UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2023
or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to
Commission File Number: 001-32678

DCP MIDSTREAM, LP
(Exact name of registrant as specified in its charter)

Delaware	**03-0567133**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
6900 E. Layton Ave, Suite 900 Denver, Colorado	**80237**
(Address of principal executive offices)	**(Zip Code)**

(303) 595-3331
(Registrant’s telephone number, including area code)
None
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
7.95% Series C Fixed-to-Floating Rate Cumulative Redeemable Perpetual Preferred Units	DCP PRC	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Emerging growth company	☐
Non-accelerated filer	☐	Smaller reporting company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of July 28, 2023, there were 208,677,458 common units representing limited partnership interests outstanding.

DCP MIDSTREAM, LP
FORM 10-Q FOR THE QUARTER ENDED JUNE 30, 2023

TABLE OF CONTENTS

GLOSSARY OF TERMS

The following is a list of terms used in the industry and throughout this report:

ASU	accounting standards update
Bbl	barrel
Bbls/d	barrels per day
Btu	British thermal unit, a measurement of energy
Credit Agreement	Credit Agreement governing our Credit Facility
Credit Facility	Our $1.4 billion unsecured revolving credit facility, maturing March 18, 2027
DCP Receivables	DCP Receivables LLC
Fractionation	the process by which natural gas liquids are separated into individual components
GAAP	generally accepted accounting principles in the United States of America
Intercompany Credit Agreement	Intercompany Credit Agreement with Phillips 66
MBbls	thousand barrels
MBbls/d	thousand barrels per day
MMBtu	million Btus
MMBtu/d	million Btus per day
MMcf	million cubic feet
MMcf/d	million cubic feet per day
NGLs	natural gas liquids
SEC	U.S. Securities and Exchange Commission
Securitization Facility	$350 million Accounts Receivable Securitization Facility, maturing August 12, 2024
SOFR	Secured Overnight Financing Rate
TBtu/d	trillion Btus per day
Throughput	the volume of product transported or passing through a pipeline or other facility

CAUTIONARY STATEMENT ABOUT FORWARD-LOOKING STATEMENTS

Our reports, filings and other public announcements may from time to time contain statements that do not directly or exclusively relate to historical facts. Such statements are "forward-looking statements" and can be identified by the use of forward-looking words, such as "may," "could," "should," "intend," "assume," "project," "believe," "anticipate," "expect," "estimate," "potential," "plan," "forecast" and other similar words.

All statements that are not statements of historical facts, including, but not limited to, statements regarding our future financial position, business strategy, budgets, projected costs and plans and objectives of management for future operations, are forward-looking statements.

These forward-looking statements reflect our current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside our control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in these forward-looking statements include known and unknown risks. Known risks and uncertainties include, but are not limited to, the risks set forth in Item 1A. "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022, including the following risks and uncertainties:

- conflicts of interest may exist between our individual Series C preferred unitholders and Phillips 66, which has the authority to conduct, direct and manage the activities of DCP Midstream, LLC associated with the Partnership and our general partner;
- risks related to the disruption of economies around the world including the oil, gas and NGL industry in which we operate and the resulting adverse impact on our business, liquidity, commodity prices, workforce, third-party and counterparty effects and resulting federal, state and local actions;
- the extent of changes in commodity prices and the demand for our products and services, our ability to effectively limit a portion of the adverse impact of potential changes in commodity prices through derivative financial instruments, and the potential impact of price, and of producers' access to capital on natural gas drilling, demand for our services, and the volume of NGLs and condensate extracted;
- the demand for crude oil, residue gas and NGL products;
- the level and success of drilling and quality of production volumes around our assets and our ability to connect supplies to our gathering and processing systems, as well as our residue gas and NGL infrastructure;
- new, additions to, and changes in, laws and regulations, particularly with regard to taxes, safety, regulatory and protection of the environment, including, but not limited to, climate change legislation, regulation of over-the-counter derivatives markets and entities, and hydraulic fracturing regulations, or the increased regulation of our industry, including additional local control over such activities, and their impact on producers and customers served by our systems;
- other factors beyond our control including the increased cost of labor, contractors, services, supplies and materials due to persistent inflation;
- general economic, market and business conditions;
- the amount of natural gas we gather, compress, treat, process, transport, store and sell, or the NGLs we produce, fractionate, transport, store and sell, may be reduced if the pipelines, storage and fractionation facilities to which we deliver the natural gas or NGLs are capacity constrained and cannot, or will not, accept the natural gas or NGLs or we may be required to find alternative markets and arrangements for our natural gas and NGLs;
- our ability to continue the safe and reliable operation of our assets;
- our ability to grow through organic growth projects, or acquisitions, and the successful integration and future performance of such assets;
- our cost of capital, which will depend on general market conditions, our financial and operating results, inflation rates, interest rates, our ability to comply with the covenants in our Credit Agreement or other credit facilities, and the indentures governing our notes, as well as our ability to maintain our credit ratings;
- the creditworthiness of our customers and the counterparties to our transactions, including the impact of bankruptcies;
- industry changes, including consolidations, alternative energy sources, technological advances, infrastructure constraints and changes in competition;

- our ability to construct and start up facilities on budget and in a timely fashion, which is partially dependent on obtaining required construction, environmental and other permits issued by federal, state and municipal governments, or agencies thereof, the availability of specialized contractors and laborers, and the price of and demand for materials;
- our ability to hire, train, and retain qualified personnel to execute our business strategy;
- the success of our ongoing integration with Phillips 66;
- weather, weather-related conditions and other natural phenomena, including, but not limited to, their potential impact on demand for the commodities we sell and the operation of company-owned and third party-owned infrastructure;
- security threats such as terrorist attacks, and cybersecurity attacks and breaches, against, or otherwise impacting, our facilities and systems; and
- our ability to obtain insurance on commercially reasonable terms, if at all, as well as the adequacy of insurance to cover our losses.

In light of these risks, uncertainties and assumptions, the events described in our forward-looking statements might not occur or might occur to a different extent or at a different time than we have described. The forward-looking statements in this report speak as of the filing date of this report. We undertake 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.

PART I

Item 1. ***Financial Statements***

DCP MIDSTREAM, LP
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)

	June 30, 2023	December 31, 2022
ASSETS	(millions)	
Current assets:		
Cash and cash equivalents	$ 5	$ 1
Accounts receivable:		
Trade, net of allowance for credit losses of $3 and $2 million, respectively	438	995
Affiliates	425	360
Other	2	3
Inventories	41	83
Unrealized gains on derivative instruments	60	140
Collateral cash deposits	3	93
Other	28	27
Total current assets	1,002	1,702
Property, plant and equipment, net	7,733	7,763
Intangible assets, net	32	34
Investments in unconsolidated affiliates	3,416	3,475
Unrealized gains on derivative instruments	17	26
Operating lease assets	109	112
Other long-term assets	183	222
Total assets	$ 12,492	$ 13,334
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable:		
Trade	$ 517	$ 1,199
Affiliates	253	255
Other	30	29
Current debt	7	506
Unrealized losses on derivative instruments	36	148
Accrued interest	71	78
Accrued taxes	51	58
Accrued wages and benefits	32	72
Capital spending accrual	8	22
Other	139	137
Total current liabilities	1,144	2,504
Long-term debt	4,901	4,357
Long-term debt - related party	100	—
Unrealized losses on derivative instruments	13	35
Deferred income taxes	33	33
Operating lease liabilities	97	95
Other long-term liabilities	221	274
Total liabilities	6,509	7,298
Commitments and contingent liabilities (see note 13)		
Equity:		
Series B preferred limited partners (0 and 6,450,000 preferred units authorized, issued and outstanding, respectively)	—	156
Series C preferred limited partners (4,400,000 preferred units authorized, issued and outstanding, respectively)	106	106
Limited partners (208,677,458 and 208,396,558 common units authorized, issued and outstanding, respectively)	5,859	5,755
Accumulated other comprehensive loss	(6)	(6)
Total partners' equity	5,959	6,011
Noncontrolling interests	24	25
Total equity	5,983	6,036
Total liabilities and equity	$ 12,492	$ 13,334

See accompanying notes to condensed consolidated financial statements.

DCP MIDSTREAM, LP
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(millions, except per unit amounts)			
Operating revenues:				
Sales of natural gas, NGLs and condensate	$ 762	$ 2,880	$ 2,505	$ 5,208
Sales of natural gas, NGLs and condensate to affiliates	911	1,219	1,644	2,346
Transportation, processing and other	148	184	311	339
Trading and marketing gains (losses), net	20	(14)	107	(249)
Total operating revenues	1,841	4,269	4,567	7,644
Operating costs and expenses:				
Purchases and related costs	1,112	3,269	2,964	5,988
Purchases and related costs from affiliates	12	100	109	199
Transportation and related costs from affiliates	288	275	567	532
Operating and maintenance expense	229	189	426	341
Depreciation and amortization expense	91	90	181	180
General and administrative expense	68	65	148	120
Asset impairments	—	1	—	1
Other income, net	—	(8)	—	(8)
Loss (gain) on sale of assets, net	3	—	3	(7)
Restructuring costs	16	—	26	—
Total operating costs and expenses	1,819	3,981	4,424	7,346
Operating income	22	288	143	298
Earnings from unconsolidated affiliates	148	168	308	311
Interest expense, net	(75)	(70)	(143)	(141)
Income before income taxes	95	386	308	468
Income tax expense	—	(2)	(1)	(3)
Net income	95	384	307	465
Net income attributable to noncontrolling interests	(1)	(1)	(2)	(2)
Net income attributable to partners	94	383	305	463
Series A preferred limited partners' interest in net income	—	(9)	—	(18)
Series B preferred limited partners' interest in net income	(3)	(3)	(6)	(6)
Series C preferred limited partners' interest in net income	(2)	(3)	(4)	(5)
Redemption of Series B preferred limited partners' units	(5)	—	(5)	—
Net income allocable to limited partners	$ 84	$ 368	$ 290	$ 434
Net income per limited partner unit — basic and diluted	$ 0.40	$ 1.77	$ 1.39	$ 2.08
Weighted-average limited partner units outstanding — basic	208.7	208.4	208.6	208.4
Weighted-average limited partner units outstanding — diluted	208.7	208.5	208.6	208.6

See accompanying notes to condensed consolidated financial statements.

DCP MIDSTREAM, LP
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(millions)			
Net income	$ 95	$ 384	$ 307	$ 465
Other comprehensive income:				
Total other comprehensive income	—	—	—	—
Total comprehensive income	95	384	307	465
Total comprehensive income attributable to noncontrolling interests	(1)	(1)	(2)	(2)
Total comprehensive income attributable to partners	$ 94	$ 383	$ 305	$ 463

See accompanying notes to condensed consolidated financial statements.

DCP MIDSTREAM, LP
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Six Months Ended June 30,	
	2023	2022
	(millions)	
OPERATING ACTIVITIES:		
Net income	$ 307	$ 465
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization expense	181	180
Earnings from unconsolidated affiliates	(308)	(311)
Distributions from unconsolidated affiliates	360	369
Net unrealized (gains) losses on derivative instruments	(47)	75
Asset impairments	—	1
Loss (gain) on sale of assets, net	3	(7)
Other, net	39	14
Change in operating assets and liabilities, which (used) provided cash:		
Accounts receivable	492	(624)
Inventories	20	(31)
Accounts payable	(693)	606
Other assets and liabilities	15	(163)
Net cash provided by operating activities	369	574
INVESTING ACTIVITIES:		
Capital expenditures	(163)	(60)
Acquisition	—	(16)
Investments in unconsolidated affiliates	(1)	(1)
Distribution from unconsolidated affiliate	9	—
Proceeds from sale of assets	4	16
Net cash used in investing activities	(151)	(61)
FINANCING ACTIVITIES:		
Proceeds from debt	2,576	2,690
Payments of debt	(2,441)	(2,998)
Distributions to preferred limited partners	(10)	(29)
Distributions to limited partners and general partner	(179)	(163)
Distributions to noncontrolling interests	(3)	(2)
Redemption of preferred shares	(161)	—
Debt issuance costs	—	(4)
Net cash used in financing activities	(218)	(506)
Net change in cash, cash equivalents and restricted cash	—	7
Cash, cash equivalents and restricted cash, beginning of period	5	1
Cash, cash equivalents and restricted cash, end of period	$ 5	$ 8

See accompanying notes to condensed consolidated financial statements.

DCP MIDSTREAM, LP
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(unaudited)

	Partner's Equity					
	Series B Preferred Limited Partners	Series C Preferred Limited Partners	Limited Partners	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Equity
	(millions)					
Balance, January 1, 2023	$ 156	$ 106	$ 5,755	$ (6)	$ 25	$ 6,036
Net income	3	2	206	—	1	212
Distributions to unitholders	(3)	(2)	(90)	—	—	(95)
Distributions to noncontrolling interests	—	—	—	—	(2)	(2)
Equity based compensation	—	—	(3)	—	—	(3)
Balance, March 31, 2023	$ 156	$ 106	$ 5,868	$ (6)	$ 24	$ 6,148
Net income	3	2	89	—	1	95
Redemption of Series B preferred limited partners' units	(156)	—	(5)	—	—	(161)
Distributions to unitholders	(3)	(2)	(89)	—	—	(94)
Distributions to noncontrolling interests	—	—	—	—	(1)	(1)
Equity based compensation	—	—	(4)	—	—	(4)
Balance, June 30, 2023	$ —	$ 106	$ 5,859	$ (6)	$ 24	$ 5,983

See accompanying notes to condensed consolidated financial statements.

DCP MIDSTREAM, LP
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(unaudited)

	Partner's Equity						
	Series A Preferred Limited Partners	Series B Preferred Limited Partners	Series C Preferred Limited Partners	Limited Partners	Accumulated Other Comprehensive Loss	Noncontrolling Interests	Total Equity
	(millions)						
Balance, January 1, 2022	$ 489	$ 156	$ 106	$ 5,106	$ (6)	$ 25	$ 5,876
Net income	9	3	2	66	—	1	81
Distributions to unitholders	—	(3)	(2)	(81)	—	—	(86)
Distributions to noncontrolling interests	—	—	—	—	—	(1)	(1)
Equity based compensation	—	—	—	1	—	—	1
Balance, March 31, 2022	$ 498	$ 156	$ 106	$ 5,092	$ (6)	$ 25	$ 5,871
Net income	9	3	3	368	—	1	384
Distributions to unitholders	(18)	(3)	(3)	(82)	—	—	(106)
Distributions to noncontrolling interests	—	—	—	—	—	(1)	(1)
Equity based compensation	—	—	—	2	—	—	2
Balance, June 30, 2022	$ 489	$ 156	$ 106	$ 5,380	$ (6)	$ 25	$ 6,150

See accompanying notes to condensed consolidated financial statements.

1. Description of Business and Basis of Presentation

DCP Midstream, LP, with its consolidated subsidiaries, or “us,” “we,” “our” or the “Partnership” is a Delaware limited partnership formed in 2005 by DCP Midstream, LLC to own, operate, acquire and develop a diversified portfolio of complementary midstream energy assets.

Our Partnership includes our Logistics and Marketing and Gathering and Processing segments. For additional information regarding these segments, see Note 15 "Business Segments" in the Notes to the Condensed Consolidated Financial Statements in Item 1. "Financial Statements".

Our operations and activities are managed by our general partner, DCP Midstream GP, LP (“GP LP”), which in turn is managed by its general partner, DCP Midstream GP, LLC, which we refer to as the General Partner, and which is 100% owned by DCP Midstream, LLC. Phillips 66 has the authority to conduct, direct and manage the activities of DCP Midstream, LLC associated with the Partnership and our general partner, and, therefore, effectively controls our business and affairs.

On January 5, 2023, the Partnership, GP LP, the General Partner, Phillips 66, Phillips 66 Project Development Inc., a Delaware corporation and indirect wholly owned subsidiary of Phillips 66 (“PDI”), and Dynamo Merger Sub LLC, a Delaware limited liability company and wholly owned subsidiary of PDI (“Merger Sub”), entered into an Agreement and Plan of Merger (the "Merger Agreement"), pursuant to which Merger Sub merged with and into the Partnership, with the Partnership surviving as a Delaware limited partnership (the “Merger”). The Merger was completed on June 15, 2023 in accordance with the terms of the Merger Agreement.

Under the terms of the Merger Agreement, at the effective time of the Merger (the “Effective Time”), each common unit representing a limited partner interest in the Partnership (each, a “Common Unit”) issued and outstanding as of immediately prior to the Effective Time (other than the Sponsor Owned Units, as defined below) (each, a “Public Common Unit”) was converted into the right to receive $41.75 per Public Common Unit in cash, without any interest thereon (the “Merger Consideration”). The Common Units owned by DCP Midstream, LLC and the General Partner (collectively, the “Sponsor Owned Units”) were unaffected by the Merger and remained outstanding immediately following the Merger as Common Units of the Partnership. Following the Merger, the Common Units were delisted from the New York Stock Exchange (“NYSE”) and a Form 15 has been filed to deregister the Common Units under the Securities Exchange Act of 1934, as amended.

As a result of the Merger, Phillips 66’s economic interest in the Partnership increased from 43.3% to approximately 86.8%. Enbridge's economic interest in the Partnership was unchanged, and remains at approximately 13.2%.

The condensed consolidated financial statements include the accounts of the Partnership and all majority-owned subsidiaries where we have the ability to exercise control. Investments in greater than 20% owned affiliates that are not variable interest entities and where we do not have the ability to exercise control, and investments in less than 20% owned affiliates where we have the ability to exercise significant influence, are accounted for using the equity method.

The condensed consolidated financial statements have been prepared in accordance with GAAP. All intercompany balances and transactions have been eliminated in consolidation.

2. Revenue Recognition

We disaggregate our revenue from contracts with customers by type of contract for each of our reportable segments, as we believe it best depicts the nature, timing and uncertainty of our revenue and cash flows. The following tables set forth our revenue by those categories:

	Three Months Ended June 30, 2023			
	Logistics and Marketing	Gathering and Processing	Eliminations	Total
	(millions)			
Sales of natural gas	$ 418	$ 343	$ (321)	$ 440
Sales of NGLs and condensate (a)	1,106	778	(651)	1,233
Transportation, processing and other	18	130	—	148
Trading and marketing gains (losses), net (b)	19	1	—	20
Total operating revenues	$ 1,561	$ 1,252	$ (972)	$ 1,841

	Six Months Ended June 30, 2023			
	Logistics and Marketing	Gathering and Processing	Eliminations	Total
	(millions)			
Sales of natural gas	$ 1,220	$ 1,023	$ (990)	$ 1,253
Sales of NGLs and condensate (a)	2,634	1,676	(1,414)	2,896
Transportation, processing and other	37	274	—	311
Trading and marketing gains, net (b)	62	45	—	107
Total operating revenues	$ 3,953	$ 3,018	$ (2,404)	$ 4,567

(a) Includes $444 million and $923 million for the three and six months ended June 30, 2023, respectively, of revenues from physical sales contracts and buy-sell exchange transactions in our Logistics and Marketing segment. For the three and six months ended June 30, 2023, these revenues are net of $868 million and $1,593 million, respectively, of buy-sell purchases related to buy-sell revenues of $954 million and $1,751 million, respectively, which are not within the scope of Topic 606.

(b) Not within the scope of Topic 606.

	Three Months Ended June 30, 2022			
	Logistics and Marketing	Gathering and Processing	Eliminations	Total
	(millions)			
Sales of natural gas	$ 1,436	$ 1,238	$ (1,169)	$ 1,505
Sales of NGLs and condensate (a)	2,333	1,579	(1,318)	2,594
Transportation, processing and other	18	166	—	184
Trading and marketing gains (losses), net (b)	2	(16)	—	(14)
Total operating revenues	$ 3,789	$ 2,967	$ (2,487)	$ 4,269

	Six Months Ended June 30, 2022			
	Logistics and Marketing	Gathering and Processing	Eliminations	Total
	(millions)			
Sales of natural gas	$ 2,499	$ 2,120	$ (1,990)	$ 2,629
Sales of NGLs and condensate (a)	4,455	2,861	(2,391)	4,925
Transportation, processing and other	37	302	—	339
Trading and marketing losses, net (b)	(39)	(210)	—	(249)
Total operating revenues	$ 6,952	$ 5,073	$ (4,381)	$ 7,644

(a) Includes $708 million and $1,384 million for the three and six months ended June 30, 2022, respectively, of revenues from physical sales contracts and buy-sell exchange transactions in our Logistics and Marketing segment. For the three and six months ended June 30, 2022, these revenues are net of $1,005 million and $1,761 million, respectively, of buy-sell purchases related to buy-sell revenues of $1,089 million and $1,940 million, respectively, which are not within the scope of Topic 606.

(b) Not within the scope of Topic 606.

The revenue expected to be recognized in the future related to performance obligations that are not satisfied is approximately $349 million as of June 30, 2023. Our remaining performance obligations primarily consist of minimum volume commitment fee arrangements and are expected to be recognized through 2031 with a weighted average remaining life of three years as of June 30, 2023. As a practical expedient permitted by Topic 606, this amount excludes variable consideration as well as remaining performance obligations that have original expected durations of one year or less, as applicable. Our remaining performance obligations also exclude estimates of variable rate escalation clauses in our contracts with customers.

3. Agreements and Transactions with Affiliates

Phillips 66 Intercompany Credit Agreement

We entered into an Intercompany Credit Agreement with Phillips 66 on June 15, 2023. For more information regarding the terms and conditions of the Intercompany Credit Agreement, see Note 8 "Debt" in the Notes to the Condensed Consolidated Financial Statements in Item 1. "Financial Statements".

DCP Midstream, LLC

Services Agreement and Other General and Administrative Charges

The following table summarizes employee related costs that were charged by DCP Midstream, LLC to the Partnership that are included in the condensed consolidated statements of operations:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(millions)			
Employee related costs charged by DCP Midstream, LLC				
Operating and maintenance expense	$ 46	$ 42	$ 89	$ 82
General and administrative expense	$ 29	$ 42	$ 87	$ 75
Restructuring costs	$ 16	$ —	$ 26	$ —

Summary of Transactions with Affiliates

The following table summarizes our transactions with affiliates:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(millions)			
Phillips 66 (including its affiliates):				
Sales of natural gas, NGLs and condensate to affiliates	$ 896	$ 1,197 1197	$ 1,600	$ 2,292
Purchases and related costs from affiliates	$ 2	$ 65	$ 77	$ 127
Transportation and related costs from affiliates	$ 46	$ 47	$ 87	$ 90
Operating and maintenance and general administrative expenses	$ 6	$ 4	$ 10	$ 7
Enbridge (including its affiliates):				
Sales of natural gas, NGLs and condensate to affiliates	$ 1	$ (2)	$ 2	$ (2)
Purchases and related costs from affiliates	$ —	$ —	$ —	$ 13
Transportation and related costs from affiliates	$ 1	$ 1	$ 1	$ 1
Operating and maintenance and general administrative expenses	$ 1	$ —	$ 1	$ —
Unconsolidated affiliates:				
Sales of natural gas, NGLs and condensate to affiliates	$ 14	$ 24	$ 42	$ 56
Transportation, processing, and other to affiliates	$ 4	$ 3	$ 8	$ 7
Purchases and related costs from affiliates	$ 10	$ 35	$ 32	$ 59
Transportation and related costs from affiliates	$ 241	$ 227	$ 479	$ 441

We had balances with affiliates as follows:

	June 30, 2023	December 31, 2022
	(millions)	
Phillips 66 (including its affiliates):		
Accounts receivable	$ 398	$ 343
Other assets	$ 7	$ 1
Accounts payable	$ 163	$ 167
Accrued wages and benefits	$ 32	$ —
Other liabilities	$ 28	$ —
Long-term debt	$ 100	$ —
Enbridge (including its affiliates):		
Accounts receivable	$ —	$ 1
Accounts payable	$ —	$ 1
Unconsolidated affiliates:		
Accounts receivable	$ 27	$ 16
Accounts payable	$ 90	$ 87

4. Inventories

Inventories were as follows:

	June 30, 2023	December 31, 2022
	(millions)	
Natural gas	$ 20	$ 47
NGLs	21	36
Total inventories	$ 41	$ 83

We recognize the lower of cost or net realizable value adjustments when the carrying value of our inventories exceeds their net realizable value. These non-cash charges are a component of purchases and related costs in the condensed consolidated statements of operations. We recognized zero and $22 million lower of cost or net realizable value adjustments for the three and six months ended June 30, 2023, respectively. We recognized no lower of cost or net realizable value adjustments for the three and six months ended June 30, 2022.

5. Property, Plant and Equipment

A summary of property, plant and equipment by classification is as follows:

	Depreciable Life	June 30, 2023	December 31, 2022
		(millions)	
Gathering and transmission systems	20 — 50 Years	$ 7,955	$ 7,865
Processing, storage and terminal facilities	35 — 60 Years	5,175	5,138
Other	3 — 30 Years	545	563
Finance lease assets	5 — 35 Years	32	32
Construction work in progress		196	183
Property, plant and equipment		13,903	13,781
Accumulated depreciation		(6,170)	(6,018)
Property, plant and equipment, net		$ 7,733	$ 7,763

Construction projects with capitalized interest were immaterial during the six months ended June 30, 2023 and 2022.

Depreciation expense was $90 million and $88 million for the three months ended June 30, 2023 and 2022, respectively, and $179 million and $177 million for the six months ended June 30, 2023 and 2022, respectively.

6. Investments in Unconsolidated Affiliates

The following table summarizes our investments in unconsolidated affiliates:

	Percentage Ownership	Carrying Value as of June 30, 2023	Carrying Value as of December 31, 2022
		(millions)	
DCP Sand Hills Pipeline, LLC	66.67%	$ 1,637	$ 1,653
DCP Southern Hills Pipeline, LLC	66.67%	705	713
Gulf Coast Express LLC	25.00%	392	408
Front Range Pipeline LLC	33.33%	187	191
Texas Express Pipeline LLC	10.00%	88	91
Mont Belvieu 1 Fractionator	20.00%	9	7
Discovery Producer Services LLC	40.00%	208	219
Cheyenne Connector, LLC	50.00%	141	143
Mont Belvieu Enterprise Fractionator	12.50%	28	28
Other	Various	21	22
Total investments in unconsolidated affiliates		$ 3,416	$ 3,475

Earnings from investments in unconsolidated affiliates were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(millions)			
DCP Sand Hills Pipeline, LLC	$ 78	$ 104	$ 165	$ 175
DCP Southern Hills Pipeline, LLC	27	21	52	45
Gulf Coast Express LLC	18	16	35	32
Front Range Pipeline LLC	11	11	22	21
Texas Express Pipeline LLC	5	5	10	10
Mont Belvieu 1 Fractionator	4	3	8	7
Discovery Producer Services LLC	1	3	7	9
Cheyenne Connector, LLC	3	3	6	7
Mont Belvieu Enterprise Fractionator	1	2	2	4
Other	—	—	1	1
Total earnings from unconsolidated affiliates	$ 148	$ 168	$ 308	$ 311

The following tables summarize the combined financial information of our investments in unconsolidated affiliates:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(millions)		(millions)	
Statements of operations:				
Operating revenue	$ 541	$ 626	$ 1,136	$ 1,189
Operating expenses	$ 214	$ 246	$ 436	$ 463
Net income	$ 328	$ 380	$ 707	$ 724

7. Fair Value Measurement

Valuation Hierarchy

Our fair value measurements are grouped into a three-level valuation hierarchy and are categorized in their entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows.

- Level 1 — inputs are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 — inputs include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.
- Level 3 — inputs are unobservable and considered significant to the fair value measurement.

A financial instrument's categorization within the hierarchy is based upon the level of judgment involved in the most significant input in the determination of the instrument's fair value. Following is a description of the valuation methodologies used as well as the general classification of such instruments pursuant to the hierarchy.

Commodity Derivative Assets and Liabilities

We enter into a variety of derivative financial instruments, which may include exchange traded instruments (such as New York Mercantile Exchange, or NYMEX, crude oil or natural gas futures) or over-the-counter, or OTC, instruments (such as natural gas contracts, crude oil or NGL swaps). The exchange traded instruments are generally executed with a highly rated broker dealer serving as the clearinghouse for individual transactions.

Our activities expose us to varying degrees of commodity price risk. To mitigate a portion of this risk and to manage commodity price risk related primarily to owned natural gas storage and pipeline assets, we engage in natural gas asset based trading and marketing, and we may enter into natural gas and crude oil derivatives to lock in a specific margin when market conditions are favorable. A portion of this may be accomplished through the use of exchange traded derivative contracts. Such instruments are generally classified as Level 1 since the value is equal to the quoted market price of the exchange traded instrument as of our balance sheet date, and no adjustments are required. Depending upon market conditions and our strategy we may enter into exchange traded derivative positions with a significant time horizon to maturity. Although such instruments are exchange traded, market prices may only be readily observable for a portion of the duration of the instrument. In order to calculate the fair value of these instruments, readily observable market information is utilized to the extent it is available; however, in the event that readily observable market data is not available, we may interpolate or extrapolate based upon observable data. In instances where we utilize an interpolated or extrapolated value, and it is considered significant to the valuation of the contract as a whole, we would classify the instrument within Level 3.

We also engage in the business of trading energy related products and services, which exposes us to market variables and commodity price risk. We may enter into physical contracts or financial instruments with the objective of realizing a positive margin from the purchase and sale of these commodity-based instruments. We may enter into derivative instruments for NGLs or other energy related products, primarily using the OTC derivative instrument markets, which are not as active and liquid as exchange traded instruments. Market quotes for such contracts may only be available for short dated positions (up to six months), and an active market itself may not exist beyond such time horizon. Contracts entered into with a relatively short time horizon for which prices are readily observable in the OTC market are generally classified within Level 2. Contracts with a longer time horizon, for which we internally generate a forward curve to value such instruments, are generally classified within Level 3. The internally generated curve may utilize a variety of assumptions including, but not limited to, data obtained from third-party pricing services, historical and future expected relationship of NGL prices to crude oil prices, the knowledge of expected supply sources coming online, expected weather trends within certain regions of the United States, and the future expected demand for NGLs.

Each instrument is assigned to a level within the hierarchy at the end of each financial quarter depending upon the extent to which the valuation inputs are observable. Generally, an instrument will move toward a level within the hierarchy that requires a lower degree of judgment as the time to maturity approaches, and as the markets in which the asset trades will likely become more liquid and prices more readily available in the market, thus reducing the need to rely upon our internally developed assumptions. However, the level of a given instrument may change, in either direction, depending upon market conditions and the availability of market observable data.

The following table presents the financial instruments carried at fair value on a recurring basis as of June 30, 2023 and December 31, 2022, by condensed consolidated balance sheet caption and by valuation hierarchy, as described above:

	June 30, 2023				December 31, 2022			
	Level 1	Level 2	Level 3	Total Carrying Value	Level 1	Level 2	Level 3	Total Carryi[illegible] Value
	(millions)							
Current assets:								
Commodity derivatives	$ 1	$ 49	$ 10	$ 60	$ 2	$ 121	$ 17	$ 1[illegible]
Short-term investments (a)	$ —	$ —	$ —	$ —	$ —	$ 1	$ —	$ [illegible]
Long-term assets:								
Commodity derivatives	$ —	$ 16	$ 1	$ 17	$ —	$ 23	$ 3	$ [illegible]
Investments in marketable securities (a)	$ —	$ —	$ —	$ —	$ 42	$ —	$ —	$ [illegible]
Current liabilities:								
Commodity derivatives	$ (1)	$ (31)	$ (4)	$ (36)	$ (4)	$ (142)	$ (2)	$ (1[illegible]
Long-term liabilities:								
Commodity derivatives	$ —	$ (12)	$ (1)	$ (13)	$ —	$ (32)	$ (3)	$ ([illegible]

(a) zero and $1 million recorded within "Other" current assets and zero and $42 million recorded within "Other long-term assets" as of June 30, 2023 and December 31, 2022, respectively.

Changes in Level 3 Fair Value Measurements

The table below illustrates a rollforward of the amounts included in our condensed consolidated balance sheets for derivative financial instruments that we have classified within Level 3.

We manage our overall risk at the portfolio level and in the execution of our strategy, we may use a combination of financial instruments, which may be classified within any level. Since Level 1 and Level 2 risk management instruments are not included in the rollforward below, the gains or losses in the table do not reflect the effect of our total risk management activities.

	Commodity Derivative Instruments			
	Current Assets	Long-Term Assets	Current Liabilities	Long-Term Liabilities
	(millions)			
Three months ended June 30, 2023 (a):				
Beginning balance	$ 15	$ 1	$ (1)	$
Net unrealized gains (losses) included in earnings	6	—	(6)	
Transfers out of Level 3	(9)	(1)	4	
Settlements	(2)	1	(1)	
Ending balance	$ 10	$ 1	$ (4)	$
Net unrealized gains (losses) on derivatives still held included in earnings	$ 4	$ —	$ (3)	$
Three months ended June 30, 2022 (a):				
Beginning balance	$ 2	$ 4	$ (10)	$
Net unrealized gains included in earnings	3	2	5	
Transfers out of Level 3	(1)	—	2	
Settlements	(1)	—	—	
Ending balance	$ 3	$ 6	$ (3)	$
Net unrealized gains (losses) on derivatives still held included in earnings	$ 3	$ 3	$ 5	$

	Commodity Derivative Instruments			
	Current Assets	Long-Term Assets	Current Liabilities	Long-Term Liabilities
	(millions)			
Six months ended June 30, 2023 (a):				
Beginning balance	$ 17	$ 3	$ (2)	$ (3)
Net unrealized gains (losses) included in earnings	5	—	(2)	1
Transfers out of Level 3	(8)	(2)	1	1
Settlements	(4)	—	(1)	—
Ending balance	$ 10	$ 1	$ (4)	$ (1)
Net unrealized gains (losses) on derivatives still held included in earnings	$ 6	$ 1	$ (3)	$ (1)
Six months ended June 30, 2022 (a):				
Beginning balance	$ —	$ 2	$ (3)	$ (4)
Net unrealized gains (losses) included in earnings	3	6	(6)	(6)
Transfers out of Level 3	—	(2)	4	6
Settlements	—	—	2	—
Ending balance	$ 3	$ 6	$ (3)	$ (4)
Net unrealized gains (losses) on derivatives still held included in earnings	$ 3	$ 4	$ (2)	$ (3)

(a) There were no purchases, issuances or sales of derivatives or transfers into Level 3 for the three and six months ended June 30, 2023 and 2022.

Quantitative Information and Fair Value Sensitivities Related to Level 3 Unobservable Inputs

We utilize the market approach to measure the fair value of our commodity contracts. The significant unobservable inputs used in this approach to fair value are longer dated price quotes. Our sensitivity to these longer dated forward curve prices are presented in the table below. Significant changes in any of those inputs in isolation would result in significantly different fair value measurements, depending on our short or long position in contracts.

	June 30, 2023					
Product Group	Fair Value (millions)	Valuation Techniques	Unobservable Input	Forward Curve Range	Weighted Average (a)	
Assets						
NGLs	$ 10	Market approach	Longer dated forward curve prices	$0.24-$1.29	$0.68	Per gallon
Natural gas	$ 1	Market approach	Longer dated forward curve prices	$2.73-$4.71	$1.96	Per MMBtu
Liabilities						
NGLs	$ (4)	Market approach	Longer dated forward curve prices	$0.24-$1.33	$0.81	Per gallon
Natural gas	$ (1)	Market approach	Longer dated forward curve prices	$2.73-$4.71	$3.16	Per MMBtu

(a) Unobservable inputs were weighted by the instrument's notional amounts.

Nonfinancial Assets and Liabilities

We utilize fair value to perform impairment tests as required on our long-lived assets and equity investments in unconsolidated affiliates. The inputs used to determine such fair value are primarily based upon internally developed cash flow models and would generally be classified within Level 3 in the event that we were required to measure and record such assets at fair value within our condensed consolidated financial statements. Additionally, we use fair value to determine the inception value of our asset retirement obligations. The inputs used to determine such fair value are primarily based upon costs incurred historically for similar work, as well as estimates from independent third parties for costs that would be incurred to restore leased property to the contractually stipulated condition, and would generally be classified within Level 3.

During the three and six months ended June 30, 2023, we recognized a $10 million impairment associated with an office lease that we vacated and partially sublet as part of our integration with Phillips 66 during the three months ended June 30, 2023. This impairment is recorded within restructuring costs in our condensed consolidated statements of operations and other, net within our condensed consolidated statements of cash flows.

Estimated Fair Value of Financial Instruments

The fair value of accounts receivable and accounts payable are not materially different from their carrying amounts because of the short-term nature of these instruments or the stated rates approximating market rates. Derivative instruments are carried at fair value.

We determine the fair value of our fixed-rate senior notes based on quotes obtained from bond dealers. The carrying value of borrowings under the Credit Agreement and the Securitization Facility approximate fair value as their interest rates are based on prevailing market interest rates. We classify the fair values of our outstanding debt balances within Level 2 of the valuation hierarchy. As of June 30, 2023 and December 31, 2022, the carrying value and fair value of our total debt, including current maturities, were as follows:

	June 30, 2023		December 31, 2022	
	Carrying Value (a)	Fair Value	Carrying Value (a)	Fair Value
	(millions)			
Total debt	$ 5,013	$ 4,976	$ 4,874	$ 4,772

(a) Excludes unamortized issuance costs and finance lease liabilities.

8. Debt

Junior Notes Redemption

On May 19, 2023, we redeemed, at par, prior to maturity all $550 million of aggregate principal amount outstanding of our 5.850% Junior Notes due May 2043, using borrowings under our Credit Facility and Securitization Facility.

Senior Notes Redemption

On March 15, 2023, we repaid, at par, all $500 million of aggregate principal amount outstanding of our 3.875% Senior Notes due March 15, 2023, using borrowings under our Credit Facility and Securitization Facility.

Intercompany Credit Agreement

On June 15, 2023, we and our wholly owned subsidiary, DCP Midstream Operating, LP, entered into a new five-year revolving Intercompany Credit Agreement with Phillips 66, as lender. The Intercompany Credit Agreement provides up to $1 billion of borrowing capacity, with an option to increase the commitment by an aggregate principal amount of up to $500 million, subject to lender approval. At our election, the Intercompany Credit Agreement bears interest at either the adjusted term SOFR rate or the base rate plus, in each case, an applicable margin based on our credit rating. A ratings-based pricing grid determines our cost of borrowing under the Intercompany Credit Agreement. Indebtedness under the Intercompany Credit Agreement bears interest at either: (1) SOFR, plus an applicable margin of 1.075% based on our current credit rating, plus an adjustment of 0.10%; or (2) (a) the base rate, which shall be the higher of the prime rate, the Federal Funds rate plus 0.50% or the SOFR Market Index rate plus 1.00%, plus (b) an applicable margin of 0.075% based on our current credit rating. Based on our current credit rating, the Intercompany Credit Agreement incurs an annual facility fee of 0.175%.

As of June 30, 2023, we had unused borrowing capacity of $900 million, net of $100 million of outstanding borrowings, under the Intercompany Credit Agreement, of which $900 million would have been available to borrow for working capital and other general partnership purposes based on the financial covenants set forth in the Intercompany Credit Agreement. Except in the case of a default, amounts borrowed under our Intercompany Credit Agreement will not become due prior to the June 15, 2028 maturity date.

Credit Agreement

We are party to a $1.4 billion unsecured revolving Credit Facility governed by the Credit Agreement that bears interest at either the term SOFR rate or the base rate plus, in each case, an applicable margin based on our credit rating. The Credit Agreement matures on March 18, 2027. The Credit Agreement also includes sustainability linked key performance indicators that increase or decrease the applicable margin and facility fee payable thereunder based on our safety performance relative to our peers and year-over-year change in our greenhouse gas emissions intensity rate.

As of June 30, 2023, we had unused borrowing capacity of $548 million, net of $850 million of outstanding borrowings and $2 million of letters of credit, under the Credit Agreement, of which $548 million would have been available to borrow for working capital and other general partnership purposes based on the financial covenants set forth in the Credit Agreement. Except in the case of a default, amounts borrowed under our Credit Agreement will not become due prior to the March 18, 2027 maturity date.

Accounts Receivable Securitization Facility

The Securitization Facility provides for up to $350 million of borrowing capacity through August 2024 at an adjusted SOFR rate and includes an uncommitted option to increase the total commitments under the Securitization Facility by up to an additional $400 million. Under this Securitization Facility, certain of the Partnership's wholly owned subsidiaries sell or contribute receivables to another of the Partnership's consolidated subsidiaries, DCP Receivables, a bankruptcy-remote special purpose entity created for the sole purpose of the Securitization Facility.

As of June 30, 2023, DCP Receivables had approximately $785 million of our accounts receivable securing borrowings of $280 million under the Securitization Facility.

The maturities of our debt as of June 30, 2023 are as follows:

		Debt Maturities
		(millions)
2023	$	–
2024		28
2025		82
2026		–
2027		1,35
Thereafter		2,55
Total debt	$	5,00

9. Risk Management and Hedging Activities

Our operations expose us to a variety of risks including but not limited to changes in the prices of commodities that we buy or sell, changes in interest rates, and the creditworthiness of each of our counterparties. We manage certain of these exposures with either physical or financial transactions. We have established a comprehensive risk management policy and a risk management committee (the "Risk Management Committee"), to monitor and manage market risks associated with commodity prices and counterparty credit. The Risk Management Committee is composed of senior executives who receive regular briefings on positions and exposures, credit exposures and overall risk management in the context of market activities. The Risk Management Committee is responsible for the overall management of credit risk and commodity price risk, including monitoring exposure limits.

Collateral

As of June 30, 2023, we had cash deposits of $3 million, included in collateral cash deposits in our condensed consolidated balance sheets. Additionally, as of June 30, 2023, we held letters of credit of $23 million from counterparties to secure their future performance under financial or physical contracts. Collateral amounts held or posted may be fixed or may vary, depending on the value of the underlying contracts, and could cover normal purchases and sales, services, trading and hedging contracts. In many cases, we and our counterparties have publicly disclosed credit ratings, which may impact the amounts of collateral requirements.

Offsetting

Certain of our financial derivative instruments are subject to a master netting or similar arrangement, whereby we may elect to settle multiple positions with an individual counterparty through a single net payment. Each of our individual derivative instruments are presented on a gross basis on the condensed consolidated balance sheets, regardless of our ability to net settle our positions. Instruments that are governed by agreements that include net settle provisions allow final settlement, when presented with a termination event, of outstanding amounts by extinguishing the mutual debts owed between the parties in exchange for a net amount due. We have trade receivables and payables associated with derivative instruments, subject to master netting or similar agreements, which are not included in the table below. The following summarizes the gross and net amounts of our derivative instruments:

	June 30, 2023			December 31, 2022		
	Gross Amounts of Assets and (Liabilities) Presented in the Balance Sheet	Amounts Not Offset in the Balance Sheet - Financial Instruments	Net Amount	Gross Amounts of Assets and (Liabilities) Presented in the Balance Sheet	Amounts Not Offset in the Balance Sheet - Financial Instruments	Net Amount
	(millions)					
Assets:						
Commodity derivatives	$ 77	$ (8)	$ 69	$ 166	$ —	$ 166
Liabilities:						
Commodity derivatives	$ (49)	$ 8	$ (41)	$ (183)	$ —	$ (183)

Summarized Derivative Information

The fair value of our derivative instruments that are marked-to-market each period, as well as the location of each within our condensed consolidated balance sheets, by major category, is summarized below. We have no derivative instruments that are designated as hedging instruments for accounting purposes as of June 30, 2023 and December 31, 2022.

Balance Sheet Line Item	June 30, 2023	December 31, 2022	Balance Sheet Line Item	June 30, 2023	December 31, 2022
	(millions)			(millions)	
Derivative Assets Not Designated as Hedging Instruments:			**Derivative Liabilities Not Designated as Hedging Instruments:**		
Commodity derivatives:			**Commodity derivatives:**		
Unrealized gains on derivative instruments — current	$ 60	$ 140	Unrealized losses on derivative instruments — current	$ (36)	$ (148)
Unrealized gains on derivative instruments — long-term	17	26	Unrealized losses on derivative instruments — long-term	(13)	(35)
Total	$ 77	$ 166	Total	$ (49)	$ (183)

For the six months ended June 30, 2023 and 2022, no derivative losses attributable to the ineffective portion or to amounts excluded from effectiveness testing were recognized in trading and marketing gains or losses, net or interest expense in our condensed consolidated statements of operations.

Changes in the value of derivative instruments, for which the hedge method of accounting has not been elected from one period to the next, are recorded in the condensed consolidated statements of operations. The following summarizes these amounts and the location within the condensed consolidated statements of operations that such amounts are reflected:

Commodity Derivatives: Statements of Operations Line Item	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(millions)		(millions)	
Realized gains (losses)	$ 13	$ (115)	$ 60	$ (174)
Unrealized gains (losses)	7	101	47	(75)
Trading and marketing gains (losses), net	$ 20	$ (14)	$ 107	$ (249)

We do not have any derivative financial instruments that are designated as a hedge of a net investment.

The following tables represent, by commodity type, our net long or short positions that are expected to partially or entirely settle in each respective year. To the extent that we have long dated derivative positions that span multiple calendar years, the contract will appear in more than one line item in the tables below.

	June 30, 2023			
	Crude Oil	Natural Gas	Natural Gas Liquids	Natural Gas Basis Swaps
Year of Expiration	Net Short Position (Bbls)	Net Short Position (MMBtu)	Net Short Position (Bbls)	Net Long (Short) Position (MMBtu)
2023	—	(16,830,500)	(2,750,000)	1,280,(
2024	—	(15,966,800)	—	(235,(
2025	—	(4,140,000)	—	2,985,(
2026	—	—	—	535,(

	June 30, 2022			
	Crude Oil	Natural Gas	Natural Gas Liquids	Natural Gas Basis Swaps
Year of Expiration	Net Short Position (Bbls)	Net Short Position (MMBtu)	Net Short Position (Bbls)	Net (Short) Long Position (MMBtu)
2022	(849,000)	(42,566,900)	(5,347,476)	(2,915,(
2023	(1,526,000)	(26,655,000)	(4,281,200)	(16,572,5
2024	(720,000)	(8,235,000)	(1,337,000)	(5,940,(
2025	—	(7,300,000)	(1,441,000)	(980,(
2026	—	—	(1,440,000)	535,(
2027	—	—	(600,000)	

10. Partnership Equity and Distributions

Common Units — Following the completion of the Merger on June 15, 2023, all of the Common Units of the Partnership are owned by DCP Midstream, LLC, DCP Midstream GP, LP and Phillips 66 Project Development Inc., an indirect wholly owned subsidiary of Phillips 66. Former holders of Public Common Units ceased to have any rights as holders of Common Units at the Effective Time, other than the right to receive the Merger Consideration in accordance with the Merger Agreement. The Common Units were delisted from the NYSE and we filed to suspend our reporting obligations with respect to the Common Units under Sections 13 and 15(d) of the Securities Exchange Act of 1934, as amended.

Preferred Units — On June 15, 2023 we paid $161 million to redeem in full the outstanding Series B Preferred Units at a redemption price of $25 per unit using cash on hand and borrowings under our Securitization Facility. The difference between the redemption price of the Series B Preferred Units and the carrying value on the balance sheet resulted in an approximately $5 million reduction to net income allocable to limited partners. The carrying value represented the original issuance proceeds, net of underwriting fees and offering costs for the Series B Preferred Units. Following the redemption, the Series B Preferred Units were delisted from the NYSE and we filed to suspend our reporting obligations with respect to the Series B Preferred Units under Sections 13 and 15(d) of the Securities Exchange Act of 1934, as amended.

Distributions — The following table presents our cash distributions paid in 2023:

Payment Date	Per Unit Distribution	Total Cash Distribution
		(millions)
Distributions to common unitholders		
May 15, 2023	$ 0.43	$ 89
February 14, 2023	$ 0.43	$ 90
Distributions to Series B Preferred unitholders		
June 15, 2023	$ 0.4922	$ 3
March 15, 2023	$ 0.4922	$ 3
Distributions to Series C Preferred unitholders		
April 17, 2023	$ 0.4969	$ 2
January 17, 2023	$ 0.4969	$ 2

11. Equity-Based Compensation

As of December 31, 2022, we had 327,190 Strategic Performance Units ("SPUs") and 532,432 Phantom Units outstanding. Pursuant to the terms of the Merger Agreement, the majority of these SPUs and Phantom Units were forfeited and as of June 30, 2023, there were an immaterial number of SPUs and Phantom Units outstanding.

12. Net Income or Loss per Limited Partner Unit

Prior to June 15, 2023, we had restricted phantom units outstanding, and we had the ability to elect to settle certain of the restricted phantom units in either cash or common units at our discretion. As of June 30, 2023, there were no outstanding equity classified restricted phantom units.

Basic and diluted net income per limited partner unit was calculated as follows for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(millions, except per unit amounts)			
Net income allocable to limited partners	$ 84	$ 368	$ 290	$ 434
Weighted average limited partner units outstanding, basic	208,662,361	208,379,466	208,609,415	208,381,451
Dilutive effects of nonvested restricted phantom units	8,327	142,150	24,353	235,749
Weighted average limited partner units outstanding, diluted	208,670,688	208,521,616	208,633,768	208,617,200
Net income per limited partner unit, basic and diluted	$ 0.40	$ 1.77	$ 1.39	$ 2.08

13. Commitments and Contingent Liabilities

Litigation — We are not a party to any material legal proceedings, but are a party to various administrative and regulatory proceedings and commercial disputes that have arisen in the ordinary course of our business. Management currently believes that the ultimate resolution of the foregoing matters, taken as a whole, and after consideration of amounts accrued, insurance coverage or other indemnification arrangements, will not have a material adverse effect on our results of operations, financial position, or cash flow.

Insurance — Our insurance coverage is carried with third-party insurers and with an affiliate of Phillips 66. Our insurance coverage includes: (i) general liability insurance covering third-party exposures; (ii) statutory workers' compensation insurance; (iii) automobile liability insurance for all owned, non-owned and hired vehicles; (iv) excess liability insurance above the established primary limits for general liability and automobile liability insurance; (v) property insurance, which covers the replacement value of real and personal property and includes business interruption; and (vi) insurance covering our directors and officers for acts related to our business activities. All coverage is subject to certain limits and deductibles, the terms and conditions of which are common for companies with similar types of operations.

Environment, Health and Safety — The operation of pipelines, plants and other facilities for gathering, transporting, processing, treating, fractionating, or storing natural gas, NGLs and other products is subject to stringent and complex laws and regulations pertaining to the environment, health and safety. As an owner or operator of these facilities, we must comply with laws and regulations at the federal, state and, in some cases, local levels that relate to worker health and safety, public health and safety, pipeline safety, air and water quality, solid and hazardous waste management and disposal, and other environmental matters. The cost of planning, designing, constructing and operating pipelines, plants, and other facilities incorporates compliance with environmental laws and regulations, health and safety standards applicable to workers and the public, and safety standards applicable to our various facilities. In addition, there is increasing focus from (i) regulatory bodies and communities, and through litigation, on hydraulic fracturing as well as general oil and gas production facilities and the real or perceived environmental or public health impacts of these activities, which indirectly presents some risk to our available supply of natural gas and the resulting supply of NGLs; (ii) regulatory bodies regarding pipeline system safety which could impose additional regulatory burdens and increase the cost of our operations; (iii) state and federal regulatory agencies regarding the emission of greenhouse gases and other air emissions associated with our operations or the materials managed as part of our business, which could impose regulatory burdens and increase the cost of our operations; and (iv) regulatory bodies and communities that could prevent or delay the development of fossil fuel energy infrastructure such as pipelines, plants, and other facilities used in our business. Failure to comply with these various health, safety and environmental laws and regulations may trigger a variety of administrative, civil and potentially criminal enforcement measures, including citizen suits, which can include the assessment of monetary penalties, the imposition of remedial requirements, and the issuance of injunctions or restrictions on operation. Management believes that, based on currently known information, compliance with these existing laws and regulations will not have a material adverse effect on our results of operations, financial position or cash flows.

The following pending proceedings involve governmental authorities as a party under federal, state, and local laws regulating the discharge of materials into the environment. We have elected to disclose matters where we reasonably believe such proceeding would result in monetary sanctions, exclusive of interest and costs, of $1 million or more. It is not possible for us to predict the final outcome of these pending proceedings; however, we do not expect the outcome of one or more of these proceedings to have a material adverse effect on our results of operations, financial position, or cash flows:

- In 2018, the Colorado Department of Public Health and Environment ("CDPHE") issued a Compliance Advisory in relation to an improperly permitted facility flare and related air emissions from flare operations at one of our gas processing plants, which we had self-disclosed to CDPHE in December 2017. Following information exchanges and discussions with CDPHE, a resolution was proposed pursuant to which the plant's air permit would be revised to include the flare and emissions limits for such flare in addition to us paying an administrative penalty as well as an economic benefit payment generally covering the period when the flare was required to be included in the facility air permit. A revised air permit was issued in May 2019, but the parties had not yet entered into a final settlement agreement to complete the matter. Subsequently, in July 2020 CDPHE issued a Notice of Violation in relation to amine treater emissions at this gas processing plant, which we had self-disclosed to CDPHE in April 2020. We are still exchanging information and holding discussions with CDPHE as to this and the foregoing flare-related enforcement matter, including possible settlement terms, although these matters, which have since been combined, may end up in formal legal proceedings. It is possible that resolution of this matter may include an administrative penalty and economic benefit payment, further revising the facility air permit, or installation of emissions management equipment, or a combination of these, that could, in the aggregate, exceed the disclosure threshold amount described above, although we do not believe that resolution of this matter would have a material adverse effect on our results of operations, financial position, or cash flows.

14. Restructuring Costs

We undertook restructuring actions, as well as other transformation and integration efforts, as part of our integration with Phillips 66. During the three and six months ended June 30, 2023, we incurred $16 million and $26 million, respectively, in impairment, severance and other employee related costs.

The following table presents a rollforward of the Company's restructuring liability as of June 30, 2023, which is primarily included in Other current liabilities in the condensed consolidated balance sheets:

	(millions)
Balance as of January 1, 2023	$ 15
Severance and employee related charges	16
Cash payments	(30)
Balance as of June 30, 2023	$ 1

15. Business Segments

Our operations are organized into two reportable segments: (i) Logistics and Marketing and (ii) Gathering and Processing. These segments are monitored separately by management for performance against our internal forecast and are consistent with internal financial reporting. These segments have been identified based on the differing products and services, regulatory environment and the expertise required for these operations. Our Gathering and Processing reportable segment includes operating segments that have been aggregated based on the nature of the products and services provided. Adjusted gross margin is a performance measure utilized by management to monitor the operations of each segment. The accounting policies of the reportable segments are the same as those described in the summary of significant accounting policies included in Note 2 of the Notes to the Consolidated Financial Statements in "Financial Statements and Supplementary Data" included as Item 8 in our Annual Report on Form 10-K for the year ended December 31, 2022.

Our Logistics and Marketing segment includes transporting, trading, marketing, storing natural gas and NGLs, and fractionating NGLs. Our Gathering and Processing segment consists of gathering, compressing, treating, processing natural gas, producing and fractionating NGLs, and recovering condensate. The remainder of our business operations is presented as “Other,” and consists of unallocated corporate costs. Elimination of inter-segment transactions are reflected in the Eliminations column.

The following tables set forth our segment information:

Three Months Ended June 30, 2023

	Logistics and Marketing	Gathering and Processing	Other	Eliminations	Total
			(millions)		
Total operating revenue	$ 1,561	$ 1,252	$ —	$ (972)	$ 1,841
Adjusted gross margin (a)	$ 58	$ 371	$ —	$ —	$ 429
Operating and maintenance expense	(8)	(216)	(5)	—	(229)
General and administrative expense	(1)	(4)	(63)	—	(68)
Depreciation and amortization expense	(4)	(84)	(3)	—	(91)
Loss on sale of assets, net	—	(3)	—	—	(3)
Restructuring costs	—	—	(16)	—	(16)
Earnings from unconsolidated affiliates	147	1	—	—	148
Interest expense	—	—	(75)	—	(75)
Net income (loss)	$ 192	$ 65	$ (162)	$ —	$ 95
Net income attributable to noncontrolling interests	—	(1)	—	—	(1)
Net income (loss) attributable to partners	$ 192	$ 64	$ (162)	$ —	$ 94
Non-cash derivative mark-to-market	$ 17	$ (10)	$ —	$ —	$ 7
Capital expenditures	$ 1	$ 81	$ —	$ —	$ 82

Six Months Ended June 30, 2023:

	Logistics and Marketing	Gathering and Processing	Other	Eliminations	Total
			(millions)		
Total operating revenue	$ 3,953	$ 3,018	$ —	$ (2,404)	$ 4,567
Adjusted gross margin (a)	$ 112	$ 815	$ —	$ —	$ 927
Operating and maintenance expense	(17)	(398)	(11)	—	(426)
General and administrative expense	(3)	(8)	(137)	—	(148)
Depreciation and amortization expense	(6)	(168)	(7)	—	(181)
Loss on sale of assets, net	—	(3)	—	—	(3)
Restructuring costs	—	—	(26)	—	(26)
Earnings from unconsolidated affiliates	301	7	—	—	308
Interest expense	—	—	(143)	—	(143)
Income tax expense	—	—	(1)	—	(1)
Net income (loss)	$ 387	$ 245	$ (325)	$ —	$ 307
Net income attributable to noncontrolling interests	—	(2)	—	—	(2)
Net income (loss) attributable to partners	$ 387	$ 243	$ (325)	$ —	$ 305
Non-cash derivative mark-to-market	$ 12	$ 35	$ —	$ —	$ 47
Non-cash lower of cost or net realizable value adjustments	$ 22	$ —	$ —	$ —	$ 22
Capital expenditures	$ 1	$ 160	$ 2	$ —	$ 163

Three Months Ended June 30, 2022

	Logistics and Marketing	Gathering and Processing	Other	Eliminations	Total
			(millions)		
Total operating revenue	$ 3,789	$ 2,967	$ —	$ (2,487)	$ 4,269
Adjusted gross margin (a)	$ 40	$ 585	$ —	$ —	$ 625
Operating and maintenance expense	(9)	(175)	(5)	—	(189)
General and administrative expense	(2)	(5)	(58)	—	(65)
Depreciation and amortization expense	(3)	(82)	(5)	—	(90)
Asset impairments	—	(1)	—	—	(1)
Other income (expense), net	10	(2)	—	—	8
Earnings from unconsolidated affiliates	165	3	—	—	168
Interest expense	—	—	(70)	—	(70)
Income tax expense	—	—	(2)	—	(2)
Net income (loss)	$ 201	$ 323	$ (140)	$ —	$ 384
Net income attributable to noncontrolling interests	—	(1)	—	—	(1)
Net income (loss) attributable to partners	$ 201	$ 322	$ (140)	$ —	$ 383
Non-cash derivative mark-to-market	$ 26	$ 75	$ —	$ —	$ 101
Capital expenditures	$ 4	$ 31	$ 2	$ —	$ 37
Investments in unconsolidated affiliates, net	$ —	$ —	$ —	$ —	$ —

Six Months Ended June 30, 2022:

	Logistics and Marketing	Gathering and Processing	Other	Eliminations	Total
			(millions)		
Total operating revenue	$ 6,952	$ 5,073	$ —	$ (4,381)	$ 7,644
Adjusted gross margin (a)	$ 56	$ 869	$ —	$ —	$ 925
Operating and maintenance expense	(17)	(315)	(9)	—	(341)
General and administrative expense	(3)	(9)	(108)	—	(120)
Depreciation and amortization expense	(6)	(163)	(11)	—	(180)
Asset impairments	—	(1)	—	—	(1)
Other income (expense), net	10	(2)	—	—	8
Gain on sale of assets, net	—	7	—	—	7
Earnings from unconsolidated affiliates	302	9	—	—	311
Interest expense	—	—	(141)	—	(141)
Income tax expense	—	—	(3)	—	(3)
Net income (loss)	$ 342	$ 395	$ (272)	$ —	$ 465
Net income attributable to noncontrolling interests	—	(2)	—	—	(2)
Net income (loss) attributable to partners	$ 342	$ 393	$ (272)	$ —	$ 463
Non-cash derivative mark-to-market	$ (19)	$ (56)	$ —	$ —	$ (75)
Capital expenditures	$ 6	$ 51	$ 3	$ —	$ 60
Investments in unconsolidated affiliates, net	$ —	$ 1	$ —	$ —	$ 1

	June 30, 2023	December 31, 2022
	(millions)	
Segment long-term assets:		
Gathering and Processing	$ 7,573	$ 7,594
Logistics and Marketing	3,754	3,814
Other (b)	163	224
Total long-term assets	11,490	11,632
Current assets	1,002	1,702
Total assets	$ 12,492	$ 13,334

(a) Adjusted gross margin consists of total operating revenues, including commodity derivative activity, less purchases and related costs. Adjusted gross margin is viewed as a non-GAAP financial measure under the rules of the SEC, but 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. As an indicator of our operating performance, adjusted gross margin should not be considered an alternative to, or more meaningful than, net income, net cash provided by operating activities or gross margin as determined in accordance with GAAP. Our adjusted gross margin may not be comparable to similarly titled measures of other companies because other entities may not calculate adjusted gross margin in the same manner.

(b) Other long-term assets not allocable to segments consist of corporate leasehold improvements and other long-term assets.

16. Supplemental Cash Flow Information

	Six Months Ended June 30,	
	2023	2022
	(millions)	
Cash paid for interest:		
Cash paid for interest, net of amounts capitalized	$ 145	$ 138
Cash paid for income taxes, net of income tax refunds	$ 2	$ —
Non-cash investing and financing activities:		
Property, plant and equipment acquired with accounts payable and accrued liabilities	$ 24	$ 12
Other non-cash changes in property, plant and equipment	$ —	$ (2)
Other non-cash activities:		
Right-of-use assets obtained in exchange for operating and finance lease liabilities	$ 22	$ 14

17. Subsequent Events

Distributions — On July 14, 2023, we announced that the board of directors of the General Partner declared a quarterly distribution on our Common Units of $0.43 per Common Unit. The distribution will be paid on August 11, 2023 to unitholders of record on July 31, 2023.

Also on July 14, 2023, the board of directors of the General Partner declared a quarterly distribution on our Series C Preferred Units of $0.4969 per unit. The Series C distribution will be paid on October 16, 2023 to unitholders of record on October 2, 2023.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

The following discussion analyzes our financial condition and results of operations. You should read the following discussion of our financial condition and results of operations in conjunction with our condensed consolidated financial statements and notes included elsewhere in this Quarterly Report on Form 10-Q and the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2022.

Overview

We are a Delaware limited partnership formed by DCP Midstream, LLC to own, operate, acquire and develop a diversified portfolio of complementary midstream energy assets. Our operations are organized into two reportable segments: (i) Logistics and Marketing and (ii) Gathering and Processing. Our Logistics and Marketing segment includes transporting, trading, marketing and storing natural gas and NGLs, and fractionating NGLs. Our Gathering and Processing segment consists of gathering, compressing, treating, and processing natural gas, producing and fractionating NGLs, and recovering condensate.

Completion of Merger with Phillips 66

On June 15, 2023, pursuant to the terms of the previously disclosed Agreement and Plan of Merger, dated as of January 5, 2023 (the "Merger Agreement"), by and among the Partnership, DCP Midstream GP, LP, the general partner of the Partnership (the "General Partner"), DCP Midstream GP, LLC, the general partner of the General Partner, Phillips 66, Phillips 66 Project Development Inc., an indirect wholly owned subsidiary of Phillips 66 ("PDI"), and Dynamo Merger Sub LLC, a wholly owned subsidiary of PDI ("Merger Sub"), Merger Sub merged with and into the Partnership, with the Partnership surviving as a Delaware limited partnership (the "Merger").

Under the terms of the Merger Agreement, at the effective time of the Merger (the "Effective Time"), each common unit representing a limited partner interest in the Partnership (each, a "Common Unit") issued and outstanding as of immediately prior to the Effective Time (other than the Sponsor Owned Units, as defined below) (each, a "Public Common Unit") was converted into the right to receive $41.75 per Public Common Unit in cash, without any interest thereon (the "Merger Consideration"). The Common Units owned by DCP Midstream, LLC and the General Partner (collectively, the "Sponsor Owned Units") were unaffected by the Merger and remained outstanding immediately following the Merger as Common Units of the Partnership. Following the Merger, the Common Units were delisted from the New York Stock Exchange ("NYSE") and a Form 15 has been filed to deregister the Common Units under the Securities Exchange Act of 1934, as amended.

We continue to integrate certain of our operations with Phillips 66's midstream segment, including the integration of operational services that were previously provided by DCP Services, LLC. As part of these integration efforts, we incurred restructuring costs that primarily consisted of severance and employee related charges. Continuing employees transferred employment to a Phillips 66 subsidiary on April 1, 2023, and general and administrative services will be provided by Phillips 66 or one or more of its subsidiaries going forward. Phillips 66 is the managing member of our General Partner and, therefore, is responsible for conducting, directing, and managing our business and affairs.

General Trends and Outlook

We anticipate our business will continue to be affected by the key trends discussed herein. Our expectations are based on assumptions made by us and information currently available to us. To the extent our underlying assumptions about, or interpretations of, available information prove to be incorrect, our actual results may vary materially from our expected results.

Our business is impacted by commodity prices and volumes. We mitigate a portion of commodity price risk on an overall Partnership basis through our fee-based assets. Various factors impact both commodity prices and volumes, and as indicated in Item 3. "Quantitative and Qualitative Disclosures about Market Risk," we have sensitivities to certain cash and non-cash changes in commodity prices. Commodity prices are volatile and are subject to global energy supply and demand fundamentals as well as geopolitical disruptions. Drilling activity levels vary by geographic area and we will continue to target our strategy in geographic areas where we expect producer drilling activity.

Our business is predominantly fee-based and we have a diversified portfolio to balance the upside of our earnings potential while reducing our commodity exposure. We expect future commodity prices will be influenced by global economic conditions and geopolitical disruptions, the level of North American production and drilling activity by exploration and production companies, the balance of trade between imports and exports of liquid natural gas, NGLs and crude oil, and the severity of winter and summer weather.

We expect to be a proactive participant in the transition to a lower carbon energy future through increased efficiency and modernization of existing operations, which we expect will reduce the greenhouse gas emissions from our base business. Going forward, our assets will be managed in a manner consistent with the emissions intensity reduction goals of Phillips 66.

Our business is primarily driven by the level of production of natural gas by producers and of NGLs from processing plants connected to our pipelines and fractionators. These volumes can be impacted negatively by, among other things, reduced drilling activity, depressed commodity prices, severe weather disruptions, operational outages and ethane rejection. Upstream producers response to changes in commodity prices and demand remain uncertain.

We believe our contract structure with our producers provides us with significant protection from credit risk since we generally hold the product, sell it and withhold our fees prior to remittance of payments to the producer. Currently, our top 20 producers account for a majority of the total natural gas that we gather and process and of these top 20 producers, 9 have investment grade credit ratings.

The global economic outlook continues to be a cause for concern for U.S. financial markets and businesses and investors alike. This uncertainty may contribute to volatility in financial and commodity markets.

We believe we are positioned to withstand future commodity price volatility as a result of the following:

- Our fee-based business represents a significant portion of our margins.
- We have positive operating cash flow from our well-positioned and diversified assets.
- We manage our disciplined capital growth program with a significant focus on fee-based agreements and projects with long-term volume outlooks.
- We believe we have a solid capital structure and balance sheet.
- We believe we have access to sufficient capital to fund our growth including excess distribution coverage and divestitures.

During 2023, our strategic objective is to generate Excess Free Cash Flows (a non-GAAP measure defined in “Reconciliation of Non-GAAP Measures - Excess Free Cash Flows”). We believe the key elements to generating Excess Free Cash Flows are the diversity of our asset portfolio and our fee-based business which represents a significant portion of our estimated margins. We will continue to pursue incremental revenue, cost efficiencies and operating improvements of our assets through process and technology improvements.

We incur capital expenditures for our consolidated entities and our unconsolidated affiliates. Our 2023 plan includes sustaining capital expenditures of approximately $150 million and expansion capital expenditures of approximately $125 million.

Recent Events

Common and Preferred Distributions

On July 14, 2023, we announced that the board of directors of the General Partner declared a quarterly distribution on our Common Units of $0.43 per Common Unit. The distribution will be paid on August 11, 2023 to unitholders of record on July 31, 2023.

Also on July 14, 2023, the board of directors of the General Partner declared a quarterly distribution on our Series C Preferred Units of $0.4969 per unit. The Series C distribution will be paid on October 16, 2023 to unitholders of record on October 2, 2023.

Results of Operations

Consolidated Overview

The following table and discussion provides a summary of our consolidated results of operations for the three months ended June 30, 2023 and 2022. The results of operations by segment are discussed in further detail following this consolidated overview discussion.

	Three Months Ended June 30,		Six Months Ended June 30,		Variance Three Months 2023 vs. 2022		Variance Six Months 2023 vs. 2022	
	2023	2022	2023	2022	Increase (Decrease)	Percent	Increase (Decrease)	Percent
	(millions, except operating data)							
Operating revenues (a):								
Logistics and Marketing	$ 1,561	$ 3,789	$ 3,953	$ 6,952	$ (2,228)	(59 %)	$ (2,999)	(43 %)
Gathering and Processing	1,252	2,967	3,018	5,073	(1,715)	(58 %)	(2,055)	(41 %)
Inter-segment eliminations	(972)	(2,487)	(2,404)	(4,381)	(1,515)	(61 %)	(1,977)	(45 %)
Total operating revenues	1,841	4,269	4,567	7,644	(2,428)	(57 %)	(3,077)	(40 %)
Purchases and related costs								
Logistics and Marketing	(1,503)	(3,749)	(3,841)	(6,896)	(2,246)	(60 %)	(3,055)	(44 %)
Gathering and Processing	(881)	(2,382)	(2,203)	(4,204)	(1,501)	(63 %)	(2,001)	(48 %)
Inter-segment eliminations	972	2,487	2,404	4,381	(1,515)	(61 %)	(1,977)	(45 %)
Total purchases	(1,412)	(3,644)	(3,640)	(6,719)	(2,232)	(61 %)	(3,079)	(46 %)
Operating and maintenance expense	(229)	(189)	(426)	(341)	40	21 %	85	25 %
Depreciation and amortization expense	(91)	(90)	(181)	(180)	1	1 %	1	1 %
General and administrative expense	(68)	(65)	(148)	(120)	3	5 %	28	23 %
Asset impairments	—	(1)	—	(1)	(1)	*	(1)	*
Other income, net	—	8	—	8	(8)	*	(8)	*
(Loss) gain on sale of assets, net	(3)	—	(3)	7	3	*	10	*
Restructuring costs	(16)	—	(26)	—	16	*	26	*
Earnings from unconsolidated affiliates (b)	148	168	308	311	(20)	(12 %)	(3)	(1 %)
Interest expense	(75)	(70)	(143)	(141)	5	7 %	2	1 %
Income tax expense	—	(2)	(1)	(3)	(2)	*	(2)	(67 %)
Net income attributable to noncontrolling interests	(1)	(1)	(2)	(2)	—	— %	—	— %
Net income attributable to partners	$ 94	$ 383	$ 305	$ 463	$ (289)	(75 %)	$ (158)	(34 %)
Other data:								
Adjusted gross margin (c):								
Logistics and Marketing	$ 58	$ 40	$ 112	$ 56	$ 18	45 %	$ 56	*
Gathering and Processing	371	585	815	869	(214)	(37 %)	(54)	(6 %)
Total adjusted gross margin	$ 429	$ 625	$ 927	$ 925	$ (196)	(31 %)	$ 2	— %
Non-cash commodity derivative mark-to-market	$ 7	$ 101	$ 47	$ (75)	$ (94)	(93 %)	$ 122	*
NGL pipelines throughput (MBbls/d) (d)	702	720	713	701	(18)	(3 %)	12	2 %
Gas pipelines throughput (TBtu/d) (d)	1.07	1.09	1.08	1.09	(0.02)	(2 %)	(0.01)	(1 %)
Natural gas wellhead (MMcf/d) (d)	4,481	4,383	4,477	4,246	98	2 %	231	5 %
NGL gross production (MBbls/d) (d)	446	427	433	414	19	4 %	19	5 %

* Percentage change is not meaningful.

(a) Operating revenues include the impact of trading and marketing gains (losses), net.

(b) Earnings for certain unconsolidated affiliates include the amortization of the net difference between the carrying amount of the investments and the underlying equity of the entities.

(c) Adjusted gross margin consists of total operating revenues less purchases and related costs. Segment adjusted gross margin for each segment consists of total operating revenues for that segment, less purchases and related costs for that segment. Please read “Reconciliation of Non-GAAP Measures”.

(d) For entities not wholly owned by us, includes our share, based on our ownership percentage, of the wellhead and throughput volumes and NGL production.

Three Months Ended June 30, 2023 vs. Three Months Ended June 30, 2022

Total Operating Revenues — Total operating revenues decreased $2,428 million in 2023 compared to 2022, primarily as a result of the following:

- $2,228 million decrease for our Logistics and Marketing segment, primarily due to lower commodity prices, partially offset by higher gas and NGL volumes, and favorable commodity derivative activity; and
- $1,715 million decrease for our Gathering and Processing segment, primarily due to lower commodity prices and a decrease in transportation, processing and other, partially offset by higher volumes across all regions and favorable commodity derivative activity.

These decreases were partially offset by:

- $1,515 million change in inter-segment eliminations, which relate to sales of gas and NGL volumes from our Gathering and Processing segment to our Logistics and Marketing segment, primarily due to lower commodity prices.

Total Purchases — Total purchases decreased $2,232 million in 2023 compared to 2022, primarily as a result of the following:

- $2,246 million decrease for our Logistics and Marketing segment for the commodity price and volume changes discussed above; and
- $1,501 million decrease for our Gathering and Processing segment for the commodity price and volume changes discussed above.

These decreases was partially offset by:

- $1,515 million change in inter-segment eliminations, for the reasons discussed above.

Operating and Maintenance Expense — Operating and maintenance expense increased in 2023 compared to 2022 largely due to a legal settlement, higher base costs primarily in the Permian region and higher pipeline integrity spend.

Other Income — Other income in 2022 was primarily a result of contractual settlements.

Restructuring Costs — Restructuring costs in 2023 was primarily a result of an impairment, severance for termination benefits and other costs as a result of our ongoing integration with Phillips 66.

Earnings from Unconsolidated Affiliates — Earnings from unconsolidated affiliates decreased in 2023 compared to 2022 primarily as a result of a contract amendment with a third party customer that modified performance obligations and conditions, resulting in higher non-recurring earnings on the Sand Hills pipeline in 2022.

Net Income Attributable to Partners — Net income attributable to partners decreased in 2023 compared to 2022 for all of the reasons discussed above.

Adjusted Gross Margin — Adjusted gross margin decreased $196 million in 2023 compared to 2022, primarily as a result of the following:

- $214 million decrease for our Gathering and Processing segment, primarily as a result of lower commodity prices and lower margins in the South region, partially offset by favorable derivative activity attributable to our corporate equity hedge program and higher volumes in the Permian region; partially offset by
- $18 million increase for our Logistics and Marketing segment, primarily as a result of favorable commodity derivative activity on gas pipelines, a contract settlement in 2022, and improved NGL pipeline margins, partially offset by unfavorable NGL marketing activity and lower gas storage margins.

NGL Pipelines Throughput — NGL pipelines throughput decreased in 2023 compared to 2022 due to decreased volumes on the Sand Hills and Front Range pipelines, partially offset by increased throughput on Southern Hills pipeline.

Natural Gas Wellhead — Natural gas wellhead increased in 2023 compared to 2022 due to increased volumes in the Permian region and DJ Basin, partially offset by lower volumes in the Midcontinent region.

NGL Gross Production — NGL gross production increased in 2023 compared to 2022 due to increased volumes in the Permian, South, and Midcontinent regions.

Six Months Ended June 30, 2023 vs. Six Months Ended June 30, 2022

Total Operating Revenues — Total operating revenues decreased $3,077 million in 2023 compared to 2022, primarily as a result of the following:

- $2,999 million decrease for our Logistics and Marketing segment, primarily due to lower commodity prices, partially offset by higher gas and NGL volumes, and favorable commodity derivative activity; and
- $2,055 million decrease for our Gathering and Processing segment, primarily due to lower commodity prices and a decrease in transportation, processing and other, partially offset by higher volumes across all regions and favorable commodity derivative activity.

These decreases were partially offset by:

- $1,977 million change in inter-segment eliminations, which relate to sales of gas and NGL volumes from our Gathering and Processing segment to our Logistics and Marketing segment, primarily due to lower commodity prices.

Total Purchases — Total purchases decreased $3,079 million in 2023 compared to 2022, primarily as a result of the following:

- $3,055 million decrease for our Logistics and Marketing segment for the commodity price and volume changes discussed above; and
- $2,001 million decrease for our Gathering and Processing segment for the commodity price and volume changes discussed above.

These decreases were partially offset by:

- $1,977 million change in inter-segment eliminations, for the reasons discussed above.

Operating and Maintenance Expense — Operating and maintenance expense increased in 2023 compared to 2022 largely due to higher base costs primarily in the Permian region, a legal settlement, and higher pipeline integrity spend.

General and Administrative Expense — General and administrative expense increased in 2023 compared to 2022, primarily due to higher integration costs and employee costs.

Other Income, Net — Other income in 2022 was primarily a result of contractual settlements.

(Loss) gain on sale of assets, net — The net loss on sale of assets in 2023 represents the sale of certain non-core assets in the Midcontinent region. The net gain on sale of assets in 2022 represents the sale of a gathering system in the Permian region.

Restructuring Costs — Restructuring costs in 2023 was primarily a result of severance for termination benefits, an impairment and other costs as a result of our ongoing integration with Phillips 66.

Net Income Attributable to Partners — Net income attributable to partners decreased in 2023 compared to 2022 for all of the reasons discussed above.

Adjusted Gross Margin — Adjusted gross margin increased $2 million in 2023 compared to 2022, primarily as a result of the following:

- $56 million increase for our Logistics and Marketing segment, primarily as a result of favorable commodity derivative activity on gas pipelines, a contract settlement, and higher NGL pipeline margins, partially offset by lower gas storage and pipeline margins, unfavorable NGL marketing activity and lower NGL storage margins; offset by
- $54 million decrease for our Gathering and Processing segment, primarily as a result of lower commodity prices and lower margins in the South, DJ Basin and Midcontinent regions, partially offset by favorable derivative activity attributable to our corporate equity hedge program, higher volumes in the Permian, South and DJ Basin, and improved performance in the Permian region.

NGL Pipelines Throughput — NGL pipelines throughput increased in 2023 compared to 2022 due to increased volumes on the Sand Hills pipeline.

Natural Gas Wellhead — Natural gas wellhead increased in 2023 compared to 2022 due to increased volumes in the Permian region, South region, and DJ Basin, partially offset by lower volumes in the Midcontinent region.

NGL Gross Production — NGL gross production increased in 2023 compared to 2022 due to increased volumes in the Permian region, DJ Basin, and South region.

Supplemental Information on Unconsolidated Affiliates

The following tables present financial information related to unconsolidated affiliates during the three and six months ended June 30, 2023 and 2022, respectively:

Earnings from investments in unconsolidated affiliates were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(millions)			
DCP Sand Hills Pipeline, LLC	$ 78	$ 104	$ 165	$ 175
DCP Southern Hills Pipeline, LLC	27	21	52	45
Gulf Coast Express LLC	18	16	35	32
Front Range Pipeline LLC	11	11	22	21
Texas Express Pipeline LLC	5	5	10	10
Mont Belvieu 1 Fractionator	4	3	8	7
Discovery Producer Services LLC	1	3	7	9
Cheyenne Connector, LLC	3	3	6	7
Mont Belvieu Enterprise Fractionator	1	2	2	4
Other	—	—	1	1
Total earnings from unconsolidated affiliates	$ 148	$ 168	$ 308	$ 311

Distributions received from unconsolidated affiliates were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(millions)			
DCP Sand Hills Pipeline, LLC	$ 100	$ 117	$ 182	$ 200
DCP Southern Hills Pipeline, LLC	32	28	60	56
Gulf Coast Express LLC	20	20	41	40
Front Range Pipeline LLC	14	12	27	24
Texas Express Pipeline LLC	8	6	14	12
Mont Belvieu 1 Fractionator	3	2	6	6
Discovery Producer Services LLC	7	7	18	15
Cheyenne Connector, LLC	5	5	9	10
Mont Belvieu Enterprise Fractionator	3	3	2	4
Other	—	1	1	2
Total distributions from unconsolidated affiliates	$ 192	$ 201	$ 360	$ 369

Results of Operations — Logistics and Marketing Segment

Operating Data

System	Approximate System Length (Miles)	Fractionators	Approximate Throughput Capacity (MBbls/d) (a)	Approximate Gas Throughput Capacity (TBtus/d) (a)	Three Months Ended June 30, 2023 Pipeline Throughput (MBbls/d) (a)	Three Months Ended June 30, 2023 Pipeline Throughput (TBtus/d) (a)	Six Months Ended June 30, 2023 Pipeline Throughput (MBbls/d) (a)	Six Months Ended June 30, 2023 Pipeline Throughput (TBtus/d) (a)
Sand Hills pipeline	1,400	—	333	—	295	—	304	—
Southern Hills pipeline	950	—	128	—	126	—	121	—
Front Range pipeline	450	—	87	—	73	—	75	—
Texas Express pipeline	600	—	37	—	22	—	22	—
Other NGL pipelines (a)	1,050	—	310	—	186	—	191	—
Gulf Coast Express pipeline	500	—	—	0.50	—	0.51	—	0.50
Guadalupe pipeline	600	—	—	0.25	—	0.26	—	0.27
Cheyenne Connector	70	—	—	0.30	—	0.30	—	0.31
Mont Belvieu fractionators	—	2	—	—	—	—	—	—
Pipelines total	5,620	2	895	1.05	702	1.07	713	1.08

(a) Represents total capacity or total volumes allocated to our proportionate ownership share.

The results of operations for our Logistics and Marketing segment are as follows:

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022	Variance Three Months 2023 vs. 2022 Increase (Decrease)	Variance Three Months 2023 vs. 2022 Percent	Variance Six Months 2023 vs. 2022 Increase (Decrease)	Variance Six Months 2023 vs. 2022 Percent
	(millions, except operating data)							
Operating revenues:								
Sales of natural gas, NGLs and condensate	$ 1,524	$ 3,769	$ 3,854	$ 6,954	$ (2,245)	(60 %)	$ (3,100)	(45 %)
Transportation, processing and other	18	18	37	37	—	— %	—	— %
Trading and marketing gains (losses), net	19	2	62	(39)	17	*	101	*
Total operating revenues	1,561	3,789	3,953	6,952	(2,228)	(59 %)	(2,999)	(43 %)
Purchases and related costs	(1,503)	(3,749)	(3,841)	(6,896)	(2,246)	(60 %)	(3,055)	(44 %)
Operating and maintenance expense	(8)	(9)	(17)	(17)	(1)	(11 %)	—	— %
Depreciation and amortization expense	(4)	(3)	(6)	(6)	1	33 %	—	— %
General and administrative expense	(1)	(2)	(3)	(3)	(1)	(50 %)	—	— %
Other income, net	—	10	—	10	(10)	*	(10)	*
Earnings from unconsolidated affiliates (a)	147	165	301	302	(18)	(11 %)	(1)	— %
Segment net income attributable to partners	$ 192	$ 201	$ 387	$ 342	$ (9)	(4 %)	$ 45	13 %
Other data:								
Segment adjusted gross margin (b)	$ 58	$ 40	$ 112	$ 56	$ 18	45 %	$ 56	*
Non-cash commodity derivative mark-to-market	$ 17	$ 26	$ 12	$ (19)	$ (9)	(35 %)	$ 31	*
NGL pipelines throughput (MBbls/d) (c)	702	720	713	701	(18)	(3 %)	12	2 %
Gas pipelines throughput (TBtu/d) (c)	1.07	1.09	1.08	1.09	(0.02)	(2 %)	(0.01)	(1 %)

* Percentage change is not meaningful.

(a) Earnings for certain unconsolidated affiliates include the amortization of the net difference between the carrying amount of the investments and the underlying equity of the entities.

(b) Adjusted gross margin consists of total operating revenues less purchases and related costs. Segment adjusted gross margin for each segment consists of total operating revenues for that segment less purchases and related costs for that segment. Please read “Reconciliation of Non-GAAP Measures”.

(c) For entities not wholly owned by us, includes our share, based on our ownership percentage, of the throughput volumes.

Three Months Ended June 30, 2023 vs. Three Months Ended June 30, 2022

Total Operating Revenues — Total operating revenues decreased $2,228 million in 2023 compared to 2022, primarily as a result of the following:

- $2,278 million decrease as a result of lower commodity prices before the impact of derivative activity.

This decrease was partially offset by:

- $33 million increase attributable to higher gas and NGL volumes; and
- $17 million increase as a result of commodity derivative activity attributable to a increase in realized cash settlement gains of $26 million, partially offset by an decrease in unrealized commodity derivative gains of $9 million due to movements in forward prices of commodities.

Purchases and Related Costs — Purchases and related costs decreased $2,246 million in 2023 compared to 2022, for the reasons discussed above.

Other Income — Other income in 2022 was primarily a result of contractual settlements.

Earnings from Unconsolidated Affiliates — Earnings from unconsolidated affiliates decreased in 2023 compared to 2022 primarily as a result of a contract amendment with a third party customer that modified performance obligations and conditions, resulting in higher non-recurring earnings on the Sand Hills pipeline in 2022.

Segment Adjusted Gross Margin — Segment adjusted gross margin increased $18 million in 2023 compared to 2022, primarily as a result of the following:

- $17 million increase as a result of commodity derivative activity discussed above;
- $16 million contract settlement in 2022; and
- $3 million increase as a result of NGL pipeline margins.

These increases were partially offset by:

- $11 million decrease as a result of unfavorable NGL marketing activity; and
- $7 million decrease as a result of lower gas storage margins.

NGL Pipelines Throughput — NGL pipelines throughput decreased in 2023 compared to 2022 due to decreased volumes on the Sand Hills and Front Range pipelines, partially offset by increased throughput on Southern Hills pipeline.

Six Months Ended June 30, 2023 vs. Six Months Ended June 30, 2022

Total Operating Revenues — Total operating revenues decreased $2,999 million in 2023 compared to 2022, primarily as a result of the following:

- $3,318 million decrease as a result of lower commodity prices before the impact of derivative activity.

This decrease was partially offset by:

- $218 million increase attributable to higher gas and NGL volumes; and
- $101 million increase as a result of commodity derivative activity attributable to an increase in realized cash settlement gains of $70 million and an increase in unrealized commodity derivative gains of $31 million due to movements in forward prices of commodities.

Purchases and Related Costs — Purchases and related costs decreased $3,055 million in 2023 compared to 2022, for the reasons discussed above.

Other Income, Net — Other income in 2022 was primarily a result of contractual settlements.

Segment Adjusted Gross Margin — Segment adjusted gross margin increased $56 million in 2023 compared to 2022, primarily as a result of the following:

- $101 million increase as a result of commodity derivative activity as discussed above;
- $16 million contract settlement in 2022; and
- $5 million increase as a result of NGL pipeline margins.

These increases were partially offset by:

- $39 million decrease as a result of lower gas storage and pipeline margins;
- $23 million decrease as a result of unfavorable NGL marketing activity; and
- $4 million decrease as a result of lower NGL storage margins.

NGL Pipelines Throughput — NGL pipelines throughput increased in 2023 compared to 2022 due to increased volumes on the Sand Hills pipeline.

Results of Operations — Gathering and Processing Segment

Operating Data

Regions	Plants	Approximate Gathering and Transmission Systems (Miles)	Approximate Net Nameplate Plant Capacity (MMcf/d) (a)	Three Months Ended June 30, 2023		Six Months Ended June 30, 2023	
				Natural Gas Wellhead Volume (MMcf/d) (a)	NGL Production (MBbls/d) (a)	Natural Gas Wellhead Volume (MMcf/d) (a)	NGL Production (MBbls/d) (a)
North	13	3,500	1,580	1,589	157	1,582	157
Midcontinent	6	23,000	1,110	812	77	808	70
Permian	10	15,000	1,220	1,104	134	1,097	134
South	7	6,500	1,630	976	78	990	72
Total	36	48,000	5,540	4,481	446	4,477	433

(a) Represents total capacity or total volumes allocated to our proportionate ownership share.

The results of operations for our Gathering and Processing segment are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,		Variance Three Months 2023 vs. 2022		Variance Six Months 2023 vs. 2022	
	2023	2022	2023	2022	Increase (Decrease)	Percent	Increase (Decrease)	Percent
	(millions, except operating data)							
Operating revenues:								
Sales of natural gas, NGLs and condensate	$ 1,121	$ 2,817	$ 2,699	$ 4,981	$ (1,696)	(60 %)	$ (2,282)	(46 %)
Transportation, processing and other	130	166	274	302	(36)	(22 %)	(28)	(9 %)
Trading and marketing gains (losses), net	1	(16)	45	(210)	17	*	255	*
Total operating revenues	1,252	2,967	3,018	5,073	(1,715)	(58 %)	(2,055)	(41 %)
Purchases and related costs	(881)	(2,382)	(2,203)	(4,204)	(1,501)	(63 %)	(2,001)	(48 %)
Operating and maintenance expense	(216)	(175)	(398)	(315)	41	23 %	83	26 %
Depreciation and amortization expense	(84)	(82)	(168)	(163)	2	2 %	5	3 %
General and administrative expense	(4)	(5)	(8)	(9)	(1)	(20) %	(1)	(11 %)
Asset impairments	—	(1)	—	(1)	(1)	*	(1)	*
Other expense, net	—	(2)	—	(2)	(2)	*	(2)	*
(Loss) gain on sale of assets, net	(3)	—	(3)	7	(3)	*	(10)	*
Earnings from unconsolidated affiliates (a)	1	3	7	9	(2)	*	(2)	(22 %)
Segment net income	65	323	245	395	(258)	(80 %)	(150)	(38 %)
Segment net income attributable to noncontrolling interests	(1)	(1)	(2)	(2)	—	— %	—	— %
Segment net income attributable to partners	$ 64	$ 322	$ 243	$ 393	$ (258)	(80 %)	$ (150)	(38 %)
Other data:								
Segment adjusted gross margin (b)	$ 371	$ 585	$ 815	$ 869	$ (214)	(37 %)	$ (54)	(6 %)
Non-cash commodity derivative mark-to-market	$ (10)	$ 75	$ 35	$ (56)	$ (85)	*	$ 91	*
Natural gas wellhead (MMcf/d) (c)	4,481	4,383	4,477	4,246	98	2 %	231	5 %
NGL gross production (MBbls/d) (c)	446	427	433	414	19	4 %	19	5 %

* Percentage change is not meaningful.

(a) Earnings for certain unconsolidated affiliates include the amortization of the net difference between the carrying amount of the investments and the underlying equity of the entities.

(b) Segment adjusted gross margin for each segment consists of total operating revenues for that segment less purchases and related costs for that segment. Please read "Reconciliation of Non-GAAP Measures".

(c) For entities not wholly owned by us, includes our share, based on our ownership percentage, of the wellhead and NGL production

Three Months Ended June 30, 2023 vs. Three Months Ended June 30, 2022

Total Operating Revenues — Total operating revenues decreased $1,715 million in 2023 compared to 2022, primarily as a result of the following:

- $1,882 million decrease attributable to lower commodity prices, before the impact of derivative activity; and
- $36 million decrease in transportation, processing and other.

These decreases was partially offset by:

- $186 million increase as a result of higher volumes in all regions; and
- $17 million increase as a result of commodity derivative activity attributable to an increase in realized cash settlement gains of $102 million, partially offset by an $85 million increase in unrealized commodity derivative losses due to movements in forward prices of commodities in 2023.

Purchases and Related Costs — Purchases and related costs decreased $1,501 million in 2023 compared to 2022, primarily as a result of the commodity price and volume changes discussed above.

Operating and Maintenance Expense — Operating and maintenance expense increased in 2023 compared to 2022 largely due to a legal settlement, higher base costs primarily in the Permian region and higher pipeline integrity spend.

Segment Adjusted Gross Margin — Segment adjusted gross margin decreased $214 million in 2023 compared to 2022, primarily as a result of the following:

- $227 million decrease as a result of lower commodity prices; and
- $4 million decrease due to lower margins in the South region, partially offset by higher volumes in the Permian region.

These decreases were partially offset by:

- $17 million increase as a result of favorable commodity derivative activity discussed above.

Natural Gas Wellhead — Natural gas wellhead increased in 2023 compared to 2022 due to increased volumes in the Permian region and DJ Basin, partially offset by lower volumes in the Midcontinent region.

NGL Gross Production — NGL gross production increased in 2023 compared to 2022 due to increased volumes in the Permian, South, and Midcontinent regions.

Six Months Ended June 30, 2023 vs. Six Months Ended June 30, 2022

Total Operating Revenues — Total operating revenues decreased $2,055 million in 2023 compared to 2022, primarily as a result of the following:

- $2,621 million decrease attributable to lower commodity prices, before the impact of derivative activity; and
- $28 million decrease in transportation, processing and other.

These decreases were partially offset by:

- $339 million increase as a result of higher volumes in all regions; and
- $255 million increase as a result of commodity derivative activity attributable to an increase in realized cash settlement gains of $164 million due to movements in forward prices of commodities in 2023 and a $91 million increase in unrealized commodity derivative gains.

Purchases and Related Costs — Purchases and related costs decreased $2,001 million in 2023 compared to 2022, primarily as a result of the commodity price and volume changes discussed above.

Operating and Maintenance Expense — Operating and maintenance expense increased in 2023 compared to 2022 largely due to higher base costs primarily in the Permian region, a legal settlement, and higher pipeline integrity spend.

(Loss) gain on Sale of Assets, net — The net loss on sale of assets in 2023 represents the sale of certain non-core assets in the Midcontinent region. The net gain on sale of assets in 2022 represents the sale of a gathering system in the Permian region.

Segment Adjusted Gross Margin — Segment adjusted gross margin decreased $54 million in 2023 compared to 2022, primarily as a result of the following:

- $310 million decrease as a result of lower commodity prices.

These decreases were partially offset by:

- $255 million increase as a result of favorable commodity derivative activity as discussed above; and
- $1 million increase due to higher volumes in the Permian region, South region and DJ Basin, and improved performance in the Permian region, partially offset by lower margins in the South region, DJ Basin, and Midcontinent region.

Natural Gas Wellhead — Natural gas wellhead increased in 2023 compared to 2022 due to increased volumes in the Permian region, South region, and DJ Basin, partially offset by lower volumes in the Midcontinent region.

NGL Gross Production — NGL gross production increased in 2023 compared to 2022 due to increased volumes in the Permian region, DJ Basin, and South region.

Liquidity and Capital Resources

We expect our sources of liquidity to include:

- cash generated from operations;
- cash distributions from our unconsolidated affiliates;
- borrowings under our Credit Agreement, Intercompany Credit Agreement, and Securitization Facility;
- proceeds from asset rationalizations;
- debt offerings; and
- borrowings under term loans, or other credit facilities.

We anticipate our more significant uses of resources to include:

- quarterly distributions to our common unitholders and distributions to our preferred unitholders;
- payments to service or retire our debt or Preferred Units;
- capital expenditures; and
- contributions to our unconsolidated affiliates to finance our share of their capital expenditures.

We believe that cash generated from these sources will be sufficient to meet our short-term working capital requirements, long-term capital expenditures and quarterly cash distributions.

We routinely evaluate opportunities for strategic investments or acquisitions. Future material investments or acquisitions may require that we obtain additional capital, assume third party debt or incur other long-term obligations. We have the option to utilize both equity or debt instruments for the long-term financing of our investment activities or acquisitions.

Based on current and anticipated levels of operations, we believe we have adequate committed financial resources to conduct our ongoing business, although deterioration in our operating environment could limit our borrowing capacity, impact our credit ratings, raise our financing costs, as well as impact our compliance with the financial covenants contained in the Credit Agreement, Intercompany Credit Agreement, and other debt instruments.

***Junior Notes Redemption* —** On May 19, 2023, we redeemed, at par, prior to maturity all $550 million of aggregate principal amount outstanding of our 5.850% Junior Notes due May 2043, using borrowings under our Credit Facility and Securitization Facility.

Series B Preferred Units Redemption — On June 15, 2023 we paid $161 million to redeem in full the outstanding Series B Preferred Units at a redemption price of $25 per unit using cash on hand and borrowings under our Securitization Facility. The difference between the redemption price of the Series B Preferred Units and the carrying value on the balance sheet resulted in an approximately $5 million reduction to net income allocable to limited partners. The carrying value represented the original issuance proceeds, net of underwriting fees and offering costs for the Series B Preferred Units.

Intercompany Credit Agreement — On June 15, 2023, we and our wholly owned subsidiary, DCP Midstream Operating, LP, entered into a new five-year revolving Intercompany Credit Agreement with Phillips 66, as lender. The Intercompany Credit Agreement provides up to $1 billion of borrowing capacity, with an option to increase the commitment by an aggregate principal amount of up to $500 million, subject to lender approval. At our election, the Intercompany Credit Agreement bears interest at either the adjusted term SOFR rate or the base rate plus, in each case, an applicable margin based on our credit rating. A ratings-based pricing grid determines our cost of borrowing under the Intercompany Credit Agreement. Indebtedness under the Intercompany Credit Agreement bears interest at either: (1) SOFR, plus an applicable margin of 1.075% based on our current credit rating, plus an adjustment of 0.10%; or (2) (a) the base rate, which shall be the higher of the prime rate, the Federal Funds rate plus 0.50% or the SOFR Market Index rate plus 1.00%, plus (b) an applicable margin of 0.075% based on our current credit rating. Based on our current credit rating, the Intercompany Credit Agreement incurs an annual facility fee of 0.175%.

As of June 30, 2023, we had unused borrowing capacity of $900 million, net of $100 million of outstanding borrowings, under the Intercompany Credit Agreement, of which $900 million would have been available to borrow for working capital and other general partnership purposes based on the financial covenants set forth in the Intercompany Credit Agreement. Except in the case of a default, amounts borrowed under our Intercompany Credit Agreement will not become due prior to the June 15, 2028 maturity date. As of July 28, 2023, we had unused borrowing capacity of $900 million, net of $100 million of outstanding borrowings.

Credit Agreement — We are party to a Credit Agreement that provides up to $1.4 billion of borrowing capacity and bears interest at either the term SOFR rate or the base rate plus, in each case, an applicable margin based on our credit rating. The Credit Agreement matures on March 18, 2027.

As of June 30, 2023, we had unused borrowing capacity of $548 million, net of $850 million of outstanding borrowings and $2 million letters of credit, under the Credit Agreement, of which at least $548 million would have been available to borrow for working capital and other general partnership purposes based on the financial covenants set forth in the Credit Agreement. As of July 28, 2023, we had unused borrowing capacity of $548 million, net of $850 million of outstanding borrowings and $2 million of letters of credit under the Credit Agreement. Our cost of borrowing under the Credit Agreement is determined by a ratings-based pricing grid.

Accounts Receivable Securitization Facility — As of June 30, 2023, we had $280 million of outstanding borrowings under the Securitization Facility at the SOFR rate plus a margin.

Guarantee of Registered Debt Securities — The condensed consolidated financial statements of DCP Midstream, LP, or “parent guarantor”, include the accounts of DCP Midstream Operating LP, or “subsidiary issuer”, which is a 100% owned subsidiary, and all other subsidiaries which are all non-guarantor subsidiaries. The parent guarantor has agreed to fully and unconditionally guarantee the senior notes. The entirety of the Company’s operating assets and liabilities, operating revenues, expenses and other comprehensive income exist at its non-guarantor subsidiaries, and the parent guarantor and subsidiary issuer have no assets, liabilities or operations independent of their respective financing activities and investments in non-guarantor subsidiaries. All covenants in the indentures governing the notes limit the activities of subsidiary issuer, including limitations on the ability to pay dividends, incur additional indebtedness, make restricted payments, create liens, sell assets or make loans to parent guarantor.

The Company qualifies for alternative disclosure under Rule 13-01 of Regulation S-X, because the combined financial information of the subsidiary issuer and parent guarantor, excluding investments in subsidiaries that are not issuers or guarantors, reflect no material assets, liabilities or results of operations apart from their respective financing activities and investments in non-guarantor subsidiaries. Summarized financial information is presented as follows. The only assets, liabilities and results of operations of the subsidiary issuer and parent guarantor on a combined basis, independent of their respective investments in non-guarantor subsidiaries are:

- Accounts payable and other current liabilities of $73 million and $80 million as of June 30, 2023 and December 31, 2022, respectively;
- Balances related to debt of $4.728 billion and $4.823 billion as of June 30, 2023 and December 31, 2022, respectively; and
- Interest expense, net of $69 million and $69 million for the three months ended June 30, 2023 and 2022, respectively, and $135 million and $138 million for the six months ended June 30, 2023 and 2022, respectively.

Commodity Swaps and Collateral — Changes in natural gas, NGL and condensate prices and the terms of our processing arrangements have a direct impact on our generation and use of cash from operations due to their impact on net income, along with the resulting changes in working capital. For additional information regarding our derivative activities, please read Item 3. “Quantitative and Qualitative Disclosures about Market Risk” contained herein.

When we enter into commodity swap contracts, we may be required to provide collateral to the counterparties in the event that our potential payment exposure exceeds a predetermined collateral threshold. Collateral thresholds are set by us and each counterparty, as applicable, in the master contract that governs our financial transactions based on our and the counterparty’s assessment of creditworthiness. The assessment of our position with respect to the collateral thresholds are determined on a counterparty by counterparty basis, and are impacted by the representative forward price curves and notional quantities under our swap contracts. Due to the interrelation between the representative crude oil and natural gas forward price curves, it is not practical to determine a pricing point at which our swap contracts will meet the collateral thresholds as we may transact multiple commodities with the same counterparty. Depending on daily commodity prices, the amount of collateral posted can go up or down on a daily basis.

Working Capital — Working capital is the amount by which current assets exceed current liabilities. Current assets are reduced in part by our quarterly distributions, which are required under the terms of our Partnership Agreement based on Available Cash, as defined in the Partnership Agreement. In general, our working capital is impacted by changes in the prices of commodities that we buy and sell, inventory levels, and other business factors that affect our net income and cash flows. Our working capital is also impacted by the timing of operating cash receipts and disbursements, cash collateral we may be required to post with counterparties to our commodity derivative instruments, borrowings of and payments on debt and the Securitization Facility, capital expenditures, and increases or decreases in other long-term assets. We expect that our future working capital requirements will be impacted by these same recurring factors.

We had working capital deficits of $142 million and $802 million as of June 30, 2023 and December 31, 2022, respectively, driven by current maturities of long term debt of $7 million and $506 million, respectively. We had net derivative working capital surplus of $24 million and deficit of $8 million as of June 30, 2023 and December 31, 2022, respectively.

Cash Flow — Operating, investing and financing activities were as follows:

	Six Months Ended June 30,	
	2023	2022
	(millions)	
Net cash provided by operating activities	$ 369	$ 574
Net cash used in investing activities	$ (151)	$ (61)
Net cash used in financing activities	$ (218)	$ (506)

Six Months Ended June 30, 2023 vs. Six Months Ended June 30, 2022

Operating Activities — Net cash provided by operating activities decreased $205 million in 2023 compared to the same period in 2022. The changes in net cash provided by operating activities are attributable to our net income adjusted for non-cash charges and changes in working capital as presented in the condensed consolidated statements of cash flows. For additional information regarding fluctuations in our earnings and distributions from unconsolidated affiliates, please read “Supplemental Information on Unconsolidated Affiliates” under “Results of Operations”.

*Investing Activitie*s — Net cash used in investing activities increased $90 million in 2023 compared to the same period in 2022, primarily as a result of an increase in capital expenditures, partially offset by a return of capital from an investment and proceeds from the sale of assets.

*Financing Activitie*s — Net cash used in financing activities decreased $288 million in 2023 compared to the same period in 2022, primarily as a result of lower net payments of debt, partially offset by the redemption of the Series B Preferred Units.

*Contractual Obligation*s — Material contractual obligations arising in the normal course of business primarily consist of purchase obligations, long-term debt and related interest payments, leases, asset retirement obligations, and other long-term liabilities. See Note 8 "Debt" in the Notes to the Condensed Consolidated Financial Statements in Item 1. "Financial Statements" for amounts outstanding on June 30, 2023, related to debt. Lease and asset retirement obligations are not materially different from what was disclosed in Notes 14 and 15, respectively, to the Consolidated Financial Statements included in Item 8 "Financial Statements" in Part II of form 10-K for the year ended December 31, 2022.

Purchase Obligations are contractual obligations and include various non-cancelable commitments to purchase physical quantities of commodities in future periods and other items, including gas supply, fractionation and transportation agreements in the ordinary course of business.

Management believes that our cash and investment position and operating cash flows as well as capacity under existing and available credit agreements will be sufficient to meet our liquidity and capital requirements for the foreseeable future. We believe that our current and projected asset position is sufficient to meet our liquidity requirements.

Capital Requirements — The midstream energy business can be capital intensive, requiring significant investment to maintain and upgrade existing operations. In the ordinary course of our business, we purchase physical commodities and enter into arrangements related to other items, including long-term fractionation and transportation agreements, in future periods. We establish a margin for these purchases by entering into physical and financial sale and exchange transactions to maintain a balanced position between purchases and sales and future delivery obligations. We expect to fund the obligations with the corresponding sales to entities that we deem creditworthy or that have provided credit support we consider adequate. We may enter into purchase order and non-cancelable construction agreements for capital expenditures. Our capital requirements have consisted primarily of, and we anticipate will continue to consist of the following:

- Sustaining capital expenditures, which are cash expenditures 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. Sustaining capital expenditures also include certain well connects, and may include the acquisition or construction of new capital assets; and

- Expansion capital expenditures, which are cash expenditures to increase our cash flows, or operating or earnings capacity. Expansion capital expenditures include acquisitions or capital improvements (where we add on to or improve the capital assets owned, or acquire or construct new gathering lines and well connects, treating facilities, processing plants, fractionation facilities, pipelines, terminals, docks, truck racks, tankage and other storage, distribution or transportation facilities and related or similar midstream assets).

We incur capital expenditures for our consolidated entities and our unconsolidated affiliates. Our 2023 plan includes sustaining capital expenditures of $150 million and expansion capital expenditures of $125 million.

We expect to fund future capital expenditures with funds generated from our operations, borrowings under our Credit Agreement, Intercompany Credit Agreement, Securitization Facility and the issuance of additional debt and equity securities. Future material investments may require that we obtain additional capital, assume third party debt or incur other long-term obligations. We have the option to utilize both equity and debt instruments as vehicles for the long-term financing of our investment activities.

Cash Distributions to Unitholders — Our Partnership Agreement requires that, within 45 days after the end of each quarter, we distribute all Available Cash, as defined in the Partnership Agreement. We made cash distributions to our common unitholders and general partner of $179 million and $163 million during the six months ended June 30, 2023 and 2022, respectively.

On July 14, 2023, we announced that the board of directors of the General Partner declared a quarterly distribution on our Common Units of $0.43 per Common Unit. The distribution will be paid on August 11, 2023 to unitholders of record on July 31, 2023.

Also on July 14, 2023, the board of directors of the General Partner declared a quarterly distribution on our Series C Preferred Units of $0.4969 per unit. The Series C distribution will be paid on October 16, 2023 to unitholders of record on October 2, 2023.

We expect to continue to use cash provided by operating activities for the payment of distributions to our unitholders. See Note 10 “Partnership Equity and Distributions” in the Notes to the Condensed Consolidated Financial Statements in Item 1. “Financial Statements”.

Reconciliation of Non-GAAP Measures

Adjusted Gross Margin and Segment Adjusted Gross Margin — In addition to net income, we view our adjusted gross margin as an important performance measure of the core profitability of our operations. We review our adjusted gross margin monthly for consistency and trend analysis.

We define adjusted gross margin as total operating revenues, less purchases and related costs, and we define segment adjusted gross margin for each segment as total operating revenues for that segment less purchases and related costs for that segment. Our adjusted gross margin equals the sum of our segment adjusted gross margins. Adjusted gross margin and segment adjusted gross margin are primary performance measures used by management, as these measures represent the results of product sales and purchases, a key component of our operations. As an indicator of our operating performance, adjusted gross margin and segment adjusted gross margin should not be considered an alternative to, or more meaningful than, operating revenues, gross margin, segment gross margin, net income or loss, net income or loss attributable to partners, operating income, net cash provided by operating activities or any other measure of financial performance presented in accordance with GAAP.

We believe adjusted gross margin provides useful information to our investors because our management views our adjusted gross margin and segment adjusted gross margin as important performance measures that represent the results of product sales and purchases, a key component of our operations. We review our adjusted gross margin and segment adjusted gross margin monthly for consistency and trend analysis. We believe that investors benefit from having access to the same financial measures that management uses in evaluating our operating results.

Adjusted EBITDA — We define adjusted EBITDA as net income or loss attributable to partners adjusted for (i) distributions from unconsolidated affiliates, net of earnings, (ii) depreciation and amortization expense, (iii) net interest expense, (iv) noncontrolling interest in depreciation and income tax expense, (v) unrealized gains and losses from commodity derivatives, (vi) income tax expense or benefit, (vii) impairment expense, and (viii) certain other non-cash items. Adjusted EBITDA further excludes items of income or loss that we characterize as unrepresentative of our ongoing operations. Management believes these measures provide investors meaningful insight into results from ongoing operations.

Adjusted EBITDA should not be considered an alternative to, or more meaningful than, net income or loss, net income or loss attributable to partners, operating income, net cash provided by operating activities or any other measure of financial performance presented in accordance with GAAP as measures of operating performance, liquidity or ability to service debt obligations.

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

- financial performance of our assets without regard to financing methods, capital structure or historical cost basis;
- our 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; and
- in the case of Adjusted EBITDA, the ability of our assets to generate cash sufficient to pay interest costs, support our indebtedness, make cash distributions to our unitholders and pay capital expenditures.

Adjusted Segment EBITDA — We define adjusted segment EBITDA for each segment as segment net income or loss attributable to partners adjusted for (i) distributions from unconsolidated affiliates, net of earnings, (ii) depreciation and amortization expense, (iii) net interest expense, (iv) noncontrolling interest in depreciation and income tax expense, (v) unrealized gains and losses from commodity derivatives, (vi) income tax expense or benefit, (vii) impairment expense, and (viii) certain other non-cash items. Adjusted segment EBITDA further excludes items of income or loss that we characterize as unrepresentative of our ongoing operations for that segment. Our adjusted segment EBITDA may not be comparable to similarly titled measures of other companies because they may not calculate adjusted segment EBITDA in the same manner.

Adjusted segment EBITDA should not be considered in isolation or as an alternative to our financial measures presented in accordance with GAAP, including operating revenues, net income or loss attributable to partners, or any other measure of performance presented in accordance with GAAP.

Our adjusted gross margin, segment adjusted gross margin, adjusted EBITDA and adjusted segment EBITDA may not be comparable to a similarly titled measure of another company because other entities may not calculate these measures in the same manner. The accompanying schedules provide reconciliations of adjusted gross margin, segment adjusted gross margin and adjusted segment EBITDA to their most directly comparable GAAP financial measures.

Distributable Cash Flow — We define Distributable Cash Flow as adjusted EBITDA, as defined above, less sustaining capital expenditures, net of reimbursable projects, less interest expense, less income attributable to preferred units, and certain other items. Sustaining 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. Sustaining capital expenditures also include certain well connects, and may include the acquisition or construction of new capital assets. Income attributable to preferred units represent cash distributions earned by the preferred units. Cash distributions to be paid to the holders of the preferred units assuming a distribution is declared by the board of directors of the General Partner, are not available to common unit holders. 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 our management and by external users of our financial statements, such as investors, commercial banks, research analysts and others, to assess our ability to make cash distributions to our unitholders and our general partner.

Our Distributable Cash Flow may not be comparable to similarly titled measures of other companies because other entities may not calculate Distributable Cash Flow in the same manner.

Excess Free Cash Flow — We define Excess Free Cash Flow as Distributable Cash Flow, as defined above, less distributions to limited partners, less expansion capital expenditures, net of reimbursable projects, and contributions to equity method investments and certain other items. Expansion capital expenditures are cash expenditures to increase our cash flows, or operating or earnings capacity. Expansion capital expenditures include acquisitions or capital improvements (where we add on to or improve the capital assets owned, or acquire or construct new gathering lines and well connects, treating facilities, processing plants, fractionation facilities, pipelines, terminals, docks, truck racks, tankage and other storage, distribution or transportation facilities and related or similar midstream assets).

Excess Free Cash Flow is used as a supplemental liquidity and performance measure by our management and by external users of our financial statements, such as investors, commercial banks, research analysts and others, and is useful to investors and management as a measure of our ability to generate cash. Once business needs and obligations are met, including cash reserves to provide funds for distribution payments on our units and the proper conduct of our business, which includes cash reserves for future capital expenditures and anticipated credit needs, this cash can be used to reduce debt, reinvest in the company for future growth, or return to unitholders.

Our definition of Excess Free Cash Flow is limited in that it does not represent residual cash flows available for discretionary expenditures. Therefore, we believe the use of Excess Free Cash Flow for the limited purposes described above and in this report is not a substitute for net cash flows provided by operating activities, which is the most comparable GAAP measure. Excess Free Cash Flow may not be comparable to similarly titled measures of other companies because other entities may not calculate Excess Free Cash Flow in the same manner.

The following table sets forth our reconciliation of certain non-GAAP measures:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Reconciliation of Non-GAAP Measures		(millions)		
Reconciliation of gross margin to adjusted gross margin:				
Operating revenues	$ 1,841	$ 4,269	$ 4,567	$ 7,644
Cost of revenues				
Purchases and related costs	1,112	3,269	2,964	5,988
Purchases and related costs from affiliates	12	100	109	199
Transportation and related costs from affiliates	288	275	567	532
Depreciation and amortization expense	91	90	181	180
Gross margin	338	535	746	745
Depreciation and amortization expense	91	90	181	180
Adjusted gross margin	$ 429	$ 625	$ 927	$ 925
Reconciliation of segment gross margin to segment adjusted gross margin:				
Logistics and Marketing segment:				
Operating revenues	$ 1,561	$ 3,789	$ 3,953	$ 6,952
Cost of revenues				
Purchases and related costs	1,503	3,749	3,841	6,896
Depreciation and amortization expense	4	3	6	6
Segment gross margin	54	37	106	50
Depreciation and amortization expense	4	3	6	6
Segment adjusted gross margin	$ 58	$ 40	$ 112	$ 56
Gathering and Processing segment:				
Operating revenues	$ 1,252	$ 2,967	$ 3,018	$ 5,073
Cost of revenues				
Purchases and related costs	881	2,382	2,203	4,204
Depreciation and amortization expense	84	82	168	163
Segment gross margin	287	503	647	706
Depreciation and amortization expense	84	82	168	163
Segment adjusted gross margin	$ 371	$ 585	$ 815	$ 869

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	(millions)			
Reconciliation of net income attributable to partners to adjusted segment EBITDA:				
Logistics and Marketing segment:				
Segment net income attributable to partners (a)	$ 192	$ 201	$ 387	$ 342
Non-cash commodity derivative mark-to-market	(17)	(26)	(12)	19
Depreciation and amortization expense, net of noncontrolling interest	4	3	6	6
Distributions from unconsolidated affiliates, net of earnings	38	29	41	52
Other (income) expense	—	(2)	—	(2)
Adjusted segment EBITDA	$ 217	$ 205	$ 422	$ 417
Gathering and Processing segment:				
Segment net income attributable to partners	$ 64	$ 322	$ 243	$ 393
Non-cash commodity derivative mark-to-market	10	(75)	(35)	56
Depreciation and amortization expense, net of noncontrolling interest	84	81	168	162
Distributions from unconsolidated affiliates, net of earnings	6	4	11	6
Asset impairments	—	1	—	1
Loss (gain) on sale of assets	3	—	3	(7)
Other expenses	—	2	—	2
Adjusted segment EBITDA	$ 167	$ 335	$ 390	$ 613

(a) We recognized zero and $22 million of lower of cost or net realizable value adjustment for the three and six months ended June 30, 2023, respectively. We recognized no lower of cost or net realizable value adjustment for the three and six months ended June 30, 2022.

Critical Accounting Policies and Estimates

Our critical accounting policies and estimates are described in "Critical Accounting Estimates" within Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report on Form 10-K for the year ended December 31, 2022 and Note 2 of the Notes to Consolidated Financial Statements in "Financial Statements and Supplementary Data" included as Item 8 in our Annual Report on Form 10-K for the year ended December 31, 2022. The accounting policies and estimates used in preparing our interim condensed consolidated financial statements for the three and six months ended June 30, 2023 are the same as those described in our Annual Report on Form 10-K for the year ended December 31, 2022. Certain information and note disclosures normally included in our annual financial statements prepared in accordance with GAAP have been condensed or omitted from the interim financial statements included in this Quarterly Report on Form 10-Q pursuant to the rules and regulations of the SEC, although we believe that the disclosures made are adequate to make the information not misleading. The unaudited condensed consolidated financial statements and other information included in this Quarterly Report on Form 10-Q should be read in conjunction with the audited consolidated financial statements and notes thereto in our Annual Report on Form 10-K for the year ended December 31, 2022.

Item 3. ***Quantitative and Qualitative Disclosures about Market Risk***

Our sensitivities for 2023 as shown in the table below are estimated based on our average estimated commodity price exposure. These sensitivities are associated with our condensate, natural gas and NGL volumes that are currently unhedged.

Commodity Sensitivities Net of Cash Flow Protection Activities

	Per Unit Decrease	Unit of Measurement	Estimated Decrease in Annual Net Income Attributable to Partners
			(millions)
NGL prices	$ 0.01	Gallon	$ 10
Natural gas prices	$ 0.10	MMBtu	$ 6
Crude oil prices	$ 1.00	Barrel	$ 5

In addition to the linear relationships in our commodity sensitivities above, additional factors may cause us to be less sensitive to commodity price declines. A portion of our net income is derived from fee-based contracts and a portion from percentage-of-proceeds and percentage-of-liquids processing arrangements that contain minimum fee clauses in which our processing margins convert to fee-based arrangements as commodity prices decline.

While the above commodity price sensitivities are indicative of the impact that changes in commodity prices may have on our annualized net income, changes during certain periods of extreme price volatility and market conditions or changes in the relationship of the price of NGLs and crude oil may cause our commodity price sensitivities to vary significantly from these estimates.

The midstream natural gas industry is cyclical, with the operating results of companies in the industry significantly affected by the prevailing price of NGLs, which in turn has been generally related to the price of crude oil. Although the prevailing price of residue natural gas has less short-term significance to our operating results than the price of NGLs, in the long-term the growth and sustainability of our business depends on natural gas prices being at levels sufficient to provide incentives and capital for producers to increase natural gas exploration and production.

Based on historical trends, we generally expect NGL prices to directionally follow changes in crude oil prices over the long-term. However, the pricing relationship between NGLs and crude oil may vary, as we believe crude oil prices will in large part be determined by the level of production from major crude oil exporting countries and the demand generated by growth in the world economy, whereas NGL prices are more correlated to supply and U.S. petrochemical demand. Additionally, the level of NGL export demand may also have an impact on prices. We believe that future natural gas prices will be influenced by the level of North American production and drilling activity of exploration and production companies, the balance of trade between imports and exports of liquid natural gas and NGLs and the severity of winter and summer weather. Drilling activity can be adversely affected as natural gas prices decrease. Energy market uncertainty could also reduce North American drilling activity.

Limited access to capital could also decrease drilling. Lower drilling levels over a sustained period would reduce natural gas volumes gathered and processed, but could increase commodity prices, if supply were to fall relative to demand levels.

Natural Gas Storage and Pipeline Asset Based Commodity Derivative Program — Our natural gas storage and pipeline assets are exposed to certain risks including changes in commodity prices. We manage commodity price risk related to our natural gas storage and pipeline assets through our commodity derivative program. The commercial activities related to our natural gas storage and pipeline assets primarily consist of the purchase and sale of gas and associated time spreads and basis spreads.

A time spread transaction is executed by establishing a long gas position at one point in time and establishing an equal short gas position at a different point in time. Time spread transactions allow us to lock in a margin supported by the injection, withdrawal, and storage capacity of our natural gas storage assets. We may execute basis spread transactions to mitigate the risk of sale and purchase price differentials across our system. A basis spread transaction allows us to lock in a margin on our physical purchases and sales of gas, including injections and withdrawals from storage. We typically use swaps to execute these transactions, which are not designated as hedging instruments and are recorded at fair value with changes in fair value recorded in the current period condensed consolidated statements of operations. While gas held in our storage locations is recorded at the lower of average cost or net realizable value, the derivative instruments that are used to manage our storage facilities are recorded at fair value and any changes in fair value are currently recorded in our condensed consolidated statements of operations. Even though we may have economically hedged our exposure and locked in a future margin, the use of lower-of-cost-or-net realizable value accounting for our physical inventory and the use of mark-to-market accounting for our derivative instruments may subject our earnings to market volatility.

The following tables set forth additional information about our derivative instruments, used to mitigate a portion of our natural gas price risk associated with our inventory within our natural gas storage operations as of June 30, 2023:

Inventory

Period ended	Commodity	Notional Volume - Long Positions		Fair Value (millions)		Weighted Average Price
June 30, 2023	Natural Gas	11,550,402	MMBtu	$	20	$1.76/MMBtu

Commodity Swaps

Period	Commodity	Notional Volume - (Short)/Long Positions		Fair Value (millions)		Price Range
July 2023 — January 2025	Natural Gas	(26,215,000)	MMBtu	$	1	$2.18-$5.98/MMBtu
July 2023 — December 2024	Natural Gas	15,192,500	MMBtu	$	(2)	$2.16-$5.20/MMBtu

Natural Gas Asset Based Trading and Marketing - Our trading and marketing activities are subject to commodity price fluctuations in response to changes in supply and demand, market conditions and other factors.

We may enter into physical contracts and financial instruments with the objective of realizing a positive margin from the purchase and sale of commodity-based instruments. The following table sets forth our commodity derivative instruments as of June 30, 2023:

Commodity Swaps

Period	Commodity	Notional Volume - (Short)/Long Positions		Fair Value (millions)		Price Range (a)
July 2023 — December 2026	Natural Gas	(46,517,500)	MMBtu	$	5	$0.02-$0.14/MMBtu
July 2023 — December 2026	Natural Gas	44,555,000	MMBtu	$	(10)	$0.09-$0.71/MMBtu

(a) Represents the basis differential from NYMEX final settlement price for natural gas futures contracts for stated time period

Item 4. *Controls and Procedures*

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed by us in the reports that we file or submit to the SEC under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms, and that information is accumulated and communicated to the management of our general partner, including our general partner's interim principal executive and interim principal financial officers (whom we refer to as the "Certifying Officers"), as appropriate to allow timely decisions regarding required disclosure. The management of our general partner evaluated, with the participation of the Certifying Officers, the effectiveness of our disclosure controls and procedures as of June 30, 2023, pursuant to Rule 13a-15(b) under the Exchange Act. Based upon that evaluation, the Certifying Officers concluded that, as of June 30, 2023, our disclosure controls and procedures were effective at a reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There were no changes in internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that occurred during the quarter ended June 30, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II

Item 1. *Legal Proceedings*

The information provided in "Commitments and Contingent Liabilities" included in (a) Note 22 of the Notes to Consolidated Financial Statements included in Item 8 of our Annual Report on Form 10-K for the year ended December 31, 2022 and (b) Note 13 of the Notes to Condensed Consolidated Financial Statements included in Item 1 of Part I of this Quarterly Report on Form 10-Q are incorporated herein by reference. For the disclosure of environmental proceedings with a governmental entity as a party pursuant to Item 103(c)(3)(iii) of Regulation S-K, the Company has elected to disclose matters where the Company reasonably believes such proceeding would result in monetary sanctions, exclusive of interest costs, of $1 million or more.

Item 1A. *Risk Factors*

An investment in our securities involves various risks. When considering an investment in us, careful consideration should be given to the risk factors discussed in Part I, "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022. There are no material changes to the risk factors described in our Annual Report on Form 10-K for the year ended December 31, 2022.

Item 5. *Other Information*

None.

Item 6. *Exhibits*

Exhibit Number		Description
2.1	*+	Agreement and Plan of Merger, dated January 5, 2023, by and among Phillips 66, Phillips 66 Project Development Inc., Dynamo Merger Sub LLC, DCP Midstream, LP, DCP Midstream GP, LP and DCP Midstream GP, LLC (attached as Exhibit 2.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on January 6, 2023).
3.1	*	Certificate of Limited Partnership of DCP Midstream Partners, LP dated August 5, 2005 (attached as Exhibit 3.1 to DCP Midstream Partners, LP's Registration Statement on Form S-1 (File No. 333-128378) filed with the SEC on September 16, 2005).
3.2	*	Certificate of Amendment to Certificate of Limited Partnership of DCP Midstream Partners, LP dated January 11, 2017 (attached as Exhibit 3.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on January 17, 2017).
3.3	*	Fifth Amended and Restated Agreement of Limited Partnership of DCP Midstream, LP dated November 6, 2019 (attached as Exhibit 3.1 to DCP Midstream, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on November 8, 2019).
10.1		Limited Waiver to Third Amended and Restated Credit Agreement dated May 22, 2023, by and among DCP Midstream Operating, LP, Mizuho Bank, Ltd., as administrative agent, and the lenders party thereto.
10.2	+	Letter of Separation between Phillips 66 and George R. Green
10.3	*	Credit Agreement, dated as of June 15, 2023, by and among DCP Midstream, LP, as guarantor, DCP Midstream Operating, LP, as borrower, and Phillips 66 Company, as lender (attached as Exhibit 10.1 to DCP Midstream, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on June 15, 2023).
22		List of Guaranteed Securities
31.1		Certification of Interim Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2		Certification of Interim Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1		Certification of Interim Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2		Certification of Interim Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101		Financial statements from the Quarterly Report on Form 10-Q of DCP Midstream, LP for the three and six months ended June 30, 2023, formatted in XBRL: (i) the Condensed Consolidated Balance Sheets, (ii) the Condensed Consolidated Statements of Operations, (iii) the Condensed Consolidated Statements of Comprehensive Income, (iv) the Condensed Consolidated Statements of Cash Flows, (v) the Condensed Consolidated Statements of Changes in Equity, and (vi) the Notes to the Condensed Consolidated Financial Statements.
104		Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Such exhibit has heretofore been filed with the SEC as part of the filing indicated and is incorporated herein by reference.

\+ Denotes management contract or compensatory plan or arrangement.

\# Pursuant to Item 601(b)(10)(iv) of Regulation S-K, the Partnership agrees to furnish supplementally an unredacted copy of this exhibit to the Securities and Exchange Commission upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

DCP Midstream, LP

By: DCP Midstream GP, LP
its General Partner

By: DCP Midstream GP, LLC
its General Partner

Date: August 3, 2023

By: /s/ Donald A. Baldridge
Name: Donald A. Baldridge
Title: Interim Chief Executive Officer
(Principal Executive Officer)

Date: August 3, 2023

By: /s/ Scott R. Delmoro
Name: Scott R. Delmoro
Title: Interim Chief Financial Officer
(Principal Financial Officer)

LIMITED WAIVER

THIS **LIMITED WAIVER** (this "**Waiver**") dated as of May 22, 2023 is among: **DCP MIDSTREAM**, **LP**, a Delaware limited partnership (the "**Parent**"), **DCP MIDSTREAM OPERATING**, **LP**, a Delaware limited partnership (the "**Borrower**"), the undersigned Lenders comprising the Required Lenders and **MIZUHO BANK, LTD.**, in its capacity as Administrative Agent for the Lenders and as Sustainability Structuring Agent. Unless otherwise defined herein, capitalized terms used herein shall have the respective meanings assigned to such terms in the Credit Agreement.

R E C I T A L S

A. The Borrower, the Parent and the Lenders entered into that certain Third Amended and Restated Credit Agreement dated as of March 18, 2022 (as amended, restated, supplemented, or otherwise modified from time to time, the "**Credit Agreement**").

B. Pursuant to the Credit Agreement, the Lenders have made Loans to the Borrower and provided certain other Extensions of Credit to the Borrower.

C. The Borrower has requested that certain waivers be provided by the Required Lenders pursuant to Section 4.17(f) of the Credit Agreement in connection with the ESG Determination Date scheduled to occur on August 25, 2023 (the "**Specified ESG Determination Date**").

D. For and in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and agreed, the parties hereto hereby agree as follows.

Section 1. Limited Waiver. Subject to the satisfaction or waiver in writing of each of the conditions precedent set forth in **Section 2** below and in reliance upon the representations, warranties, covenants and agreements contained in this Waiver, the undersigned Lenders, comprising the Required Lenders, hereby waive on a one-time basis, solely with respect to the Specified ESG Determination Date, the requirement under the second sentence of Section 4.17(e) of the Credit Agreement that the Parent attach to the ESG Certificate a review report of the Sustainability Assurance Provider satisfying the applicable Sustainability Reporting and Validation Standards (the "**Waived ESG Review Report**"). Nothing contained in this Waiver shall be deemed a consent to, or waiver of, any other action or inaction of the Borrower or the Parent that constitutes (or would constitute) a violation of or a departure from any provision of the Credit Agreement or any other Loan Document, or which constitutes (or would constitute) a Default or Event of Default. The waiver described in this **Section 1** is a one-time waiver applicable solely to the Specified ESG Determination Date and the Waived ESG Review Report Neither the Lenders nor the Administrative Agent shall be obligated to grant any other future waivers, consents or amendments with respect to any provision of the Credit Agreement or of any other Loan Document. The Borrower hereby acknowledges and agrees that, other than the waiver expressly provided for in this **Section 1**, no course of dealing and no delay in exercising any right, power or remedy conferred on the Administrative Agent or any Lender in the Credit Agreement or in any other Loan Document or now or hereafter existing at law, in equity, by statute or otherwise shall operate as a waiver of or otherwise prejudice any such right, power or remedy. Without limiting the foregoing, any ESG Certificate that is timely delivered with respect to the Specified ESG Determination Date in accordance with the other applicable provisions of the Credit Agreement shall be deemed to satisfy Section 4.17(e) of the Credit Agreement notwithstanding that such ESG Certificate does not include the Waived ESG Review Report so long as such ESG Certificate (i) includes a sustainability report as required by the first sentence of Section 4.17(e) of the Credit Agreement and (ii) satisfies the requirements set forth in Section 4.17(a) of the Credit Agreement. For the avoidance of doubt, the undersigned Lenders hereby agree that the 2023 sustainability report of Phillips 66, which shall include data to calculate the TRIR Among Peers and GHG Intensity (YoY Change) of the Parent, shall satisfy the requirement for the sustainability report described in Section 4.17(e) of the Credit Agreement and referenced in clause (i) immediately above for the Specified ESG Determination Date.

Section 2. Conditions Precedent. The effectiveness of this Waiver is subject to the satisfaction of each of the following conditions:

1.01 Counterparts. The Administrative Agent shall have received counterparts of this Waiver duly executed by the Borrower, the Parent, the Sustainability Structuring Agent and the Lenders comprising the Required Lenders.

1.02 No Default. Other Fees, Expenses and Accruals. The Administrative Agent shall have received all fees, reimbursements or other amounts due and payable on or prior to the Effective Date, including, to the extent invoiced reimbursement or payment of all reasonable and documented out-of-pocket expenses required to be reimbursed or paid by the Borrower under this Waiver or the Credit Agreement (including, without limitation, any fees and expenses of Vinson & Elkins L.L.P., counsel to the Administrative Agent, invoiced at least two Business Days prior to the date hereof).

Without limiting the generality of this **Section 2**, for purposes of determining compliance with the conditions specified in this **Section 2**, the Administrative Agent and each Lender that has signed this Waiver shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required hereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the date hereof specifying its objection thereto. Notwithstanding anything to the contrary in this Waiver, the Administrative Agent shall give notice of the occurrence of the effectiveness of this Waiver, and such notice shall be conclusive and binding.

Section 3. Representations and Warranties. Each Credit Party hereby represents and warrants to the Lenders and the Administrative Agent as follows:

1.01 Reaffirmation of Existing Representations and Warranties. After giving effect to this Waiver, each representation and warranty of such Credit Party contained in the Credit Agreement and the other Loan Documents is true and correct in all material respects on the date hereof (except to the extent any such representation and warranty is qualified by materiality or reference to Material Adverse Effect, in which case, such representation and warranty shall be true, correct and complete in all respects and except for any such representation and warranty that by its terms is made only as of an earlier date, which representation and warranty shall remain true and correct in all material respects as of such earlier date, except for any representation and warranty that is qualified by materiality or reference to Material Adverse Effect, which representation and warranty shall be true and correct in all respects as of such earlier date).

1.02 Due Authorization; No Conflict. The execution, delivery and performance by the Borrower and each other Credit Party of this Waiver (a) are within such Credit Party's limited liability company, limited partnership or corporate powers, as applicable, have been duly authorized by all necessary limited liability company, limited partnership or corporate action, as applicable, and, if required, equity owner action in order to ensure the due authorization of this Waiver and the transactions contemplated hereby, (b) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority or any other third Person, nor is any such consent, approval, registration, filing or other action necessary for the validity or enforceability of this Waiver or the consummation of the transactions contemplated hereby, except such as have been obtained or made and are in full force and effect and other than those third party approvals or consents that, if not made or obtained, would not cause a Default or Event of Default, could not reasonably be expected to have a Material Adverse Effect or do not have an adverse effect on the enforceability of the Loan Documents, (c) will not violate any Applicable Law or any organizational documents of such Credit Party, or any order of any Governmental Authority, (d) will not violate or result in a default under any indenture or other agreement regarding Indebtedness of such Credit Party or give rise to a right thereunder to require any payment to be made by such Credit Party, and (e) will not result in the creation or imposition of any Lien on any Property of such Credit Party.

1.03 Validity and Enforceability. This Waiver constitutes the valid and binding obligations of each Credit Party enforceable in accordance with its terms, subject to applicable Debtor Relief Laws or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

1.04 No Default. No Default or Event of Default has occurred that is continuing.

1.05 No Defense. Such Credit Party acknowledges that it has no defense to (a) such Credit Party's obligations to pay the Obligations when due or (b) the validity, enforceability or binding effect against any Credit Party of the Credit Agreement or any other Loan Document to which it is a party.

Section 4. Miscellaneous.

1.01 No Implied Consent or Waiver. This Waiver shall not be construed as a consent to the departure from or a waiver of the terms and conditions of the Credit Agreement, except as expressly set forth herein, and nothing herein shall obligate the Administrative Agent or the Lenders to grant any future amendments with respect to the Credit Agreement or any other Loan Document.

1.02 Reaffirmation of Loan Documents. Any and all of the terms and provisions of the Credit Agreement and the Loan Documents shall, except as modified by this Waiver hereby, remain in full force and effect. This Waiver shall not limit or impair any guaranty of the Obligations, each of which, if any, is hereby ratified, affirmed and extended to guaranty the Obligations as they may be increased pursuant hereto.

1.03 Parties in Interest. All of the terms and provisions of this Waiver shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

1.04 Counterparts. This Waiver may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Images of signatures transmitted by facsimile or other electronic transmission (e.g., .pdf) shall be effective as originals.

1.05 Integration. THIS WAIVER AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND THERETO AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

1.06 Severability. In case any one or more of the provisions contained in this Waiver shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Waiver shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

1.07 Headings. The headings, captions and arrangements used herein are for convenience of reference only, are not part of this Waiver and shall not affect the construction of, or be taken into consideration in interpreting, this Waiver.

1.08 Governing Law. This Waiver and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Waiver and the transactions contemplated hereby shall be governed by, and construed in accordance with, the law of the State of New York.

1.09 Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS WAIVER OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (a) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (b) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS WAIVER BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

1.10 Loan Document; Waiver. The parties hereto agree that this Waiver shall constitute a Loan Document under and as defined in the Credit Agreement.

[*Signature Pages Follow*]

IN WITNESS WHEREOF, the parties hereto have caused this Waiver to be duly executed by their respective authorized officers on the date and year first above written.

BORROWER: **DCP MIDSTREAM OPERATING**, **LP**

By:
Name: Scott Delmoro
Title: Vice President of Finance, Treasurer, and Interim Principal Financial Officer

PARENT : **DCP MIDSTREAM**, **LP**

By: DCP Midstream GP, LP,
its General Partner

By: DCP Midstream GP, LLC,
its General Partner

By:
Name: Scott Delmoro
Title: Vice President of Finance, Treasurer, and Interim Principal Financial Officer

MIZUHO BANK, **LTD**.,
as the Administrative Agent, the Sustainability Structuring Agent and a Lender

By:
Name:
Title:

JPMORGAN CHASE BANK, N.A.,
as a Lender

By:
Name:
Title:

BANK OF AMERICA, N.A.,
as a Lender

By:
Name:
Title:

BARCLAYS BANK PLC,
as a Lender

By:
Name:
Title:

CITIBANK, N.A.,
as a Lender

By:
Name:
Title:

MUFG BANK, LTD.,
as a Lender

By:
Name:
Title:

ROYAL BANK OF CANADA,
as a Lender

By:
Name:
Title:

TRUIST BANK,
as a Lender

By:
Name:
Title:

TORONTO DOMINION BANK, NEW YORK BRANCH,
as a Lender

By:
Name:
Title:

WELLS FARGO BANK, N.A.,
as a Lender

By:
Name:
Title:

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By:
Name:
Title:

COBANK, ACB,
as a Lender

By:
Name:
Title:

REGIONS BANK,
as a Lender

By:
Name:
Title:

SUMITOMO MITSUI BANKING CORPORATION,
as a Lender

By:
Name:
Title:

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By:
Name:
Title:

<u>CONFIDENTIAL SEPARATION AGREEMENT, WAIVER AND RELEASE</u>

YOU ARE ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING THIS AGREEMENT

This Confidential Separation Agreement, Waiver, and Release (the "Agreement") is a contract between George R Green ("Employee") and Phillips 66 Company (the "Company" and together with the Employee, the "Parties"). Employee and the Company wish to separate on an amicable basis. Employee's termination date was June 02, 2023 (the "Termination Date").

THEREFORE, in consideration of the foregoing and this Agreement's mutual promises, the sufficiency of which is acknowledged, the Parties agree as follows:

1. <u>TERMINATION FROM EMPLOYMENT AND PAYMENT OF WAGES THROUGH THE TERMINATION DATE</u>.

(a) <u>Payment of Wages</u>. The Company paid Employee's wages and compensation earned through the Termination Date, and any accrued and unused vacation pay accrued through the Termination Date, less any previously agreed upon or lawfully authorized deductions or offsets. For avoidance of doubt, wages, vacation, and all other compensation are earned or accrued only through the Last Day Worked, which is the date immediately prior to the Termination Date.

(b) <u>No Other Consideration Due</u>. Employee acknowledges and agrees that except as expressly set forth in this Agreement, Employee is entitled to no other wages, vacation pay, sick pay, bonuses, incentive pay, benefits or other compensation. Employee also acknowledges and agrees that without signing this Agreement, Employee would not be entitled to the consideration from the Company as described in Section 2 below.

2. <u>CONSIDERATION FROM THE COMPANY</u>.

(a) <u>Separation Payment</u>. The Company will pay Employee severance pay in the amount of **$1,365,900.00** (the "Separation Payment"), less applicable taxes and withholdings and any lawfully authorized deductions or offsets, provided Employee has timely signed this Agreement on or after the Last Day Worked but within the Consideration Period in Section 5(b) below, Employee does not timely revoke the Agreement pursuant to Section 5(c) below, Employee has returned all Company property and information as required by Section 3(g) below, and Employee complies with all other terms of this Agreement, including, but not limited to, all confidentiality, non-disparagement and non-solicitation provisions of this Agreement (collectively, "Payment Conditions"). The Separation Payment will be issued within twenty-one (21) business days after the Effective Date (as defined below in Section 5(c)).

(b) <u>Outplacement Services</u>. If Employee complies with the Payment Conditions, Employee will be eligible for outplacement services for **200 credits** through a service provider selected by the Company.

(c) <u>Other Employee Benefits</u>. Except for those benefits and programs described in this Agreement or as otherwise required by applicable law, Employee's participation (if any) in and rights (if any) under any Company employee benefit plan or program will be governed by the terms and conditions of such plans and programs and applicable law, which plans, programs, terms and conditions may be amended, modified, suspended or terminated by the Company at any time for any or no reason.

(i) If Employee complies with Payment Conditions, Employee's termination of employment under this release will be considered a qualifying layoff under the DCP Services, LLC Short-Term Incentive Plan (effective January 1, 2012) and any successor plans (provided Employee is a participant in such plan as of the Termination Date) and the terms and conditions thereof will continue to govern. Due to the qualified layoff, Employee will be eligible for a 2023 (pro-rated) incentive payment, based on employee's actual earnings received from January 1, 2023 through April 2, 2023 and DCP STI Target, paid at target performance. Additionally, Employee will be eligible for a 2023 (pro-rated) incentive payment under the Phillips 66 Variable Cash Incentive Program (VCIP), based on employee's actual earnings received from April 3, 2023 through the Last Day Worked and VCIP Target, and paid in accordance with the satisfaction of company performance conditions under the plan. Both payments will be made in February 2024.

(ii) If Employee complies with Payment Conditions, Employee's termination of employment under this release will be considered a qualifying layoff under the DCP Midstream, LP 2016 Long-Term Incentive Plan (as amended March 27, 2022), and any successor plans (provided Employee is a participant in such plan as of the Termination Date) and the terms and conditions thereof will continue to govern. Due to the qualified layoff, Employee will become vested in any time-vested units held at least 180 days as of the Termination Date and will contingently vest in any performance units held at least 180 days as of the Termination Date, as defined in the grant agreements. Any settlement or payment of time vested units will occur six months after the termination date and any payment of performance units will occur after the performance period ends and company performance is assessed in accordance with the terms of the applicable grant agreements.

(d) Vacation. If the Employee is retirement eligible (defined as at least 55 years old on the Termination Date), Employee will be considered to have provided the required 30 day written notice of intent to retire and will receive the remainder of the year's allotment of vacation, to be paid with the last regular paycheck.

(e) Unemployment. The Company will not contest Employee's claim to unemployment compensation. The Company may state what Employee is receiving or has received as severance and other consideration under this Agreement.

(f) Insurance Coverage Eligibility.

(i) Employee's eligibility to participate in any of Company's Medical, Dental, and Vision benefit plans will terminate on the last day of the month following Termination Date.

(ii) Employee may elect to participate in Medical, Dental, and Vision benefits in conjunction with continued insurance coverage available to Employee under the provisions of the Consolidated Omnibus Budget Reconciliation Act ("COBRA"). COBRA coverage for the Employee generally continues for eighteen (18) months or until Employee becomes covered under another group health plan (the "COBRA Period"). Employee will be mailed a COBRA packet at Employee's last known address. Such packet will contain additional information about the Employee's COBRA rights and responsibilities. Employee must be otherwise eligible for COBRA coverage, and positively elect COBRA in order to take advantage of COBRA coverage. If Employee elects COBRA coverage and complies with the Payment Conditions, the Company will pay the monthly amount towards the cost of COBRA coverage such that the cost of Employee's health care coverage in place as of the Termination Date will continue at active rates for **18 month(s)** or until the earliest of the following occurs: (1) Employee becomes eligible to receive group health insurance from another employer's group health plan, (2) COBRA coverage is terminated for any reason, or (3) the expiration of the applicable maximum COBRA Period for the Employee. If Employee is entitled to Medicare, the COBRA plan pays secondary to Medicare; therefore, Employee should enroll in Medicare Parts A and B in order to get full benefits under COBRA. If Employee is identified as a highly compensated individual, the payments will be made on an after-tax basis and such payments will be grossed up for applicable tax withholding. If Employee continues COBRA coverage after payments under this Section 2(f)(ii) terminate, Employee shall pay the full cost of COBRA coverage for the remainder of the COBRA Period or for so long as Employee desires to continue eligible COBRA coverage. Employee shall inform the Company about the terms and conditions of any employment after the Termination Date and the corresponding benefits available from such employment within ten (10) days of attaining eligibility to enroll in such coverage.

(g) Dependent Care or Medical Flexible Spending Account, Other Insurance Coverage.

(i) Any active Dependent Care or Medical Flexible Spending Account participation will cease on the last day of the month following Termination Date except, with respect to the Medical Flexible Spending Account, to the extent COBRA is available and elected by the Employee and participation is continued.

(ii) Any group long-term disability insurance coverage, Group Life and Accidental Death and Dismemberment Insurance Coverage will cease on the last day of the month following Termination Date. Conversion of any employee and spouse life insurance to an individual whole life policy or policies or porting the coverages to a term life policy or policies (at Employee's expense) must be accompanied by an application submitted by Employee to the carrier within 31 days of the termination of insurance coverage. Employee will be mailed a packet containing documents to convert or port employee and spouse life insurance policies.

(iii) Any Critical Illness, Accident or Hospital Indemnity voluntary coverage will cease on the last day of the month following Termination Date. Employee may elect to continue coverage at Employee's expense. Employee will be mailed a packet containing documents to continue coverage and initiate direct billing.

(iv) Any Group Legal voluntary coverage will cease on the last day of the month following Termination Date. Employee must contact carrier directly at 1-800-GET-MET8 within 30 days of Termination Date to continue coverage.

3. EMPLOYEE'S AGREEMENTS.

(a) Release of All Claims. The term "Releasee" or "Releasees" shall be construed as broadly as possible and includes: the Company and each of the Company's divisions, subsidiaries, successors and affiliates, and their former or current agents, joint venture members, stockholders, directors, officers, employees, and all other persons acting by, through, under or in concert with any of them. In exchange for the Company's consideration, Employee fully releases and discharges the Releasees from all claims, actions and causes of action of any kind, known or unknown, which Employee may presently have or claim to have against any Releasee including, but not limited to, all contract claims; all wrongful discharge or employment claims; all tort claims; all claims arising under the United States or any state constitution; all claims arising under any civil rights or employment laws or regulations (whether federal, state or local); any federal or state whistleblower laws or statutes; any claims based on Company policies or agreements, including severance policies or agreements to provide notice; and any claims to attorneys' fees or costs. Without limiting the foregoing, the waiver and release of claims includes, but is not limited to, all claims under the Equal Pay Act, Employee Retirement Income Security Act, Age Discrimination in Employment Act (ADEA), Older Workers Benefit Protection Act (OWBPA), Rehabilitation Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Family and Medical Leave Act, Fair Labor Standards Act, Fair Credit Reporting Act, Worker Adjustment Retraining and Notification Act, Sarbanes-Oxley Act, Immigration Reform and Control Act, Occupational Safety and Health Act, the National Labor Relations Act, and the Colorado Wage Payment Act (and any other state wage payment law). Notwithstanding the foregoing, Employee does not waive or release workers' compensation claims or claims for unemployment benefits. Employee agrees that while nothing in this Agreement shall limit Employee's right to file a future charge with any federal, state, or local governmental agency relating to Employee's employment with Company and/or participate in a future action relating to such employment, whether brought by an agency or by another on Employee's behalf, Employee expressly waives by this Agreement the right to recover monetary damages and any other relief from Company personal to Employee if such charge or lawsuit is pursued. By entering into this Agreement, Employee is not waiving any rights or claims that may arise after the date on which Employee executes this Agreement.

(b) Filed and Non-Assignment of Claims. Employee has not filed any charge or claim or any part or portion thereof. Employee has not assigned or transferred any claim or any part or portion thereof.

(c) Representations. Employee represents and warrants that Employee was permitted by the Company to take all leave to which Employee was entitled, Employee was properly classified as exempt from overtime (if Employee was so classified), Employee has been properly paid for all time worked while employed by the Company and Employee has received all benefits to which Employee was or is entitled. Employee represents and warrants that Employee knows of no facts and has no reason to believe that Employee's rights under the Fair Labor Standards Act, the Family and Medical Leave Act, or Colorado Wage Payment Act (or any other state wage payment law) have been violated.

(d) Confidentiality of Agreement. Employee shall keep the terms and conditions of this Agreement strictly confidential and shall not disclose them to anyone other than Employee's spouse, legal or tax advisors, or as may be required by law. Employee shall obtain the agreement of any spouse, or any legal or tax advisor to be bound by this confidentiality provision prior to disclosing the terms or conditions of this Agreement. If Employee is asked about the terms of this Agreement, Employee may state only that Employee and the Company have separated the employment relationship on an amicable basis. Notwithstanding the foregoing, nothing in this Agreement shall be interpreted to restrict Employee's rights under Section 7 of the National Labor Relations Act.

(e) Confidential Information. Employee acknowledges that if Employee signed an agreement with Company restricting Employee's post-employment activities in any way, such agreement remains in effect, and nothing in this Agreement is intended to or does limit in any way the restrictions set forth in such agreement. In the course of Employee's employment with the Company, Employee has received Confidential Information concerning the Company. "Confidential Information" means all scientific, technical, financial, marketing, product, employee and business information of the Company, which is of a confidential, trade secret or proprietary character and which has been developed by the Company or by Employee (alone or with others) or to which Employee has had access during employment. Some examples of Confidential Information include, but are not limited to: (1) inventions, discoveries, concepts and ideas (whether patentable or not) relating to the markets, products and services or potential markets, products and services of the Company; (2) the terms of any agreements, draft agreements or other legal documents; (3) information concerning employees, including salary information; (4) scientific or technological information related to the Company's markets, products and services, including but not limited to formulas and processes; (5) the Company's software and computer programs and interface

programs and improvements thereto and access codes and passwords, electronic codes or other coding; (6) the Company's technology, research, trade secrets and know-how; (7) the Company's sales techniques, product development, projections, sales records, contract terms, business plans, sales tools, and product and service pricing information; (8) the Company's customer lists or names and addresses and other information concerning customers and potential customers, including information concerning customer requirements, customer contacts and decision-makers and decision-making processes, customer budgeting processes, customer business processes and information processing techniques, customer marketing strategies and business plans; (9) the Company's marketing strategies, product and market development strategies, strategic business plans and market information; and (10) financial analysis, financial data and reports, financial projections, profits, margins, and all other financial information. Confidential Information does not include information that is or becomes known to the general public through lawful means. Employee agrees that all Confidential Information is the sole property of the Company. Employee shall maintain all such information in the strictest confidence and will not, directly or indirectly, intentionally or inadvertently, use, publish, or otherwise disclose to any person or entity whatsoever, any Confidential Information, regardless of its form, without the prior written consent of Employer. Employee shall take reasonable precautions to protect the inadvertent disclosure of such information. All duties and obligations set forth in this section shall be in addition to those which exist under statute and at common law, and shall be in addition to any existing and continuing obligations arising under any agreements or documents executed by Employee during Employee's employment with the Company.
Notwithstanding the foregoing, Employee understands that, in accordance with the Defend Trade Secrets Act of 2016, an individual cannot be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (1) is made in confidence to a federal, state, or local government official (either directly or indirectly), or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or (2) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Employee understands that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in a court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to a court order. Nothing in this Agreement shall prohibit disclosure of information that arises from Employee's general training, knowledge, skill, or experience, whether gained on the job or otherwise, information that is readily ascertainable to the public, or information that a worker otherwise has a right to disclose as legally protected conduct.

(f) Injunctive and Other Relief. If Employee breaches or threatens to breach the Employee's obligations in this Agreement, the Company will be irreparably harmed and it therefore has the right to injunctive relief, in addition to any other relief or damages allowed by law. If the Company has reason to seek injunctive or other legal relief to enforce this Agreement, it may suspend or terminate any Separation Payment or other consideration otherwise payable to Employee at that time, and may seek recovery of any Separation Payment or other consideration paid to Employee at that time. If the Separation Payment or other consideration to be paid is suspended, terminated or recovered, the Employee's release of claims under this Agreement will remain in full force and effect.

(g) Return of Company Property. Employee has returned (and has not retained any copies in any form) all Company documents and information (including all Confidential Information and any other information stored on personally owned computer hard drives, floppy disks or other format), and any vehicles, badges, pagers, computers, equipment, cell phones, iPads or other property belonging to the Company. Employee certifies by signing this Agreement that Employee has returned to the Company all versions of source codes, plans, designs and other Company intellectual property in Employee's possession, and that Employee has destroyed and not retained any source codes or other Company intellectual property on Employee's home computer or in any other form.

(h) Non-Solicitation. Employee shall not, for a period of twelve (12) months after the Termination Date, actively solicit or induce any employee of the Company to terminate his or her employment with the Company in favor of any other employer, person or entity, or interfere in any way with an employee's relationship with the Company. Notwithstanding the forgoing, this provision shall not prevent Employee from participating in recruitment or hiring efforts of another company provided that Employee has not actively initiated contact intended to solicit Company employees.

(i) Non-Disparagement. Employee shall not criticize, denigrate or otherwise disparage the Company or any other Releasee. Notwithstanding the foregoing, nothing in this Agreement shall be interpreted to restrict Employee's rights under Section 7 of the National Labor Relations Act.

(j) Report of Misconduct. Employee has had the opportunity to notify appropriate personnel within the Company of any violation or potential violation of any laws or regulations or any other misconduct by the Company or any of its management personnel or other representatives in the course of their duties on behalf of the Company. To the extent Employee is aware of any such misconduct, Employee has reported it to appropriate Company personnel. If Employee subsequently becomes aware of any such misconduct, Employee will notify the ethics hotline (1-855-318-5390).

(k) Reemployment with the Company. Employee agrees that if Employee applies for employment with the Company after receiving any benefits pursuant to this Agreement, Employee may be required to repay some or all of the benefits received pursuant to this Agreement and the DCP Services, LLC Executive Severance Plan as a condition of being hired by the Company as provided in the DCP Services, LLC Executive Severance Plan.

(l) Cooperation. Employee acknowledges and agrees that the Employee will cooperate and be reasonably available to the Company in connection with any administrative, judicial, or other legal proceedings in which the Company becomes involved. This cooperation will include, without limitation, assisting the Company and the Company's lawyers in preparing for, and responding to, administrative proceedings, depositions, discovery responses, and subpoenas (including, without limitation, document location, review, and production), court proceedings, or other legal proceedings. In any such administrative, judicial, or other legal proceeding, Employee shall testify truthfully.

4. DENIAL OF ANY LIABILITY.

The Company denies any liability to Employee. The Parties agree that this Agreement may not be used as evidence; does not constitute an adjudication or finding on the merits; and is not, and shall not be construed as, an admission by the Company of a breach of any contract or agreement; a violation of the Company's policies and procedures; or a violation of any state or federal laws or regulations. After execution (including signatures by both Employee and the Company), this Agreement may be introduced in evidence to enforce its terms.

5. OPPORTUNITY TO CONFER - OLDER WORKERS' BENEFIT PROTECTION ACT NOTICES.

(a) Opportunity to Confer. The Company advises Employee to confer with an attorney of Employee's own choosing before entering into this Agreement. Employee represents that Employee has had a full opportunity to confer with an attorney and, if Employee has not done so, Employee has knowingly and voluntarily waived the right to confer with an attorney before entering into this Agreement.

(b) Opportunity to Consider. Employee may take up to forty-five (45) days (the "Consideration Period") to consider whether to execute this Agreement. If Employee signs this Agreement prior to the expiration of the Consideration Period, Employee represents that Employee fully understands that Employee has been given the Consideration Period to consider whether to enter into this Agreement and has knowingly and voluntarily waived that opportunity.

(c) Opportunity to Revoke and Effective Date. Employee has the opportunity to revoke this Agreement within seven (7) days after signing it ("Revocation Period"), by delivering a written revocation to the Director of HR Operations at Georgia.L.Martinez@p66.com. If this Agreement is timely revoked by Employee, it will be revoked in its entirety. This Agreement shall become effective on the eighth day after the Revocation Period has passed without revocation (the "Effective Date"), assuming Employee timely executed the Agreement.

(d) Additional Information. If Employee is 40 years of age or older, the Company has provided information concerning the positions and ages of persons considered for and selected for discharge (see Exhibit A, incorporated by reference). Employee agrees that the Company's disclosures are sufficient for Employee to knowingly and voluntarily waive any claim of age discrimination and that such disclosures comply with the requirements of the Older Workers Benefit Protection Act.

6. COMPLETE AGREEMENT.

This Agreement, including Exhibit A (if applicable), together with the DCP Services, LLC Executive Severance Plan, is an integrated document. It constitutes and contains the entire agreement and understanding between the Parties, and supersedes and replaces all prior negotiations and all agreements concerning the subject matters hereof, except as otherwise expressly stated in this Agreement.

7. SEVERABILITY OF INVALID PROVISIONS.

The provisions of this Agreement are severable. If any provision of this Agreement or its application is held invalid, the invalidity shall not affect other provisions or applications of this Agreement that can be given effect without the invalid provisions or application.

8. VENUE/CHOICE OF LAW/ATTORNEYS' FEES/ WAIVER OF RIGHT TO TRIAL BY JURY.

This Agreement has been negotiated within the State of Texas and the rights and obligations of the Parties to this Agreement shall be construed and enforced in accordance with, and governed by, the laws of the State of Texas without regard to any jurisdiction's principles of conflict of laws. Any legal suit, action or proceeding arising out of or relating to this Agreement shall be instituted in the federal courts of the United States of America or the courts of the State of Texas, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Each party acknowledges and agrees that any controversy which may arise out of or relate to this Agreement is likely to involve complicated and difficult issues and, therefore, each such party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement. In any action brought to enforce this Agreement, the substantially prevailing party shall be awarded its, his or her reasonable legal fees (including but not limited to attorney, paralegal and expert fees and costs), to the maximum extent permitted by law.

9. NO WAIVER OF BREACH.

No waiver of any breach of any term or provision of this Agreement shall be binding unless in writing and signed by the party waiving the breach. No waiver of any breach of any term or provision of this Agreement shall be construed to be, nor shall be, a waiver of any other breach of this Agreement.

10. KNOWING AND VOLUNTARY WAIVER.

Employee has carefully read and fully understands all of the provisions of this Agreement. Employee knowingly and voluntarily enters into this Agreement.

11. FURTHER ASSURANCES.

The Parties agree to cooperate fully and to execute any and all supplementary documents and to take all additional actions that may be necessary or appropriate to give full force to the terms of this Agreement.

12. HEADINGS NOT BINDING/COUNTERPARTS/ORIGINALS AND COPIES.

The use of headings in this Agreement is only for ease of reference and the headings have no effect and are not to be considered part of or terms of this Agreement. This Agreement may be executed in counterparts. A photocopy or facsimile copy of this Agreement shall be as effective as an original.

EMPLOYEE HAS CAREFULLY READ AND FULLY UNDERSTANDS ALL THE PROVISIONS OF THIS AGREEMENT. EMPLOYEE REPRESENTS THAT EMPLOYEE IS ENTERING INTO THIS AGREEMENT VOLUNTARILY AND THAT THE CONSIDERATION EMPLOYEE RECEIVES IN EXCHANGE FOR EXECUTING THIS AGREEMENT IS GREATER THAN THAT TO WHICH EMPLOYEE WOULD BE ENTITLED IN THE ABSENCE OF THIS AGREEMENT. EMPLOYEE REPRESENTS THAT EMPLOYEE IS NOT RELYING ON ANY REPRESENTATION OR UNDERSTANDING NOT STATED IN THIS AGREEMENT. USE OF THE TERM "EMPLOYEE" IN THIS DOCUMENT DOES NOT INDICATE, CREATE, OR IMPLY AN EMPLOYER-EMPLOYEE RELATIONSHIP AFTER THE TERMINATION DATE.

____

George R Green Date

Employee Address: __

____

____

PHILLIPS 66

/s/ Wendy S. Barber

Name: Wendy S. Barber
Title: VP, Total Rewards & HR Shared Services Date: June 01, 2023

List of Guaranteed Securities

Pursuant to Item 601(b)(22) of Regulation S-K, set forth below are securities issued by DCP Midstream Operating, LP (Subsidiary Issuer) and guaranteed by DCP Midstream, LP (Parent Guarantor).

$825 million of 5.375% Senior Notes due July 2025

$500 million of 5.625% Senior Notes due July 2027

$600 million of 5.125% Senior Notes due May 2029

$300 million of 8.125% Senior Notes due August 2030

$400 million of 3.250% Senior Notes due February 2032

$300 million of 6.450% Senior Notes due November 2036

$450 million of 6.750% Senior Notes due September 2037

$400 million of 5.600% Senior Notes due April 2044

Exhibit 31.1

Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Donald A. Baldridge, certify that:

1. I have reviewed this quarterly report on Form 10-Q of DCP Midstream, LP for the period ended June 30, 2023;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 3, 2023

/s/ Donald A. Baldridge
Donald A. Baldridge
Interim Chief Executive Officer
(Principal Executive Officer)
DCP Midstream GP, LLC, general partner of
DCP Midstream GP, LP, general partner of
DCP Midstream, LP

Exhibit 31.2

Certification Pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Scott R. Delmoro, certify that:

1. I have reviewed this quarterly report on Form 10-Q of DCP Midstream, LP for the period ended June 30, 2023;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2023

/s/ Scott R. Delmoro

Scott R. Delmoro
Interim Chief Financial Officer
(Principal Financial Officer)
DCP Midstream GP, LLC, general partner of
DCP Midstream GP, LP, general partner of
DCP Midstream, LP

Exhibit 32.1

Certification of President and Interim Chief Executive Officer
Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906
of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)

The undersigned, the Interim Chief Executive Officer of DCP Midstream GP, LLC, general partner of DCP Midstream GP, LP, general partner of DCP Midstream, LP (the "Partnership"), hereby certifies that, to his knowledge on the date hereof:

(a) the quarterly report on Form 10-Q of the Partnership for the period ended June 30, 2023, filed on the date hereof with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

/s/ Donald A. Baldridge
Donald A. Baldridge
Interim Chief Executive Officer
(Principal Executive Officer)
August 3, 2023

A signed original of this written statement required by Section 906 has been provided to the Partnership and will be retained by the Partnership and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

**Certification of Interim Group Vice President and Chief Financial Officer
Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906
of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)**

The undersigned, the Interim Chief Financial Officer of DCP Midstream GP, LLC, general partner of DCP Midstream GP, LP, general partner of DCP Midstream, LP (the “Partnership”), hereby certifies that, to his knowledge on the date hereof:

(a) the quarterly report on Form 10-Q of the Partnership for the period ended June 30, 2023, filed on the date hereof with the Securities and Exchange Commission (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

/s/ Scott R. Delmoro

Scott R. Delmoro
Interim Chief Financial Officer
(Principal Financial Officer)
August 3, 2023

A signed original of this written statement required by Section 906 has been provided to the Partnership and will be retained by the Partnership and furnished to the Securities and Exchange Commission or its staff upon request.