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## DCP MIDSTREAM PARTNERS REPORTS STRONG THIRD QUARTER 2013 RESULTS

- **Third quarter 2013 Distributable Cash Flow doubled from the third quarter 2012**
- **Declared twelfth consecutive quarterly distribution increase now at \$2.88 per unit annually**
- **Closed on dropdowns of O'Connor Plant (formerly, known as LaSalle) and one-third interest in Front Range Pipeline**
- **New O'Connor Plant in service with volumes ramping up and expansion underway**

DENVER - DCP Midstream Partners, LP (NYSE: DPM), or the Partnership, today reported financial results for the three and nine months ended September 30, 2013. The table below reflects the results for the three and nine months ended September 30, 2013 and 2012 on a consolidated basis and for the 2012 periods as originally reported.

### THIRD QUARTER 2013 SUMMARY RESULTS

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2013 (3)	2012 (3)	As Reported in 2012	2013 (3)	2012 (3)(4)	As Reported in 2012
(Unaudited)						
(Millions, except per unit amounts)						
Net (loss) income attributable to partners <sup>(1)(5)</sup>	\$ (1)	\$ 8	\$ 1	\$ 153	\$ 127	\$ 103
Net (loss) income per limited partner unit - basic <sup>(1)(5)</sup>	\$ (0.24)	\$ (0.16)	\$ (0.16)	\$ 1.29	\$ 1.37	\$ 1.37
Net (loss) income per limited partner unit - diluted <sup>(1)(5)</sup>	\$ (0.24)	\$ (0.16)	\$ (0.16)	\$ 1.29	\$ 1.36	\$ 1.36
Adjusted EBITDA <sup>(2)</sup>	\$ 88	\$ 57	\$ 47	\$ 261	\$ 203	\$ 166
Adjusted net income attributable to partners <sup>(2)</sup>	\$ 48	\$ 31	\$ 24	\$ 154	\$ 109	\$ 85
Adjusted net income per limited partner unit <sup>(2)</sup> - basic and diluted	\$ 0.35	\$ 0.22	\$ 0.22	\$ 1.30	\$ 1.01	\$ 1.01
Distributable cash flow <sup>(2)</sup>	\$ 72	\$ **	\$ 35	\$ 217	\$ **	\$ 112

- (1) Includes non-cash commodity derivative mark-to-market losses of \$50 million and \$23 million for the three months ended September 30, 2013 and 2012, respectively. Includes non-cash commodity derivative mark-to-market losses of \$2 million and gains of \$19 million for the nine months ended September 30, 2013 and 2012, respectively.
- (2) Denotes a financial measure not presented in accordance with U.S. generally accepted accounting principles, or GAAP. Each such non-GAAP financial measure is defined below under "Non-GAAP Financial Information", and each is reconciled to its most directly comparable GAAP financial measures under "Reconciliation of Non-GAAP Financial Measures" below.
- (3) Includes our 80 percent interest in the Eagle Ford system, retrospectively adjusted. We acquired a 33.33 percent interest in the Eagle Ford system in November 2012, and a 46.67 percent interest in March 2013. Transfers of net assets between entities under common control are accounted for as if the transactions had occurred at the beginning of the period, and prior

years are retrospectively adjusted to furnish comparative information similar to the pooling method. In addition, results are presented as originally reported in 2012 for comparative purposes.

- (4) Includes our 100 percent interest in Southeast Texas, retrospectively adjusted. We acquired a 33.33 percent interest in Southeast Texas in January 2011, and a 66.67 percent interest in March 2012. Transfers of net assets between entities under common control are accounted for as if the transactions had occurred at the beginning of the period, and prior years are retrospectively adjusted to furnish comparative information similar to the pooling method. In addition, results are presented as originally reported in 2012 for comparative purposes.
- (5) The Partnership recognized \$1 million and \$4 million of lower of cost or market adjustments during the three and nine months ended September 30, 2013, respectively, and less than \$1 million and \$19 million of lower of cost or market adjustments during the three and nine months ended September 30, 2012, respectively.

\*\* Distributable cash flow has not been calculated under the pooling method.

## **THIRD QUARTER HIGHLIGHTS**

- Growth from our 80 percent interest in the Eagle Ford system and fee-based, wholly-owned Eagle plant are contributing to strong results
- We are on target to deliver on the key elements of our 2013 business plan
  - Third quarter 2013 Distributable Cash Flow doubled from the third quarter 2012
  - Declared twelfth consecutive quarterly distribution increase which is now at \$2.88 per unit annually
- Strong capital markets execution positions us well to achieve our growth plans
- Closed on the dropdowns of O'Connor Plant and one-third interest in Front Range Pipeline
- The new O'Connor Plant commenced operations in October, with volumes ramping up and expansion underway

In summary, our dropdown strategy with DCP Midstream, the pipeline of organic growth projects, and solid financial results, position us well to achieve our 2013 forecast.

## **PRESIDENT'S PERSPECTIVE**

"We are delivering on our \$1.5 billion of dropdown and organic growth opportunities in 2013," said Bill Waldheim, president of the Partnership. "The strong performance in the Eagle Ford contributed to robust year-to-date results and along with the start-up of the O'Connor Plant are enabling us to deliver on our distributable cash flow forecast."

## **CONSOLIDATED FINANCIAL RESULTS**

Consolidated results are shown using the pooling method of accounting, which includes results associated with DCP Midstream's ownership interests in the Eagle Ford system and Southeast Texas during its periods of ownership. While the Partnership hedges the majority of its commodity risk, prior period results reflect DCP Midstream's unhedged portion of its ownership interest in the Eagle Ford system and Southeast Texas during those periods.

Adjusted EBITDA for the three months ended September 30, 2013 increased to \$88 million from \$57 million for the three months ended September 30, 2012, reflecting increased volumes on our Eagle Ford system, including the operation of our fee-based, wholly-owned Eagle plant and higher volumes and margins at the Mont Belvieu fractionators.

Adjusted EBITDA for the nine months ended September 30, 2013 increased to \$261 million from \$203 million for the nine months ended September 30, 2012. These results reflect increased volumes on our Eagle Ford system, including the operation of our fee-based, wholly-owned Eagle plant, partially offset by lower commodity prices on the unhedged portion of the Eagle Ford and Southeast Texas systems associated with DCP Midstream's ownership and hedge settlement timing on storage. These results also reflect the dropdown of the Mont Belvieu fractionators and higher volumes and margins in NGL Logistics and Wholesale Propane. Adjusted EBITDA for the nine months ended September 30, 2012 included a non-cash write down of \$15 million to reflect propane inventory carrying costs at the lower of cost or market price ("LCM Adjustment") for our wholesale propane logistics segment.

On October 25, 2013, the Partnership announced a quarterly distribution of \$0.72 per limited partner unit. This represents an increase of 1.4 percent over the last quarterly distribution and an increase of 6 percent over the distribution declared in the third quarter of 2012. Our distributable cash flow of \$72 million for the three months ended September 30, 2013, provided a 1.0 times distribution coverage ratio adjusted for the timing of actual distributions paid during the quarter. The distribution coverage ratio adjusted for the timing of actual distributions paid during the last four quarters was approximately 1.1 times.

## **OPERATING RESULTS BY BUSINESS SEGMENT**

**Natural Gas Services** - Adjusted segment EBITDA increased to \$81 million for the three months ended September 30, 2013, from \$61 million for the three months ended September 30, 2012, reflecting higher volumes at our Eagle Ford system, including the operation of our fee-based, wholly-owned Eagle Plant.

Adjusted segment EBITDA decreased to \$218 million for the nine months ended September 30, 2013, from \$222 million for the nine months ended September 30, 2012, reflecting lower commodity prices on the unhedged portion of the Eagle Ford and Southeast Texas systems associated with DCP Midstream's ownership, hedge settlement timing on storage and lower volumes across certain of our assets, partially offset by higher volumes at our Eagle Ford system, including the operation of our fee-based, wholly-owned Eagle Plant.

Results are shown using the pooling method of accounting, which includes the additional 47 percent of the Eagle Ford system for the three months ended March 31, 2013, and 80 percent of the Eagle Ford system for the nine months ended September 30, 2012. Results also include 67 percent of Southeast Texas for the three months ended March 31, 2012. These results reflect

the unhedged portion of the Eagle Ford system and Southeast Texas associated with DCP Midstream's ownership interest during those periods.

**NGL Logistics** - Adjusted segment EBITDA increased to \$21 million for the three months ended September 30, 2013, from \$16 million for the three months ended September 30, 2012, reflecting higher volumes and margins at the Mont Belvieu fractionators and higher throughput on certain of our pipelines.

Adjusted segment EBITDA increased to \$66 million for the nine months ended September 30, 2013, from \$39 million for the nine months ended September 30, 2012. These results reflect the July 2012 dropdown of the Mont Belvieu fractionators, higher margins at the Marysville storage facility and higher throughput on certain of our pipelines.

**Wholesale Propane Logistics** - Adjusted segment EBITDA of \$1 million was relatively flat for the three months ended September 30, 2013, as compared to the three months ended September 30, 2012, reflecting normal seasonality.

Adjusted segment EBITDA increased to \$24 million for the nine months ended September 30, 2013, from a loss of \$1 million for the nine months ended September 30, 2012. The 2013 results reflect increased unit margins and the exporting of propane from the Chesapeake terminal partially offset by a non-cash write off of a discontinued construction project. 2012 results reflect the LCM Adjustment of \$15 million and reduced demand as a result of near record warm weather.

## **CORPORATE AND OTHER**

The changes in depreciation and amortization expense for the three and nine months ended September 30, 2013, as compared to the three and nine months ended September 30, 2012, reflect growth, as well as a change in the estimated useful lives of our assets. Additionally, interest expense for the three and nine months ended September 30, 2013 increased due to higher debt levels, partially offset by higher capitalized interest.

## **CAPITALIZATION**

At September 30, 2013, the Partnership had \$1,801 million of total debt outstanding comprised of \$1,590 million of senior notes and \$211 million outstanding under our revolver. Total unused revolver capacity was \$788 million. Our leverage ratio pursuant to our credit facility for the quarter ended September 30, 2013, was approximately 3.6 times. Our effective interest rate on our overall debt position, as of September 30, 2013, was 3.6 percent.

## **COMMODITY DERIVATIVE ACTIVITY**

The objective of our commodity risk management program is to protect downside risk in our distributable cash flow. We utilize mark-to-market accounting treatment for our commodity derivative instruments. Mark-to-market accounting rules require companies to record currently in earnings the difference between their contracted future derivative settlement prices and the forward prices of the underlying commodities at the end of the accounting period. Revaluing our commodity derivative instruments based on futures pricing at the end of the period creates assets or liabilities and associated non-cash gains or losses. Realized gains or losses from cash settlement of the derivative contracts occur monthly as our physical commodity sales are realized or when we rebalance our portfolio. Non-cash gains or losses associated with the mark-to-market accounting treatment of our commodity derivative instruments do not affect our distributable cash flow.

For the three months ended September 30, 2013, commodity derivative activity and total revenues included non-cash losses of \$50 million. This compares to non-cash losses of \$23 million for the three months ended September 30, 2012. Net hedge cash settlements for the three months ended September 30, 2013, were receipts of \$18 million. Net hedge cash settlements for the three months ended September 30, 2012, were receipts of \$3 million.

For the nine months ended September 30, 2013, commodity derivative activity and total revenues included non-cash losses of \$2 million. This compares to non-cash gains of \$19 million for the nine months ended September 30, 2012. Net hedge cash settlements for the nine months ended September 30, 2013, were receipts of \$41 million. Net hedge cash settlements for the nine months ended September 30, 2012, were receipts of \$31 million. While our earnings will continue to fluctuate as a result of the volatility in the commodity markets, our commodity derivative contracts mitigate a substantial portion of the risk of weakening commodity prices thereby stabilizing distributable cash flows.

## **EARNINGS CALL**

DCP Midstream Partners will hold a conference call to discuss third quarter results on Wednesday, November 6, 2013, at 9:00 a.m. ET. The dial-in number for the call is 1-800-446-1671 in the United States or 1-847-413-3362 outside the United States. The conference confirmation number for login is 35892885. A live webcast of the call can be accessed on the Investor section of DCP Midstream Partners' website at [www.dcppartners.com](http://www.dcppartners.com). The call will be available for replay one hour after the end of the conference until Midnight ET on November 20, 2013, by dialing 1-888-843-7419 in the United States or 1-630-652-3042 outside the United States. The replay conference number is 35892885. A replay, transcript and presentation slides in PDF format will also be available by accessing the Investor section of the Partnership's website.

## NON-GAAP FINANCIAL INFORMATION

This press release and the accompanying financial schedules include the following non-GAAP financial measures: distributable cash flow, adjusted EBITDA, adjusted segment EBITDA, adjusted net income attributable to partners, adjusted net income allocable to limited partners, and adjusted net income per limited partner unit. The accompanying schedules provide reconciliations of these non-GAAP financial measures to their most directly comparable GAAP financial measures. The Partnership's non-GAAP financial measures should not be considered in isolation or as an alternative to its financial measures presented in accordance with GAAP, including operating revenues, net income or loss attributable to partners, net cash provided by or used in operating activities or any other measure of liquidity or financial performance presented in accordance with GAAP as a measure of operating performance, liquidity or ability to service debt obligations and make cash distributions to unitholders. The non-GAAP financial measures presented by us may not be comparable to similarly titled measures of other companies because they may not calculate their measures in the same manner.

We define distributable cash flow as net cash provided by or used in operating activities, less maintenance capital expenditures, net of reimbursable projects, plus or minus adjustments for non-cash mark-to-market of derivative instruments, proceeds from divestiture of assets, net income attributable to noncontrolling interests net of depreciation and income tax, net changes in operating assets and liabilities, and other adjustments to reconcile net cash provided by or used in operating activities. Historical distributable cash flow is calculated excluding the impact of retrospective adjustments related to any acquisitions presented under the pooling method. Maintenance capital expenditures are cash expenditures made to maintain our cash flows, operating or earnings capacity. These expenditures add on to or improve capital assets owned, including certain system integrity, compliance and safety improvements. Maintenance capital expenditures also include certain well connects, and may include the acquisition or construction of new capital assets. Non-cash mark-to-market of derivative instruments is considered to be non-cash for the purpose of computing distributable cash flow because settlement will not occur until future periods, and will be impacted by future changes in commodity prices and interest rates. Distributable cash flow is used as a supplemental liquidity and performance measure by the Partnership's management and by external users of its financial statements, such as investors, commercial banks, research analysts and others, to assess the Partnership's ability to make cash distributions to its unitholders and its general partner.

We define adjusted EBITDA as net income or loss attributable to partners less interest income, noncontrolling interest in depreciation and income tax expense and non-cash commodity derivative gains, plus interest expense, income tax expense, depreciation and amortization expense and non-cash commodity derivative losses. The commodity derivative non-cash losses and gains result from the marking to market of certain financial derivatives used by us for risk management purposes that we do not account for under the hedge method of accounting. These non-cash losses or gains may or may not be realized in future periods when the derivative contracts are settled, due to fluctuating commodity prices. We define adjusted segment EBITDA for each segment as segment net income or loss attributable to partners less non-cash commodity derivative gains for that segment, plus depreciation and amortization expense and non-cash commodity derivative losses for that segment, adjusted for any

noncontrolling interest on depreciation and amortization expense for that segment. The Partnership's adjusted EBITDA equals the sum of its adjusted segment EBITDAs, plus general and administrative expense.

Adjusted EBITDA is used as a supplemental liquidity and performance measure and adjusted segment EBITDA is used as a supplemental performance measure by the Partnership's management and by external users of its financial statements, such as investors, commercial banks, research analysts and others to assess:

- financial performance of the Partnership's assets without regard to financing methods, capital structure or historical cost basis;
- the Partnership's operating performance and return on capital as compared to those of other companies in the midstream energy industry, without regard to financing methods or capital structure;
- viability and performance of acquisitions and capital expenditure projects and the overall rates of return on investment opportunities;
- performance of the Partnership's business excluding non-cash commodity derivative gains or losses; and
- in the case of Adjusted EBITDA, the ability of the Partnership's assets to generate cash sufficient to pay interest costs, support its indebtedness, make cash distributions to its unitholders and general partner, and finance maintenance capital expenditures.

We define adjusted net income attributable to partners as net income attributable to partners, plus non-cash derivative losses, less non-cash derivative gains. Adjusted net income per limited partner unit is then calculated from adjusted net income attributable to partners. These non-cash derivative losses and gains result from the marking to market of certain financial derivatives used by us for risk management purposes that we do not account for under the hedge method of accounting. Adjusted net income attributable to partners and adjusted net income per limited partner unit are provided to illustrate trends in income excluding these non-cash derivative losses or gains, which may or may not be realized in future periods when derivative contracts are settled, due to fluctuating commodity prices.

## **ABOUT DCP MIDSTREAM PARTNERS**

DCP Midstream Partners, LP (NYSE: DPM) is a midstream master limited partnership engaged in the business of gathering, compressing, treating, processing, transporting, storing and selling natural gas; producing, fractionating, transporting, storing and selling NGLs and condensate; and transporting, storing and selling propane in wholesale markets. DCP Midstream Partners, LP is managed by its general partner, DCP Midstream GP, LP, which in turn is managed by its general partner, DCP Midstream GP, LLC which is wholly-owned by DCP Midstream, LLC, a joint venture between Phillips 66 and Spectra Energy. For more information, visit the DCP Midstream Partners, LP website at [www.dcppartners.com](http://www.dcppartners.com).



## CAUTIONARY STATEMENTS

*This press release may contain or incorporate by reference forward-looking statements as defined under the federal securities laws regarding DCP Midstream Partners, LP, 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 the Partnership's 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 described in detail in the Partnership's annual and quarterly reports most recently filed with the Securities and Exchange Commission and other such matters discussed in the "Risk Factors" section of the Partnership's most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission. Investors are encouraged to closely consider 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 forward looking statements contained herein speak as of the date of this announcement. 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 press release is unaudited, and is subject to change.*

**DCP MIDSTREAM PARTNERS, LP**  
**FINANCIAL RESULTS AND**  
**SUMMARY BALANCE SHEET DATA**  
**(Unaudited)**

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2013	2012	As Reported in 2012	2013	2012	As Reported in 2012
	<b>(Millions, except per unit amounts)</b>					
Sales of natural gas, propane, NGLs and condensate	\$ 641	\$ 569	\$ 306	\$ 1,952	\$ 1,902	\$ 1,089
Transportation, processing and other	63	55	45	187	157	131
(Losses) gains from commodity derivative activity, net	(32)	(20)	(20)	39	50	50
Total operating revenues	<u>672</u>	<u>604</u>	<u>331</u>	<u>2,178</u>	<u>2,109</u>	<u>1,270</u>
Purchases of natural gas, propane and NGLs	(567)	(503)	(268)	(1,726)	(1,689)	(973)
Operating and maintenance expense	(56)	(53)	(36)	(152)	(145)	(92)
Depreciation and amortization expense	(25)	(19)	(15)	(68)	(68)	(50)
General and administrative expense	(15)	(20)	(11)	(47)	(56)	(34)
Other income (expense)	1	—	—	(3)	—	—
Total operating costs and expenses	<u>(662)</u>	<u>(595)</u>	<u>(330)</u>	<u>(1,996)</u>	<u>(1,958)</u>	<u>(1,149)</u>
Operating income	10	9	1	182	151	121
Interest expense	(14)	(8)	(8)	(40)	(32)	(32)
Earnings from unconsolidated affiliates	7	9	9	23	17	17
Income tax expense	(1)	—	—	(2)	(1)	(1)
Net income attributable to noncontrolling interests	(3)	(2)	(1)	(10)	(8)	(2)
Net (loss) income attributable to partners	(1)	8	1	153	127	103
Net income attributable to predecessor operations	—	(7)	—	(6)	(27)	(3)
General partner's interest in net income	(19)	(11)	(11)	(50)	(29)	(29)
Net (loss) income allocable to limited partners	<u>\$ (20)</u>	<u>\$ (10)</u>	<u>\$ (10)</u>	<u>\$ 97</u>	<u>\$ 71</u>	<u>\$ 71</u>
Net (loss) income per limited partner unit — basic	<u>\$ (0.24)</u>	<u>\$ (0.16)</u>	<u>\$ (0.16)</u>	<u>\$ 1.29</u>	<u>\$ 1.37</u>	<u>\$ 1.37</u>
Net (loss) income per limited partner unit — diluted	<u>\$ (0.24)</u>	<u>\$ (0.16)</u>	<u>\$ (0.16)</u>	<u>\$ 1.29</u>	<u>\$ 1.36</u>	<u>\$ 1.36</u>
Weighted-average limited partner units outstanding — basic	<u>83.0</u>	<u>58.7</u>	<u>58.7</u>	<u>75.2</u>	<u>52.5</u>	<u>52.5</u>
Weighted-average limited partner units outstanding — diluted	<u>83.0</u>	<u>58.7</u>	<u>58.7</u>	<u>75.2</u>	<u>52.6</u>	<u>52.6</u>

	September 30, 2013	December 31, 2012	As Reported December 31, 2012
	<b>(Millions)</b>		
Cash and cash equivalents	\$ 1	\$ 2	\$ 1
Other current assets	419	366	308
Property, plant and equipment, net	2,960	2,550	1,727
Other long-term assets	951	685	936
Total assets	<u>\$ 4,331</u>	<u>\$ 3,603</u>	<u>\$ 2,972</u>
Current liabilities	\$ 358	\$ 345	\$ 234
Long-term debt	1,801	1,620	1,620
Other long-term liabilities	39	44	35
Partners' equity	1,910	1,405	1,048
Noncontrolling interests	223	189	35
Total liabilities and equity	<u>\$ 4,331</u>	<u>\$ 3,603</u>	<u>\$ 2,972</u>

**DCP MIDSTREAM PARTNERS, LP**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
(Unaudited)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2013	2012	As Reported in 2012	2013	2012	As Reported in 2012
(Millions, except per unit amounts)						
<b>Reconciliation of Non-GAAP Financial Measures:</b>						
Net (loss) income attributable to partners	\$ (1)	\$ 8	\$ 1	\$ 153	\$ 127	\$ 103
Interest expense	14	8	8	40	32	32
Depreciation, amortization and income tax expense, net of noncontrolling interests	25	18	15	66	63	50
Non-cash commodity derivative mark-to-market	50	23	23	2	(19)	(19)
Adjusted EBITDA	88	57	47	261	203	166
Interest expense	(14)	(8)	(8)	(40)	(32)	(32)
Depreciation, amortization and income tax expense, net of noncontrolling interests	(25)	(18)	(15)	(66)	(63)	(50)
Other	(1)	—	—	(1)	1	1
Adjusted net income attributable to partners	48	\$ 31	24	154	\$ 109	85
Maintenance capital expenditures, net of noncontrolling interest portion and reimbursable projects	(6)		(4)	(16)		(11)
Distributions from unconsolidated affiliates, net of earnings	3		(1)	9		(1)
Depreciation and amortization, net of noncontrolling interests	24		14	64		48
Impact of minimum volume receipt for throughput commitment	2		2	6		5
Discontinued construction projects	—		—	4		—
Adjustment to remove impact of pooling	—		—	(6)		(17)
Other	1		—	2		3
Distributable cash flow(1)	\$ 72		\$ 35	\$ 217		\$ 112
Adjusted net income attributable to partners	\$ 48	\$ 31	\$ 24	\$ 154	\$ 109	\$ 85
Adjusted net income attributable to predecessor operations	—	(7)	—	(6)	(27)	(3)
Adjusted general partner's interest in net income	(19)	(11)	(11)	(50)	(29)	(29)
Adjusted net income allocable to limited partners	\$ 29	\$ 13	\$ 13	\$ 98	\$ 53	\$ 53
Adjusted net income per limited partner unit - basic and diluted	\$ 0.35	\$ 0.22	\$ 0.22	\$ \$1.30	\$ 1.01	\$ \$1.01
Net cash (used in) provided by operating activities	\$ (6)	\$ 105	\$ 87	\$ 264	\$ 152	\$ 159
Interest expense	14	8	8	40	32	32
Distributions from unconsolidated affiliates, net of earnings	(3)	1	1	(9)	1	1
Net changes in operating assets and liabilities	38	(76)	(71)	(16)	51	(3)
Net income attributable to noncontrolling interests, net of depreciation and income tax	(4)	(3)	(1)	(14)	(13)	(3)
Discontinued construction projects	—	—	—	(4)	—	—
Non-cash commodity derivative mark-to-market	50	23	23	2	(19)	(19)
Other, net	(1)	(1)	—	(2)	(1)	(1)
Adjusted EBITDA	\$ 88	\$ 57	\$ 47	\$ 261	\$ 203	\$ 166
Interest expense, net of derivative mark-to-market and other	(14)		(8)	(40)		(32)
Maintenance capital expenditures, net of noncontrolling interest portion and reimbursable projects	(6)		(4)	(16)		(11)
Distributions from unconsolidated affiliates, net of earnings	3		(1)	9		(1)
Adjustment to remove impact of pooling	—		—	(6)		(17)
Discontinued construction projects	—		—	4		—
Other	1		1	5		7
Distributable cash flow(1)	\$ 72		\$ 35	\$ 217		\$ 112

(1) Distributable cash flow has not been calculated under the pooling method.

**DCP MIDSTREAM PARTNERS, LP**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
**SEGMENT FINANCIAL RESULTS AND OPERATING DATA**  
(Unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013	As Reported in 2012	2013	As Reported in 2012
(Millions, except as indicated)				
<b>Reconciliation of Non-GAAP Financial Measures:</b>				
Distributable cash flow	\$ 72	\$ 35	\$ 217	\$ 112
Distributions declared	\$ 82	\$ 53	\$ 223	\$ 145
Distribution coverage ratio — declared	<u>0.88 x</u>	<u>0.67 x</u>	<u>0.97 x</u>	<u>0.78 x</u>
Distributable cash flow	\$ 72	\$ 35	\$ 217	\$ 112
Distributions paid	\$ 72	\$ 49	\$ 195	\$ 129
Distribution coverage ratio — paid	<u>1.00 x</u>	<u>0.72 x</u>	<u>1.11 x</u>	<u>0.87 x</u>

	Three Months Ended			Nine Months Ended		
	September 30,			September 30,		
	2013	2012	As Reported in 2012	2013	2012	As Reported in 2012
(Millions, except per unit amounts)						
<b>Natural Gas Services Segment:</b>						
Financial results:						
Segment net income attributable to partners	\$ 11	\$ 25	\$ 9	\$ 161	\$ 171	\$ 124
Non-cash commodity derivative mark-to-market	49	21	21	—	(5)	(5)
Depreciation and amortization expense	22	16	12	61	61	43
Noncontrolling interests on depreciation and income tax	(1)	(1)	—	(4)	(5)	(1)
Adjusted segment EBITDA	<u>\$ 81</u>	<u>\$ 61</u>	<u>\$ 42</u>	<u>\$ 218</u>	<u>\$ 222</u>	<u>\$ 161</u>
Operating and financial data:						
Natural gas throughput (MMcf/d)	2,247	2,307	1,659	2,273	2,268	1,648
NGL gross production (Bbls/d)	117,881	105,252	62,232	114,924	105,556	62,729
Operating and maintenance expense	\$ 47	\$ 44	\$ 27	\$ 128	\$ 121	\$ 68
<b>NGL Logistics Segment:</b>						
Financial results:						
Segment net income attributable to partners	\$ 19	\$ 14	\$ 14	\$ 61	\$ 34	\$ 34
Depreciation and amortization expense	2	2	2	5	5	5
Adjusted segment EBITDA	<u>\$ 21</u>	<u>\$ 16</u>	<u>\$ 16</u>	<u>\$ 66</u>	<u>\$ 39</u>	<u>\$ 39</u>
Operating and financial data:						
NGL pipelines throughput (Bbls/d)	92,524	69,863	69,863	90,041	75,115	75,115
Operating and maintenance expense	\$ 5	\$ 5	\$ 5	\$ 13	\$ 13	\$ 13
<b>Wholesale Propane Logistics Segment:</b>						
Financial results:						
Segment net (loss) income attributable to partners	\$ (1)	\$ (3)	\$ (3)	\$ 20	\$ 11	\$ 11
Non-cash commodity derivative mark-to-market	1	2	2	2	(14)	(14)
Depreciation and amortization expense	1	1	1	2	2	2
Adjusted segment EBITDA	<u>\$ 1</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 24</u>	<u>\$ (1)</u>	<u>\$ (1)</u>
Operating and financial data:						
Propane sales volume (Bbls/d)	10,156	9,128	9,128	18,734	18,383	18,383
Operating and maintenance expense	\$ 4	\$ 4	\$ 4	\$ 11	\$ 11	\$ 11

**DCP MIDSTREAM PARTNERS, LP**  
**RECONCILIATION OF NON-GAAP FINANCIAL MEASURES**  
(Unaudited)

	As Reported in Q412	Q113	Q213	Q313	Twelve months ended September 30, 2013
	(Millions, except as indicated)				
Net income (loss) attributable to partners	\$ 64	\$ 52	\$ 102	\$ (1)	\$ 217
Maintenance capital expenditures, net of noncontrolling interest portion and reimbursable projects	(6)	(7)	(3)	(6)	(22)
Depreciation and amortization expense, net of noncontrolling interests	14	19	21	24	78
Non-cash commodity derivative mark-to-market	(2)	10	(58)	50	—
Distributions from unconsolidated affiliates, net of earnings	1	3	3	3	10
Impact of minimum volume receipt for throughput commitment	(6)	2	2	2	—
Discontinued construction projects	—	4	—	—	4
Adjustment to remove impact of pooling	—	(6)	—	—	(6)
Other	3	—	1	—	4
Distributable cash flow	<u>\$ 68</u>	<u>\$ 77</u>	<u>\$ 68</u>	<u>\$ 72</u>	<u>\$ 285</u>
Distributions declared	<u>\$ 54</u>	<u>\$ 69</u>	<u>\$ 72</u>	<u>\$ 82</u>	<u>\$ 277</u>
Distribution coverage ratio — declared	1.25x	1.12x	0.94x	0.88x	1.03x
Distributable cash flow	<u>\$ 68</u>	<u>\$ 77</u>	<u>\$ 68</u>	<u>\$ 72</u>	<u>\$ 285</u>
Distributions paid	<u>\$ 53</u>	<u>\$ 54</u>	<u>\$ 69</u>	<u>\$ 72</u>	<u>\$ 248</u>
Distribution coverage ratio — paid	1.29x	1.43x	0.99x	1.00x	1.15x