



# • Investor Presentation

November 2019

# • Forward-Looking Statements

## **Under the Private Securities Litigation Reform Act of 1995**

This document may contain or incorporate by reference forward-looking statements regarding DCP Midstream, LP (the “Partnership” or “DCP”) and its affiliates, 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, forecasted, 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 periodic reports most recently filed with the Securities and Exchange Commission, including its most recent Forms 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 except as required by applicable securities laws. 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, gross margin, segment gross margin, forecasted distributable cash flow, and forecasted adjusted EBITDA. A reconciliation of these financial measures to the most directly comparable GAAP measure is included in the Appendix to this presentation. Due to the forward-looking nature of estimated annualized adjusted EBITDA attributable to certain growth projects, DCP is unable to provide a reconciliation to net income, which would be the most directly comparable GAAP financial measure, because management does not track and is unable to predict the adjustments necessary for a reconciliation at a project-level without unreasonable effort and expense.

# DCP Midstream Snapshot

**\$4.8B** MARKET  
CAP

**\$10.6B** ENTERPRISE  
VALUE

**740K** AVG. 52-week  
TRADING VOLUME

FORTUNE  
500  
NUMBER

**320**

**5-7X** 

TARGET MULTIPLE FOR  
GROWTH PROJECTS

**\$.78 / \$3.12** ANNUALIZED  
DISTRIBUTION PAYMENT



**Ba2 / BB+ / BB+**  
CREDIT RATINGS

**\$23.17**  
STOCK PRICE



**#1**

2018 Safety  
Record in  
Midstream  
Industry

**\$14B**   
TOTAL ASSETS

## COMPETITIVE POSITION

- Large footprint in advantaged basins across nine states
- Fully integrated value chain with predominantly fee-based cash flow
- Industry-leading innovation and digital transformation via DCP 2.0

# • Compelling Investor Value Proposition

## INTEGRATED MIDSTREAM PROVIDER



- Fully integrated midstream business, with growing Logistics portfolio and geographically diverse, premier asset base
- Broad NGL pipeline footprint with unparalleled access to fractionators along the Gulf Coast, including Mont Belvieu and Sweeny, with Conway providing optionality for customers
- Leading industry positions in the DJ Basin, Northern Delaware (Permian), Eagle Ford, and SCOOP (Midcontinent)

## DISCIPLINED CAPITAL ALLOCATION



- Long-term capital allocation strategy built to strengthen the balance sheet, increase unitholder value, and achieve investment grade ratings
- Disciplined growth program focused on leveraging and expanding Gathering & Processing footprint to grow high return, fee-based Logistics & Marketing business

## GROWING CASH FLOWS



- 1.27X YTD distribution coverage
- Close to 80% fee and hedged target for 2019
- Projecting fee-based gross margin to increase to 70% in 2020
- 2019/2020 growth projects are ~90% fee-based, adding ~\$270MM of annualized Adjusted EBITDA
- DCP 2.0 digital transformation driving margin optimization and cost efficiencies

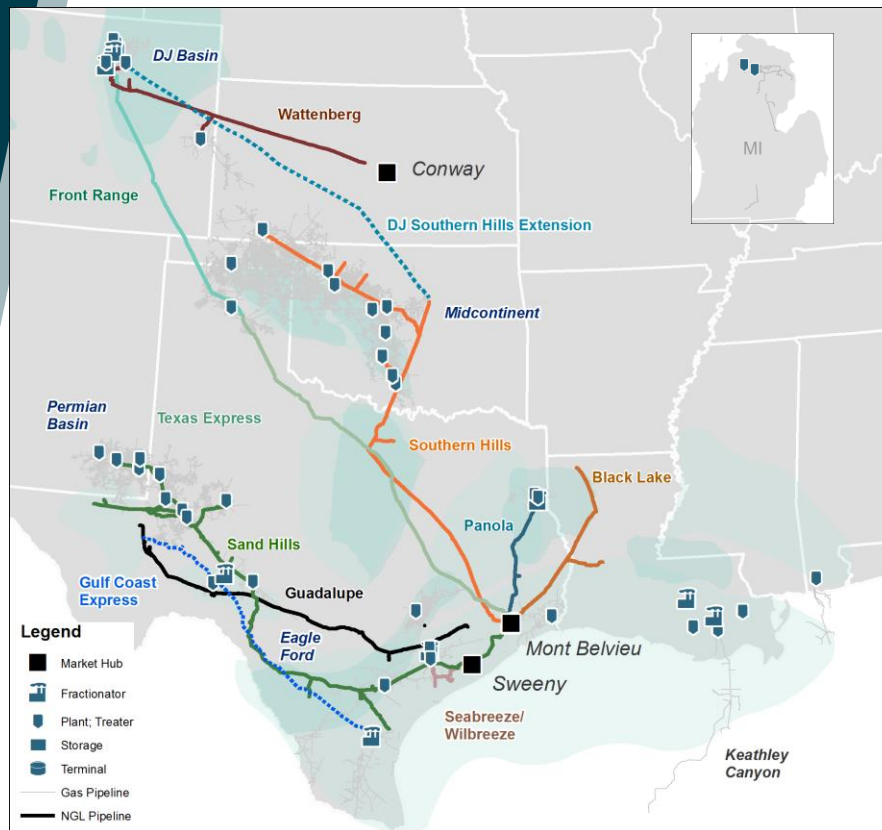
## FINANCIAL FLEXIBILITY



- ~4.0x bank leverage ratio\*
- ~\$1.2 billion available on bank facility\*
- ~\$185MM of non-core asset sales year-to-date with proceeds used to fund growth
- No common equity issued in over 5 years
- Proven track record of maintaining or growing distribution throughout the history of the company

**Proven track record of delivering on commitments and meeting investor expectations**

# Strong Portfolio of Assets



## Leading Midstream Provider



- ✓ **Integrated Logistics & Marketing and Gathering & Processing** business with competitive footprint and geographic diversity
- ✓ **Unparalleled interconnectivity and access to fractionators** on the Gulf Coast, including Mt. Belvieu and Sweeny, with Conway for optionality
- ✓ **Leading industry positions in premier basins**, including the DJ Basin, Permian, Eagle Ford, and SCOOP

**62K** Miles of Pipeline

**60** Plants

**8.0** Bcf/d processing capacity <sup>(1)</sup>

**1,450** MBpd gross NGL Pipeline capacity

**One of the largest NGL producers and gas processors in the United States**

# • ESG | Environmental, Social, and Governance

- **Environmental Commitment** - Focused on reducing methane, CO2 and VOC emissions at DCP facilities through innovation, investment in reliability, and pipeline integrity
- **Industry Leader** - Collaborative thought leader and industry influencer with NGOs, trade associations, and regulatory agencies, including DOT/PHMSA, EPA, and state and local regulators
- **Ethical Leadership and Culture** - Committed to promoting an organizational culture that encourages the highest standards of personal, professional, and business ethical conduct
- **Social and Community Engagement** - Active engagement with the communities where we live and work via community investment and outreach
- **Board of Directors Governance** - Board sanctioned Operational Excellence committee oversees EHS risk management programs; comprised of DCP, Phillips 66 and Enbridge EHS/Ops leadership
- **Executive Compensation** - Aligned with company DCF, operational and safety performance, and focused on driving long-term unitholder value as reflected by total shareholder return relative to the peer group
- **ESG Council** - Internal working group established to deliver first annual ESG report in 2020



**1ST PLACE 2018 COMPANY SAFETY AWARD FOR DIVISION I**  
GPA Midstream recognizes DCP for outstanding safety performance



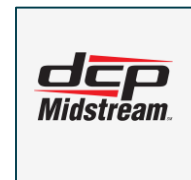
**2018 CEO AWARD FOR COMPANY SERVICE**  
GPA Midstream recognizes DCP for significant contributions to, and leadership within, the midstream industry



**TOP CORPORATE FUNDRAISER NATIONWIDE FOR 2018 AHA HEART WALK**  
AHA recognized DCP for raising awareness and funds for cardiovascular health research



**LARGE COMPANY COMMUNITY IMPACT AWARD FOR 2018**  
COGA recognizes DCP's significant impact and focus on community investment and outreach



**2019 FORBES BEST MIDSIZE EMPLOYER**  
Forbes recognizes DCP's culture and workplace environment based on direct employee feedback



**DCP Purpose: Building Connections to Enable Better Lives**



# 2019 IDR Elimination

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# IDR Elimination

## Transaction Details

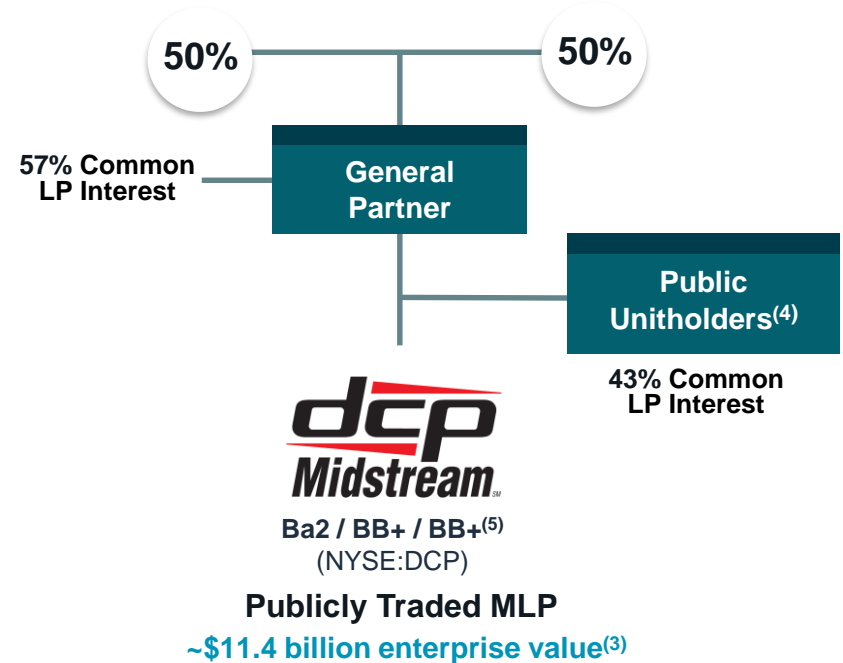
- \$1.53B transaction<sup>(1)</sup>
- Transaction multiple of 9x<sup>(2)</sup>
- Transaction closed on November 6, 2019
- Enbridge and Phillips 66 maintain equal ownership in the non-economic interest of the GP, which now owns 57% of DCP's outstanding common units
- The first distribution payment on new units issued to the general partner will be paid in Q1 of 2020



Baa2 / BBB+ / BBB+<sup>(5)</sup>  
(NYSE:ENB)  
~\$129 billion  
enterprise value<sup>(3)</sup>



A3 / BBB+ / NR<sup>(5)</sup>  
(NYSE:PSX)  
~\$58 billion  
enterprise value<sup>(3)</sup>



**Win-win transaction creating full economic alignment for all stakeholders**

<sup>(1)</sup> Transaction value calculation = 65MM common units issued to GP x \$23.62 (20-day volume-weighted average price as of the markets close on November 5)

<sup>(2)</sup> Transaction multiple calculation = transaction value / 2019 GP distribution of \$171MM

<sup>(3)</sup> ENB and PSX EV based on ycharts.com as of September 30, 2019; DCP EV based on post-transaction calculation using 20-day volume-weighted average price as of the markets close on November 5

<sup>(4)</sup> Includes Series A, B, and C Preferred LP interests

<sup>(5)</sup> Moody's / S&P / Fitch ratings



# Transaction Highlights

**Complete economic alignment** between DCP unitholders, Enbridge, and Phillips 66

**Simplified structure** at an attractive premium, **lowering future cost of capital** for DCP

Right timing with great slate of new **fee-based** growth projects and **strong financial position**

Solidifies DCP's track record of **maintaining or growing distributions**

Transaction Value

**\$1.53B**

Transaction Multiple

**9x**

DCP New Market Cap

**\$5B**

ENB & PSX collective LP ownership increased to **57%**

# DCP Strategic Execution

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# DCP Business Evolution

## 2010

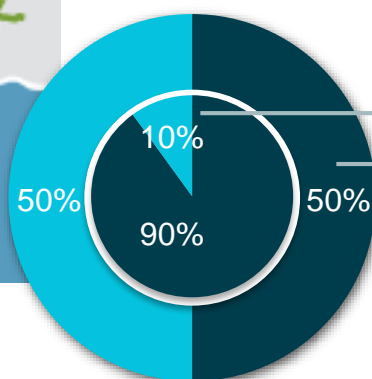


Extending and enhancing Logistics & Marketing value chain

Strategically growing Gathering & Processing footprint

Opportunistic consolidation, right-sizing the portfolio

DCP 2.0 transformation through people, process, and technology



Adjusted EBITDA by Segment

FY 2010\*

FY 2019E

Logistics & Marketing

Gathering & Processing

## 2019+



Transformed into a fully integrated midstream provider with a balanced portfolio

# Integrating & Enhancing the Value Chain

*Strategic G&P footprint feeding growing Logistics asset base...  
Driving customer volumes to multiple market centers along the Gulf Coast*



## PROCESSING

- Q3 2019 O'Connor 2 plant
- Q4 2019 O'Connor 2 bypass
- Mid-2020 DJ strategic offload

## NGLS

- Q4 2019 DJ Southern Hills extension
- Q4 2019 Front Range and Texas Express expansions
- Q4 2020 Southern Hills expansion

## NATURAL GAS

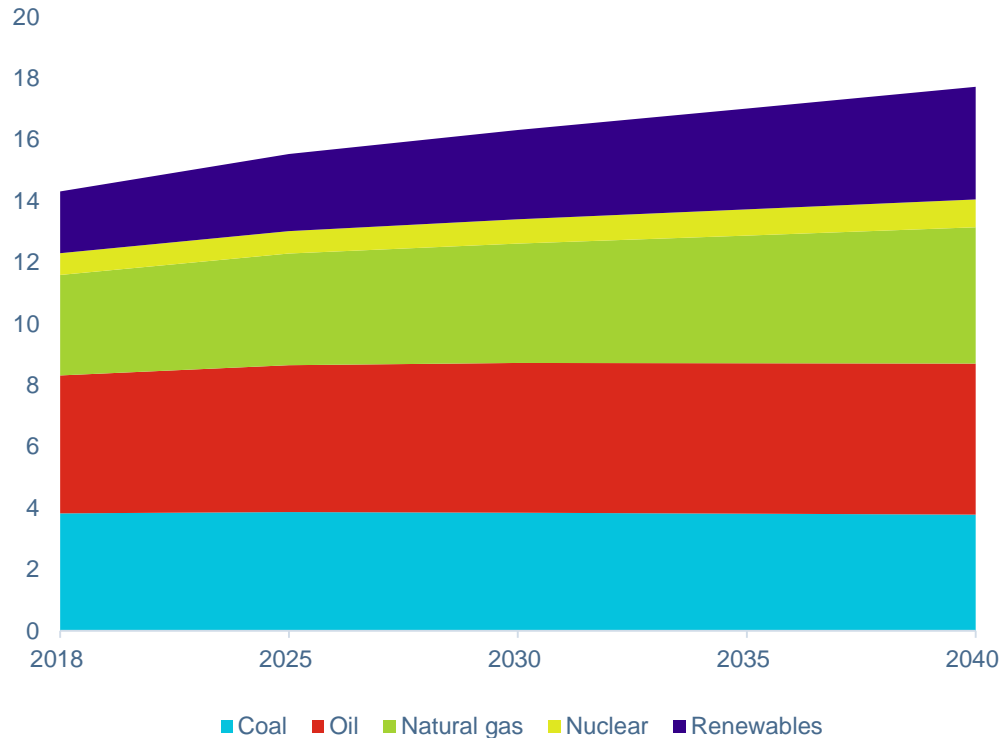
- Q3 2019 Gulf Coast Express
- 1H 2020 Cheyenne Connector

## FRACTIONATION

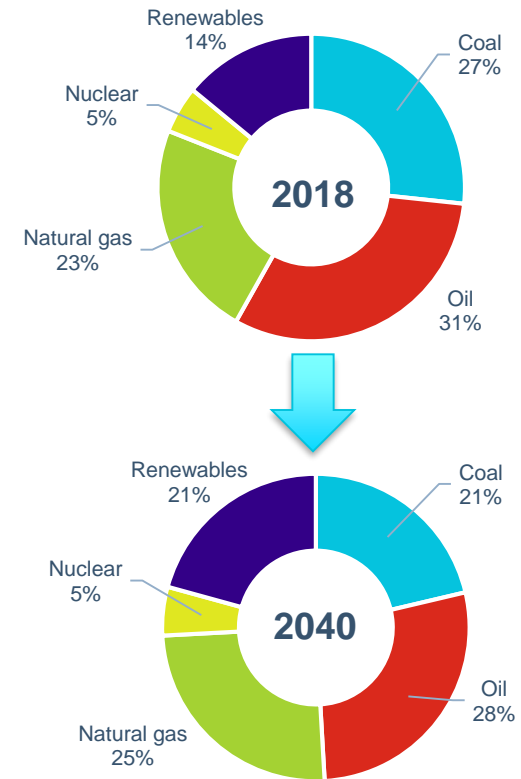
- Q4 2020 Sweeny fractionators

# Long-Term Global Demand for Natural Gas

World Primary Energy Demand by Fuel (BTOE)



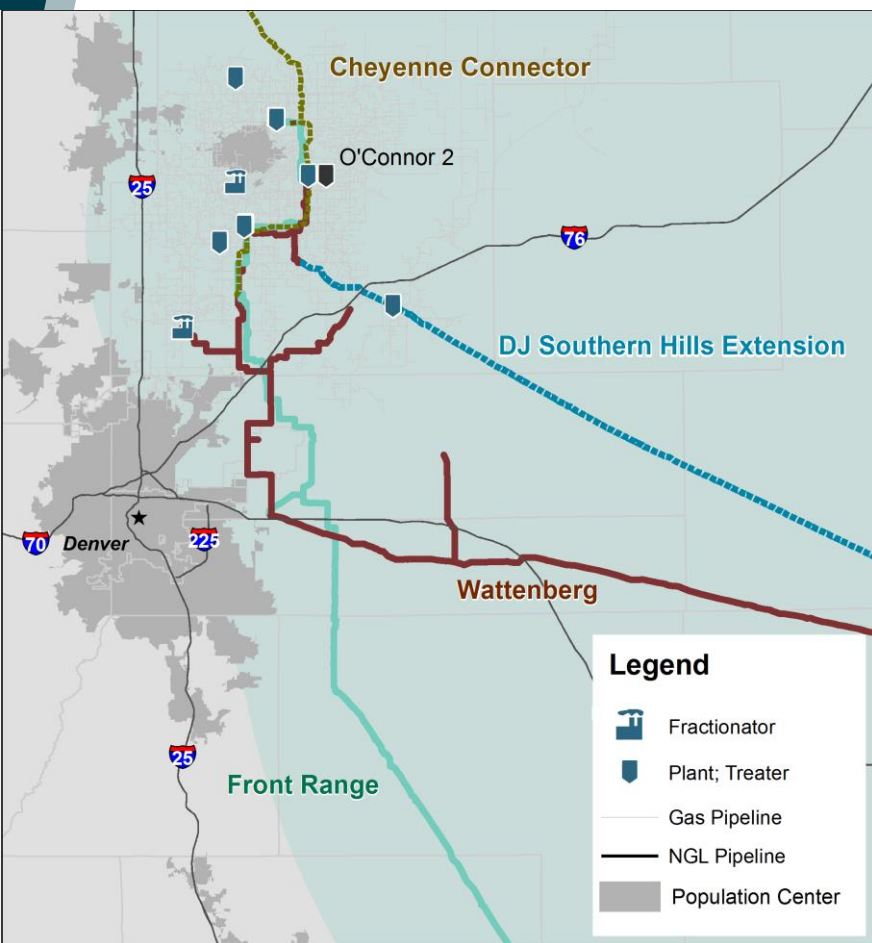
Share by Fuel



"Shale output from the United States is set to stay higher for longer than previously projected, reshaping global markets, trade flows and security. In the Stated Policies Scenario, annual US production growth slows from the breakneck pace seen in recent years, but the United States still accounts for 85% of the increase in global oil production to 2030, and for 30% of the increase in gas."

**Hydrocarbons continue to fuel our global society for decades, with increased demand for natural gas**

# Enhancing Premier DJ Basin Footprint



## G&P Expansion Adding up to 725 MMcf/d capacity

- **O'Connor 2** 200 MMcf/d plant in-service August 2019; up to 100 MMcf/d bypass expected in-service by Q4 2019
  - Effectively solving for current takeaway constraints via marketing opportunities
- Adding up to 225 MMcf/d processing capacity by mid-2020 via **strategic offload**
- **Mewbourn 3** 200 MMcf/d plant was placed in service August 2018

## NGL Takeaway Adding up to 220 MBpd

- **DJ Southern Hills extension** adding 90 MBpd<sup>(1)</sup> Q4 2019; expandable up to 120 MBpd
- Expansions on **Front Range** to 255 MBpd<sup>(2)</sup> and **Texas Express** to 330 MBpd<sup>(2)</sup> progressing; expected in-service Q4 2019

## Gas Takeaway Adding up to 600 MMcf/d

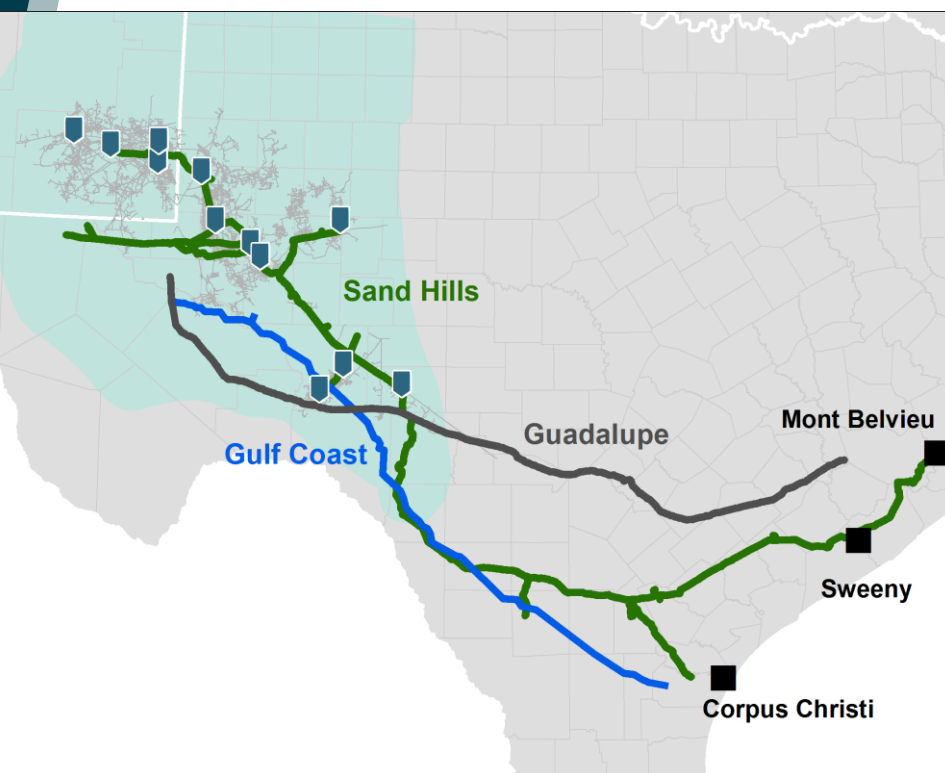
- **Cheyenne Connector** will provide 600 MMcf/d residue gas takeaway capacity; expected in-service by 1H 2020
  - DCP secured 300 MMcf/d of transport
  - Exercised 50% ownership option

Solving for G&P and NGL and gas takeaway for our producers into the next decade



# Expanding Permian Logistics Footprint

*Extending Logistics value chain with fee-based projects...  
Sand Hills leverages the entire Permian with lower risk and higher returns*



## Sand Hills NGL Pipeline

- Increased capacity to 500 MBpd in Q1 2019, increasing volumes and associated cashflows
- Profitable, fee-based contract portfolio with 10-15 year commitments
- Customer centric pipeline with optionality for delivery to multiple points along the Gulf Coast

## Gulf Coast Express Natural Gas Pipeline

- Gulf Coast Express ~2 Bcf/d gas takeaway pipeline in-service Q3 2019
- 500 mile primarily 42" intrastate pipeline connecting Permian to Gulf Coast
- Supply push from Permian growth where DCP's G&P position provides significant connectivity

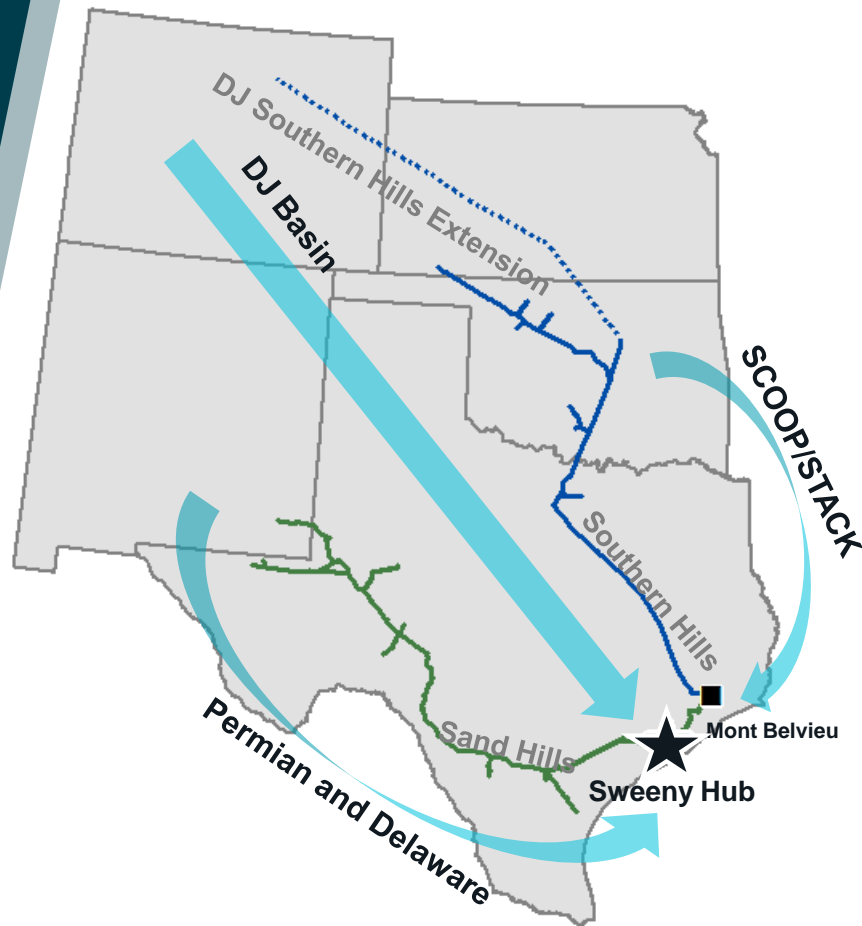
## Guadalupe Natural Gas Pipeline

- Guadalupe ~500 mile intrastate pipeline connecting Waha Header to Katy
- DCP 100% ownership of Waha Header and 22 miles from New Braunfels to Dewville
- Serves as a natural hedge in the portfolio

**Executing strategic, lower risk growth projects with line of sight to fast volume ramp...  
growing higher margin fee-based earnings while minimizing risk of G&P overbuild**

# • Extending Logistics Value Chain via Sweeny

*Option to expand DCP's fractionation network into Sweeny Hub in partnership with Phillips 66*



## Strategic Rationale

- Strategically extending value chain into Gulf Coast linking customers to growing PetChem market and Phillips 66 export facility
- Increasing ability to offer integrated customer solutions leveraging extensive footprint
- Sweeny Hub ensures adequate fractionation capacity for growing NGL production while providing a market alternative to Mont Belvieu
- Increased fee-based earnings

## Option for 30% Ownership in 300 MBpd Sweeny Frac Expansion

- Phillips 66 is expanding its existing 100 MBpd Sweeny fractionators with two additional 150 MBpd NGL fractionators
- DCP has option to acquire up to 30% ownership interest in the two new Sweeny fractionators for approximately \$400 million at the in-service date, which is expected in Q4 of 2020

## Committing Supply to Support New Sweeny Fracs

- Extended term on existing Sweeny fractionation agreements to late 2020's
- Committing additional NGLs to Sweeny

**Driving continued vertical integration from premier basins to the Gulf Coast**

# Disciplined and Strategic Growth

Executing strategic, low risk and high return projects in key regions at 5-7x target multiples, with line of sight to fast volume ramp

G&P investment concentrated in the DJ Basin where favorable life of lease acreage dedications support downstream investments

L&M investments leverage G&P growth and aggregate third party supply for growing downstream earnings

## Gathering & Processing

### Recently in Service

	Capacity	CapEx	In-Service
<b>DJ O'Connor 2 Plant</b> <ul style="list-style-type: none"><li>New gas processing plant in the DJ Basin, in-service August 2019 with volume ramp expected throughout the second half of the year</li></ul>	200 MMcf/d	\$375	Q3 2019
<b>DJ O'Connor 2 Bypass</b> <ul style="list-style-type: none"><li>100MMcf/d bypass within the O'Connor 2 facility in the DJ Basin</li></ul>	Up to 100 MMcf/d	\$35	Q4 2019

### Projects in Progress

	Est. 100% Capacity	Est. CapEx	Expected In-Service
<b>DJ Strategic Offload</b> <ul style="list-style-type: none"><li>Long-term gas processing offload agreement at Western Midstream Partners' Latham facility, with retention of full downstream NGL and gas upside</li><li>Brings DCP's total processing, bypass, and offload capacity to ~1.7 Bcf/d in the DJ Basin</li></ul>	225 MMcf/d	\$125	Mid-2020

# Disciplined and Strategic Growth

## Logistics

### Recently in Service

(\$MM net to DCP's interest)

Capacity

CapEx

In-Service

#### Gulf Coast Express (25%)

- 500 mile intrastate natural gas pipeline connecting Permian to the Gulf Coast
- Supply push from Permian growth where DCP's G&P position provides significant connectivity; fully subscribed with very high utilization rates

~2.0 Bcf/d

\$440

Q3 2019

### Projects in Progress

(\$MM net to DCP's interest)

Est. 100% Capacity

Est.  
CapEx

Expected  
In-Service

#### Front Range (33%) and Texas Express (10%)

- Front Range ties into Texas Express, moving NGLs from the DJ Basin to Mont Belvieu

255 MBpd and 330  
MBpd

\$45, \$15

Q4 2019

#### DJ Southern Hills Extension

- Extending Southern Hills into the DJ Basin via White Cliffs crude pipeline conversion to NGL service from Plattville, CO to Cushing, OK, then on to Gulf Coast market centers
- Expandable to 120 MBpd

90 MBpd

\$75

Q4 2019

#### Cheyenne Connector (50%)

- Residue gas takeaway from the DJ Basin to the Rockies Express Pipeline
- DCP has secured 300 MMcf/d of transport

600 MMcf/d

\$105

1H 2020

#### Southern Hills Expansion

- Expansion of existing Southern Hills NGL pipeline at low multiple via added pump stations
- Capacity was previously increased from 175 MBpd to 190 MBpd in Q3 2018

230 MBpd

\$35

Q4 2020

#### Sweeny Fractionators (option to acquire 30% at in-service)

- Option to extend value chain at Phillips 66 export facility, which will be the second largest hub in the U.S. post-expansion
- Connects NGL production from key basins to Gulf Coast market alternative

2 fracs, 150 MBpd each

\$400

Q4 2020

# • DCP 2.0 Driving the Operations of the Future

## DCP 2.0 Strategic Objectives

### Achieve Real-Time Optimization & Decision Making

- Utilize real-time data from a variety of sources to make the most strategic business decisions
- Increase reliability and asset runtime
- Improve margin by optimizing value of every asset and every molecule

### Digitally Enable the Business and Workforce

- Drive workforce efficiencies through automation
- Create digital platforms to improve employees' quality of life
- Build high-tech portfolio and world-class Workforce of Tomorrow
- Establish culture of innovation and agility

### Increase Cash Flow While Diminishing Risk

- Improve safety and decrease emissions
- Enhance process and equipment monitoring program
- Drive substantial cost reduction via lean manufacturing platform
- Utilize predictive analytics to improve asset maintenance

Real-time  
decisions

Better reliability  
and safety

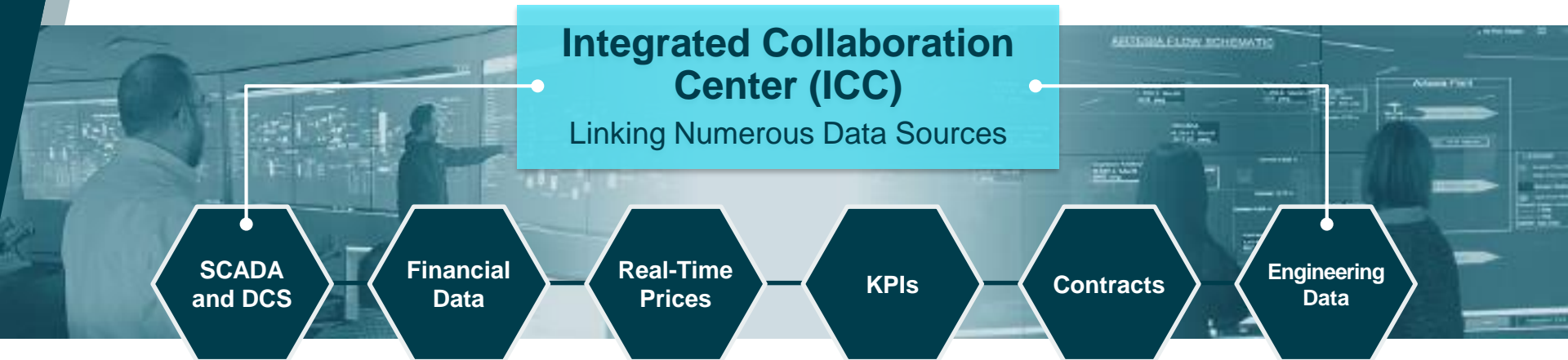
Asset  
optimization

Higher  
margins

Cost  
Savings

Industry leading transformation through people, process, and technology

# • ICC and Remote Operations



## Integrated Collaboration Center

- ICC continues to gain momentum with functionality; now tracking data from majority of plants
- Focus expanding to the field, including large infrastructure of pipelines and compressors
- 24/7 monitoring for major field assets
- A platform by which plant operation best practices can be identified and quickly replicated

## Remote Operations

- Now remotely operating multiple assets from the ICC in Denver
- Tracking to bring approximately 20% of facilities into the ICC for remote operations by the end of 2019
- Driving increased cross-functional collaboration internally among gas controllers, plant and field coordinators, optimizers, and board operators
- Strengthening integration between plants and across regions

**DCP 2.0 driving optimization and efficiencies to increase cash flow, lower costs, and minimize risk**





# Segment Overviews

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# Logistics and Marketing Overview

## DCP Logistics Assets



The Logistics & Marketing segment is **fee based** and includes NGL pipelines, gas pipelines, marketing, storage and fractionators. The NGL pipelines and Guadalupe comprise a significant portion of the segment margin.

### NGL Takeaway

- Sand Hills** provides NGL takeaway from the Permian and Eagle Ford to the Gulf Coast. This pipe is customer friendly providing access to Sweeny, Mont Belvieu and Corpus Christi.
- Southern Hills** provides NGL takeaway from the Midcontinent to Mont Belvieu. This pipe is currently being extended into the DJ Basin with expected in-service Q4 2019. It is also being expanded to 230 MBpd by a targeted date of Q4 2020.
- Front Range** and **Texas Express** are currently being expanded and provide NGL takeaway from the DJ.

### Gas Takeaway

- Gulf Coast Express** is under construction and will provide ~2.0 Bcf gas takeaway from the Permian to the Gulf Coast; DCP has a 25% ownership interest; placed into service Q3 2019.
- Guadalupe** provides 245 MMcf/d gas takeaway from the Permian optimizing the Waha / Katy spread.

### Gas & NGL Storage

- 12 Bcf **Spindletop** natural gas storage facility in SE Texas
- 8 MMBbls **Marysville** NGL storage facility in Michigan

Pipeline	% Owned	Approx. System Length (Miles)	Approx. Gross Throughput Capacity (MBpd)	Net Pipeline Capacity (MBpd) <sup>(1)</sup>
Sand Hills	66.70%	1,500	500	334
Southern Hills	66.70%	950	192	128
Front Range	33.30%	450	150	50
Texas Express	10%	600	280	28
Other NGL Pipelines <sup>(2)</sup>	Various	1,150	316	231
<b>NGL Pipelines</b>		<b>4,650</b>	<b>1,438</b>	<b>771</b>

**Growing Logistics footprint adding fee-based earnings**

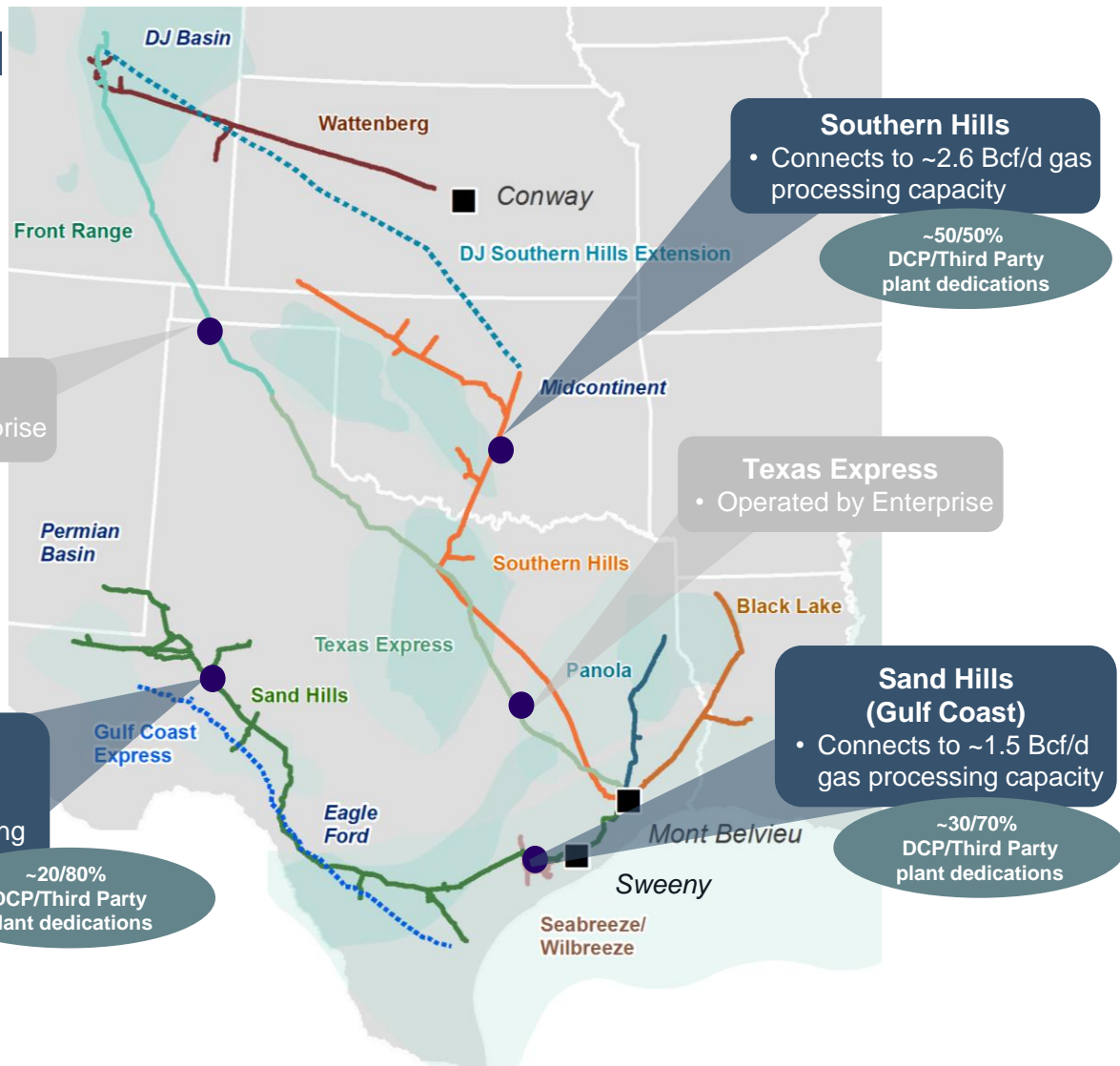
# Logistics and Marketing Customers

*NGL pipelines backed by plant dedications from DCP and third parties, providing open access to premier demand markets along the Gulf Coast and Mont Belvieu*

## Legend:

DCP operated

Third party operated



## Customer Centric NGL Pipeline Takeaway



**MARKWEST**  
Energy Partners, L.P.



**DCP**  
Midstream.



ENERGY TRANSFER

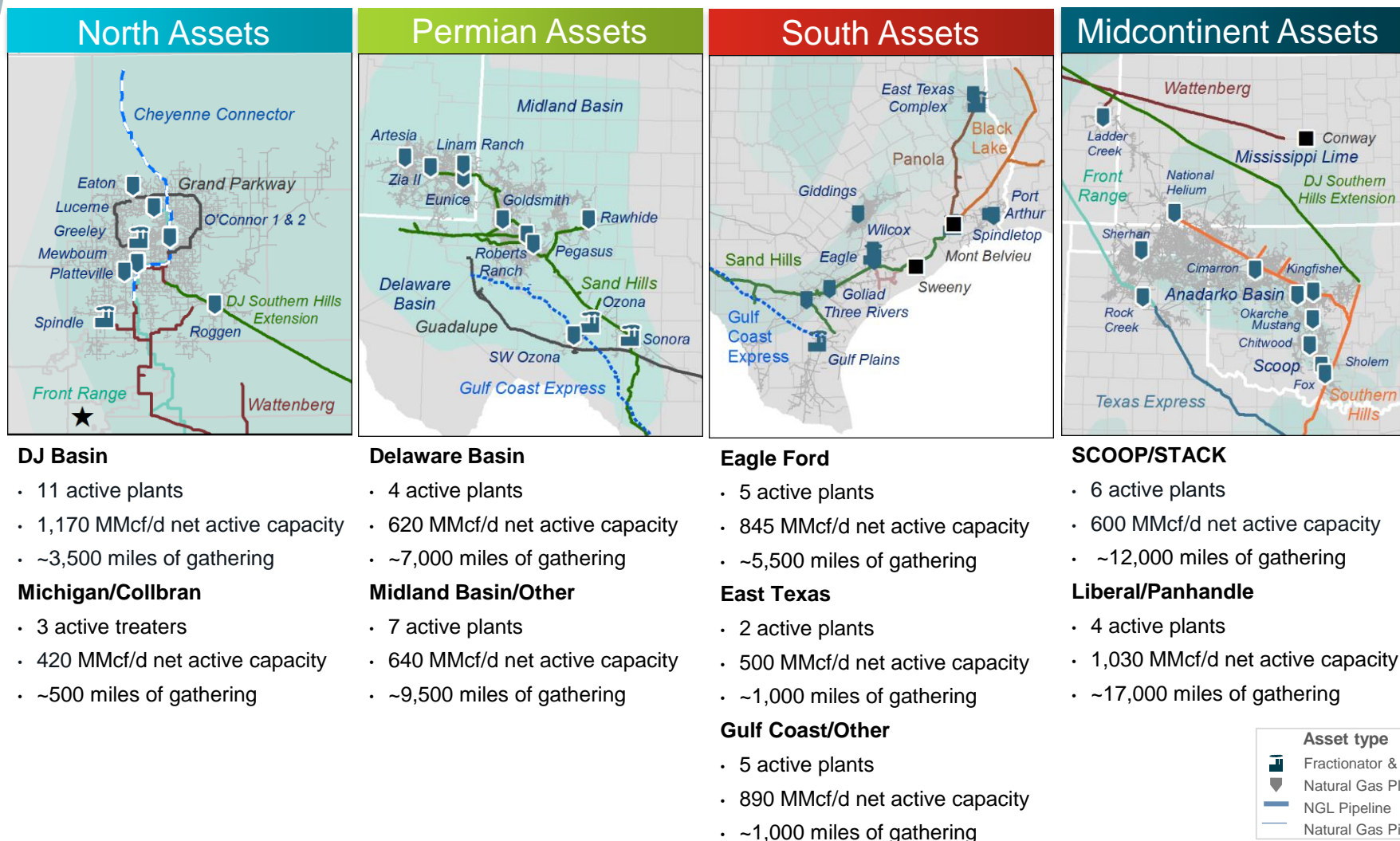
**ENLINK**  
MIDSTREAM

**COGENT**  
MIDSTREAM

**Williams**

**NAVITAS**  
MIDSTREAM PARTNERS

# Gathering and Processing Overview



G&P assets in premier basins provide foundation for integrated footprint

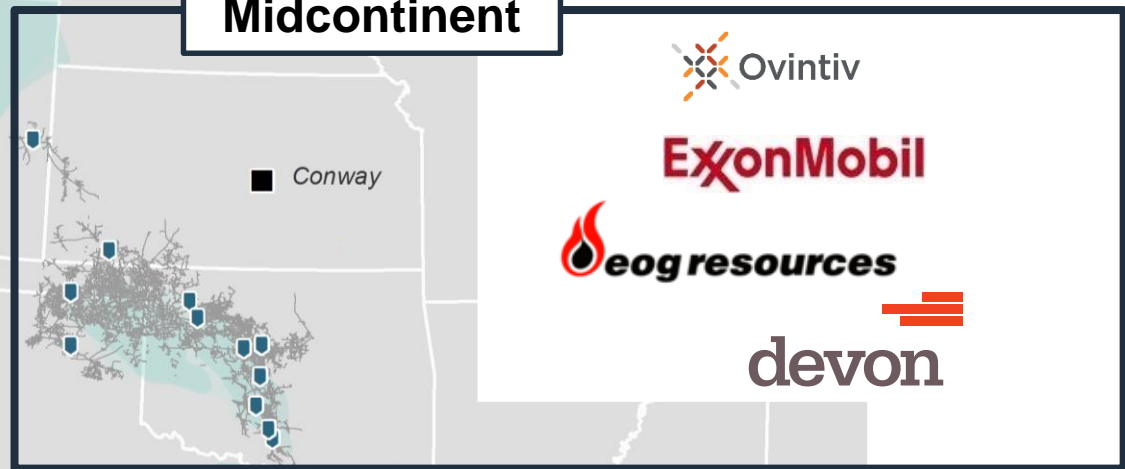


# Strong Producer Customers in Key Basins

## DJ Basin (North)



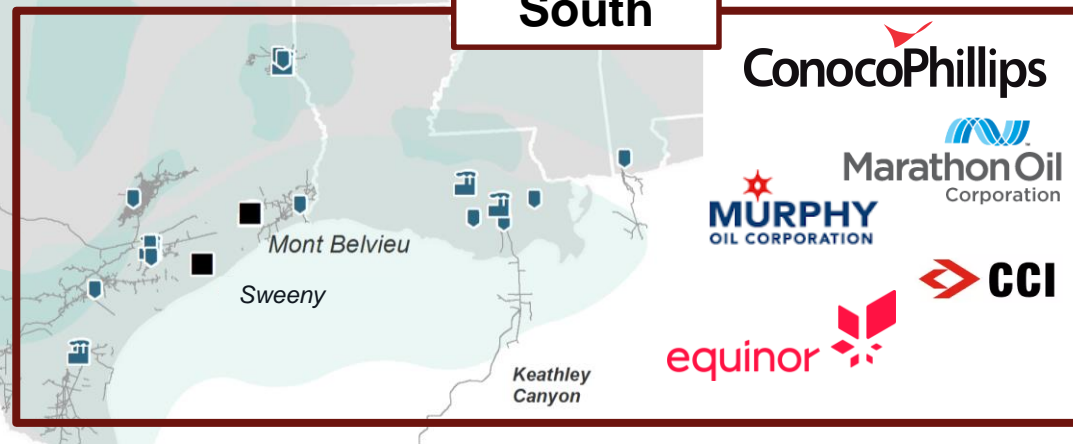
## Midcontinent



## Permian



## South



Volume and margin portfolio supported by long-term agreements with diverse high-quality producers in key regions



# Financial Information



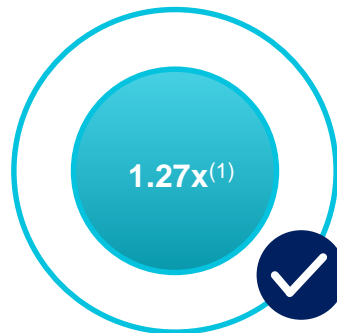
# Financial Position and Risk Management

## Ample Liquidity



- Ample liquidity with ~\$1.2 billion available on bank facility <sup>(1)</sup>
- Issued \$600 million of bonds in Q2; proceeds used to pay down debt, fund capital projects, and general partnership purposes

## Strong Coverage



- Funding portion of growth with excess coverage
- Track record of delivering on commitments and maintaining/raising the distribution

## Solid Leverage



- S&P rating upgraded to BB+, Stable
- No common equity issued since 2015
- Strong capital market execution

## 2020 Fee-based & Hedged Percentage as of 11/13/2019

70% Fee-based  
+  
14% of 30%  
Open position hedged  
= **74%**  
Fee-based & hedged

- New crude, NGL, and gas hedges
- Growing fee-based margin percentage by 5%

## Logistics Investments Increasing Fee-Based Earnings

Includes Gulf Coast Express, DJ Southern Hills Extension, Southern Hills Expansion, Front Range and Texas Express Expansions, Cheyenne Connector, and Sweeny Fracs

**Continued track record of mitigating risk and driving solid returns**

# Capital Allocation Priorities

## Strengthen the Balance Sheet

>1.2 Distribution Coverage Ratio

<4.0x Bank Leverage

Ample liquidity with ~\$1.2 billion available on bank facility



## Increase Unitholder Value

Maintain or grow \$3.12 distribution

No common equity issuances

Increase valuation via strong strategic execution



### FOCUSED

on growing fee-based earnings to strengthen the balance sheet and increase unitholder value



## Capital Discipline

Strategic G&P investments along Logistics footprint

5-7x multiple exceeding cost of capital

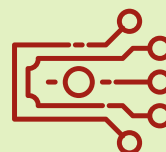
Increase fee-based margin, lower commodity price sensitivity



## Enhance the Value Chain

Fully integrate portfolio to optimize footprint

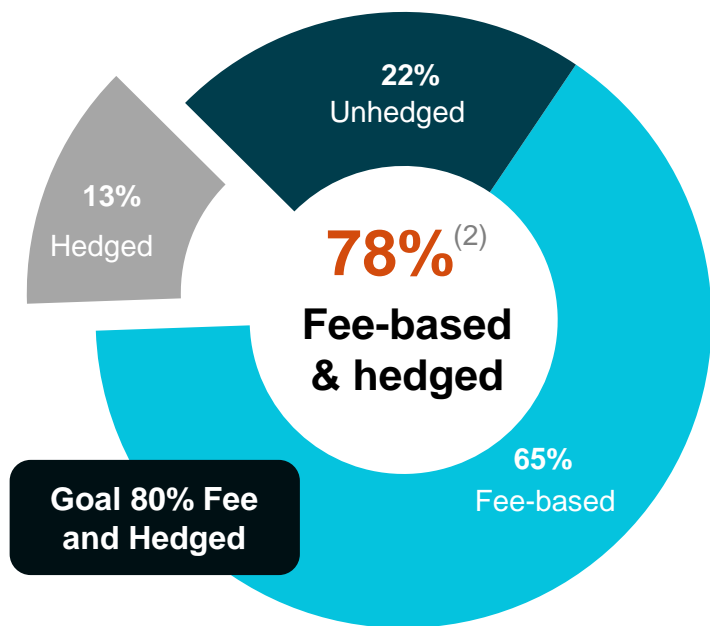
Extend value chain toward export dock



# 2019 Gross Margin, Sensitivities and Hedges

*Investments in fee-based growth coupled with hedging program provides downside protection on commodity exposed margin*

## 2019 Adjusted Gross Margin



**Total 2019 equity length hedged 38%**  
(based on crude equivalent)

## 2019 Annual Commodity Sensitivities

Commodity	Price Range	Per unit Δ	Before Hedges (\$MM)	Hedge Impact (\$MM)	After Hedges (\$MM)
NGL (\$/gallon)	\$0.60-0.70	\$0.01	\$5	(\$2)	\$3
Natural Gas (\$/MMBtu)	\$2.80-3.10	\$0.10	\$9	(\$2)	\$7
Crude Oil (\$/Bbl)	\$53-63	\$1.00	\$5	(\$2)	\$3

	Hedge position as of 11/13/2019	Q4 2019	Q1-Q4 2019	Q1-Q4 2020
NGLs hedged <sup>(1)</sup> (Bbls/d)		11,413	11,841	5,410 <sup>(3)</sup>
Average hedge price <sup>(1)</sup> (\$/gal)		\$0.68	\$0.69	
% NGL exposure hedged			~36%	
Gas hedged (MMBtu/d)		50,000	54,097	12,500
Average hedge price (\$/MMBtu)		\$3.14	\$3.31	\$2.64
% gas exposure hedged			~23%	
Crude hedged (Bbls/d)		10,057	6,305	1,698
Average hedge price (\$/Bbl)		\$62.26	\$62.23	\$58.18
% crude exposure hedged			~45%	

## 2019 near 80% fee and hedged target

# 2019 Guidance

*Self-funding a portion of growth...  
no planned common equity issuances  
for fifth consecutive year*

(\$ in Millions)

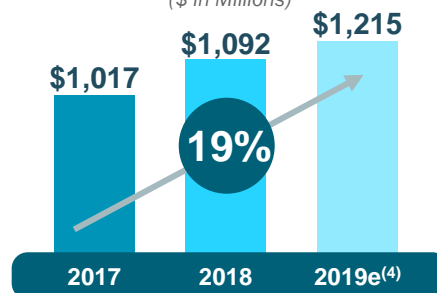
Adjusted EBITDA <sup>(1)</sup>	\$1,145 - 1,285
Distributable Cash Flow (DCF) <sup>(1)(2)</sup>	\$700 - 800
Total GP/ Common LP Distributions	\$618
Distribution Coverage Ratio (TTM)	~ 1.2x
Bank Leverage <sup>(3)</sup>	< 4.0x
Maintenance Capital	\$90 - 110
Growth Capital	\$600 - \$800

## 2019 Assumptions

- Self-funding portion of growth via excess coverage and divestitures
- No planned common equity issuances
- Lower costs via reliability and targeted reductions
- Higher Sand Hills and Southern Hills volumes
- Higher Guadalupe margins
- Full year Mewbourn 3 and partial year O'Connor 2
- Potential upside from ethane recovery... ethane rejection 60-70 MBpd
- Lower commodity prices

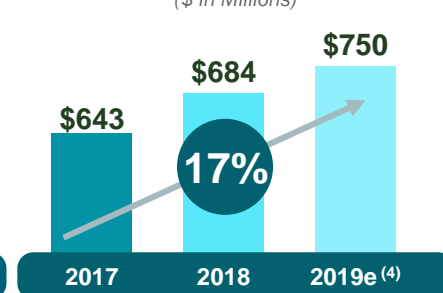
## Adjusted EBITDA

(\$ in Millions)



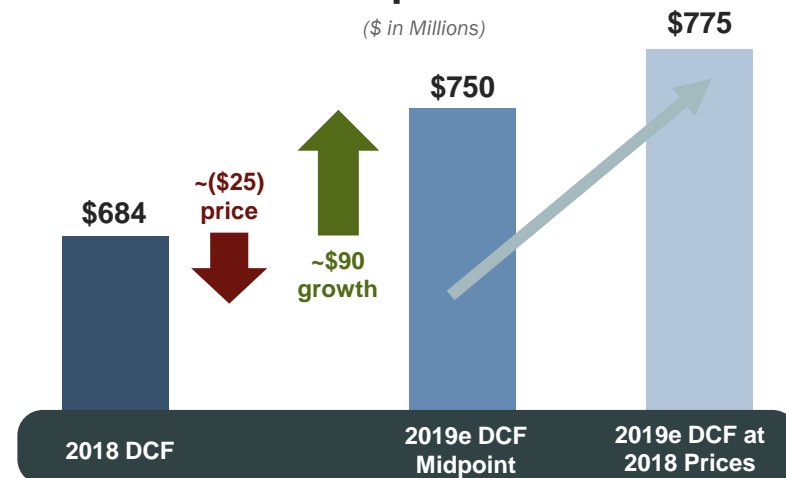
## DCF

(\$ in Millions)



## 2019 DCF Upside Potential

(\$ in Millions)



- Growing cash flows ~\$65 million from 2018 to 2019 while absorbing ~\$25 million of negative price impact
- 2019e DCF \$775 million at 2018 commodity prices

(1) Adjusted EBITDA and distributable cash flow are Non GAAP measures. See Non GAAP reconciliation in the appendix section

(2) Distributable cash flow is reduced by cumulative cash distributions earned by the Preferred Units

(3) Bank leverage ratio calculation = Bank debt (excludes \$550 million Jr. Subordinated notes which are treated as equity) less cash divided by adjusted EBITDA, plus certain project EBITDA credits from projects under construction

(4) Based on 2019 guidance midpoint



# Non GAAP Reconciliations

# Non GAAP Reconciliation

(\$ in millions)	Three Months Ended September 30,		Year to Date Ended September 30,	
	2019	2018	2019	2018
<b>Logistics and Marketing Segment</b>				
Segment net income attributable to partners	\$ 124	\$ 148	\$ 456	\$ 357
Operating and maintenance expense	9	14	29	36
Depreciation and amortization expense	4	5	10	11
Other expense, net	-	-	1	2
General and administrative expense	2	3	6	9
Asset impairments	35	-	35	-
Earnings from unconsolidated affiliates	(113)	(102)	(340)	(273)
Loss on sales of assets, net	-	-	10	-
<b>Segment gross margin</b>	<b>\$ 61</b>	<b>\$ 68</b>	<b>\$ 207</b>	<b>\$ 142</b>
Earnings from unconsolidated affiliates	113	102	340	273
<b>Segment gross margin including equity earnings</b>	<b>\$ 174</b>	<b>\$ 170</b>	<b>\$ 547</b>	<b>\$ 415</b>

<b>Gathering and Processing (G&amp;P) Segment</b>				
Segment net (loss) income attributable to partners	\$ (147)	\$ 96	\$ 10	\$ 285
Operating and maintenance expense	172	175	502	492
Depreciation and amortization expense	88	87	272	258
General and administrative expense	5	6	17	12
Asset impairments	212	-	212	-
Other expense, net	-	1	5	4
Earnings from unconsolidated affiliates	(1)	(2)	(4)	(5)
Loss on sale of assets, net	-	-	4	-
Net income attributable to noncontrolling interests	1	1	3	3
<b>Segment gross margin</b>	<b>\$ 330</b>	<b>\$ 364</b>	<b>\$ 1,021</b>	<b>\$ 1,049</b>
Earnings from unconsolidated affiliates	1	2	4	5
<b>Segment gross margin including equity earnings</b>	<b>\$ 331</b>	<b>\$ 366</b>	<b>\$ 1,025</b>	<b>\$ 1,054</b>

**\*\* We define gross margin as total operating revenues including trading and marketing gains and losses, less purchases and related costs, and we define segment gross margin for each segment as total operating revenues for that segment including trading and marketing gains and losses less purchases and related costs for that segment. Segment gross margin is included as a supplemental disclosure because it is a primary performance measure used by management as it represents the results of product sales versus product purchases and related costs. As an indicator of our operating performance, margin should not be considered an alternative to, or more meaningful than, net income or net cash provided by operating activities as determined in accordance with GAAP. Our gross margin may not be comparable to a similarly titled measure of another company because other entities may not calculate gross margin in the same manner.**



# Non GAAP Reconciliation

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
	(Millions)			
Reconciliation of Non-GAAP Financial Measures:				
Net (loss) income attributable to partners	(178)	81	16	204
Interest expense, net	79	69	221	203
Depreciation, amortization and income tax expense, net of noncontrolling interests	101	97	305	290
Distributions from unconsolidated affiliates, net of earnings	25	28	54	47
Asset impairments	247	—	247	—
Loss from financing activities	—	19	—	19
Other non-cash charges	—	2	6	5
Loss on sale of assets	—	—	14	—
Non-cash commodity derivative mark-to-market	26	13	41	79
Adjusted EBITDA	300	309	904	847
Interest expense, net	(79)	(69)	(221)	(203)
Maintenance capital expenditures, net of noncontrolling interest portion and reimbursable projects	(17)	(20)	(56)	(69)
Preferred unit distributions ***	(15)	(13)	(44)	(33)
Other, net	1	2	4	4
Distributable cash flow	190	209	587	546
Net cash provided by operating activities	91	210	637	541
Interest expense, net	79	69	221	203
Net changes in operating assets and liabilities	107	21	10	34
Non-cash commodity derivative mark-to-market	26	13	41	79
Other, net	(3)	(4)	(5)	(10)
Adjusted EBITDA	300	309	904	847
Interest expense, net	(79)	(69)	(221)	(203)
Maintenance capital expenditures, net of noncontrolling interest portion and reimbursable projects	(17)	(20)	(56)	(69)
Preferred unit distributions ***	(15)	(13)	(44)	(33)
Other, net	1	2	4	4
Distributable cash flow	190	209	587	546

\*\*\* Represents cumulative cash distributions earned by the Series A, B and C Preferred Units, assuming distributions are declared by DCP's board of directors.

# Non GAAP Reconciliation

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
(Millions, except as indicated)				
<b>Logistics and Marketing Segment:</b>				
Financial results:				
Segment net income attributable to partners	\$ 124	\$ 148	\$ 456	\$ 357
Non-cash commodity derivative mark-to-market	21	(8)	15	30
Depreciation and amortization expense	4	5	10	11
Distributions from unconsolidated affiliates, net of earnings	16	21	37	31
Asset impairments	35	—	35	—
Loss on sale of assets	—	—	10	—
Other charges	—	—	1	—
Adjusted segment EBITDA	<u>\$ 200</u>	<u>\$ 166</u>	<u>\$ 564</u>	<u>\$ 429</u>
Operating and financial data:				
NGL pipelines throughput (MBbls/d)	598	616	634	575
NGL fractionator throughput (MBbls/d)	57	60	61	59
Operating and maintenance expense	\$ 9	\$ 14	\$ 29	\$ 36
<b>Gathering and Processing Segment:</b>				
Financial results:				
Segment net income attributable to partners	\$ (147)	\$ 96	\$ 10	\$ 285
Non-cash commodity derivative mark-to-market	5	21	26	49
Depreciation and amortization expense, net of noncontrolling interest	88	85	271	257
Asset impairments	212	—	212	—
Loss on sale of assets	—	—	4	—
Distributions from unconsolidated affiliates, net of earnings	9	7	17	16
Other charges	—	1	5	4
Adjusted segment EBITDA	<u>\$ 167</u>	<u>\$ 210</u>	<u>\$ 545</u>	<u>\$ 611</u>
Operating and financial data:				
Natural gas wellhead (MMcf/d)	4,957	4,881	4,920	4,715
NGL gross production (MBbls/d)	406	439	421	416
Operating and maintenance expense	\$ 172	\$ 175	\$ 502	\$ 492

# Non GAAP Reconciliation

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

	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2019
	(Millions, except as indicated)	
Reconciliation of Non-GAAP Financial Measures:		
Distributable cash flow	\$ 190	\$ 587
Distributions declared **	\$ 155	\$ 464
Distribution coverage ratio - declared	1.23 x	1.27 x
Distributable cash flow	\$ 190	\$ 587
Distributions paid	\$ 154	\$ 463
Distribution coverage ratio - paid	1.23 x	1.27 x

	Quarter Ended December 31, 2018	Quarter Ended March 31, 2019	Quarter Ended June 30, 2019	Quarter Ended September 30, 2019	Twelve Months Ended September 30, 2019
	(Millions, except as indicated)				
Distributable cash flow	\$ 138	\$ 224	\$ 173	\$ 190	\$ 725
Distributions declared **	\$ 154	\$ 155	\$ 154	\$ 155	\$ 618
Distribution coverage ratio - declared	0.90x	1.45x	1.12x	1.23x	1.17x
Distributable cash flow	\$ 138	\$ 224	\$ 173	\$ 190	\$ 725
Distributions paid	\$ 155	\$ 154	\$ 155	\$ 154	\$ 618
Distribution coverage ratio - paid	0.89x	1.45x	1.12x	1.23x	1.17x

\*\* There were no IDR givebacks reflected in distributions declared for the three and nine months ended September 30, 2019 and 2018, respectively.

# Non GAAP Reconciliation

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

	Twelve Months Ended	
	December 31, 2019	
	Low	High
	Forecast	Forecast
	(Millions)	
Reconciliation of Non-GAAP Measures:		
Forecasted net income attributable to partners	\$ 335	\$ 465
Distributions from unconsolidated affiliates, net of earnings	65	75
Interest expense, net of interest income	290	310
Income taxes	5	5
Depreciation and amortization, net of noncontrolling interests	410	420
Non-cash commodity derivative mark-to-market	40	10
Forecasted adjusted EBITDA	1,145	1,285
Interest expense, net of interest income	(290)	(310)
Maintenance capital expenditures, net of reimbursable projects	(90)	(110)
Preferred unit distributions ***	(60)	(60)
Other, net	(5)	(5)
Forecasted distributable cash flow	\$ 700	\$ 800

\*\*\* Represents cumulative cash distributions earned by the Series A, B and C Preferred Units, assuming distributions are declared by DCP's board of directors.