PARTICIPANTS

Corporate Participants

Jonni Anwar – Media and Investor Relations, DCP Midstream Partners LP
Mark A. Borer – President, Chief Executive Officer & Director
Angela A. Minas – CFO, VP, Head-Investor & Media Relations

Other Participants

Cathleen King – Analyst, Bank of America Merrill Lynch
Barrett Blaschke – Analyst, Kayne Anderson Capital Advisors
Michael Jacob Blum – Analyst, Wells Fargo Advisors LLC
Yves C. Siegel – Managing Director, Credit Suisse

MANAGEMENT DISCUSSION SECTION

Operator: Good morning and welcome to the DCP Midstream Partners Third Quarter 2011 Earnings Conference Call and Webcast. All participants will be in listen-only mode. [Operator Instructions] After today's presentation, there will be an opportunity to ask questions. [Operator Instructions] Please note this event is being recorded.

I would now like to turn the conference over to Jonni Anwar, [ph] Director of Investor Relations (0.12). Please go ahead.

Jonni Anwar, Media and Investor Relations, DCP Midstream Partners LP

Thank you. Good morning and welcome to the DCP Midstream Partners' third quarter 2011 earnings release conference call. As always, we want to thank you for your interest in the Partnership. Today you will hear from Mark Borer, President and CEO; and Angela Minas, Vice President and CFO.

Before turning it over to Mark, I will mention a couple of items. First, all of the slides, we will be talking from today, are available on our website at www.dcppartners.com in PDF format. You may access them by clicking on the Investor page and then the webcast icon.

Next, I would like to remind you that our discussions today may contain forward-looking statements. Actual results may differ due to certain risk factors that affect our business. Please review the second side in the deck that describes our use of forward-looking statements and lists some of the risk factors that may affect actual results. For a complete listing of the risk factors that may impact our business results, please review our Form 10-K for the year ended December 31, 2010, as filed with the SEC on March 1, 2011, and updated through subsequent SEC filing. In addition during our discussion, we will use various non-GAAP measures including distributable cash flow, adjusted EBITDA and adjusted segment EBITDA. These measures are reconciled to the nearest GAAP measure in schedules provided on our website. We ask that you review that information as well.

And finally, a note about the presentation of our earnings. In January 2011, the partnership completed the acquisition of 33.3% interest in DCP Southeast Texas Holding GP or Southeast Texas from DCP Midstream LLC. The results of operations presented today include the historical consolidated results of Southeast Texas for all periods presented. For comparison purposes we have also included our 2010 historical results as reported in 2010 prior to the transaction.

And now, I will turn it over to Mark Borer.

Mark A. Borer, President, Chief Executive Officer & Director

Thanks, Jonni. Good morning everyone and thanks for joining us today for a discussion of our third quarter results. As you saw in our press release last evening, year-to-date financial results continue to be in line with our 2011 DCF guidance. In addition to meeting our financial goals we have continued to diligently execute on our growth strategy, including a dropdown from our general partner which we also announced in our earnings release last evening.

On slide three you will see our agenda for today. I will begin with some highlights of the quarter, followed by an operational update including an overview of the dropdown transaction. Angela will follow with the financial overview of the quarter and an update on capital spending and co-investment activities. We will close with our outlook and summary, which will include a broader perspective of DCP Midstream, our general partner, and how the partnership is expected to play a critical role in helping grow the overall DCP enterprise while creating value for our unit holders.

Turning to slide four, let's discuss some highlights for the quarter. We generated distributable cash flow of $27.6 million for the quarter and $113 million year-to-date resulting in a distribution coverage ratio of 1.1 times year-to-date. We raised our distribution again this quarter, representing a 1.2% sequential quarter increase and a 4.9% increase over the rate declared in the third quarter of 2010. This represents our fourth consecutive quarter of a three-quarters of a cent increase per unit which is in line with our previously stated goals of returning to a model of consistent quarterly distribution growth and providing distribution growth of 5% in 2011.

We have continued to execute on our growth objectives. To this end we announced last evening that DCP Midstream will be contributing its remaining 49.9% interest in the East Texas joint venture into the partnership. This transaction continues our co-investment strategy with our general partner and is a nice addition to the growth opportunities we have executed this past year. In summary, we are progressing well in delivering our 2011 business plan commitments.

Turning to slide five, I will provide a brief operational update, starting first with our Natural Gas Services segment. We continue to view our diverse geographic footprint as a strong positive as it provides us with access to multiple resource plays, contract types and customers, with our ongoing Eagle Ford expansion continuing to further enhance that diversity.

Our third quarter gas services results were tempered by the timing of planned turnarounds in Southeast Texas and East Texas, and a planned extended third party outage at our Wyoming system. Notwithstanding the impacts from turnaround and third-party outages, our year-to-date 2011 gas throughput and NGL production is virtually flat to 2010 on a same plant basis.

We have continued to see a shift by producers into the liquids rich areas as a result of sustained favorable crude oil and NGL prices. This is evidenced by increased drilling and permit activity, where we are in active discussions with producers regarding new well connects and dedications. We are optimistic that this will lead to new growth opportunities at a number of our existing assets.

Our Eagle plant construction is on plan and progressing. Foundations are being poured for the plant and we expect that we will begin to move in and set equipment during the first quarter of 2012. Our Southeast Texas joint venture completed the Raywood plant expansion during the third quarter.

With that, let's turn to slide six for some more color on the transaction we announced last evening. On November 4 we signed an agreement with DCP Midstream for its contribution to the Partnership of the remaining 49.9% interest in the East Texas joint venture for $165 million.

As part of the dropdown Midstream will take approximately 20% of the total consideration in DPM common units, which is another demonstration of its continued interest in the success of the partnership. As a refresher, the East Texas system includes a five-plant complex currently processing approximately 550 million cubic feet per day, 900 miles of gathering and transportation pipelines and favorable market access through the Carthage Hub, which is a key exchange point for 1.5 billion cubic feet per day of gas volumes.

This asset has a mix of fee and commodity based margins, with the commodity exposure expected to be substantially hedged consistent with our overall hedging philosophy. It is another prime example of how we are co-investing and effectively partnering with our general partner, in line with our strategy of utilizing the MLP as a growth vehicle for the DCP enterprise, DCP Midstream will redeploy the proceeds into ongoing capital projects.

Moving to slide seven for our NGL Logistics segment. We had another quarter of strong volume performance and continue to be very pleased with the significant growth in scale and scope of this predominantly fee-based business segment over a relatively short period of time. This segment is comprised of assets that are well positioned in strong growing markets.

The recently expanded Wattenberg pipeline, which connects the DJ basin to the Conway hub, is experiencing higher near-term throughput – excuse me – higher near-term throughput than originally planned due to rapidly increasing volumes in the DJ Basin.

Also, in the DJ Basin, we are achieving the growth we targeted from the recently acquired fractionators. The Black Lake NGL pipeline, which connects to the Mont Belvieu hub, is providing additional synergies with our Southeast Texas joint venture.

The Marysville NGL facility is well positioned with its storage services to the increasingly active Sarnia refining and petrochemical corridor. We are in active discussions with various Sarnia market participants regarding storage expansion opportunities associated with NGL takeaway solutions for the Marcellus and other emerging shale plays in the area.

Additionally, our Seabreeze and Wilbreeze pipelines are also experiencing growth through increased volumes coming from the Eagle Ford Shale. This segment has been and will continue to be a key focus area for us, as we continue to grow the partnership.

Now moving to slide eight, for our Wholesale Propane segment. We are pleased with our expansion last season into mid-Atlantic with our acquisition of the Chesapeake, Virginia, terminal. Given that contracting for the heating season was done in advance of the time the asset was acquired, this represents our first season to realize the full benefits of our ownership.

Given our successful contracting efforts for the overall business, we have a favorable outlook for the current heating season and are optimistic that we can continue our steady growth trend despite recent challenges in the retail propane sector. As the past several years have shown, our wholesale business model with its fee like margins and diversity supply has been a consistent performer, while providing attractive growth. Additionally we continue to seek opportunities to grow this segment through acquisitions and active evaluations of organic build opportunities.

With that, I will turn it over to Angela to review the financial results.

Angela A. Minas, CFO, VP, Head-Investor & Media Relations

Thanks, Mark and thank you for joining us today. Beginning on slide nine, our strong results so far this year provide a solid foundation to achieve the 2011 guidance that we had provided on our

February earnings call. Although our business is substantially fee-based and commodity hedged, we do provide our DCF forecast in the context of the commodity pricing environment.

If you take into account the commodity prices year-to-date in the forward curve for the balance of 2011, the table would indicate DCF between $145 and $155 million. Our distributable cash flow of $113 million for the first nine months of the year compares favorably to that range.

Also as provided on our February earnings call we are targeting distribution growth of 5% in 2011. Our distribution increase of 3.6% year-to-date puts us in line with our target.

Now, turning to slide ten for further detail. As a reminder, consolidated financial results are adjusted to remove the impact of noncash mark-to-market activity of our commodity hedges, which are outlined in the appendix, as well as the non-controlling interest in our joint ventures.

In addition to the consolidated results, which are required to be recast as if we had always owned our JV interest in Southeast Texas, we also show the results as reported in 2010, which reflect the trends and results achieved over time. As such, I'll be discussing the results as reported in 2010 as the basis for comparison.

Adjusted EBITDA was $32.3 million for the quarter, compared to $28.8 million for the prior year after adjusting for the $9.1 million non-cash gain associated with our acquisition of an additional interest in Black Lake in 2010.

Adjusted EBITDA for the year increased to $129.6 million from $95.1 million the prior year after the Black Lake adjustment. Distributable cash flow of $27.6 million for the quarter resulted in a distribution coverage ratio of 0.8 times, similar to that for the prior year.

As a reminder, given the seasonality of our wholesale business, with the majority of the earnings coming during the first and fourth quarters, we would expect a lighter third quarter. As such, it is appropriate to look at distribution coverage on an annual basis.

Year-to-date distributable cash flow increased from $80.6 million to $113 million. Resulting in a 1.1 times distribution coverage ratio based upon distributions declared. When adjusting for the timing of actual cash distribution paid, the cash coverage ratio year-to-date would be 1.16 times.

As you can see, all key metrics indicate favorable trends in year-to-date results. However, we did experience some timing issues and other challenges that impacted the quarter, which I will discuss as we go through the segment.

Starting on slide 11 with gas services, adjusted EBITDA was $29.6 million for the quarter, compared to $33.8 million for the prior year. Results for the quarter reflect the acquisition of our JV interest in Southeast Texas, which was more than offset by the planned turnaround activities that Mark discussed, environmental remediation at East Texas, the extended third party outage at our Wyoming asset and the timing of expenditures.

In addition to those items, year-to-date adjusted EBITDA includes increased gas throughput volumes and NGL production at certain of our natural gas assets and a third-party settlement in East Texas, resulting in an increase and adjusted EBITDA from $100.2 million in 2010 to $106.2 million in 2011.

Looking ahead, we do anticipate that the East Texas and Wyoming activity will impact our fourth quarter earnings by about $1 million to $2 million. As a reminder, given that the East Texas joint venture is consolidated for accounting purposes, figures you will see for the gross margin and operating expense are shown on a 100% basis with minority interest netted to get to adjusted EBITDA for our current 50% ownership.

Pooled results for 2010 do not provide a relevant comparison as those results include a different storage business structure and cash flow profile for our JV interest in Southeast Texas.

On slide 12, for our NGL Logistics segment. The significant increase in the scale of our NGL Logistics business is evidenced in the volumes and financial results. Our NGL Logistics' EBITDA for the quarter increased to $9.4 million from $2.8 million for the prior year, after adjusting for the $9.1-million non-cash gain associated with our acquisition of an additional interest in Black Lake in 2010. Year-to-date EBITDA increased to $26.7 million from $8.3 million a year ago after the Black Lake adjustment.

Higher EBITDA reflects our acquisition of the Marysville NGL storage facility, the DJ Basin NGL fractionators and an additional interest in our Black Lake NGL pipeline, as well as increased throughput on our pipelines and the Wattenberg capital expansion project.

These increases were partially offset by timing of expenditures related to, a) the transition and integration of Marysville; and b) pipeline integrity testing. From a run rate standpoint, operating and maintenance expense for this segment is expected to be about $17 million annually, which is consistent with year-to-date results, when adjusting for a full year of Wattenberg and the DJ Basin fracs.

Slide 13 indicates the results from our Wholesale Propane segment. Historically, this business typically generated its cash flows in the first and fourth quarters, with the second and third quarters providing breakeven or nominal cash flow. As such, results for the quarter are in line with our seasonal business expectations.

As we look into 2011 and beyond and consider our growth outlook, a key element of that is our financial positioning. We are committed to a financing strategy that maintains a strong capital structure, a competitive cost of capital and significant liquidity to enable us to execute our growth strategy.

From a debt standpoint, our investment grade ratings position us well to access the public debt markets at a competitive cost. We have $250 million of three and a quarter percent senior notes due 2015, and an excellent $850 million credit facility with investment grade terms.

At the end of the quarter, we had $373 million in unutilized revolver capacity. We are actively executing on our plan to refinance that facility as a five year $1 billion facility, with similar terms and current market pricing, enabling continued and increased liquidity as we execute our growth plans. We are pleased with the progress and our positioning on that front.

Our effective interest rate on our total debt position at quarter end was 4%, our leverage ratio was 3.7 times, and our debt to capitalization ratio was 46%. We have a proven track record as a seasoned frequent issuer of equity. In August, we also put in place an at-the-market equity offering program, which is another complementary source of capital. It is particularly well suited as an efficient and cost effective way to finance the equity portion of organic capital projects such as our Eagle plant and smaller bolt-on opportunities.

In the third quarter, we raised $13 million, approximately half of our Eagle plant CapEx, through the program. Our proven access to both the equity and investment grade debt market is a competitive strength as we think about our ability to finance growth.

In summary, we have solid capitalization, a competitive cost of capital, substantial dry powder on our revolver to support the execution of future growth opportunity, and credit metrics in line with our investment grade ratings.

Give the items discussed, we believe that the partnership is well positioned to serve as a viable and attractive funding source for very sizeable growth at the DCP enterprise, both DCP Midstream and the partnership. We often refer to that as co-investment. Slide 15, provides an update on our co-investment activities over the 12 months period. On our last quarters earnings call, we introduced a three pronged approach to how we think about co-investment alternatives and the numerous forms that it can take, effectively utilizing the partnership to finance growth for both ourselves, as well as DCP Midstream.

To summarize, the first alternative is direct investment or acquisition, in which we invest capital and assets with MLP friendly characteristics where those assets are really part of a larger strategic investment for DCP. The acquisition of the DJ Basin fractionators, which we completed last March, is an example of that. Another recent example is the acquisition of the Wattenberg NGL pipeline, which was announced in early 2010 and then expanded as an organic build project with completion last May. Both of these assets are 100% fee-based and are part of a larger strategic investment for DCP in the DJ Basin.

A second alternative is an organic build project, in which we provide the capital to construct all/or part of an asset, just as we announced in August with the Eagle plant construction. Here we'll factor in the size of the capital investment, its cash flow and contract profile is key determinants in the selection of the project. A third alternative is a dropdown with a redeployment of the cash proceeds by Midstream into other capital projects. The JV we formed with Midstream in Southeast Texas at the end of 2010, and now the dropdown of the remaining interest in East Texas, are examples of this. The approximate $300 million of cash proceeds provides proceeds for Midstream to redeploy to fund other growth opportunities.

A key element of our co-investment model is the cash flow profile and the ability to structure the investments to provide MLP friendly characteristics. In the cases of the Wattenberg, DJ fracs and Eagle Plant investments, DCP Midstream has provided long-term fee-based contracts to support these investments by the partnership. The cumulative amount of announced co-investment opportunities over the last 12 months now stands at about $465 million. Given the increased emphasis on this element of our multifaceted growth strategy of late, you can see that the pace and scale of co-investment opportunities has accelerated relative to our previous history.

With that I will turn it back over to Mark to talk about progress on some of the exciting potential growth opportunities we see on the horizon.

Mark A. Borer, President, Chief Executive Officer & Director

Thanks, Angela. Turning to slide 16, I will continue with the co-investment opportunities and an update of growth opportunities at our general partner DCP Midstream. Since our last earnings call DCP Midstream has indicated publicly that its slate of significant growth projects currently in execution for 2011 through 2013, in the Eagle Ford Shale, DJ Basin, Permian Basin and Southern Hills and Sand Hills NGL pipelines, is estimated at approximately $4 billion, which is quite a dramatic increase from where it has been historically. Midstream's two large fee-based pipeline projects are well on track and are now in execution stage.

As planned, Midstream recently closed on the acquisition of the Seaway products pipeline from ConocoPhillips, which provides the backbone for the Southern Hills pipeline. Southern Hills is expected to be completed by mid 2013 and will offer valuable NGL transportation services from Conway to Mont Belvieu.

The Sand Hills NGL Pipeline project, which will connect the Permian Basin and Eagle Ford to Mont Belvieu was approved by the Midstream board during the third quarter and is scheduled to come online in two phases. The Eagle Ford portion will become operational in the second half of 2012, and the further extension into Mont Belvieu and the Permian Basin connection will occur in mid 2013.

How does that translate into growth at the partnership? The co-investments that we have executed thus far are replicable models for the future as we consider additional gathering, processing and NGL infrastructure co-investments with our general partner. More broadly speaking, Midstream is a private company with a business model of stable to growing cash dividends back to the owners, Spectra Energy and ConocoPhillips. As such the partnership serves as a key growth vehicle for the DCP enterprise through its access to the public equity capital markets.

Quantitatively speaking, although capital deployment may not always be linear, Midstream has indicated that it is comfortable using its balance sheet to support approximately $600 million to $800 million of growth capital a year. That said, given the $4 billion of Midstream projects currently in execution, plus an approximate $2 billion of incremental opportunities through 2014, Midstream's growth outlook could translate into very substantial co-investment opportunities and growth for the Partnership.

In addition to co-investment opportunities for the general partner, we continue to see a variety of growth opportunities across all our business segments. We expect to see a continued favorable drilling environment, particularly around the liquids-rich and emerging shale plays, which will continue to provide infrastructure development and bolt-on opportunities for our Gas Services and NGL Logistics businesses.

We are currently finalizing our budget for 2012 and are assessing numerous interesting opportunities. We believe the enterprise growth opportunities will support the evolution of the Partnership into a large-scale MLP, possessing substantial fee-based assets, a diversified asset portfolio, and significant NGL infrastructure assets.

Now, if you turn to slide 17, I'd like to close this morning with a few summary points. First, our strong year-to-date results provide a solid foundation to achieve our 2011 business plan commitments and forecasts. The growth opportunities that we have captured over the past year, plus other potential opportunities in the pipeline, are contributing to distributable cash flow in 2011 and beyond.

Our investment grade ratings and our track record as a seasoned issuer in the capital markets positions us well with respect to cost of capital and access to capital markets. These, in turn, support the execution of the DCP Midstream strategy to utilize the Partnership as the key growth vehicle, particularly during this period of accelerated capital investment.

Our target continues to be top quartile total shareholder return, and we believe that this is achievable given the breadth of the DCP enterprise and its investment opportunities. Given our fourth consecutive consistent distribution increase, we are delivering on our previously stated goals of returning to a model of consistent quarterly distribution growth, and are on track to achieve our targeted distribution growth of 5% in 2011.

We continue to review our distribution growth targets in light of market expectation, as well as improve visibility into future growth opportunities and cash flows. We will provide more insights into our three-year growth outlook along with our 2012 guidance on our year-end earnings call.

Having the strong sponsorship from DCP Midstream, Spectra Energy and ConocoPhillips is a significant benefit to us and our unit holders. We look forward to being an even more strategic and significant part of the ConocoPhillips' new downstream organization.

That is the conclusion for our prepared remarks. As I turn it back over to Andrew, the operator, for your questions, I just want to express my appreciation for your interest in the Partnership and joining the call today. Thank you.

QUESTION AND ANSWER SECTION

Operator: We will now begin the question-and-answer session. [Operator Instructions] The first question comes from Cathleen King of Bank of America Merrill Lynch. Please go ahead.

<Q – Cathleen King – Bank of America Merrill Lynch>: Good morning, guys and girls. A couple of questions. First, just we read some press reports saying that you guys might be working on a propane terminal expansion in Maine, and just wondering if you could talk about that and what you might be working on there?

<A – Mark Borer – DCP Midstream Partners LP>: Okay. Good morning, Cathleen, this is Mark. We do have active permitting and diligence work ongoing for a marine propane terminal in Maine. We expect to complete this work in, probably sometime in the first half of 2012 and to be in a position at that time to decide whether we proceed with the project. While, we can't give out too many details at this time, we are optimistic for continued expansion of the segment and believe the project we are scoping is a good project. We would anticipate the project would have about two years lead time once we make a decision on whether or not to proceed with it.

<Q – Cathleen King – Bank of America Merrill Lynch>: Got you, okay. And then also talking about propane but switching gears a little bit, thinking about the potential for additional refineries to be shut down in the northeast, how are you guys thinking about that impacting your propane business and propane supply in general, and potential impact on your margins?

<A – Mark Borer – DCP Midstream Partners LP>: We pride ourselves in the propane segment of doing a – of being very thorough on our supply and logistics. It's really about, for us, the service margins that we drive from matching the most economic supply with the market. So, if there's – if it's a some what of a dynamic situation with respect to refinery supplies, we will just incorporate that into our overall supply model, which you're well aware has rail import as well as pipeline supply. So it's just something that we adjust to and it's really part of our core capabilities to do that type of optimization. We don't expect that the refinery supplies come and go, that that would materially impact our outlook.

<Q – Cathleen King – Bank of America Merrill Lynch>: Okay. Got it. And then, finally, have you seen any opportunities to switch hedges, particularly for 2012, seeing that you already did this for 2011, from crude oil proxies to natural gas liquids specific hedges?

<A – Angela Minas – DCP Midstream Partners LP>: Yes, we have done that. You can see on the slide 27 in the appendix, where we have added some hedges in 2012 consistent with the strategy in which we started as the tenure shortened on our crude hedges to convert those into NGL specific product hedges. So right now for 2012 for our NGL products we have about 40% that's hedged using NGL direct product hedges.

<Q – Cathleen King – Bank of America Merrill Lynch>: Okay, great. Thank you.

<A – Mark Borer – DCP Midstream Partners LP>: Thank you.

Operator: The next question comes from Barrett Blaschke of Kayne Anderson. Please go ahead.

<Q – Barrett Blaschke – Kayne Anderson Capital Advisors>: Hey, guys. Could you break out for me a little bit the different impacts from the planned maintenance turnarounds and the environmental remediation?

<A – Angela Minas – DCP Midstream Partners LP>: Sure. I would say the majority of the difference in the sequential quarter, going from the second quarter to the third quarter, were those impacts. So the largest impact being the East Texas turnaround activity; to a lesser extent the remediation. Southeast Texas was a smaller impact and then the third-party impact probably in the $1 million to $1.5 million range.

<Q – Barrett Blaschke – Kayne Anderson Capital Advisors>: Okay.

<A – Angela Minas – DCP Midstream Partners LP>: There was also some timing of expenditures, and you'll note again that the way we do the accounting, East Texas is at 100%, so that's somewhat distorts the OpEx number. As we got into the summer there is more activity with respect to just the annual planned turnaround and maintenance activity.

<Q – Barrett Blaschke – Kayne Anderson Capital Advisors>: Okay. Thank you.

Operator: [Operator Instructions] The next question comes from Michael Blum of Wells Fargo. Please go ahead.

<Q – Michael Blum – Wells Fargo Advisors LLC>: Thanks. Good morning.

<A – Mark Borer – DCP Midstream Partners LP>: Good morning, Michael.

<Q – Michael Blum – Wells Fargo Advisors LLC>: A couple of questions. And thanks for the color on the big picture strategy. Appreciate that. Just specifically in the dropdown for this quarter, I'm just curious if you can go a little deeper into what's driving the timing of that right now? Is it -- you know, is there something going on at the parent that they need funding? Is there something specific to the MLP from a coverage perspective, just trying to understand the timing a little better.

<A – Mark Borer – DCP Midstream Partners LP>: The overall timing, Michael, is really driven by the ongoing execution of our co-investment strategy. There's no coverage issues or anything from a distribution viewpoint. But if you go back and kind of parse through what we said as far as the positive outlook for the increased growth spending at Midstream, with Midstream being a private company and a consistent payer of dividends, we really intend to use DPM as a key growth vehicle. And the projects that it has on the table are in excess of the $600 million to $800 million of growth capital a year that they're comfortable with spending with their balance sheet. So, all in all, we just felt it was an attractive asset, and was also really part of the overall growth strategy for the DCP Enterprise.

<A – Angela Minas – DCP Midstream Partners LP>: So, Michael, just to put into context some of the numbers that we presented today. If you think about the $4 billion, and that's over a three year time horizon, and then the $600 million to $800 million from the balance sheet that Midstream is comfortable with, the difference there is about [ph] $500 million, $525 million (38:02) to about $700 million on an annual basis. Not that that would be linear but in terms of the overall program. Then when you layer in the additional $2 billion that's incremental going through 2014, that $6 billion over a four year period would get you to a run rate of about $700 million then that would be financed through the partnership. So this is an element of the overall enterprise capital financing program.

<Q – Michael Blum – Wells Fargo Advisors LLC>: Okay, got it. And as you're adding fee-based business, what's your latest thoughts in terms of the coverage ratio?

<A – Mark Borer – DCP Midstream Partners LP>: We have – Michael, this is Mark. We have not changed our range that we would look at from a distribution coverage ratio. We would intend to generally manage it between 1.1 and 1.2 times. Clearly with the higher percentage of fee-based assets that we have and given some of the growth prospects for those fee-based assets, that would give us comfort with managing it to the lower end of the range over time, but we'll stick with the 1.1 to 1.2 times at this point.

<Q – Michael Blum – Wells Fargo Advisors LLC>: Okay. And then my last question, Mark, if you can just drill down a little further into the wholesale propane business, and I appreciate your comments there, I'm just trying to understand better, I realize that you've got the fee-based margins locked in, but to the extent that demand for propane at the retail level is declining, how does that not translate into less demand at the wholesale level that you are operating at?

<A – Mark Borer – DCP Midstream Partners LP>: We continue to have a model there Michael, that's had very consistent performance. If – we actually have done this internally. We isolated out the impact of Chesapeake, and our volumes and margins both are up year-over-year nicely. I think as you think about our model it's one which the retail folks are gravitating to, from the viewpoint of us being a service provider. We have very strategically located terminals. We provide – which cuts down their trucking costs. We do a good job of risk management for them. We also provide them a better winter/summer ratio, which helps them carry less inventory and really gets them inventory there just in time.

It – clearly there is some downturn from the view point of their overall volumes, but from our perspective we've actually been able to capture increased market share with this model that has the flexibility to go rail, pipe, as well as the import terminals. And we're very nimble on the supply logistics. So all-in-all, we feel good about the model and we think it actually is working to address some of the challenges that the retail propane folks have.

<Q – Michael Blum – Wells Fargo Advisors LLC>: Okay, great. Thank you very much.

<A – Mark Borer – DCP Midstream Partners LP>: Thank you.

Operator: The next question comes from Yves Siegel of Credit Suisse. Please go ahead. Mr. Siegel, your line is open. Please go ahead with your question. Mr. Siegel, your line is open, if you would like to ask a question, please go ahead.

<Q – Yves Siegel – Credit Suisse>: Okay. Can you hear me now?

Operator: Yes, please go ahead.

<Q – Yves Siegel – Credit Suisse>: Okay. I apologize I'm on my cell phone. Quickly, could you just go over the rationale for DCP Midstream taking back just 20% of the acquisition costs and stock? How did you come up with that number?

<A – Mark Borer – DCP Midstream Partners LP>: We just felt that overall it represented a continued good support for the partnership from an equity viewpoint, but at the end of the day, you know Midstream, we struck that balance with respect to also Midstream's needs to have cash for redeployment and other growth projects in their business. Obviously they have a extensive slate of growth projects on the NGL pipes as well as a lot of gathering and processing infrastructure.

<Q – Yves Siegel – Credit Suisse>: Okay. And Mark and Angela I apologize but what's the EBITDA run rate on the East Texas system, right now?

<A – Mark Borer – DCP Midstream Partners LP>: Yves, we have not quoted a run rate on an individual asset basis. We did – we do feel we have an attractive transaction and paid a fair market value for it.

<Q – Yves Siegel – Credit Suisse>: Then not to be a pest on that, but can you describe where you see the growth opportunities in East Texas, and what's the thought on perhaps some expansion opportunities there?

<A – Mark Borer – DCP Midstream Partners LP>: We have – you know, we have a reasonable amount of processing capacity that would be available for gathering system expansions. You might recall back in '09, in late '09, we expanded our gathering system at that point to move over to the East Texas Minden field. We see on the horizon other potential bolt-on opportunities as well as gathering system expansions.

We are seeing the producers continue to expand their application of horizontal drilling in East Texas including that sort, the application of horizontal drilling to some of the conventional formations, the Cotton Valley, as well as Taylor Sand and Haynesville, and such. So we would expect that there would be some opportunities to do gathering expansions and are in active discussions with a number of producers on their drilling programs and well dedications.

<Q – Yves Siegel – Credit Suisse>: Okay. And then if I could just end with a two-part question. The first part is when you think about future dropdowns from DCP Midstream, do you right now have, sort of, that queued up in terms of the pace of future dropdowns, and what would be the determining factor? That's the first part of the question. And the second part of the question is, you know, based on Angela's remarks, it sounds like you're really going to step up the pace of growth at the partnership. What do you think your capacity is to finance the growth going forward?

<A – Mark Borer – DCP Midstream Partners LP>: Okay. I will take the first part of the question and I will have Angela talk a little bit about the capacity, but really it's really driven by a very positive growth outlook at the general partner level for increased growth spending. You know, over the past four quarters we've committed around $465 million to co-investment. We see that the – with our general partner, plus obviously we did a third-party acquisition, so if you look at our pace of growth it has been about $600 million of committed capital over the last four quarters. But really as we look forward it's really driven by this positive growth outlook.

We have large-scale NGL pipeline projects underway. A number of gathering and processing asset expansions at Midstream, and then we'll think we'll also have some quality opportunities at the partnership and its footprint for expansion as well. So I really think it's in a lot of respects is driven by an overall enterprise, which has attractive opportunities, really driven by having assets well positioned in these NGL rich plays. As far as capacity – go ahead, I'm sorry.

<Q – Yves Siegel – Credit Suisse>: I'm sorry, Mark. But have you roughly outlined the assets that you expect will be able to migrate into the partnership over time?

<A – Mark Borer – DCP Midstream Partners LP>: We have targeted – we have targeted certain assets as we looked at it. What we said on the call just to kind of refresh is that we would expect in our year end earnings call 2012, to really provide more transparency on our future outlook. But I think our recent history is a good indicator and we believe that that trend is accelerating.

<A – Angela Minas – DCP Midstream Partners LP>: And then on the second part of your question, Yves, around the financing capability. Just some thoughts in terms of how we think about that. We have worked hard over the last couple years in terms of financial positioning, and getting the partnership really ready for this sort of growth financing for the enterprise. To put some numbers behind it, I guess the – we typically think about financing on a 55% equity, 45% debt to keep us at the right balance, given our business and investment grade metrics.

So equity is really the gating item with respect to size of a transaction. We have been over the past year, year and a half; we were in the market overnight equity three times. So our track record is a seasoned frequent issuer. If you say that conservatively $300 million per quarter that you could finance in that sort of format, that gets you to about close to $1 billion on the equity side. On the debt side, we'll have now, as I discussed refinancing that credit facility, upsizing it somewhat to a $1 billion and then certainly access to the investment grade debt markets, which we have proven out.

In summary, we can probably finance about $2 billion over an annual period at the partnership, and so if you think about those numbers in the context of the numbers I discussed in Michael Blum's question around the size of the capital needed to be financed at the partnership, we certainly have the wherewithal to do that.

<Q – Yves Siegel – Credit Suisse>: Great. Thank you very much.

<A – Mark Borer – DCP Midstream Partners LP>: Thank you.

Operator: [Operator Instructions] This concludes our question-and-answer session. I would like to turn the conference back over to Mark Borer, President and CEO, for any closing remarks.

Mark A. Borer, President, Chief Executive Officer & Director

I would just like to say thanks again for your interest in the partnership. If you have any follow-up questions over the coming days, please feel free to contact Angela or Jonni and we can make ourselves available to visit. Thanks again for your time and have a good day.

Operator: The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.