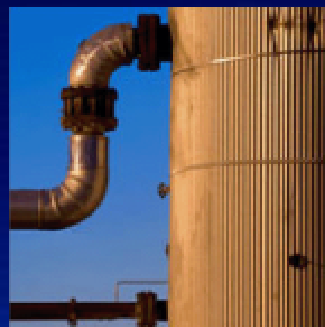
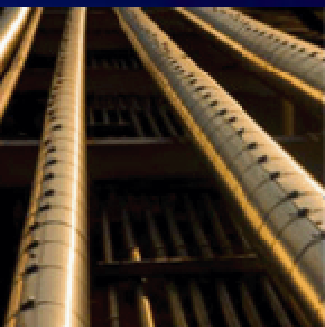




DCP Midstream Partners, LP  
Master Limited Partnership  
Investor Conference



Michael J. Bradley, CEO

March 8, 2006

# Forward Looking Statements

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## Under the Private Securities Litigation Reform Act of 1995

This presentation contains forward looking information which is subject to risks and uncertainties, including, but not limited to, changes in laws and regulations impacting the gathering and processing industry, the level of creditworthiness of the Partnership's counterparties, the Partnership's ability to access the debt and equity markets, the Partnership's use of derivative financial instruments to hedge commodity and interest rate risks, the amount of collateral required to be posted from time to time in the Partnership's transactions, changes in commodity prices, interest rates, demand for the Partnership's services, weather and other natural phenomena, industry changes including the impact of consolidations and changes in competition, the Partnership's ability to obtain required approvals for construction or modernization of the Partnership's facilities and the timing of production from such facilities, and the effect of accounting pronouncements issued periodically by accounting standard setting boards.

## Regulation G

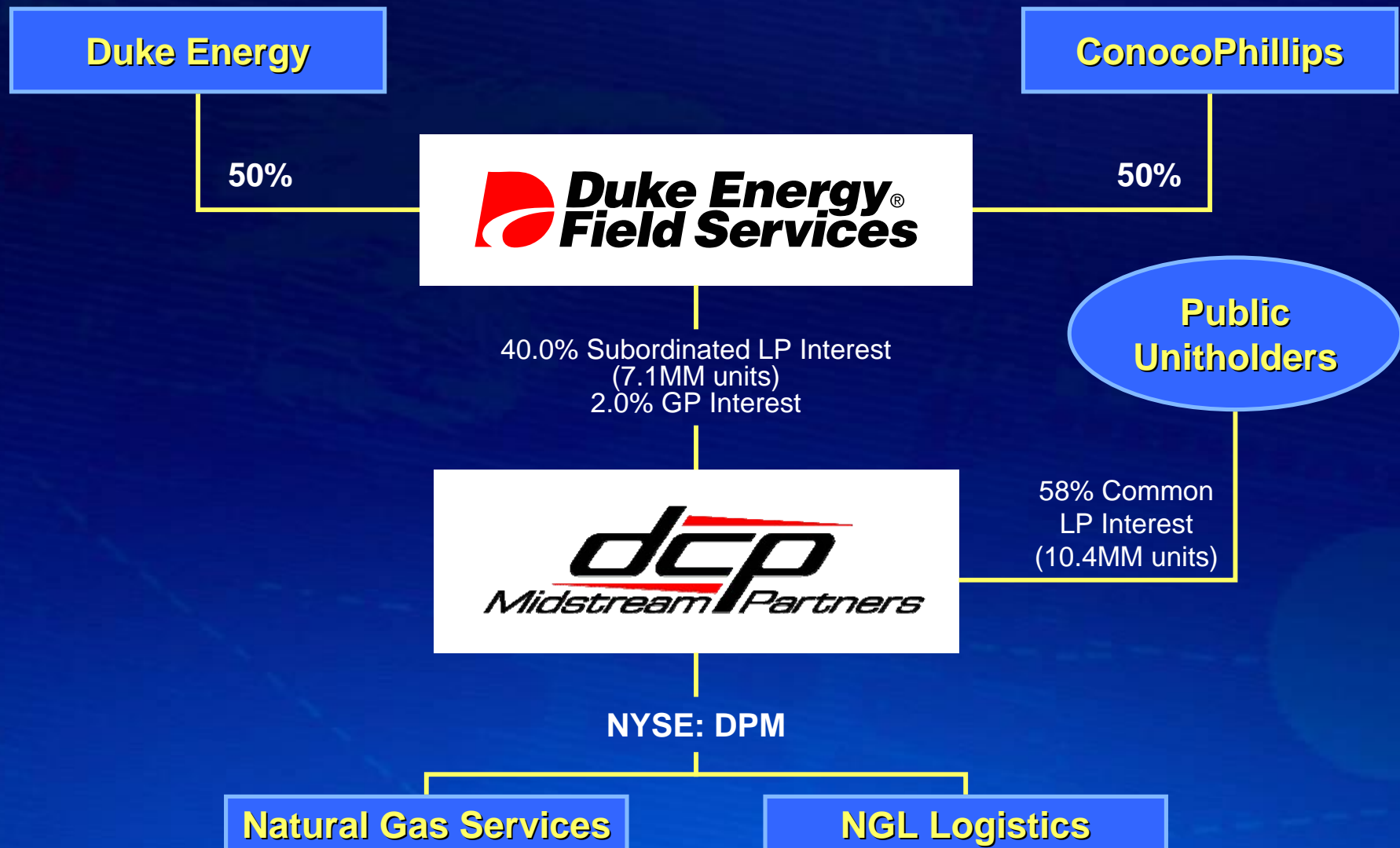
This document may include certain non-GAAP financial measures as defined under SEC Regulation G. In such an event, a reconciliation of those measures to the most directly comparable GAAP measures is included in this presentation.

## Key Highlights Since IPO

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- Successful IPO launched 12/2/05
- Solid unit performance
- Strong Q4 2005 earnings
- Announced NGL pipeline project
- Agreement with sponsor to expand gathering and transportation services

# Our Partnership and Our Sponsors

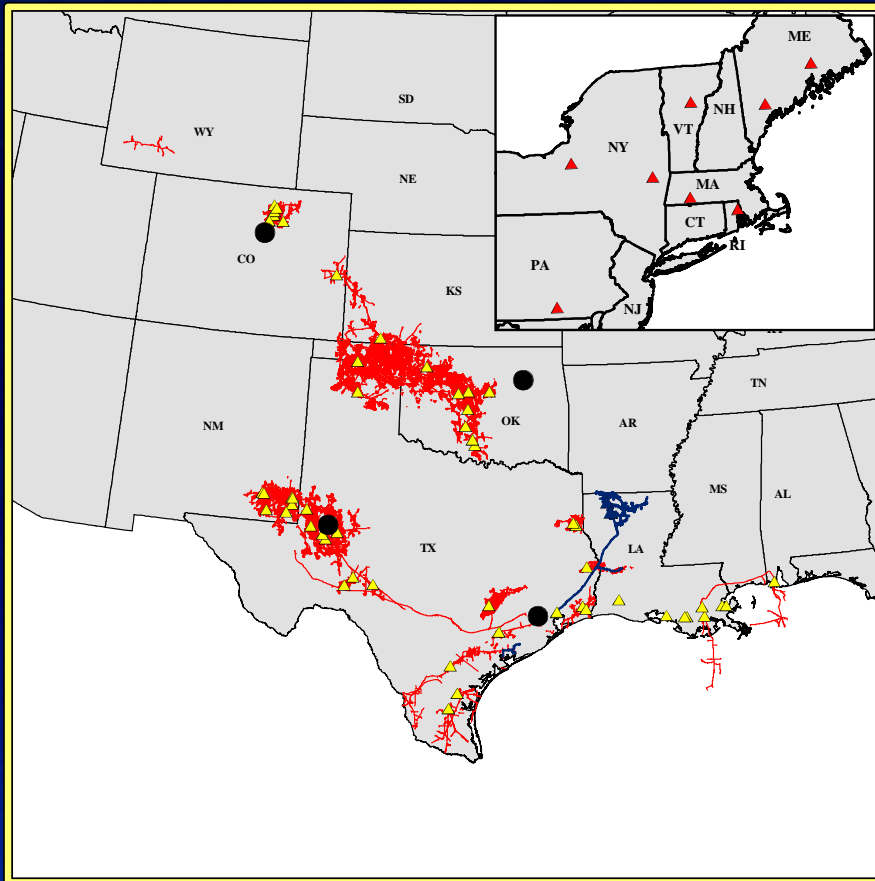




# DEFS' Industry-Leading Midstream Business

## DEFS Highlights

- One of the nation's largest natural gas gatherers
- Largest NGL producer in U.S.
- Major wholesale propane supplier to northeast U.S.
- EBITDA in excess of \$1 billion



- DCP Midstream
- 56,000 miles of pipelines
- ▲ 52 plants; 11 fractionators
- ▲ 8 propane terminals
- 4 offices

# DCP Midstream is Strategic to its Sponsors

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- Important growth vehicle for DEFS
  - Facilitates DEFS' ability to own and acquire midstream assets
- Provides access to tax-advantaged capital independent of DCP Midstream's sponsors
- Opportunity for significant value creation

# Business Overview

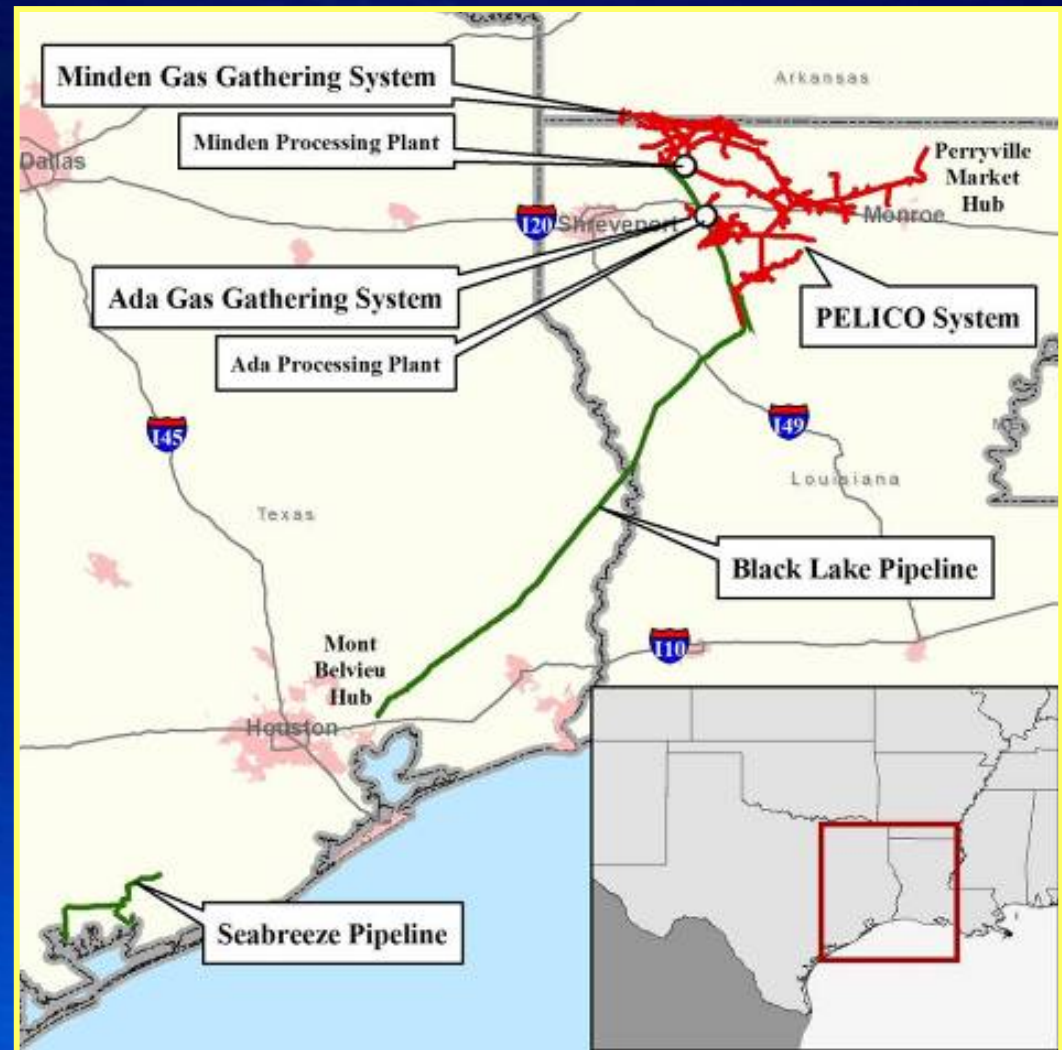




# Platform of Integrated Businesses

## DCP Midstream Operates in Two Business Segments

- Natural Gas Services
  - Minden and Ada natural gas gathering and processing systems
  - PELICO pipeline system
- NGL Logistics
  - Seabreeze NGL pipeline
  - Black Lake NGL pipeline
- 2006E EBITDA of \$35.9 MM





# Business Strategies

**Our Primary Business Objective: Increase our Cash Distribution per Unit**

## Strategies

### Optimize:

- Maximize profitability of existing assets
  - Increase capacity utilization
  - Expand market access
  - Enhance operating efficiencies
  - Leverage ability to provide integrated services

### Build:

- Capitalize on organic expansion opportunities
  - Expand existing infrastructure
  - Develop projects in new areas

### Acquire:

- Pursue strategic and accretive acquisitions
  - Consolidate with and expand existing infrastructure
  - Pursue new lines of business and geographic areas
  - Potential to acquire assets from Sponsors

# Key Investment Highlights

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## Well Positioned to Execute Growth Strategies

- Ability to capitalize on our affiliation with DEFS, Duke Energy and ConocoPhillips
- Assets with strong market positions
  - Integrated services across much of the midstream value chain
  - Located in areas with high demand for our services
  - Pipeline connectivity to key markets
- Stable cash flows from both fee- and commodity-based businesses
  - Commodity price exposure is substantially hedged
- Experienced management team with a demonstrated track record of growing midstream and MLP businesses
- Low cost of capital to facilitate growth
- Identified organic growth

# DCP Midstream Benefits from its Sponsors

**DEFS / Duke Energy / ConocoPhillips**

## **Talent / Infrastructure**

- Operational
- Commercial
- Technical
- Risk Management
- Administrative

+

## **Relationships**

- Industry relationships and reputation
- Access to deal flow
- Potential to acquire assets directly from Sponsors
- Joint-transaction opportunities

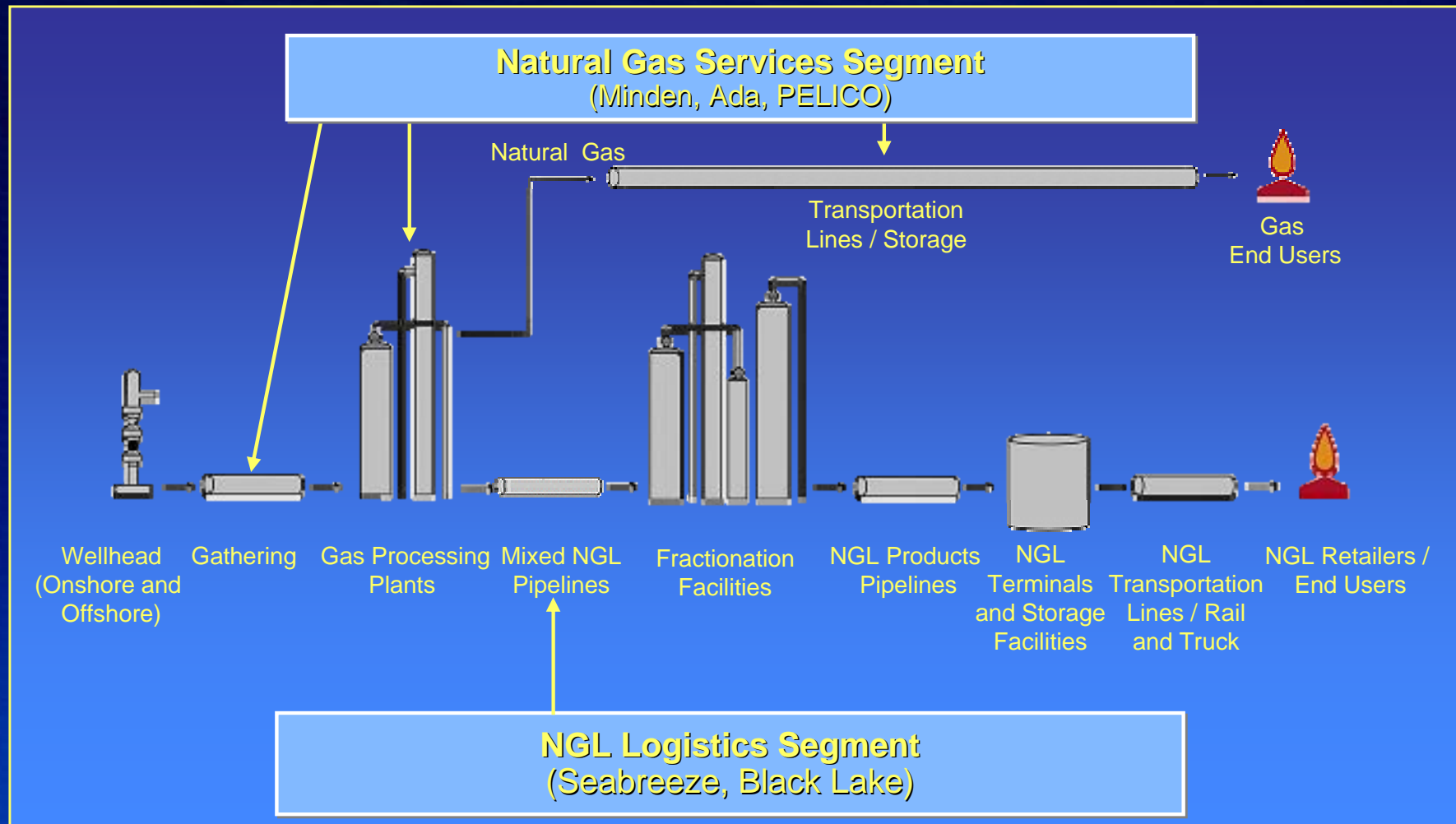
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## **DCP Midstream Growth**

- Enhanced growth opportunities
- Infrastructure to support business objectives

# Operates Across Much of the Midstream Value Chain

## Current Asset Portfolio

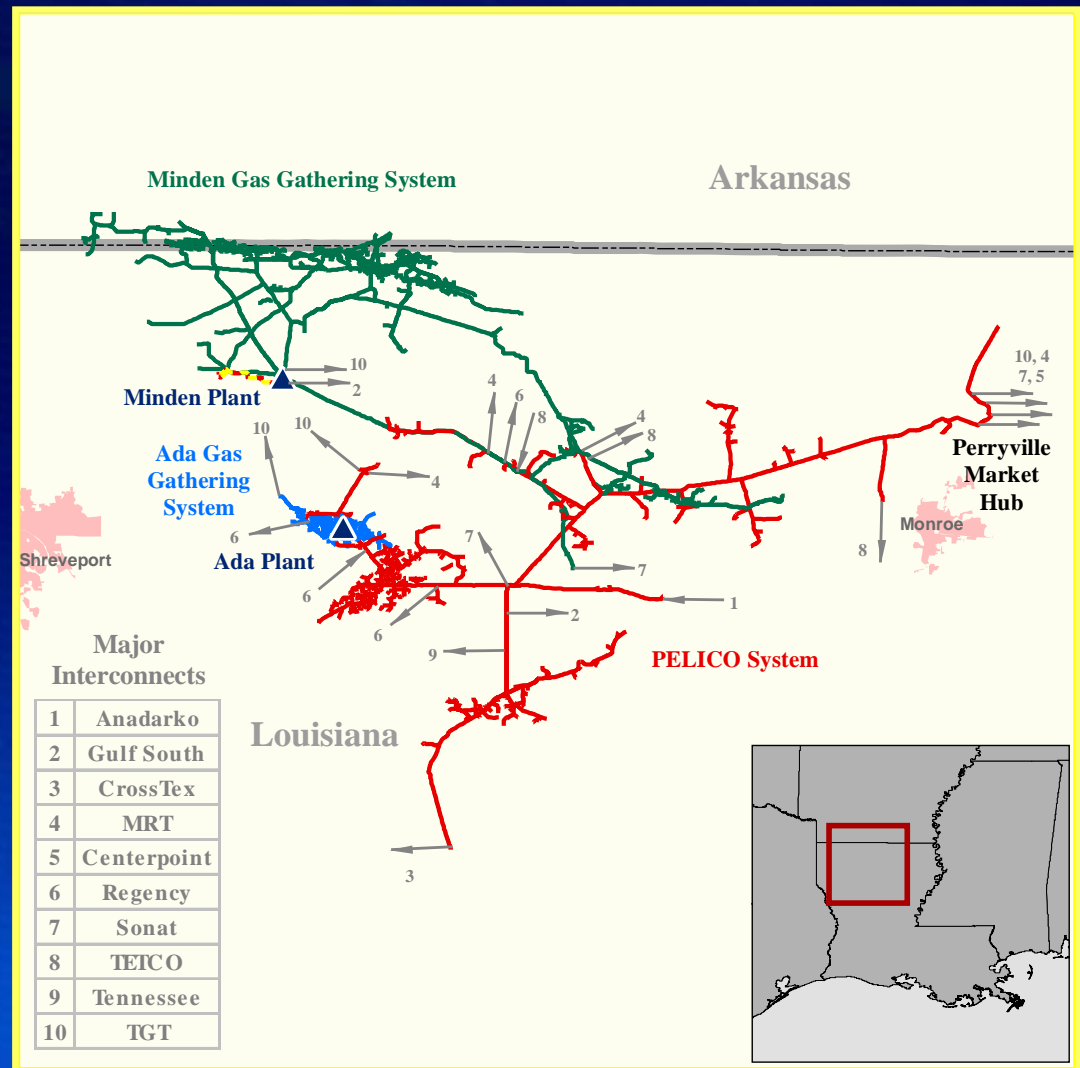




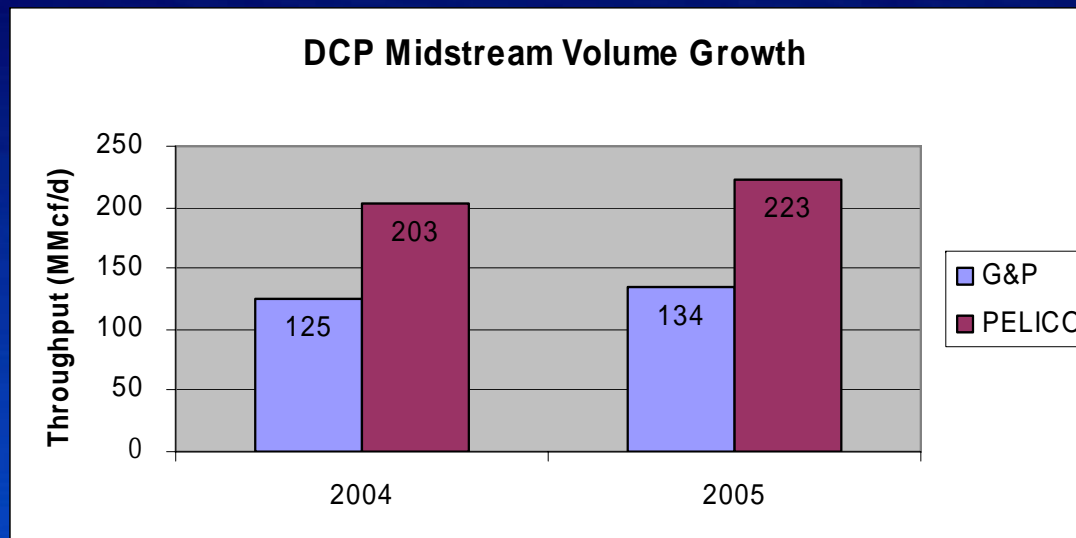
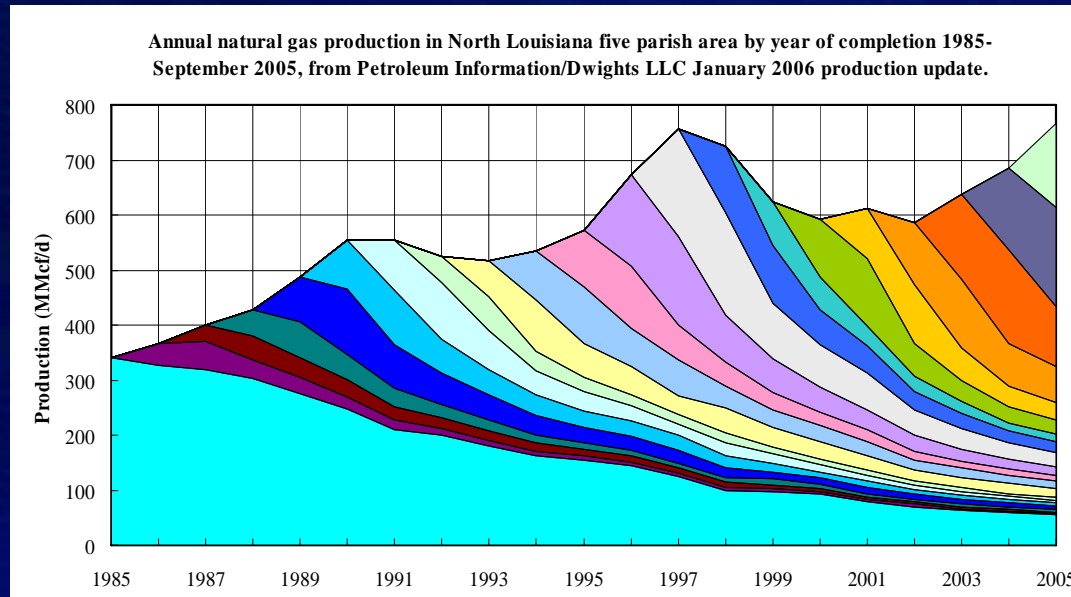
# Overview of Natural Gas Services Segment

## Integrated Business with Strong Market Position

- Minden, Ada and PELICO systems
  - One of North Louisiana's largest gathering and processing systems
  - Interconnects with 7 inter- and 2 intrastate pipelines / critical west-to-east conduit
  - 160 MMcf/d of processing capacity and 1,430 miles of pipeline
- Bundled “wellhead-to-market” services
- Multiple market outlets provide premium netback economics, market optionality and liquidity



# Strong Drilling Activity

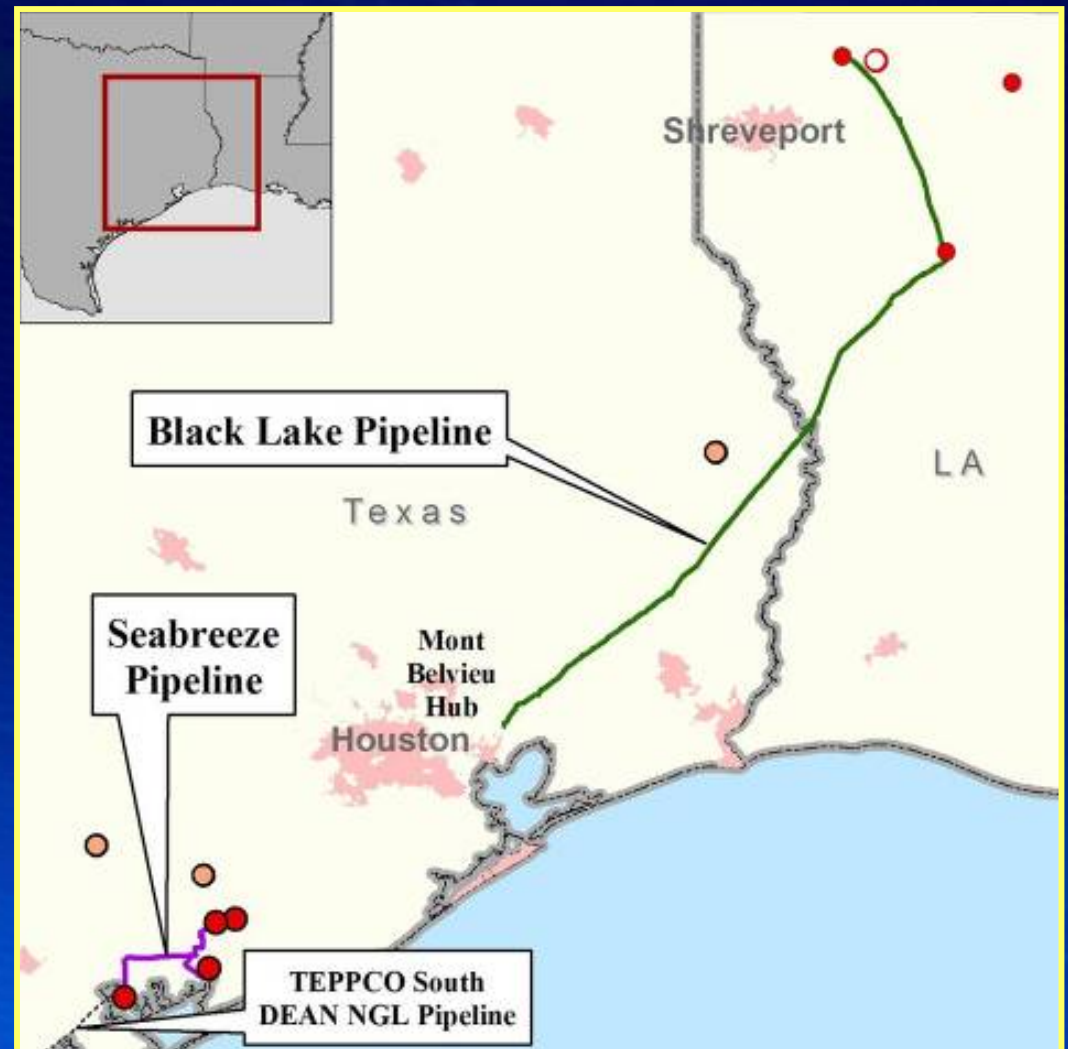


# Overview of NGL Logistics Segment

## Access to Key Markets / Fee-Based Cash Flows

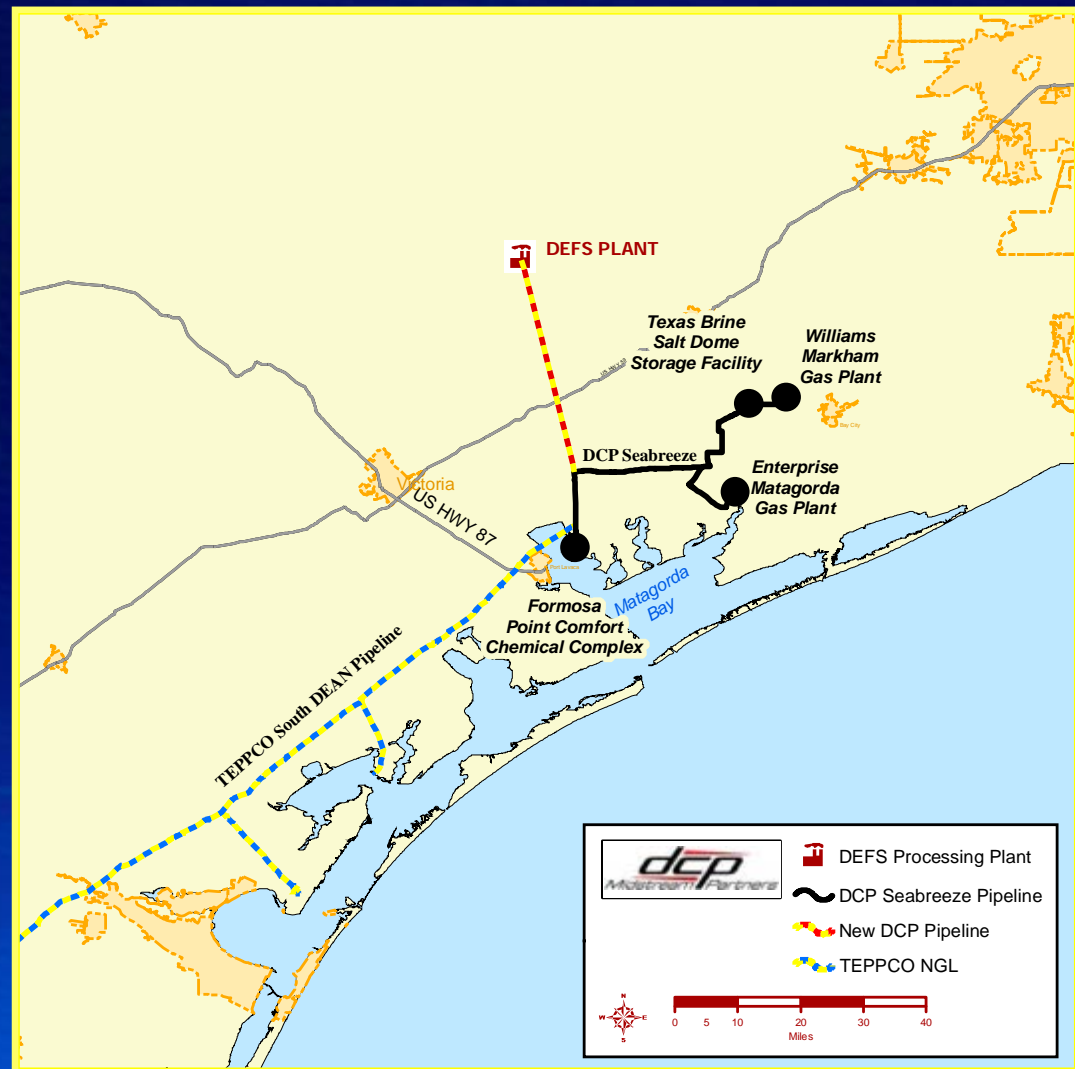
- Seabreeze is a 68-mile intrastate pipeline system located in Southeast TX
  - Sole NGL outlet for 2 large third party gas plants and sole market outlet for South DEAN Pipeline
- Black Lake (45% non-operating interest) is a 317-mile interstate pipeline system located in LA and TX
  - Sole NGL pipeline serving 5 gas plants in LA and TX

- 3<sup>rd</sup> Party Gas Plant
- DEFS Gas Plant
- DCP Midstream Minden Gas Plant



# New Pipeline to Seabreeze

- 37-mile pipeline to connect to DEFS' plant
- \$12 million capital
- 10-year product dedication from DEFS
- DEFS' avg. volume of 5,300 bpd
- Est. completion date: 4Q 2006





# Financial Overview



# Financial Objectives

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- Stable and increasing distributions to our unit holders
- Strong balance sheet
- Provide flexibility for opportunistic growth and expansion
  - IDR reset rights provide ability to maintain competitive cost of capital
- Achieve investment grade rating over time

## Strong Balance Sheet – 12/31/05

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- Total assets: \$407 MM
- Net Debt <sup>(1)</sup> / Total Capitalization: 52%
- Year-end cash position: \$42 MM
- Net Debt <sup>(1)</sup> / 2006E EBITDA: 3x
- Available capacity under \$350 MM credit facility:  
\$140 MM <sup>(1)</sup>

<sup>(1)</sup> Net of \$100 million of debt secured by U.S. Treasury or other qualifying securities, expected to be used for funding future growth opportunities

# Earnings Overview <sup>(1)</sup>







| (\$ in millions)                  | <u>4Q 2005</u>        | <u>4Q 2004</u>       | <u>YTD 2005</u>       | <u>YTD 2004</u>       |
|-----------------------------------|-----------------------|----------------------|-----------------------|-----------------------|
| Gross Margin                      |                       |                      |                       |                       |
| Gas Services                      | \$ 27.6               | \$ 14.3              | \$ 71.4               | \$ 53.6               |
| NGL Logistics                     | <u>1.1</u>            | <u>0.8</u>           | <u>3.8</u>            | <u>3.3</u>            |
| Total Gross Margin                | \$ 28.7               | \$ 15.1              | \$ 75.2               | \$ 56.9               |
| Equity Earnings                   | -                     | 0.2                  | 0.4                   | 0.6                   |
| Operating and Maintenance Expense | (2.7)                 | (3.9)                | (14.2)                | (13.6)                |
| General & Administrative Expense  | (3.2)                 | (1.7)                | (11.4)                | (6.5)                 |
| Asset Impairments                 | <u>-</u>              | <u>-</u>             | <u>-</u>              | <u>(4.4)</u>          |
| <b>EBITDA</b>                     | <b>\$ 22.8</b>        | <b>\$ 9.7</b>        | <b>\$ 50.0</b>        | <b>\$ 33.0</b>        |
| Depreciation & Amortization       | (2.9)                 | (3.2)                | (11.7)                | (12.6)                |
| Interest Expense, Net             | <u>(0.3)</u>          | <u>-</u>             | <u>(0.3)</u>          | <u>-</u>              |
| <b>Net Income</b>                 | <b><u>\$ 19.6</u></b> | <b><u>\$ 6.5</u></b> | <b><u>\$ 38.0</u></b> | <b><u>\$ 20.4</u></b> |

<sup>(1)</sup> Earnings prior to December 7, 2005, are attributable to DCP Midstream Partners' Predecessor.



# Key Investment Considerations

## Well Positioned to Execute Growth Strategies

- Ability to capitalize on strong sponsorship 
- Assets with strong market positions 
- Stable cash flows from fee and substantially hedged commodity positions 
- Experienced management team with a demonstrated track record of growing midstream and MLP businesses 
- Low cost of capital to facilitate growth 
- Identified organic growth 



# Reconciliation of Non-GAAP Measures

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(\$ in millions)

|                                     | <u>2006E</u>          |
|-------------------------------------|-----------------------|
| <b>EBITDA</b>                       |                       |
| Net Income                          | \$ 17.3               |
| Depreciation & Amortization Expense | 12.2                  |
| Cash Interest Expense, Net          | <u>6.4</u>            |
| <b>Forecasted EBITDA</b>            | <u><u>\$ 35.9</u></u> |