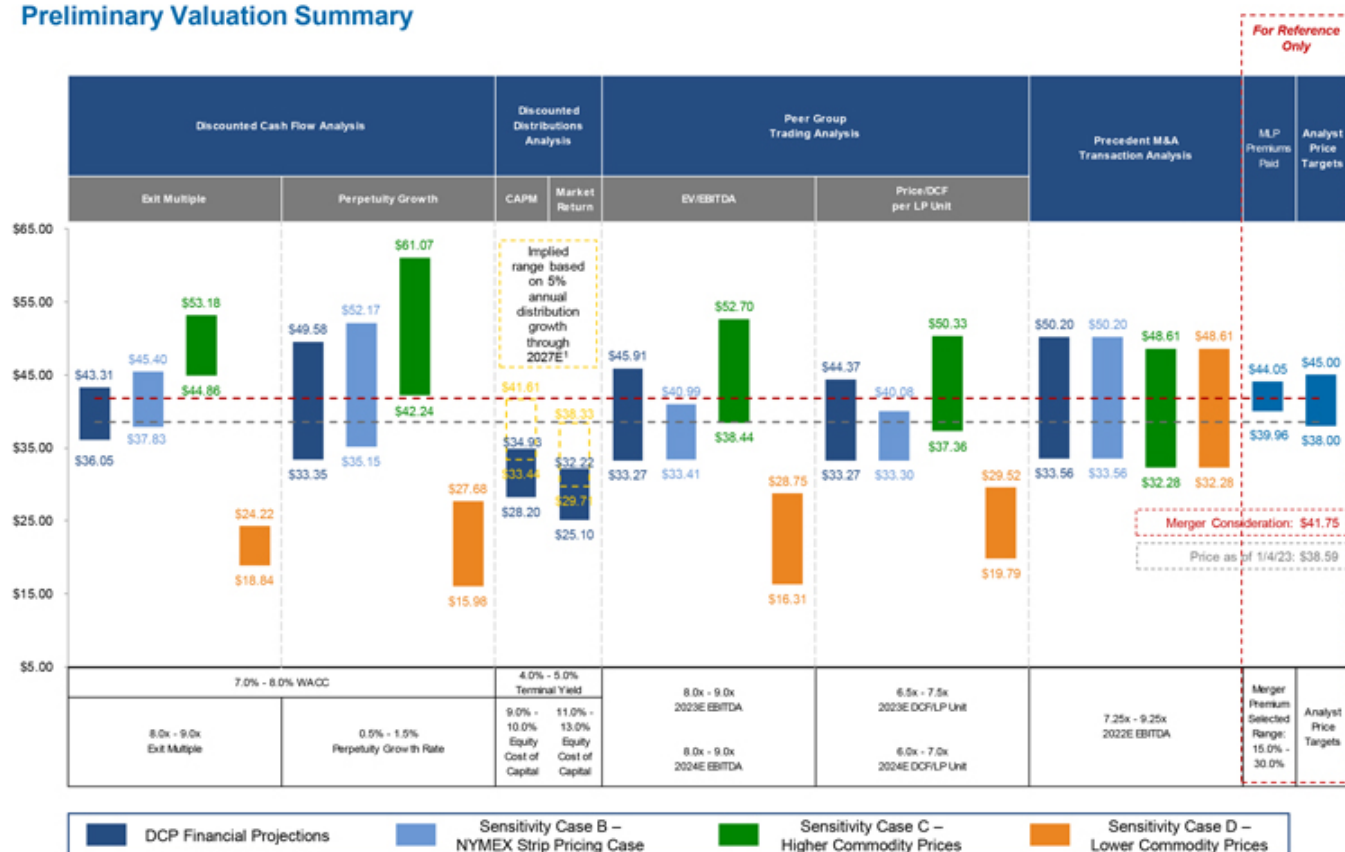
- Evercore utilized the following methodologies to analyze the value of the Common Units:

Methodology	Description	Assumptions / Detail
<b>Discounted Cash Flow Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on the concept of the time value of money</li> <li>■ Utilizes varying weighted average cost of capital ("WACC") discount rates and applies various perpetuity growth rates to derive after-tax valuation ranges</li> <li>■ Calculated terminal values based on a range of multiples of EBITDA and assumed perpetuity growth rates</li> </ul>	<ul style="list-style-type: none"> <li>■ Projected cash flow discounted to 12/31/22</li> <li>■ EBITDA exit multiple based on peer group trading multiples and precedent transaction multiples</li> <li>■ WACC based on the Capital Asset Pricing Model ("CAPM")</li> </ul>
<b>Discounted Distributions Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on the present value of the future cash distributions</li> </ul>	<ul style="list-style-type: none"> <li>■ Projected distributions discounted to 12/31/22</li> <li>■ Terminal yield range based on the distribution yield at which DCP has traded over the last 52 weeks</li> <li>■ Cost of equity based on CAPM and total expected market return for MLPs and companies with similar assets to those of DCP</li> </ul>
<b>Peer Group Trading Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on EV/EBITDA and Price/DCF trading multiples</li> <li>■ Multiples selected based on EV/EBITDA and Price/DCF multiples of MLPs and companies with assets similar to those owned by DCP</li> </ul>	<ul style="list-style-type: none"> <li>■ EV/EBITDA multiples applied to 2023E and 2024E EBITDA</li> <li>■ Price/DCF LP unit applied to 2023E and 2024E DCF/LP unit</li> </ul>
<b>Precedent M&amp;A Transaction Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on multiples of transaction value to EBITDA in historical transactions involving assets similar to those owned by DCP</li> </ul>	<ul style="list-style-type: none"> <li>■ EV/EBITDA multiples applied to 2022E EBITDA</li> </ul>
<b>Premiums Paid Analysis</b>	<ul style="list-style-type: none"> <li>■ Values DCP common units based on historical premiums paid in (i) MLP buy-ins and (ii) MLP mergers since 2018</li> </ul>	<ul style="list-style-type: none"> <li>■ Median 1-Day spot and 20-Day volume weighted average price ("VWAP") premiums paid applied to relevant unit prices</li> </ul>

For  
Reference  
Only

# Preliminary Valuation of the Common Units

## Preliminary Valuation Summary



1. For reference only: sensitivity case using a 5% annual distribution growth rate which assumes lower than the commodity super cycle board assumption of 7.5% growth and higher than DCP Financial Projections' 0% growth

## Preliminary Valuation of the Common Units

### A Discounted Cash Flow Analysis

(\$ in millions, except per unit amounts)

#### Summary Results

	For the Years Ending December 31,					Exit Multiple	Perpetuity Growth
	2023E	2024E	2025E	2026E	2027E		
Adjusted EBITDA	\$1,698	\$1,578	\$1,498	\$1,474	\$1,453	\$1,453	\$1,453
Less: Tax Depreciation and Amortization <sup>1</sup>	(14,251)	(154)	(127)	(118)	(116)		(125)
EBIT	(\$12,553)	\$1,424	\$1,371	\$1,356	\$1,338		\$1,328
Less: Cash Taxes	—	(84)	(81)	(100)	(99)		(491)
EBIAT	(\$12,553)	\$1,340	\$1,290	\$1,255	\$1,239		\$837
Plus: Tax Depreciation and Amortization	14,251	154	127	118	116		125
Less: Maintenance Capex	(150)	(150)	(125)	(125)	(125)		(125)
Less: Growth Capex	(125)	(50)	(50)	(50)	(50)		—
Unlevered Free Cash Flow	\$1,423	\$1,293	\$1,242	\$1,199	\$1,179		\$837
EBITDA Multiple / Perpetuity Growth Rate						8.5x	1.0%
Implied Terminal Value						\$12,351	\$13,000
Present Value of Terminal Value @ 7.5% Discount Rate						\$8,603	\$8,734
Plus: Present Value of Unlevered Free Cash Flow @ 7.5% Discount Rate						5,351	
<b>Implied Enterprise Value</b>						<b>\$13,954</b>	<b>\$14,085</b>
Less: Preferred Equity <sup>2</sup>						(\$271)	
Less: Net Debt <sup>2</sup>						(5,331)	
Less: Noncontrolling Interests <sup>2</sup>						(25)	
<b>Implied Equity Value</b>						<b>\$8,327</b>	<b>\$8,458</b>
DCP Units Outstanding <sup>3</sup>						210	
<b>Implied Value per Unit</b>						<b>\$39.61</b>	<b>\$40.23</b>

#### Sensitivity Analysis

		Terminal Exit Multiple							Perpetuity Growth Rate				
		7.5x	8.0x	8.5x	9.0x	9.5x			--%	0.5%	1.0%	1.5%	2.0%
WACC	6.5%	\$37.07	\$39.59	\$42.11	\$44.63	\$47.16	WACC	6.5%	\$42.54	\$46.38	\$50.92	\$56.37	\$63.03
	7.0%	35.92	38.38	40.84	43.31	45.77		7.0%	38.14	41.37	45.13	49.58	54.92
	7.5%	34.79	37.20	39.61	42.02	44.42		7.5%	34.34	37.07	40.23	43.92	48.27
	8.0%	33.70	36.05	38.40	40.76	43.11		8.0%	31.00	33.35	36.03	39.12	42.73
	8.5%	32.64	34.93	37.23	39.53	41.83		8.5%	28.05	30.08	32.38	35.00	38.03

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- 2023E tax DD&A assumes 80% bonus depreciation calculated as the midpoint of the enterprise value range plus 2023E capital expenditures
- Per DCP Management as of December 31, 2022
- Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.8mm phantom and performance units

DCP  
Midstream



## Preliminary Valuation of the Common Units

### Discounted Distribution Analysis

	For the Years Ending December 31,					Terminal Value	
	2023E	2024E	2025E	2026E	2027E	Low	High
DCP Distribution per Unit (Cash, As Paid)	\$1.72	\$1.72	\$1.72	\$1.72	\$1.72	\$1.72	\$1.72
Terminal Yield <sup>1</sup>						5.0%	4.0%
<b>Terminal Value</b>						<b>\$34.40</b>	<b>\$43.00</b>
<b>Equity Cost of Capital Based on CAPM</b>							
Present Value @ 8.5% Cost of Equity						\$29.94	\$35.66
Present Value @ 9.0% Cost of Equity						29.34	34.93
Present Value @ 9.5% Cost of Equity						28.76	34.23
Present Value @ 10.0% Cost of Equity						28.20	33.54
Present Value @ 10.5% Cost of Equity						27.65	32.87
<b>Implied DCP Unit Value – Based on CAPM</b>						<b>\$28.20</b>	<b>\$34.93</b>
<b>Equity Cost of Capital Based on Total Expected Market Return<sup>2</sup></b>							
Present Value @ 10.0% Cost of Equity						\$28.20	\$33.54
Present Value @ 11.0% Cost of Equity						27.11	32.22
Present Value @ 12.0% Cost of Equity						26.08	30.96
Present Value @ 13.0% Cost of Equity						25.10	29.77
Present Value @ 14.0% Cost of Equity						24.17	28.64
<b>Implied DCP Unit Value – Based on Total Expected Market Return</b>						<b>\$25.10</b>	<b>\$32.22</b>

Source: DCP Management

1. Based on DCP's 52-week yield range of 2.6% to 5.6% with a median of 4.3% and mean of 4.3%; Current yield is 4.0% as of January 4, 2023

2. Detail on Equity Cost of Capital calculations in Appendix

## Preliminary Valuation of the Common Units

### Discounted Distribution Analysis – 5% Annual Distribution Growth

For Reference Only

	For the Years Ending December 31,					Terminal Value	
	2023E	2024E	2025E	2026E	2027E	Low	High
DCP Distribution per Unit (Cash, As Paid)	\$1.72	\$1.81	\$1.90	\$1.99	\$2.09	\$2.09	\$2.09
Distribution Growth		5.0%	5.0%	5.0%	5.0%		
Terminal Yield <sup>1</sup>						5.0%	4.0%
<b>Terminal Value</b>						<b>\$41.80</b>	<b>\$52.25</b>

#### Equity Cost of Capital Based on CAPM

Present Value @ 8.5% Cost of Equity	\$35.54	–	\$42.49
Present Value @ 9.0% Cost of Equity	34.82	–	41.61
Present Value @ 9.5% Cost of Equity	34.12	–	40.76
Present Value @ 10.0% Cost of Equity	33.44	–	39.93
Present Value @ 10.5% Cost of Equity	32.78	–	39.12

<b>Implied DCP Unit Value – Based on CAPM</b>	<b>\$33.44</b>	<b>–</b>	<b>\$41.61</b>
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#### Equity Cost of Capital Based on Total Expected Market Return<sup>2</sup>

Present Value @ 10.0% Cost of Equity	\$33.44	–	\$39.93
Present Value @ 11.0% Cost of Equity	32.13	–	38.33
Present Value @ 12.0% Cost of Equity	30.89	–	36.82
Present Value @ 13.0% Cost of Equity	29.71	–	35.38
Present Value @ 14.0% Cost of Equity	28.59	–	34.01

<b>Implied DCP Unit Value – Based on Total Expected Market Return</b>	<b>\$29.71</b>	<b>–</b>	<b>\$38.33</b>
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Source: DCP Management

Note: Sensitivity case using a 5% annual distribution growth rate which assumes lower than the commodity super cycle board assumption of 7.5% growth and management 0% growth scenarios

1. Based on DCP's 52-week yield range of 2.6% to 5.6% with a median of 4.3% and mean of 4.3%; Current yield is 4.0% as of January 4, 2023

2. Detail on Equity Cost of Capital calculations in Appendix

## Preliminary Valuation of the Common Units

### Peer Group Trading Analysis

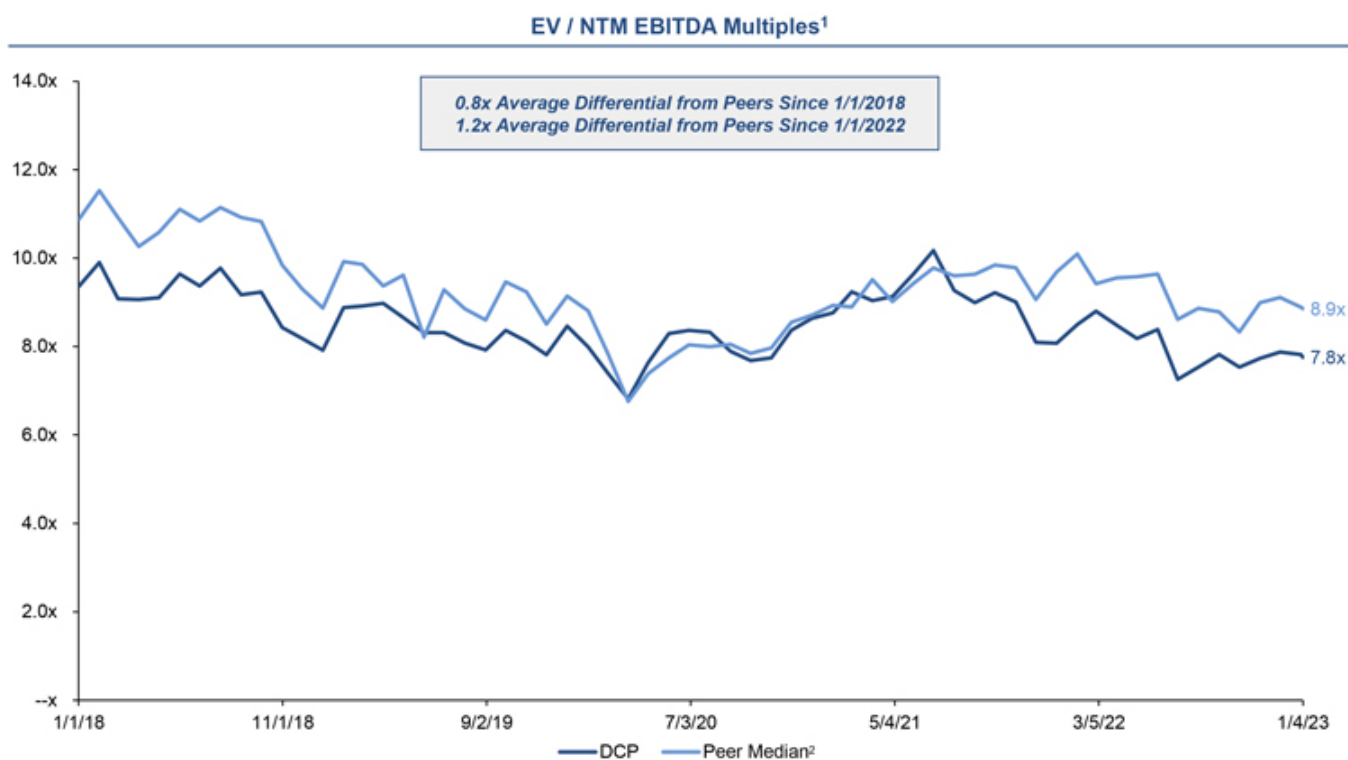
(\$ in millions, except per unit/share amounts)

Partnership / Company	Price 1/4/23	Equity Value	Enterprise Value	Enterprise Value/EBITDA 2023E	Enterprise Value/EBITDA 2024E	Price/DCF		Distribution Yield		Dist. Growth	Net Debt / 2023E EBITDA
						/ CAFD per Share 2023E	2024E	Current	2023E		
Gathering & Processing MLPs/Companies											
Antero Midstream Corporation	\$10.89	\$5,269	\$8,639	9.1x	8.6x	9.1x	8.1x	8.3%	8.3%	NM	3.5x
Crestwood Equity Partners LP	26.56	2,859	7,263	8.0	7.6	4.8	4.4	9.9%	9.9%	3.7%	3.7
DT Midstream, Inc.	53.65	5,256	8,658	9.6	9.0	8.8	8.3	4.8%	5.0%	6.9%	3.6
EnLink Midstream, LLC	11.95	5,788	11,984	8.8	8.6	5.7	5.4	3.8%	4.2%	10.0%	3.4
Equitrans Midstream Corporation	6.85	2,997	10,441	9.9	9.1	5.4	5.0	8.8%	8.8%	0.8%	6.0
Hess Midstream Partners LP	30.02	7,205	10,111	9.7	9.2	8.3	7.9	7.5%	7.9%	4.0%	2.8
Kinetik Holdings Inc.	31.53	4,331	7,770	8.7	7.8	6.0	5.3	9.5%	10.0%	4.3%	3.8
ONEOK, Inc.	64.44	28,915	41,768	10.5	10.2	11.7	11.2	5.8%	5.8%	4.0%	3.2
Summit Midstream Partners, LP	16.51	174	1,905	6.3	6.1	NM	NM	—%	—%	NM	5.1
Targa Resources Corp.	71.03	16,403	30,825	8.9	8.7	6.4	6.3	2.0%	2.4%	10.0%	3.5
Western Midstream Partners, LP	25.89	10,267	17,076	7.7	7.5	6.8	6.2	7.7%	7.7%	10.9%	3.0
Mean				8.8x	8.4x	7.3x	6.8x	6.2%	6.4%	6.1%	3.8x
Median				8.9	8.6	6.6	6.2	7.5%	7.7%	4.3%	3.5
DCP Midstream, LP (Consensus) <sup>1</sup>	\$38.59	\$8,066	\$13,582	7.8x	8.2x	6.3x	6.6x	4.5%	4.7%	3.1%	2.7x
DCP Midstream, LP (DCP Financial Projections) <sup>1</sup>	\$38.59	\$8,066	\$13,582	8.0x	8.6x	6.5x	7.0x	4.5%	4.5%	—%	3.0x

Source: Company filings, FactSet, Wall Street Research; as of January 4, 2023

## Preliminary Valuation of the Common Units

### Change in Valuation Multiples Over Time



Source: FactSet market data as of January 4, 2023

1. EV / NTM EBITDA based on FactSet Consensus trading multiples

2. Peers include AM, CEQP, DTM, ENLC, ETRN, HESM, KNTK, OKE, SMLP, TRGP and WES

## Preliminary Valuation of the Common Units

### A Peer Group Trading Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2023E Adjusted EBITDA		\$1,698	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2023E Adjusted EBITDA</b>	<b>\$13,582</b>	<b>-</b>	<b>\$15,280</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$7,955</b>	<b>-</b>	<b>\$9,652</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2023E EBITDA</b>	<b>\$37.84</b>	<b>-</b>	<b>\$45.91</b>
<hr/>			
2024E Adjusted EBITDA		\$1,578	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2024E Adjusted EBITDA</b>	<b>\$12,621</b>	<b>-</b>	<b>\$14,199</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$6,994</b>	<b>-</b>	<b>\$8,572</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2024E EBITDA</b>	<b>\$33.27</b>	<b>-</b>	<b>\$40.77</b>
<b>Implied DCP Unit Price Range - 2023E and 2024E EBITDA</b>	<b>\$33.27</b>	<b>-</b>	<b>\$45.91</b>

1. As of December 31, 2022

## Preliminary Valuation of the Common Units

### A Peer Group Trading Analysis – Price/DCF per LP Unit

(\$ in millions, except per unit amounts)

2023E DCF / LP Unit		\$5.92	
Relevant Multiple	6.5x	-	7.5x
Implied DCP Unit Price Range - 2023E Price / DCF	\$38.45	-	\$44.37
2024E DCF / LP Unit		\$5.55	
Relevant Multiple	6.0x	-	7.0x
Implied DCP Unit Price Range - 2024E Price / DCF	\$33.27	-	\$38.82
Implied DCP Unit Price Range - 2023E and 2024E Price / DCF	\$33.27	-	\$44.37

## Preliminary Valuation of the Common Units

### Precedent M&A Transaction Analysis

(\$ in millions)

#### Gathering & Processing Transactions

Date Announced	Acquiror / Target (Seller)	Transaction Value (\$MM)	EBITDA Multiple
Oct-22	Summit Midstream / Outrigger DJ Midstream	\$165	6.8x
Oct-22	Summit Midstream / Sterling DJ	140	3.0
Sep-22	Antero Midstream / Marcellus G&P System (Crestwood Equity Partners)	205	7.0
Jun-22	Targa Resources / Lucid Energy	3,550	7.5
Jun-22	DCP Midstream / James Lake System (Woodland Midstream III)	160	5.5
May-22	EnLink Midstream / Barnett Gathering and Processing System (Crestwood Equity Partners)	275	4.0
May-22	Crestwood Equity Partners / Sendero Midstream	600	7.0
Apr-22	Delek Logistics Partners / 3Bear Energy	625	8.8
Mar-22	Targa Resources / Southcross Energy Operating	200	4.0
Mar-22	Williams Companies / Trace Midstream	950	6.0
Jan-22	Enterprise Products Partners / Navitas Midstream Partners	3,250	7.8
Oct-21	Crestwood Equity Partners / Oasis Midstream	1,848	8.3
Oct-21	Altus Midstream / BCP Raptor/EagleClaw Midstream	6,248	11.7
Apr-21	EnLink Midstream LLC / Amarillo Rattler JV (Rattler Midstream Partners LP, Amarillo Midstream)	60	6.0
Aug-20	Citizen Energy II LLC / Blue Mountain Midstream LLC (Riviera Resources, Inc.)	111	7.1
Jul-20	CNX Resources Corporation / 46.9% stake in CNX Midstream Partners LP	728	7.7
Feb-20	Equitrans Midstream Corporation / EQM Midstream Partners	1,762	8.3
	<b>Mean</b>		<b>6.8x</b>
	<b>Median</b>		<b>7.0</b>
	<b>Min</b>		<b>3.0</b>
	<b>Max</b>		<b>11.7</b>

Source: Public filings, FactSet

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## Preliminary Valuation of the Common Units

### Precedent M&A Transaction Analysis (cont'd)

(\$ in millions)

#### Natural Gas Transportation Transactions

Date Announced	Acquiror / Target (Seller)	Transaction Value (\$MM)	EBITDA Multiple
Dec-22	Williams Companies / MountainWest (Southwest Gas Holdings)	\$1,500	8.0x
Sep-22	DT Midstream / 26.25% Ownership Interest in Millennium Pipeline (National Grid)	552	10.0
Jun-21	Kinder Morgan / Stagecoach Gas Services (Crestwood Equity Partners LP, Consolidated Edison Inc)	857	10.7
Feb-21	ArcLight Capital Partners LLC / 25% Interest in Natural Gas Pipeline Company of America LLC (Kinder Morgan)	1,300	11.2
Jul-20	Berkshire Hathaway Energy / Dominion Energy Natural Gas Transmission and Storage Business	9,700	9.7
Mar-20	ATCO Gas and Pipelines Ltd / Pioneer Pipeline (Tidewater Midstream and Infrastructure Ltd. & TransAlta Corp.)	184	NA
Feb-20	Equitrans Midstream Corporation / EQM Midstream Partners, LP	1,762	8.3
Sep-19	NextEra Energy Partners, LP / Meade Pipeline Co LLC	1,280	11.6
Sep-19	Kinder Morgan / Corpus Christi Pipeline Network (Southcross)	76	9.0
Jan-19	NEXUS Gas Transmission, LLC (Enbridge Inc.; DTE Energy Company) / Generation Pipeline LLC	160	14.4
Feb-18	Tallgrass Energy GP, LP / 25.01% interest in Rockies Express Pipeline LLC (Tallgrass Development LP)	1,044	6.4
Nov-17	American Midstream Partners, LP / Trans-Union Interstate Pipeline (ArcLight Capital Partners, LLC)	48	6.5
Jul-17	Blackstone Energy Partners / 32.44% interest in Rover Pipeline (Energy Transfer Partners, LP)	1,571	10.7
Jun-17	TC Pipelines / 49.3% interest in Iroquois Gas Transmission System, LP and 11.8% interest in Portland Natural Gas Transmission (TransCanada Corp.)	765	10.9
Apr-17	Tallgrass Energy Partners, LP / 24.99% interest in Rockies Express Pipeline LLC (Tallgrass Development, LP)	1,043	6.6
<b>Mean</b>			<b>9.6x</b>
<b>Median</b>			<b>9.9</b>
<b>Min</b>			<b>6.4</b>
<b>Max</b>			<b>14.4</b>

Source: Public filings, FactSet

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## Preliminary Valuation of the Common Units

### Precedent M&A Transaction Analysis (cont'd)

(\$ in millions)

#### NGL and NGL-Related Transportation Transactions

Date Announced	Acquiror / Target (Seller)	Transaction Value (\$MM)	EBITDA Multiple
Jan-23	Targa Resources Corp / 25% interest in Grand Prix Pipeline (Blackstone Energy Partners)	\$1,050	8.8x
Mar-22	ArcLight / 25% Interest in Gulf Coast Express Pipeline (Targa Resources)	857	11.1
Oct-21	Phillips 66 / Phillips 66 Partners	14,400	10.1
Aug-19	Pembina Pipeline Corporation / Cochin Pipeline (Kinder Morgan)	1,546	13.0
Jul-19	Altus Midstream / 33.0% interest in Shin Oak Pipeline (Enterprise Products Partners L.P.)	1,336	13.8
Oct-17	Blackstone Energy Partners / 25% interest in Grand Prix Pipeline (Targa Resources Corp)	325	10.0
Oct-16	Phillips 66 Partners LP / 30 crude oil, refined products and NGL logistics assets (Phillips 66)	1,300	8.7
Jun-16	Riverstone Investment Group LLC / 50% Partner Interest in Utopia Pipeline Project (Kinder Morgan, Inc.)	300	12.0
May-16	Phillips 66 Partners LP / Standish Pipeline and remaining 75% in Phillips 66 Sweeny Frac LLC (Phillips 66)	1,033	8.6
<b>Mean</b>			<b>10.7x</b>
<b>Median</b>			<b>10.1</b>
<b>Min</b>			<b>8.6</b>
<b>Max</b>			<b>13.8</b>

Source: Public filings, FactSet

## Preliminary Valuation of the Common Units

### A Precedent M&A Transaction Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2022E Adjusted EBITDA		\$1,749	
Relevant EBITDA Multiple	7.25x	-	9.25x
<b>Implied Enterprise Value Based on 2022E Adjusted EBITDA</b>	<b>\$12,682</b>	-	<b>\$16,180</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$7,055</b>	-	<b>\$10,553</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2022E EBITDA</b>	<b>\$33.56</b>	-	<b>\$50.20</b>

1. As of December 31, 2022

# Preliminary Valuation of the Common Units

## Premiums Paid Analysis

Date Announced	Acquiror / Target	Consideration	Premium <sup>1</sup>	
			1-Day Prior Spot	20-Day VWAP
07/28/22	PBF Energy, Inc. / PBF Logistics LP	Cash/Stock-for-Unit	(3.0%)	9.5%
07/25/22	Shell USA, Inc. / Shell Midstream Partners, L.P.	Cash-for-Unit	23.0%	23.6%
06/02/22	Hartree Partners, LP / Sprague Resources LP	Cash-for-Unit	25.2%	27.0%
05/25/22	Höegh LNG Holdings Ltd / Höegh LNG Partners LP	Cash-for-Unit	35.0%	42.2%
05/16/22	Diamondback Energy / Rattler Midstream LP	Stock-for-Unit	17.3%	10.3%
04/22/22	Ergon, Inc. / Blueknight Energy Partners, L.P.	Cash-for-Unit	51.5%	47.5%
12/20/21	BP p.l.c. / BP Midstream Partners LP	Stock-for-Unit	10.8%	4.0%
10/27/21	Phillips 66 / Phillips 66 Partners LP	Stock-for-Unit	4.8%	6.7%
10/04/21	Stonepeak Infrastructure Partners / Teekay LNG Partners LP	Cash-for-Unit	8.3%	5.3%
08/23/21	Landmark Dividend / Landmark Infrastructure Partners LP	Cash-for-Unit	38.4%	35.0%
03/05/21	Chevron Corporation / Noble Midstream Partners LP	Stock-for-Unit	16.7%	18.0%
12/15/20	TC Energy Corporation / TC PipeLines, LP	Stock-for-Unit	19.5%	15.5%
07/27/20	CNX Resources Corporation / CNX Midstream Partners	Stock-for-Unit	28.1%	3.9%
02/27/20	Equitrans Midstream Corporation / EQM Midstream Partners, LP	Stock-for-Unit	(1.5%)	(5.6%)
12/17/19	Blackstone Infrastructure Partners / Tallgrass Energy LP	Cash-for-Unit	56.4%	33.9%
10/01/19	Brookfield Business Partners L.P. / Teekay Offshore Partners L.P.	Cash-for-Unit	28.1%	15.1%
09/16/19	Energy Transfer LP / SemGroup Corporation	Cash/Unit-for-Share	65.4%	87.3%
08/21/19	Pembina Pipeline Corporation / Kinder Morgan Canada Limited	Share-for-Share	37.7%	34.7%
05/10/19	IFM Investors / Buckeye Partners, L.P.	Cash-for-Unit	27.5%	23.8%
05/08/19	MPLX LP / Andeavor (Marathon Petroleum Corporation; Andeavor Logistics LP)	Unit-for-Unit	1.8%	1.3%
04/02/19	UGI Corporation / AmeriGas Partners, L.P.	Cash/Stock-for-Unit	13.5%	22.2%
03/18/19	ArcLight Energy Partners Fund V, L.P. / American Midstream, LP	Cash-for-Unit	31.2%	31.2%
02/05/19	SunCoke Energy, Inc. / SunCoke Energy Partners, L.P.	Stock-for-Unit	9.3%	19.5%
11/26/18	ArcLight Energy Partners Fund VI, L.P. / TransMontaigne Partners L.P.	Cash-for-Unit	12.6%	9.2%
11/08/18	Western Gas Equity Partners, LP / Western Gas Partners, LP	Unit-for-Unit	7.6%	62.4%
10/22/18	EnLink Midstream, LLC / EnLink Midstream Partners, LP	Unit-for-Unit	1.1%	(0.5%)
10/18/18	Valero Energy Corporation / Valero Energy Partners LP	Cash-for-Unit	6.0%	9.4%
10/09/18	Antero Midstream GP LP / Antero Midstream Partners LP	Cash/Stock-for-Unit	63.7%	54.6%
All Transactions	Min		(3.0%)	(5.6%)
	Median		18.4%	18.8%
	Mean		22.7%	23.1%
	Max		65.4%	87.3%
Cash-for-Unit	Min		6.0%	5.3%
	Median		27.8%	25.4%
	Mean		28.6%	25.3%
	Max		56.4%	47.5%

Source: Bloomberg, FactSet, Public filings

1. VWAP premiums paid are calculated by dividing the value of the offer, defined as the exchange ratio multiplied by the closing price of the acquiror's shares / units on the last trading day prior to announcement plus any cash received, by the 20-trading day VWAP of the target as calculated from the last undisturbed trading day prior to the announcement.

## Preliminary Valuation of the Common Units

### Premiums Paid Analysis (cont'd)

For Reference Only

#### Summary Results – Cash-for-Unit Transactions

	1-Day Prior Spot			20-Day VWAP		
Unit Price as of 8/17/22	\$34.75			\$33.88		
Historical Merger Premium Range	6.0%	—	56.4%	5.3%	—	47.5%
<b>Implied DCP Unit Price Range</b>	<b>\$36.84</b>	<b>—</b>	<b>\$54.36</b>	<b>\$35.67</b>	<b>—</b>	<b>\$49.97</b>
Merger Premium Selected Range	15.0%			30.0%		
<b>Median-Implied DCP Unit Value</b>	<b>\$39.96</b>			<b>\$44.05</b>		

Source: FactSet

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## Preliminary Valuation of the Common Units

### Net Present Value of PSX/DCP Operational Efficiencies

(\$ in millions, except per unit amounts)

For Reference Only

	For the Years Ending December 31,					Terminal Value
	2023E	2024E	2025E	2026E	2027E	
Net Operational Efficiencies	(\$34)	\$93	\$93	\$93	\$93	\$93
Terminal Multiple						8.0x
Implied Terminal Value						\$744
Present Value of Terminal Value @ 13.0% Discount Rate						\$404
Plus: Present Value of Unlevered Free Cash Flow @ 13.0% Discount Rate						229
<b>Implied NPV of Operational Efficiencies</b>						<b>\$633</b>
DCP Units Outstanding <sup>1</sup>						210
<b>Implied Value per Unit</b>						<b>\$3.01</b>

NPV of Operational Efficiencies Based on a Range of Discount Rates	Value Per	
	NPV	DCP Unit
Present Value @ 10.0% Discount Rate	\$711	\$3.38
Present Value @ 11.0% Discount Rate	684	3.25
Present Value @ 12.0% Discount Rate	657	3.13
Present Value @ 13.0% Discount Rate	633	3.01
Present Value @ 14.0% Discount Rate	609	2.90
Present Value @ 15.0% Discount Rate	586	2.79

Source: DCP Management

1. Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.8mm phantom and performance units

# Appendix

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## A. Weighted Average Cost of Capital Analysis

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# Weighted Average Cost of Capital Analysis

## DCP Common Units – Capital Asset Pricing Model

(\$ in millions, except per unit/share amounts)

	Partnership/Corporation	Unit/Share Price 1/4/23	Market Equity Value	Total Debt and Preferred Equity	Total Debt / Total Capitalization	Adjusted Beta <sup>1</sup>	Unlevered Beta <sup>2</sup>
CAPM	Antero Midstream Corporation	\$10.89	\$5,269	\$3,370	39.0%	0.81	0.54
	Crestwood Equity Partners LP	26.56	2,859	4,182	59.4%	0.63	0.31
	EnLink Midstream, LLC	11.95	5,788	4,579	44.2%	0.99	0.61
	Equitrans Midstream Corporation	6.85	2,997	7,014	70.1%	0.94	0.33
	Hess Midstream Partners LP	30.02	7,205	2,909	28.8%	0.76	0.59
	Kinetik Holdings Inc.	31.53	4,331	3,448	44.3%	0.73	0.45
	ONEOK, Inc.	64.44	28,915	12,876	30.8%	1.04	0.77
	Summit Midstream Partners, LP	16.51	174	1,728	90.9%	0.91	0.11
	Targa Resources Corp.	71.03	16,403	13,210	44.6%	0.92	0.56
	Western Midstream Partners, LP	25.89	10,267	7,095	40.9%	0.90	0.60
				Mean	49.3%	0.86	0.49
				Median	44.2%	0.90	0.55
	DCP Midstream, LP	\$38.59	\$8,066	\$5,584	40.9%	0.73	0.49
WACC	Risk-free Rate <sup>3</sup>		4.0%				
	Unlevered Beta		0.49				
	Debt and Preferred / Total Capitalization		40.9%				
	Adjusted Levered Equity Beta		0.73				
		Supply-Side MRP	Historical MRP				
	Market Risk Premium ("MRP") <sup>4</sup>	6.2%	7.5%				
	Small Company Risk Premium <sup>5</sup>		0.7%				
	Equity Cost of Capital <sup>6</sup>	9.2%	10.1%				
	Pre-Tax Cost of Debt <sup>7</sup>		5.9%				
	After-Tax Cost of Debt <sup>8</sup>		4.2%				
	WACC	7.2%	7.7%				

### DCP Midstream Cost of Debt<sup>7</sup>

	Yield-to-Worst
DCP Midstream 5.600% Senior Notes Due 2044	6.10%
U.S. Treasury Note Due 2042	3.97%
Less: U.S. Treasury Note Due 2044	4.13%
	(0.16%)
DCP Midstream Implied 20-Year Cost of Debt	5.94%

### WACC Sensitivity (Supply-Side / Historical)

Unlevered Beta	Debt and Preferred / Total Capitalization				
	45.0%	50.0%	55.0%	60.0%	65.0%
0.45	6.9% / 7.4%	6.8% / 7.3%	6.8% / 7.2%	6.7% / 7.1%	6.6% / 7.1%
0.50	7.2% / 7.7%	7.1% / 7.6%	7.0% / 7.5%	6.9% / 7.5%	6.9% / 7.4%
0.55	7.4% / 8.0%	7.3% / 7.9%	7.3% / 7.8%	7.2% / 7.8%	7.1% / 7.7%
0.60	7.7% / 8.3%	7.6% / 8.2%	7.5% / 8.2%	7.5% / 8.1%	7.4% / 8.0%
0.65	8.0% / 8.7%	7.9% / 8.6%	7.8% / 8.5%	7.7% / 8.4%	7.6% / 8.3%

### Equity Cost of Capital Sensitivity (Supply-Side / Historical)

Unlevered Beta	Debt and Preferred / Total Capitalization				
	45.0%	50.0%	55.0%	60.0%	65.0%
0.45	9.1% / 10.0%	9.4% / 10.4%	9.9% / 10.9%	10.4% / 11.6%	11.1% / 12.4%
0.50	9.6% / 10.6%	10.0% / 11.0%	10.5% / 11.6%	11.1% / 12.3%	11.9% / 13.3%
0.55	10.1% / 11.1%	10.5% / 11.7%	11.0% / 12.3%	11.7% / 13.1%	12.6% / 14.1%
0.60	10.6% / 11.7%	11.0% / 12.3%	11.6% / 13.0%	12.4% / 13.9%	13.3% / 15.0%
0.65	11.1% / 12.3%	11.6% / 12.9%	12.2% / 13.7%	13.0% / 14.6%	14.0% / 15.9%

- Source: Predicted raw betas from FactSet; Adjusted Equity Beta calculated as:  $(0.67) \times \text{Raw Beta} + (0.33) \times 1.0$
- Unlevered Beta calculated as:  $\text{Adjusted Equity Beta} \times (E/(E + D \times (1-T)))$ ; Assumes corporate tax rate of 29.6% for partnerships and 21.0% for corporations
- 20-year Treasury as of January 4, 2023
- Source: Duff & Phelps
- Decile: Mid Cap (5) with equity value range of \$6,743.4 million to \$13,177.8 million
- Equity Cost of Capital calculated as:  $\text{Risk-free rate} + (\text{Levered Equity Beta} \times \text{Market Risk Premium}) + \text{Small Company Risk Premium}$
- Implied DCP 20-year cost of debt based on the yield-to-worst of DCP's 5.600% Senior Notes Due 2044 adjusted for 20-year maturity using the implied yield spread from relevant U.S. treasury notes
- Assumes U.S. individual partnership income tax structure through 2025 of 80.0% of income taxable at highest tax rate of 37.0%, or 29.6%



## Weighted Average Cost of Capital Analysis

### DCP Common Units – Total Expected Market Return

(\$ in millions, except per unit/share amounts)

Partnership/Corporation	Unit/Share Price 1/4/23	Market Equity Value	Current Yield	Distribution/Dividend Growth	Total Return
Antero Midstream Corporation	\$10.89	\$5,269	8.3%	—%	8.3%
Crestwood Equity Partners LP	26.56	2,859	9.9%	3.7%	13.6%
EnLink Midstream, LLC	11.95	5,788	3.8%	10.0%	13.8%
Equitrans Midstream Corporation	6.85	2,997	8.8%	0.8%	9.6%
Hess Midstream Partners LP	30.02	7,205	7.5%	4.0%	11.5%
Kinetik Holdings Inc.	31.53	4,331	9.5%	4.3%	13.8%
ONEOK, Inc.	64.44	28,915	5.8%	4.0%	9.8%
Targa Resources Corp.	71.03	16,403	2.0%	10.0%	12.0%
Western Midstream Partners, LP	25.89	10,267	7.7%	10.9%	18.7%
				Mean	12.3%
				Median	12.0%
DCP Midstream, LP	\$38.59	\$8,066	4.5%	3.1%	7.6%

	WACC
Debt and Preferred / Total Capitalization	40.9%
Market Required Equity Return	12.0%
Pre-Tax Cost of Debt <sup>1</sup>	5.9%
After-Tax Cost of Debt <sup>2</sup>	4.2%
WACC	8.8%

#### DCP Cost of Debt<sup>1</sup>

	Yield-to-Worst
DCP Midstream 5.600% Senior Notes Due 2044	6.10%
U.S. Treasury Note Due 2042	3.97%
Less: U.S. Treasury Note Due 2044	4.13%
	(0.16%)
DCP Midstream Implied 20-Year Cost of Debt	5.94%

1. Implied DCP 20-year cost of debt based on the yield-to-worst of DCP's 5.600% Senior Notes Due 2044 Adjusted for 20-year maturity using the implied yield spread from relevant U.S. treasury notes  
2. Assumes U.S. individual partnership income tax structure through 2025 of 80.0% of income taxable at highest tax rate of 37.0%, or 29.6%

## B. Supplemental Valuation Materials

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## **B Sensitivity Case B – NYMEX Strip Pricing**

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## Supplemental Valuation Materials – NYMEX Strip Pricing

### B Discounted Cash Flow Analysis

(\$ in millions, except per unit amounts)

#### Summary Results

	For the Years Ending December 31,					Exit Multiple	Perpetuity Growth
	2023E	2024E	2025E	2026E	2027E		
Adjusted EBITDA	\$1,583	\$1,581	\$1,555	\$1,534	\$1,518	\$1,518	\$1,518
Less: Tax Depreciation and Amortization <sup>1</sup>	(14,678)	(154)	(127)	(118)	(116)		(125)
EBIT	(\$13,096)	\$1,428	\$1,428	\$1,415	\$1,402		\$1,393
Less: Cash Taxes	—	(85)	(85)	(105)	(104)		(515)
EBIAT	(\$13,096)	\$1,343	\$1,343	\$1,311	\$1,299		\$877
Plus: Tax Depreciation and Amortization	14,678	154	127	118	116		125
Less: Maintenance Capex	(150)	(150)	(125)	(125)	(125)		(125)
Less: Growth Capex	(125)	(50)	(50)	(50)	(50)		—
Unlevered Free Cash Flow	\$1,308	\$1,297	\$1,295	\$1,254	\$1,239		\$877
EBITDA Multiple / Perpetuity Growth Rate						8.5x	1.0%
Implied Terminal Value						\$12,901	\$13,634
Present Value of Terminal Value @ 7.5% Discount Rate						\$8,986	\$9,160
Plus: Present Value of Unlevered Free Cash Flow @ 7.5% Discount Rate						5,374	
<b>Implied Enterprise Value</b>						<b>\$14,361</b>	<b>\$14,534</b>
Less: Preferred Equity <sup>2</sup>						(\$271)	
Less: Net Debt <sup>2</sup>						(5,331)	
Less: Noncontrolling Interests <sup>2</sup>						(25)	
<b>Implied Equity Value</b>						<b>\$8,734</b>	<b>\$8,907</b>
DCP Units Outstanding <sup>3</sup>						210	
<b>Implied Value per Unit</b>						<b>\$41.54</b>	<b>\$42.37</b>

#### Sensitivity Analysis

		Terminal Exit Multiple					Perpetuity Growth Rate					
		7.5x	8.0x	8.5x	9.0x	9.5x	—%	0.5%	1.0%	1.5%	2.0%	
WACC	6.5%	\$38.88	\$41.52	\$44.15	\$46.79	\$49.42	6.5%	\$44.77	\$48.81	\$53.57	\$59.28	\$66.27
	7.0%	37.68	40.26	42.83	45.40	47.98	7.0%	40.17	43.56	47.50	52.17	57.76
	7.5%	36.51	39.03	41.54	44.06	46.57	7.5%	36.18	39.05	42.37	46.23	50.80
	8.0%	35.37	37.83	40.29	42.74	45.20	8.0%	32.69	35.15	37.96	41.20	44.99
	8.5%	34.26	36.66	39.06	41.47	43.87	8.5%	29.60	31.73	34.14	36.89	40.07

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- 2023E tax DD&A assumes 80% bonus depreciation calculated as the midpoint of the enterprise value range plus 2023E capital expenditures
- Per DCP Management as of December 31, 2022
- Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.8mm phantom and performance units

DCP  
Midstream

## Supplemental Valuation Materials – NYMEX Strip Pricing

### B Peer Group Trading Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2023E Adjusted EBITDA		\$1,583	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2023E Adjusted EBITDA</b>	<b>\$12,661</b>	<b>-</b>	<b>\$14,244</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$7,034</b>	<b>-</b>	<b>\$8,617</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2023E EBITDA</b>	<b>\$33.46</b>	<b>-</b>	<b>\$40.99</b>
<hr/>			
2024E Adjusted EBITDA		\$1,581	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2024E Adjusted EBITDA</b>	<b>\$12,651</b>	<b>-</b>	<b>\$14,232</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$7,024</b>	<b>-</b>	<b>\$8,605</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2024E EBITDA</b>	<b>\$33.41</b>	<b>-</b>	<b>\$40.93</b>
<b>Implied DCP Unit Price Range - 2023E and 2024E EBITDA</b>	<b>\$33.41</b>	<b>-</b>	<b>\$40.99</b>

1. As of December 31, 2022

## Supplemental Valuation Materials – NYMEX Strip Pricing

### B Peer Group Trading Analysis – Price/DCF per LP Unit

(\$ in millions, except per unit amounts)

2023E DCF / LP Unit		\$5.34	
Relevant Multiple	6.5x	-	7.5x
Implied DCP Unit Price Range - 2023E Price / DCF	\$34.73	-	\$40.08
<hr/>			
2024E DCF / LP Unit		\$5.55	
Relevant Multiple	6.0x	-	7.0x
Implied DCP Unit Price Range - 2024E Price / DCF	\$33.30	-	\$38.85
Implied DCP Unit Price Range - 2023E and 2024E Price / DCF	\$33.30	-	\$40.08

## Supplemental Valuation Materials – NYMEX Strip Pricing

### B Precedent M&A Transaction Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2022E Adjusted EBITDA		\$1,749	
Relevant EBITDA Multiple	7.25x	-	9.25x
<b>Implied Enterprise Value Based on 2022E Adjusted EBITDA</b>	<b>\$12,682</b>	-	<b>\$16,180</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$7,055</b>	-	<b>\$10,553</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2022E EBITDA</b>	<b>\$33.56</b>	-	<b>\$50.20</b>

1. As of December 31, 2022

## **C Sensitivity Case C – Higher Commodity Prices**

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## DCP Financial Projections – Higher Commodity Prices

### C DCP Financial Projections

(\$ in millions)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
<b>Gathering &amp; Processing Segment</b>							
North Region	\$1,075	\$1,005	\$884	\$890	\$878	\$867	(4.2%)
South Region	190	162	147	144	143	142	(5.7%)
Midcontinent Region	275	254	232	222	221	220	(4.4%)
Permian Region	572	612	577	557	555	552	(0.7%)
Other G&P	—	—	—	—	—	—	—
<b>Total Gathering &amp; Processing Gross Margin</b>	<b>\$2,112</b>	<b>\$2,033</b>	<b>\$1,839</b>	<b>\$1,812</b>	<b>\$1,796</b>	<b>\$1,780</b>	<b>(3.4%)</b>
<b>Total Costs</b>							
North Region	(\$157)	(\$144)	(\$154)	(\$154)	(\$156)	(\$158)	0.2%
South Region	(99)	(99)	(92)	(92)	(94)	(95)	(0.8%)
Midcontinent Region	(165)	(162)	(174)	(174)	(177)	(179)	1.6%
Permian Region	(251)	(293)	(307)	(308)	(312)	(317)	4.7%
Other G&P	(19)	(23)	(20)	(21)	(21)	(21)	2.6%
<b>Total Gathering &amp; Processing Costs</b>	<b>(\$691)</b>	<b>(\$721)</b>	<b>(\$748)</b>	<b>(\$748)</b>	<b>(\$760)</b>	<b>(\$771)</b>	<b>2.2%</b>
<b>Total Gathering &amp; Processing Segment Margin</b>	<b>\$1,421</b>	<b>\$1,312</b>	<b>\$1,091</b>	<b>\$1,064</b>	<b>\$1,037</b>	<b>\$1,010</b>	<b>(6.6%)</b>
<b>Logistics &amp; Marketing Segment</b>							
Southern Hills + Sand Hills	\$429	\$436	\$442	\$449	\$449	\$449	0.9%
Other NGL Pipelines	141	149	156	158	158	158	2.3%
NGL Marketing + Storage	46	49	39	39	39	39	(3.2%)
Downstream Fractionation	19	21	21	21	21	21	2.0%
Gas Marketing + Other Income	18	13	13	13	13	13	(7.1%)
Gas Storage	2	13	12	12	12	12	43.2%
Guadalupe	62	48	40	40	40	40	(8.5%)
Gulf Coast Express Equity Earnings	66	66	66	66	66	66	(0.0%)
Cheyenne Connector Equity Earnings	14	14	14	14	14	14	0.0%
<b>Total Logistics &amp; Marketing Gross Margin</b>	<b>\$798</b>	<b>\$810</b>	<b>\$804</b>	<b>\$812</b>	<b>\$812</b>	<b>\$812</b>	<b>0.4%</b>
<b>Total Costs</b>							
Logistics & Marketing Costs	(\$44)	(\$47)	(\$41)	(\$41)	(\$42)	(\$42)	(0.9%)
<b>Total Logistics &amp; Marketing Segment Margin</b>	<b>\$754</b>	<b>\$763</b>	<b>\$763</b>	<b>\$771</b>	<b>\$771</b>	<b>\$770</b>	<b>0.4%</b>

Source: DCP Management

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## DCP Financial Projections – Higher Commodity Prices

### C DCP Financial Projections – Summary Cash Flows

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
Gathering & Processing Segment Margin	\$1,421	\$1,312	\$1,091	\$1,064	\$1,037	\$1,010	(6.6%)
Logistics & Marketing Segment Margin	754	763	763	771	771	770	0.4%
Less: Corporate Costs	(255)	(257)	(236)	(236)	(239)	(243)	(1.0%)
Plus: Adj. Distribution in Excess of Equity Earnings - Logistics	77	80	80	80	80	80	0.9%
Plus: Adj. Distribution in Excess of Equity Earnings - Discovery	13	9	9	9	9	9	(7.3%)
Plus: Hedge settlement	(294)	(47)	(8)	(8)	—	—	
<b>Adjusted EBITDA</b>	<b>\$1,717</b>	<b>\$1,860</b>	<b>\$1,700</b>	<b>\$1,681</b>	<b>\$1,657</b>	<b>\$1,626</b>	<b>(1.1%)</b>
Plus: Growth Projects	—	—	18	25	32	39	
<b>Total Adjusted EBITDA</b>	<b>\$1,717</b>	<b>\$1,860</b>	<b>\$1,718</b>	<b>\$1,706</b>	<b>\$1,690</b>	<b>\$1,666</b>	<b>(0.6%)</b>
Less: Interest Expense	(\$273)	(\$282)	(\$256)	(\$220)	(\$210)	(\$183)	
Less: Preferred Securities	(58)	(15)	—	—	—	—	
Less: Sustaining Capital	(135)	(150)	(150)	(125)	(125)	(125)	
Less: Income Taxes	(5)	(5)	(5)	(5)	(5)	(5)	
Less: Other	(3)	(7)	(7)	(5)	(5)	(5)	
<b>Distributable Cash Flow</b>	<b>\$1,242</b>	<b>\$1,401</b>	<b>\$1,300</b>	<b>\$1,351</b>	<b>\$1,344</b>	<b>\$1,347</b>	<b>1.6%</b>
Identified Organic Capital	(\$140)	\$—	\$—	\$—	\$—	\$—	
Unidentified Organic Capital	—	(125)	(50)	(50)	(50)	(50)	
Acquisition Capital	(160)	—	—	—	—	—	
Distributions	(342)	(359)	(359)	(359)	(359)	(359)	1.0%
Working Capital and Interest Timing	(30)	133	90	—	—	—	
<b>Cash Surplus / (Shortfall)</b>	<b>\$570</b>	<b>\$1,050</b>	<b>\$981</b>	<b>\$942</b>	<b>\$935</b>	<b>\$938</b>	<b>10.5%</b>
LP Units Outstanding	208	209	209	209	209	209	0.0%
<b>Distributable Cash Flow per LP Unit</b>	<b>\$5.96</b>	<b>\$6.71</b>	<b>\$6.23</b>	<b>\$6.47</b>	<b>\$6.44</b>	<b>\$6.46</b>	<b>1.6%</b>
<b>Distribution per Unit</b>	<b>1.68</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>0.5%</b>
<b>Total Distributions</b>	<b>\$342</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>1.0%</b>

Source: DCP Management

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## DCP Financial Projections – Higher Commodity Prices

### C DCP Financial Projections – Sources and Uses

(\$ in millions)

	For the Years Ending December 31,					
	2022E	2023E	2024E	2025E	2026E	2027E
<b>Sources</b>						
DCF Surplus / (Shortfall)	\$570	\$1,050	\$981	\$942	\$935	\$938
Revolver Draw	279	—	—	—	—	—
<b>Total Sources</b>	<b>\$849</b>	<b>\$1,050</b>	<b>\$981</b>	<b>\$942</b>	<b>\$935</b>	<b>\$938</b>
<b>Uses</b>						
Revolver Paydown	\$—	\$279	\$260	\$—	\$—	\$—
Long-Term Debt Paydown	350	500	—	825	—	500
Preferred Equity Redemption	500	271	—	—	—	—
Cash Balance Increase / (Decrease)	(1)	—	720	117	935	438
<b>Total Uses</b>	<b>\$849</b>	<b>\$1,050</b>	<b>\$981</b>	<b>\$942</b>	<b>\$935</b>	<b>\$938</b>
<b>Memo:</b>						
Cash	\$—	\$—	\$720	\$837	\$1,772	\$2,211
Total Debt	5,364	4,585	4,325	3,500	3,500	3,000
<b>Net Debt</b>	<b>\$5,364</b>	<b>\$4,585</b>	<b>\$3,605</b>	<b>\$2,663</b>	<b>\$1,728</b>	<b>\$789</b>
Preferred Equity	271	—	—	—	—	—
<b>Net Debt + Preferred Equity</b>	<b>\$5,635</b>	<b>\$4,585</b>	<b>\$3,605</b>	<b>\$2,663</b>	<b>\$1,728</b>	<b>\$789</b>
Total Debt / Adjusted EBITDA	3.1x	2.5x	2.5x	2.1x	2.1x	1.8x
Net Debt / Adjusted EBITDA	3.1	2.5	2.1	1.6	1.0	0.5
(Net Debt + Preferred Equity) / Adjusted EBITDA	3.3	2.5	2.1	1.6	1.0	0.5

Source: DCP Management

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## Supplemental Valuation Materials – Higher Commodity Prices

### C Discounted Cash Flow Analysis

(\$ in millions, except per unit amounts)

#### Summary Results

	For the Years Ending December 31,					Exit Multiple	Perpetuity Growth
	2023E	2024E	2025E	2026E	2027E		
Adjusted EBITDA	\$1,860	\$1,718	\$1,706	\$1,690	\$1,666	\$1,666	\$1,666
Less: Tax Depreciation and Amortization <sup>1</sup>	(16,314)	(154)	(127)	(118)	(116)		(125)
EBIT	(\$14,455)	\$1,564	\$1,579	\$1,571	\$1,550		\$1,541
Less: Cash Taxes	—	(93)	(93)	(116)	(115)		(570)
EBIAT	(\$14,455)	\$1,472	\$1,486	\$1,455	\$1,435		\$971
Plus: Tax Depreciation and Amortization	16,314	154	127	118	116		125
Less: Maintenance Capex	(150)	(150)	(125)	(125)	(125)		(125)
Less: Growth Capex	(125)	(50)	(50)	(50)	(50)		—
Unlevered Free Cash Flow	\$1,585	\$1,425	\$1,438	\$1,398	\$1,376		\$971
EBITDA Multiple / Perpetuity Growth Rate						8.5x	1.0%
Implied Terminal Value						\$14,158	\$15,082
Present Value of Terminal Value @ 7.5% Discount Rate						\$9,862	\$10,132
Plus: Present Value of Unlevered Free Cash Flow @ 7.5% Discount Rate						6,087	
<b>Implied Enterprise Value</b>						<b>\$15,948</b>	<b>\$16,219</b>
Less: Preferred Equity <sup>2</sup>						(\$271)	
Less: Net Debt <sup>2</sup>						(5,364)	
Less: Noncontrolling Interests <sup>2</sup>						(25)	
<b>Implied Equity Value</b>						<b>\$10,288</b>	<b>\$10,559</b>
DCP Units Outstanding <sup>3</sup>						210	
<b>Implied Value per Unit</b>						<b>\$48.94</b>	<b>\$50.22</b>

#### Sensitivity Analysis

		Terminal Exit Multiple							Perpetuity Growth Rate				
		7.5x	8.0x	8.5x	9.0x	9.5x			--%	0.5%	1.0%	1.5%	2.0%
WACC	6.5%	\$46.03	\$48.92	\$51.81	\$54.70	\$57.59	WACC	6.5%	\$52.89	\$57.35	\$62.62	\$68.94	\$76.67
	7.0%	44.71	47.53	50.35	53.18	56.00		7.0%	47.80	51.54	55.91	61.07	67.26
	7.5%	43.42	46.18	48.94	51.70	54.45		7.5%	43.38	46.56	50.22	54.50	59.55
	8.0%	42.16	44.86	47.55	50.25	52.95		8.0%	39.52	42.24	45.35	48.93	53.12
	8.5%	40.94	43.57	46.21	48.84	51.48		8.5%	36.10	38.45	41.12	44.16	47.68

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- 2023E tax DD&A assumes 80% bonus depreciation calculated as the midpoint of the enterprise value range plus 2023E capital expenditures
- Per DCP Management as of December 31, 2022
- Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.8mm phantom and performance units

DCP  
Midstream

## Supplemental Valuation Materials – Higher Commodity Prices

### C Peer Group Trading Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2023E Adjusted EBITDA		\$1,860	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2023E Adjusted EBITDA</b>	<b>\$14,880</b>	<b>-</b>	<b>\$16,740</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$9,220</b>	<b>-</b>	<b>\$11,080</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2023E EBITDA</b>	<b>\$43.85</b>	<b>-</b>	<b>\$52.70</b>
<hr/>			
2024E Adjusted EBITDA		\$1,718	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2024E Adjusted EBITDA</b>	<b>\$13,742</b>	<b>-</b>	<b>\$15,459</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$8,082</b>	<b>-</b>	<b>\$9,799</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2024E EBITDA</b>	<b>\$38.44</b>	<b>-</b>	<b>\$46.61</b>
<b>Implied DCP Unit Price Range - 2023E and 2024E EBITDA</b>	<b>\$38.44</b>	<b>-</b>	<b>\$52.70</b>

1. As of December 31, 2022

## Supplemental Valuation Materials – Higher Commodity Prices

### C Peer Group Trading Analysis – Price/DCF per LP Unit

(\$ in millions, except per unit amounts)

2023E DCF / LP Unit		\$6.71	
Relevant Multiple	6.5x	-	7.5x
Implied DCP Unit Price Range - 2023E Price / DCF	\$43.62	-	\$50.33
<hr/>			
2024E DCF / LP Unit		\$6.23	
Relevant Multiple	6.0x	-	7.0x
Implied DCP Unit Price Range - 2024E Price / DCF	\$37.36	-	\$43.59
Implied DCP Unit Price Range - 2023E and 2024E Price / DCF	\$37.36	-	\$50.33

## Supplemental Valuation Materials – Higher Commodity Prices

### C Precedent M&A Transaction Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2022E Adjusted EBITDA		\$1,717	
Relevant EBITDA Multiple	7.25x	-	9.25x
<b>Implied Enterprise Value Based on 2022E Adjusted EBITDA</b>	<b>\$12,446</b>	-	<b>\$15,879</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$6,785</b>	-	<b>\$10,219</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2022E EBITDA</b>	<b>\$32.28</b>	-	<b>\$48.61</b>

1. As of December 31, 2022

## **D Sensitivity Case D – Lower Commodity Prices**

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## DCP Financial Projections – Lower Commodity Prices

### D DCP Financial Projections

(\$ in millions)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
<b>Gathering &amp; Processing Segment</b>							
North Region	\$1,075	\$478	\$397	\$414	\$414	\$414	(17.4%)
South Region	190	127	115	113	113	113	(9.9%)
Midcontinent Region	275	222	209	201	201	201	(6.1%)
Permian Region	572	487	487	469	469	469	(3.9%)
Other G&P	—	—	—	—	—	—	—
<b>Total Gathering &amp; Processing Gross Margin</b>	<b>\$2,112</b>	<b>\$1,314</b>	<b>\$1,208</b>	<b>\$1,197</b>	<b>\$1,197</b>	<b>\$1,197</b>	<b>(10.7%)</b>
<b>Total Costs</b>							
North Region	(\$157)	(\$144)	(\$154)	(\$154)	(\$156)	(\$158)	0.2%
South Region	(99)	(99)	(92)	(92)	(94)	(95)	(0.8%)
Midcontinent Region	(165)	(162)	(174)	(174)	(177)	(179)	1.6%
Permian Region	(251)	(293)	(307)	(308)	(312)	(317)	4.7%
Other G&P	(19)	(23)	(20)	(21)	(21)	(21)	2.6%
<b>Total Gathering &amp; Processing Costs</b>	<b>(\$691)</b>	<b>(\$721)</b>	<b>(\$748)</b>	<b>(\$748)</b>	<b>(\$760)</b>	<b>(\$771)</b>	<b>2.2%</b>
<b>Total Gathering &amp; Processing Segment Margin</b>	<b>\$1,421</b>	<b>\$593</b>	<b>\$460</b>	<b>\$449</b>	<b>\$437</b>	<b>\$426</b>	<b>(21.4%)</b>
<b>Logistics &amp; Marketing Segment</b>							
Southern Hills + Sand Hills	\$429	\$436	\$442	\$449	\$449	\$449	0.9%
Other NGL Pipelines	141	149	156	158	158	158	2.3%
NGL Marketing + Storage	46	49	39	39	39	39	(3.2%)
Downstream Fractionation	19	21	21	21	21	21	2.0%
Gas Marketing + Other Income	18	13	13	13	13	13	(7.1%)
Gas Storage	2	13	12	12	12	12	43.2%
Guadalupe	62	48	40	40	40	40	(8.5%)
Gulf Coast Express Equity Earnings	66	66	66	66	66	66	(0.0%)
Cheyenne Connector Equity Earnings	14	14	14	14	14	14	0.0%
<b>Total Logistics &amp; Marketing Gross Margin</b>	<b>\$798</b>	<b>\$810</b>	<b>\$804</b>	<b>\$812</b>	<b>\$812</b>	<b>\$812</b>	<b>0.4%</b>
<b>Total Costs</b>							
Logistics & Marketing Costs	(\$44)	(\$47)	(\$41)	(\$41)	(\$42)	(\$42)	(0.9%)
<b>Total Logistics &amp; Marketing Segment Margin</b>	<b>\$754</b>	<b>\$763</b>	<b>\$763</b>	<b>\$771</b>	<b>\$771</b>	<b>\$770</b>	<b>0.4%</b>

Source: DCP Management

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## DCP Financial Projections – Lower Commodity Prices

### D DCP Financial Projections – Summary Cash Flows

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
Gathering & Processing Segment Margin	\$1,421	\$593	\$460	\$449	\$437	\$426	(21.4%)
Logistics & Marketing Segment Margin	754	763	763	771	771	770	0.4%
Less: Corporate Costs	(255)	(257)	(236)	(236)	(239)	(243)	(1.0%)
Plus: Adj. Distribution in Excess of Equity Earnings - Logistics	77	80	80	80	80	80	0.9%
Plus: Adj. Distribution in Excess of Equity Earnings - Discovery	13	9	9	9	9	9	(7.3%)
Plus: Hedge settlement	(294)	112	42	13	—	—	
<b>Adjusted EBITDA</b>	<b>\$1,717</b>	<b>\$1,300</b>	<b>\$1,118</b>	<b>\$1,087</b>	<b>\$1,058</b>	<b>\$1,043</b>	<b>(9.5%)</b>
Plus: Growth Projects	—	—	18	25	32	39	
<b>Total Adjusted EBITDA</b>	<b>\$1,717</b>	<b>\$1,300</b>	<b>\$1,136</b>	<b>\$1,112</b>	<b>\$1,090</b>	<b>\$1,082</b>	<b>(8.8%)</b>
Less: Interest Expense	(\$273)	(\$302)	(\$286)	(\$262)	(\$247)	(\$229)	
Less: Preferred Securities	(58)	(15)	—	—	—	—	
Less: Sustaining Capital	(135)	(150)	(150)	(125)	(125)	(125)	
Less: Income Taxes	(5)	(5)	(5)	(5)	(5)	(5)	
Less: Other	(3)	(7)	(7)	(5)	(5)	(5)	
<b>Distributable Cash Flow</b>	<b>\$1,242</b>	<b>\$822</b>	<b>\$688</b>	<b>\$715</b>	<b>\$708</b>	<b>\$718</b>	<b>(10.4%)</b>
Identified Organic Capital	(\$140)	\$—	\$—	\$—	\$—	\$—	
Unidentified Organic Capital	—	(125)	(50)	(50)	(50)	(50)	
Acquisition Capital	(160)	—	—	—	—	—	
Distributions	(342)	(359)	(359)	(359)	(359)	(359)	1.0%
Working Capital and Interest Timing	(30)	133	90	—	—	—	
<b>Cash Surplus / (Shortfall)</b>	<b>\$570</b>	<b>\$471</b>	<b>\$369</b>	<b>\$306</b>	<b>\$299</b>	<b>\$309</b>	<b>(11.5%)</b>
LP Units Outstanding	208	209	209	209	209	209	0.0%
<b>Distributable Cash Flow per LP Unit</b>	<b>\$5.96</b>	<b>\$3.94</b>	<b>\$3.30</b>	<b>\$3.43</b>	<b>\$3.39</b>	<b>\$3.44</b>	<b>(10.4%)</b>
<b>Distribution per Unit</b>	<b>1.68</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>0.5%</b>
<b>Total Distributions</b>	<b>\$342</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>1.0%</b>

Source: DCP Management

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## DCP Financial Projections – Lower Commodity Prices

### D DCP Financial Projections – Sources and Uses

(\$ in millions)

	For the Years Ending December 31,					
	2022E	2023E	2024E	2025E	2026E	2027E
<b>Sources</b>						
DCF Surplus / (Shortfall)	\$570	\$471	\$369	\$306	\$299	\$309
Revolver Draw	279	300	—	519	—	191
<b>Total Sources</b>	<b>\$849</b>	<b>\$771</b>	<b>\$369</b>	<b>\$825</b>	<b>\$299</b>	<b>\$500</b>
<b>Uses</b>						
Revolver Paydown	\$—	\$—	\$369	\$—	\$299	\$—
Long-Term Debt Paydown	350	500	—	825	—	500
Preferred Equity Redemption	500	271	—	—	—	—
Cash Balance Increase / (Decrease)	(1)	—	—	—	—	—
<b>Total Uses</b>	<b>\$849</b>	<b>\$771</b>	<b>\$369</b>	<b>\$825</b>	<b>\$299</b>	<b>\$500</b>
<b>Memo:</b>						
Cash	\$—	\$—	\$—	\$—	\$—	\$—
Total Debt	5,364	5,164	4,795	4,489	4,190	3,881
<b>Net Debt</b>	<b>\$5,364</b>	<b>\$5,164</b>	<b>\$4,795</b>	<b>\$4,489</b>	<b>\$4,190</b>	<b>\$3,881</b>
Preferred Equity	271	—	—	—	—	—
<b>Net Debt + Preferred Equity</b>	<b>\$5,635</b>	<b>\$5,164</b>	<b>\$4,795</b>	<b>\$4,489</b>	<b>\$4,190</b>	<b>\$3,881</b>
Total Debt / Adjusted EBITDA	3.1x	4.0x	4.2x	4.0x	3.8x	3.6x
Net Debt / Adjusted EBITDA	3.1	4.0	4.2	4.0	3.8	3.6
(Net Debt + Preferred Equity) / Adjusted EBITDA	3.3	4.0	4.2	4.0	3.8	3.6

Source: DCP Management

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## Supplemental Valuation Materials – Lower Commodity Prices

### D Discounted Cash Flow Analysis

(\$ in millions, except per unit amounts)

#### Summary Results

	For the Years Ending December 31,					Exit Multiple	Perpetuity Growth
	2023E	2024E	2025E	2026E	2027E		
Adjusted EBITDA	\$1,300	\$1,136	\$1,112	\$1,090	\$1,082	\$1,082	\$1,082
Less: Tax Depreciation and Amortization <sup>1</sup>	(10,350)	(154)	(127)	(118)	(116)		(125)
EBIT	(\$9,050)	\$983	\$984	\$972	\$967		\$957
Less: Cash Taxes	—	(58)	(58)	(72)	(72)		(354)
EBIAT	(\$9,050)	\$924	\$926	\$900	\$895		\$603
Plus: Tax Depreciation and Amortization	10,350	154	127	118	116		125
Less: Maintenance Capex	(150)	(150)	(125)	(125)	(125)		(125)
Less: Growth Capex	(125)	(50)	(50)	(50)	(50)		—
Unlevered Free Cash Flow	\$1,025	\$878	\$878	\$843	\$836		\$603
EBITDA Multiple / Perpetuity Growth Rate						8.5x	1.0%
Implied Terminal Value						\$9,199	\$9,370
Present Value of Terminal Value @ 7.5% Discount Rate						\$6,407	\$6,295
Plus: Present Value of Unlevered Free Cash Flow @ 7.5% Discount Rate						3,768	
<b>Implied Enterprise Value</b>						<b>\$10,175</b>	<b>\$10,063</b>
Less: Preferred Equity <sup>2</sup>						(\$271)	
Less: Net Debt <sup>2</sup>						(5,364)	
Less: Noncontrolling Interests <sup>2</sup>						(25)	
<b>Implied Equity Value</b>						<b>\$4,515</b>	<b>\$4,403</b>
DCP Units Outstanding <sup>3</sup>						210	
<b>Implied Value per Unit</b>						<b>\$21.48</b>	<b>\$20.94</b>

#### Sensitivity Analysis

		Terminal Exit Multiple							Perpetuity Growth Rate				
		7.5x	8.0x	8.5x	9.0x	9.5x			--%	0.5%	1.0%	1.5%	2.0%
WACC	6.5%	\$19.56	\$21.44	\$23.32	\$25.20	\$27.08	WACC	6.5%	\$22.59	\$25.36	\$28.64	\$32.57	\$37.37
	7.0%	18.72	20.55	22.39	24.22	26.06		7.0%	19.43	21.76	24.47	27.68	31.52
	7.5%	17.89	19.68	21.48	23.27	25.06		7.5%	16.69	18.67	20.94	23.60	26.74
	8.0%	17.09	18.84	20.59	22.34	24.09		8.0%	14.29	15.98	17.92	20.15	22.75
	8.5%	16.30	18.02	19.73	21.44	23.15		8.5%	12.17	13.64	15.29	17.18	19.37

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- 2023E tax DD&A assumes 80% bonus depreciation calculated as the midpoint of the enterprise value range plus 2023E capital expenditures
- Per DCP Management as of December 31, 2022
- Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.8mm phantom and performance units

DCP  
Midstream

## Supplemental Valuation Materials – Lower Commodity Prices

### D Peer Group Trading Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2023E Adjusted EBITDA		\$1,300	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2023E Adjusted EBITDA</b>	<b>\$10,404</b>	-	<b>\$11,704</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$4,744</b>	-	<b>\$6,044</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2023E EBITDA</b>	<b>\$22.56</b>	-	<b>\$28.75</b>
<hr/>			
2024E Adjusted EBITDA		\$1,136	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2024E Adjusted EBITDA</b>	<b>\$9,090</b>	-	<b>\$10,226</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$3,430</b>	-	<b>\$4,566</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2024E EBITDA</b>	<b>\$16.31</b>	-	<b>\$21.72</b>
<b>Implied DCP Unit Price Range - 2023E and 2024E EBITDA</b>	<b>\$16.31</b>	-	<b>\$28.75</b>

1. As of December 31, 2022

## Supplemental Valuation Materials – Lower Commodity Prices

### D Peer Group Trading Analysis – Price/DCF per LP Unit

(\$ in millions, except per unit amounts)

2023E DCF / LP Unit		\$3.94	
Relevant Multiple	6.5x	-	7.5x
Implied DCP Unit Price Range - 2023E Price / DCF	\$25.59	-	\$29.52
<hr/>			
2024E DCF / LP Unit		\$3.30	
Relevant Multiple	6.0x	-	7.0x
Implied DCP Unit Price Range - 2024E Price / DCF	\$19.79	-	\$23.09
Implied DCP Unit Price Range - 2023E and 2024E Price / DCF	\$19.79	-	\$29.52

## Supplemental Valuation Materials – Lower Commodity Prices

### D Precedent M&A Transaction Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2022E Adjusted EBITDA		\$1,717	
Relevant EBITDA Multiple	7.25x	-	9.25x
<b>Implied Enterprise Value Based on 2022E Adjusted EBITDA</b>	<b>\$12,446</b>	-	<b>\$15,879</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$6,785</b>	-	<b>\$10,219</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2022E EBITDA</b>	<b>\$32.28</b>	-	<b>\$48.61</b>

1. As of December 31, 2022

## C. LPG Market Overview

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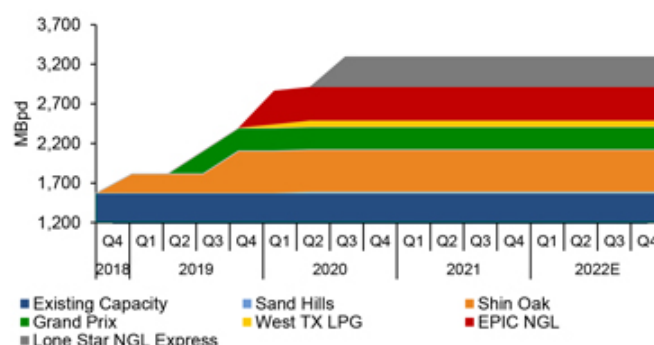


## LPG Market Overview

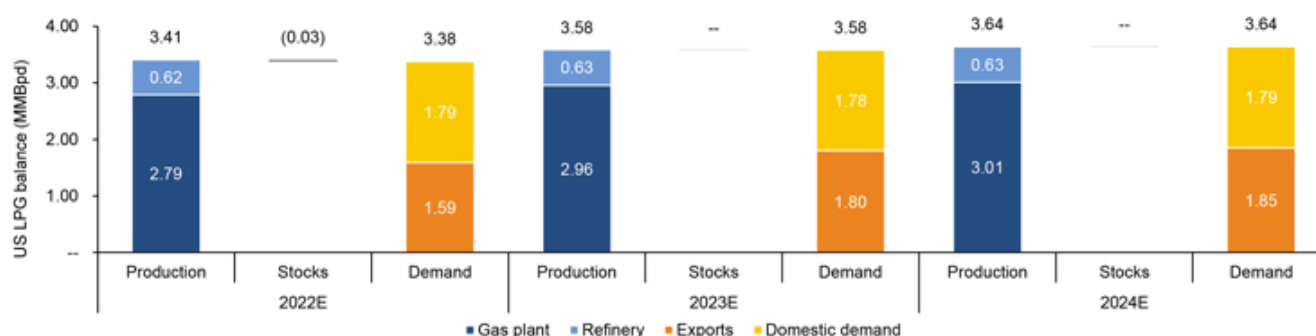
### Overview Gulf Coast LPG Export Market

- **Global Demand:** Significant and persistent global demand for LPGs is primarily driven by Asian markets, which lack both local petroleum feedstock and local refining and/or processing infrastructure
- **U.S. Surplus:** Rapid growth in U.S. domestic oil and gas production has resulted in LPGs exceeding domestic demand with domestic demand for LPGs remaining relatively flat over the past two decades and projected to remain relatively flat over the near-to-medium term
- **Gulf Coast Infrastructure:** Several major expansions of LPG export capacity are underway to accommodate the anticipated long-term eastward flows of global LPG trade
- **Fungibility:** DCP delivers significant NGL volumes primarily to Mont Belvieu, the primary hub for both domestic and exported LPGs

Permian Basin NGL Pipelines to Gulf Coast Market



U.S. Domestic LPG Supply and Demand Balance

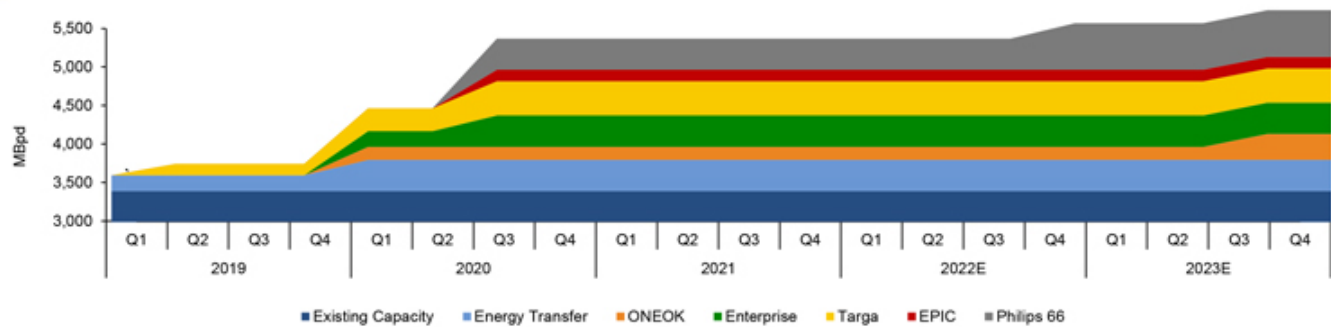


Source: Wall Street Research

# LPG Market Overview

## Texas Fractionation Overview

Texas NGL Fractionation Capacity



U.S. Gulf Coast Capacity Additions

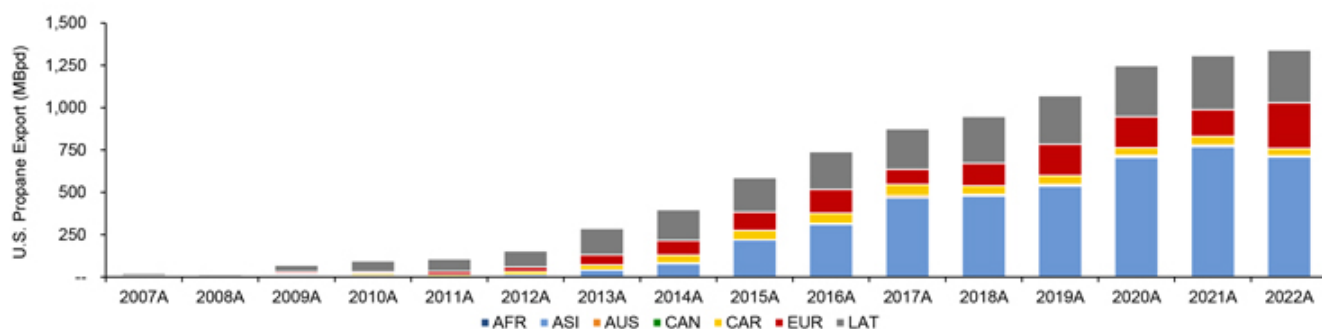


Source: Wall Street Research

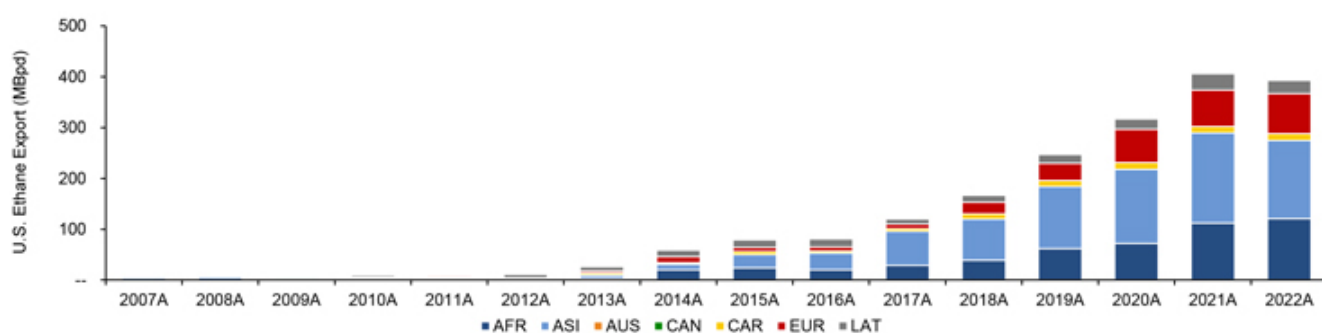
## LPG Market Overview

### U.S. LPG Oceangoing LPG Exports

Historical U.S. Propane Export Total (MBpd)



Historical U.S. Ethane Export Total (MBpd)



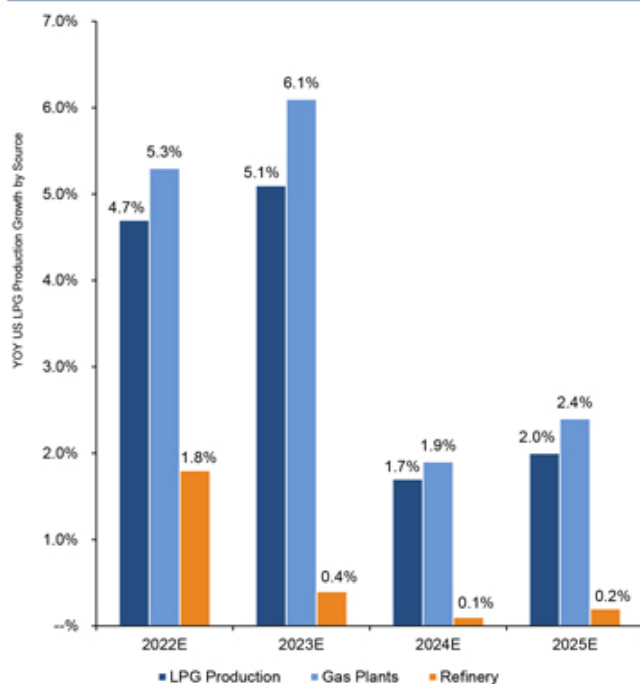
Source: RBN Energy

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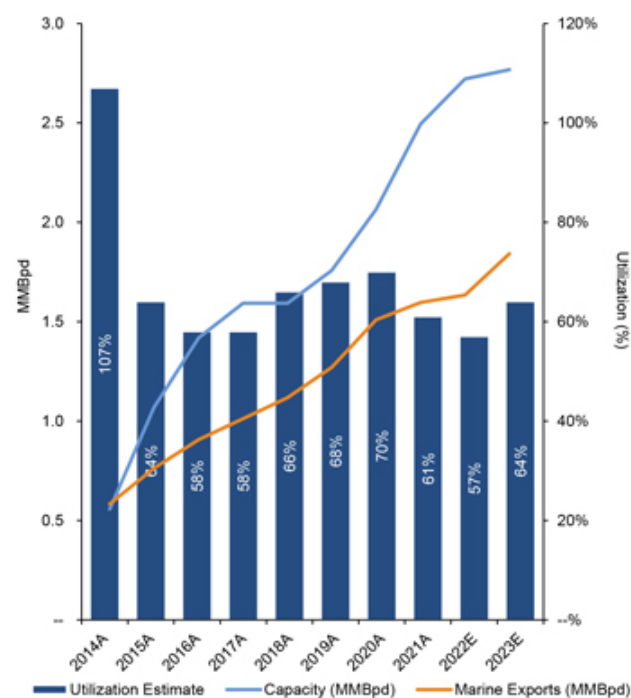
## LPG Market Overview

### LPG Production Growth and Capacity Utilization

YoY LPG Production Growth



Terminal Capacity Utilization vs. Actual Seaborne Exports

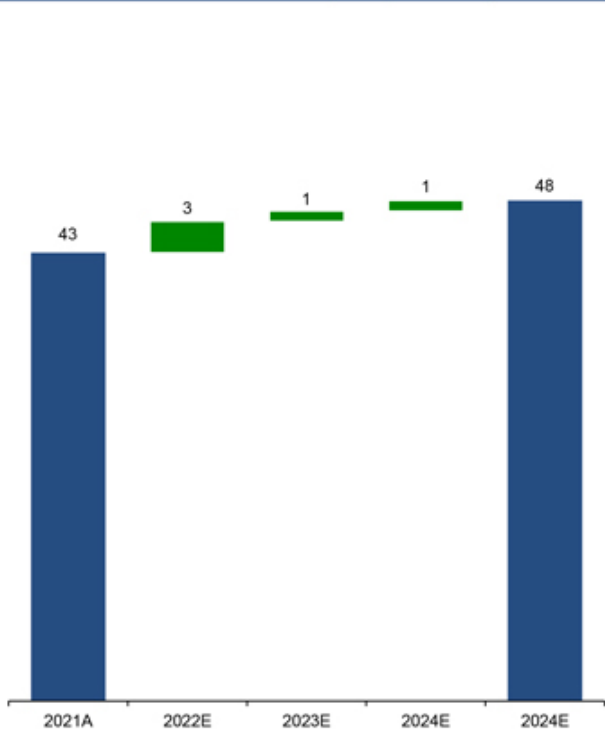


Source: Wall Street Research

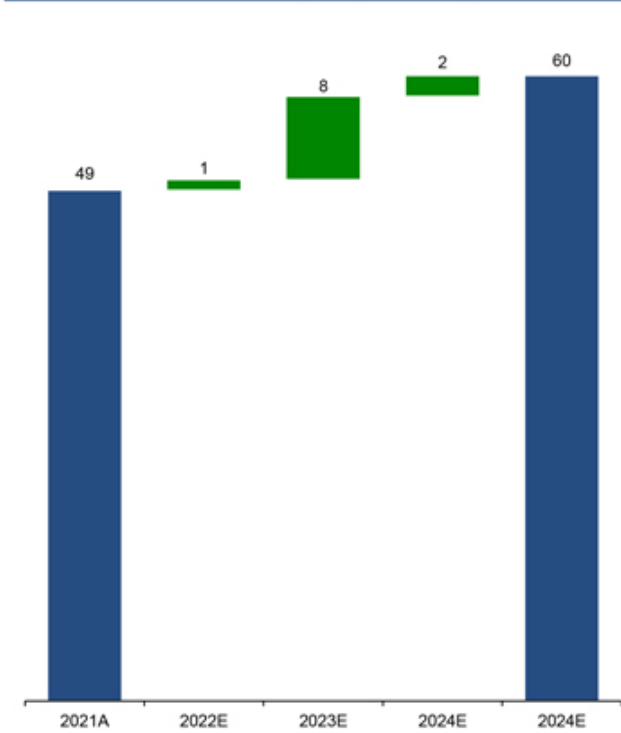
# LPG Market Overview

## LPG Export Supply Growth Primary Sources

Middle East LPG Exports (m tonnes)



U.S. LPG Exports (m tonnes)

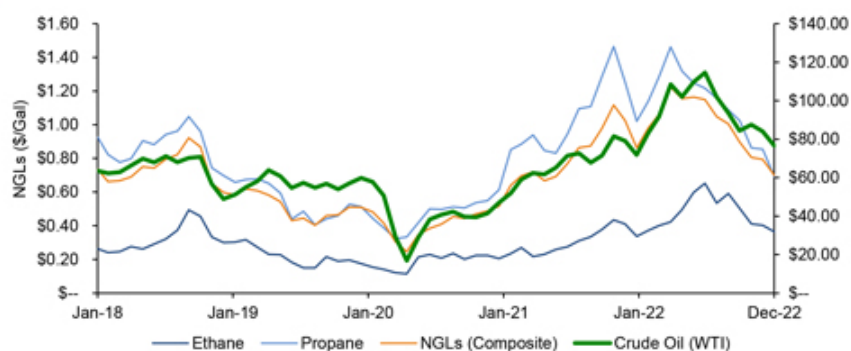


Source: Wall Street Research

## LPG Market Overview

### Historical Pricing of NGLs/LPGs vs. Crude Oil

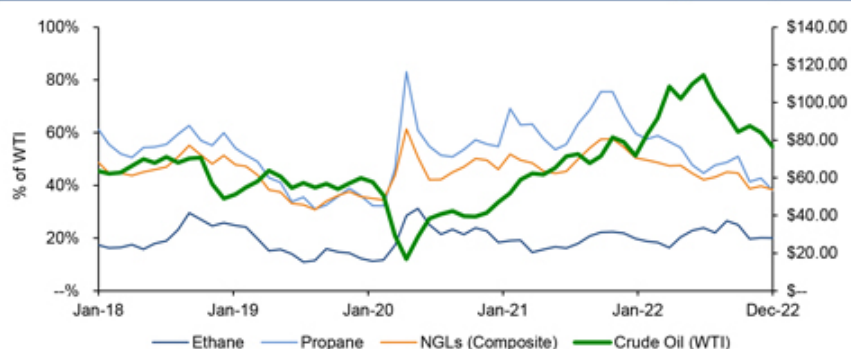
Historical Commodity Prices



Domestic Market

	2018A	2019A	2020A	2021A	2022A
Ethane	\$0.32	\$0.22	\$0.19	\$0.31	\$0.48
Propane	\$0.87	\$0.54	\$0.47	\$1.04	\$1.11
Iso-Butane	\$1.02	\$0.71	\$0.59	\$1.17	\$1.39
Normal-Butane	\$1.01	\$0.65	\$0.57	\$1.18	\$1.32
Natural Gasoline	\$1.44	\$1.14	\$0.78	\$1.54	\$1.92
NGLs (Composite)	\$0.74	\$0.51	\$0.41	\$0.83	\$1.00
Crude Oil (WTI)	\$64.94	\$56.97	\$39.37	\$68.07	\$94.93

Historical Commodity Prices (% of WTI)



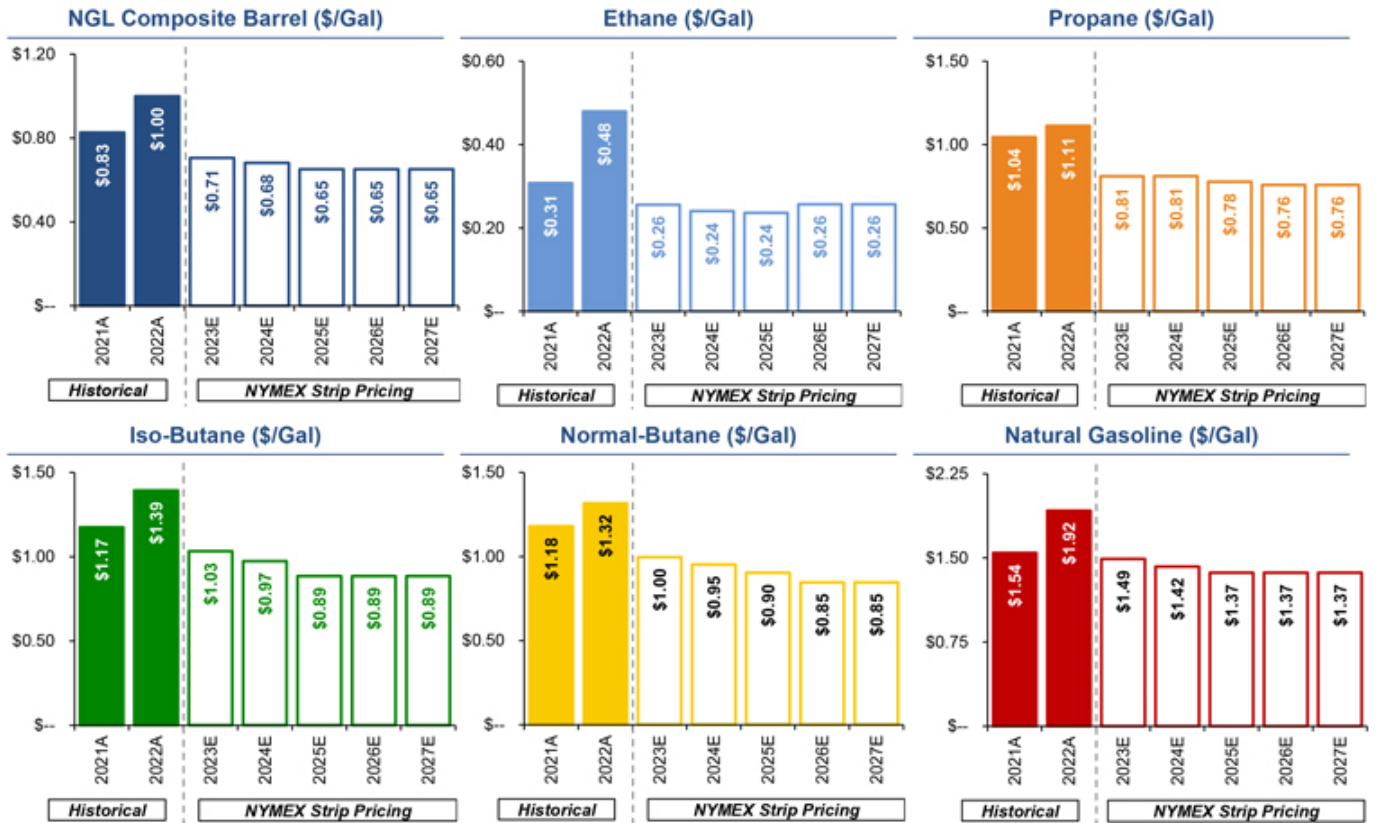
Domestic Market

	2018A	2019A	2020A	2021A	2022A
Ethane	20.8%	16.0%	20.2%	19.0%	21.2%
Propane	56.5%	40.1%	50.1%	64.5%	49.2%
Iso-Butane	65.7%	52.2%	62.9%	72.5%	61.6%
Normal-Butane	65.6%	47.9%	61.0%	72.8%	58.2%
Natural Gasoline	92.8%	84.2%	83.7%	95.3%	85.0%
NGLs (Composite)	48.0%	37.8%	44.1%	51.0%	44.2%

Source: FactSet as of January 3, 2023

## LPG Market Overview

### NGL and LPG Pricing: Historicals vs. NYMEX Strip



Source: DCP Management, NYMEX Strip as of January 3, 2023

## LPG Market Overview

### NGL Consensus Pricing Commentary

"Lowering NGL Price Estimates... The decrease is tied to (1) **lower plastics demand due to the global economic slowdown**, (2) **lower global demand for US LPGs** (in the near term) and **higher projected propane inventory levels**, and (3) **higher projected NGL supply growth**."

"The deterioration in global economic growth is beginning to take a toll on US NGL fundamentals. **Processing margins have narrowed** (ethane frac spread is negative), **ethane rejection is rising and could reduce volumes on NGL pipelines/fracs**, and **LPG export volumes are declining from record levels in Q2**."

*Michael Blum, Wells Fargo (October 21, 2022)*

"**3Q22 ethane prices of 55c/gal could fall to ~40c/gal in 4Q22/1Q23**, with another step-down to 33c/gal in 2Q23+ as Henry Hub/Waha prices slide to \$4.94/\$2.18 per Mcf in 2Q23...**ethane is typically 35-45% of the composite NGL barrel, causing its pricing to have an outsized impact on NGL prices vs. other purity products**."

*Chase Mulvehill, BofA Securities (October 9, 2022)*

"Given the significant increase in oil and gas prices driven by a host of factors including: **a strong rebound in oil demand as the world emerges from COVID**, **continued supply-chain issues which are driving inflation**, **a tight global LNG market**, and **the Russia/Ukraine conflict**, **we are materially increasing our NGL price estimates**. We're raising our 2022 and 2023 NGL price estimates to \$1.18/g and \$1.06/g, respectively, from \$0.92/g and \$0.82/g. The increase to our NGL price deck reflects higher near-term crude oil and natural gas price estimates from our E&P and refining teams, partially offset by lower assumed LPG-to-Brent ratios."

*Michael Blum, Wells Fargo (March 23, 2022)*

"The NGL-to-WTI and NGL-to-Brent crude oil ratios averaged 52% and 51%, respectively, in February, both of which are below the prior month. **NGL prices to a large extent track Brent more closely than WTI, given that a significant portion of overall demand for NGLs is predicated on exports and competition in the global markets** (e.g., ethylene derivative and LPG exports)."

*Praneeth Satish, Wells Fargo (March 23, 2022)*

Source: Wall Street Research



## Discussion Materials Prepared for the Special Committee of the Board of Directors of DCP Midstream GP, LLC

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January 5, 2023

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These materials have been prepared by Evercore Group L.L.C. ("Evercore") for the Special Committee (the "Special Committee") of the Board of Directors of DCP Midstream GP, LLC, the general partner of the general partner of DCP Midstream, LP ("DCP" or the "Partnership"), to whom such materials are directly addressed and delivered and may not be used or relied upon for any purpose other than as specifically contemplated. These materials are based on information provided by or on behalf of the Partnership and/or other potential transaction participants, from public sources or otherwise reviewed by Evercore. Evercore assumes no responsibility for independent investigation or verification of such information and has relied on such information being complete and accurate in all material respects. To the extent such information includes estimates and forecasts of future financial performance prepared by or reviewed with the management of the Partnership and/or other potential transaction participants or obtained from public sources, Evercore has assumed that such estimates and forecasts have been reasonably prepared on bases reflecting the best currently available estimates and judgments of such management (or, with respect to estimates and forecasts obtained from public sources, represent reasonable estimates). No representation or warranty, express or implied, is made as to the accuracy or completeness of such information and nothing contained herein is, or shall be relied upon as, a representation, whether as to the past, the present or the future. These materials were designed for use by specific persons familiar with the business and affairs of the Partnership. These materials are not intended to provide the sole basis for evaluating, and should not be considered a recommendation with respect to, any transaction or other matter. These materials have been developed by and are proprietary to Evercore and were prepared exclusively for the benefit and internal use of the Special Committee.

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C. LPG Market Overview	

## I. Executive Summary

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# Executive Summary

## Introduction and Overview of Materials

- Evercore Group L.L.C. ("Evercore") is pleased to provide the following materials to the Special Committee (the "Special Committee") of the Board of Directors of DCP Midstream GP, LLC ("DCP GP LLC"), the general partner of DCP Midstream GP, LP (the "General Partner"), which is the general partner of DCP Midstream, LP ("DCP" or the "Partnership"), regarding the proposed acquisition by Phillips 66 and its affiliates (collectively, "PSX," "Phillips 66" or the "Parent") of all of the outstanding common units (the "Common Units") of the Partnership not already owned by Phillips 66, Enbridge, Inc. ("ENB") and their affiliates (the "Public Common Units" and the holders of such Public Common Units, the "Partnership Unaffiliated Unitholders") for cash (the "Merger")
  - ▶ Pursuant to an agreement and plan of merger by and among the Partnership, DCP GP LLC, the General Partner, the Parent, Phillips 66 Project Development Inc., a wholly-owned subsidiary of the Parent ("PDI"), and Dynamo Merger Sub LLC, a wholly-owned subsidiary of PDI ("Merger Sub") (the "Merger Agreement"), Merger Sub shall merge with and into the Partnership and each Common Unit owned by a Partnership Unaffiliated Unitholder shall be converted into the right to receive \$41.75 in cash (the "Merger Consideration")
    - Implies a 20.1% premium to PSX's offer of \$34.75 per Public Common Unit (the "Original Offer") made as of August 17, 2022 (the "Unaffected Date")
    - Represents a 21.2% premium to the 10-day<sup>1</sup> VWAP of the Common Units as of the Unaffected Date
    - Represents a 28.5% premium to the 30-day<sup>1</sup> VWAP of the Common Units as of the Unaffected Date
    - PSX currently owns 43.3% of the Common Units<sup>2</sup>
- A The Evercore analysis reviews valuation of the Common Units based on the financial projections for DCP as provided by DCP management (the "DCP Financial Projections" or the "Forecast") as well as sensitivities based on certain price decks including:
  - B A sensitivity case utilizing NYMEX Strip Pricing as of January 3, 2023 ("Sensitivity Case B – NYMEX Strip Pricing Case")
  - C A sensitivity case based on assumed pricing higher than that utilized in the DCP Financial Projections ("Sensitivity Case C – Higher Commodity Prices")
  - D A sensitivity case based on assumed pricing lower than that utilized in the DCP Financial Projections ("Sensitivity Case D – Lower Commodity Prices")

Source: DCP Management, FactSet

1. Trading days  
2. As of January 4, 2023

## Executive Summary

### Overview of the Transaction

Counterparty	<ul style="list-style-type: none"><li>■ Phillips 66 (NYSE: PSX)</li></ul>
Transaction Summary	<ul style="list-style-type: none"><li>■ PSX to acquire 100% of the Public Common Units owned by the Partnership Unaffiliated Unitholders</li><li>■ DCP's Common Units will cease to be publicly traded<ul style="list-style-type: none"><li>▶ DCP's preferred units will continue to be publicly traded</li></ul></li></ul>
Merger Consideration	<ul style="list-style-type: none"><li>■ \$41.75 in cash per Public Common Unit</li></ul>
Approvals	<ul style="list-style-type: none"><li>■ Approval of the Special Committee and the Board of Directors of DCP Midstream GP, LLC, the general partner of the general partner of DCP</li></ul>
Other	<ul style="list-style-type: none"><li>■ The Merger is a taxable transaction for the Partnership Unaffiliated Unitholders resulting in the realization of taxes on deferred income and capital gains</li></ul>

## Executive Summary

### Evercore Evaluation Process

**Opinion  
Requested:**

Evercore has been asked by the Special Committee, whether, in Evercore's opinion, as of the date hereof, and based upon and subject to the assumptions, qualifications, limitations and other matters set forth therein, the Merger Consideration to be received in the Merger is fair, from a financial point of view, to the Partnership and the Partnership Unaffiliated Unitholders

- In connection with rendering an opinion, Evercore has, among other things:
  - ▶ reviewed certain publicly available historical operating and financial information relating to the Partnership that we deemed relevant, including as set forth in the Partnership's Annual Report on Form 10-K for the year ended December 31, 2021, the Partnership's Quarterly Report on Form 10-Q for the quarter ended September 30, 2022, and certain of the Partnership's Current Reports on Form 8-K, in each case as filed with or furnished to the Securities and Exchange Commission;
  - ▶ reviewed certain publicly available business and financial information relating to the Partnership that we deemed to be relevant, including publicly available research analysts' estimates;
  - ▶ reviewed certain internal projected financial data relating to the Partnership prepared and furnished to us by management of the Partnership, as approved for our use by the Partnership (the "Forecast");
  - ▶ reviewed certain published information regarding commodity prices;
  - ▶ discussed with management of the Partnership its assessment of the past and current operations of the Partnership, the current financial condition and prospects of the Partnership, and the Forecast;
  - ▶ reviewed the reported prices and the historical trading activity of the Common Units;
  - ▶ performed discounted cash flow analyses for the Partnership based on the Forecast and other data provided by management of the Partnership;
  - ▶ performed discounted distributions analyses based on projected financial data and other data provided by management of the Partnership;
  - ▶ compared the financial performance of the Partnership and its stock market trading multiples with those of certain other publicly-traded companies and partnerships that we deemed relevant;
  - ▶ compared the financial performance of the Partnership and the valuation multiples relating to the Merger with the financial terms, to the extent publicly available, of certain other historical transactions that we deemed relevant;
  - ▶ reviewed the financial terms and conditions of a draft Merger Agreement dated January 4, 2023; and
  - ▶ performed such other analyses and examinations and considered such other factors that we deemed appropriate.

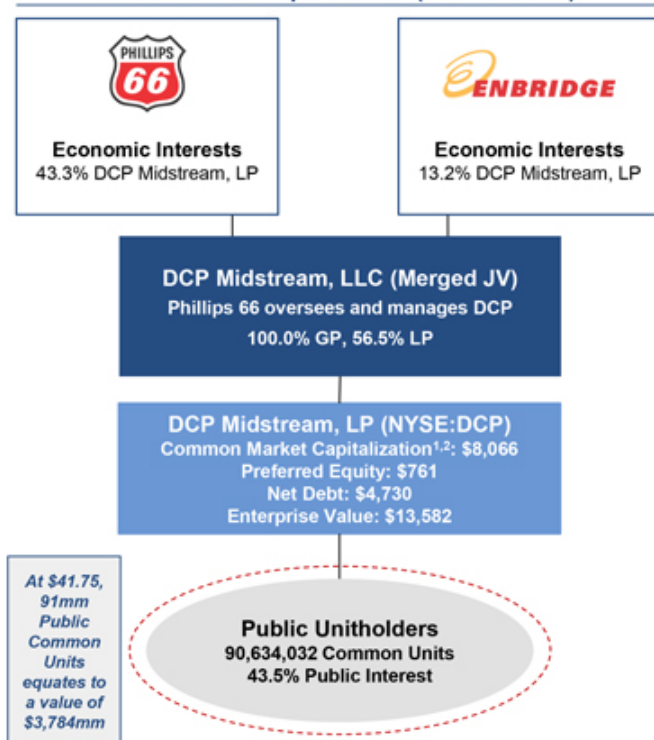


## Executive Summary

### Summary Organizational Structure and Transaction Economics

(\$ in millions, except per unit amounts)

#### Current Ownership Structure (As-Converted)



#### Transaction Economics

Merger Consideration	\$41.75
Common Units Outstanding <sup>1,2</sup> (mm)	210
<b>Total Equity Value</b>	<b>\$8,777</b>
Plus: Preferred Equity @ 12/31/22	271
Plus: DCP Net Debt @ 12/31/22	5,331
Plus: Noncontrolling Interests	25
<b>Total Implied Enterprise Value</b>	<b>\$14,404</b>
<b>Implied Premium To:</b>	<b>Premium</b>
Unaffected Date (8/17/22)	\$34.75 20.1%
10-Day VWAP <sup>3</sup>	34.46 21.2%
20-Day VWAP <sup>3</sup>	33.88 23.2%
30-Day VWAP <sup>3</sup>	32.49 28.5%
<b>Implied EV/EBITDA (DCP Financial Projections)</b>	<b>Metric Multiple</b>
2022E	\$1,749 8.2x
2023E	1,698 8.5
<b>Implied EV/EBITDA (Wall Street Consensus Estimates)</b>	
2022E	\$1,776 8.1x
2023E	1,750 8.2

Source: DCP Management, FactSet, Wall St Research; Sources and Uses assumes 12/31 balance sheet date per management model

1. As of January 4, 2023; Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP | 2. Includes 1.8mm phantom and performance units  
3. Based on August 17, 2022 unaffected price date; based on trading days



## Executive Summary

### DCP Common Unit Trading Analysis

	DCP Price	Premium of Merger Consideration Relative to Historical Average
<b>Merger Consideration</b>	<b>\$41.75</b>	
<b>Unaffected Date (8/17/22)</b>	<b>\$34.75</b>	<b>20.1%</b>
10-Day VWAP Prior to Unaffected Date	34.46	21.2%
20-Day VWAP Prior to Unaffected Date	33.88	23.2%
30-Day VWAP Prior to Unaffected Date	32.49	28.5%
<b>60-Day VWAP Prior to Unaffected Date</b>	<b>32.47</b>	<b>28.6%</b>
6-Month VWAP Prior to Unaffected Date	33.00	26.5%
<b>12-Month VWAP Prior to Unaffected Date</b>	<b>30.84</b>	<b>35.4%</b>



Source: FactSet; as of January 4, 2023

Note: VWAP based on August 17, 2022 unaffected price date; based on trading days

## Executive Summary

### Side-by-Side Analysis

(\$ in millions, except per unit / share amounts)

DCP					PSX		
Total Units Outstanding <sup>1</sup>	209				Fully-Diluted Shares Outstanding	476	
Common Unit Price	\$38.59				Common Share Price	\$100.68	
<b>Total Equity Value</b>	<b>\$8,066</b>				<b>Total Equity Value</b>	<b>\$47,936</b>	
Plus: Preferred Equity	761				Plus: Net Debt	13,913	
Plus: Net Debt	4,730				Plus: Noncontrolling Interest	5,076	
Plus: Noncontrolling Interest	25				<b>Enterprise Value</b>	<b>\$66,925</b>	
<b>Enterprise Value</b>	<b>\$13,582</b>						
	DCP Financial Projections		Consensus Data			Consensus Data	
	Metric	Yield/Multiple	Metric	Yield/Multiple		Metric	Yield/Multiple
<b>EV/EBITDA</b>					<b>EV/EBITDA</b>		
2022E	\$1,749	7.8x	\$1,776	7.6x	2022E	\$15,612	4.3x
2023E	1,698	8.0	1,750	7.8	2023E	11,075	6.0
2024E	1,578	8.6	1,665	8.2	2024E	9,536	7.0
<b>P / DCF per LP Unit</b>					<b>P / FCFPS</b>		
2022E	\$6.12	6.3x	\$6.26	6.2x	2022E	\$15.45	6.5x
2023E	5.92	6.5	6.15	6.3	2023E	12.85	7.8
2024E	5.55	7.0	5.81	6.6	2024E	10.74	9.4
<b>Distribution Yield</b>					<b>Dividend Yield</b>		
Current	\$1.72	4.5%	\$1.72	4.5%	Current	\$3.88	3.9%
2023E	1.72	4.5%	1.81	4.7%	2023E	3.98	3.9%
2024E	1.72	4.5%	1.91	4.9%	2024E	4.15	4.1%
<b>Distribution Coverage</b>							
2022E	\$6.12	3.7x	\$6.26	3.7x			
2023E	5.92	3.4	6.15	3.4			
2024E	5.55	3.2	5.81	3.0			

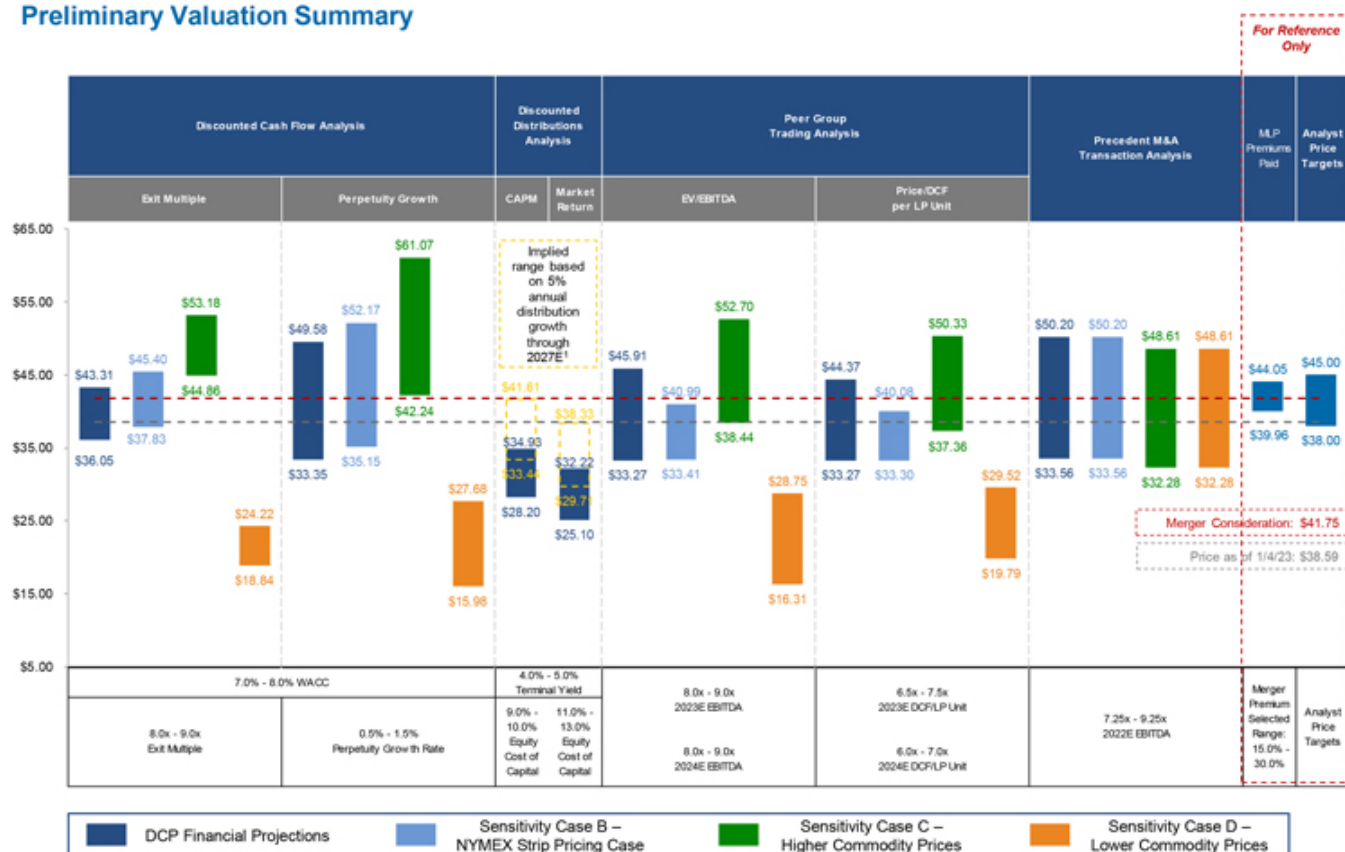
Note: As of January 4, 2023; Balance sheet data per Partnership / Company filings as of September 30, 2022

Source: FactSet, company filings, DCP Management

1. Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 0.6mm phantom and performance units

# Executive Summary

## Preliminary Valuation Summary



1. For reference only: sensitivity case using a 5% annual distribution growth rate which assumes lower than the commodity super cycle board assumption of 7.5% growth and higher than DCP Financial Projections' 0% growth

## Executive Summary

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### Benefits to the Partnership of the Merger

- Simplified structure
- Reduced cost of capital under the Parent's capital structure and improved access to capital
- Reduced pro forma leverage given ability to repay debt on an accelerated basis
- Participation in pro forma cost savings and operating synergies including enhanced connectivity from wellhead to end markets
- Greater flexibility and ability to pursue growth projects and strategic acquisitions
- Reduced reporting requirements as a wholly-owned subsidiary of PSX

## II. DCP Situation Analysis

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# DCP Situation Analysis

## Partnership Overview

### Description

- DCP is a Delaware limited partnership formed to own and operate a diversified portfolio of midstream energy assets
- Two reportable segments: Logistics and Marketing; Gathering and Processing
  - ▶ Logistics and Marketing includes fractionating NGLs as well as transporting, trading, marketing and storing natural gas and NGLs
  - ▶ Gathering and Processing includes gathering, compressing, treating, and processing natural gas, as well as producing and fractionating NGLs and recovering condensate
- Credit rating: Ba1 (Moody's); BBB+ (S&P)

### Volumes By Segment (Q3'22)

#### NGL Pipeline Volume and Utilization

(MMbbls/d)	Q3'22 Avg. Throughput	Q3'22 Pipeline Utilization
Sand Hills	313	94%
Southern Hills	117	91%
Front Range	79	91%
Texas Express	23	62%
Other	199	64%
<b>Total</b>	<b>731</b>	<b>81%</b>

#### G&P Volume and Utilization

(MMcf/d)	Q3'22 Avg. Wellhead Vol.	Q3'22 Plant Utilization
North	1,600	101%
Midcontinent	840	76%
Permian	1,047	86%
South	1,005	62%
<b>Total</b>	<b>4,492</b>	<b>81%</b>

### Asset Map



# DCP Situation Analysis

## Logistics and Marketing Overview

Logistics & Marketing segment is fee-based or fee-like and includes NGL and gas takeaway pipelines, marketing, trading, storage and fractionators

### DCP Logistics Assets

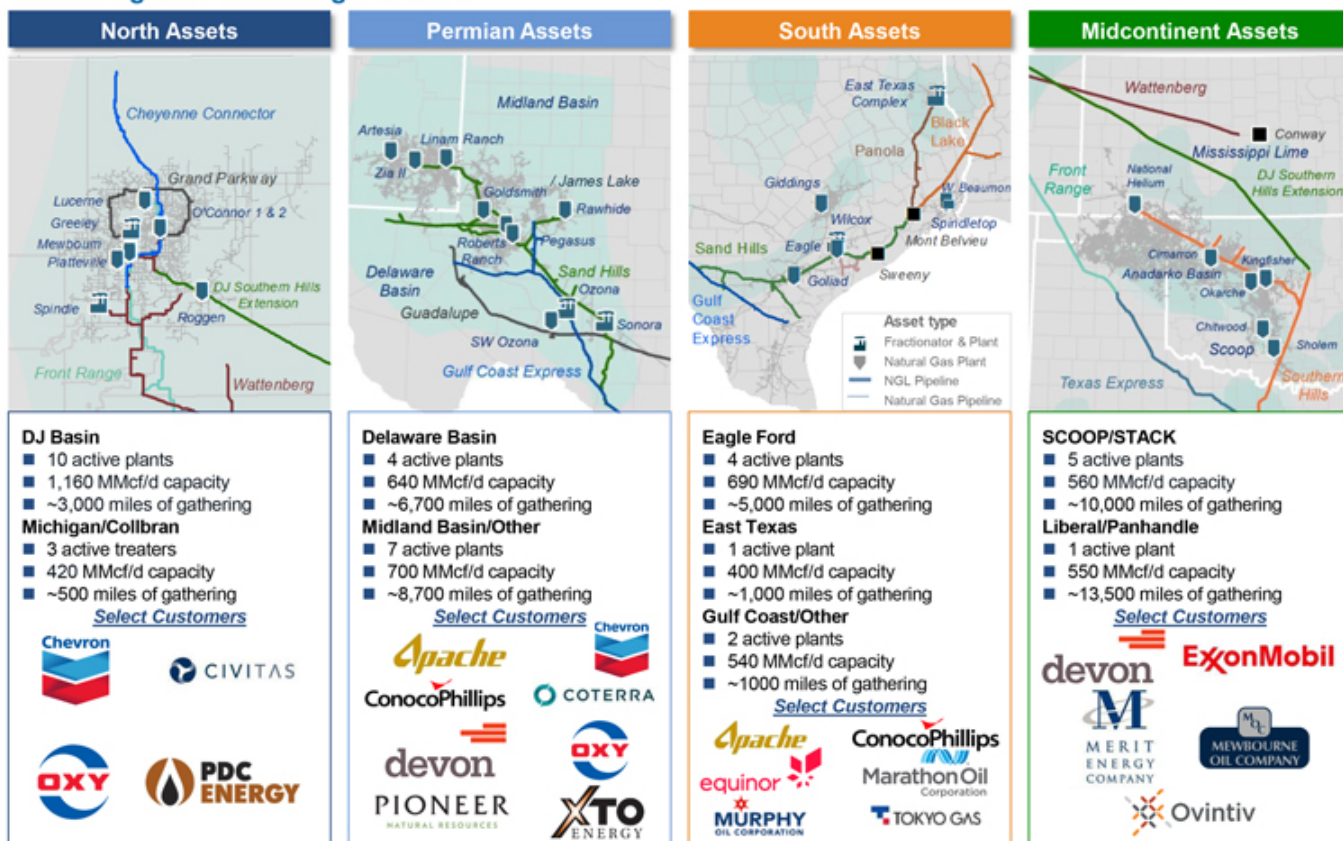


Segment	Description	% Ownership / Operated
NGL Takeaway	■ <b>Sand Hills</b> provides NGL takeaway from the Permian and Eagle Ford to the Gulf Coast	67% / ✓
	■ <b>Southern Hills</b> provides NGL takeaway from the DJ Basin and the Midcontinent to Gulf Coast markets	67% / ✓
	■ <b>Front Range / Texas Express</b> provide NGL takeaway from the DJ Basin ▶ Both operated by Enterprise Products Partners L.P. ("EPD")	33% / 10% / ✗
Gas Takeaway	■ <b>Gulf Coast Express</b> provides ~2.0 Bcf/d gas takeaway from the Permian to the Gulf Coast ▶ Operated by Kinder Morgan, Inc. ("KMI")	25% / ✗
	■ <b>Guadalupe</b> provides 245 MMcf/d gas takeaway from the Permian	50% / ✗
	■ <b>Cheyenne Connector</b> provides 600 MMcf/d gas takeaway from the DJ Basin to the Rockies Express Pipeline ▶ Operated by Tallgrass Energy Partners, LP ("Tallgrass")	50% / ✗
Gas & NGL Storage	■ 12 Bcf <b>Spindletop</b> natural gas storage facility in SE Texas	100% / ✓
	■ 8 MMBbls <b>Marysville</b> NGL storage facility in Michigan	100% / ✓
Fractionation	■ Equity ownership of 56 MBpd of Mont Belvieu <b>fractionation capacity</b> ■ Additional field fractionation capacity of 70 MBpd	12.5% / 20% / ✗



# DCP Situation Analysis

## Gathering and Processing Overview

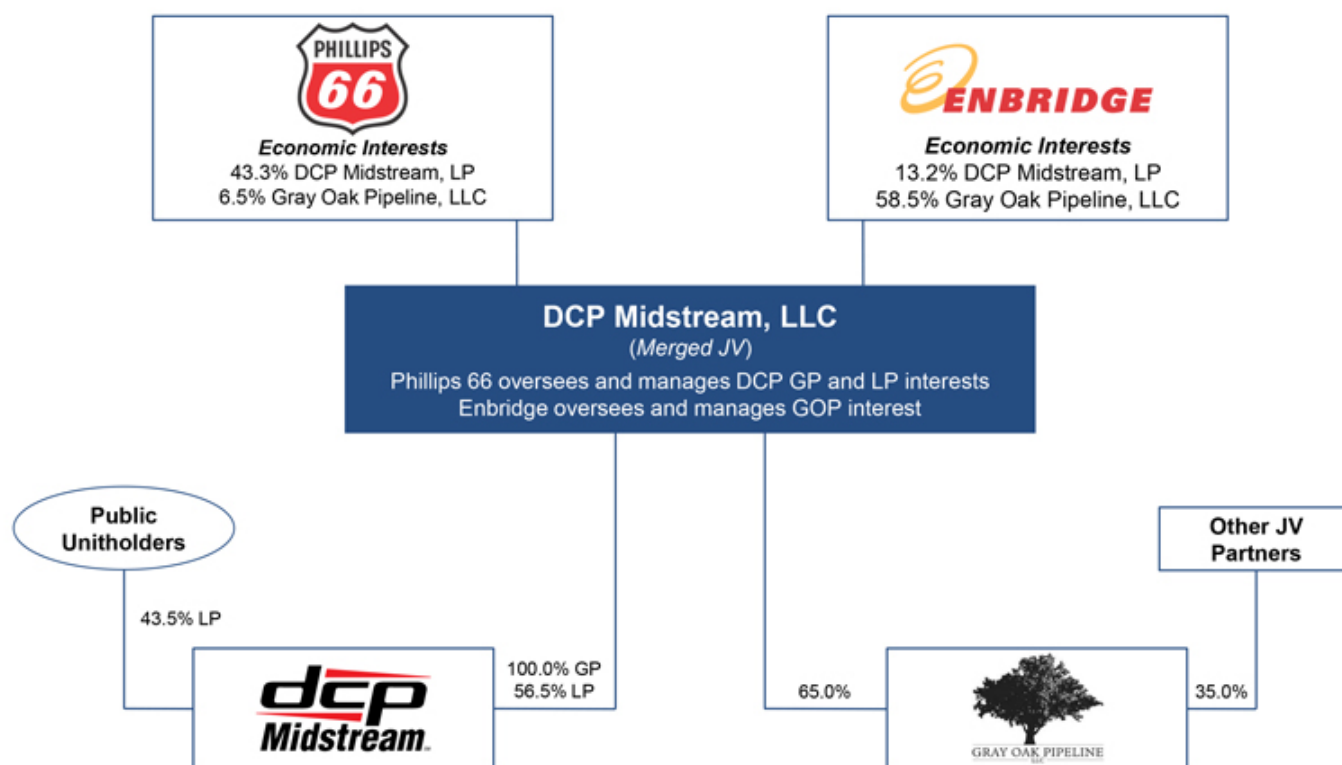


Note: Number of active processing plants and active plant capacity excludes idled plants and includes DCP's proportionate ownership share of capacity. Delaware Basin includes recently acquired James Lake System



## DCP Situation Analysis

### DCP Organizational Structure



Source: Public filings

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## DCP Situation Analysis

(\$ in millions, except per unit amounts)

### Market Capitalization

As of January 4, 2023

Total Units Outstanding <sup>1</sup>	209
Common Unit Price	\$38.59
<b>Total Equity Value</b>	<b>\$8,066</b>
Plus: Preferred Equity	761
Plus: Net Debt	4,730
Plus: Noncontrolling Interest	25
<b>Enterprise Value</b>	<b>\$13,582</b>

	DCP Financial Projections		Consensus Data	
	Metric	Yield/Multiple	Metric	Yield/Multiple
Distribution Yield				
Current	\$1.72	4.5%	\$1.72	4.5%
2022E	1.64	4.2%	1.68	4.4%
2023E	1.72	4.5%	1.81	4.7%
EV/EBITDA				
2022E	\$1,749	7.8x	\$1,776	7.6x
2023E	1,698	8.0	1,750	7.8
2024E	1,578	8.6	1,665	8.2

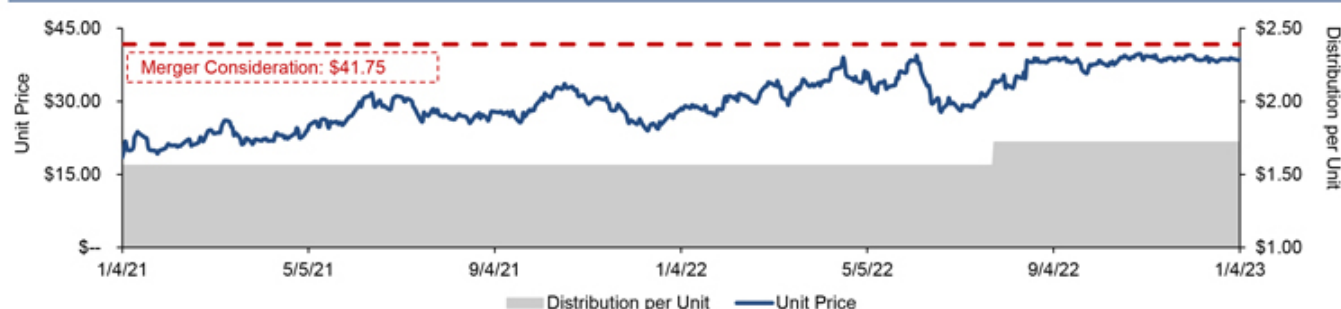
### Balance Sheet and Credit Data

As of September 30, 2022

Cash and Marketable Securities	\$93
Short-Term Debt	506
Long-Term Debt	4,317
<b>Total Debt</b>	<b>\$4,823</b>
Net Debt	\$4,730
Plus: Noncontrolling Interest	25
Plus: Preferred Equity	761
Plus: Partners' Capital	5,600
<b>Net Book Capitalization</b>	<b>\$11,116</b>

Revolver Availability / Total Revolver Capacity	\$1,390 / \$1,400
Net Debt / Net Book Cap	42.6%
Net Debt / 2022E EBITDA	2.7x
Net Debt / 2023E EBITDA	2.7

### Unit Price and Distribution



Source: DCP filings, FactSet as of January 4, 2023

1. Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 0.6mm phantom and performance units

# DCP Situation Analysis

## DCP Wall Street Research

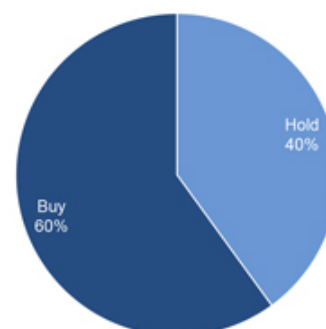
(\$ in millions, except per unit amounts)

### Summary Price Targets

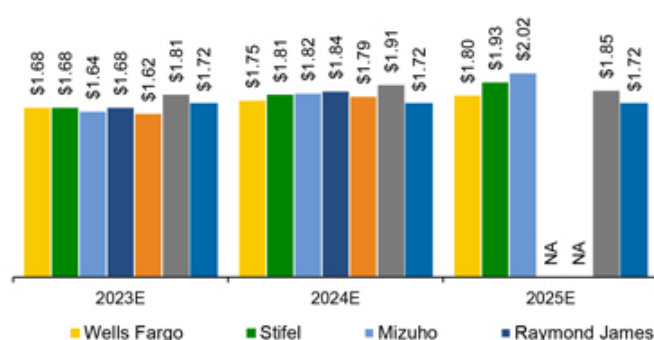
Firm	Analyst	Date	Recommendation	Target Price
Wells Fargo	Michael Blum	12/15/22	Hold	\$39.00
Stifel	Selman Akyol	12/12/22	Buy	45.00
Mizuho	Gabriel Moreen	12/2/22	Buy	45.00
Raymond James	J.R. Weston	11/4/22	Buy	45.00
RBC	Elvira Scotto	11/3/22	Hold	38.00

Median:	\$45.00
Mean:	42.40
High:	45.00
Low:	38.00

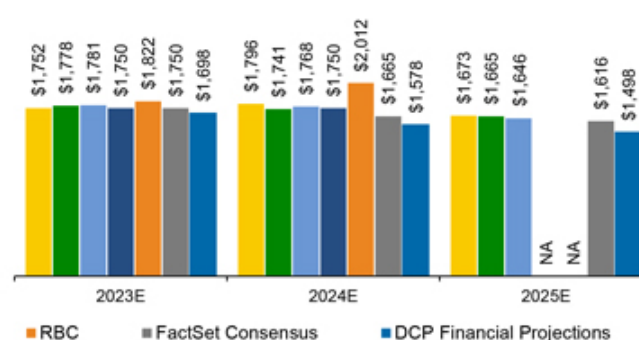
### Analyst Recommendations



### Distribution Per Unit Estimates



### EBITDA Estimates




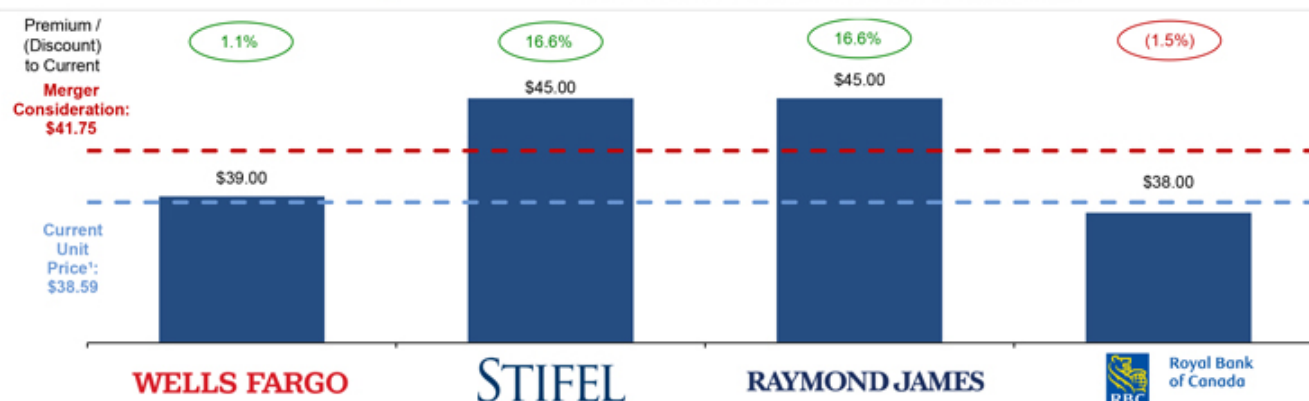
Source: FactSet, public filings; as of January 4, 2023

Note: Analyst estimates do not reflect information provided by P66 on how P66 plans to manage DCP going forward if the Merger were not to proceed

## DCP Situation Analysis

### Analyst Price Targets and Comparison of Valuation Methodologies

Price Target	Date	Broker	Valuation Methodology
\$39.00	15-Dec-22	<b>WELLS FARGO</b>	Based on PSX's original buyout offer of \$34.75/unit plus an assumption that the company raises its offer by ~12% based on past midstream simplification transactions
\$45.00	12-Dec-22	<b>STIFEL</b>	Derived by applying a 9.0x multiple to Stifel's 2023 EBITDA estimate of \$1.7 billion
\$45.00	4-Nov-22	<b>RAYMOND JAMES</b>	Blended valuation based on: (1) a 10-year, three-stage distribution/dividend discount model; (2) forward free cash flow yield relative to comparable industry peers; and (3) forward enterprise value-to-EBITDA multiples relative to comparable industry peers
\$38.00	3-Nov-22	 <b>Royal Bank of Canada</b>	\$38 price target using PSX's \$34.75 offer price and adding a 10% premium, based on some previous transactions in the space. The \$38 price target represents an overall EV/EBITDA of ~6.9x and a target yield of 4.3% off of RBC's one-year-out annualized distribution estimate



Source: Wall Street research, FactSet

Note: Analyst estimates do not reflect information provided by P66 on how P66 plans to manage DCP going forward if the Merger were not to proceed

1. Unit price as of January 4, 2023

# DCP Situation Analysis

## Ratings Agency Commentary

The credit profile is now closely tied to PSX and agencies anticipate continued debt reduction



### Current Ratings

Senior Unsecured Outlook Analyst	BBB+ Stable Mike Llanos	Senior Unsecured Outlook Analyst	Ba1 Positive James Wilkins
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### Recent Comments

#### S&P's Credit Opinion: August 18, 2022

- The stable outlook reflects expectation that Phillips 66 will fully integrate DCP's assets into its midstream operations while the partnership maintains S&P Global Ratings-adjusted leverage of less than 4x over the intermediate term
- The partnership is 70% fee-based allowing it to capitalize on the above-average commodity price, however this level of direct commodity price exposure makes the partnership more susceptible to cash flow volatility

#### What could prompt an UPGRADE:

- ▶ Would only raise rating on DCP if they raise rating on Phillips 66
- ▶ Could raise PSX rating if non-refining segments account for much larger share of future consolidated EBITDA, which would mitigate cash flow volatility of its refining assets

#### What could prompt a DOWNGRADE:

- ▶ If Phillips 66's adjusted debt to EBITDA consistently exceeds 3.0x

#### Moody's Credit Opinion: August 19, 2022

- Expects credit metrics will continue to improve and be supportive of an investment grade rating as free cash flow continues to be applied towards debt reduction
- Credit challenges include exposure to regulatory risk for DJ Basin operations in the state of Colorado and uncertainty regarding longer term demand for hydrocarbons

#### What could prompt an UPGRADE:

- ▶ EBITDA continues to grow
- ▶ Debt to EBITDA is maintained below 4.0x on a sustained basis
- ▶ Distribution coverage remains above 1.3x

#### What could prompt a DOWNGRADE:

- ▶ Debt to EBITDA exceeds 4.5x
- ▶ Distribution coverage falls below 1.0x

Source: Standard & Poor's Rating Services and Moody's

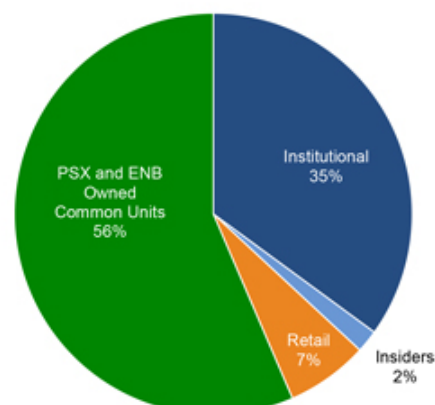
# DCP Situation Analysis

## DCP Midstream, LP Common Unit Ownership Summary

### Top 20 Institutional Unit Holders

Rank	Investor	Type	Units (000's)	% of Total
1	ALPS Advisors, Inc.	Investment Adviser	12,890	6.2%
2	Tortoise Capital Advisors LLC	Investment Adviser	8,892	4.3%
3	Harvest Fund Advisors LLC	Investment Adviser	8,075	3.9%
4	Goldman Sachs Asset Management LP	Investment Adviser	5,711	2.7%
5	JPMorgan Securities LLC	Investment Adviser	4,591	2.2%
6	Chickasaw Capital Management LLC	Investment Adviser	3,136	1.5%
7	Citigroup Global Markets, Inc. (Investment Management)	Investment Adviser	2,241	1.1%
8	ClearBridge Investments LLC	Investment Adviser	2,108	1.0%
9	Global X Management Co. LLC	Investment Adviser	2,094	1.0%
10	Barclays Bank Plc	Private Banking/Wealth Mgmt	1,792	0.9%
11	Invesco Advisers, Inc.	Investment Adviser	1,757	0.8%
12	RR Advisors LLC	Hedge Fund Manager	1,379	0.7%
13	Bank of America, NA (Private Banking)	Private Banking/Wealth Mgmt	1,281	0.6%
14	First Trust Advisors LP	Investment Adviser	1,154	0.6%
15	CIBC Private Wealth Advisors, Inc.	Investment Adviser	952	0.5%
16	Eagle Global Advisors LLC	Private Banking/Wealth Mgmt	880	0.4%
17	Wells Fargo Bank, NA	Private Banking/Wealth Mgmt	867	0.4%
18	Infrastructure Capital Advisors LLC	Investment Adviser	855	0.4%
19	Antara Capital LP	Hedge Fund Manager	790	0.4%
20	UBS Securities LLC	Broker	769	0.4%
<b>Remainder</b>			<b>10,750</b>	<b>5.2%</b>
<b>Total Institutional Ownership</b>			<b>72,963</b>	<b>35.0%</b>

### Unit Ownership Breakdown



### Unit Ownership Summary

Holder	Units (000's)	Ownership %
Institutional	72,963	35.0%
Insiders	3,808	1.8%
Retail	13,863	6.7%
<b>Total Common Units Outstanding</b>	<b>90,634</b>	<b>43.5%</b>
Plus: PSX and ENB Owned Common Units	117,763	56.5%
<b>Total Units Outstanding<sup>1</sup></b>	<b>208,397</b>	<b>100.0%</b>

Source: Wall Street research, FactSet; as of January 4, 2023  
1. Excludes 0.6mm phantom and performance units

### III. DCP Financial Projections

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# DCP Financial Projections

## DCP Financial Projections – Assumptions

**A** The DCP Financial Projections as provided by DCP Management and reviewed by Evercore, incorporate the following assumptions:

- ▶ September 23, 2022 price deck as follows:

	Price Deck					
	2022E	2023E	2024E	2025E	2026E	2027E
NGLs (\$/Gal)	\$1.04	\$0.75	\$0.66	\$0.60	\$0.60	\$0.60
WTI (\$/Bbl)	93.75	73.80	68.04	64.12	61.16	58.81
Henry Hub (\$/MMBtu)	7.26	5.56	4.76	4.59	4.52	4.50

- ▶ Interest rates on debt as follows:

- Revolving Credit Facility: Approximately 4.5%-5.5% annually
- Permanent Debt Average: Approximately 5.5%-6.0% annually

- ▶ Preferred Equity redeemed once eligible and financed with debt and cash flow from operations:

- \$500 Series A redeemed in Q3 2022
- \$161 Series B redeemed in Q2 2023
- \$110 Series C redeemed in Q4 2023

- ▶ Common Units outstanding:

- 90.6 million publicly held LP Units
- 117.8 million DCP LP Units

- ▶ Quarterly distributions per LP held flat at \$0.43/unit throughout the projection period

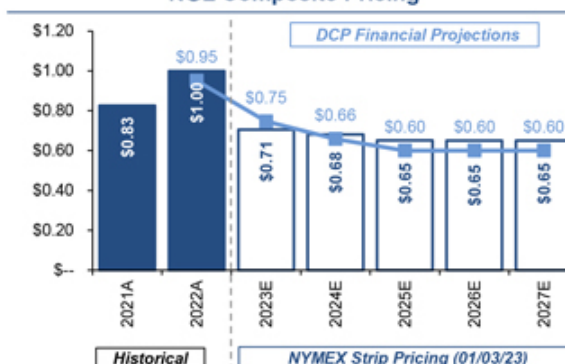
- ▶ No minimum cash balance

- ▶ Maintenance capital expenditures of \$134.7 million per year in 2022E, \$150.0 million per year in 2023E and 2024E and \$125.0 million per year from 2025E to 2027E

- ▶ Growth capital expenditures:

- Identified organic capital expenditures of \$114.4 million in 2H 2022
- Identified acquisition capital expenditures of \$144.0 million in 2H 2022
- Unidentified organic capital expenditures of \$125.0 million in 2023E and \$50.0 million per year from 2024E to 2027E

**NGL Composite Pricing**



Source: DCP Management  
Note: DCP Financial Projections do not include effects of the Merger



## DCP Financial Projections

### DCP Financial Projections – Sensitivity Assumptions

- B** At the direction of the Special Committee, Evercore requested that DCP Management provide financial projections for DCP assuming NYMEX Strip Pricing as of January 3, 2023 ("**Sensitivity Case B – NYMEX Strip Pricing Case**");

	NYMEX Strip Pricing Case					
	2022E	2023E	2024E	2025E	2026E	2027E
NGLs (\$/Gal)	\$1.04	\$0.71	\$0.68	\$0.66	\$0.66	\$0.66
WTI (\$/Bbl)	93.75	76.58	72.42	68.61	65.57	62.98
Henry Hub (\$/MMBtu)	7.26	3.90	4.14	4.31	4.41	4.45

- Also at the direction of the Special Committee, the following two additional commodity price cases were requested to reflect higher and lower price environments, although these levels have not been realized historically over a long period of time:

- C** A sensitivity case which assumes the following higher commodity pricing ("**Sensitivity Case C – Higher Commodity Prices**");

	Higher Commodity Prices					
	2022E	2023E	2024E	2025E	2026E	2027E
NGLs (\$/Gal)	\$1.01	\$0.90	\$0.78	\$0.77	\$0.76	\$0.75
WTI (\$/Bbl)	95.10	87.50	76.50	75.50	74.50	73.50
Henry Hub (\$/MMBtu)	6.50	5.85	5.15	5.10	5.05	5.00

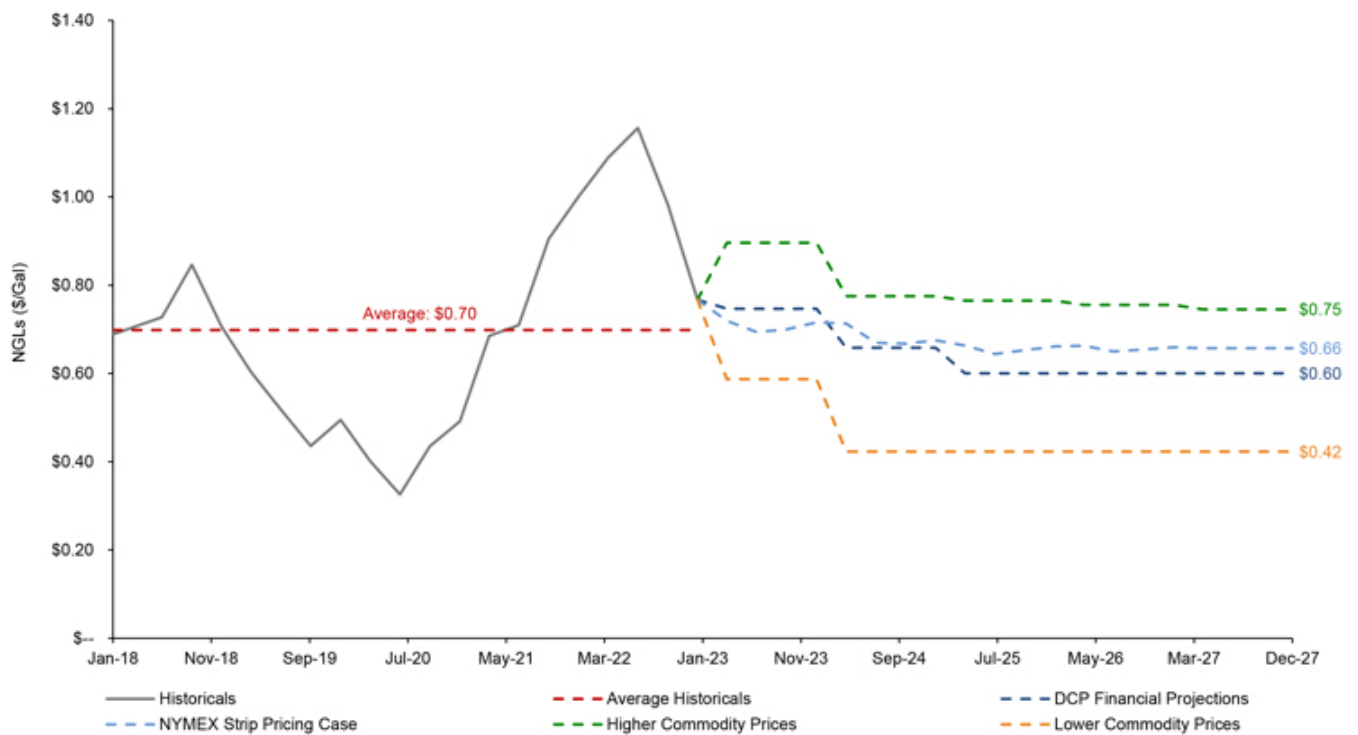
- D** A sensitivity case which assumes the following lower commodity pricing ("**Sensitivity Case D – Lower Commodity Prices**");

	Lower Commodity Prices					
	2022E	2023E	2024E	2025E	2026E	2027E
NGLs (\$/Gal)	\$1.01	\$0.59	\$0.42	\$0.42	\$0.42	\$0.42
WTI (\$/Bbl)	95.10	40.00	40.00	40.00	40.00	40.00
Henry Hub (\$/MMBtu)	6.50	2.25	2.25	2.25	2.25	2.25

## DCP Financial Projections

### DCP Financial Projections – NGL Price Cases

NGL Composite Barrel (\$/Gal)



## DCP Financial Projections

### A DCP Financial Projections

(\$ in millions)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
<b>Gathering &amp; Processing Segment</b>							
North Region	\$1,140	\$864	\$767	\$726	\$717	\$711	(9.0%)
South Region	191	147	137	129	128	127	(7.9%)
Midcontinent Region	275	239	225	212	209	207	(5.5%)
Permian Region	584	585	562	533	527	522	(2.2%)
Other G&P	—	—	—	—	—	—	—
<b>Total Gathering &amp; Processing Gross Margin</b>	<b>\$2,190</b>	<b>\$1,835</b>	<b>\$1,690</b>	<b>\$1,601</b>	<b>\$1,581</b>	<b>\$1,568</b>	<b>(6.5%)</b>
<b>Total Costs</b>							
North Region	(\$157)	(\$144)	(\$154)	(\$154)	(\$156)	(\$158)	0.2%
South Region	(99)	(99)	(92)	(92)	(94)	(95)	(0.8%)
Midcontinent Region	(165)	(162)	(174)	(174)	(177)	(179)	1.6%
Permian Region	(251)	(293)	(307)	(308)	(312)	(317)	4.7%
Other G&P	(19)	(23)	(20)	(21)	(21)	(21)	2.6%
<b>Total Gathering &amp; Processing Costs</b>	<b>(\$691)</b>	<b>(\$721)</b>	<b>(\$748)</b>	<b>(\$748)</b>	<b>(\$760)</b>	<b>(\$771)</b>	<b>2.2%</b>
<b>Total Gathering &amp; Processing Segment Margin</b>	<b>\$1,499</b>	<b>\$1,113</b>	<b>\$942</b>	<b>\$852</b>	<b>\$821</b>	<b>\$797</b>	<b>(11.9%)</b>
<b>Logistics &amp; Marketing Segment</b>							
Southern Hills + Sand Hills	\$429	\$436	\$442	\$449	\$449	\$449	0.9%
Other NGL Pipelines	141	149	156	158	158	158	2.3%
NGL Marketing + Storage	46	49	39	39	39	39	(3.2%)
Downstream Fractionation	19	21	21	21	21	21	2.0%
Gas Marketing + Other Income	18	13	13	13	13	13	(7.1%)
Gas Storage	2	13	12	12	12	12	43.2%
Guadalupe	62	48	40	40	40	40	(8.5%)
Gulf Coast Express Equity Earnings	66	66	66	66	66	66	(0.0%)
Cheyenne Connector Equity Earnings	14	14	14	14	14	14	0.0%
<b>Total Logistics &amp; Marketing Gross Margin</b>	<b>\$798</b>	<b>\$810</b>	<b>\$804</b>	<b>\$812</b>	<b>\$812</b>	<b>\$812</b>	<b>0.4%</b>
<b>Total Costs</b>							
Logistics & Marketing Costs	(\$44)	(\$47)	(\$41)	(\$41)	(\$42)	(\$42)	(0.9%)
<b>Total Logistics &amp; Marketing Segment Margin</b>	<b>\$754</b>	<b>\$763</b>	<b>\$763</b>	<b>\$771</b>	<b>\$771</b>	<b>\$770</b>	<b>0.4%</b>

Source: DCP Management

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## DCP Financial Projections

### A DCP Financial Projections – Summary Cash Flows

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
Gathering & Processing Segment Margin	\$1,499	\$1,113	\$942	\$852	\$821	\$797	(11.9%)
Logistics & Marketing Segment Margin	754	763	763	771	771	770	0.4%
Less: Corporate Costs	(255)	(257)	(236)	(236)	(239)	(243)	(1.0%)
Plus: Adj. Distribution in Excess of Equity Earnings - Logistics	77	80	80	80	80	80	0.9%
Plus: Adj. Distribution in Excess of Equity Earnings - Discovery	13	9	9	9	9	9	(7.3%)
Plus: Hedge settlement	(339)	(11)	2	(4)	—	—	
<b>Adjusted EBITDA</b>	<b>\$1,749</b>	<b>\$1,698</b>	<b>\$1,560</b>	<b>\$1,473</b>	<b>\$1,442</b>	<b>\$1,414</b>	<b>(4.2%)</b>
Plus: Growth Projects	—	—	18	25	32	39	
<b>Total Adjusted EBITDA</b>	<b>\$1,749</b>	<b>\$1,698</b>	<b>\$1,578</b>	<b>\$1,498</b>	<b>\$1,474</b>	<b>\$1,453</b>	<b>(3.6%)</b>
Less: Interest Expense	(\$273)	(\$286)	(\$258)	(\$221)	(\$210)	(\$183)	
Less: Preferred Securities	(58)	(15)	—	—	—	—	
Less: Sustaining Capital	(135)	(150)	(150)	(125)	(125)	(125)	
Less: Income Taxes	(5)	(5)	(5)	(5)	(5)	(5)	
Less: Other	(3)	(7)	(7)	(5)	(5)	(5)	
<b>Distributable Cash Flow</b>	<b>\$1,275</b>	<b>\$1,235</b>	<b>\$1,157</b>	<b>\$1,142</b>	<b>\$1,128</b>	<b>\$1,135</b>	<b>(2.3%)</b>
Identified Organic Capital	(\$140)	\$—	\$—	\$—	\$—	\$—	
Unidentified Organic Capital	—	(125)	(50)	(50)	(50)	(50)	
Acquisition Capital	(160)	—	—	—	—	—	
Distributions	(342)	(359)	(359)	(359)	(359)	(359)	1.0%
Working Capital and Interest Timing	(30)	133	90	—	—	—	
<b>Cash Surplus / (Shortfall)</b>	<b>\$603</b>	<b>\$884</b>	<b>\$838</b>	<b>\$733</b>	<b>\$719</b>	<b>\$726</b>	<b>3.8%</b>
LP Units Outstanding	208	209	209	209	209	209	0.0%
<b>Distributable Cash Flow per LP Unit</b>	<b>\$6.12</b>	<b>\$5.92</b>	<b>\$5.55</b>	<b>\$5.47</b>	<b>\$5.41</b>	<b>\$5.44</b>	<b>(2.3%)</b>
<b>Distribution per Unit</b>	<b>1.64</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.0%</b>
<b>Total Distributions</b>	<b>\$342</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>1.0%</b>

Source: DCP Management

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## DCP Financial Projections

### A DCP Financial Projections – Sources and Uses

(\$ in millions)

	For the Years Ending December 31,					
	2022E	2023E	2024E	2025E	2026E	2027E
<b>Sources</b>						
DCF Surplus / (Shortfall)	\$603	\$884	\$838	\$733	\$719	\$726
Revolver Draw	246	—	—	—	—	—
<b>Total Sources</b>	<b>\$849</b>	<b>\$884</b>	<b>\$838</b>	<b>\$733</b>	<b>\$719</b>	<b>\$726</b>
<b>Uses</b>						
Revolver Paydown	\$—	\$113	\$393	\$—	\$—	\$—
Long-Term Debt Paydown	350	500	—	825	—	500
Preferred Equity Redemption	500	271	—	—	—	—
Cash Balance Increase / (Decrease)	(1)	—	445	(92)	719	226
<b>Total Uses</b>	<b>\$849</b>	<b>\$884</b>	<b>\$838</b>	<b>\$733</b>	<b>\$719</b>	<b>\$726</b>
<b>Memo:</b>						
Cash	\$—	\$—	\$445	\$353	\$1,073	\$1,298
Total Debt	5,331	4,718	4,325	3,500	3,500	3,000
<b>Net Debt</b>	<b>\$5,331</b>	<b>\$4,718</b>	<b>\$3,880</b>	<b>\$3,147</b>	<b>\$2,427</b>	<b>\$1,702</b>
Preferred Equity	271	—	—	—	—	—
<b>Net Debt + Preferred Equity</b>	<b>\$5,602</b>	<b>\$4,718</b>	<b>\$3,880</b>	<b>\$3,147</b>	<b>\$2,427</b>	<b>\$1,702</b>
Total Debt / Adjusted EBITDA	3.0x	2.8x	2.7x	2.3x	2.4x	2.1x
Net Debt / Adjusted EBITDA	3.0	2.8	2.5	2.1	1.6	1.2
(Net Debt + Preferred Equity) / Adjusted EBITDA	3.2	2.8	2.5	2.1	1.6	1.2

Source: DCP Management

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## DCP Financial Projections

### B DCP Financial Projections

(\$ in millions)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
<b>Gathering &amp; Processing Segment</b>							
North Region	\$1,140	\$729	\$752	\$758	\$756	\$756	(7.9%)
South Region	191	151	144	138	136	135	(6.8%)
Midcontinent Region	275	243	231	218	214	211	(5.2%)
Permian Region	584	568	565	542	535	531	(1.9%)
Other G&P	—	—	—	—	—	—	—
<b>Total Gathering &amp; Processing Gross Margin</b>	<b>\$2,190</b>	<b>\$1,691</b>	<b>\$1,692</b>	<b>\$1,655</b>	<b>\$1,641</b>	<b>\$1,633</b>	<b>(5.7%)</b>
<b>Total Costs</b>							
North Region	(\$157)	(\$144)	(\$154)	(\$154)	(\$156)	(\$158)	0.2%
South Region	(99)	(99)	(92)	(92)	(94)	(95)	(0.8%)
Midcontinent Region	(165)	(162)	(174)	(174)	(177)	(179)	1.6%
Permian Region	(251)	(293)	(307)	(308)	(312)	(317)	4.7%
Other G&P	(19)	(23)	(20)	(21)	(21)	(21)	2.6%
<b>Total Gathering &amp; Processing Costs</b>	<b>(\$691)</b>	<b>(\$721)</b>	<b>(\$748)</b>	<b>(\$748)</b>	<b>(\$760)</b>	<b>(\$771)</b>	<b>2.2%</b>
<b>Total Gathering &amp; Processing Segment Margin</b>	<b>\$1,499</b>	<b>\$970</b>	<b>\$944</b>	<b>\$907</b>	<b>\$881</b>	<b>\$862</b>	<b>(10.5%)</b>
<b>Logistics &amp; Marketing Segment</b>							
Southern Hills + Sand Hills	\$429	\$436	\$442	\$449	\$449	\$449	0.9%
Other NGL Pipelines	141	149	156	158	158	158	2.3%
NGL Marketing + Storage	46	49	39	39	39	39	(3.2%)
Downstream Fractionation	19	21	21	21	21	21	2.0%
Gas Marketing + Other Income	18	13	13	13	13	13	(7.1%)
Gas Storage	2	13	12	12	12	12	43.2%
Guadalupe	62	48	40	40	40	40	(8.5%)
Gulf Coast Express Equity Earnings	66	66	66	66	66	66	(0.0%)
Cheyenne Connector Equity Earnings	14	14	14	14	14	14	0.0%
<b>Total Logistics &amp; Marketing Gross Margin</b>	<b>\$798</b>	<b>\$810</b>	<b>\$804</b>	<b>\$812</b>	<b>\$812</b>	<b>\$812</b>	<b>0.4%</b>
<b>Total Costs</b>							
Logistics & Marketing Costs	(\$44)	(\$47)	(\$41)	(\$41)	(\$42)	(\$42)	(0.9%)
<b>Total Logistics &amp; Marketing Segment Margin</b>	<b>\$754</b>	<b>\$763</b>	<b>\$763</b>	<b>\$771</b>	<b>\$771</b>	<b>\$770</b>	<b>0.4%</b>

Source: DCP Management

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## DCP Financial Projections

### B DCP Financial Projections – Summary Cash Flows

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
Gathering & Processing Segment Margin	\$1,499	\$970	\$944	\$907	\$881	\$862	(10.5%)
Logistics & Marketing Segment Margin	754	763	763	771	771	770	0.4%
Less: Corporate Costs	(255)	(257)	(236)	(236)	(239)	(243)	(1.0%)
Plus: Adj. Distribution in Excess of Equity Earnings - Logistics	77	80	80	80	80	80	0.9%
Plus: Adj. Distribution in Excess of Equity Earnings - Discovery	13	9	9	9	9	9	(7.3%)
Plus: Hedge settlement	(339)	18	4	(2)	—	—	
<b>Adjusted EBITDA</b>	<b>\$1,749</b>	<b>\$1,583</b>	<b>\$1,563</b>	<b>\$1,530</b>	<b>\$1,501</b>	<b>\$1,478</b>	<b>(3.3%)</b>
Plus: Growth Projects	—	—	18	25	32	39	
<b>Total Adjusted EBITDA</b>	<b>\$1,749</b>	<b>\$1,583</b>	<b>\$1,581</b>	<b>\$1,555</b>	<b>\$1,534</b>	<b>\$1,518</b>	<b>(2.8%)</b>
Less: Interest Expense	(\$273)	(\$290)	(\$261)	(\$222)	(\$210)	(\$183)	
Less: Preferred Securities	(58)	(15)	—	—	—	—	
Less: Sustaining Capital	(135)	(150)	(150)	(125)	(125)	(125)	
Less: Income Taxes	(5)	(5)	(5)	(5)	(5)	(5)	
Less: Other	(3)	(7)	(7)	(5)	(5)	(5)	
<b>Distributable Cash Flow</b>	<b>\$1,275</b>	<b>\$1,115</b>	<b>\$1,158</b>	<b>\$1,198</b>	<b>\$1,188</b>	<b>\$1,199</b>	<b>(1.2%)</b>
Identified Organic Capital	(\$140)	\$—	\$—	\$—	\$—	\$—	
Unidentified Organic Capital	—	(125)	(50)	(50)	(50)	(50)	
Acquisition Capital	(160)	—	—	—	—	—	
Distributions	(342)	(359)	(359)	(359)	(359)	(359)	1.0%
Working Capital and Interest Timing	(30)	133	90	—	—	—	
<b>Cash Surplus / (Shortfall)</b>	<b>\$603</b>	<b>\$764</b>	<b>\$839</b>	<b>\$789</b>	<b>\$779</b>	<b>\$790</b>	<b>5.6%</b>
LP Units Outstanding	208	209	209	209	209	209	0.0%
<b>Distributable Cash Flow per LP Unit</b>	<b>\$6.12</b>	<b>\$5.34</b>	<b>\$5.55</b>	<b>\$5.74</b>	<b>\$5.69</b>	<b>\$5.75</b>	<b>(1.2%)</b>
<b>Distribution per Unit</b>	<b>1.68</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>0.5%</b>
<b>Total Distributions</b>	<b>\$342</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>1.0%</b>

Source: DCP Management

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## DCP Financial Projections

### B DCP Financial Projections – Sources and Uses

(\$ in millions)

	For the Years Ending December 31,					
	2022E	2023E	2024E	2025E	2026E	2027E
<b>Sources</b>						
DCF Surplus / (Shortfall)	\$603	\$764	\$839	\$789	\$779	\$790
Revolver Draw	246	7	–	–	–	–
<b>Total Sources</b>	<b>\$849</b>	<b>\$771</b>	<b>\$839</b>	<b>\$789</b>	<b>\$779</b>	<b>\$790</b>
<b>Uses</b>						
Revolver Paydown	\$–	\$–	\$513	\$–	\$–	\$–
Long-Term Debt Paydown	350	500	–	825	–	500
Preferred Equity Redemption	500	271	–	–	–	–
Cash Balance Increase / (Decrease)	(1)	–	327	(36)	779	290
<b>Total Uses</b>	<b>\$849</b>	<b>\$771</b>	<b>\$839</b>	<b>\$789</b>	<b>\$779</b>	<b>\$790</b>
<b>Memo:</b>						
Cash	\$–	\$–	\$327	\$291	\$1,070	\$1,360
Total Debt	5,331	4,838	4,325	3,500	3,500	3,000
<b>Net Debt</b>	<b>\$5,331</b>	<b>\$4,838</b>	<b>\$3,998</b>	<b>\$3,209</b>	<b>\$2,430</b>	<b>\$1,640</b>
Preferred Equity	271	–	–	–	–	–
<b>Net Debt + Preferred Equity</b>	<b>\$5,602</b>	<b>\$4,838</b>	<b>\$3,998</b>	<b>\$3,209</b>	<b>\$2,430</b>	<b>\$1,640</b>
Total Debt / Adjusted EBITDA	3.0x	3.1x	2.7x	2.3x	2.3x	2.0x
Net Debt / Adjusted EBITDA	3.0	3.1	2.5	2.1	1.6	1.1
(Net Debt + Preferred Equity) / Adjusted EBITDA	3.2	3.1	2.5	2.1	1.6	1.1

Source: DCP Management

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## DCP Financial Projections

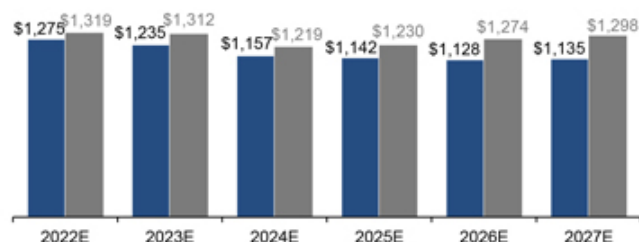
### DCP Financial Projections Summary – Comparison to Wall Street Consensus Estimates

(\$ in millions)

#### Adjusted EBITDA

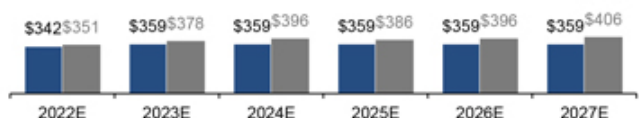


#### Distributable Cash Flow

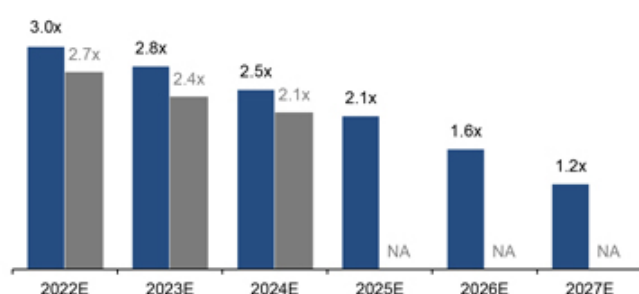


#### Distributed Cash Flow

##### Coverage Ratio:



#### Net Debt / Adjusted EBITDA



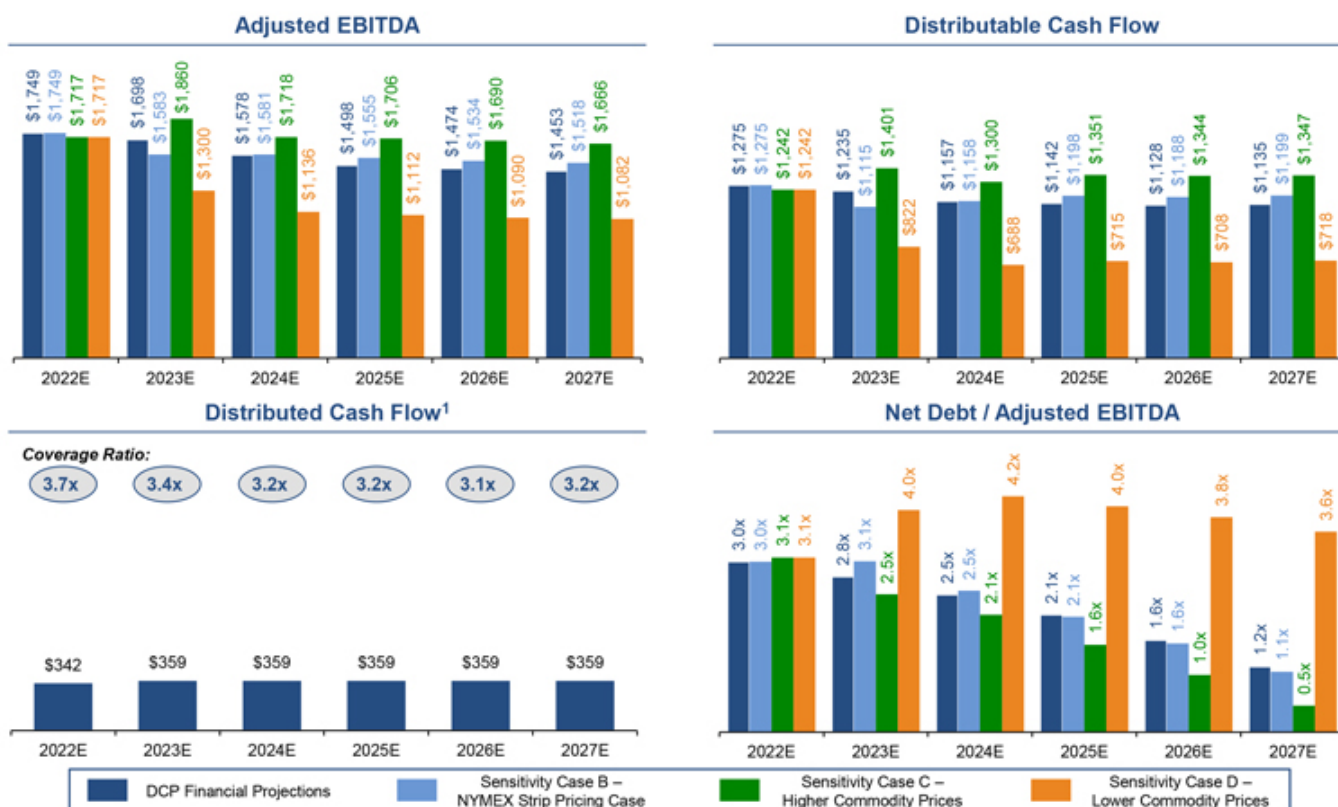
DCP Financial Projections Wall Street Consensus Estimates

Source: DCP Management; FactSet, as of January 4, 2023

# DCP Financial Projections

## DCP Financial Projections Summary – Comparison to Sensitivity Cases

(\$ in millions)



Source: DCP Management

1. Projected distributions remain the same through sensitivity cases

## IV. Preliminary Valuation of the Common Units

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## Preliminary Valuation of the Common Units

### Valuation Methodologies

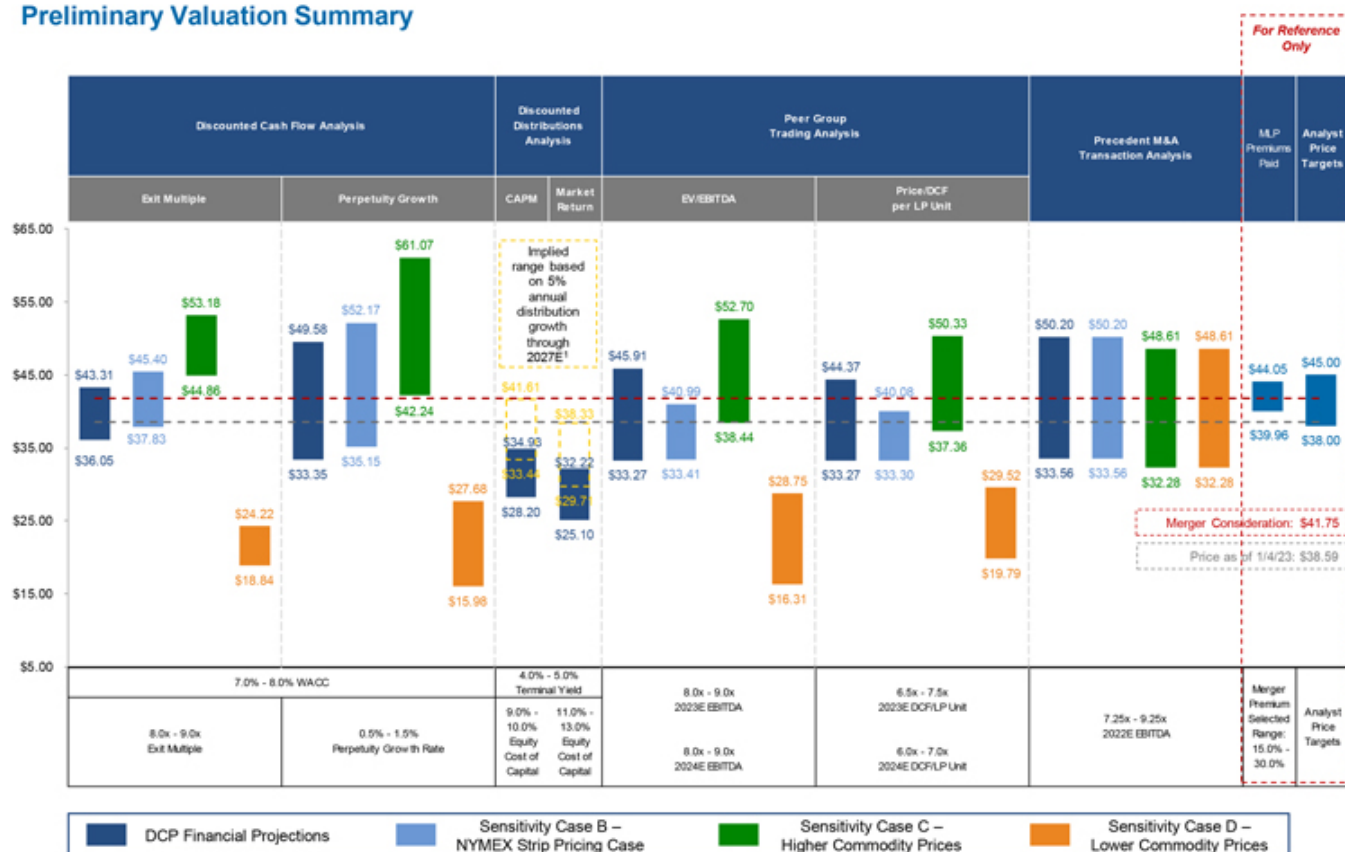
- Evercore utilized the following methodologies to analyze the value of the Common Units:

Methodology	Description	Assumptions / Detail
<b>Discounted Cash Flow Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on the concept of the time value of money</li> <li>■ Utilizes varying weighted average cost of capital ("WACC") discount rates and applies various perpetuity growth rates to derive after-tax valuation ranges</li> <li>■ Calculated terminal values based on a range of multiples of EBITDA and assumed perpetuity growth rates</li> </ul>	<ul style="list-style-type: none"> <li>■ Projected cash flow discounted to 12/31/22</li> <li>■ EBITDA exit multiple based on peer group trading multiples and precedent transaction multiples</li> <li>■ WACC based on the Capital Asset Pricing Model ("CAPM")</li> </ul>
<b>Discounted Distributions Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on the present value of the future cash distributions</li> </ul>	<ul style="list-style-type: none"> <li>■ Projected distributions discounted to 12/31/22</li> <li>■ Terminal yield range based on the distribution yield at which DCP has traded over the last 52 weeks</li> <li>■ Cost of equity based on CAPM and total expected market return for MLPs and companies with similar assets to those of DCP</li> </ul>
<b>Peer Group Trading Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on EV/EBITDA and Price/DCF trading multiples</li> <li>■ Multiples selected based on EV/EBITDA and Price/DCF multiples of MLPs and companies with assets similar to those owned by DCP</li> </ul>	<ul style="list-style-type: none"> <li>■ EV/EBITDA multiples applied to 2023E and 2024E EBITDA</li> <li>■ Price/DCF LP unit applied to 2023E and 2024E DCF/LP unit</li> </ul>
<b>Precedent M&amp;A Transaction Analysis</b>	<ul style="list-style-type: none"> <li>■ Values the Common Units based on multiples of transaction value to EBITDA in historical transactions involving assets similar to those owned by DCP</li> </ul>	<ul style="list-style-type: none"> <li>■ EV/EBITDA multiples applied to 2022E EBITDA</li> </ul>
<b>Premiums Paid Analysis</b>	<ul style="list-style-type: none"> <li>■ Values DCP common units based on historical premiums paid in (i) MLP buy-ins and (ii) MLP mergers since 2018</li> </ul>	<ul style="list-style-type: none"> <li>■ Median 1-Day spot and 20-Day volume weighted average price ("VWAP") premiums paid applied to relevant unit prices</li> </ul>

For  
Reference  
Only

# Preliminary Valuation of the Common Units

## Preliminary Valuation Summary



1. For reference only: sensitivity case using a 5% annual distribution growth rate which assumes lower than the commodity super cycle board assumption of 7.5% growth and higher than DCP Financial Projections' 0% growth

## Preliminary Valuation of the Common Units

### A Discounted Cash Flow Analysis

(\$ in millions, except per unit amounts)

#### Summary Results

	For the Years Ending December 31,					Exit Multiple	Perpetuity Growth
	2023E	2024E	2025E	2026E	2027E		
Adjusted EBITDA	\$1,698	\$1,578	\$1,498	\$1,474	\$1,453	\$1,453	\$1,453
Less: Tax Depreciation and Amortization <sup>1</sup>	(14,251)	(154)	(127)	(118)	(116)		(125)
EBIT	(\$12,553)	\$1,424	\$1,371	\$1,356	\$1,338		\$1,328
Less: Cash Taxes	—	(84)	(81)	(100)	(99)		(491)
EBIAT	(\$12,553)	\$1,340	\$1,290	\$1,255	\$1,239		\$837
Plus: Tax Depreciation and Amortization	14,251	154	127	118	116		125
Less: Maintenance Capex	(150)	(150)	(125)	(125)	(125)		(125)
Less: Growth Capex	(125)	(50)	(50)	(50)	(50)		—
Unlevered Free Cash Flow	\$1,423	\$1,293	\$1,242	\$1,199	\$1,179		\$837
EBITDA Multiple / Perpetuity Growth Rate						8.5x	1.0%
Implied Terminal Value						\$12,351	\$13,000
Present Value of Terminal Value @ 7.5% Discount Rate						\$8,603	\$8,734
Plus: Present Value of Unlevered Free Cash Flow @ 7.5% Discount Rate						5,351	
<b>Implied Enterprise Value</b>						<b>\$13,954</b>	<b>\$14,085</b>
Less: Preferred Equity <sup>2</sup>							(\$271)
Less: Net Debt <sup>2</sup>							(5,331)
Less: Noncontrolling Interests <sup>2</sup>							(25)
<b>Implied Equity Value</b>						<b>\$8,327</b>	<b>\$8,458</b>
DCP Units Outstanding <sup>3</sup>						210	
<b>Implied Value per Unit</b>						<b>\$39.61</b>	<b>\$40.23</b>

#### Sensitivity Analysis

		Terminal Exit Multiple							Perpetuity Growth Rate				
		7.5x	8.0x	8.5x	9.0x	9.5x			--%	0.5%	1.0%	1.5%	2.0%
WACC	6.5%	\$37.07	\$39.59	\$42.11	\$44.63	\$47.16	WACC	6.5%	\$42.54	\$46.38	\$50.92	\$56.37	\$63.03
	7.0%	35.92	38.38	40.84	43.31	45.77		7.0%	38.14	41.37	45.13	49.58	54.92
	7.5%	34.79	37.20	39.61	42.02	44.42		7.5%	34.34	37.07	40.23	43.92	48.27
	8.0%	33.70	36.05	38.40	40.76	43.11		8.0%	31.00	33.35	36.03	39.12	42.73
	8.5%	32.64	34.93	37.23	39.53	41.83		8.5%	28.05	30.08	32.38	35.00	38.03

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- 2023E tax DD&A assumes 80% bonus depreciation calculated as the midpoint of the enterprise value range plus 2023E capital expenditures
- Per DCP Management as of December 31, 2022
- Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.8mm phantom and performance units

DCP  
Midstream

## Preliminary Valuation of the Common Units

### Discounted Distribution Analysis

	For the Years Ending December 31,					Terminal Value	
	2023E	2024E	2025E	2026E	2027E	Low	High
DCP Distribution per Unit (Cash, As Paid)	\$1.72	\$1.72	\$1.72	\$1.72	\$1.72	\$1.72	\$1.72
Terminal Yield <sup>1</sup>						5.0%	4.0%
<b>Terminal Value</b>						<b>\$34.40</b>	<b>\$43.00</b>
<b>Equity Cost of Capital Based on CAPM</b>							
Present Value @ 8.5% Cost of Equity						\$29.94	\$35.66
Present Value @ 9.0% Cost of Equity						29.34	34.93
Present Value @ 9.5% Cost of Equity						28.76	34.23
Present Value @ 10.0% Cost of Equity						28.20	33.54
Present Value @ 10.5% Cost of Equity						27.65	32.87
<b>Implied DCP Unit Value – Based on CAPM</b>						<b>\$28.20</b>	<b>\$34.93</b>
<b>Equity Cost of Capital Based on Total Expected Market Return<sup>2</sup></b>							
Present Value @ 10.0% Cost of Equity						\$28.20	\$33.54
Present Value @ 11.0% Cost of Equity						27.11	32.22
Present Value @ 12.0% Cost of Equity						26.08	30.96
Present Value @ 13.0% Cost of Equity						25.10	29.77
Present Value @ 14.0% Cost of Equity						24.17	28.64
<b>Implied DCP Unit Value – Based on Total Expected Market Return</b>						<b>\$25.10</b>	<b>\$32.22</b>

Source: DCP Management

1. Based on DCP's 52-week yield range of 2.6% to 5.6% with a median of 4.3% and mean of 4.3%; Current yield is 4.0% as of January 4, 2023

2. Detail on Equity Cost of Capital calculations in Appendix

## Preliminary Valuation of the Common Units

### Discounted Distribution Analysis – 5% Annual Distribution Growth

For Reference Only

	For the Years Ending December 31,					Terminal Value	
	2023E	2024E	2025E	2026E	2027E	Low	High
DCP Distribution per Unit (Cash, As Paid)	\$1.72	\$1.81	\$1.90	\$1.99	\$2.09	\$2.09	\$2.09
Distribution Growth		5.0%	5.0%	5.0%	5.0%		
Terminal Yield <sup>1</sup>						5.0%	4.0%
<b>Terminal Value</b>						<b>\$41.80</b>	<b>\$52.25</b>

#### Equity Cost of Capital Based on CAPM

Present Value @ 8.5% Cost of Equity	\$35.54	–	\$42.49
Present Value @ 9.0% Cost of Equity	34.82	–	41.61
Present Value @ 9.5% Cost of Equity	34.12	–	40.76
Present Value @ 10.0% Cost of Equity	33.44	–	39.93
Present Value @ 10.5% Cost of Equity	32.78	–	39.12

<b>Implied DCP Unit Value – Based on CAPM</b>	<b>\$33.44</b>	<b>–</b>	<b>\$41.61</b>
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#### Equity Cost of Capital Based on Total Expected Market Return<sup>2</sup>

Present Value @ 10.0% Cost of Equity	\$33.44	–	\$39.93
Present Value @ 11.0% Cost of Equity	32.13	–	38.33
Present Value @ 12.0% Cost of Equity	30.89	–	36.82
Present Value @ 13.0% Cost of Equity	29.71	–	35.38
Present Value @ 14.0% Cost of Equity	28.59	–	34.01

<b>Implied DCP Unit Value – Based on Total Expected Market Return</b>	<b>\$29.71</b>	<b>–</b>	<b>\$38.33</b>
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Source: DCP Management

Note: Sensitivity case using a 5% annual distribution growth rate which assumes lower than the commodity super cycle board assumption of 7.5% growth and management 0% growth scenarios

1. Based on DCP's 52-week yield range of 2.6% to 5.6% with a median of 4.3% and mean of 4.3%; Current yield is 4.0% as of January 4, 2023

2. Detail on Equity Cost of Capital calculations in Appendix



## Preliminary Valuation of the Common Units

### Peer Group Trading Analysis

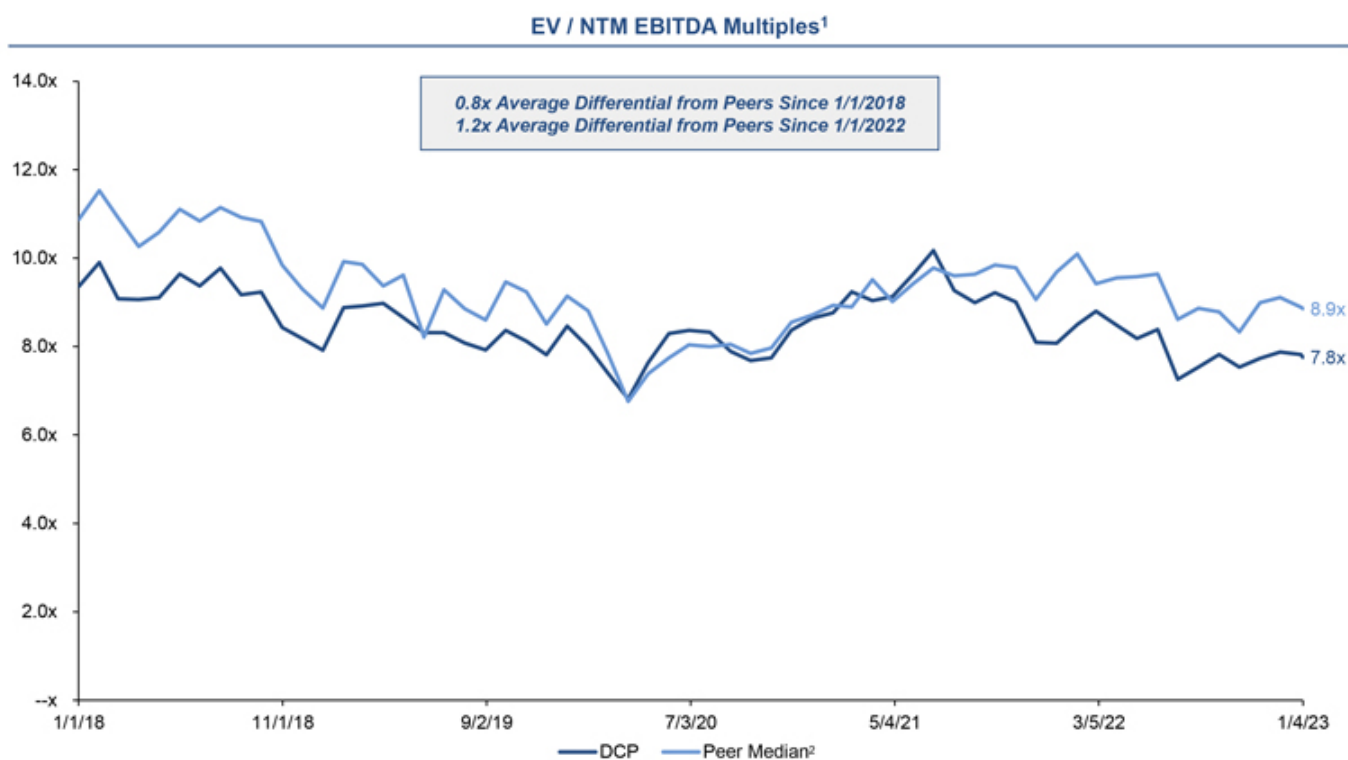
(\$ in millions, except per unit/share amounts)

Partnership / Company	Price 1/4/23	Equity Value	Enterprise Value	Enterprise Value/EBITDA 2023E	Enterprise Value/EBITDA 2024E	Price/DCF		Distribution Yield		Dist. Growth	Net Debt / 2023E EBITDA
						/ CAFD per Share		Current	2023E		
						2023E	2024E				
Gathering & Processing MLPs/Companies											
Antero Midstream Corporation	\$10.89	\$5,269	\$8,639	9.1x	8.6x	9.1x	8.1x	8.3%	8.3%	NM	3.5x
Crestwood Equity Partners LP	26.56	2,859	7,263	8.0	7.6	4.8	4.4	9.9%	9.9%	3.7%	3.7
DT Midstream, Inc.	53.65	5,256	8,658	9.6	9.0	8.8	8.3	4.8%	5.0%	6.9%	3.6
EnLink Midstream, LLC	11.95	5,788	11,984	8.8	8.6	5.7	5.4	3.8%	4.2%	10.0%	3.4
Equitrans Midstream Corporation	6.85	2,997	10,441	9.9	9.1	5.4	5.0	8.8%	8.8%	0.8%	6.0
Hess Midstream Partners LP	30.02	7,205	10,111	9.7	9.2	8.3	7.9	7.5%	7.9%	4.0%	2.8
Kinetik Holdings Inc.	31.53	4,331	7,770	8.7	7.8	6.0	5.3	9.5%	10.0%	4.3%	3.8
ONEOK, Inc.	64.44	28,915	41,768	10.5	10.2	11.7	11.2	5.8%	5.8%	4.0%	3.2
Summit Midstream Partners, LP	16.51	174	1,905	6.3	6.1	NM	NM	—%	—%	NM	5.1
Targa Resources Corp.	71.03	16,403	30,825	8.9	8.7	6.4	6.3	2.0%	2.4%	10.0%	3.5
Western Midstream Partners, LP	25.89	10,267	17,076	7.7	7.5	6.8	6.2	7.7%	7.7%	10.9%	3.0
Mean				8.8x	8.4x	7.3x	6.8x	6.2%	6.4%	6.1%	3.8x
Median				8.9	8.6	6.6	6.2	7.5%	7.7%	4.3%	3.5
DCP Midstream, LP (Consensus) <sup>1</sup>	\$38.59	\$8,066	\$13,582	7.8x	8.2x	6.3x	6.6x	4.5%	4.7%	3.1%	2.7x
DCP Midstream, LP (DCP Financial Projections) <sup>1</sup>	\$38.59	\$8,066	\$13,582	8.0x	8.6x	6.5x	7.0x	4.5%	4.5%	—%	3.0x

Source: Company filings, FactSet, Wall Street Research; as of January 4, 2023

## Preliminary Valuation of the Common Units

### Change in Valuation Multiples Over Time



Source: FactSet market data as of January 4, 2023

1. EV / NTM EBITDA based on FactSet Consensus trading multiples

2. Peers include AM, CEQP, DTM, ENLC, ETRN, HESM, KNTK, OKE, SMLP, TRGP and WES

## Preliminary Valuation of the Common Units

### A Peer Group Trading Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2023E Adjusted EBITDA		\$1,698	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2023E Adjusted EBITDA</b>	<b>\$13,582</b>	<b>-</b>	<b>\$15,280</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$7,955</b>	<b>-</b>	<b>\$9,652</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2023E EBITDA</b>	<b>\$37.84</b>	<b>-</b>	<b>\$45.91</b>
<hr/>			
2024E Adjusted EBITDA		\$1,578	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2024E Adjusted EBITDA</b>	<b>\$12,621</b>	<b>-</b>	<b>\$14,199</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$6,994</b>	<b>-</b>	<b>\$8,572</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2024E EBITDA</b>	<b>\$33.27</b>	<b>-</b>	<b>\$40.77</b>
<b>Implied DCP Unit Price Range - 2023E and 2024E EBITDA</b>	<b>\$33.27</b>	<b>-</b>	<b>\$45.91</b>

1. As of December 31, 2022

## Preliminary Valuation of the Common Units

### A Peer Group Trading Analysis – Price/DCF per LP Unit

(\$ in millions, except per unit amounts)

2023E DCF / LP Unit		\$5.92	
Relevant Multiple	6.5x	-	7.5x
Implied DCP Unit Price Range - 2023E Price / DCF	\$38.45	-	\$44.37
2024E DCF / LP Unit		\$5.55	
Relevant Multiple	6.0x	-	7.0x
Implied DCP Unit Price Range - 2024E Price / DCF	\$33.27	-	\$38.82
Implied DCP Unit Price Range - 2023E and 2024E Price / DCF	\$33.27	-	\$44.37

## Preliminary Valuation of the Common Units

### Precedent M&A Transaction Analysis

(\$ in millions)

#### Gathering & Processing Transactions

Date Announced	Acquiror / Target (Seller)	Transaction Value (\$MM)	EBITDA Multiple
Oct-22	Summit Midstream / Outrigger DJ Midstream	\$165	6.8x
Oct-22	Summit Midstream / Sterling DJ	140	3.0
Sep-22	Antero Midstream / Marcellus G&P System (Crestwood Equity Partners)	205	7.0
Jun-22	Targa Resources / Lucid Energy	3,550	7.5
Jun-22	DCP Midstream / James Lake System (Woodland Midstream III)	160	5.5
May-22	EnLink Midstream / Barnett Gathering and Processing System (Crestwood Equity Partners)	275	4.0
May-22	Crestwood Equity Partners / Sendero Midstream	600	7.0
Apr-22	Delek Logistics Partners / 3Bear Energy	625	8.8
Mar-22	Targa Resources / Southcross Energy Operating	200	4.0
Mar-22	Williams Companies / Trace Midstream	950	6.0
Jan-22	Enterprise Products Partners / Navitas Midstream Partners	3,250	7.8
Oct-21	Crestwood Equity Partners / Oasis Midstream	1,848	8.3
Oct-21	Altus Midstream / BCP Raptor/EagleClaw Midstream	6,248	11.7
Apr-21	EnLink Midstream LLC / Amarillo Rattler JV (Rattler Midstream Partners LP, Amarillo Midstream)	60	6.0
Aug-20	Citizen Energy II LLC / Blue Mountain Midstream LLC (Riviera Resources, Inc.)	111	7.1
Jul-20	CNX Resources Corporation / 46.9% stake in CNX Midstream Partners LP	728	7.7
Feb-20	Equitrans Midstream Corporation / EQM Midstream Partners	1,762	8.3
Mean			6.8x
Median			7.0
Min			3.0
Max			11.7

Source: Public filings, FactSet

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## Preliminary Valuation of the Common Units

### Precedent M&A Transaction Analysis (cont'd)

(\$ in millions)

#### Natural Gas Transportation Transactions

Date Announced	Acquiror / Target (Seller)	Transaction Value (\$MM)	EBITDA Multiple
Dec-22	Williams Companies / MountainWest (Southwest Gas Holdings)	\$1,500	8.0x
Sep-22	DT Midstream / 26.25% Ownership Interest in Millennium Pipeline (National Grid)	552	10.0
Jun-21	Kinder Morgan / Stagecoach Gas Services (Crestwood Equity Partners LP, Consolidated Edison Inc)	857	10.7
Feb-21	ArcLight Capital Partners LLC / 25% Interest in Natural Gas Pipeline Company of America LLC (Kinder Morgan)	1,300	11.2
Jul-20	Berkshire Hathaway Energy / Dominion Energy Natural Gas Transmission and Storage Business	9,700	9.7
Mar-20	ATCO Gas and Pipelines Ltd / Pioneer Pipeline (Tidewater Midstream and Infrastructure Ltd. & TransAlta Corp.)	184	NA
Feb-20	Equitrans Midstream Corporation / EQM Midstream Partners, LP	1,762	8.3
Sep-19	NextEra Energy Partners, LP / Meade Pipeline Co LLC	1,280	11.6
Sep-19	Kinder Morgan / Corpus Christi Pipeline Network (Southcross)	76	9.0
Jan-19	NEXUS Gas Transmission, LLC (Enbridge Inc.; DTE Energy Company) / Generation Pipeline LLC	160	14.4
Feb-18	Tallgrass Energy GP, LP / 25.01% interest in Rockies Express Pipeline LLC (Tallgrass Development LP)	1,044	6.4
Nov-17	American Midstream Partners, LP / Trans-Union Interstate Pipeline (ArcLight Capital Partners, LLC)	48	6.5
Jul-17	Blackstone Energy Partners / 32.44% interest in Rover Pipeline (Energy Transfer Partners, LP)	1,571	10.7
Jun-17	TC Pipelines / 49.3% interest in Iroquois Gas Transmission System, LP and 11.8% interest in Portland Natural Gas Transmission (TransCanada Corp.)	765	10.9
Apr-17	Tallgrass Energy Partners, LP / 24.99% interest in Rockies Express Pipeline LLC (Tallgrass Development, LP)	1,043	6.6
<b>Mean</b>			<b>9.6x</b>
<b>Median</b>			<b>9.9</b>
<b>Min</b>			<b>6.4</b>
<b>Max</b>			<b>14.4</b>

Source: Public filings, FactSet

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## Preliminary Valuation of the Common Units

### Precedent M&A Transaction Analysis (cont'd)

(\$ in millions)

#### NGL and NGL-Related Transportation Transactions

Date Announced	Acquiror / Target (Seller)	Transaction Value (\$MM)	EBITDA Multiple
Jan-23	Targa Resources Corp / 25% interest in Grand Prix Pipeline (Blackstone Energy Partners)	\$1,050	8.8x
Mar-22	ArcLight / 25% Interest in Gulf Coast Express Pipeline (Targa Resources)	857	11.1
Oct-21	Phillips 66 / Phillips 66 Partners	14,400	10.1
Aug-19	Pembina Pipeline Corporation / Cochin Pipeline (Kinder Morgan)	1,546	13.0
Jul-19	Altus Midstream / 33.0% interest in Shin Oak Pipeline (Enterprise Products Partners L.P.)	1,336	13.8
Oct-17	Blackstone Energy Partners / 25% interest in Grand Prix Pipeline (Targa Resources Corp)	325	10.0
Oct-16	Phillips 66 Partners LP / 30 crude oil, refined products and NGL logistics assets (Phillips 66)	1,300	8.7
Jun-16	Riverstone Investment Group LLC / 50% Partner Interest in Utopia Pipeline Project (Kinder Morgan, Inc.)	300	12.0
May-16	Phillips 66 Partners LP / Standish Pipeline and remaining 75% in Phillips 66 Sweeny Frac LLC (Phillips 66)	1,033	8.6
<b>Mean</b>			<b>10.7x</b>
<b>Median</b>			<b>10.1</b>
<b>Min</b>			<b>8.6</b>
<b>Max</b>			<b>13.8</b>

Source: Public filings, FactSet

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## Preliminary Valuation of the Common Units

### A Precedent M&A Transaction Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2022E Adjusted EBITDA		\$1,749	
Relevant EBITDA Multiple	7.25x	-	9.25x
<b>Implied Enterprise Value Based on 2022E Adjusted EBITDA</b>	<b>\$12,682</b>	<b>-</b>	<b>\$16,180</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$7,055</b>	<b>-</b>	<b>\$10,553</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2022E EBITDA</b>	<b>\$33.56</b>	<b>-</b>	<b>\$50.20</b>

1. As of December 31, 2022



# Preliminary Valuation of the Common Units

## Premiums Paid Analysis

Date Announced	Acquiror / Target	Consideration	Premium <sup>1</sup>	
			1-Day Prior Spot	20-Day VWAP
07/28/22	PBF Energy, Inc. / PBF Logistics LP	Cash/Stock-for-Unit	(3.0%)	9.5%
07/25/22	Shell USA, Inc. / Shell Midstream Partners, L.P.	Cash-for-Unit	23.0%	23.6%
06/02/22	Hartree Partners, LP / Sprague Resources LP	Cash-for-Unit	25.2%	27.0%
05/25/22	Höegh LNG Holdings Ltd / Höegh LNG Partners LP	Cash-for-Unit	35.0%	42.2%
05/16/22	Diamondback Energy / Rattler Midstream LP	Stock-for-Unit	17.3%	10.3%
04/22/22	Ergon, Inc. / Blueknight Energy Partners, L.P.	Cash-for-Unit	51.5%	47.5%
12/20/21	BP p.l.c. / BP Midstream Partners LP	Stock-for-Unit	10.8%	4.0%
10/27/21	Phillips 66 / Phillips 66 Partners LP	Stock-for-Unit	4.8%	6.7%
10/04/21	Stonepeak Infrastructure Partners / Teekay LNG Partners LP	Cash-for-Unit	8.3%	5.3%
08/23/21	Landmark Dividend / Landmark Infrastructure Partners LP	Cash-for-Unit	38.4%	35.0%
03/05/21	Chevron Corporation / Noble Midstream Partners LP	Stock-for-Unit	16.7%	18.0%
12/15/20	TC Energy Corporation / TC PipeLines, LP	Stock-for-Unit	19.5%	15.5%
07/27/20	CNX Resources Corporation / CNX Midstream Partners	Stock-for-Unit	28.1%	3.9%
02/27/20	Equitrans Midstream Corporation / EQM Midstream Partners, LP	Stock-for-Unit	(1.5%)	(5.6%)
12/17/19	Blackstone Infrastructure Partners / Tallgrass Energy LP	Cash-for-Unit	56.4%	33.9%
10/01/19	Brookfield Business Partners L.P. / Teekay Offshore Partners L.P.	Cash-for-Unit	28.1%	15.1%
09/16/19	Energy Transfer LP / SemGroup Corporation	Cash/Unit-for-Share	65.4%	87.3%
08/21/19	Pembina Pipeline Corporation / Kinder Morgan Canada Limited	Share-for-Share	37.7%	34.7%
05/10/19	IFM Investors / Buckeye Partners, L.P.	Cash-for-Unit	27.5%	23.8%
05/08/19	MPLX LP / Andeavor (Marathon Petroleum Corporation; Andeavor Logistics LP)	Unit-for-Unit	1.8%	1.3%
04/02/19	UGI Corporation / AmeriGas Partners, L.P.	Cash/Stock-for-Unit	13.5%	22.2%
03/18/19	ArcLight Energy Partners Fund V, L.P. / American Midstream, LP	Cash-for-Unit	31.2%	31.2%
02/05/19	SunCoke Energy, Inc. / SunCoke Energy Partners, L.P.	Stock-for-Unit	9.3%	19.5%
11/26/18	ArcLight Energy Partners Fund VI, L.P. / TransMontaigne Partners L.P.	Cash-for-Unit	12.6%	9.2%
11/08/18	Western Gas Equity Partners, LP / Western Gas Partners, LP	Unit-for-Unit	7.6%	62.4%
10/22/18	EnLink Midstream, LLC / EnLink Midstream Partners, LP	Unit-for-Unit	1.1%	(0.5%)
10/18/18	Valero Energy Corporation / Valero Energy Partners LP	Cash-for-Unit	6.0%	9.4%
10/09/18	Antero Midstream GP LP / Antero Midstream Partners LP	Cash/Stock-for-Unit	63.7%	54.6%
All Transactions	Min		(3.0%)	(5.6%)
	Median		18.4%	18.8%
	Mean		22.7%	23.1%
	Max		65.4%	87.3%
Cash-for-Unit	Min		6.0%	5.3%
	Median		27.8%	25.4%
	Mean		28.6%	25.3%
	Max		56.4%	47.5%

Source: Bloomberg, FactSet, Public filings

1. VWAP premiums paid are calculated by dividing the value of the offer, defined as the exchange ratio multiplied by the closing price of the acquiror's shares / units on the last trading day prior to announcement plus any cash received, by the 20-trading day VWAP of the target as calculated from the last undisturbed trading day prior to the announcement.

## Preliminary Valuation of the Common Units

### Premiums Paid Analysis (cont'd)

For Reference Only

#### Summary Results – Cash-for-Unit Transactions

	1-Day Prior Spot			20-Day VWAP		
Unit Price as of 8/17/22	\$34.75			\$33.88		
Historical Merger Premium Range	6.0%	—	56.4%	5.3%	—	47.5%
<b>Implied DCP Unit Price Range</b>	<b>\$36.84</b>	<b>—</b>	<b>\$54.36</b>	<b>\$35.67</b>	<b>—</b>	<b>\$49.97</b>
Merger Premium Selected Range	15.0%			30.0%		
<b>Median-Implied DCP Unit Value</b>	<b>\$39.96</b>			<b>\$44.05</b>		

Source: FactSet

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## Preliminary Valuation of the Common Units

### Net Present Value of PSX/DCP Operational Efficiencies

(\$ in millions, except per unit amounts)

For Reference Only

	For the Years Ending December 31,					Terminal Value
	2023E	2024E	2025E	2026E	2027E	
Net Operational Efficiencies	(\$34)	\$93	\$93	\$93	\$93	\$93
Terminal Multiple						8.0x
Implied Terminal Value						\$744
Present Value of Terminal Value @ 13.0% Discount Rate						\$404
Plus: Present Value of Unlevered Free Cash Flow @ 13.0% Discount Rate						229
<b>Implied NPV of Operational Efficiencies</b>						<b>\$633</b>
DCP Units Outstanding <sup>1</sup>						210
<b>Implied Value per Unit</b>						<b>\$3.01</b>

NPV of Operational Efficiencies Based on a Range of Discount Rates	Value Per	
	NPV	DCP Unit
Present Value @ 10.0% Discount Rate	\$711	\$3.38
Present Value @ 11.0% Discount Rate	684	3.25
Present Value @ 12.0% Discount Rate	657	3.13
Present Value @ 13.0% Discount Rate	633	3.01
Present Value @ 14.0% Discount Rate	609	2.90
Present Value @ 15.0% Discount Rate	586	2.79

Source: DCP Management

1. Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.8mm phantom and performance units

# Appendix

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## A. Weighted Average Cost of Capital Analysis

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# Weighted Average Cost of Capital Analysis

## DCP Common Units – Capital Asset Pricing Model

(\$ in millions, except per unit/share amounts)

	Partnership/Corporation	Unit/Share Price 1/4/23	Market Equity Value	Total Debt and Preferred Equity	Total Debt / Total Capitalization	Adjusted Beta <sup>1</sup>	Unlevered Beta <sup>2</sup>
CAPM	Antero Midstream Corporation	\$10.89	\$5,269	\$3,370	39.0%	0.81	0.54
	Crestwood Equity Partners LP	26.56	2,859	4,182	59.4%	0.63	0.31
	EnLink Midstream, LLC	11.95	5,788	4,579	44.2%	0.99	0.61
	Equitrans Midstream Corporation	6.85	2,997	7,014	70.1%	0.94	0.33
	Hess Midstream Partners LP	30.02	7,205	2,909	28.8%	0.76	0.59
	Kinetik Holdings Inc.	31.53	4,331	3,448	44.3%	0.73	0.45
	ONEOK, Inc.	64.44	28,915	12,876	30.8%	1.04	0.77
	Summit Midstream Partners, LP	16.51	174	1,728	90.9%	0.91	0.11
	Targa Resources Corp.	71.03	16,403	13,210	44.6%	0.92	0.56
	Western Midstream Partners, LP	25.89	10,267	7,095	40.9%	0.90	0.60
				Mean	49.3%	0.86	0.49
				Median	44.2%	0.90	0.55
	DCP Midstream, LP	\$38.59	\$8,066	\$5,584	40.9%	0.73	0.49
WACC	Risk-free Rate <sup>3</sup>		4.0%				
	Unlevered Beta		0.49				
	Debt and Preferred / Total Capitalization		40.9%				
	Adjusted Levered Equity Beta		0.73				
	Supply-Side MRP		6.2%	Historical MRP			
	Market Risk Premium ("MRP") <sup>4</sup>		6.2%	7.5%			
	Small Company Risk Premium <sup>5</sup>		0.7%				
	Equity Cost of Capital <sup>6</sup>		9.2%	10.1%			
	Pre-Tax Cost of Debt <sup>7</sup>		5.9%				
	After-Tax Cost of Debt <sup>8</sup>		4.2%				
	WACC		7.2%	7.7%			

### DCP Midstream Cost of Debt<sup>7</sup>

	Yield-to-Worst
DCP Midstream 5.600% Senior Notes Due 2044	6.10%
U.S. Treasury Note Due 2042	3.97%
Less: U.S. Treasury Note Due 2044	4.13%
	(0.16%)
DCP Midstream Implied 20-Year Cost of Debt	5.94%

### WACC Sensitivity (Supply-Side / Historical)

Unlevered Beta	Debt and Preferred / Total Capitalization				
	45.0%	50.0%	55.0%	60.0%	65.0%
0.45	6.9% / 7.4%	6.8% / 7.3%	6.8% / 7.2%	6.7% / 7.1%	6.6% / 7.1%
0.50	7.2% / 7.7%	7.1% / 7.6%	7.0% / 7.5%	6.9% / 7.5%	6.9% / 7.4%
0.55	7.4% / 8.0%	7.3% / 7.9%	7.3% / 7.8%	7.2% / 7.8%	7.1% / 7.7%
0.60	7.7% / 8.3%	7.6% / 8.2%	7.5% / 8.2%	7.5% / 8.1%	7.4% / 8.0%
0.65	8.0% / 8.7%	7.9% / 8.6%	7.8% / 8.5%	7.7% / 8.4%	7.6% / 8.3%

### Equity Cost of Capital Sensitivity (Supply-Side / Historical)

Unlevered Beta	Debt and Preferred / Total Capitalization				
	45.0%	50.0%	55.0%	60.0%	65.0%
0.45	9.1% / 10.0%	9.4% / 10.4%	9.9% / 10.9%	10.4% / 11.6%	11.1% / 12.4%
0.50	9.6% / 10.6%	10.0% / 11.0%	10.5% / 11.6%	11.1% / 12.3%	11.9% / 13.3%
0.55	10.1% / 11.1%	10.5% / 11.7%	11.0% / 12.3%	11.7% / 13.1%	12.6% / 14.1%
0.60	10.6% / 11.7%	11.0% / 12.3%	11.6% / 13.0%	12.4% / 13.9%	13.3% / 15.0%
0.65	11.1% / 12.3%	11.6% / 12.9%	12.2% / 13.7%	13.0% / 14.6%	14.0% / 15.9%

- Source: Predicted raw betas from FactSet; Adjusted Equity Beta calculated as:  $(0.67) \times \text{Raw Beta} + (0.33) \times 1.0$
- Unlevered Beta calculated as:  $\text{Adjusted Equity Beta} \times (E/(E + D \times (1-T)))$ ; Assumes corporate tax rate of 29.6% for partnerships and 21.0% for corporations
- 20-year Treasury as of January 4, 2023
- Source: Duff & Phelps
- Decile: Mid Cap (5) with equity value range of \$6,743.4 million to \$13,177.8 million
- Equity Cost of Capital calculated as:  $\text{Risk-free rate} + (\text{Levered Equity Beta} \times \text{Market Risk Premium}) + \text{Small Company Risk Premium}$
- Implied DCP 20-year cost of debt based on the yield-to-worst of DCP's 5.600% Senior Notes Due 2044 adjusted for 20-year maturity using the implied yield spread from relevant U.S. treasury notes
- Assumes U.S. individual partnership income tax structure through 2025 of 80.0% of income taxable at highest tax rate of 37.0%, or 29.6%

## Weighted Average Cost of Capital Analysis

### DCP Common Units – Total Expected Market Return

(\$ in millions, except per unit/share amounts)

Partnership/Corporation	Unit/Share Price 1/4/23	Market Equity Value	Current Yield	Distribution/Dividend Growth	Total Return
Antero Midstream Corporation	\$10.89	\$5,269	8.3%	—%	8.3%
Crestwood Equity Partners LP	26.56	2,859	9.9%	3.7%	13.6%
EnLink Midstream, LLC	11.95	5,788	3.8%	10.0%	13.8%
Equitrans Midstream Corporation	6.85	2,997	8.8%	0.8%	9.6%
Hess Midstream Partners LP	30.02	7,205	7.5%	4.0%	11.5%
Kinetik Holdings Inc.	31.53	4,331	9.5%	4.3%	13.8%
ONEOK, Inc.	64.44	28,915	5.8%	4.0%	9.8%
Targa Resources Corp.	71.03	16,403	2.0%	10.0%	12.0%
Western Midstream Partners, LP	25.89	10,267	7.7%	10.9%	18.7%
				Mean	12.3%
				Median	12.0%
DCP Midstream, LP	\$38.59	\$8,066	4.5%	3.1%	7.6%

	WACC
Debt and Preferred / Total Capitalization	40.9%
Market Required Equity Return	12.0%
Pre-Tax Cost of Debt <sup>1</sup>	5.9%
After-Tax Cost of Debt <sup>2</sup>	4.2%
WACC	8.8%

#### DCP Cost of Debt<sup>1</sup>

	Yield-to-Worst
DCP Midstream 5.600% Senior Notes Due 2044	6.10%
U.S. Treasury Note Due 2042	3.97%
Less: U.S. Treasury Note Due 2044	4.13%
	(0.16%)
DCP Midstream Implied 20-Year Cost of Debt	5.94%

1. Implied DCP 20-year cost of debt based on the yield-to-worst of DCP's 5.600% Senior Notes Due 2044 Adjusted for 20-year maturity using the implied yield spread from relevant U.S. treasury notes
2. Assumes U.S. individual partnership income tax structure through 2025 of 80.0% of income taxable at highest tax rate of 37.0%, or 29.6%

## B. Supplemental Valuation Materials

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EVERCORE



## **B Sensitivity Case B – NYMEX Strip Pricing**

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## Supplemental Valuation Materials – NYMEX Strip Pricing

### B Discounted Cash Flow Analysis

(\$ in millions, except per unit amounts)

#### Summary Results

	For the Years Ending December 31,					Exit Multiple	Perpetuity Growth
	2023E	2024E	2025E	2026E	2027E		
Adjusted EBITDA	\$1,583	\$1,581	\$1,555	\$1,534	\$1,518	\$1,518	\$1,518
Less: Tax Depreciation and Amortization <sup>1</sup>	(14,678)	(154)	(127)	(118)	(116)		(125)
EBIT	(\$13,096)	\$1,428	\$1,428	\$1,415	\$1,402		\$1,393
Less: Cash Taxes	—	(85)	(85)	(105)	(104)		(515)
EBIAT	(\$13,096)	\$1,343	\$1,343	\$1,311	\$1,299		\$877
Plus: Tax Depreciation and Amortization	14,678	154	127	118	116		125
Less: Maintenance Capex	(150)	(150)	(125)	(125)	(125)		(125)
Less: Growth Capex	(125)	(50)	(50)	(50)	(50)		—
Unlevered Free Cash Flow	\$1,308	\$1,297	\$1,295	\$1,254	\$1,239		\$877
EBITDA Multiple / Perpetuity Growth Rate						8.5x	1.0%
Implied Terminal Value						\$12,901	\$13,634
Present Value of Terminal Value @ 7.5% Discount Rate						\$8,986	\$9,160
Plus: Present Value of Unlevered Free Cash Flow @ 7.5% Discount Rate						5,374	
<b>Implied Enterprise Value</b>						<b>\$14,361</b>	<b>\$14,534</b>
Less: Preferred Equity <sup>2</sup>						(\$271)	
Less: Net Debt <sup>2</sup>						(5,331)	
Less: Noncontrolling Interests <sup>2</sup>						(25)	
<b>Implied Equity Value</b>						<b>\$8,734</b>	<b>\$8,907</b>
DCP Units Outstanding <sup>3</sup>						210	
<b>Implied Value per Unit</b>						<b>\$41.54</b>	<b>\$42.37</b>

#### Sensitivity Analysis

		Terminal Exit Multiple					Perpetuity Growth Rate					
		7.5x	8.0x	8.5x	9.0x	9.5x	—%	0.5%	1.0%	1.5%	2.0%	
WACC	6.5%	\$38.88	\$41.52	\$44.15	\$46.79	\$49.42	6.5%	\$44.77	\$48.81	\$53.57	\$59.28	\$66.27
	7.0%	37.68	40.26	42.83	45.40	47.98	7.0%	40.17	43.56	47.50	52.17	57.76
	7.5%	36.51	39.03	41.54	44.06	46.57	7.5%	36.18	39.05	42.37	46.23	50.80
	8.0%	35.37	37.83	40.29	42.74	45.20	8.0%	32.69	35.15	37.96	41.20	44.99
	8.5%	34.26	36.66	39.06	41.47	43.87	8.5%	29.60	31.73	34.14	36.89	40.07
							WACC					

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- 2023E tax DD&A assumes 80% bonus depreciation calculated as the midpoint of the enterprise value range plus 2023E capital expenditures
- Per DCP Management as of December 31, 2022
- Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.8mm phantom and performance units

DCP  
Midstream

## Supplemental Valuation Materials – NYMEX Strip Pricing

### B Peer Group Trading Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2023E Adjusted EBITDA		\$1,583	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2023E Adjusted EBITDA</b>	<b>\$12,661</b>	<b>-</b>	<b>\$14,244</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$7,034</b>	<b>-</b>	<b>\$8,617</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2023E EBITDA</b>	<b>\$33.46</b>	<b>-</b>	<b>\$40.99</b>
<hr/>			
2024E Adjusted EBITDA		\$1,581	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2024E Adjusted EBITDA</b>	<b>\$12,651</b>	<b>-</b>	<b>\$14,232</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$7,024</b>	<b>-</b>	<b>\$8,605</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2024E EBITDA</b>	<b>\$33.41</b>	<b>-</b>	<b>\$40.93</b>
<b>Implied DCP Unit Price Range - 2023E and 2024E EBITDA</b>	<b>\$33.41</b>	<b>-</b>	<b>\$40.99</b>

1. As of December 31, 2022

## Supplemental Valuation Materials – NYMEX Strip Pricing

### B Peer Group Trading Analysis – Price/DCF per LP Unit

(\$ in millions, except per unit amounts)

2023E DCF / LP Unit		\$5.34	
Relevant Multiple	6.5x	-	7.5x
Implied DCP Unit Price Range - 2023E Price / DCF	\$34.73	-	\$40.08
<hr/>			
2024E DCF / LP Unit		\$5.55	
Relevant Multiple	6.0x	-	7.0x
Implied DCP Unit Price Range - 2024E Price / DCF	\$33.30	-	\$38.85
Implied DCP Unit Price Range - 2023E and 2024E Price / DCF	\$33.30	-	\$40.08

## Supplemental Valuation Materials – NYMEX Strip Pricing

### B Precedent M&A Transaction Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2022E Adjusted EBITDA		\$1,749	
Relevant EBITDA Multiple	7.25x	-	9.25x
<b>Implied Enterprise Value Based on 2022E Adjusted EBITDA</b>	<b>\$12,682</b>	-	<b>\$16,180</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,331)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$7,055</b>	-	<b>\$10,553</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2022E EBITDA</b>	<b>\$33.56</b>	-	<b>\$50.20</b>

1. As of December 31, 2022

## **C Sensitivity Case C – Higher Commodity Prices**

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## DCP Financial Projections – Higher Commodity Prices

### C DCP Financial Projections

(\$ in millions)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
<b>Gathering &amp; Processing Segment</b>							
North Region	\$1,075	\$1,005	\$884	\$890	\$878	\$867	(4.2%)
South Region	190	162	147	144	143	142	(5.7%)
Midcontinent Region	275	254	232	222	221	220	(4.4%)
Permian Region	572	612	577	557	555	552	(0.7%)
Other G&P	—	—	—	—	—	—	—
<b>Total Gathering &amp; Processing Gross Margin</b>	<b>\$2,112</b>	<b>\$2,033</b>	<b>\$1,839</b>	<b>\$1,812</b>	<b>\$1,796</b>	<b>\$1,780</b>	<b>(3.4%)</b>
<b>Total Costs</b>							
North Region	(\$157)	(\$144)	(\$154)	(\$154)	(\$156)	(\$158)	0.2%
South Region	(99)	(99)	(92)	(92)	(94)	(95)	(0.8%)
Midcontinent Region	(165)	(162)	(174)	(174)	(177)	(179)	1.6%
Permian Region	(251)	(293)	(307)	(308)	(312)	(317)	4.7%
Other G&P	(19)	(23)	(20)	(21)	(21)	(21)	2.6%
<b>Total Gathering &amp; Processing Costs</b>	<b>(\$691)</b>	<b>(\$721)</b>	<b>(\$748)</b>	<b>(\$748)</b>	<b>(\$760)</b>	<b>(\$771)</b>	<b>2.2%</b>
<b>Total Gathering &amp; Processing Segment Margin</b>	<b>\$1,421</b>	<b>\$1,312</b>	<b>\$1,091</b>	<b>\$1,064</b>	<b>\$1,037</b>	<b>\$1,010</b>	<b>(6.6%)</b>
<b>Logistics &amp; Marketing Segment</b>							
Southern Hills + Sand Hills	\$429	\$436	\$442	\$449	\$449	\$449	0.9%
Other NGL Pipelines	141	149	156	158	158	158	2.3%
NGL Marketing + Storage	46	49	39	39	39	39	(3.2%)
Downstream Fractionation	19	21	21	21	21	21	2.0%
Gas Marketing + Other Income	18	13	13	13	13	13	(7.1%)
Gas Storage	2	13	12	12	12	12	43.2%
Guadalupe	62	48	40	40	40	40	(8.5%)
Gulf Coast Express Equity Earnings	66	66	66	66	66	66	(0.0%)
Cheyenne Connector Equity Earnings	14	14	14	14	14	14	0.0%
<b>Total Logistics &amp; Marketing Gross Margin</b>	<b>\$798</b>	<b>\$810</b>	<b>\$804</b>	<b>\$812</b>	<b>\$812</b>	<b>\$812</b>	<b>0.4%</b>
<b>Total Costs</b>							
Logistics & Marketing Costs	(\$44)	(\$47)	(\$41)	(\$41)	(\$42)	(\$42)	(0.9%)
<b>Total Logistics &amp; Marketing Segment Margin</b>	<b>\$754</b>	<b>\$763</b>	<b>\$763</b>	<b>\$771</b>	<b>\$771</b>	<b>\$770</b>	<b>0.4%</b>

Source: DCP Management

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## DCP Financial Projections – Higher Commodity Prices

### C DCP Financial Projections – Summary Cash Flows

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
Gathering & Processing Segment Margin	\$1,421	\$1,312	\$1,091	\$1,064	\$1,037	\$1,010	(6.6%)
Logistics & Marketing Segment Margin	754	763	763	771	771	770	0.4%
Less: Corporate Costs	(255)	(257)	(236)	(236)	(239)	(243)	(1.0%)
Plus: Adj. Distribution in Excess of Equity Earnings - Logistics	77	80	80	80	80	80	0.9%
Plus: Adj. Distribution in Excess of Equity Earnings - Discovery	13	9	9	9	9	9	(7.3%)
Plus: Hedge settlement	(294)	(47)	(8)	(8)	—	—	
<b>Adjusted EBITDA</b>	<b>\$1,717</b>	<b>\$1,860</b>	<b>\$1,700</b>	<b>\$1,681</b>	<b>\$1,657</b>	<b>\$1,626</b>	<b>(1.1%)</b>
Plus: Growth Projects	—	—	18	25	32	39	
<b>Total Adjusted EBITDA</b>	<b>\$1,717</b>	<b>\$1,860</b>	<b>\$1,718</b>	<b>\$1,706</b>	<b>\$1,690</b>	<b>\$1,666</b>	<b>(0.6%)</b>
Less: Interest Expense	(\$273)	(\$282)	(\$256)	(\$220)	(\$210)	(\$183)	
Less: Preferred Securities	(58)	(15)	—	—	—	—	
Less: Sustaining Capital	(135)	(150)	(150)	(125)	(125)	(125)	
Less: Income Taxes	(5)	(5)	(5)	(5)	(5)	(5)	
Less: Other	(3)	(7)	(7)	(5)	(5)	(5)	
<b>Distributable Cash Flow</b>	<b>\$1,242</b>	<b>\$1,401</b>	<b>\$1,300</b>	<b>\$1,351</b>	<b>\$1,344</b>	<b>\$1,347</b>	<b>1.6%</b>
Identified Organic Capital	(\$140)	\$—	\$—	\$—	\$—	\$—	
Unidentified Organic Capital	—	(125)	(50)	(50)	(50)	(50)	
Acquisition Capital	(160)	—	—	—	—	—	
Distributions	(342)	(359)	(359)	(359)	(359)	(359)	1.0%
Working Capital and Interest Timing	(30)	133	90	—	—	—	
<b>Cash Surplus / (Shortfall)</b>	<b>\$570</b>	<b>\$1,050</b>	<b>\$981</b>	<b>\$942</b>	<b>\$935</b>	<b>\$938</b>	<b>10.5%</b>
LP Units Outstanding	208	209	209	209	209	209	0.0%
<b>Distributable Cash Flow per LP Unit</b>	<b>\$5.96</b>	<b>\$6.71</b>	<b>\$6.23</b>	<b>\$6.47</b>	<b>\$6.44</b>	<b>\$6.46</b>	<b>1.6%</b>
<b>Distribution per Unit</b>	<b>1.68</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>0.5%</b>
<b>Total Distributions</b>	<b>\$342</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>1.0%</b>

Source: DCP Management

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## DCP Financial Projections – Higher Commodity Prices

### C DCP Financial Projections – Sources and Uses

(\$ in millions)

	For the Years Ending December 31,					
	2022E	2023E	2024E	2025E	2026E	2027E
<b>Sources</b>						
DCF Surplus / (Shortfall)	\$570	\$1,050	\$981	\$942	\$935	\$938
Revolver Draw	279	—	—	—	—	—
<b>Total Sources</b>	<b>\$849</b>	<b>\$1,050</b>	<b>\$981</b>	<b>\$942</b>	<b>\$935</b>	<b>\$938</b>
<b>Uses</b>						
Revolver Paydown	\$—	\$279	\$260	\$—	\$—	\$—
Long-Term Debt Paydown	350	500	—	825	—	500
Preferred Equity Redemption	500	271	—	—	—	—
Cash Balance Increase / (Decrease)	(1)	—	720	117	935	438
<b>Total Uses</b>	<b>\$849</b>	<b>\$1,050</b>	<b>\$981</b>	<b>\$942</b>	<b>\$935</b>	<b>\$938</b>
<b>Memo:</b>						
Cash	\$—	\$—	\$720	\$837	\$1,772	\$2,211
Total Debt	5,364	4,585	4,325	3,500	3,500	3,000
<b>Net Debt</b>	<b>\$5,364</b>	<b>\$4,585</b>	<b>\$3,605</b>	<b>\$2,663</b>	<b>\$1,728</b>	<b>\$789</b>
Preferred Equity	271	—	—	—	—	—
<b>Net Debt + Preferred Equity</b>	<b>\$5,635</b>	<b>\$4,585</b>	<b>\$3,605</b>	<b>\$2,663</b>	<b>\$1,728</b>	<b>\$789</b>
Total Debt / Adjusted EBITDA	3.1x	2.5x	2.5x	2.1x	2.1x	1.8x
Net Debt / Adjusted EBITDA	3.1	2.5	2.1	1.6	1.0	0.5
(Net Debt + Preferred Equity) / Adjusted EBITDA	3.3	2.5	2.1	1.6	1.0	0.5

Source: DCP Management

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## Supplemental Valuation Materials – Higher Commodity Prices

### C Discounted Cash Flow Analysis

(\$ in millions, except per unit amounts)

#### Summary Results

	For the Years Ending December 31,					Exit Multiple	Perpetuity Growth
	2023E	2024E	2025E	2026E	2027E		
Adjusted EBITDA	\$1,860	\$1,718	\$1,706	\$1,690	\$1,666	\$1,666	\$1,666
Less: Tax Depreciation and Amortization <sup>1</sup>	(16,314)	(154)	(127)	(118)	(116)		(125)
EBIT	(\$14,455)	\$1,564	\$1,579	\$1,571	\$1,550		\$1,541
Less: Cash Taxes	—	(93)	(93)	(116)	(115)		(570)
EBIAT	(\$14,455)	\$1,472	\$1,486	\$1,455	\$1,435		\$971
Plus: Tax Depreciation and Amortization	16,314	154	127	118	116		125
Less: Maintenance Capex	(150)	(150)	(125)	(125)	(125)		(125)
Less: Growth Capex	(125)	(50)	(50)	(50)	(50)		—
Unlevered Free Cash Flow	\$1,585	\$1,425	\$1,438	\$1,398	\$1,376		\$971
EBITDA Multiple / Perpetuity Growth Rate						8.5x	1.0%
Implied Terminal Value						\$14,158	\$15,082
Present Value of Terminal Value @ 7.5% Discount Rate						\$9,862	\$10,132
Plus: Present Value of Unlevered Free Cash Flow @ 7.5% Discount Rate						6,087	
<b>Implied Enterprise Value</b>						<b>\$15,948</b>	<b>\$16,219</b>
Less: Preferred Equity <sup>2</sup>						(\$271)	
Less: Net Debt <sup>2</sup>						(5,364)	
Less: Noncontrolling Interests <sup>2</sup>						(25)	
<b>Implied Equity Value</b>						<b>\$10,288</b>	<b>\$10,559</b>
DCP Units Outstanding <sup>3</sup>						210	
<b>Implied Value per Unit</b>						<b>\$48.94</b>	<b>\$50.22</b>

#### Sensitivity Analysis

		Terminal Exit Multiple							Perpetuity Growth Rate				
		7.5x	8.0x	8.5x	9.0x	9.5x			--%	0.5%	1.0%	1.5%	2.0%
WACC	6.5%	\$46.03	\$48.92	\$51.81	\$54.70	\$57.59	WACC	6.5%	\$52.89	\$57.35	\$62.62	\$68.94	\$76.67
	7.0%	44.71	47.53	50.35	53.18	56.00		7.0%	47.80	51.54	55.91	61.07	67.26
	7.5%	43.42	46.18	48.94	51.70	54.45		7.5%	43.38	46.56	50.22	54.50	59.55
	8.0%	42.16	44.86	47.55	50.25	52.95		8.0%	39.52	42.24	45.35	48.93	53.12
	8.5%	40.94	43.57	46.21	48.84	51.48		8.5%	36.10	38.45	41.12	44.16	47.68

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- 2023E tax DD&A assumes 80% bonus depreciation calculated as the midpoint of the enterprise value range plus 2023E capital expenditures
- Per DCP Management as of December 31, 2022
- Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.8mm phantom and performance units

DCP  
Midstream

## Supplemental Valuation Materials – Higher Commodity Prices

### C Peer Group Trading Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2023E Adjusted EBITDA		\$1,860	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2023E Adjusted EBITDA</b>	<b>\$14,880</b>	<b>-</b>	<b>\$16,740</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$9,220</b>	<b>-</b>	<b>\$11,080</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2023E EBITDA</b>	<b>\$43.85</b>	<b>-</b>	<b>\$52.70</b>
<hr/>			
2024E Adjusted EBITDA		\$1,718	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2024E Adjusted EBITDA</b>	<b>\$13,742</b>	<b>-</b>	<b>\$15,459</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$8,082</b>	<b>-</b>	<b>\$9,799</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2024E EBITDA</b>	<b>\$38.44</b>	<b>-</b>	<b>\$46.61</b>
<b>Implied DCP Unit Price Range - 2023E and 2024E EBITDA</b>	<b>\$38.44</b>	<b>-</b>	<b>\$52.70</b>

1. As of December 31, 2022

## Supplemental Valuation Materials – Higher Commodity Prices

### C Peer Group Trading Analysis – Price/DCF per LP Unit

(\$ in millions, except per unit amounts)

2023E DCF / LP Unit		\$6.71	
Relevant Multiple	6.5x	-	7.5x
Implied DCP Unit Price Range - 2023E Price / DCF	\$43.62	-	\$50.33
<hr/>			
2024E DCF / LP Unit		\$6.23	
Relevant Multiple	6.0x	-	7.0x
Implied DCP Unit Price Range - 2024E Price / DCF	\$37.36	-	\$43.59
Implied DCP Unit Price Range - 2023E and 2024E Price / DCF	\$37.36	-	\$50.33

## Supplemental Valuation Materials – Higher Commodity Prices

### C Precedent M&A Transaction Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2022E Adjusted EBITDA		\$1,717	
Relevant EBITDA Multiple	7.25x	-	9.25x
<b>Implied Enterprise Value Based on 2022E Adjusted EBITDA</b>	<b>\$12,446</b>	-	<b>\$15,879</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$6,785</b>	-	<b>\$10,219</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2022E EBITDA</b>	<b>\$32.28</b>	-	<b>\$48.61</b>

1. As of December 31, 2022

## **D Sensitivity Case D – Lower Commodity Prices**

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## DCP Financial Projections – Lower Commodity Prices

### D DCP Financial Projections

(\$ in millions)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
<b>Gathering &amp; Processing Segment</b>							
North Region	\$1,075	\$478	\$397	\$414	\$414	\$414	(17.4%)
South Region	190	127	115	113	113	113	(9.9%)
Midcontinent Region	275	222	209	201	201	201	(6.1%)
Permian Region	572	487	487	469	469	469	(3.9%)
Other G&P	—	—	—	—	—	—	—
<b>Total Gathering &amp; Processing Gross Margin</b>	<b>\$2,112</b>	<b>\$1,314</b>	<b>\$1,208</b>	<b>\$1,197</b>	<b>\$1,197</b>	<b>\$1,197</b>	<b>(10.7%)</b>
<b>Total Costs</b>							
North Region	(\$157)	(\$144)	(\$154)	(\$154)	(\$156)	(\$158)	0.2%
South Region	(99)	(99)	(92)	(92)	(94)	(95)	(0.8%)
Midcontinent Region	(165)	(162)	(174)	(174)	(177)	(179)	1.6%
Permian Region	(251)	(293)	(307)	(308)	(312)	(317)	4.7%
Other G&P	(19)	(23)	(20)	(21)	(21)	(21)	2.6%
<b>Total Gathering &amp; Processing Costs</b>	<b>(\$691)</b>	<b>(\$721)</b>	<b>(\$748)</b>	<b>(\$748)</b>	<b>(\$760)</b>	<b>(\$771)</b>	<b>2.2%</b>
<b>Total Gathering &amp; Processing Segment Margin</b>	<b>\$1,421</b>	<b>\$593</b>	<b>\$460</b>	<b>\$449</b>	<b>\$437</b>	<b>\$426</b>	<b>(21.4%)</b>
<b>Logistics &amp; Marketing Segment</b>							
Southern Hills + Sand Hills	\$429	\$436	\$442	\$449	\$449	\$449	0.9%
Other NGL Pipelines	141	149	156	158	158	158	2.3%
NGL Marketing + Storage	46	49	39	39	39	39	(3.2%)
Downstream Fractionation	19	21	21	21	21	21	2.0%
Gas Marketing + Other Income	18	13	13	13	13	13	(7.1%)
Gas Storage	2	13	12	12	12	12	43.2%
Guadalupe	62	48	40	40	40	40	(8.5%)
Gulf Coast Express Equity Earnings	66	66	66	66	66	66	(0.0%)
Cheyenne Connector Equity Earnings	14	14	14	14	14	14	0.0%
<b>Total Logistics &amp; Marketing Gross Margin</b>	<b>\$798</b>	<b>\$810</b>	<b>\$804</b>	<b>\$812</b>	<b>\$812</b>	<b>\$812</b>	<b>0.4%</b>
<b>Total Costs</b>							
Logistics & Marketing Costs	(\$44)	(\$47)	(\$41)	(\$41)	(\$42)	(\$42)	(0.9%)
<b>Total Logistics &amp; Marketing Segment Margin</b>	<b>\$754</b>	<b>\$763</b>	<b>\$763</b>	<b>\$771</b>	<b>\$771</b>	<b>\$770</b>	<b>0.4%</b>

Source: DCP Management

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## DCP Financial Projections – Lower Commodity Prices

### D DCP Financial Projections – Summary Cash Flows

(\$ in millions, except per unit amounts)

	For the Years Ending December 31,						2022E-2027E
	2022E	2023E	2024E	2025E	2026E	2027E	CAGR
Gathering & Processing Segment Margin	\$1,421	\$593	\$460	\$449	\$437	\$426	(21.4%)
Logistics & Marketing Segment Margin	754	763	763	771	771	770	0.4%
Less: Corporate Costs	(255)	(257)	(236)	(236)	(239)	(243)	(1.0%)
Plus: Adj. Distribution in Excess of Equity Earnings - Logistics	77	80	80	80	80	80	0.9%
Plus: Adj. Distribution in Excess of Equity Earnings - Discovery	13	9	9	9	9	9	(7.3%)
Plus: Hedge settlement	(294)	112	42	13	—	—	
<b>Adjusted EBITDA</b>	<b>\$1,717</b>	<b>\$1,300</b>	<b>\$1,118</b>	<b>\$1,087</b>	<b>\$1,058</b>	<b>\$1,043</b>	<b>(9.5%)</b>
Plus: Growth Projects	—	—	18	25	32	39	
<b>Total Adjusted EBITDA</b>	<b>\$1,717</b>	<b>\$1,300</b>	<b>\$1,136</b>	<b>\$1,112</b>	<b>\$1,090</b>	<b>\$1,082</b>	<b>(8.8%)</b>
Less: Interest Expense	(\$273)	(\$302)	(\$286)	(\$262)	(\$247)	(\$229)	
Less: Preferred Securities	(58)	(15)	—	—	—	—	
Less: Sustaining Capital	(135)	(150)	(150)	(125)	(125)	(125)	
Less: Income Taxes	(5)	(5)	(5)	(5)	(5)	(5)	
Less: Other	(3)	(7)	(7)	(5)	(5)	(5)	
<b>Distributable Cash Flow</b>	<b>\$1,242</b>	<b>\$822</b>	<b>\$688</b>	<b>\$715</b>	<b>\$708</b>	<b>\$718</b>	<b>(10.4%)</b>
Identified Organic Capital	(\$140)	\$—	\$—	\$—	\$—	\$—	
Unidentified Organic Capital	—	(125)	(50)	(50)	(50)	(50)	
Acquisition Capital	(160)	—	—	—	—	—	
Distributions	(342)	(359)	(359)	(359)	(359)	(359)	1.0%
Working Capital and Interest Timing	(30)	133	90	—	—	—	
<b>Cash Surplus / (Shortfall)</b>	<b>\$570</b>	<b>\$471</b>	<b>\$369</b>	<b>\$306</b>	<b>\$299</b>	<b>\$309</b>	<b>(11.5%)</b>
LP Units Outstanding	208	209	209	209	209	209	0.0%
<b>Distributable Cash Flow per LP Unit</b>	<b>\$5.96</b>	<b>\$3.94</b>	<b>\$3.30</b>	<b>\$3.43</b>	<b>\$3.39</b>	<b>\$3.44</b>	<b>(10.4%)</b>
<b>Distribution per Unit</b>	<b>1.68</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>1.72</b>	<b>0.5%</b>
<b>Total Distributions</b>	<b>\$342</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>\$359</b>	<b>1.0%</b>

Source: DCP Management

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## DCP Financial Projections – Lower Commodity Prices

### D DCP Financial Projections – Sources and Uses

(\$ in millions)

	For the Years Ending December 31,					
	2022E	2023E	2024E	2025E	2026E	2027E
<b>Sources</b>						
DCF Surplus / (Shortfall)	\$570	\$471	\$369	\$306	\$299	\$309
Revolver Draw	279	300	—	519	—	191
<b>Total Sources</b>	<b>\$849</b>	<b>\$771</b>	<b>\$369</b>	<b>\$825</b>	<b>\$299</b>	<b>\$500</b>
<b>Uses</b>						
Revolver Paydown	\$—	\$—	\$369	\$—	\$299	\$—
Long-Term Debt Paydown	350	500	—	825	—	500
Preferred Equity Redemption	500	271	—	—	—	—
Cash Balance Increase / (Decrease)	(1)	—	—	—	—	—
<b>Total Uses</b>	<b>\$849</b>	<b>\$771</b>	<b>\$369</b>	<b>\$825</b>	<b>\$299</b>	<b>\$500</b>
<b>Memo:</b>						
Cash	\$—	\$—	\$—	\$—	\$—	\$—
Total Debt	5,364	5,164	4,795	4,489	4,190	3,881
<b>Net Debt</b>	<b>\$5,364</b>	<b>\$5,164</b>	<b>\$4,795</b>	<b>\$4,489</b>	<b>\$4,190</b>	<b>\$3,881</b>
Preferred Equity	271	—	—	—	—	—
<b>Net Debt + Preferred Equity</b>	<b>\$5,635</b>	<b>\$5,164</b>	<b>\$4,795</b>	<b>\$4,489</b>	<b>\$4,190</b>	<b>\$3,881</b>
Total Debt / Adjusted EBITDA	3.1x	4.0x	4.2x	4.0x	3.8x	3.6x
Net Debt / Adjusted EBITDA	3.1	4.0	4.2	4.0	3.8	3.6
(Net Debt + Preferred Equity) / Adjusted EBITDA	3.3	4.0	4.2	4.0	3.8	3.6

Source: DCP Management

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## Supplemental Valuation Materials – Lower Commodity Prices

### D Discounted Cash Flow Analysis

(\$ in millions, except per unit amounts)

#### Summary Results

	For the Years Ending December 31,					Exit Multiple	Perpetuity Growth
	2023E	2024E	2025E	2026E	2027E		
Adjusted EBITDA	\$1,300	\$1,136	\$1,112	\$1,090	\$1,082	\$1,082	\$1,082
Less: Tax Depreciation and Amortization <sup>1</sup>	(10,350)	(154)	(127)	(118)	(116)		(125)
EBIT	(\$9,050)	\$983	\$984	\$972	\$967		\$957
Less: Cash Taxes	—	(58)	(58)	(72)	(72)		(354)
EBIAT	(\$9,050)	\$924	\$926	\$900	\$895		\$603
Plus: Tax Depreciation and Amortization	10,350	154	127	118	116		125
Less: Maintenance Capex	(150)	(150)	(125)	(125)	(125)		(125)
Less: Growth Capex	(125)	(50)	(50)	(50)	(50)		—
Unlevered Free Cash Flow	\$1,025	\$878	\$878	\$843	\$836		\$603
EBITDA Multiple / Perpetuity Growth Rate						8.5x	1.0%
Implied Terminal Value						\$9,199	\$9,370
Present Value of Terminal Value @ 7.5% Discount Rate						\$6,407	\$6,295
Plus: Present Value of Unlevered Free Cash Flow @ 7.5% Discount Rate						3,768	
<b>Implied Enterprise Value</b>						<b>\$10,175</b>	<b>\$10,063</b>
Less: Preferred Equity <sup>2</sup>						(\$271)	
Less: Net Debt <sup>2</sup>						(5,364)	
Less: Noncontrolling Interests <sup>2</sup>						(25)	
<b>Implied Equity Value</b>						<b>\$4,515</b>	<b>\$4,403</b>
DCP Units Outstanding <sup>3</sup>						210	
<b>Implied Value per Unit</b>						<b>\$21.48</b>	<b>\$20.94</b>

#### Sensitivity Analysis

		Terminal Exit Multiple							Perpetuity Growth Rate				
		7.5x	8.0x	8.5x	9.0x	9.5x			--%	0.5%	1.0%	1.5%	2.0%
WACC	6.5%	\$19.56	\$21.44	\$23.32	\$25.20	\$27.08	WACC	6.5%	\$22.59	\$25.36	\$28.64	\$32.57	\$37.37
	7.0%	18.72	20.55	22.39	24.22	26.06		7.0%	19.43	21.76	24.47	27.68	31.52
	7.5%	17.89	19.68	21.48	23.27	25.06		7.5%	16.69	18.67	20.94	23.60	26.74
	8.0%	17.09	18.84	20.59	22.34	24.09		8.0%	14.29	15.98	17.92	20.15	22.75
	8.5%	16.30	18.02	19.73	21.44	23.15		8.5%	12.17	13.64	15.29	17.18	19.37

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- 2023E tax DD&A assumes 80% bonus depreciation calculated as the midpoint of the enterprise value range plus 2023E capital expenditures
- Per DCP Management as of December 31, 2022
- Includes 117.8mm common units held by DCP Midstream, LLC and DCP Midstream GP, LP, and 1.8mm phantom and performance units

## Supplemental Valuation Materials – Lower Commodity Prices

### D Peer Group Trading Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2023E Adjusted EBITDA		\$1,300	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2023E Adjusted EBITDA</b>	<b>\$10,404</b>	-	<b>\$11,704</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$4,744</b>	-	<b>\$6,044</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2023E EBITDA</b>	<b>\$22.56</b>	-	<b>\$28.75</b>
<hr/>			
2024E Adjusted EBITDA		\$1,136	
Relevant EBITDA Multiple	8.0x	-	9.0x
<b>Implied Enterprise Value Based on 2024E Adjusted EBITDA</b>	<b>\$9,090</b>	-	<b>\$10,226</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$3,430</b>	-	<b>\$4,566</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2024E EBITDA</b>	<b>\$16.31</b>	-	<b>\$21.72</b>
<b>Implied DCP Unit Price Range - 2023E and 2024E EBITDA</b>	<b>\$16.31</b>	-	<b>\$28.75</b>

1. As of December 31, 2022

## Supplemental Valuation Materials – Lower Commodity Prices

### D Peer Group Trading Analysis – Price/DCF per LP Unit

(\$ in millions, except per unit amounts)

2023E DCF / LP Unit		\$3.94	
Relevant Multiple	6.5x	-	7.5x
Implied DCP Unit Price Range - 2023E Price / DCF	\$25.59	-	\$29.52
<hr/>			
2024E DCF / LP Unit		\$3.30	
Relevant Multiple	6.0x	-	7.0x
Implied DCP Unit Price Range - 2024E Price / DCF	\$19.79	-	\$23.09
Implied DCP Unit Price Range - 2023E and 2024E Price / DCF	\$19.79	-	\$29.52

## Supplemental Valuation Materials – Lower Commodity Prices

### D Precedent M&A Transaction Analysis – EV/EBITDA

(\$ in millions, except per unit amounts)

2022E Adjusted EBITDA		\$1,717	
Relevant EBITDA Multiple	7.25x	-	9.25x
<b>Implied Enterprise Value Based on 2022E Adjusted EBITDA</b>	<b>\$12,446</b>	-	<b>\$15,879</b>
Less: Preferred Equity <sup>1</sup>		(271)	
Less: Net Debt <sup>1</sup>		(5,364)	
Less: Noncontrolling Interests <sup>1</sup>		(25)	
<b>Implied Equity Value</b>	<b>\$6,785</b>	-	<b>\$10,219</b>
DCP Units Outstanding		210	
<b>Implied DCP Unit Price Range - 2022E EBITDA</b>	<b>\$32.28</b>	-	<b>\$48.61</b>

1. As of December 31, 2022

## C. LPG Market Overview

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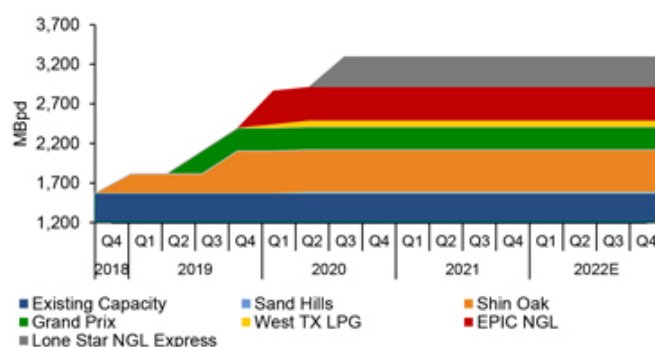
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## LPG Market Overview

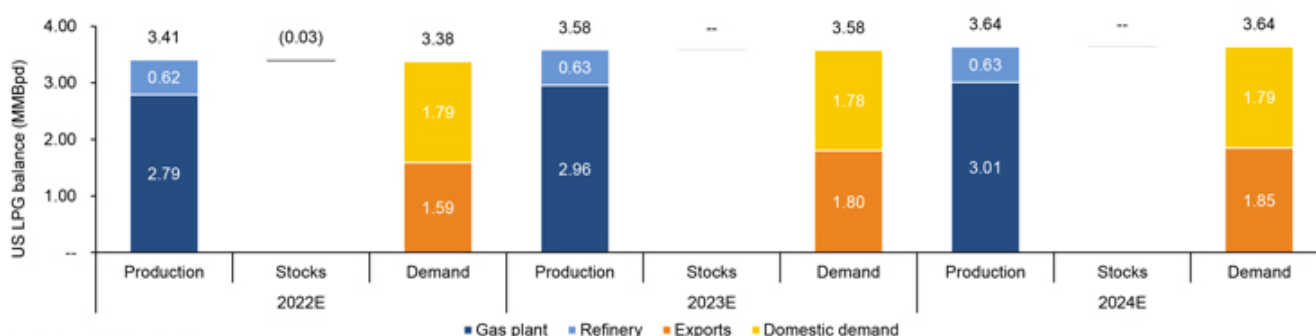
### Overview Gulf Coast LPG Export Market

- **Global Demand:** Significant and persistent global demand for LPGs is primarily driven by Asian markets, which lack both local petroleum feedstock and local refining and/or processing infrastructure
- **U.S. Surplus:** Rapid growth in U.S. domestic oil and gas production has resulted in LPGs exceeding domestic demand with domestic demand for LPGs remaining relatively flat over the past two decades and projected to remain relatively flat over the near-to-medium term
- **Gulf Coast Infrastructure:** Several major expansions of LPG export capacity are underway to accommodate the anticipated long-term eastward flows of global LPG trade
- **Fungibility:** DCP delivers significant NGL volumes primarily to Mont Belvieu, the primary hub for both domestic and exported LPGs

Permian Basin NGL Pipelines to Gulf Coast Market



U.S. Domestic LPG Supply and Demand Balance

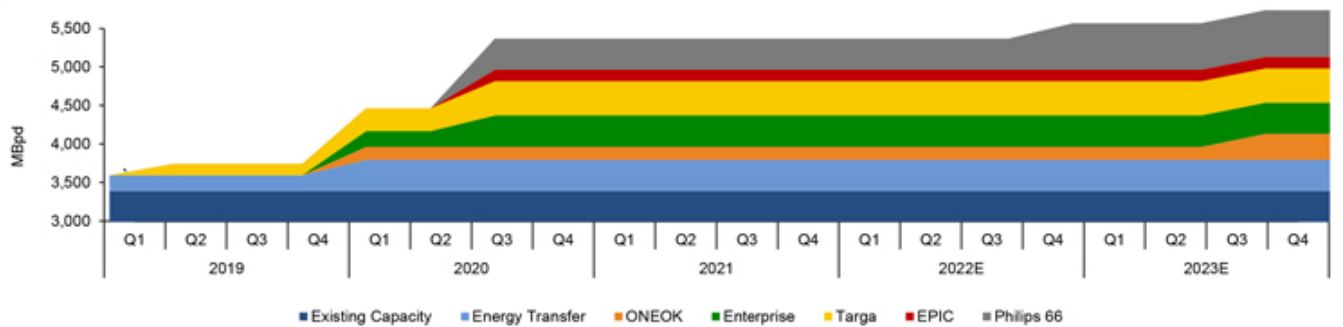


Source: Wall Street Research

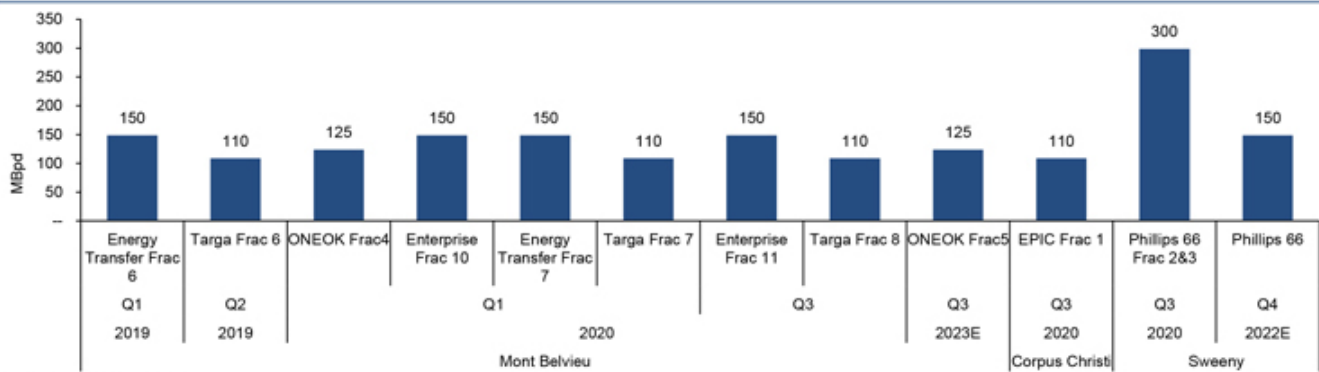
## LPG Market Overview

### Texas Fractionation Overview

Texas NGL Fractionation Capacity



U.S. Gulf Coast Capacity Additions



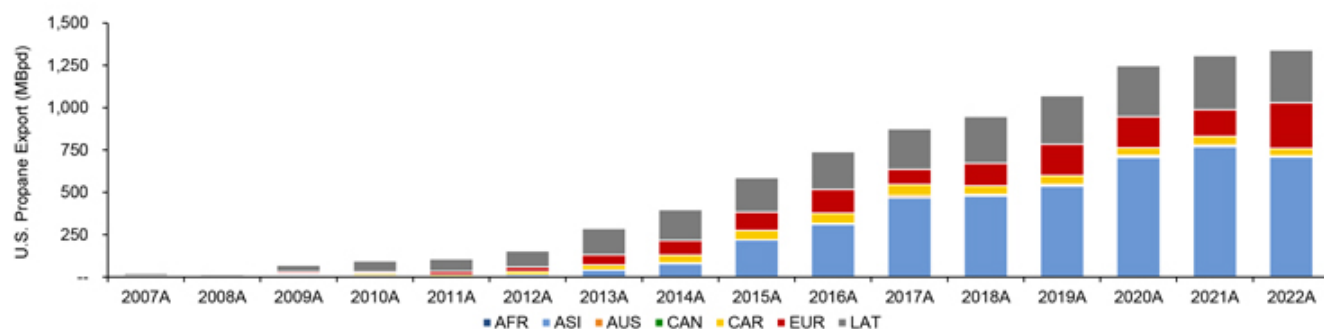
Source: Wall Street Research



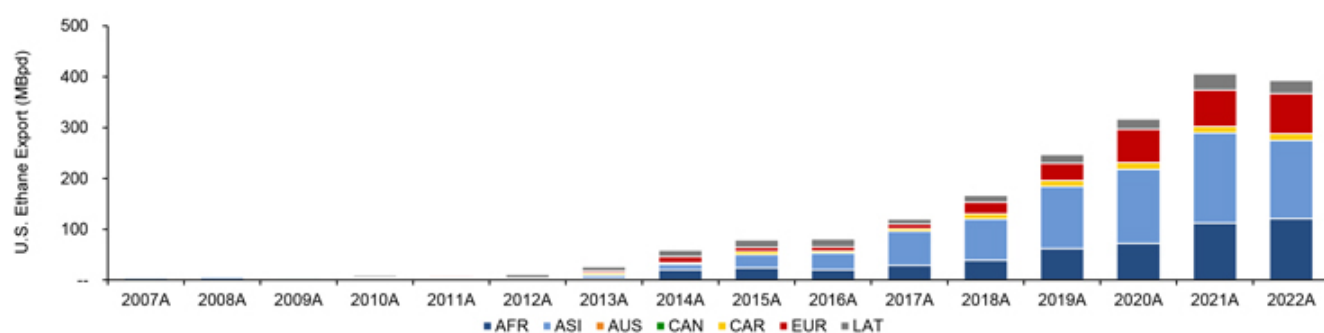
## LPG Market Overview

### U.S. LPG Oceangoing LPG Exports

Historical U.S. Propane Export Total (MBpd)



Historical U.S. Ethane Export Total (MBpd)



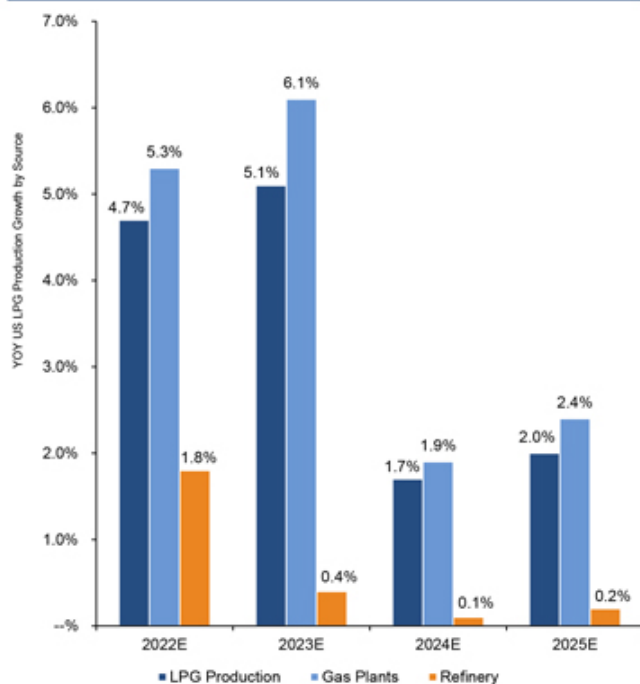
Source: RBN Energy

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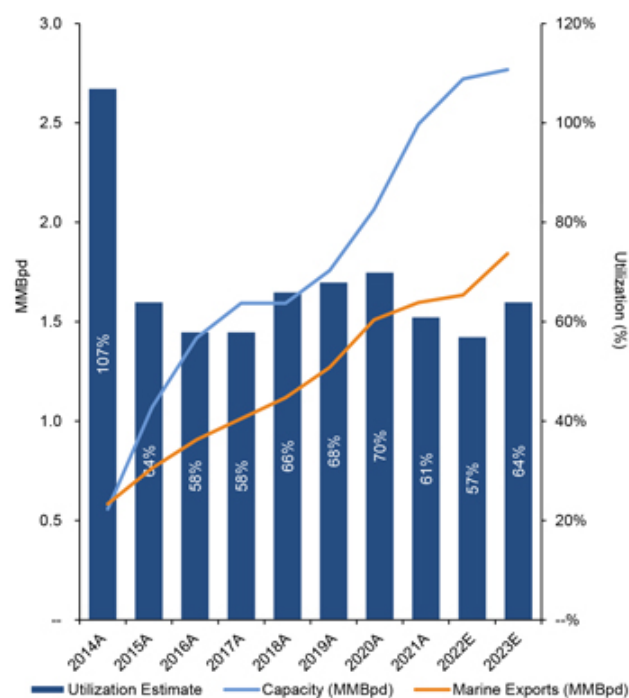
## LPG Market Overview

### LPG Production Growth and Capacity Utilization

YoY LPG Production Growth



Terminal Capacity Utilization vs. Actual Seaborne Exports

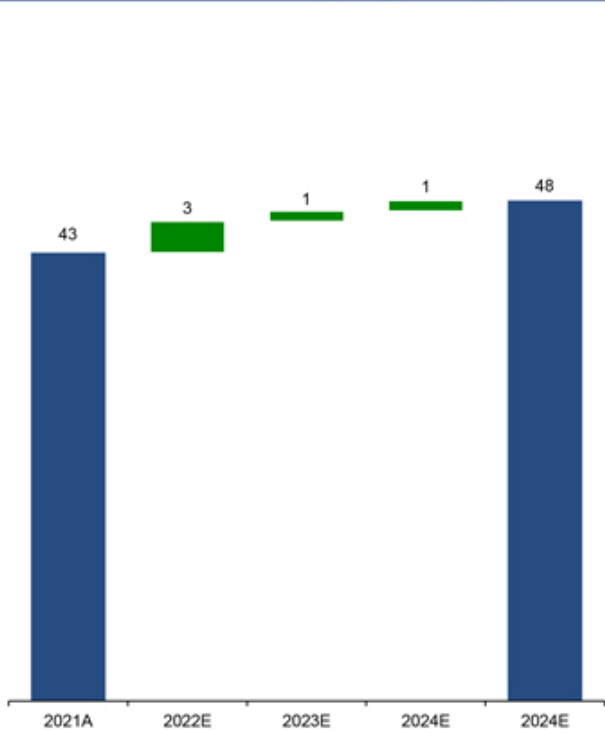


Source: Wall Street Research

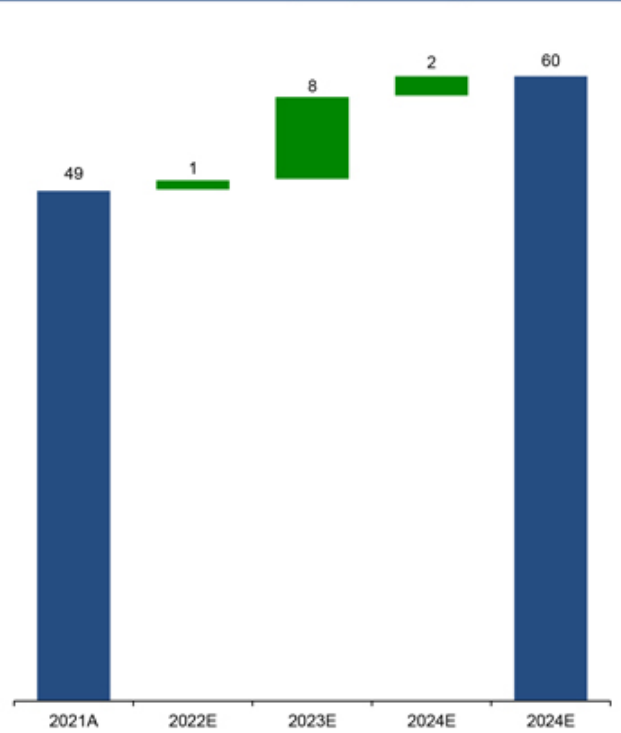
# LPG Market Overview

## LPG Export Supply Growth Primary Sources

Middle East LPG Exports (m tonnes)



U.S. LPG Exports (m tonnes)

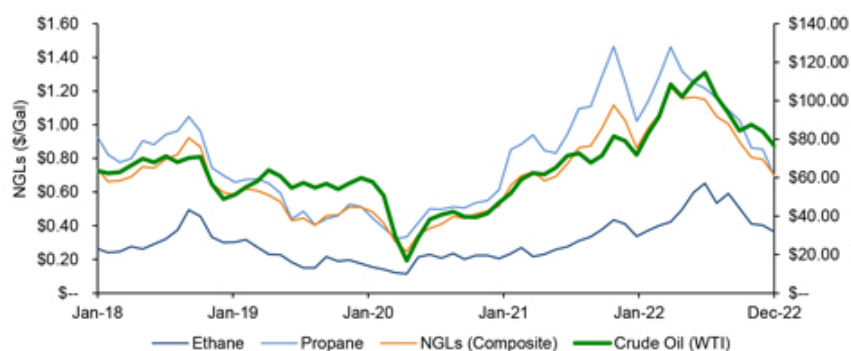


Source: Wall Street Research

## LPG Market Overview

### Historical Pricing of NGLs/LPGs vs. Crude Oil

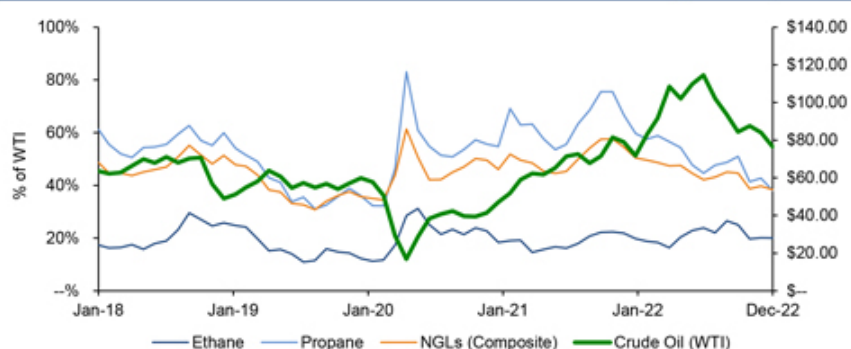
Historical Commodity Prices



Domestic Market

	2018A	2019A	2020A	2021A	2022A
Ethane	\$0.32	\$0.22	\$0.19	\$0.31	\$0.48
Propane	\$0.87	\$0.54	\$0.47	\$1.04	\$1.11
Iso-Butane	\$1.02	\$0.71	\$0.59	\$1.17	\$1.39
Normal-Butane	\$1.01	\$0.65	\$0.57	\$1.18	\$1.32
Natural Gasoline	\$1.44	\$1.14	\$0.78	\$1.54	\$1.92
NGLs (Composite)	\$0.74	\$0.51	\$0.41	\$0.83	\$1.00
Crude Oil (WTI)	\$64.94	\$56.97	\$39.37	\$68.07	\$94.93

Historical Commodity Prices (% of WTI)



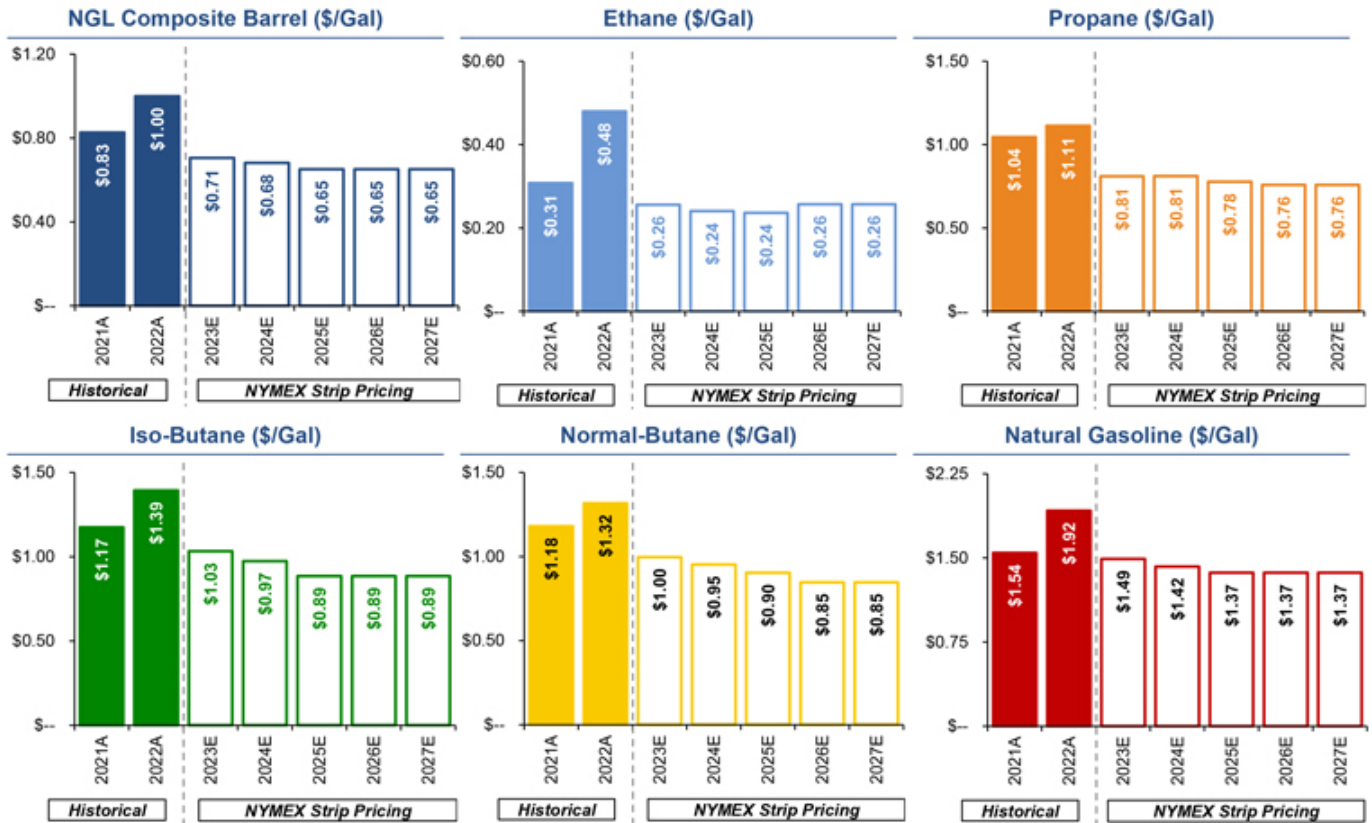
Domestic Market

	2018A	2019A	2020A	2021A	2022A
Ethane	20.8%	16.0%	20.2%	19.0%	21.2%
Propane	56.5%	40.1%	50.1%	64.5%	49.2%
Iso-Butane	65.7%	52.2%	62.9%	72.5%	61.6%
Normal-Butane	65.6%	47.9%	61.0%	72.8%	58.2%
Natural Gasoline	92.8%	84.2%	83.7%	95.3%	85.0%
NGLs (Composite)	48.0%	37.8%	44.1%	51.0%	44.2%

Source: FactSet as of January 3, 2023

## LPG Market Overview

### NGL and LPG Pricing: Historicals vs. NYMEX Strip



Source: DCP Management, NYMEX Strip as of January 3, 2023

## LPG Market Overview

### NGL Consensus Pricing Commentary

"Lowering NGL Price Estimates... The decrease is tied to (1) **lower plastics demand due to the global economic slowdown**, (2) **lower global demand for US LPGs** (in the near term) and **higher projected propane inventory levels**, and (3) **higher projected NGL supply growth**."

"The deterioration in global economic growth is beginning to take a toll on US NGL fundamentals. **Processing margins have narrowed** (ethane frac spread is negative), **ethane rejection is rising and could reduce volumes on NGL pipelines/fracs**, and **LPG export volumes are declining from record levels in Q2**."

*Michael Blum, Wells Fargo (October 21, 2022)*

"**3Q22 ethane prices of 55c/gal could fall to ~40c/gal in 4Q22/1Q23**, with another step-down to 33c/gal in 2Q23+ as Henry Hub/Waha prices slide to \$4.94/\$2.18 per Mcf in 2Q23...**ethane is typically 35-45% of the composite NGL barrel, causing its pricing to have an outsized impact on NGL prices vs. other purity products**."

*Chase Mulvehill, BofA Securities (October 9, 2022)*

"Given the significant increase in oil and gas prices driven by a host of factors including: **a strong rebound in oil demand as the world emerges from COVID**, **continued supply-chain issues which are driving inflation**, **a tight global LNG market**, and **the Russia/Ukraine conflict**, **we are materially increasing our NGL price estimates**. We're raising our 2022 and 2023 NGL price estimates to \$1.18/g and \$1.06/g, respectively, from \$0.92/g and \$0.82/g. The increase to our NGL price deck reflects higher near-term crude oil and natural gas price estimates from our E&P and refining teams, partially offset by lower assumed LPG-to-Brent ratios."

*Michael Blum, Wells Fargo (March 23, 2022)*

"The NGL-to-WTI and NGL-to-Brent crude oil ratios averaged 52% and 51%, respectively, in February, both of which are below the prior month. **NGL prices to a large extent track Brent more closely than WTI, given that a significant portion of overall demand for NGLs is predicated on exports and competition in the global markets** (e.g., ethylene derivative and LPG exports)."

*Praneeth Satish, Wells Fargo (March 23, 2022)*

Source: Wall Street Research

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dcp  
Midstream



# Reference Materials

Project Dynamo

August 30, 2022



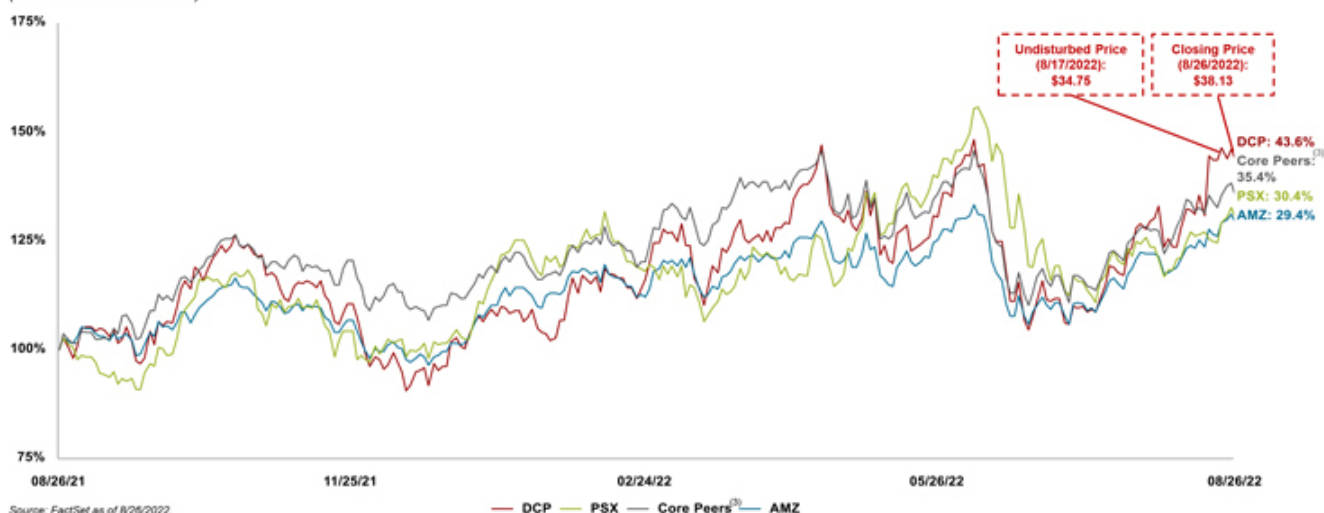
# DCP | Relative Price Performance

Price performance post offer announcement (\$34.75 per unit announced on 8/17/2022)

## Trading Performance: Last Twelve Months

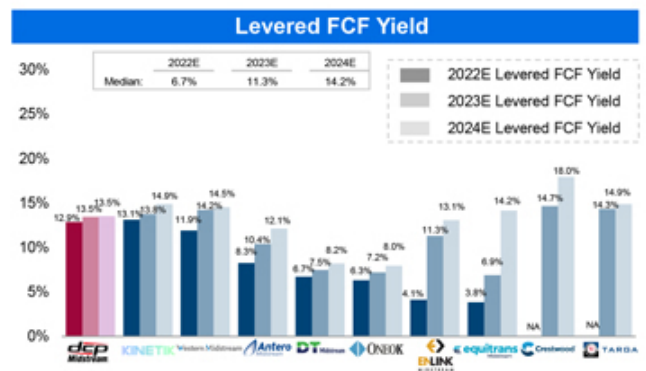
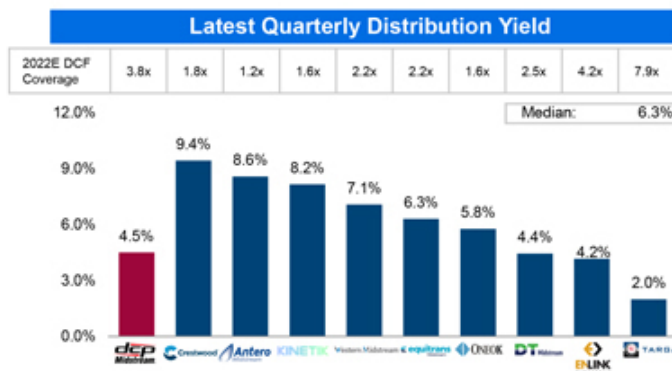
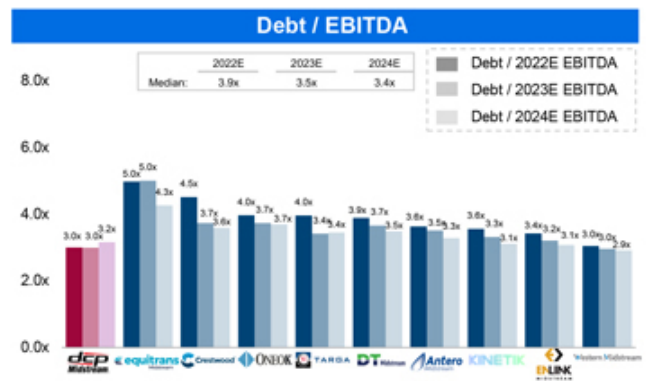
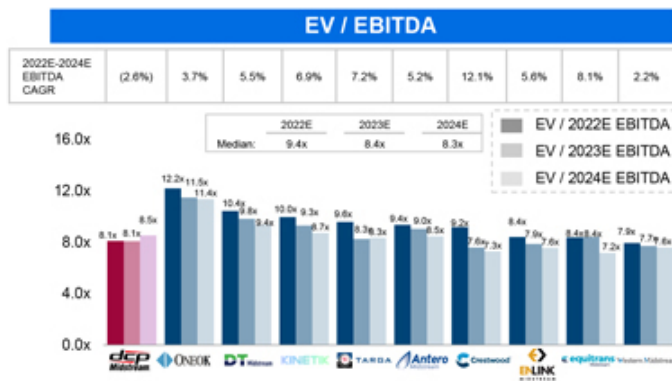
Recent Trading Performance <sup>(1)</sup>	DCP	DCP - AMZ Adj.	Antero	Crestwood	DTM	LINK	equitrans	KINETIK	ONEOK	TARGA	Western Midstream	Peer Median	AMZ
One-Day Following Transaction Announcement (8/18/22) <sup>(2)</sup>	10.5%	7.1%	1.3%	3.9%	1.0%	9.9%	3.1%	3.7%	2.1%	3.9%	3.0%	3.1%	3.4%
Since Transaction Announcement (8/17/22)	9.7%	5.1%	1.6%	6.6%	0.5%	9.6%	(0.2%)	(4.8%)	3.0%	4.1%	3.0%	3.0%	4.6%
10-Days Prior to Announcement	4.1%	(1.0%)	6.2%	3.0%	5.9%	7.4%	8.7%	(0.4%)	7.5%	5.8%	4.3%	5.9%	5.1%
30-Days Prior to Announcement	13.7%	4.7%	8.1%	1.4%	17.2%	8.4%	41.8%	6.0%	10.5%	11.5%	4.3%	8.4%	9.0%
90-Days Prior to Announcement	5.9%	2.3%	2.3%	(10.4%)	3.9%	(3.1%)	25.9%	(2.5%)	(0.5%)	(2.1%)	6.9%	(0.5%)	3.6%
YTD	38.8%	13.4%	8.4%	0.6%	20.0%	56.5%	(8.0%)	19.9%	10.3%	34.4%	26.9%	19.9%	25.3%
Last Twelve Months	43.6%	14.2%	13.5%	6.5%	27.1%	103.4%	9.1%	16.2%	23.4%	61.1%	49.5%	23.4%	29.4%

(Indexed Price Performance)





# DCP | Relative Valuation



Source: Public filings, FactSet, and Wall Street research as of 8/26/2022. DCP projections per Bloomberg consensus estimates as of 6/15/2022. Peer projections per FactSet as of 8/26/2022.



### Purchase Price Ratio Analysis

Source: Projections per Bloomberg consensus estimates as of 6/15/2022. Market data as of 8/26/2022.  
1. Peers include AM, CEQP, DTM, ENLC, ETRN, KNTK, OKE, TRGP, and WES.

# DCP | Unitholder Cost Basis

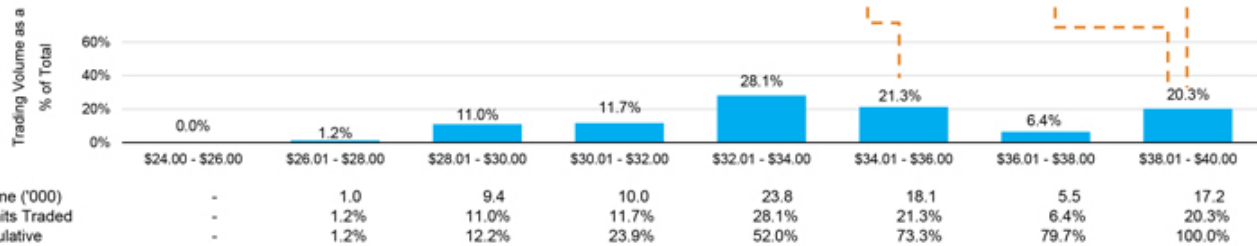
## Unit Price Histogram: Last Six Months

Average Daily Volume	668,937
Total Volume ('000s)	84,955
Units Outstanding Traded (x)	0.4x

VWAP  
\$34.04

Current (8/26/2022)  
\$38.13

6-Month High  
\$39.54



## Unit Price Histogram: Last 12 Months

Average Daily Volume	620,031
Total Volume ('000s)	156,868
Units Outstanding Traded (x)	0.8x

VWAP  
\$31.60

Current (8/26/2022)  
\$38.13

12-Month High  
\$39.54














Source: Factset as of 8/26/2022. Units Outstanding Traded based on unaffiliated DCP units outstanding per public filings.



# DCP | Trading Comparables

## Core Peers Trading Comparables

												Median
(USD in millions except per unit data)												
Unit / Share Price as of 8/26/22	\$38.13	\$34.75 <sup>(1)</sup>	\$10.49	\$27.76	\$57.56	\$10.78	\$9.51	\$36.75	\$64.84	\$70.21	\$28.25	
% of 52-week high (Close)	97%	97%	90%	86%	97%	92%	84%	82%	88%	87%	96%	88%
Fully Diluted Units / Shares Outstanding	208	208	478	109	97	479	433	135	447	227	306	
Total Equity Value	\$7,946	\$7,241	\$5,019	\$3,033	\$5,568	\$5,163	\$4,116	\$4,961	\$28,975	\$15,907	\$10,917	
Debt	5,130	5,130	3,181	3,699	3,099	4,355	6,849	3,000	13,877	11,088	6,723	
Preferred Equity	771	771	-	666	-	1,213	682	463	0	-	-	
Noncontrolling Interest	25	25	-	434	-	-	-	-	-	-	-	
Cash	(8)	(8)	-	(304)	(345)	(18)	(115)	(5)	(136)	(154)	(97)	
Enterprise Value	\$13,864	\$13,160	\$8,200	\$7,528	\$8,322	\$10,713	\$11,532	\$8,419	\$42,715	\$26,841	\$17,543	
<b>Enterprise Value /</b>												
2022E EBITDA	8.1 x	7.7 x	9.4 x	9.2 x	10.4 x	8.4 x	8.4 x	10.0 x	12.2 x	9.6 x	7.9 x	9.4 x
2023E EBITDA	8.1 x	7.7 x	9.0 x	7.6 x	9.8 x	7.9 x	8.4 x	9.3 x	11.5 x	8.3 x	7.7 x	8.4 x
2024E EBITDA	8.5 x	8.1 x	8.5 x	7.3 x	9.4 x	7.8 x	7.2 x	8.7 x	11.4 x	8.3 x	7.6 x	8.3 x
<b>Valuation Metrics</b>												
LGA Yield	4.51%	4.55%	8.58%	9.44%	4.45%	4.17%	6.31%	8.16%	5.77%	1.99%	7.08%	6.31%
2022E Yield	4.33%	4.75%	8.58%	9.44%	4.45%	4.17%	6.31%	8.16%	5.77%	1.99%	7.08%	6.31%
2023E Yield	4.75%	5.22%	8.58%	9.91%	4.58%	4.64%	6.31%	8.57%	5.77%	1.99%	7.08%	6.31%
2024E Yield	4.93%	5.41%	8.58%	10.41%	4.72%	5.01%	6.31%	9.01%	5.77%	1.99%	7.08%	6.31%
2022E DCF Yield	16.00%	17.56%	10.23%	17.26%	11.19%	17.43%	13.61%	13.14%	9.01%	15.85%	15.29%	13.61%
2023E DCF Yield	16.81%	18.45%	10.86%	21.11%	11.96%	18.49%	14.42%	13.77%	9.73%	17.48%	15.99%	14.42%
2024E DCF Yield	15.87%	17.41%	12.15%	22.74%	12.67%	19.27%	21.07%	14.91%	10.04%	17.29%	16.28%	16.28%
2022E FCF Yield <sup>(2)</sup>	12.88%	14.13%	8.27%	NA	6.72%	4.14%	3.85%	13.14%	6.34%	NA	11.93%	6.72%
2023E FCF Yield <sup>(2)</sup>	13.47%	14.78%	10.40%	14.68%	7.49%	11.32%	6.90%	13.77%	7.20%	14.34%	14.24%	11.32%
2024E FCF Yield <sup>(2)</sup>	13.55%	14.87%	12.15%	17.96%	8.21%	13.08%	14.18%	14.91%	7.97%	14.90%	14.54%	14.18%
2022E P / EPS	9.0x	8.2x	14.6x	53.4x	16.3x	18.6x	16.7x	12.5x	17.9x	19.7x	9.0x	16.7x
2023E P / EPS	8.2x	7.5x	14.0x	12.5x	15.4x	17.1x	16.1x	10.6x	16.3x	13.3x	8.3x	14.0x
2024E P / EPS	6.8x	6.2x	12.5x	10.3x	14.5x	14.2x	8.6x	9.1x	16.0x	13.8x	7.8x	12.5x
<b>Coverage</b>												
2022E Coverage	3.72 x	3.72 x	1.19 x	1.83 x	2.52 x	4.18 x	2.16 x	1.61 x	1.56 x	7.95 x	2.16 x	2.16 x
2023E Coverage	3.74 x	3.74 x	1.27 x	2.13 x	2.61 x	3.99 x	2.29 x	1.61 x	1.69 x	8.77 x	2.26 x	2.26 x
2024E Coverage	3.53 x	3.53 x	1.42 x	2.18 x	2.69 x	3.85 x	3.34 x	1.66 x	1.74 x	8.67 x	2.30 x	2.30 x
<b>Credit Statistics</b>												
Debt / 2022E EBITDA	3.0 x	3.0 x	3.6 x	4.5 x	3.9 x	3.4 x	5.0 x	3.6 x	4.0 x	4.0 x	3.0 x	3.9 x
Debt + Pref / 2022E EBITDA <sup>(3)</sup>	3.2 x	3.2 x	3.6 x	4.9 x	3.9 x	3.9 x	5.2 x	3.8 x	4.0 x	4.0 x	3.0 x	3.9 x
Debt / 2023E EBITDA	3.0 x	3.0 x	3.5 x	3.7 x	3.7 x	3.2 x	5.0 x	3.3 x	3.7 x	3.4 x	3.0 x	3.5 x
Debt + Pref / 2023E EBITDA <sup>(3)</sup>	3.2 x	3.2 x	3.5 x	4.1 x	3.7 x	3.6 x	5.3 x	3.6 x	3.7 x	3.4 x	3.0 x	3.6 x

Source: Public filings, Wall Street research and FactSet as of 8/26/2022. DCP Balance Sheet items, projections, and common units / shares outstanding per Bloomberg estimates as of 8/15/2022.












1. Reflects undisturbed offer price on 8/17/2022.

2. Calculated as levered free cash flow divided by equity value as of 8/26/2022.

3. Includes 50% of preferred equity.



# Precedent Transactions

Precedent Asset Transaction Multiples				
Date	Acquirer	Target	Purchase Price (\$mm)	EV / FY+1 EBITDA
6/16/2022	 TARGA	 LUCID	\$3,550	7.5x
5/25/2022	 Crestwood	 SENDERO	\$600	7.0x
4/11/2022	 Duke Energy	 3Bear Energy	\$625	6.3x
3/14/2022	 Williams	 TRACE Haynesville G&P Assets	\$950	6.0x
10/18/2019	 DTE	 Momentum Haynesville G&P Assets	\$2,650	10.8x
7/2/2019	 UGI CORPORATION	 TC Energy Natural Gas Gathering System	\$1,275	12.8x
4/11/2019	 Crestwood	 Williams Powder River Basin Gas Gathering System (50%)	\$485	9.7x
3/18/2019	 Williams	 Momentum East Ohio Midstream (38% stake)	\$740	14.5x
3/15/2019	 EQT	Eureka Midstream (60%) and Hornet Midstream (100%)	\$1,030	10.3x
Mean				9.4x
Median				9.7x


Precedent Corporate Transaction Multiples				
Date	Acquirer	Target	Price (\$mm)	EV / FY+1 EBITDA
7/28/2022	 PERRINE	 PERRINE	\$579	7.3x
7/25/2022 <sup>(1)</sup>	 Shell	 Shell Midstream Partners	\$1,960	12.6x
5/15/2022	 DIAMONDBACK ENERGY	 MIDSTREAM PARTNERS	\$756	8.2x
10/26/2021	 Crestwood	 OASIS MIDSTREAM PARTNERS	\$1,800	7.2x
10/21/2021	 EAGLECLAW MIDSTREAM	 EAGLECLAW MIDSTREAM	\$4,475	10.9x
9/3/2021	 Brookfield	 Interpipeline	\$10,490	12.9x
3/5/2021	 Chevron	 NOBLE MIDSTREAM PARTNERS	\$1,320	7.4x
2/17/2021	 ENERGY TRANSFER PARTNERS	 ENABLE MIDSTREAM PARTNERS	\$7,200	7.9x
7/27/2020	 CNX	 CNX	\$357	7.3x
2/27/2020	 equitrans	 eqm midstream partners, lp	\$1,800	8.0x
1/31/2019	 Blackstone	 TALLGRASS ENERGY	\$3,300	11.6x
Mean				9.2x
Median				8.0x

Source: Public filings, Wall Street Research, FactSet, and Bloomberg consensus estimates as of 6/15/2022.  
1. Initial public offer was announced on February 11, 2022.



# Precedent Premiums Paid

## Selected MLP Buy-in Transactions, 2018 - Present

Announced Date	Acquirer	Target	Total Transaction Value (\$MM) <sup>(1)</sup>	Enterprise Value		Initial Price Offered	Initial Premium Offered	Final Price	Premium Paid (Days Prior to Initial Ann.) <sup>(2)</sup>		Premium Paid (Days Prior to Final Ann.) <sup>(3)</sup>		Consideration	Process
				Acquirer	Target				1-Day	30-Day VWAP	1-Day	30-Day VWAP		
7/28/2022 <sup>(4)</sup>			\$579	\$7,229	\$1,690	NA	NA	\$17.66	31.6%	11.0%	(3.4%)	13.2%	Cash and Unit Exchange	Negotiate then Ann. <sup>(5)</sup>
7/25/2022 <sup>(6)</sup>			\$2,608	\$237,598	\$9,749	\$12.89	0.0%	\$15.85	23.0%	23.5%	9.6%	11.6%	100% Cash	Ann. then Negotiate
4/23/2022			\$400	NA	\$995	\$3.32	0.9%	\$4.65	41.3%	42.7%	40.9%	40.7%	100% Cash	Ann. then Negotiate
10/27/2021			\$3,486	\$16,829	\$13,076	\$32.57	0.0%	\$41.11	4.8%	7.6%	4.8%	7.6%	100% Unit Exchange	Negotiate then Ann.
8/5/2021 <sup>(9)</sup>			\$874	\$126,182	\$1,694	\$13.01	0.0%	\$15.12	16.2%	8.9%	17.1%	17.2%	100% Unit Exchange	Ann. then Negotiate
2/6/2021 <sup>(7)</sup>			\$1,149	\$201,401	\$2,872	\$12.47	0.0%	\$14.56	16.7%	18.7%	(3.3%)	5.8%	100% Unit Exchange	Ann. then Negotiate
10/5/2020 <sup>(8)</sup>			\$2,829	\$74,892	\$3,361	\$27.31	5.4%	\$30.95	19.5%	15.1%	0.6%	(3.7%)	100% Unit Exchange	Ann. then Negotiate
7/27/2020			\$693	\$4,419	\$1,312	\$8.38	4.5%	\$8.47	28.1%	29.1%	28.1%	29.1%	100% Unit Exchange	Negotiate then Ann.
11/26/2018			\$536	NA	\$1,246	\$38.00	4.4%	\$41.00	12.6%	9.5%	12.6%	9.5%	100% Cash	Negotiate then Ann.
11/8/2018			\$8,965	\$7,251	\$12,230	\$43.77	5.0%	\$50.33	7.6%	14.3%	7.6%	14.3%	100% Unit Exchange	Negotiate then Ann.
10/18/2018			\$1,850	\$50,344	\$3,660	\$40.00	10.7%	\$42.25	6.0%	10.2%	6.0%	10.2%	100% Cash	Negotiate then Ann.
9/19/2018 <sup>(9)</sup>			\$2,634	\$86,611	\$6,683	\$17.75	0.0%	\$18.22	2.8%	8.8%	0.5%	1.0%	100% Unit Exchange	Ann. then Negotiate
8/1/2018			\$60,345	\$26,932	\$80,363	\$21.32	5.0%	\$23.59	11.2%	17.5%	11.2%	17.5%	100% Unit Exchange	Negotiate then Ann.
5/29/2018 <sup>(10)</sup>			\$300	\$5,332	\$3,262	\$21.86	(1.1%)	\$21.86	(1.1%)	9.2%	(1.1%)	9.2%	100% Unit Exchange	Tender Offer
5/17/2018 <sup>(11)</sup>			\$4,779	\$123,056	\$27,256	\$33.10	0.0%	\$40.00	20.8%	18.4%	5.7%	6.8%	100% Unit Exchange	Ann. then Negotiate
5/17/2018 <sup>(12)</sup>			\$10,010	\$121,978	\$14,694	\$10.08	0.0%	\$11.48	13.9%	16.4%	2.1%	0.3%	100% Unit Exchange	Ann. then Negotiate
5/17/2018			\$15,105	\$29,816	\$55,383	\$36.94	5.2%	\$40.89	6.4%	11.2%	6.4%	11.2%	100% Unit Exchange	Negotiate then Ann.
3/27/2018			\$3,224	\$3,418	\$4,942	\$41.34	(0.5%)	\$35.42	0.6%	(8.1%)	0.6%	(8.1%)	100% Unit Exchange	Negotiate then Ann.















Source: Price data per FactSet. Transaction value and consideration paid based on public filings, company press releases, and investor presentations.

- Transaction value includes only un-affiliated and proportional net debt.
- Premium paid to initial announcement represents the premium based on the final agreed upon price relative to the original offer's unaffected date.
- Premium paid to final announcement represents the premium based on the final agreed upon price relative to the final announcement's unaffected date.
- Initial price offered not yet disclosed. Transaction value and premium reflect unaffected P&B price as of 7/27/2022. Initial announcement date reflects filing of Schedule 13D/A on June 24, 2022.
- Shell / Shell Midstream Partners LP based on revised offer announced 7/25/2022. Premium paid based on closing price prior to original announcement on 2/11/2022.
- BP / BP Midstream Partners LP based on revised offer announced 12/20/2021. Premium paid based on closing price prior to original announcement on 8/4/2021.
- Chevron / Noble Midstream Partners based on revised offer announced 3/5/2021. Premium paid based on closing price prior to original announcement on 2/4/2021.
- TC Energy / TC Pipelines based on revised offer announced 12/15/2020. Premium paid based on closing price prior to original announcement on 10/5/2020.
- Dominion Energy / Dominion Energy Midstream based on revised offer announced 11/23/2018. Premium paid based on closing price prior to original announcement on 9/8/2018.
- Reflects the 5/29/18 exchange offer; CVR announced it would exercise the call right on 1/17/19.
- Enbridge / Spectra premiums based on revised offer announced on 8/24/2018. Enbridge price performance based on original announcement on 5/17/2018.
- Enbridge / Enbridge Energy Partners based on revised offer announced 9/18/2018. Enbridge price performance based on original announcement on 5/17/2018.



# Precedent Premiums Paid (cont'd)

## Selected MLP Buy-in Transactions, 2016 - 2017

Announced Date	Acquirer	Target	Total Transaction Value (\$MM) <sup>(1)</sup>	Enterprise Value		Initial Price Offered	Initial Premium Offered	Final Price	Premium Paid (Days Prior to Initial Ann.) <sup>(2)</sup>		Premium Paid (Days Prior to Final Ann.) <sup>(3)</sup>		Consideration	Process
				Acquirer	Target				1-Day	30-Day VWAP	1-Day	30-Day VWAP		
11/8/2017			\$173	\$6,613	\$645	\$11.80	3.0%	\$13.92	3.0%	11.5%	3.0%	11.5%	100% Unit Exchange	Negotiate then Ann.
8/29/2017			\$657	NA	\$657	\$14.50	0.4%	\$16.50	15.2%	12.4%	15.2%	12.4%	100% Cash	Negotiate then Ann.
5/18/2017			\$651	NA	\$963	\$20.00	20.1%	\$20.00	20.1%	20.4%	20.1%	20.4%	100% Cash	Tender Offer
4/4/2017			\$157	NA	\$594	\$16.80	5.8%	\$17.30	5.8%	5.6%	5.8%	5.6%	100% Cash	Tender Offer
3/2/2017			\$781	NA	\$1,470	\$18.75	1.9%	\$19.50	6.0%	5.6%	4.3%	3.4%	100% Cash	Ann. then Negotiate
1/27/2017			\$1,656	\$77,129	\$9	\$6.25	(4.6%)	\$8.00	(8.6%)	1.8%	(8.6%)	1.8%	100% Cash	Negotiate then Ann.
11/1/2016			\$5,180	\$77,381	\$14	\$15.75	2.9%	\$17.00	11.1%	16.0%	6.3%	5.2%	100% Cash	Ann. then Negotiate

### All Transactions

Mean	2.9%	11.8%	13.6%	8.2%	10.2%
Median	1.4%	11.2%	11.9%	5.9%	9.4%
High	20.1%	41.3%	42.7%	40.9%	40.7%
Low	(4.6%)	(8.6%)	(8.1%)	(8.6%)	(8.1%)

### 100% Cash Transactions

Mean	4.3%	13.3%	14.8%	11.2%	12.1%
Median	2.4%	11.9%	11.3%	7.9%	9.8%
High	20.1%	41.3%	42.7%	40.9%	40.7%
Low	(4.6%)	(8.6%)	1.8%	(8.6%)	1.8%

Source: Price data per FactSet. Transaction value and consideration paid based on public filings, company press releases, and investor presentations.

1. Transaction value includes only un-affiliated and proportional net debt.

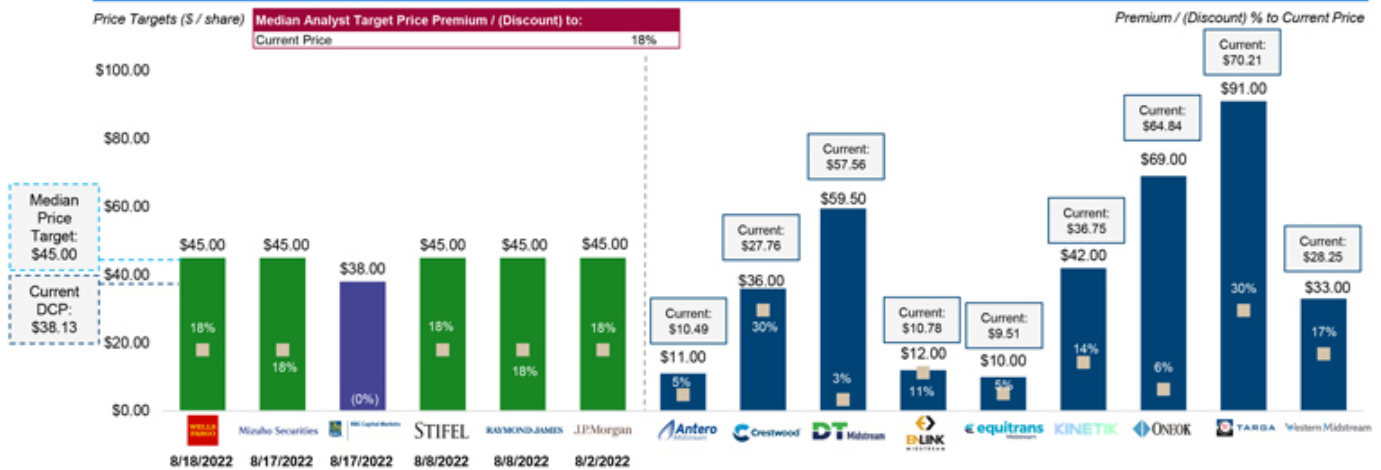
2. Premium paid to initial announcement represents the premium based on the final agreed upon price relative to the original offer's unaffected date.

3. Premium paid to final announcement represents the premium based on the final agreed upon price relative to the final announcement's unaffected date.



# DCP | Equity Analyst Price Targets

## Research Price Targets <sup>(1) (2)</sup>



## Analyst Recommendation

Buy	✓	✓		✓	✓	✓	1	5	5	2	3	2	4	11	6
Hold			~				3	1	0	4	4	0	9	0	2
Sell							1	0	0	0	0	0	0	0	0
							5	6	5	6	7	2	13	11	8

Source: FactSet as of 8/26/2022.

1. Includes available reports from reputable brokers since Q2'22 earnings release that have provided a price target.

2. Peer group price targets reflect average analyst price target.





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# **Project Dynamo**

## **Negotiation Summary**

January 3, 2023



# Negotiation Summary

## Key Events

- On August 17, 2022, Phillips 66 (PSX) offered to acquire all outstanding publicly held common units of DCP Midstream, LP (DCP) for \$34.75 per common unit in cash
  - The DCP Board of Directors subsequently authorized the Conflicts Committee to review and negotiate the transaction
  - The Conflicts Committee hired Evercore Group L.L.C. as financial advisor
- On September 22, 2022, Evercore provided DCP management with its initial information request list
  - Due diligence process was initiated on that date
- On September 29, 2022, DCP management conducted a management presentation to the DCP Conflicts Committee and its advisors
- On October 10, 2022, projected financial forecast and estimated incremental efficiencies were provided to Evercore
- Between November 2, 2022 and December 22, 2022, the DCP Conflicts Committee and PSX exchanged proposals
- On December 31, 2022, PSX and the DCP Conflicts Committee agreed to PSX's final counteroffer of \$41.75 per common unit in cash

## Summary of Proposals

Proposal	Date	DCP Closing Price (Previous Day)	Proposal Offer Price	Offer Price Implied Premium to DCP Unit Price as of:													
				8/17/22	11/2/22	11/11/22	11/23/22	11/28/22	12/1/22	12/6/22	12/14/22	12/16/22	12/17/22	12/19/22	12/19/22 <sup>(1)</sup>	12/22/22	12/31/22
Initial PSX Offer	8/17/22	\$34.75 <sup>(1)</sup>	\$34.75	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1st DCP CC Counter	11/2/22	\$39.14	\$49.00	41.0%	25.2%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1st PSX Counter	11/11/22	\$39.49	\$38.25	10.1%	(2.3%)	(3.1%)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2nd DCP CC Counter	11/23/22	\$38.49	\$47.25	36.0%	20.7%	19.7%	22.8%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2nd PSX Counter	11/28/22	\$39.00	\$39.25	12.9%	0.3%	(0.6%)	2.0%	0.6%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3rd DCP CC Counter	12/1/22	\$39.34	\$46.25	33.1%	18.2%	17.1%	20.2%	18.6%	17.6%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
3rd PSX Counter	12/6/22	\$39.27	\$39.75	14.4%	1.6%	0.7%	3.3%	1.9%	1.0%	1.2%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
4th DCP CC Counter	12/14/22	\$39.09	\$44.75	28.8%	14.3%	13.3%	16.3%	14.7%	13.8%	14.0%	14.5%	N/A	N/A	N/A	N/A	N/A	N/A
4th PSX Counter	12/16/22	\$38.12	\$40.50	16.5%	3.5%	2.6%	5.2%	3.6%	2.9%	3.1%	3.6%	6.2%	N/A	N/A	N/A	N/A	N/A
5th DCP CC Counter	12/17/22	\$38.74	\$43.25	24.5%	10.5%	9.5%	12.4%	10.9%	9.9%	10.1%	10.6%	13.5%	11.6%	N/A	N/A	N/A	N/A
5th PSX Counter	12/19/22	\$38.74	\$41.00	18.0%	4.8%	3.8%	6.5%	5.1%	4.2%	4.4%	4.9%	7.6%	5.8%	5.8%	N/A	N/A	N/A
6th DCP CC Counter	12/19/22	\$38.31 <sup>(1)</sup>	\$42.75	23.0%	9.2%	8.3%	11.1%	9.6%	8.7%	8.9%	9.4%	12.1%	10.4%	10.4%	11.6%	N/A	N/A
6th PSX Counter	12/22/22	\$38.31	\$41.75	20.1%	6.7%	5.7%	8.5%	7.1%	6.1%	6.3%	6.8%	9.5%	7.8%	7.8%	9.0%	9.0%	N/A
Final Agreement	12/31/22	\$38.79	\$41.75	20.1%	6.7%	5.7%	8.5%	7.1%	6.1%	6.3%	6.8%	9.5%	7.8%	7.8%	9.0%	9.0%	7.6%

Source: Factset as of 12/30/2022.

1. Reflects same-day, undisturbed closing price (offer made after market close).



## Selected Meeting Overview

Meeting Detail		
Meeting	Date	Attendees
DCP Forecast Model Discussion	9/26/2022	PSX, DCP, Barclays
Initial Management Presentation	9/29/2022	PSX, DCP, Barclays, Bracewell, Evercore, Conflicts Committee
DCP Forecast Model Discussion	10/6/2022	PSX, DCP, Barclays
Evercore Diligence Call	10/24/2022	PSX, DCP, Barclays, Bracewell, Evercore
Barclays / Evercore Input Discussion	11/6/2022	Barclays, Evercore
Evercore Discussion with DCP Management	11/21/2022	PSX, DCP, Barclays, Bracewell, Evercore



# DCP | Purchase Price Ratio Analysis

Purchase Price Ratio Analysis																
(\$ in millions, except per share data)																
	PSX SQ 9/30/22	DCP SQ 12/31/22	Initial Offer (8/17/22)	1st PSX Counter (11/11/22)	2nd PSX Counter (11/29/22)	3rd PSX Counter (12/6/22)	4th PSX Counter (12/16/22)	5th PSX Counter (12/19/22)	6th PSX Counter (12/22/22)	Final Agreement (12/31/22)	8th DCP CC Counter (12/19/22)	9th DCP CC Counter (12/17/22)	10th DCP CC Counter (12/14/22)	11th DCP CC Counter (12/1/22)	12th DCP CC Counter (11/23/22)	13th DCP CC Counter (11/2/22)
Price as of 12/30/22	\$104.08	\$38.79	\$34.75	\$38.25	\$39.25	\$39.75	\$40.50	\$41.00	\$41.75	\$41.75	\$42.75	\$43.25	\$44.75	\$46.25	\$47.25	\$49.00
Premium / (Discount) to Undisturbed Price (8/17/22)	15.8%	\$89.87	11.6%	\$34.75	-	10.1%	12.9%	14.4%	16.5%	18.0%	20.1%	23.0%	24.5%	26.8%	33.1%	41.0%
Premium / (Discount) to 52-Week High	(8.3%)	\$113.53	(3.6%)	\$40.23	(13.6%)	(4.9%)	(2.4%)	(1.2%)	0.7%	1.9%	3.8%	6.3%	7.3%	11.2%	15.0%	21.8%
Premium / (Discount) to 52-Week VWAP	15.6%	\$90.04	10.3%	\$35.15	(1.1%)	8.8%	11.7%	13.1%	15.2%	16.6%	18.8%	21.6%	23.0%	27.3%	31.6%	39.4%
Premium / (Discount) to Median Analyst Target Price	(13.3%)	\$120.00	(13.8%)	\$45.00	(22.8%)	(15.0%)	(12.8%)	(11.7%)	(10.0%)	(8.9%)	(7.2%)	(5.0%)	(3.9%)	(0.6%)	2.8%	8.9%
Common Shares / Units Outstanding	478.1	208.4	208.4	208.4	208.4	208.4	208.4	208.4	208.4	208.4	208.4	208.4	208.4	208.4	208.4	208.4
Total Equity Value	\$49,764	\$8,084	\$7,242	\$7,971	\$8,190	\$8,284	\$8,440	\$8,544	\$8,701	\$8,791	\$9,009	\$9,013	\$9,326	\$9,638	\$9,847	\$10,211
Total Debt	17,804	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331	5,331
Preferred Equity	271	271	271	271	271	271	271	271	271	271	271	271	271	271	271	271
Non-Controlling Interest	5,076	25	25	25	25	25	25	25	25	25	25	25	25	25	25	25
Cash	(3,744)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Enterprise Value	\$68,900	\$13,711	\$12,889	\$13,598	\$13,807	\$13,911	\$14,067	\$14,171	\$14,328	\$14,328	\$14,536	\$14,640	\$14,953	\$15,265	\$15,474	\$15,839
Public Units Outstanding	90.6	90.6	90.6	90.6	90.6	90.6	90.6	90.6	90.6	90.6	90.6	90.6	90.6	90.6	90.6	90.6
Total Value of Public Units	\$3,515	\$3,149	\$3,466	\$3,556	\$3,662	\$3,670	\$3,715	\$3,783	\$3,783	\$3,783	\$3,874	\$3,919	\$4,055	\$4,191	\$4,281	\$4,448
Implied Exchange Ratio		0.373x	0.334x	0.368x	0.377x	0.382x	0.388x	0.394x	0.401x	0.401x	0.411x	0.416x	0.430x	0.444x	0.454x	0.471x
Enterprise Value as a Multiple of:																
Adj. EBITDA		Data	Data													
2022E	\$9,671	7.1x	\$1,749	7.8x	7.4x	7.8x	7.9x	8.0x	8.1x	8.2x	8.3x	8.4x	8.5x	8.7x	8.8x	9.1x
2023E	\$8,096	8.5x	\$1,698	8.1x	7.6x	8.0x	8.1x	8.2x	8.3x	8.4x	8.6x	8.6x	8.8x	9.0x	9.1x	9.3x
2024E	\$6,185	8.4x	\$1,578	8.7x	8.2x	8.6x	8.8x	8.8x	8.9x	9.0x	9.1x	9.1x	9.2x	9.3x	9.5x	10.0x
Yield Analysis:																
Levered Free Cash Flow																
2022E	\$12.72	12.2%	\$3.04	7.8%	8.7%	7.9%	7.7%	7.8%	7.5%	7.4%	7.3%	7.3%	7.1%	7.0%	6.8%	6.4%
2023E	\$9.62	9.2%	\$3.60	9.3%	10.4%	9.4%	9.2%	9.1%	8.9%	8.8%	8.6%	8.6%	8.4%	8.3%	8.1%	7.8%
2024E	\$9.58	9.2%	\$3.59	9.3%	10.3%	9.4%	9.1%	9.0%	8.9%	8.8%	8.6%	8.6%	8.4%	8.3%	8.0%	7.8%
Dividends		LGA														
2022E	\$3.88	3.7%	\$1.72	4.4%	4.9%	4.5%	4.4%	4.3%	4.2%	4.1%	4.1%	4.1%	4.0%	4.0%	3.8%	3.5%
2023E	\$3.75	3.6%	\$1.68	4.3%	4.8%	4.4%	4.3%	4.2%	4.1%	4.1%	4.0%	3.9%	3.9%	3.8%	3.6%	3.4%
2024E	\$3.90	3.7%	\$1.72	4.4%	4.9%	4.5%	4.4%	4.3%	4.2%	4.1%	4.1%	4.0%	4.0%	3.8%	3.7%	3.5%
2024E	\$4.13	4.0%	\$1.72	4.4%	4.9%	4.5%	4.4%	4.3%	4.2%	4.1%	4.1%	4.0%	4.0%	3.8%	3.7%	3.5%
Leverage																
Total Debt / Adj. EBITDA																
2022E	\$9,671	1.8x	\$1,749	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x
2023E	\$8,096	2.2x	\$1,698	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x
2024E	\$6,185	2.2x	\$1,578	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x
Net Debt / Adj. EBITDA																
2022E	\$9,671	1.5x	\$1,749	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x
2023E	\$8,096	1.7x	\$1,698	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x	3.1x
2024E	\$6,185	1.7x	\$1,578	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x	3.4x

Source: DCP projections and 12/31/22 balance sheet per DCP Management, provided 10/10/2022. PSX projections per Bloomberg consensus estimates as of 6/15/2022. Market data as of 12/30/2022.





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**Delaware Revised Uniform Limited Partnership Act****Delaware Code Title 6 § 17-212:**

Unless otherwise provided in a partnership agreement or an agreement of merger or consolidation or a plan of merger or a plan of division, no appraisal rights shall be available with respect to a partnership interest or another interest in a limited partnership, including in connection with any amendment of a partnership agreement, any merger or consolidation in which the limited partnership or a registered series of the limited partnership is a constituent party to the merger or consolidation, any division of the limited partnership, any conversion of the limited partnership to another business form, any conversion of a protected series of the limited partnership to a registered series of such limited partnership, any conversion of a registered series of the limited partnership to a protected series of such limited partnership, any transfer to or domestication or continuance in any jurisdiction by the limited partnership, or the sale of all or substantially all of the limited partnership's assets. The Court of Chancery shall have jurisdiction to hear and determine any matter relating to any appraisal rights provided in a partnership agreement or an agreement of merger or consolidation or a plan of merger or a plan of division.

## CALCULATION OF FILING FEE TABLES

Table 1: Transaction Valuation

	Proposed Maximum Aggregate Value of Transaction	Fee rate	Amount of Filing Fee
Fees to Be Paid	\$3,794,537,385.25(1)	0.00011020	\$418,158.02(2)
Fees Previously Paid	\$0		\$0
<b>Total Transaction Valuation</b>	\$3,794,537,385.25		
<b>Total Fees Due for Filing</b>			\$418,158.02
<b>Total Fees Previously Paid</b>			\$0
<b>Total Fee Offsets</b>			\$418,158.02(3)
<b>Net Fee Due</b>			\$0

Table 2: Fee Offset Claims and Sources

	Registrant or Filer Name	Form or Filing Type	File Number	Initial Filing Date	Filing Date	Fee Offset Claimed	Fee Paid with Fee Offset Source
Fee Offset Claims		PREM14C	001-32678	March 22, 2023		\$418,158.02	
Fee Offset Sources	DCP Midstream, LP	PREM14C	001-32678		March 22, 2023		\$418,158.02(3)

- (1) Calculated solely for the purpose of determining the filing fee in accordance with Rule 0-11(b)(1) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). The transaction valuation (the “Transaction Valuation”) is calculated based on the product of 90,887,123 common units (“Common Units”) representing limited partner interests in DCP Midstream, LP held by the public unitholders (calculated based on 208,649,649 total outstanding Common Units less the sum of 50,874,908 Common Units held by DCP Midstream, LLC and 66,887,618 Common Units held by DCP Midstream GP, LP) multiplied by the per Common Unit merger consideration of \$41.75.
- (2) The filing fee, calculated in accordance with Rule 0-11 of the Exchange Act, is calculated by multiplying the Transaction Valuation by 0.00011020.
- (3) DCP Midstream, LP previously paid \$418,158.02 upon the filing of its Information Statement on Schedule 14C on March 22, 2023 in connection with the transaction reported hereby.