



COMMITTED to SUSTAINABILITY

Investor Presentation

June 2016



dcp
Midstream Partners

Forward-Looking Statements

Under the Private Securities Litigation Act of 1995

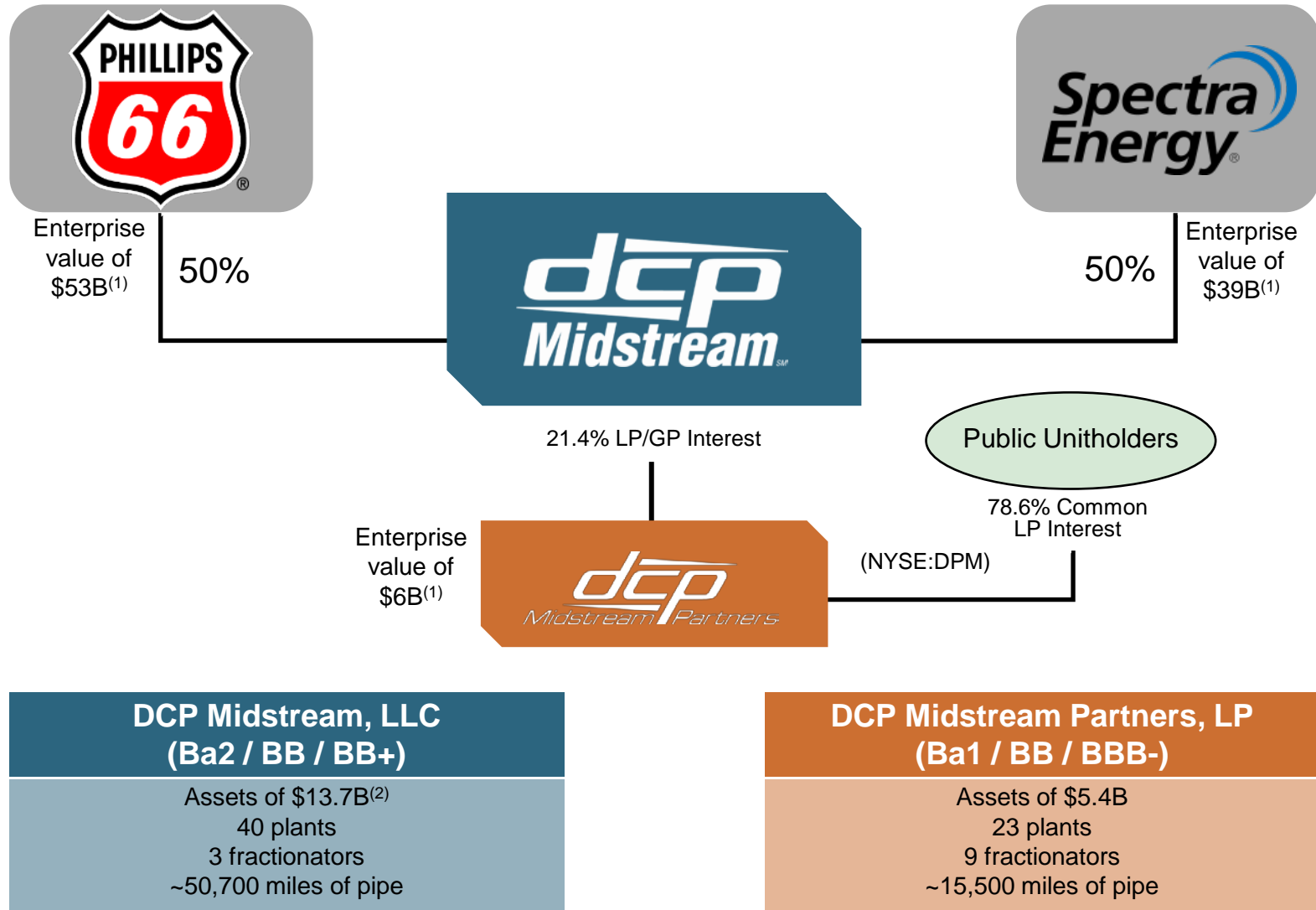
This document may contain or incorporate by reference forward-looking statements as defined under the federal securities laws regarding DCP Midstream Partners, LP (the “Partnership” or “DPM”), including projections, estimates, forecasts, plans and objectives. Although management believes that expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct. In addition, these statements are subject to certain risks, uncertainties and other assumptions that are difficult to predict and may be beyond our control. If one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect, the Partnership’s actual results may vary materially from what management anticipated, estimated, projected or expected.

The key risk factors that may have a direct bearing on the Partnership’s results of operations and financial condition are highlighted in the earnings release to which this presentation relates and are described in detail in the Partnership’s periodic reports most recently filed with the Securities and Exchange Commission, including its most recent Form 10-Q and 10-K. Investors are encouraged to consider closely the disclosures and risk factors contained in the Partnership’s annual and quarterly reports filed from time to time with the Securities and Exchange Commission. The Partnership undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Information contained in this document speaks only as of the date hereof, is unaudited, and is subject to change.

Regulation G

This document includes certain non-GAAP financial measures as defined under SEC Regulation G, such as distributable cash flow, adjusted EBITDA, adjusted segment EBITDA, adjusted net income attributable to partners, and adjusted net income per limited partner unit. A reconciliation of these measures to the most directly comparable GAAP measures is included in the Appendix to this presentation.

The DCP Enterprise



Note: All ownership and stats data as of March 31, 2016

(1) Source: Bloomberg as of March 31, 2016

(2) Assets are consolidated, including DPM

DCP Enterprise: Industry-Leading Position

6.9

382

Natural Gas gathered/
transported (Tbtu/d)⁽¹⁾

NGL Production
(MBbl/d)⁽¹⁾

DJ Basin

Antrim

Marcellus

Wattenberg

Conway

Front Range

Midcontinent

~66,200
miles of pipeline⁽²⁾

63
plants⁽²⁾

Permian
Basin

Texas
Express

Southern Hills

Panola

Black Lake

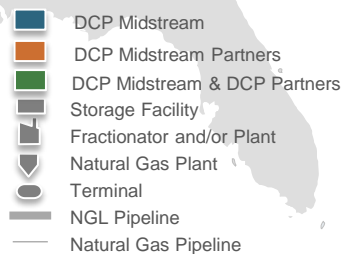
Sand Hills

Eagle
Ford

Seabreeze/
Wilbreeze

Mont Belvieu

Keathley
Canyon



Leading integrated
G&P company

- Strong assets ... core areas
- Low-cost service provider
- Strong capital efficiency and utilization
- High quality customers and producers
- Proven track record of strategy execution

(1) For the quarter ended March 31, 2016, consolidated, including DPM

(2) Statistics include all assets in service as of March 31, 2016, and are consolidated, including DPM

Must-run business with competitive footprint and geographic diversity

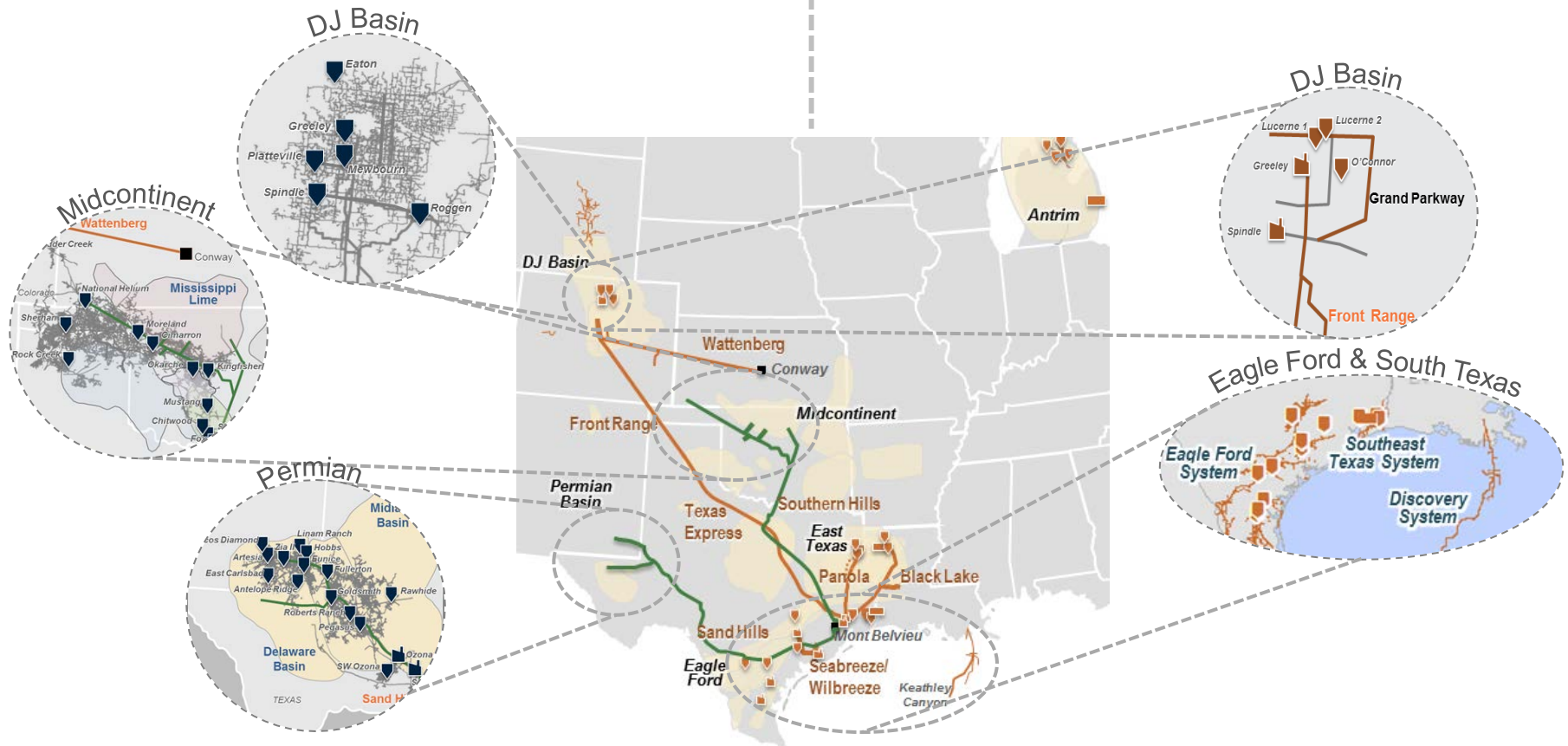
DCP Enterprise: Premier Footprint

DCP Midstream, LLC

- ~\$8 billion of assets
 - 1/3rd interest in Sand Hills & Southern Hills
- Converting assets to fee-based
- **Low cost, reliable, stabilized cash flows**

DCP Midstream Partners (DPM)

- ~\$5 billion of assets
- Strong fee-based asset portfolio
- Logistics assets poised for uplift
- **Preferred growth vehicle for DCP enterprise**



DCP's leadership position in premier basins provides DPM with organic growth and asset footprint expansion opportunities

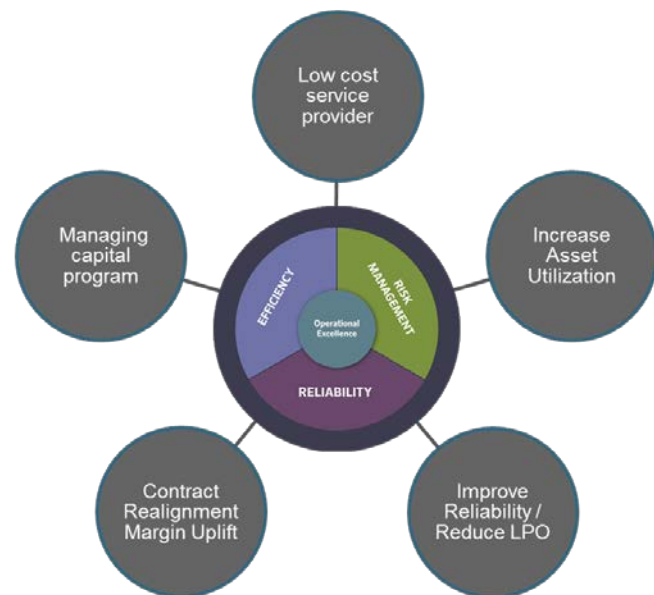
DCP Enterprise: DPM and DCP Midstream are Aligned

Strategy
Aligned

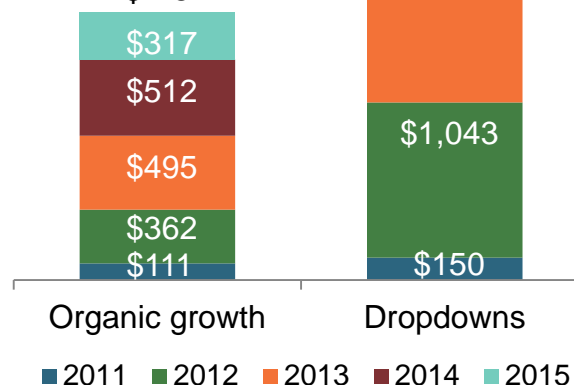
Drives strong
growth at DPM

Delivering
sustainable
distributions

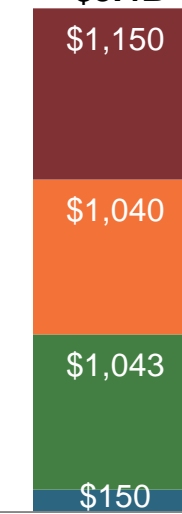
DCP 2020



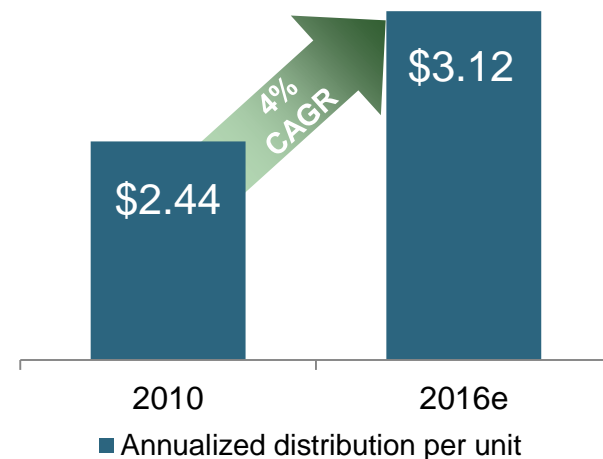
Organic growth ~\$1.8B



Dropdowns ~\$3.4B



DPM annual distribution paid per unit



Strong sponsor support drives sustainable growth

- Size and scale of DPM assets have grown through GP support
- DCP Midstream assets more fee-based and MLP friendly

DCP 2020 Strategy execution benefits both DCP Midstream and DPM

DCP Enterprise: DCP 2020 Strategy Execution

Pre-2015
~\$0.60/gal
Breakeven NGL price

2016e
~\$0.35/gal
Breakeven NGL price

2016+
~\$0.30/gal
Breakeven NGL price

~\$200MM
Annualized Base Cost
Reductions in 2015 & 2016e

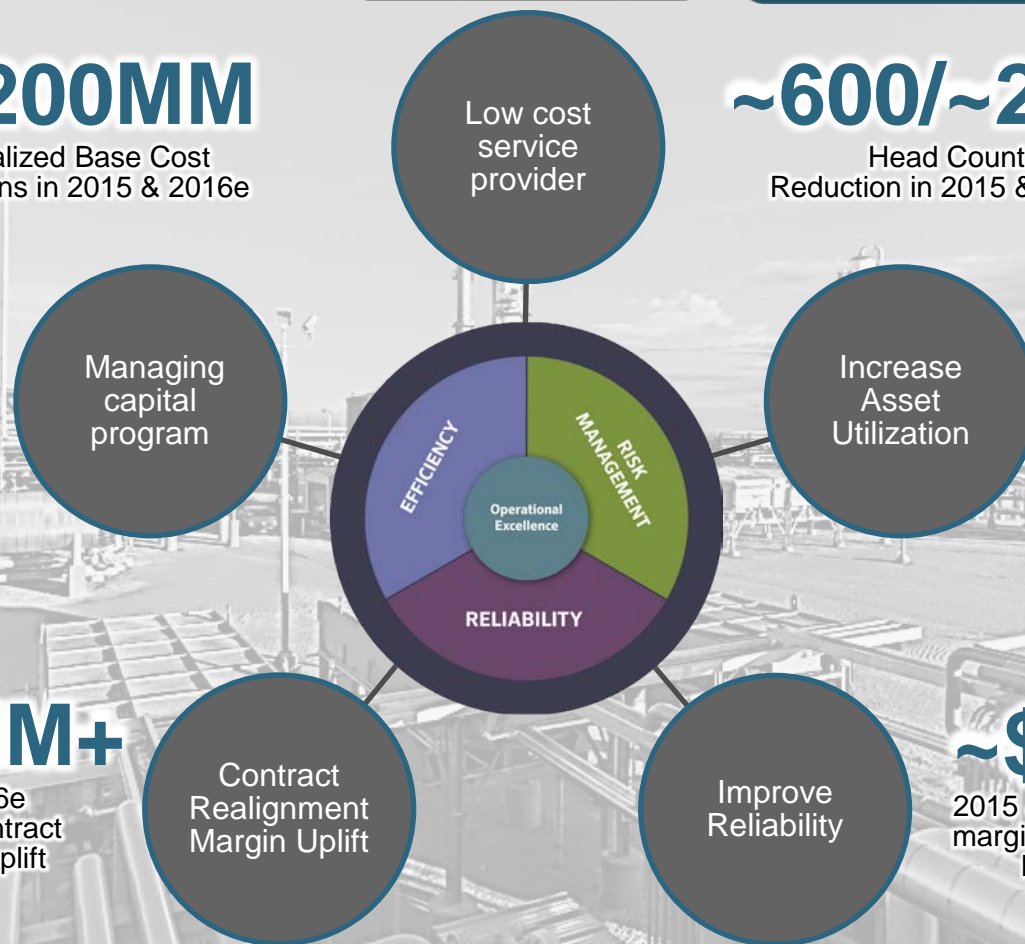
~600/~20%
Head Count
Reduction in 2015 & 2016e

\$250MM
2016e Capital Budget

5%
Increase to
2015 total
capacity utilization

\$120MM+
2015 & 2016e
annualized contract
realignment uplift


~\$80MM
2015 & 2016e annualized
margin improvement from
better reliability



DCP 2020 driving lower breakeven for long-term sustainability ...
benefitting both DCP Midstream and the Partnership

Key Basin Customer & Contract Profiles

DJ Basin Life of Lease

- Top producers:
 - Noble Energy
 - PDC Energy
 - Anadarko
 - Extraction
- 2016e volumes 

DJ Basin/North

Midcontinent

Permian

Eagle Ford / South

Midcon

Low pressure to wellhead

- Top producers:
 - Newfield
 - ConocoPhillips
 - Apache
 - Devon
- 2016e volumes:
 - SCOOP/STACK 
 - Overall 

Eagle Ford

Long-Term Contracts to 2022

- Top producers:
 - Marathon
 - ConocoPhillips
 - Murphy
 - Pioneer
- 2016e volumes
 - 15-20% 

Permian Low pressure to wellhead

- Top producers:
 - Devon
 - Cimarex
 - ConocoPhillips
 - Oxy
- 2016 volumes 

- DCP Midstream
- DCP Midstream Partners
- Storage Facility
- Fractionator and/or Plant
- Natural Gas Plant
- NGL Pipeline
- Natural Gas Pipeline

Marketing & Logistics: NGL Pipelines Long-term contracts: 15-20 years

- Primary Shipper is DCP Midstream
- NGL opportunities from crackers/exports
- Volume outlook 

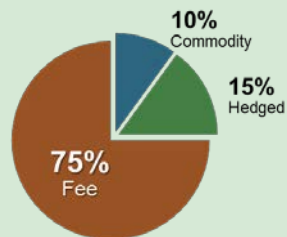
Strong producers ... limited re-contracting risk ... in a must-run business

DCP Enterprise Liquidity and Financial Position

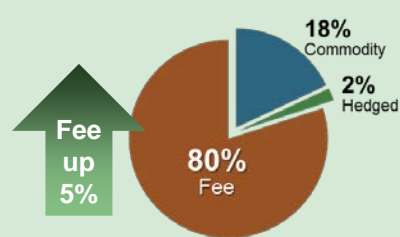
DCP Midstream Partners (DPM)

- **Ample liquidity**
 - \$1.25 Billion credit facility matures May 2019
 - Next bond maturity December 2017 (\$500MM)
- **Strong balance sheet & healthy distribution coverage**
 - 3.2x credit facility leverage (3/31/16)⁽¹⁾
 - 1.24x distribution coverage ratio (TTM 3/31/16)
- **Stabilizing cash flows with growing fee based margins**
 - 2016 Margin: 75% fee-based / 15% hedged
 - 2017e Margin: 80% fee-based / 2 % hedged

2016e Margin



2017e Margin

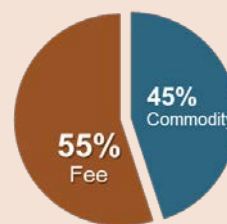


(1) As defined in Revolving Credit Facility – includes EBITDA Project Credits and other adjustments

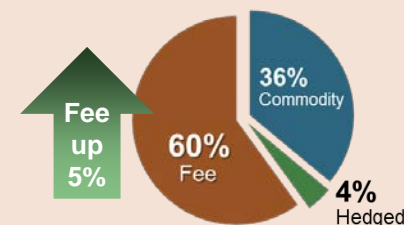
DCP Midstream, LLC

- **Ample liquidity**
 - New \$700 million credit facility matures May 2019
 - Next bond maturity March 2019 (\$450MM)
- **Cash flow positive in low price environment**
 - Lowering NGL breakeven to \$0.30 / gallon
 - DCP 2020 execution generating EBITDA uplift
- **Stabilizing cash flows with growing fee based margins:**
 - 2016 Margin: 55% fee-based
 - 2017e Margin: 60% fee-based / ~4% hedged

2016e Margin



2017e Margin



Current environment generating positive cash flow ... pivoting for recovery

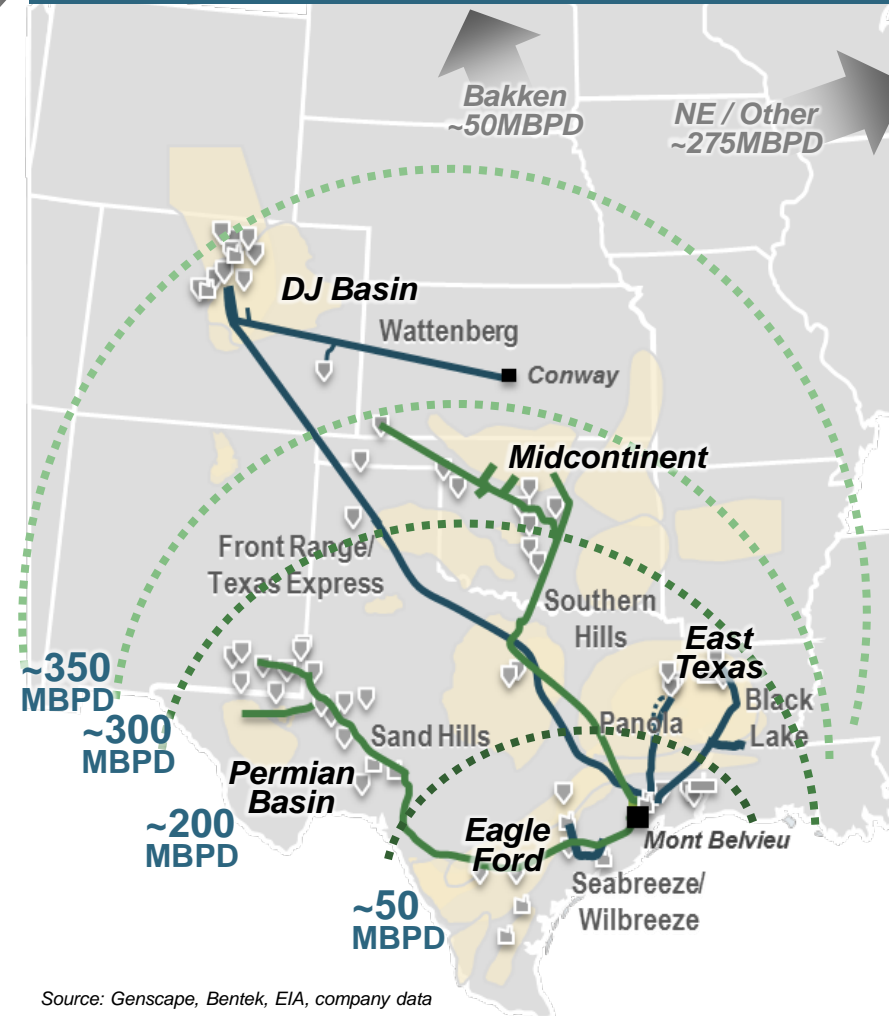
2017-2018 Ethane Recovery Opportunity

- Over 650,000 barrels per day (bpd) of ethane being rejected in the lower 48
 - ~350,000 bpd rejected around DCP's footprint
- Demand-pull projects expected to increase Gulf Coast ethane demand by 700,000+ bpd YE'18
 - 6 new world-scale petchem steam crackers online 2017-2018 ... ethane only feedstock
 - Multiple petchem expansions
 - Ethane exports from Gulf Coast beginning in 2016
- Basins closest to Mont Belvieu will benefit first from ethane recovery
- DCP enterprise well positioned for potential upside from new ethane demand

- NGL pipelines poised for volume / margin uplift
 - **~\$75-\$100** million uplift potential*
- G&P contracts benefit from ethane price uplift

* Represents the DCP enterprise's ownership interest in NGL pipelines

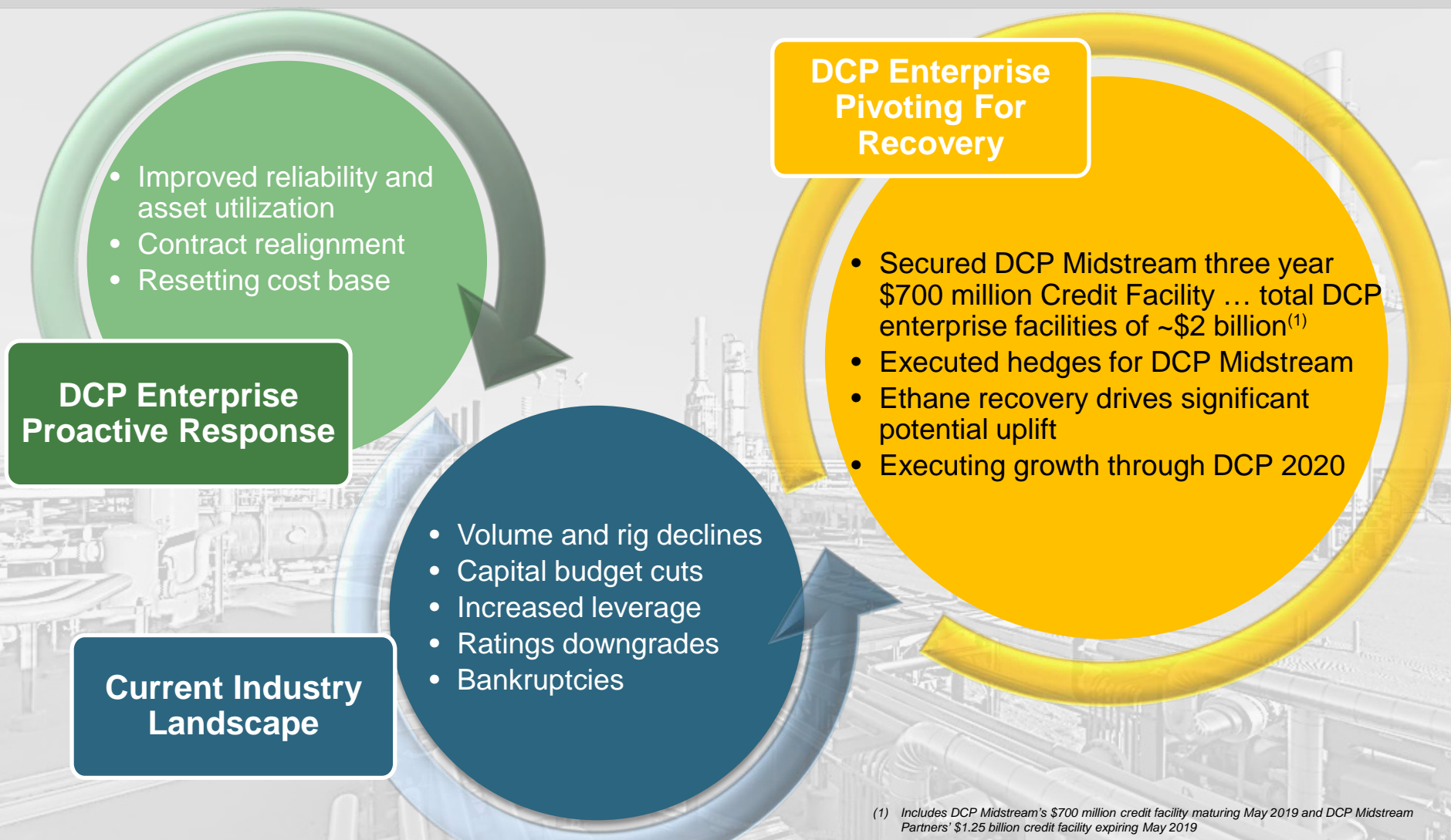
DCP enterprise rejecting ~60,000 – 65,000 bpd



Source: Genscape, Bentek, EIA, company data

DCP enterprise positioned to benefit from both commodity uplift as well as product flow

DCP Enterprise: Pivoting for Recovery

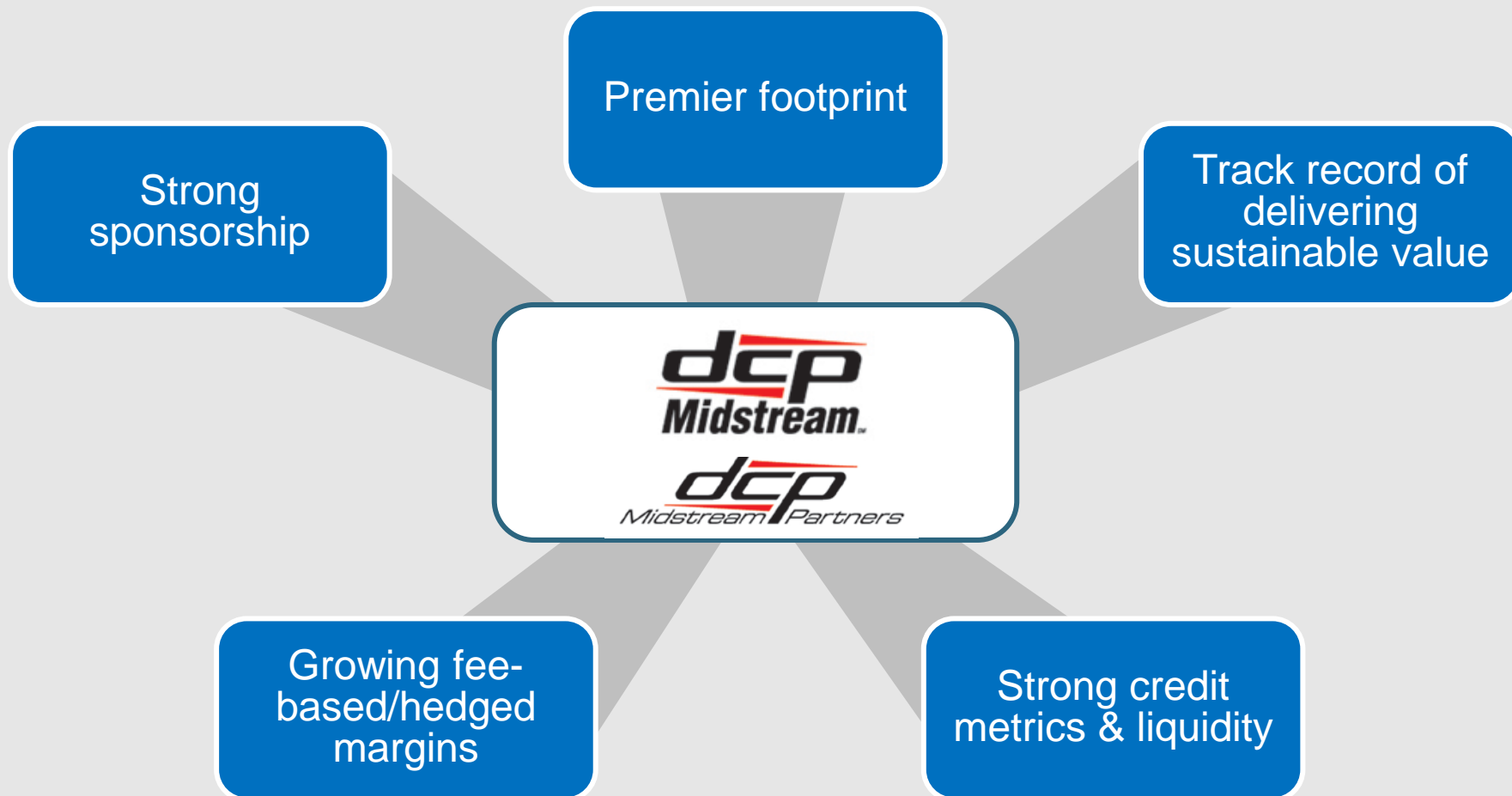


Proactive response and strong execution is building DCP enterprise long-term sustainability ... pivoting and capturing benefits in recovery

DCP Midstream Enterprise provides a Compelling Investment Opportunity in DPM



A strong DCP Midstream equals a strong DPM



Well-positioned to deliver sustainable value to investors in the current environment and beyond



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Supplemental information appendix

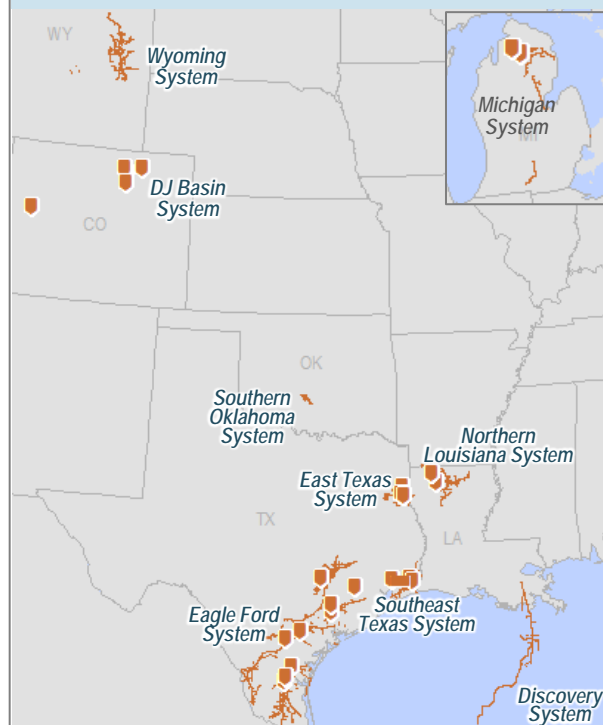


dcp
Midstream Partners

DCP Midstream Partners: Business Segments

Natural Gas Services⁽¹⁾

23 Plants, 5 Fractionators
~11,160 miles of pipelines
Net processing capacity⁽²⁾: ~3.7 Bcf/d
Natural Gas Storage Capacity: 13 Bcf



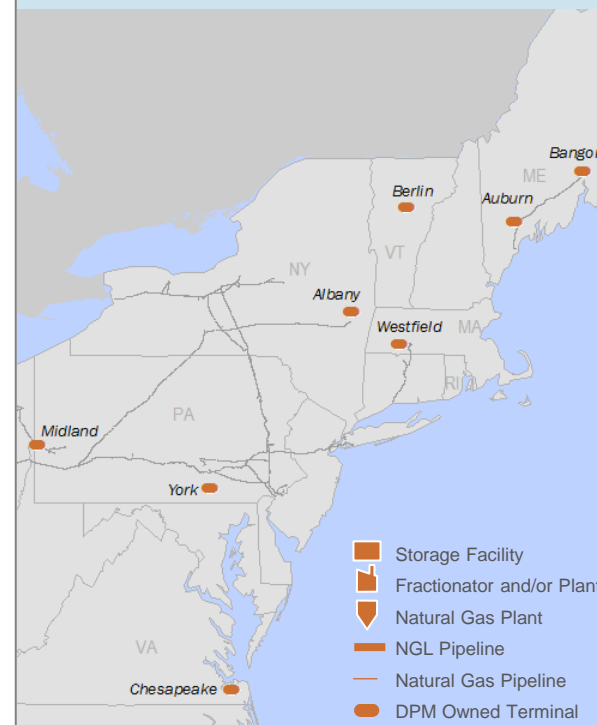
NGL Logistics⁽¹⁾

4 Fractionators
~4,360 miles of NGL pipelines
Net NGL pipeline throughput capacity⁽²⁾: ~466 MBbls/d
NGL Storage capacity: ~8 MMBbls



Wholesale Propane Logistics⁽¹⁾

Owned Terminals:
6 rail, 1 marine, 1 pipeline
Net Storage Capacity: ~550 MBbls



- Storage Facility
- ▤ Fractionator and/or Plant
- ◆ Natural Gas Plant
- NGL Pipeline
- Natural Gas Pipeline
- DPM Owned Terminal

(1) Statistics include assets in service as of March 31, 2016

(2) Represents total throughput allocated to our proportionate ownership share

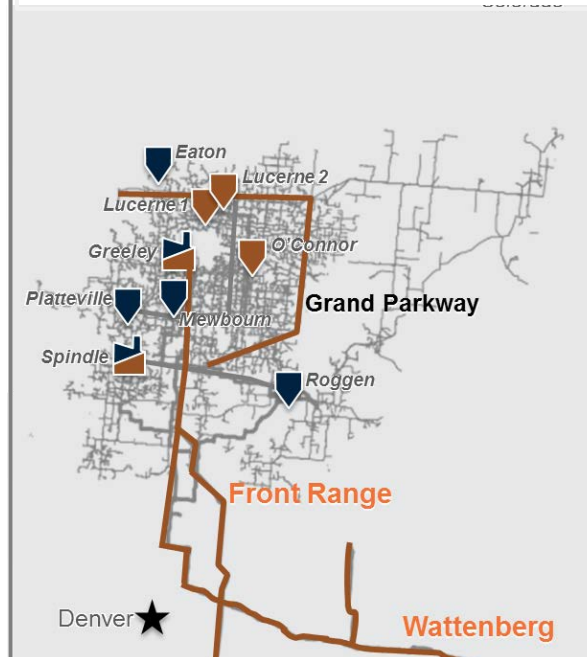
(3) Other includes the following systems: Southeast Texas, Michigan, North Louisiana, Southern Oklahoma, Wyoming and Piceance.

Strength & diversity of asset portfolio driving solid volume performance

DCP Enterprise: Gathering & Processing Assets

DCP & DPM in the DJ Basin

9 Gas Processing Plants, 2 Fractionators
~3,500 miles of pipelines
~800 MMcf/d processing capacity⁽¹⁾
~70 MBbls/d NGL production



Recent Developments

- DPM: 200 MMcf/d Lucerne 2 Plant – Q2'15
- DPM: Grand Parkway gathering system reducing field pressures – Q1'16

Logistics Opportunities

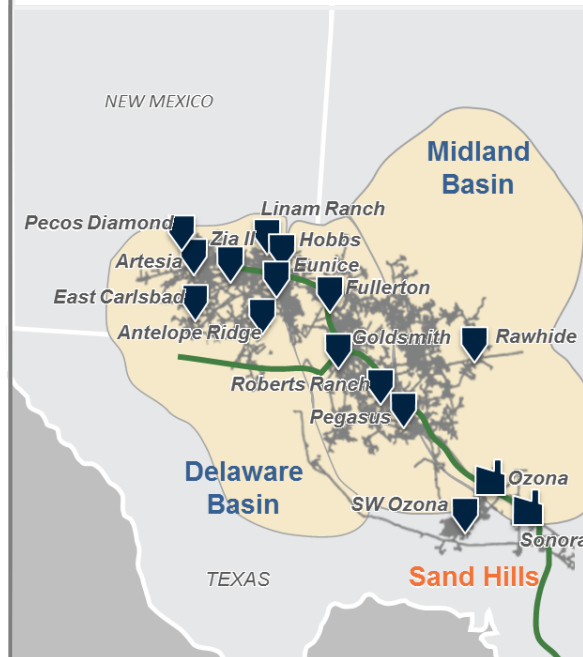
- DPM: Connecting new volumes to Front Range/Texas Express pipelines

Acreage Dedications

- DCP/Producer contracts are life of lease acreage dedications

DCP in the Permian

16 Gas Processing Plants, 2 fractionators
~16,300 miles of pipelines
~1.5 Bcf/d processing capacity⁽¹⁾
~95 MBbls/d NGL production



Recent Developments

- 200MMcf/d Zia II Plant – Q3'15

G&P Opportunities

- Further integrate systems

Logistics Opportunities

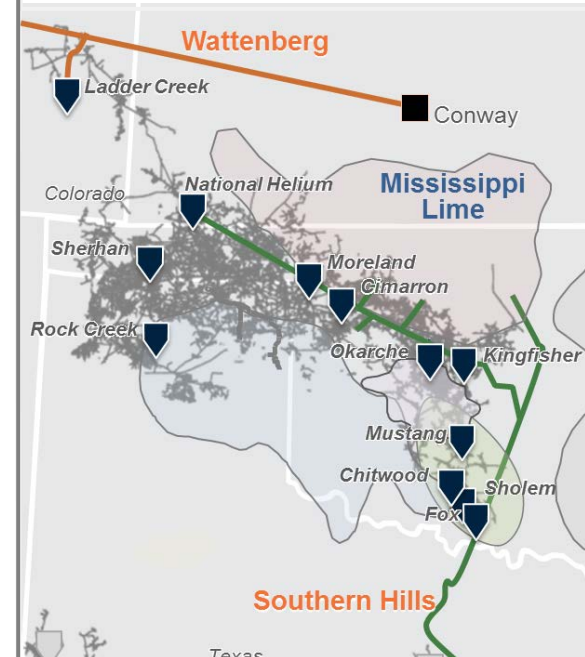
- Capacity expansion through pump stations
- Plant connections to Sand Hills

Acreage Dedications

- DCP/Producer contracts hold in excess of 10 million dedicated acres in the Permian

DCP in the Midcontinent

12 Gas Processing Plants
~29,900 miles of pipelines
1.8 Bcf/d processing capacity⁽¹⁾
~95 MBbls/d NGL production



Recent Developments

- National Helium Upgrade—increased NGL production capabilities & efficiencies – Q4'15

Logistics Opportunities

- Plant connections to Southern Hills
- Gathering system expansions: focus on integrated system hydraulics



Note: Statistics include assets in service as of March 31, 2016, and are consolidated, including DPM
(1) Represents total net capacity or throughput allocated to our proportionate ownership share

DCP Midstream Partners: 2016 Outlook

| DCP Midstream Partners | 2016 Target |
|-------------------------------|-------------|
| DPM Adjusted EBITDA (\$MM) | \$ 565-595 |
| DPM DCF (\$MM) | \$ 465-495 |
| Annual Distribution (\$/unit) | \$ 3.12 |

2016e DPM Assumptions

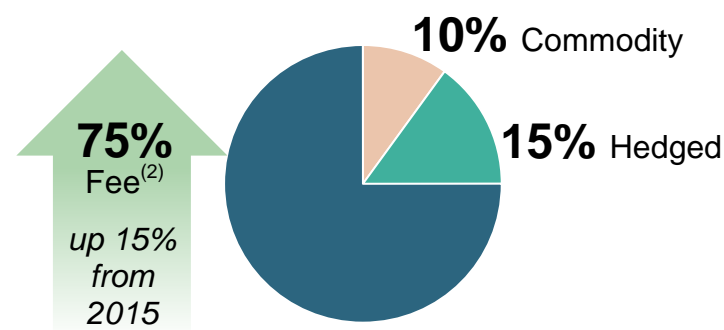
- Distribution coverage ratio ~1.0x
- Distribution flat to 2015 at \$3.12/unit annualized
- Overall volumes down slightly to 2015
 - Volume growth from higher margin DJ and Discovery systems, offset by declines in Eagle Ford and other lower margin areas
- Minimal committed capital – expect to be at low end of the range
- Increase in fee-based cash flows to 75%
- No direct commodity exposure to crude prices
- Ample liquidity under credit facility
- No public debt or equity offerings required
- Bank Debt-to-EBITDA ratio of less than 4.0x

(1) Expect to be at lower end of the range

(2) Fee includes NGL, propane and gas marketing which depend on price spreads rather than nominal price level.

| Capital Outlook (\$MM) | 2016 Target ⁽¹⁾ |
|------------------------|----------------------------|
| DPM Growth CapEx | \$ 75-150 |
| DPM Maintenance CapEx | \$ 30-45 |

2016e DPM Margin



2016e DPM Commodity Sensitivities

| | Assumption | Price Change | Includes Hedges (\$MM) |
|-------------------------------|------------|--------------|------------------------|
| NGLs (\$/Gal) | \$0.42 | +/- \$0.01 | ~\$1 |
| Natural Gas (\$/Mmbtu) | \$2.50 | +/- \$0.10 | ~\$1 |
| Crude Oil (\$/Bbl) | \$45 | +/- \$1.00 | ~ neutral |

DCP Midstream Partners: Credit Metrics and Liquidity

Strong Credit Metrics

3/31/16

| | |
|---|--------|
| Credit Facility Leverage Ratio ⁽¹⁾ (max 5.0x) | 3.2x |
| Distribution Coverage Ratio (Paid) (TTM 3/31/16) | ~1.24x |
| Distribution Coverage Ratio (Paid) (Q1'16) | ~1.36x |
| Effective Interest Rate | 3.6% |

Capitalization & Liquidity

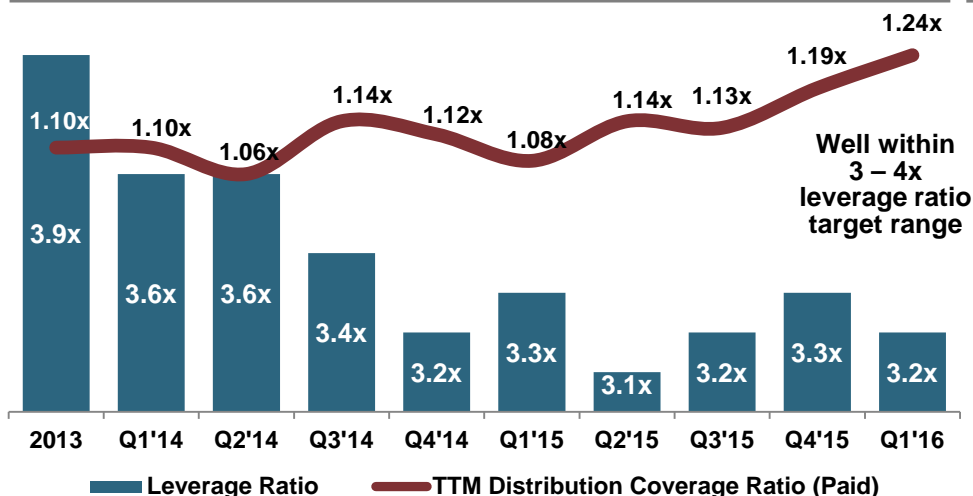
\$1.25 billion credit facility

- \$922 million available at 3/31/16
- \$327 million outstanding at 3/31/16

\$2.38 billion long term debt at 3/31/16

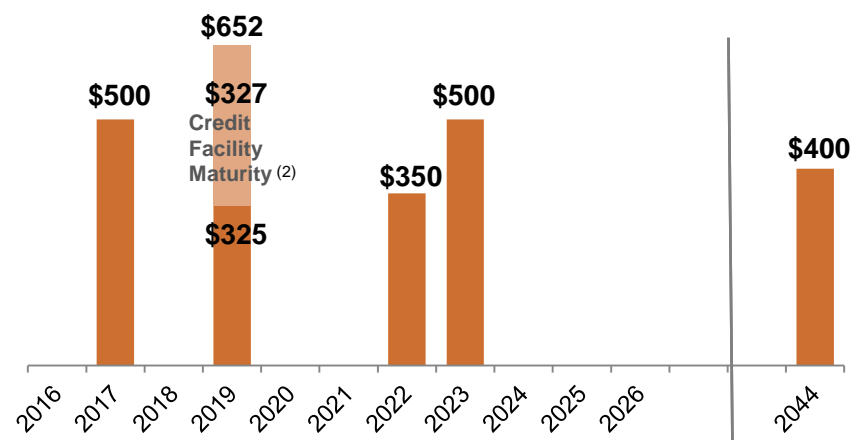
- Includes borrowings under the credit facility
- Next bond maturity Dec'17

Strong leverage and distribution coverage ratios



Long term debt maturity schedule

(\$MM)



⁽¹⁾ As defined in Revolving Credit Facility – includes EBITDA Project Credits and other adjustments

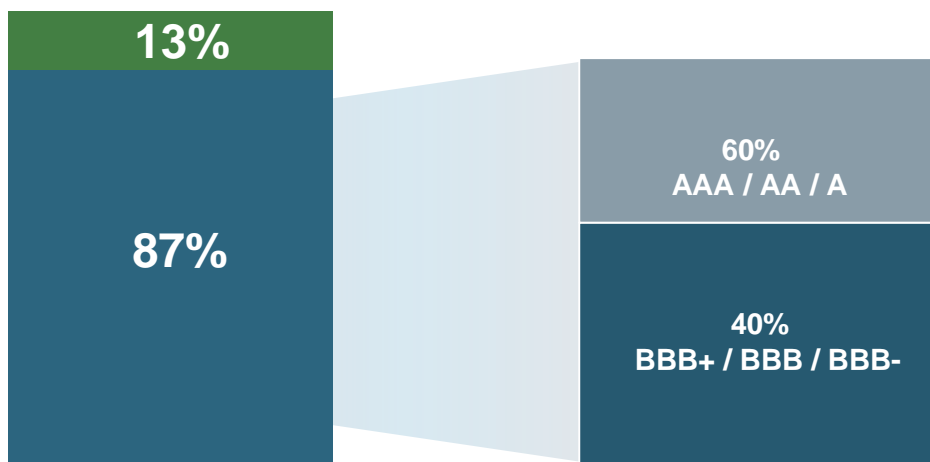
⁽²⁾ Borrowings outstanding under the Revolving Credit Facility as of 3/31/16; Facility matures May 1, 2019

Stable balance sheet, ample liquidity, and healthy distribution coverage

DCP Midstream Partners: Quality Customers and Producers

Customers Credit profile⁽¹⁾

Exposure by Credit Rating



■ I/G, I/G equivalent or secured by collateral

■ Non-I/G – unsecured

(1) Based on review of highest credit exposures in Q1 '16



Top Producers

Limited Counterparty Risk



- No single customer accounted for more than 10% of total revenues
- Contract structure limits risk – we hold the cash and remit proceeds back to producer less a fee
- Contracts at market prices

Strong customers and producers in a must run business

Hedge Position and Commodity Sensitivities

2016e DPM Hedged Commodity Sensitivities

| | Commodity Price Assumption | Price Change | Q2-Q4 2016 (\$MM) | Full Year 2016 (\$MM) |
|-------------------------------|----------------------------|--------------|-------------------|-----------------------|
| NGLs (\$/Gal) | \$0.42 | +/- \$0.01 | ~\$1 | ~\$1 |
| Natural Gas (\$/Mmbtu) | \$2.50 | +/- \$0.10 | ~\$2 | ~\$1 |
| Crude Oil (\$/Bbl) | \$45 | +/- \$1.00 | ~ neutral | ~ neutral |

Hedge position as of 3/31/16

| | Q2-Q4 2016 | Full Year 2016 | Full Year 2017 |
|----------------------------------|----------------|----------------|----------------|
| NGL Hedges (Bbls/d) | — | 2,222 | — |
| <i>Crude equivalent (Bbls/d)</i> | — | 713 | — |
| NGL hedge price(\$/Gal) | — | \$0.94 | — |
| Gas Hedges (MMBtu/d) | 5,000 | 10,023 | 17,500 |
| <i>Crude equivalent (Bbls/d)</i> | 256 | 514 | 935 |
| Gas hedge price(\$/MMBtu) | \$4.18 | \$4.24 | \$4.20 |
| Crude Hedges (Bbls/d) | 4,000 | 3,849 | — |
| Crude hedge price(\$/Bbl) | \$74.91 | \$75.63 | — |
| Percent Hedged | ~45% | ~55% | ~10% |

Fee-based growth and hedges reducing DPM commodity risk

Non GAAP Reconciliation – 2016 Outlook

| | Twelve Months Ended | |
|--|---------------------|---------------|
| | December 31, 2016 | |
| | Low | High |
| | Forecast | Forecast |
| | (Millions) | |
| Reconciliation of Non-GAAP Measures: | | |
| Forecasted net income attributable to partners | \$ 265 | \$ 295 |
| Interest expense, net of interest income | 98 | 98 |
| Income taxes | 2 | 2 |
| Depreciation and amortization, net of noncontrolling interests | 130 | 130 |
| Non-cash commodity derivative mark-to-market* | 70 | 70 |
| Forecasted adjusted EBITDA | 565 | 595 |
| Interest expense, net of interest income | (98) | (98) |
| Maintenance capital expenditures, net of reimbursable projects | (30) | (45) |
| Distributions from unconsolidated affiliates, net of earnings | 30 | 45 |
| Income taxes and other | (2) | (2) |
| Forecasted distributable cash flow | <u>\$ 465</u> | <u>\$ 495</u> |