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Total income tax expense

\$(1.0) \$(0.5) \$(1.5)

We had net long-term deferred tax liabilities of \$3.4 million as of December 31, 2012 and 2011, included in other long-term liabilities on the consolidated balance sheets. These state deferred tax liabilities relate to our East Texas operations, and are primarily associated with depreciation related to property plant and equipment.

Our effective tax rate differs from statutory rates, primarily due to being structured as a master limited partnership, which is a pass-through entity for federal income tax purposes, while being treated as a taxable entity in certain states

15. Net Income or Loss per Limited Partner Unit

Our net income or loss is allocated to the general partner and the limited partners, including the holders of the subordinated units, through the date of subordinated conversion, in accordance with their respective ownership percentages, after allocating Available Cash generated during the period in accordance with our partnership agreement.

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Securities that meet the definition of a participating security are required to be considered for inclusion in the computation of basic earnings per unit using the two-class method. Under the two-class method, earnings per unit is calculated as if all of the earnings for the period were distributed under the terms of the partnership agreement, regardless of whether the general partner has discretion over the amount of distributions to be made in any particular period, whether those earnings would actually be distributed during a particular period from an economic or practical perspective, or whether the general partner has other legal or contractual limitations on its ability to pay distributions that would prevent it from distributing all of the earnings for a particular period.

These required disclosures do not impact our overall net income or loss or other financial results; however, in periods in which aggregate net income exceeds our Available Cash it will have the impact of reducing net income per LPU.

Basic and diluted net income or loss per LPU is calculated by dividing net income or loss allocable to limited partners, by the weighted-average number of outstanding LPUs during the year. Diluted net income or loss per limited partner unit is computed based on the weighted average number of units plus the effect of dilutive potential units outstanding during the period using the two-class method. Dilutive potential units include outstanding Performance Units, Phantom Units and Restricted Units. The dilutive effect of unit-based awards was 33,043 and 64,286 equivalent units during the years ended December 31, 2012 and 2011.

16. Commitments and Contingent Liabilities

Litigation

Prospect During the fourth quarter of 2011, we received a claim for arbitration (the **Claim**) filed with the American Arbitration Association by Prospect Street Energy, LLC and Prospect Street Ventures I, LLC (together, the **Claimants**) against EE Group, LLC (**EE Group**) and a number of other parties that previously

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DCP MIDSTREAM PARTNERS, LP

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Years Ended December 31, 2012, 2011 and 2010 (Continued)

owned, directly or indirectly, our Marysville NGL storage facility (collectively, the Respondents). EE Group is our indirect subsidiary which we acquired in connection with our acquisition of Marysville Hydrocarbons Holdings, LLC (Marysville) on December 30, 2010 (the Acquisition). The Claim involves actions taken and time periods prior to our ownership of EE Group and Marysville, and includes several causes of action including claims of civil conspiracy, breach of fiduciary duty and fraud. We acquired a 90% interest in Marysville from Dart Energy Corporation, a 5% interest in Marysville from Prospect Street Energy, LLC and a 100% interest in EE Group, which owned the remaining 5% interest in Marysville. The Claimants seek, from the Respondents collectively, alleged actual, punitive and treble damages and disgorgement of profits, as well as fees and costs. The purchase agreements for the Acquisition contain indemnification and other provisions that may provide some protection to us for any breach of the representations, warranties and covenants made by the sellers in the Acquisition. In August 2012, we entered into a Settlement Agreement with the Claimants in which the Claimants have agreed that if an award is issued to the Claimants in the arbitration, the Claimants will not attempt to recover such an award from us. Notwithstanding that agreement, this matter is subject to the uncertainties inherent in any litigation, and the ultimate outcome of this matter may not be known for an extended period of time.

Other We are not a party to any other significant 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 consolidated results of operations, financial position, or cash flow.

Insurance We renewed our insurance policies in May, June and July 2012 for the 2012-2013 insurance year. We contract with third party and affiliate insurers for: (1) automobile liability insurance for all owned, non-owned and hired vehicles; (2) general liability insurance; (3) excess liability insurance above the established primary limits for general liability and automobile liability insurance; and (4) property insurance, which covers replacement value of real and personal property and includes business interruption/extra expense. These renewals have not resulted in any material change to the premiums we are contracted to pay in the 2012-2013 insurance year compared with the 2011-2012 insurance year. We are jointly insured with DCP Midstream, LLC for directors and officers 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 that are of similar size to us and with similar types of operations.

Our insurance on Discovery for the 2012-2013 insurance year includes general and excess liability, onshore property damage, including named windstorm and business interruption, and offshore non-wind property and business interruption insurance. The availability of offshore named windstorm property and business interruption insurance has been significantly reduced over the past few years as a result of higher industry-wide damage claims. Additionally, the named windstorm property and business interruption insurance that is available comes at uneconomic premium levels, higher deductibles and lower coverage limits. As such, Discovery has elected to not purchase offshore named windstorm property and business interruption insurance coverage for the 2012-2013 insurance year.

Environmental The operation of pipelines, plants and other facilities for gathering, transporting, processing, treating, or storing natural gas, NGLs and other products is subject to stringent and complex laws and regulations pertaining to health, safety and the environment. As an owner or operator of these facilities, we must comply with United States laws and regulations at the federal, state and local levels that relate to air and water quality, hazardous and solid waste management and disposal, and other environmental matters. The cost of planning, designing, constructing and operating pipelines, plants, and other facilities must incorporate compliance with environmental laws and regulations and safety standards. Failure to comply with these laws and regulations may trigger a variety of administrative, civil and potentially criminal enforcement measures,

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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 laws and regulations will not have a material adverse effect on our consolidated results of operations, financial position or cash flows.

Indemnification DCP Midstream, LLC has indemnified us for certain potential environmental claims, losses and expenses associated with the operation of the assets of certain of our predecessors.

Other Commitments and Contingencies We utilize assets under operating leases in several areas of operation. Consolidated rental expense, including leases with no continuing commitment, totaled \$12.9 million, \$13.1 million and \$12.8 million for the years ended December 31, 2012, 2011 and 2010, respectively. Rental expense for leases with escalation clauses is recognized on a straight line basis over the initial lease term.

Minimum rental payments under our various operating leases in the year indicated are as follows at December 31, 2012:

	(Millions)
2013	\$ 10.8
2014	5.6
2015	3.5
2016	2.4
2017	1.1
Thereafter	0.9
Total minimum rental payments	\$ 24.3

17. Business Segments

Our operations are located in the United States and are organized into three reporting segments: Natural Gas Services; NGL Logistics; and Wholesale Propane Logistics.

Natural Gas Services Our Natural Gas Services segment provides services that include gathering, compressing, treating, processing, transporting and storing natural gas. The segment consists of our Northern Louisiana system, our Southern Oklahoma system, our Wyoming system, our Michigan system, our Southeast Texas system, our East Texas system, our 75% interest in the Colorado system, our 40% interest in Discovery, and our 33.33% interest in the Eagle Ford system.

NGL Logistics Our NGL Logistics segment provides services that include transportation, storage and fractionation of NGLs. The segment consists of the Seabreeze and Wilbreeze intrastate NGL pipelines, the Wattenberg and Black Lake interstate NGL pipelines, our 10% interest in the Texas Express NGL pipeline, the NGL storage facility in Michigan, the DJ Basin NGL fractionators in Colorado, our 12.5% interest in the Mont Belvieu Enterprise fractionator, and our 20% interest in the Mont Belvieu 1 fractionator.

Wholesale Propane Logistics Our Wholesale Propane Logistics segment provides services that include the receipt of propane by pipeline, rail or ship to our terminals that deliver the product to distributors. The segment consists of six owned rail terminals, one owned marine terminal, one leased marine terminal, one pipeline terminal and access to several open-access pipeline terminals.

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

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for these operations. Gross margin is a performance measure utilized by management to monitor the business of each segment.

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The following tables set forth our segment information:

Year Ended December 31, 2012:

	Natural Gas Services	NGL Logistics	Wholesale Propane Logistics	Other	Eliminations (f)	Total
	(Millions)					
Total operating revenue	\$ 1,242.7	\$ 63.5	\$ 414.7	\$	\$ (0.2)	\$ 1,720.7
Gross margin (a)	\$ 314.0	\$ 63.5	\$ 41.7	\$	\$	\$ 419.2
Operating and maintenance expense	(92.4)	(16.1)	(14.7)			(123.2)
Depreciation and amortization expense	(54.7)	(6.2)	(2.5)			(63.4)
General and administrative expense				(45.8)		(45.8)
Earnings from unconsolidated affiliates	17.6	11.3				28.9
Other operating income		0.5				0.5
Interest expense				(42.2)		(42.2)
Income tax expense (b)				(1.0)		(1.0)
Net income (loss)	184.5	53.0	24.5	(89.0)		173.0
Net income attributable to noncontrolling interests	(5.0)					(5.0)
Net income (loss) attributable to partners	\$ 179.5	\$ 53.0	\$ 24.5	\$ (89.0)	\$	\$ 168.0
Net unrealized gains on derivative instruments (c)	\$ 19.8	\$	\$ 1.5	\$	\$	\$ 21.3
Capital expenditures	\$ 185.0	\$ 11.8	\$ 3.6	\$	\$	\$ 200.4
Acquisitions net of cash acquired	\$ 657.6	\$ 29.8	\$	\$	\$	\$ 687.4
Investments in unconsolidated affiliates	\$ 141.3	\$ 42.7	\$	\$	\$	\$ 184.0

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	Natural Gas Services	NGL Logistics	Wholesale Propane Logistics	Other	Eliminations (f)	Total
	(Millions)					
Total operating revenue	\$ 1,670.4	\$ 56.6	\$ 633.6	\$	\$ (2.2)	\$ 2,358.4
Gross margin (a)	\$ 322.3	\$ 52.0	\$ 51.1	\$	\$	\$ 425.4
Operating and maintenance expense	(94.7)	(15.9)	(15.1)			(125.7)
Depreciation and amortization expense	(89.5)	(8.2)	(2.9)			(100.6)
General and administrative expense				(48.3)		(48.3)
Earnings from unconsolidated affiliates	22.7					22.7
Other operating income		0.5				0.5
Interest expense				(33.9)		(33.9)
Income tax expense (b)				(0.5)		(0.5)
Net income (loss)	160.8	28.4	33.1	(82.7)		139.6
Net income attributable to noncontrolling interests	(18.8)					(18.8)
Net income (loss) attributable to partners	\$ 142.0	\$ 28.4	\$ 33.1	\$ (82.7)	\$	\$ 120.8
Net unrealized gains on derivative instruments (c)	\$ 41.8	\$	\$ 0.3	\$ (2.2)	\$	\$ 39.9
Capital expenditures	\$ 151.8	\$ 9.3	\$ 4.6	\$	\$	\$ 165.7
Acquisitions net of cash acquired	\$ 145.2	\$ 29.6	\$	\$	\$	\$ 174.8
Investments in unconsolidated affiliates	\$ 7.0	\$	\$	\$	\$	\$ 7.0

Year Ended December 31, 2010:

	Natural Gas Services	NGL Logistics	Wholesale Propane Logistics	Other	Total
	(Millions)				
Total operating revenue	\$ 1,617.6	\$ 17.6	\$ 473.2	\$	\$ 2,108.4
Gross margin (a)	\$ 283.5	\$ 12.9	\$ 28.9	\$	\$ 325.3
Operating and maintenance expense	(82.0)	(3.7)	(12.6)		(98.3)
Depreciation and amortization expense	(83.5)	(2.6)	(1.9)	(0.1)	(88.1)
General and administrative expense				(45.8)	(45.8)

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Earnings from unconsolidated affiliates	23.0	0.8			23.8
Other operating income	2.0		3.0		5.0
Step acquisition equity interest re-measurement gain		9.1			9.1
Interest expense				(29.1)	(29.1)
Income tax expense (b)				(1.5)	(1.5)
Net income (loss)	143.0	16.5	17.4	(76.5)	100.4
Net income attributable to noncontrolling interests	(9.2)				(9.2)
Net income (loss) attributable to partners	\$ 133.8	\$ 16.5	\$ 17.4	\$ (76.5)	\$ 91.2
Net unrealized gains on derivative instruments (c)	\$ (8.8)	\$	\$ (1.0)	\$ 1.4	\$ (8.4)
Capital expenditures	\$ 63.8	\$ 11.5	\$ 0.6	\$	\$ 75.9
Acquisitions net of cash acquired	\$ 78.8	\$ 135.5	\$ 67.8	\$	\$ 282.1
Investments in unconsolidated affiliates	\$ 2.3	\$	\$	\$	\$ 2.3

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	2012	December 31, 2011 (Millions)	2010
Segment long-term assets:			
Natural Gas Services	\$ 2,133.9	\$ 1,555.4	\$ 1,469.3
NGL Logistics	339.7	250.1	221.7
Wholesale Propane Logistics (d)	105.0	104.2	101.7
Other (e)	84.3	14.0	4.1
Total long-term assets	2,662.9	1,923.7	1,796.8
Current assets	309.1	353.7	350.4
Total assets	\$ 2,972.0	\$ 2,277.4	\$ 2,147.2

- (a) Gross margin consists of total operating revenues, including commodity derivative activity, less purchases of natural gas, propane, NGLs and condensate. Gross margin is viewed as a non-GAAP 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, gross margin should not be considered an alternative to, or more meaningful than, net income or cash flow as determined in accordance with GAAP. Our gross margin may not be comparable to a similarly titled measure of another company because other entities may not calculate gross margin in the same manner.
- (b) For the years ended December 31, 2011 and 2010, income tax expense relates primarily to the Texas margin tax and the Michigan business tax. The Michigan business tax was repealed in 2012; accordingly, income tax expense for the year ended December 31, 2012 relates primarily to the Texas margin tax.
- (c) Net unrealized gains or losses on derivative instruments represent non-cash derivative mark-to-market and is included in segment gross margin, along with cash settlements for our derivative contracts.
- (d) Our July 30, 2010 acquisition of an additional 50% interest in Black Lake from an affiliate of BP PLC brought our ownership interest in Black Lake to 100%. Prior to our acquisition of an additional 50% interest in Black Lake, we accounted for Black Lake under the equity method of accounting. Subsequent to this transaction we account for Black Lake as a consolidated subsidiary.
- (e) Other long-term assets not allocable to segments consist of restricted investments, unrealized gains on derivative instruments, corporate leasehold improvements and other long-term assets.
- (f) Represents intersegment revenues consisting of sales of NGLs by Marysville in our NGL Logistics segment to our Wholesale Propane segment.

18. Supplemental Cash Flow Information

	Year Ended December 31,		
	2012	2011	2010
	(Millions)		
Cash paid for interest and income taxes:			
Cash paid for interest, net of amounts capitalized	\$ 22.8	\$ 17.2	\$ 7.8
Cash paid for income taxes, net of income tax refunds	\$ 0.7	\$ 29.9	\$ 0.9
Non-cash investing and financing activities:			
Property, plant and equipment acquired with accounts payable	\$ 18.3	\$ 14.2	\$ 6.3
Other non-cash additions of property, plant and equipment	\$ 5.8	\$ 3.0	\$ 12.1
Accounts payable related to equity issuance costs	\$ 0.2	\$ (0.2)	\$ 0.2
Acquisition related contingent consideration	\$	\$	\$ 3.1
Non-cash contribution from noncontrolling interests	\$	\$	\$ 0.5
Non-cash contribution from DCP Midstream, LLC	\$ 0.3	\$	\$
Non-cash change in parent advances	\$	\$ 4.4	\$

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Our consolidated results of operations by quarter for the years ended December 31, 2012 and 2011 were as follows (millions, except per unit amounts):

					Year Ended December 31, 2012
2012	First	Second	Third	Fourth	
Total operating revenues	\$ 525.6	\$ 413.7	\$ 330.9	\$ 450.5	\$ 1,720.7
Operating income	\$ 31.1	\$ 89.4	\$ 1.4	\$ 65.4	\$ 187.3
Net income	\$ 24.0	\$ 79.8	\$ 1.9	\$ 67.3	\$ 173.0
Net income attributable to noncontrolling interests	\$ (0.7)	\$ (0.7)	\$ (0.6)	\$ (3.0)	\$ (5.0)
Net income attributable to partners	\$ 23.3	\$ 79.1	\$ 1.3	\$ 64.3	\$ 168.0
Net income (loss) allocable to limited partners	\$ 12.3	\$ 68.9	\$ (9.5)	\$ 52.5	\$ 124.2
Basic and diluted net income (loss) per limited partner unit	\$ 0.26	\$ 1.33	\$ (0.16)	\$ 0.87	\$ 2.28

					Year Ended December 31, 2011
2011	First	Second	Third	Fourth	
Total operating revenues	\$ 633.9	\$ 575.6	\$ 593.6	\$ 555.3	\$ 2,358.4
Operating income	\$ 7.3	\$ 60.3	\$ 70.2	\$ 13.5	\$ 151.3
Net income	\$ 3.5	\$ 57.4	\$ 68.1	\$ 10.6	\$ 139.6
Net income attributable to noncontrolling interests	\$ (3.5)	\$ (9.7)	\$ 0.4	\$ (6.0)	\$ (18.8)
Net income attributable to partners	\$	\$ 47.7	\$ 68.5	\$ 4.6	\$ 120.8
Net income (loss) allocable to limited partners	\$ (11.4)	\$ 35.3	\$ 59.5	\$ (8.2)	\$ 75.2
Basic net (loss) income per limited partner unit	\$ (0.28)	\$ 0.80	\$ 1.35	\$ (0.19)	\$ 1.73

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Years Ended December 31, 2012, 2011 and 2010 (Continued)

20. Supplementary Information Condensed Consolidating Financial Information

The following condensed consolidating financial information presents the results of operations, financial position and cash flows of DCP Midstream Partners, LP, or parent guarantor, DCP Midstream Operating LP, or subsidiary issuer, which is a 100% owned subsidiary, and non-guarantor subsidiaries, as well as the consolidating adjustments necessary to present DCP Midstream Partners, LP's results on a consolidated basis. In conjunction with the universal shelf registration statements on Form S-3 filed with the SEC on May 26, 2010 and June 14, 2012, the parent guarantor has agreed to fully and unconditionally guarantee securities of the subsidiary issuer. For the purpose of the following financial information, investments in subsidiaries are reflected in accordance with the equity method of accounting. The financial information may not necessarily be indicative of results of operations, cash flows, or financial position had the subsidiaries operated as independent entities.

	Condensed Consolidating Balance Sheets December 31, 2012				
	Parent Guarantor	Subsidiary Issuer	Non-Guarantor Subsidiaries (Millions)	Consolidating Adjustments	Consolidated
ASSETS					
Current assets:					
Cash and cash equivalents	\$	\$ 3.4	\$ 0.9	\$ (3.0)	\$ 1.3
Accounts receivable, net			181.3		181.3
Inventories			74.7		74.7
Other			51.8		51.8
Total current assets		3.4	308.7	(3.0)	309.1
Property, plant and equipment, net			1,727.4		1,727.4
Goodwill and intangible assets, net			290.7		290.7
Advances receivable consolidated subsidiaries	873.2	1,424.2		(2,297.4)	
Investments in consolidated subsidiaries	174.8	370.6		(545.4)	
Investments in unconsolidated affiliates			558.0		558.0
Other long-term assets		10.6	76.2		86.8
Total assets	\$ 1,048.0	\$ 1,808.8	\$ 2,961.0	\$ (2,845.8)	\$ 2,972.0
LIABILITIES AND EQUITY					
Accounts payable and other current liabilities	\$ 0.2	\$ 11.8	\$ 224.4	\$ (3.0)	\$ 233.4
Advances payable consolidated subsidiaries			2,297.4	(2,297.4)	
Long-term debt		1,620.3			1,620.3
Other long-term liabilities		1.9	33.2		35.1
Total liabilities	0.2	1,634.0	2,555.0	(2,300.4)	1,888.8
Commitments and contingent liabilities					
Equity:					
Partners' equity					
Net equity	1,047.8	184.3	375.8	(545.4)	1,062.5
Accumulated other comprehensive loss		(9.5)	(5.2)		(14.7)

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Total partners' equity	1,047.8	174.8	370.6	(545.4)	1,047.8
Noncontrolling interests			35.4		35.4
Total equity	1,047.8	174.8	406.0	(545.4)	1,083.2
Total liabilities and equity	\$ 1,048.0	\$ 1,808.8	\$ 2,961.0	\$ (2,845.8)	\$ 2,972.0

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Years Ended December 31, 2012, 2011 and 2010 (Continued)

	Condensed Consolidating Balance Sheets December 31, 2011 (a)				
	Parent Guarantor	Subsidiary Issuer	Non-Guarantor Subsidiaries (Millions)	Consolidating Adjustments	Consolidated
ASSETS					
Current assets:					
Cash and cash equivalents	\$	\$ 3.6	\$ 6.4	\$ (2.4)	\$ 7.6
Accounts receivable, net			214.8		214.8
Inventories			87.9		87.9
Other			43.4		43.4
Total current assets		3.6	352.5	(2.4)	353.7
Property, plant and equipment, net			1,499.4		1,499.4
Goodwill and intangible assets, net			299.1		299.1
Advances receivable consolidated subsidiaries	370.7	597.2		(967.9)	
Investments in consolidated subsidiaries	515.2	679.3		(1,194.5)	
Investments in unconsolidated affiliates			107.1		107.1
Other long-term assets		5.6	12.5		18.1
Total assets	\$ 885.9	\$ 1,285.7	\$ 2,270.6	\$ (2,164.8)	\$ 2,277.4
LIABILITIES AND EQUITY					
Accounts payable and other current liabilities	\$	\$ 18.7	\$ 364.2	\$ (2.4)	\$ 380.5
Advances payable consolidated subsidiaries			967.9	(967.9)	
Long-term debt		746.8			746.8
Other long-term liabilities		5.0	46.8		51.8
Total liabilities		770.5	1,378.9	(970.3)	1,179.1
Commitments and contingent liabilities					
Equity:					
Partners' equity					
Predecessor equity			257.4		257.4
Net equity	885.9	534.6	423.7	(1,194.5)	649.7
Accumulated other comprehensive loss		(19.4)	(1.8)		(21.2)
Total partners' equity	885.9	515.2	679.3	(1,194.5)	885.9
Noncontrolling interests			212.4		212.4
Total equity	885.9	515.2	891.7	(1,194.5)	1,098.3
Total liabilities and equity	\$ 885.9	\$ 1,285.7	\$ 2,270.6	\$ (2,164.8)	\$ 2,277.4

(a)

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The financial information as of December 31, 2011 includes the results of Southeast Texas, a transfer of net assets between entities under common control that was accounted for as if the transfer occurred at the beginning of the period, and prior years are retrospectively adjusted to furnish comparative information similar to the pooling method.

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	Condensed Consolidating Statements of Operations Year Ended December 31, 2012				Consolidated
	Parent Guarantor	Subsidiary Issuer	Non-Guarantor Subsidiaries (Millions)	Consolidating Adjustments	
Operating revenues:					
Sales of natural gas, propane, NGLs and condensate	\$	\$	\$ 1,465.9	\$	\$ 1,465.9
Transportation, processing and other			185.0		185.0
Gains from commodity derivative activity, net			69.8		69.8
Total operating revenues			1,720.7		1,720.7
Operating costs and expenses:					
Purchases of natural gas, propane and NGLs			1,301.5		1,301.5
Operating and maintenance expense			123.2		123.2
Depreciation and amortization expense			63.4		63.4
General and administrative expense			45.8		45.8
Other income			(0.5)		(0.5)
Total operating costs and expenses			1,533.4		1,533.4
Operating income			187.3		187.3
Interest expense, net		(41.9)	(0.3)		(42.2)
Earnings from unconsolidated affiliates			28.9		28.9
Earnings from consolidated subsidiaries	168.0	209.9		(377.9)	
Income before income taxes	168.0	168.0	215.9	(377.9)	174.0
Income tax expense			(1.0)		(1.0)
Net income	168.0	168.0	214.9	(377.9)	173.0
Net income attributable to noncontrolling interests			(5.0)		(5.0)
Net income attributable to partners	\$ 168.0	\$ 168.0	\$ 209.9	\$ (377.9)	\$ 168.0

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Years Ended December 31, 2012, 2011 and 2010 (Continued)

	Condensed Consolidating Statement of Comprehensive Income				
	Year Ended December 31, 2012				
	Parent Guarantor	Subsidiary Issuer	Non-Guarantor Subsidiaries (Millions)	Consolidating Adjustments	Consolidated
Net income	\$ 168.0	\$ 168.0	\$ 214.9	\$ (377.9)	\$ 173.0
Other comprehensive income:					
Reclassification of cash flow hedge losses into earnings		10.6			10.6
Net unrealized (losses) gains on cash flow hedges		(0.7)	0.8		0.1
Net unrealized (losses) gains on cash flow hedges predecessor operations			(0.6)		(0.6)
Other comprehensive income from consolidated subsidiaries	10.1	0.2		(10.3)	
Total other comprehensive income	10.1	10.1	0.2	(10.3)	10.1
Total comprehensive income	178.1	178.1	215.1	(388.2)	183.1
Total comprehensive income attributable to noncontrolling interests			(5.0)		(5.0)
Total comprehensive income attributable to partners	\$ 178.1	\$ 178.1	\$ 210.1	\$ (388.2)	\$ 178.1

Table of Contents**DCP MIDSTREAM PARTNERS, LP****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****Years Ended December 31, 2012, 2011 and 2010 (Continued)**

	Condensed Consolidating Statements of Operations Year Ended December 31, 2011 (a)				Consolidated
	Parent Guarantor	Subsidiary Issuer	Non-Guarantor Subsidiaries (Millions)	Consolidating Adjustments	
Operating revenues:					
Sales of natural gas, propane, NGLs and condensate	\$	\$	\$ 2,178.5	\$	\$ 2,178.5
Transportation, processing and other			172.2		172.2
Gains from commodity derivative activity, net			7.7		7.7
Total operating revenues			2,358.4		2,358.4
Operating costs and expenses:					
Purchases of natural gas, propane and NGLs			1,933.0		1,933.0
Operating and maintenance expense			125.7		125.7
Depreciation and amortization expense			100.6		100.6
General and administrative expense			48.3		48.3
Other income			(0.5)		(0.5)
Total operating costs and expenses			2,207.1		2,207.1
Operating income			151.3		151.3
Interest expense, net		(33.5)	(0.4)		(33.9)
Earnings from unconsolidated affiliates			22.7		22.7
Earnings from consolidated subsidiaries	120.8	154.3		(275.1)	
Income before income taxes	120.8	120.8	173.6	(275.1)	140.1
Income tax expense			(0.5)		(0.5)
Net income	120.8	120.8	173.1	(275.1)	139.6
Net income attributable to noncontrolling interests			(18.8)		(18.8)
Net income attributable to partners	\$ 120.8	\$ 120.8	\$ 154.3	\$ (275.1)	\$ 120.8

Table of Contents**DCP MIDSTREAM PARTNERS, LP****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****Years Ended December 31, 2012, 2011 and 2010 (Continued)**

	Condensed Consolidating Statements of Comprehensive Income				
	Year Ended December 31, 2011 (a)				
	Parent Guarantor	Subsidiary Issuer	Non-Guarantor Subsidiaries (Millions)	Consolidating Adjustments	Consolidated
Net income	\$ 120.8	\$ 120.8	\$ 173.1	\$ (275.1)	\$ 139.6
Other comprehensive income (loss):					
Reclassification of cash flow hedges into earnings		20.4	0.3		20.7
Net unrealized losses on cash flow hedges		(12.4)	(0.9)		(13.3)
Net unrealized losses on cash flow hedges predecessor operations			(1.8)		(1.8)
Other comprehensive income (loss) from consolidated subsidiaries	5.6	(2.4)		(3.2)	
Total other comprehensive income (loss)	5.6	5.6	(2.4)	(3.2)	5.6
Total comprehensive income	126.4	126.4	170.7	(278.3)	145.2
Total comprehensive income attributable to noncontrolling interests			(18.8)		(18.8)
Total comprehensive income attributable to partners	\$ 126.4	\$ 126.4	\$ 151.9	\$ (278.3)	\$ 126.4

- (a) The financial information as of December 31, 2011 includes the results of Southeast Texas, a transfer of net assets between entities under common control that was accounted for as if the transfer occurred at the beginning of the period, and prior years are retrospectively adjusted to furnish comparative information similar to the pooling method.

Table of Contents**DCP MIDSTREAM PARTNERS, LP****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****Years Ended December 31, 2012, 2011 and 2010 (Continued)****Condensed Consolidating Statements of Operations
Year Ended December 31, 2010 (a)**

	Parent Guarantor	Subsidiary Issuer	Non- Guarantor Subsidiaries (Millions)	Consolidating Adjustments	Consolidated
Operating revenues:					
Sales of natural gas, propane, NGLs and condensate	\$	\$	\$ 1,975.1	\$	\$ 1,975.1
Transportation, processing and other			130.3		130.3
Gains from commodity derivative activity, net			3.0		3.0
Total operating revenues			2,108.4		2,108.4
Operating costs and expenses:					
Purchases of natural gas, propane and NGLs			1,783.1		1,783.1
Operating and maintenance expense			98.3		98.3
Depreciation and amortization expense			88.1		88.1
General and administrative expense		0.2	45.6		45.8
Step acquisition equity interest re-measurement gain			(9.1)		(9.1)
Other income			(5.0)		(5.0)
Total operating costs and expenses		0.2	2,001.0		2,001.2
Operating (loss) income		(0.2)	107.4		107.2
Interest expense, net		(28.8)	(0.3)		(29.1)
Earnings from unconsolidated affiliates			23.8		23.8
Earnings from consolidated subsidiaries	91.2	120.2		(211.4)	
Income before income taxes	91.2	91.2	130.9	(211.4)	101.9
Income tax expense			(1.5)		(1.5)
Net income	91.2	91.2	129.4	(211.4)	100.4
Net income attributable to noncontrolling interests			(9.2)		(9.2)
Net income attributable to partners	\$ 91.2	\$ 91.2	\$ 120.2	\$ (211.4)	\$ 91.2

Table of Contents**DCP MIDSTREAM PARTNERS, LP****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****Years Ended December 31, 2012, 2011 and 2010 (Continued)****Condensed Consolidating Statements of Comprehensive Income
Year Ended December 31, 2010 (a)**

	Parent Guarantor	Subsidiary Issuer	Non- Guarantor Subsidiaries (Millions)	Consolidating Adjustments	Consolidated
Net income	\$ 91.2	\$ 91.2	\$ 129.4	\$ (211.4)	\$ 100.4
Other comprehensive income:					
Reclassification of cash flow hedges into earnings		22.4	0.5		22.9
Net unrealized losses on cash flow hedges		(18.7)			(18.7)
Other comprehensive income (loss) from consolidated subsidiaries	4.2	0.5		(4.7)	
Total other comprehensive income	4.2	4.2	0.5	(4.7)	4.2
Total comprehensive income	95.4	95.4	129.9	(216.1)	104.6
Total comprehensive income attributable to noncontrolling interests			(9.2)		(9.2)
Total comprehensive income attributable to partners	\$ 95.4	\$ 95.4	\$ 120.7	\$ (216.1)	\$ 95.4

- (a) The financial information as of December 31, 2010 includes the results of our 100% interest in Southeast Texas and commodity derivative hedge instruments related to the Southeast Texas storage business. These transfers of net assets between entities under common control were accounted for as if the transfers occurred at the beginning of the period, and prior years were retrospectively adjusted to furnish comparative information similar to the pooling method.

Table of Contents**DCP MIDSTREAM PARTNERS, LP****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Years Ended December 31, 2012, 2011 and 2010 (Continued)

	Condensed Consolidating Statements of Cash Flows Year Ended December 31, 2012				Consolidated
	Parent Guarantor	Subsidiary Issuer	Non-Guarantor Subsidiaries (Millions)	Consolidating Adjustments	
OPERATING ACTIVITIES					
Net cash (used in) provided by operating activities	\$ (273.9)	\$ (865.8)	\$ 1,265.2	\$ (0.6)	\$ 124.9
INVESTING ACTIVITIES:					
Capital expenditures			(200.4)		(200.4)
Acquisitions, net of cash acquired			(687.4)		(687.4)
Investments in unconsolidated affiliates			(184.0)		(184.0)
Return of investment from unconsolidated affiliate			1.0		1.0
Proceeds from sale of assets			0.3		0.3
Net cash used in investing activities			(1,070.5)		(1,070.5)
FINANCING ACTIVITIES:					
Proceeds from debt		2,664.8			2,664.8
Payments of debt		(1,791.5)			(1,791.5)
Payment of deferred financing costs		(7.7)			(7.7)
Proceeds from issuance of common units, net of offering costs	455.2				455.2
Excess purchase price over acquired unconsolidated affiliates and NGL Hedges			(192.8)		(192.8)
Net change in advances to predecessor from DCP Midstream LLC			(11.5)		(11.5)
Distributions to common unitholders and general partner	(181.3)				(181.3)
Distributions to noncontrolling interests			(6.2)		(6.2)
Contributions from DCP Midstream, LLC			10.3		10.3
Net cash provided by (used in) financing activities	273.9	865.6	(200.2)		939.3
Net change in cash and cash equivalents		(0.2)	(5.5)	(0.6)	(6.3)
Cash and cash equivalents, beginning of year		3.6	6.4	(2.4)	7.6
Cash and cash equivalents, end of year	\$	\$ 3.4	\$ 0.9	\$ (3.0)	\$ 1.3

Table of Contents**DCP MIDSTREAM PARTNERS, LP****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****Years Ended December 31, 2012, 2011 and 2010 (Continued)**

	Condensed Consolidating Statements of Cash Flows				Consolidated
	Parent Guarantor	Subsidiary Issuer	Non-Guarantor Subsidiaries (Millions)	Consolidating Adjustments	
OPERATING ACTIVITIES					
Net cash (used in) provided by operating activities	\$ (37.3)	\$ (92.7)	\$ 391.7	\$ (0.9)	\$ 260.8
INVESTING ACTIVITIES:					
Capital expenditures			(165.7)		(165.7)
Acquisitions, net of cash acquired			(174.8)		(174.8)
Investments in unconsolidated affiliates			(7.0)		(7.0)
Return of investment from unconsolidated affiliate			1.6		1.6
Proceeds from sale of assets			5.2		5.2
Net cash used in investing activities			(340.7)		(340.7)
FINANCING ACTIVITIES:					
Proceeds from debt		1,524.0			1,524.0
Payments of debt		(1,425.0)			(1,425.0)
Payment of deferred financing costs		(4.2)			(4.2)
Proceeds from issuance of common units, net of offering costs	169.7				169.7
Excess purchase price over acquired unconsolidated affiliates			(35.7)		(35.7)
Net change in advances to predecessor from DCP Midstream, LLC			10.9		10.9
Distributions to common unitholders and general partner	(132.4)				(132.4)
Distributions to noncontrolling interests			(44.8)		(44.8)
Contributions from noncontrolling interests			18.3		18.3
Net cash provided by (used in) financing activities	37.3	94.8	(51.3)		80.8
Net change in cash and cash equivalents		2.1	(0.3)	(0.9)	0.9
Cash and cash equivalents, beginning of year		1.5	6.7	(1.5)	6.7
Cash and cash equivalents, end of year	\$	\$ 3.6	\$ 6.4	\$ (2.4)	\$ 7.6

- (a) The financial information as of December 31, 2011 includes the results of our 100% interest in Southeast Texas and commodity derivative hedge instruments related to the Southeast Texas storage business. These transfers of net assets between entities under common control were accounted for as if the transfers occurred at the beginning of the period, and prior years were retrospectively adjusted to furnish comparative information similar to the pooling method.

Table of Contents**DCP MIDSTREAM PARTNERS, LP****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Years Ended December 31, 2012, 2011 and 2010 (Continued)

	Condensed Consolidating Statements of Cash Flows Year Ended December 31, 2010 (a)				Consolidated
	Parent Guarantor	Subsidiary Issuer	Non-Guarantor Subsidiaries (Millions)	Consolidating Adjustments	
OPERATING ACTIVITIES					
Net cash (used in) provided by operating activities	\$ (87.4)	\$ (42.9)	\$ 293.4	\$ (0.7)	\$ 162.4
INVESTING ACTIVITIES:					
Capital expenditures			(75.9)		(75.9)
Acquisitions, net of cash acquired			(282.1)		(282.1)
Investments in unconsolidated affiliates			(2.3)		(2.3)
Return of investment from unconsolidated affiliate			1.2		1.2
Proceeds from sale of assets			3.5		3.5
Proceeds from sales of available-for-sale securities		10.1			10.1
Net cash provided by (used in) investing activities		10.1	(355.6)		(345.5)
FINANCING ACTIVITIES:					
Proceeds from debt		868.2			868.2
Payments of debt		(833.4)			(833.4)
Payment of deferred financing costs		(2.1)			(2.1)
Proceeds from issuance of common units, net of offering costs	189.3				189.3
Net change in advances to predecessor from DCP Midstream, LLC			82.3		82.3
Distributions to common unitholders and general partner	(101.9)				(101.9)
Distributions to noncontrolling interests			(25.6)		(25.6)
Contributions from noncontrolling interests			13.8		13.8
Contributions from DCP Midstream, LLC			0.6		0.6
Purchase of additional interest in a subsidiary			(3.5)		(3.5)
Net cash provided by (used in) financing activities	87.4	32.7	67.6		187.7
Net change in cash and cash equivalents		(0.1)	5.4	(0.7)	4.6
Cash and cash equivalents, beginning of year		1.6	1.3	(0.8)	2.1
Cash and cash equivalents, end of year	\$	\$ 1.5	\$ 6.7	\$ (1.5)	\$ 6.7

(a)

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The financial information as of December 31, 2010 includes the results of our 100% interest in Southeast Texas and commodity derivative hedge instruments related to the Southeast Texas storage business. These transfers of net assets between entities under common control were accounted for as if the transfers occurred at the beginning of the period, and prior years were retrospectively adjusted to furnish comparative information similar to the pooling method.

Table of Contents**DCP MIDSTREAM PARTNERS, LP****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

Years Ended December 31, 2012, 2011 and 2010 (Continued)

21. Valuation and Qualifying Accounts and Reserves

Our valuation and qualifying accounts and reserves for the years ended December 31, 2012, 2011 and 2010 are as follows:

	Balance at Beginning of Period	Charged to Consolidated Statements of Operations	Charged to Other Accounts (Millions)	Deductions/ Other	Balance at End of Period
December 31, 2012					
Allowance for doubtful accounts	\$ 0.3	\$	\$	\$	\$ 0.3
Environmental	2.0	0.1		(0.2)	1.9
Litigation					
Other (a)	0.5			(0.3)	0.2
	\$ 2.8	\$ 0.1	\$	\$ (0.5)	\$ 2.4
December 31, 2011					
Allowance for doubtful accounts	\$ 0.5	\$	\$	\$ (0.2)	\$ 0.3
Environmental	1.9	0.4		(0.3)	2.0
Litigation	0.2	0.1		(0.3)	
Other (a)		0.5			0.5
	\$ 2.6	\$ 1.0	\$	\$ (0.8)	\$ 2.8
December 31, 2010					
Allowance for doubtful accounts	\$ 0.5	\$	\$	\$	\$ 0.5
Environmental	1.1	1.0		(0.2)	1.9
Litigation	2.4	0.3		(2.5)	0.2
Other (a)	0.1		1.0	(1.1)	
	\$ 4.1	\$ 1.3	\$ 1.0	\$ (3.8)	\$ 2.6

- (a) Principally consists of reserves against other long-term assets, which are included in other long-term assets, and other contingency liabilities, which are included in other current liabilities, and the recognition and re-measurement of the fair value of contingent consideration.

22. Subsequent Events

On January 28, 2013, we announced that the board of directors of DCP Midstream GP, LLC declared a quarterly distribution of \$0.69 per unit, which was paid on February 14, 2013, to unitholders of record on February 7, 2013.

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On February 27, 2013, we entered into an agreement with DCP Midstream, LLC to acquire an additional 46.67% interest in DCP SC Texas GP, or the Eagle Ford system, and a fixed price commodity derivative hedge for a three-year period for aggregate consideration of \$626.0 million, subject to customary working capital and other purchase price adjustments. We will also contribute our proportionate share of the capital spent to date to the Eagle Ford system for the construction of the Goliad plant, plus an incremental payment of \$23.3 million. DCP Midstream, LLC will also provide a twenty-seven month direct commodity price hedge for our additional 46.67% interest in the project. The transaction is expected to close in March 2013.

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Item 9. *Changes in and Disagreements with Accountants on Accounting and Financial Disclosure*

There were no changes in or disagreements with accountants on accounting and financial disclosures during the year ended December 31, 2012.

Item 9A. *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 Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified by the Commission's rules and forms, and that information is accumulated and communicated to the management of our general partner, including our general partner's principal executive and 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 December 31, 2012, pursuant to Rule 13a-15(b) under the Exchange Act. Based upon that evaluation, the Certifying Officers concluded that, as of December 31, 2012, our disclosure controls and procedures were effective at a reasonable assurance level. 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 fourth quarter of 2012 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Annual Report On Internal Control Over Financial Reporting

Our general partner is responsible for establishing and maintaining an adequate system of internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Our internal control system was designed to provide reasonable assurance to our management and board of directors of our general partner regarding the preparation and fair presentation of published financial statements.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies and procedures may deteriorate.

Our management, including our Chief Executive Officer and Chief Financial Officer, has conducted an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2012 based on the framework in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on that evaluation, management concluded that our internal control over financial reporting was effective as of December 31, 2012.

Deloitte & Touche, LLP, an independent registered public accounting firm, has issued their report, included immediately following, regarding our internal control over financial reporting.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of

DCP Midstream GP, LLC

Denver, Colorado

We have audited the internal control over financial reporting of DCP Midstream Partners, LP and subsidiaries (the Company) as of December 31, 2012, based on criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2012, based on the criteria established in *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2012 of the Company and our report dated February 27, 2013 expressed an unqualified opinion on those consolidated financial statements and includes explanatory paragraphs referring to (a) the preparation of the portion of the DCP Midstream Partners, LP consolidated financial statements attributable to Discovery Producer Services, LLC, (b) the retrospective adjustment for the acquisition by DCP Midstream Partners, LP of the 100% ownership interest in DCP Southeast Texas Holdings, GP, of which 33.33% and 66.67% was acquired on January 1, 2011 and March 30, 2012, respectively, from DCP Midstream, LLC, which was accounted for in a

manner similar to a pooling of interests, and (c) the preparation of the portion of the consolidated financial

statements attributable to DCP Southeast Texas Holdings, GP from the separate records maintained by DCP Midstream, LLC.

/s/ Deloitte & Touche LLP

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Denver, Colorado

February 27, 2013

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Item 9B. *Other Information*

No information was required to be disclosed in a report on Form 8-K, but not so reported, for the quarter ended December 31, 2012.

PART III

Item 10. *Directors, Executive Officers and Corporate Governance*
Management of DCP Midstream Partners, LP

We do not have directors or officers, which is commonly the case with publicly traded partnerships. Our operations and activities are managed by our general partner, DCP Midstream GP, LP, which in turn is managed by its general partner, DCP Midstream GP, LLC, which we refer to as our General Partner. Our General Partner is wholly-owned by DCP Midstream, LLC. The officers and directors of our General Partner are responsible for managing us. All of the directors of our General Partner are elected annually by DCP Midstream, LLC and all of the officers of our General Partner serve at the discretion of the directors. Unitholders are not entitled to participate, directly or indirectly, in our management or operations.

Board of Directors and Officers

The board of directors of our General Partner that oversees our operations currently has nine members, four of whom are independent as defined under the independence standards established by the NYSE. The NYSE does not require a listed limited partnership like us to have a majority of independent directors on its general partner's board of directors or to establish a compensation committee or a nominating committee. However, the board of directors of our General Partner has established an audit committee consisting of four independent members of the board, a special committee to address conflict situations and a compensation committee. However, the compensation committee was discontinued starting in 2013 and compensation decisions are now made by the board of directors with recommendations by the compensation committee of the board of directors of DCP Midstream, LLC.

Our General Partner's board of directors annually reviews the independence of directors and affirmatively makes a determination that each director expected to be independent has no material relationship with our General Partner, either directly or indirectly as a partner, unitholder or officer of an organization that has a relationship with our General Partner.

The executive officers of our General Partner are responsible for establishing and executing strategic business and operation plans and managing the day-to-day affairs of our business and devoting all of their time to our business and affairs, except Mark A. Borer, the former CEO and President, who devoted more than 90% of his time to our business and affairs. In August 2012, the board of directors of our General Partner appointed William S. Waldheim as President and on January 1, 2013, appointed Wouter T. van Kempen as CEO. Mr. van Kempen is also the President and CEO of DCP Midstream, LLC, the owner of the General Partner. Mr. Waldheim will devote all of his time to our business and affairs. Mr. van Kempen is expected to spend less than 10% of his time on our matters and we will reimburse DCP Midstream, LLC for the allocated portion of his time that he spends on our matters in the Services Agreement, which we expect to be less than \$100,000 in 2013. We also utilize employees of DCP Midstream, LLC to operate our business and provide us with general and administrative services that are reimbursed to DCP Midstream, LLC under the Services Agreement.

We currently expect that after March 1, 2013, Mr. O Connor will retire from DCP Midstream, LLC and become a non-executive Chairman of the board of directors of our General Partner. In connection with that change, Mr. O Connor will be a party to an agreement with DCP Midstream, LLC pursuant to which DCP Midstream, LLC will compensate Mr. O Connor for his services to us and DCP Midstream, LLC in an amount equal to \$13,886 per month through the end of 2013, plus two bonus retention payments of \$500,000 each for his service as non-executive Chairman of the board of directors of our General Partner.

Meeting Attendance and Preparation

The board of directors met 10 times in 2012 and members of the board of directors attended at least 75% of regular and special meetings and meetings of the committees on which they serve, either in person or

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telephonically, during 2012. In addition, directors are expected to be prepared for each meeting of the board by reviewing materials distributed in advance.

Directors and Executive Officers

The following table shows information regarding the current directors and the executive officers of DCP Midstream GP, LLC. Directors are elected for one-year terms.

Name	Age	Position with DCP Midstream GP, LLC
Thomas C. O Connor	57	Chairman of the Board and Director
Wouter T. van Kempen	43	Chief Executive Officer
William S. Waldheim	56	President and Director
Rose M. Robeson	52	Senior Vice President and Chief Financial Officer
Michael S. Richards	53	Vice President, General Counsel and Secretary
Paul F. Ferguson, Jr.	63	Director
R. Mark Fiedorek	50	Director
Greg G. Maxwell	56	Director
Frank A. McPherson	79	Director
Thomas C. Morris	72	Director
Stephen R. Springer	66	Director
Andy Viens	58	Director

Directors hold office for one year or until the earlier of their death, resignation, removal or disqualification or until their successors have been elected and qualified. Officers serve at the discretion of the board of directors. There are no family relationships among any of the directors or executive officers.

Thomas C. O Connor was elected Chairman of the Board of DCP Midstream GP, LLC in September 2008, and has been a director of DCP Midstream GP, LLC since December 2007. Mr. O Connor has over 21 years of experience in the natural gas industry with Duke Energy prior to joining DCP Midstream, LLC in November 2007 as Chairman of the Board, President and CEO. Mr. O Connor resigned as President and CEO of DCP Midstream, LLC in January 2013, but remains as Chairman of the Board. Mr. O Connor joined Duke Energy in 1987 where he served in a variety of positions in the company's natural gas and pipeline operations units. After serving in a number of leadership positions with Duke Energy, he was named President and Chief Executive Officer of Duke Energy Gas Transmission in 2002 and he was named Group Vice President of corporate strategy at Duke Energy in 2005. In 2006, he became Group Executive and Chief Operating Officer of U.S. Franchised Electric and Gas and later in 2006, was named Group Executive and President of Commercial Businesses at Duke Energy. Mr. O Connor has served on the board of directors of Tesoro Logistics, LP since 2011.

Wouter T. van Kempen was elected Chief Executive Officer of DCP Midstream GP, LLC on January 1, 2013. Mr. van Kempen is also the President and Chief Executive Officer for DCP Midstream, LLC, the owner of our General Partner, since January 1, 2013. Mr. van Kempen was previously the President and Chief Operating Officer of DCP Midstream, LLC from September 2012 until January 1, 2013. Prior to that time, Mr. van Kempen was President, Gathering and Processing, of DCP Midstream from January 2012 to August 2012, President, Midcontinent & Permian Business Units, and Chief Development Officer from June 2011 to December 2011 and President, Midcontinent, and Chief Development Officer from August 2010 to May 2011. Prior to joining DCP Midstream in 2010, Mr. van Kempen was President of Duke Energy Generation Services from September 2006 to July 2010 and Vice President of Mergers and Acquisitions from December 2005 to September 2006. Mr. van Kempen joined Duke Energy in 2003 and served in a number of management positions. Prior to Duke Energy, Mr. van Kempen was employed by General Electric, where he served in increasing roles of responsibility becoming the staff executive for corporate mergers and acquisitions in 1999. Mr. Van Kempen graduated from Erasmus University Rotterdam with a master's degree in business economics. He has extensive business and financial training from General Electric, Harvard Business School, Kellogg Graduate School and IMD International Switzerland.

William S. Waldheim was elected President of DCP Midstream GP, LLC in September 2012 and was elected as a director in January 2013. Prior to that time, Mr. Waldheim was President, NGL, of DCP

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Midstream, LLC and served in that position since 2011. Prior to that time, Mr. Waldheim was President of DCP Midstream, LLC's northern business unit since 2009 where he was responsible for executive management of commercial and operations of the assets in the Midcontinent, Rocky Mountain, Michigan and Gulf Coast regions as well as the downstream marketing of gas, NGLs and condensate. From 1999 to 2009, Mr. Waldheim served in a variety of commercial and operational executive management positions at DCP Midstream. Prior to joining DCP Midstream, Mr. Waldheim served in a number of executive management positions with Union Pacific Fuels, Inc. Mr. Waldheim has over 30 years of experience in the energy industry and has previously served on the boards of various energy industry groups including the National Propane Gas Association and the Propane Education & Research Council. Mr. Waldheim currently serves on the board of directors of the Colorado Oil & Gas Association and the Rocky Mountain Chapter of Junior Achievement.

Rose M. Robeson was elected Senior Vice President and CFO of DCP Midstream GP, LLC in May 2012. Ms. Robeson was previously Group Vice President and Chief Financial Officer of DCP Midstream, LLC, from February 2002 through May 2012. Prior to that time, she was Vice President, Treasurer of DCP Midstream, LLC from 2000 to 2002. Prior to joining DCP Midstream, LLC, Ms. Robeson was with Kinder Morgan (formerly KN Energy, Inc.) from 1996 to 2000, where she served as Vice President and Treasurer from 1998 to 2000. Prior to that time, she served in a number of finance positions at Total Petroleum (North America) Ltd. from 1987 to 1996. She began her career as a certified public accountant with Ernst & Young. Ms. Robeson has over 30 years of experience in finance and over 25 years of experience in the energy industry.

Michael S. Richards was elected Vice President, General Counsel and Secretary of DCP Midstream GP, LLC in September 2005. Mr. Richards was previously Assistant General Counsel and Assistant Secretary of DCP Midstream, LLC since February 2000. He was previously Assistant General Counsel and Assistant Secretary at KN Energy, Inc. from December 1997 until he joined DCP Midstream, LLC. Prior to that, he was Senior Counsel and Risk Manager at Total Petroleum (North America) Ltd. from 1994 through 1997. Mr. Richards was previously in private practice where he focused on securities and corporate finance.

Paul F. Ferguson, Jr. was elected as a director of DCP Midstream GP, LLC in November 2005. Mr. Ferguson currently serves as Chairman of the Audit Committee of the board of directors. He served as Senior Vice President and Treasurer of Duke Energy from June 1997 to June 1998, when he retired. Mr. Ferguson served as Senior Vice President and Chief Financial Officer of PanEnergy Corp. from September 1995 to June 1997. He held various other financial positions with PanEnergy Corp. from 1989 to 1995 and served as Treasurer of Texas Eastern Corporation from 1988 to 1989. Mr. Ferguson was a director of the general partner of TEPPCO Partners, L.P. where he was a member of the compensation, audit and special committees from October 2004 until his resignation in 2005.

R. Mark Fiedorek was elected as a director of DCP Midstream GP, LLC in May 2012. Mr. Fiedorek is currently the President of Spectra Energy Transmission's western Canadian operations, a position he has been in since January 2013. Mr. Fiedorek joined Spectra Energy in 1988 and has served in a number of management positions primarily in the supply, planning, operations and marketer services areas.

Greg G. Maxwell was elected as a director of DCP Midstream GP, LLC in May 2012. Mr. Maxwell is the Executive Vice President and Chief Financial Officer for Phillips 66. Prior to being named to his current role, Mr. Maxwell served as Senior Vice President, Chief Financial Officer and Controller for Chevron Phillips Chemical Company, where he also previously served as Vice President and Controller from 2000. Prior to joining Chevron Phillips Chemical Company, Mr. Maxwell was at Phillips Petroleum Company since 1978 where he served in a number of staff accounting and corporate development positions with increasing responsibility.

Frank A. McPherson was elected as a director of DCP Midstream GP, LLC in December 2005. Mr. McPherson retired as Chairman and Chief Executive Officer from Kerr McGee Corporation in 1997 after a 40-year career with the company. Mr. McPherson was Chairman and Chief Executive Officer of Kerr McGee from 1983 to 1997. Prior to that, he served in various capacities in management of Kerr McGee. Mr. McPherson joined Kerr McGee in 1957. Mr. McPherson served on the boards of Tri Continental Corporation, Seligman Group of Mutual Funds, ConocoPhillips, Kimberly Clark Corporation, MAPCO Inc., Bank of Oklahoma, the Federal Reserve Bank of Kansas City and the American Petroleum Institute. He also served on the boards of several non-profit organizations in Oklahoma.

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Thomas C. Morris was elected as a director of DCP Midstream GP, LLC in December 2005. Mr. Morris is currently retired, having served 34 years with Phillips Petroleum Company. Mr. Morris served in various capacities with Phillips, including Vice President and Treasurer and subsequently Senior Vice President and Chief Financial Officer from 1994 until his retirement in 2001. Mr. Morris served as Vice Chairman of the board of OK Mozart, is a former member of the executive board of the American Petroleum Institute finance committee and a former member of the Business Development Council of Texas A&M University.

Stephen R. Springer was elected as a director of DCP Midstream GP, LLC in July 2007. Mr. Springer currently serves as chairman of the Special Committee of the board of Directors which addresses conflict situations. He began his career at Texas Gas Transmission Corporation, where he served in a variety of executive management positions within gas acquisitions and gas marketing. After serving as President of Transco Gas Marketing Company, he served as Vice President of Business Development at Williams Field Services Company and then Senior Vice President and General Manager of Williams Midstream Division, the position he held until his retirement in 2002. Mr. Springer has served on the board of directors of Atmos Energy Corporation (NYSE: ATO) since 2005.

Andy Viens was elected as a director of DCP Midstream GP, LLC in July 2012. Mr. Viens is currently the President of Global Marketing for Phillips 66. Prior to being named to his current role, Mr. Viens served as President of Global Marketing for ConocoPhillips since 2010. Prior to that time, Mr. Viens served in a variety of capacities at ConocoPhillips including as President, U.S. Marketing and General Manager, Commercial Marine. Prior to joining ConocoPhillips, he was with Tosco where he served in various marketing roles.

Director Experience and Qualifications

Directors are appointed annually by DCP Midstream, LLC and hold office for one year or until the earlier of their death, resignation, removal or disqualification and until their successors have been elected and qualified. DCP Midstream, LLC evaluates and recommends candidates for membership on the board of directors based on criteria established thereby. When evaluating director candidates, nominees and incumbent directors, DCP Midstream, LLC has informed us that it considers, among other things, educational background, knowledge of our business and industry, professional reputation, independence, and ability to represent the best interests of our unitholders. DCP Midstream, LLC and the board of directors believe that the above-mentioned attributes, along with the leadership skills and experience in the midstream natural gas industry, provide the Partnership with a capable and knowledgeable board of directors.

Thomas C. O Connor We believe Mr. O Connor is a suitable member of the board of directors as he brings to the company over two decades of industry experience, and has significant management experience in natural gas and pipeline transmission operations.

William S. Waldheim We believe Mr. Waldheim is a suitable member of the board of directors because of his extensive industry experience and his extensive knowledge and experience about our assets as President of DCP Midstream GP, LLC and in his prior management experience with DCP Midstream, LLC.

Paul F. Ferguson, Jr. We believe that Mr. Ferguson is a suitable member of the board of directors because of his extensive industry experience. Mr. Ferguson has held various financial positions with PanEnergy Corp., and the knowledge of industry accounting and financial practices he gained through such experience, coupled with his accounting background and his CPA designation, make him valuable to the board of directors understanding of the Partnership's financial data and its implications to the future strategic planning of the Partnership. Mr. Ferguson also provides insight to the board of directors as to the Partnership's financial compliance and reporting obligations. Because Mr. Ferguson has served as a director since 2005, he brings to the board of directors, valuable historical perspective of board and company operations.

R. Mark Fiedorek We believe that Mr. Fiedorek is a suitable member of the board of directors because of his extensive industry experience and executive management experience including his positions with Spectra Energy in natural gas transmission, and in the supply, operations and marketing of natural gas.

Andy Viens We believe that Mr. Viens is a suitable member of the board of directors because of his extensive industry experience and executive management experience including his marketing positions at Phillips 66 and ConocoPhillips.

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Greg G. Maxwell We believe that Mr. Maxwell is a suitable member of the board of directors because of his extensive industry experience and the knowledge of industry accounting and financial practices he has gained as CFO for Phillips 66 and prior to that, as CFO and controller for Chevron Phillips Chemical Company.

Frank A. McPherson We believe that Mr. McPherson is a suitable member of the board of directors because of his extensive industry and executive management experience, spanning over a period of 50 years. In addition, Mr. McPherson's prior public company board experience provides the board of directors with valuable insight into corporate governance and compliance matters. Because Mr. McPherson has served as a director since 2005, he also brings to the board of directors, valuable historical perspective of board and company operations.

Thomas C. Morris We believe that Mr. Morris is a suitable member of the board of directors because of the industry knowledge and experience gained during his 34 years of service with Phillips Petroleum Company. In addition, Mr. Morris' background in finance and accounting, coupled with his previous role as Chief Financial Officer of Phillips Petroleum Company, are invaluable to the board of directors understanding of the Partnership's financial data and its implications to the future strategic planning of the Partnership. Because Mr. Morris has served as a director since 2005, he also brings to the board of directors, valuable historical perspective of board and company operations.

Stephen R. Springer We believe that Mr. Springer is a suitable member of the board of directors because of his extensive industry experience, including natural gas acquisitions, natural gas marketing, natural gas gathering and processing, NGL transportation and business development. In addition, Mr. Springer's prior public company board experience provides the board of directors with valuable insight into public company operations, corporate governance and compliance matters.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934 requires DCP Midstream GP, LLC's directors and executive officers, and persons who own more than 10% of any class of our equity securities, to file with the Securities and Exchange Commission, or SEC, and the NYSE initial reports of ownership and reports of changes in ownership of our common units and our other equity securities. Specific due dates for those reports have been established, and we are required to report herein any failure to file reports by those due dates. Directors, executive officers and greater than 10% unitholders are also required by SEC regulations to furnish us with copies of all Section 16(a) reports they file. To our knowledge, based solely on a review of the copies of reports and amendments thereto, furnished to us and written representations that no other reports were required during the fiscal year ended December 31, 2012, all Section 16(a) filing requirements applicable to such reporting persons were complied with except that William Waldheim, an executive officer, filed an amended Form 3 on September 24, 2012 that included the late reporting of 1,098 Common Units that had been omitted from his Form 3 filed on September 6, 2012.

Audit Committee

The board of directors of our General Partner has a standing audit committee. The audit committee is composed of four non-management directors, Paul F. Ferguson, Jr. (chairman), Frank A. McPherson, Thomas C. Morris and Stephen R. Springer, each of whom is able to understand fundamental financial statements and at least one of whom has past experience in accounting or related financial management experience. The board has determined that each member of the audit committee is independent under Section 303A.02 of the NYSE listing standards and Section 10A(m)(3) of the Securities Exchange Act of 1934, as amended. In making the independence determination, the board considered the requirements of the NYSE and our Code of Business Ethics. Among other factors, the board considered current or previous employment with us, our auditors or their affiliates by the director or his immediate family members, ownership of our voting securities, and other material relationships with us. The audit committee has adopted a charter, which has been ratified and approved by the board of directors.

With respect to material relationships, the following relationships are not considered to be material for purposes of assessing independence: service as an officer, director, employee or trustee of, or greater than five percent beneficial ownership in (a) a supplier to the Partnership if the annual sales to the Partnership are less

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than one percent of the sales of the supplier; (b) a lender to the Partnership if the total amount of the Partnership's indebtedness is less than one percent of the total consolidated assets of the lender; or (c) a charitable organization if the total amount of the Partnership's annual charitable contributions to the organization are less than three percent of that organization's annual charitable receipts.

Mr. Ferguson has been designated by the board as the audit committee's financial expert meeting the requirements promulgated by the SEC and set forth in Item 407(d) of Regulation S-K of the Securities Exchange Act of 1934, as amended, based upon his education and employment experience as more fully detailed in Mr. Ferguson's biography set forth above.

Special Committee

The board of directors of our General Partner has a standing special committee, which is comprised of four non-management directors, Stephen R. Springer (chairman), Paul F. Ferguson, Jr., Frank A. McPherson and Thomas C. Morris. The special committee will review specific matters that the board believes may involve conflicts of interest. The special committee will determine if the resolution of the conflict of interest is fair and reasonable to us, or on grounds no less favorable to us than generally available from unrelated third parties. The special committee meets at each quarterly meeting of the board of directors. The members of the special committee may not be officers or employees of our General Partner or directors, officers or employees of its affiliates. Each of the members of the special committee meet the independence and experience standards established by the NYSE and the Securities Exchange Act of 1934, as amended. Any matters approved by the special committee will be conclusively deemed to be fair and reasonable to us, approved by all of our partners, and not a breach by our General Partner of any duties it may owe us or our unitholders.

Compensation Committee

The board of directors of our General Partner had a standing compensation committee through 2012. The compensation committee was discontinued starting in 2013 and compensation decisions are now made by the board of directors. The board of directors will now oversee compensation decisions for the officers of our General Partner and administer the Long-Term Incentive Plan, selecting individuals to be granted equity-based awards from among those eligible to participate.

Corporate Governance Guidelines and Code of Business Ethics

Our board of directors has adopted Corporate Governance Guidelines that outline the important policies and practices regarding our governance.

We have adopted a Code of Business Ethics applicable to the persons serving as our directors, officers (including without limitation, the chief executive officer, chief financial officer and principal accounting officer) and employees, which includes the prompt disclosure to the SEC of a current report on Form 8-K of any waiver of the code for executive officers or directors approved by the board of directors.

Copies of our Corporate Governance Guidelines, our Code of Business Ethics, our Audit Committee Charter and our Compensation Committee Charter are available on our website at www.dcppartners.com. Copies of these items are also available free of charge in print to any unitholder who sends a request to the office of the Secretary of DCP Midstream Partners, LP at 370 17th Street, Suite 2500, Denver, Colorado 80202.

Meeting of Non-Management Directors and Communications with Directors

At each quarterly meeting of the special committee, the committee, which consists of all of our independent directors, meets in an executive session without management participation or participation by non-independent directors. The chairman of the special committee, Stephen R. Springer, presides over these executive sessions. In addition, at each quarterly meeting of the board of directors, the non-management members of the board meet in executive session. The chairman of the board of directors, Thomas C. O'Connor, presides over these executive sessions.

Unitholders or interested parties may communicate with any and all members of our board, including our non-management directors, or any committee of our board, by transmitting correspondence by mail or facsimile

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addressed to one or more directors by name or to the chairman of the board or any committee of the board at the following address and fax number: Name of the Director(s), c/o Secretary, DCP Midstream Partners, LP, 370 17th Street, Suite 2500, Denver, Colorado 80202, fax number (303) 633-2921.

NYSE Annual Certification

On March 23, 2012, Mark A. Borer, our Chief Executive Officer at that time, certified to the NYSE, as required by NYSE rules, that as of March 23, 2012, he was not aware of any violation by us of the NYSE's Corporate Governance Listing Standards.

Report of the Audit Committee

The audit committee oversees our financial reporting process on behalf of the board of directors. Management has the primary responsibility for the financial statements and the reporting process including the systems of internal controls. The audit committee operates under a written charter approved by the board of directors. The charter, among other things, provides that the audit committee has authority to appoint, retain and oversee the independent auditor. In this context, the audit committee:

reviewed and discussed the audited financial statements in this annual report on Form 10-K with management, including a discussion of the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments and the clarity of disclosures in the financial statements;

reviewed with Deloitte & Touche, LLP, our independent auditors, who are responsible for expressing an opinion on the conformity of those audited financial statements with generally accepted accounting principles, their judgments as to the quality and acceptability of our accounting principles and such other matters as are required to be discussed with the audit committee under generally accepted auditing standards;

received the written disclosures and the letter required by standard No. 1 of the independence standards board (independence discussions with audit committees) provided to the audit committee by Deloitte & Touche, LLP;

discussed with Deloitte & Touche, LLP its independence from management and us and considered the compatibility of the provision of nonaudit service by the independent auditors with the auditors' independence;

discussed with Deloitte & Touche, LLP the matters required to be discussed by statement on auditing standards No. 61 (AICPA, Professional Standards, Vol. 1, AU Section 380 Communications With Audit Committees);

discussed with our internal auditors and Deloitte & Touche, LLP the overall scope and plans for their respective audits. The audit committee meets with the internal auditors and Deloitte & Touche, LLP, with and without management present, to discuss the results of their examinations, their evaluations of our internal controls and the overall quality of our financial reporting;

based on the foregoing reviews and discussions, recommended to the board of directors that the audited financial statements be included in the annual report on Form 10-K for the year ended December 31, 2012, for filing with the Securities and Exchange Commission; and

approved the selection and appointment of Deloitte & Touche, LLP to serve as our independent auditors.
This report has been furnished by the members of the audit committee of the board of directors:

Audit Committee

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Paul F. Ferguson, Jr. (Chairman)

Frank A. McPherson

Thomas C. Morris

Stephen R. Springer

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The report of the audit committee in this report shall not be deemed incorporated by reference into any other filing by DCP Midstream Partners, LP under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, except to the extent that we specifically incorporate this information by reference, and shall not otherwise be deemed filed under such acts.

**Item 11. *Executive Compensation*
Compensation Discussion and Analysis**

General

As a publicly traded limited partnership, we do not have directors, officers or employees. Instead, our operations are managed by our general partner, DCP Midstream GP, LP, which in turn is managed by its general partner, DCP Midstream GP, LLC, which we refer to as our General Partner. Our General Partner is a wholly-owned subsidiary of DCP Midstream, LLC.

For the year ended December 31, 2012, the named executive officers, or NEOs, for our General Partner were Mark A. Borer, former Chief Executive Officer (Principal Executive Officer), William S. Waldheim, President, Rose M. Robeson, Senior Vice President and Chief Financial Officer (Principal Financial Officer), Angela A. Minas, former Vice President and Chief Financial Officer (former Principal Financial Officer), Michael S. Richards, Vice President, General Counsel and Secretary. Effective January 1, 2013, Wouter T. van Kempen was appointed as Chief Executive Officer (Principal Executive Officer) of our General Partner. All of the General Partner's employees are solely dedicated to our operations and management, except the Chief Executive Officer, or CEO, who, as of January 1, 2013, devotes less than a majority of his time to our operations and management.

The General Partner has not entered into employment agreements with any of the named executive officers. The board of directors of our General Partner now establishes the compensation program for its employees based on recommendations from the compensation committee of the DCP Midstream, LLC board of directors. Our General Partner had a compensation committee through 2012, but that committee was discontinued in January 2013. Unless otherwise specified, when we refer herein to the compensation committee, we are referring to the compensation committee of our General Partner in respect of the compensation process in 2012 and to the compensation committee of DCP Midstream, LLC for the compensation process in 2013.

Compensation Decisions

For 2013, with the exception of compensation for our CEO, all compensation decisions concerning the officers and employees dedicated to our operations and management will be made by the board of directors of the General Partner upon recommendations from the compensation committee. The CEO's compensation decisions will be made by the compensation committee. The board of directors' responsibilities on compensation matters include the following:

annually review the Partnership's goals and objectives relevant to compensation of the President and other NEOs;

annually evaluate the NEO's performance in light of the Partnership's goals and objectives, and approve the compensation levels for the NEOs;

periodically evaluate the terms and administration of the Partnership's short-term and long-term incentive plans to assure that they are structured and administered in a manner consistent with the Partnership's goals and objectives;

periodically evaluate incentive compensation and equity-related plans and consider amendments if appropriate;

retain and terminate any compensation consultant to be used to assist in the evaluation of director and NEO compensation; and

annually review the compensation of the non-employee directors.

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Compensation Philosophy

Our compensation program is structured to provide the following benefits:

attract, retain and reward talented executive officers and key management employees by providing total compensation competitive with that of other executive officers and key management employees employed by publicly traded limited partnerships of similar size or in similar lines of business;

motivate executive officers and key management employees to achieve strong financial and operational performance;

emphasize performance-based compensation, balancing short-term and long-term results;

reward individual performance; and

encourage a long-term commitment to the Partnership by requiring target levels of unit ownership.

Methodology Advisors and Peer Companies

The board of directors of our General Partner and the compensation committee review data from market surveys provided by independent consultants to assess our competitive position with respect to base salary, annual short-term incentives and long-term incentive compensation. With respect to NEO compensation, the board of directors of our General Partner and the DCP Midstream, LLC compensation committee also considers individual performance, levels of responsibility, skills and experience. In 2011, we engaged the services of BDO USA, LLP, or BDO, a compensation consultant, to conduct a study to assist us in establishing overall compensation packages for the NEOs for 2012. We consider BDO to be independent of the Partnership and therefore, the work performed by BDO does not create a conflict of interest. The BDO study was based on compensation as reported in the annual reports on Form 10-K for a group of peer companies with a similar tax status, and the 2011 Towers Watson General Industry Executive Compensation Survey, or the Towers Watson survey.

The study was comprised of the following peer companies:

Atlas Pipeline Partners, L.P.	Magellan Midstream Partners, L.P.
Boardwalk Pipeline Partners, L.P.	MarkWest Energy Partners, L.P.
Buckeye Partners, L.P.	NuStar Energy L.P.
Copano Energy, L.L.C.	ONEOK Partners, L.P.
Crosstex Energy, L.P.	Penn Virginia Resource Partners, L.P.
Eagle Rock Energy Partners, L.P.	Plains All American Pipeline, L.P.
El Paso Pipeline Partners, L.P.	Regency Energy Partners, L.P.
Enbridge Energy Partners, L.P.	Spectra Energy Partners, L.P.
Enterprise Products Partners L.P.	Sunoco Logistics Partners, L.P.
Genesis Energy, L.P.	Targa Resources Partners, L.P.
Inergy, L.P.	Western Gas Partners, L.P.
Kinder Morgan Energy Partners, L.P.	Williams Partners, L.P.

Studies such as this generally include only the most highly compensated officers of each company, which correlates with our General Partner's NEOs. The results of this study, as well as other factors such as our targeted performance objectives, served as a benchmark for establishing our total direct compensation packages. In order to assess the competitiveness of the total direct compensation packages for our General Partner's NEOs, we used the median amount for peer positions from the BDO study and the data point that represents the 50th percentile of the market in the Towers Watson survey.

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The total annual direct compensation program for executives of the General Partner consists of three components: (1) base salary; (2) an annual short-term cash incentive, or STI, which is based on a percentage of annual base salary; and (3) the present value of an equity-based grant under our long-term incentive plan, or LTIP, which is based on a percentage of annual base salary. Under our compensation structure, the allocation between base salary, STI and LTIP varies depending upon job title and responsibility levels. In 2012, this allocation for targeted compensation of our General Partner's NEOs was as follows:

	Base Salary	Targeted STI Level	Targeted LTIP Level
Mark A. Borer, former CEO	34%	21%	45%
William S. Waldheim, President	35%	21%	44%
Rose M. Robeson, Senior Vice President and Chief Financial Officer, or CFO	40%	20%	40%
Angela A. Minas, former Vice President and CFO	44%	20%	36%
Michael S. Richards, Vice President, General Counsel and Secretary	44%	20%	36%

In allocating compensation among these components, we believe a significant portion of the compensation of the executive officers should be performance-based since these individuals have a greater opportunity to influence our performance. In making this allocation, we have relied in part on the BDO study of the companies named above. Each component of compensation is further described below.

Base Salary Base salaries for executives are determined based upon job responsibilities, level of experience, individual performance, and comparisons to the salaries of executives in similar positions obtained from the BDO study. The goal of the base salary component is to compensate executives at a level that approximates the median salaries of individuals in comparable positions at comparably sized companies in our industry.

The base salaries for executives are generally reevaluated annually as part of our performance review process, or when there is a change in the level of job responsibility. The board of directors of our General Partner annually considers and approves a merit increase in base salary based upon the results of this performance review process. Merit increases are based on review of performance in certain categories, including: business values, safety, health and environment, leadership, operational results, project results, attitude, ability and knowledge. The board of directors of our General Partner approved increases in NEO base salaries for 2012 ranging from 3.0% to 6.2%. The base salaries paid to our NEOs are set forth in the Summary Compensation table below.

Annual Short-Term Cash Incentive Under the STI, annual cash incentives are provided to executives to promote the achievement of our performance objectives. Target incentive opportunities for executives under the STI are established as a percentage of base salary. Incentive amounts are intended to provide total cash compensation at the market median for executive officers in comparable positions when target performance is achieved, below the market median when performance is less than target and above the market median when performance exceeds target. The BDO study was used to determine the competitiveness of the incentive opportunity for comparable positions. STI payments are generally paid in cash in March of each year for the prior fiscal year's performance.

In 2012, the STI objectives for each NEO were initially designed and proposed by each NEO, working with the Chairman of the General Partner's board of directors, in the case of the CEO and President, and with the President in the case of the other NEOs, with objectives that are both Partnership-oriented and individually-oriented. These objectives are intended to promote the achievement of performance objectives of the Partnership. Historically, the Partnership objectives account for 75% of the award and the personal objectives account for 25% of the award. Personal objectives focus on specific objectives to be targeted by each NEO for that particular calendar year. The NEOs are involved in developing these objectives because they best understand the immediate objectives required for the Partnership's success. Nevertheless, all proposed objectives are first reviewed and revised by the Chairman of the board of directors for the CEO and by the CEO for the other NEOs. The CEO's objectives are subsequently reviewed and approved by the compensation

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committee and ultimately by the General Partner's board of directors. In 2012, the STI objectives approved by the General Partner's compensation committee and board of directors were divided as follows: (1) Partnership objectives accounted for 80% of the STI and (2) personal objectives accounted for 20% of the STI. All STI objectives are subject to change each year. The target STI opportunities for 2012 as a percentage of base salary were as follows:

	2012 Targeted STI Opportunity
Mark A. Borer, former CEO	60%
William S. Waldheim, President	60%
Rose M. Robeson, Senior Vice President and CFO	50%
Angela A. Minas, former Vice President and CFO	45%
Michael S. Richards, Vice President, General Counsel and Secretary	45%

For 2012, there were five stated Partnership objectives under the STI which accounted for 80% of the total STI. The stated Partnership objectives for each NEO are described below and were weighted as indicated for each NEOs.

2012 Target STI Payment Opportunity for Partnership Objectives

STI Partnership Objectives	Mr. Borer	Mr. Waldheim	Ms. Robeson (b)	Ms. Minas	Mr. Richards
1) Distributable Cash Flow in 2012 Budget	30%		30%	30%	30%
2) Distribution Growth	20%		20%	20%	20%
3) Total Shareholder Return vs. Peers	15%		15%	15%	15%
4) Recordable Injury Rate (RIR)	10%		10%	10%	10%
5) Title V Environmental Deviations	5%		5%	5%	5%
Percentage of Total STI	80%		80%	80%	80%

- (a) Mr. Waldheim was appointed as the General Partner's President effective September 1, 2012, however, he did not participate in the Partnership's STI program for the duration of 2012.
- (b) Ms. Robeson participated in the Partnership's STI program pro rata for 2012 based on the portion of the year she worked for the Partnership beginning with her appointment effective May 11, 2012.
- Distributable Cash Flow in 2012 Budget.* The achievement of our budget for distributable cash flow excluding capitalized interest, non-cash mark-to-market impacts and any one-time transactions costs. We define distributable cash flow as net cash provided by or used in operating activities, less maintenance capital expenditures, net of reimbursable projects, plus or minus adjustments for non-cash mark-to-market of derivative instruments, proceeds from divestiture of assets, net income attributable to noncontrolling interest net of depreciation and income tax, net changes in operating assets and liabilities, and other adjustments to reconcile net cash provided by or used in operating activities. As a publicly traded limited partnership, our performance is generally judged on our ability to pay cash distributions to our unitholders. We use distributable cash flow because we believe it permits management to focus on the long-term sustainability and development of our assets. For this Partnership objective, the target level of performance will be distributable cash flow in the 2012 budget of \$186.9 million; the maximum level of performance will be distributable cash flow in the 2012 budget of \$216.9 million; and the minimum level of performance will be distributable cash flow in the 2012 budget of \$156.9 million.
 - Distribution Growth.* Complete transactions, projects, acquisitions and other initiatives which result in 6% or more year-over-year distribution growth comparing distributions paid in November 2012 versus November 2011. There will be a subjective evaluation made by

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the General Partner's board of directors between the minimum and maximum levels of performance taking into account the amount of distribution growth and the overall operating and economic environment.

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3. *Total Shareholder Return vs. Peer Group.* Maintain a competitive total shareholder return compared to the following peer group of publicly held midstream natural gas master limited partnerships:

Atlas Pipeline Partners, L.P.	MarkWest Energy Partners, L.P.
Copano Energy, L.L.C.	ONEOK Partners, L.P.
Crestwood Midstream Partners, L.P.	PVR Partners, L.P.
Crosstex Energy, L.P.	Regency Energy Partners, L.P.
Enbridge Energy Partners, L.P.	Targa Resources Partners, L.P.
Energy Transfer Partners, L.P.	Western Gas Partners, L.P.
Enterprise Products Partners L.P.	Williams Partners, L.P.
Inergy, L.P.	

Final results will be based upon these companies average stock exchange closing prices for the last 20 trading days of 2012 compared to the last 20 trading days of 2011. We believe that using total shareholder return, or TSR, as a performance measure provides incentive for the continued growth of our operating footprint and distributions to unitholders. For this Partnership objective, if our TSR ranking among the companies listed in our peer group is below the 25th percentile, 0% – 50% of the STI will be awarded. If the TSR ranking among the companies listed in our peer group is greater than the 25th percentile but less than or equal to the 50th percentile, 50% – 100% of the STI will be awarded. If the TSR ranking among the companies listed in our peer group is greater than the 50th percentile but less than or equal to the 75th percentile, 100% – 175% of the STI will be awarded. If the TSR ranking among the companies listed in our peer group is greater than the 75th percentile, 175% – 200% of the STI will be awarded. The final payout within a performance quartile will be determined by the board of directors of our General Partner. Total shareholder return will be based on data obtained from Bloomberg and assumes that any dividends or distributions are reinvested.

4. *Recordable Injury Rate (RIR).* A safety objective covering both our assets and the assets of DCP Midstream, LLC, the owner of our General Partner and the operator of our assets. For this objective, the target level of performance during the year will be an RIR of 0.59, the maximum level of performance will be an RIR of 0.30 and a minimum level of performance will be an RIR of 0.90.
5. *Title V Environmental Deviations.* An environmental objective of non-routine air emissions, natural gas vented or flared, covering both our assets and the assets of DCP Midstream, LLC, the owner of our General Partner and operator of our assets. For this objective, we have established certain levels of emissions at the assets of DCP Midstream, LLC and the Partnership that comprise the minimum, target and maximum level of performance for this objective.

The payout on these Partnership objectives range from 0% if the minimum level of performance is not achieved, 50% if the minimum level of performance is achieved, 100% if the target level of performance is achieved and 200% if the maximum level of performance is achieved. When the performance level falls between these percentages, payout will be determined by straight-line interpolation.

The level of performance achieved in 2012 for each of the Partnership objectives was as follows:

STI Partnership Objectives	Level of Performance Achieved
1) Distributable Cash Flow	Below Minimum
2) Distribution Growth	Between Target and Maximum
3) Total Shareholder Return vs. Peers	Between Minimum and Target
4) Recordable Injury Rate (RIR)	Between Target and Maximum
5) Title V Environmental Deviations	Between Target and Maximum

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For 2012 the NEO's personal objectives under the STI accounted for 20% of the total STI. The personal objectives were approved by the compensation committee and the board of directors of the General Partner for the CEO, and by the CEO for the other NEOs. There was overlap of the personal objectives between the NEOs. Each of the personal objectives for the NEOs and the weighting of each personal objective are described below:

2012 Target STI Payment Opportunity for Personal Objectives

STI Personal Objectives	Mr. Borer	Mr. Waldheim (a)	Ms. Robeson (b)	Ms. Minas	Mr. Richards
1) Financial Positioning	5.0%		5.0%	5.0%	6.67%
2) Enterprise Growth	5.0%		5.0%	5.0%	6.67%
3) Enterprise Development	5.0%				
4) Safety & Environmental Leadership	5.0%				
5) Sarbanes-Oxley/Internal Controls			5.0%	5.0%	
6) Organizational Development			5.0%	5.0%	
7) Regulatory Compliance					6.67%
Percentage of Total STI	20%		20%	20%	20%

- (a) Mr. Waldheim was appointed as the General Partner's President effective September 1, 2012, however, he did not participate in the Partnership's STI program for the duration of 2012.
- (b) Ms. Robeson participated in the Partnership's STI program pro rata for 2012 based on the portion of the year she worked for the Partnership beginning with her appointment effective May 11, 2012.
- 1) *Financial Positioning.* Effectively manage and adjust financial strategies and tactics to balance growth and continued near-term challenges in the fundamentals / economic environment. Focus on cash generation, capital formation to support growth and working capital needs, maintaining S&P and Fitch investment grade ratings, financing cost optimization, working capital and risk management.
 - 2) *Enterprise Growth.* Continue to execute on the 5-year enterprise growth plan.
 - 3) *Enterprise Development.* Analyze and develop the DCP Enterprise growth strategies and/or material business and corporate development opportunities including organic growth projects, entry into new basins and business consolidation opportunities. Analyze and develop opportunities which maximize value for all owners.
 - 4) *Safety & Environmental Leadership.* Continue to drive the safety and environmental performance culture at the DCP enterprise to an industry leading position.
 - 5) *Sarbanes-Oxley/Internal Controls.* Maintain strong internal controls and accounting accuracy.
 - 6) *Organizational Development.* Continue to improve upon Finance organization service model with a focus on leadership, initiative, accountability, quality of work, timeliness, collaboration, transparency, and teamwork.

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7) *Regulatory Compliance.* Maintain compliance with SEC disclosure rules and maintain all corporate governance practices to meet regulatory disclosure and filing requirements and complete implementation of XBRL compliance with detail tagging. The payout on the individual personal objectives ranged from 0% if the minimum level of performance is not achieved, 50% if the minimum level of performance is achieved, 100% if the target level of performance is achieved and 200% if the maximum level of performance is achieved. When the performance level falls between these percentages, payout will be determined by straight-line interpolation.

Early in 2013, management prepared a report on the achievement of the Partnership objectives and the personal objectives. These results were reviewed and approved by the General Partner's board of directors in February 2013, including a calculation of the percentage achievement of each objective for purposes of the STI program. The total payout for the executive officers under the STI for fiscal year 2012 including both Partnership objectives and personal objectives ranged from 72.3% to 74.9% of target, with the former CEO at 73.3% of target.

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Long-Term Incentive Plan The long-term incentive compensation program has the objective of providing a focus on long-term value creation and enhancing executive retention. Under our LTIP, we issued phantom limited partner units to each NEO, with half issued under our 2005 Long Term Incentive Plan and half issued under our 2012 Long Term Incentive Plan. Half of such phantom units are performance phantom units, or PPU, and half are restricted phantom units, or RPU. The PPU will vest based upon the level of achievement of certain performance objectives over a three-year performance period, or the Performance Period. The RPU will automatically vest if the executive officer remains employed at the end of a three-year vesting period, or the Vesting Period. We believe this program promotes retention of the executive officers, and focuses the executive officers on the goal of long-term value creation.

For 2012, the PPU had the following two performance measures: (1) total shareholder return, or TSR, over the Performance Period relative to a peer group of 15 other similar publicly held master limited partnerships that we believe we compete with in the capital markets, and (2) EBITDA return on capital employed, or EBITDA ROCE, over the performance period. Half of the PPU will be measured against the TSR performance objective and half of the PPU will be measured against the EBITDA ROCE performance measure. These performance measures were initially designed and proposed by the executive officers and presented to the Chairman of the General Partner's board of directors. These objectives were then considered and approved by the compensation committee and ultimately by the board of directors of the General Partner. The General Partner's board of directors believes utilizing TSR as a performance measure provides incentive for the continued growth of our operating footprint and distributions to unitholders. We believe these performance measures provide management with appropriate incentives for our disciplined and steady growth.

For the TSR performance measure, the companies included in the peer group that will be compared against the Partnership were the following:

Atlas Pipeline Partners, L.P.	MarkWest Energy Partners, L.P.
Copano Energy, L.L.C.	ONEOK Partners, L.P.
Crestwood Midstream Partners, L.P.	PVR Partners, L.P.
Crosstex Energy, L.P.	Regency Energy Partners L.P.
Enbridge Energy Partners, L.P.	Targa Resources Partners L.P.
Energy Transfer Partners L.P.	Western Gas Partners, L.P.
Enterprise Products Partners L.P.	Williams Partners L.P.
Inergy, L.P.	

If our TSR ranking among the companies listed above over the Performance Period is below the 25th percentile, 0% – 50% of the performance units will vest. If the TSR ranking over the Performance Period is greater than the 25th percentile but less than or equal to the 50th percentile, 50% – 100% of the performance units will vest. If the TSR ranking over the Performance Period is greater than the 50th percentile but less than or equal to the 75th percentile, 100% – 175% of the performance units will vest. If the TSR ranking over the Performance Period is greater than the 75th percentile, 175% – 200% of the performance units will vest. Final vesting within a performance quartile will be determined by the General Partner's board of directors. TSR is computed by using data obtained from Bloomberg for the peer group and will incorporate the average closing prices of the twenty trading days ending on December 31, 2011 and December 31, 2014.

If one of these peer companies is not publicly traded at the end of the Performance Period it will remain a member of the peer group for purposes of ranking the peer group total shareholder return but it will go to the bottom of the peer group ranking. If there is a combination of any of the peer group companies during the Performance Period, the performance of the surviving entity will be used. No new companies will be added to the peer group during the Performance Period (including a non-peer company) that may acquire a member of the peer group.

For the ROCE performance measure, EBITDA will be our adjusted EBITDA as reported in our financial statements. Capital employed will be determined each year during the annual budget process as approved by our General Partner's board of directors and excludes the impact of unbudgeted transactions. The EBITDA ROCE targets are reset each year and will be based on the average of the three one-year periods running from 2012 through 2014. For this objective, the target level of performance during the performance period will be EBITDA ROCE of 15.5%, the maximum level of performance will be EBITDA ROCE of 18.6% and the minimum level of performance will be EBITDA ROCE of 12.4%.

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These PPU and RPU awards were granted at the first regular meeting of the General Partner's board of directors during the first quarter of 2012. The number of awards granted to our executive officers is set forth in the "Grants of Plan-Based Awards" table below. Award recipients also received the right to receive dividend equivalent rights, or DERs, on the number of units earned during the Vesting Period. The DERs on the PPUs will be paid in cash at the end of the Performance Period and the DERs on the RPUs will be paid quarterly in cash during the Vesting Period. The amount paid on the DERs will equal the quarterly distributions actually paid on the underlying securities during the Performance Period and the Vesting Period on the number of PPUs earned or RPUs granted.

Our practice is to determine the dollar amount of long-term incentive compensation that we want to provide, and to then grant a number of PPUs and RPUs that have a fair market value equal to that amount on the date of grant, which is based on the average closing prices of the underlying securities on the NYSE for the 20 days prior to the date of grant or the date of grant. Target long-term incentive opportunities for executives under the plan are established as a percentage of base salary, using the BDO study data for individuals in comparable positions.

The target 2012 long-term incentive opportunities, expressed as a percentage of base salary were as follows:

	Targeted LTI Opportunity
Mark A. Borer, former CEO	130%
William S. Waldheim, President (a)	
Rose M. Robeson, Senior Vice President and CFO (a)	
Angela A. Minas, former Vice President and CFO	80%
Michael S. Richards, Vice President, General Counsel and Secretary	80%

(a) The President and Senior Vice President and CFO did not participate in the Partnership's LTIP for the duration of 2012. In the event that any person other than DCP Midstream, LLC and/or an affiliate thereof becomes the beneficial owner of more than 50% of the combined voting power of the General Partner's equity interests prior to the completion of the Performance Period, the PPUs, RPUs and related DERs will (i) be replaced with equivalent units of the new enterprise if there is no change in the recipient's job status for twelve months or (ii) fully vest if the recipient is severed or if the recipient's job is lower in status within twelve months of the change in control.

In the event an award recipient's employment is terminated after the first anniversary of the grant date for reasons of death, disability, early or normal retirement, or if the recipient is terminated by the General Partner for reasons other than cause, the recipient's (i) performance units will contingently vest on a pro rata basis for time worked over the Performance Period and final performance, measured at the end of the Performance Period, will determine the payout and (ii) time vested units will become fully vested and payable. Termination of employment for any other reason will result in the forfeiture of any unvested units.

Other Compensation In addition, executives are eligible to participate in other compensation programs, which include but are not limited to:

Company Matching and Retirement Contributions to Defined Contribution Plans Executives may elect to participate in the DCP Midstream, LP 401(k) and Retirement Plan. Under the plan, executives may elect to defer up to 75% of their eligible compensation, or up to the limits specified by the Internal Revenue Service. We match the first 6% of eligible compensation contributed by the executive to the plan. In addition, we make retirement contributions ranging from 4% to 7% of the eligible compensation of qualifying participants to the plan, based on years of service, up to the limits specified by the Internal Revenue Service. We have no defined benefit plans.

Miscellaneous Compensation Executive officers are eligible to participate in a nonqualified deferred compensation program. Executive officers are allowed to defer up to 75% of their base salary, up to 90% of their STI and up to 100% of their LTIP or other compensation. Executive officers elect either to receive

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amounts contributed during specific plan years as a lump sum at a specific date, subject to Internal Revenue Service rules, as an annuity (up to five years) at a specific date, subject to Internal Revenue Service rules, or in a lump sum or annual annuity (over three to ten years) at termination.

Executive officers and other eligible employees may participate in a nonqualified, defined contribution retirement plan. Benefits earned under this plan are attributable to compensation in excess of the annual compensation limits under section 401(k) of the Internal Revenue Code. Under this plan, we make a contribution of up to 13% of eligible compensation, as defined by the plan, to the nonqualified deferred compensation program.

In addition, we provide employees, including the executive officers, with a variety of health and welfare benefit programs. The health and welfare programs are intended to protect employees against catastrophic loss and promote well-being. These programs include medical, pharmacy, dental, life insurance, and accidental death and disability. We also provide all employees with a monthly parking pass or a pass to be used on available public transportation systems.

We are a partnership and not a corporation for U.S. federal income tax purposes, and therefore, are not subject to the executive compensation tax deductible limitations of Internal Revenue Code §162(m). Accordingly, none of the compensation paid to named executive officers is subject to the limitation.

Other

Unit Ownership Guidelines To underscore the importance of linking executive and unitholder interests, the board of directors of our General Partner has adopted unit ownership guidelines for executive officers and key employees who are eligible to receive long-term incentive awards. To that extent, the board has established target equity ownership obligations for the various levels of executives, which have a five-year build term from the date the executive officer commences employment. Ownership is reported annually to the General Partner's board of directors. As of December 31, 2012, all of the executive officers have satisfied the unit ownership guidelines. As of December 31, 2012, the unit ownership guidelines for the executive officers were as follows:

	Number of Units
William S. Waldheim, President	28,000
Rose M. Robeson, Senior Vice President and CFO	10,000
Michael S. Richards, Vice President, General Counsel and Secretary	10,000

Board of Directors Report

The board of directors of the General Partner has reviewed and discussed with management the Compensation Discussion and Analysis presented above. Members of management with whom the board of directors had discussions are the former CEO and President of the General Partner and the Chief Corporate Officer of DCP Midstream, LLC. In addition, the board of directors engaged the services of BDO USA, LLP, a compensation consultant, to conduct a study to assist us in establishing overall compensation packages for the executives. Based on this review and discussion, we recommended that the Compensation Discussion and Analysis referred to above be included in this annual report on Form 10-K for the year ended December 31, 2012.

Board of Directors

Thomas C. O'Connor (Chairman)

Paul F. Ferguson, Jr.

R. Mark Fiedorek

Gregory G. Maxwell

Frank A. McPherson

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Thomas C. Morris

Stephen R. Springer

Andy Viens

William S. Waldheim

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The following table discloses the compensation of the General Partner's principal executive officers, principal financial officer and named executive officers, or collectively, the executive officers:

Name and Principal Position	Year	Salary	LTIP Awards (d)	Non-Equity Incentive Plan Compensation	All Other Compensation (e)	Total
Mark A. Borer <i>President and Chief</i>	2012	\$ 409,231	\$ 535,234	\$ 179,918	\$ 644,397	\$ 1,768,780
	2011	\$ 396,619	\$ 519,992	\$ 304,247	\$ 336,846	\$ 1,557,704
<i>Executive Officer</i>	2010	\$ 382,760	\$ 501,168	\$ 227,943	\$ 294,400	\$ 1,406,271
William S. Waldheim (a) <i>President</i>	2012	\$ 118,461	\$	\$ 66,421	\$ 16,543	\$ 201,425
Rose M. Robeson (b) <i>Senior Vice President and</i>	2012	\$ 180,336	\$	\$ 65,169	\$ 21,736	\$ 267,241
<i>Chief Financial Officer</i>						
Angela A. Minas (c) <i>Vice President and</i>	2012	\$ 98,154	\$	\$	\$ 49,143	\$ 147,297
	2011	\$ 249,992	\$ 201,476	\$ 143,124	\$ 115,788	\$ 710,380
<i>Chief Financial Officer</i>	2010	\$ 241,558	\$ 194,616	\$ 115,200	\$ 91,557	\$ 642,931
Michael S. Richards <i>Vice President, General</i>	2012	\$ 213,074	\$ 171,869	\$ 79,039	\$ 187,639	\$ 651,621
	2011	\$ 201,515	\$ 163,020	\$ 116,220	\$ 108,672	\$ 589,427
<i>Counsel and Secretary</i>	2010	\$ 194,144	\$ 156,456	\$ 90,317	\$ 94,476	\$ 535,393

- (a) Mr. Waldheim's employment with the General Partner commenced on September 1, 2012. The compensation amounts represent the General Partner's pro rata share of Mr. Waldheim's salary, which was paid by DCPM Midstream, LLC, and participation in the DCP Midstream, LLC's STI program.
- (b) Ms. Robeson's employment with the General Partner commenced on May 11, 2012.
- (c) Ms. Minas' employment with the General Partner terminated on May 11, 2012.
- (d) The amounts in this column reflect the grant date fair value of LTIP awards in accordance with the provisions of the FASB Accounting Standards Codification 718 Compensation - Stock Compensation, or ASC 718. PPU awards are subject to performance conditions. For PPUs granted in 2012, 2011 and 2010 the performance conditions are between 0% if the minimum level of performance is not achieved to 200% if the maximum level of performance is achieved. The maximum value of the PPUs, based on the grant date fair value, for Mark A. Borer was \$535,234, \$519,992 and \$501,168 for units granted during 2012, 2011 and 2010, respectively. The maximum value of the PPUs, based on the grant date fair value, for Angela A. Minas was \$201,476 and \$194,616 for units granted during 2011 and 2010, respectively. The maximum value of the PPUs, based on the grant date fair value, for Michael S. Richards was \$171,869, \$163,020 and \$156,456 for units granted during 2012, 2011 and 2010, respectively.
- (e) Includes DERs, company retirement and nonqualified deferred compensation program contributions by the Partnership, the value of life insurance premiums paid by the Partnership on behalf of an executive and other de minimis compensation.

Mark A. Borer, President and CEO

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The LTIP awards are comprised of PPU's and RPU's pursuant to the LTIP. Under the 2012, 2011 and 2010 STI, Mr. Borer's target opportunity was 60% of his annual base salary, with the possibility of earning from 0% to 120% of his annual base salary in 2012, 2011 and 2010, depending on the level of performance in each of the STI objectives.

All Other Compensation includes the following:

	2012	2011	2010
Company retirement contributions to defined contribution plans	\$ 32,500	\$ 31,850	\$ 31,850
Nonqualified deferred compensation program contributions	\$ 492,922	\$ 104,432	\$ 87,592
DERs	\$ 115,009	\$ 196,731	\$ 171,263
Life insurance premiums (a)	\$ 3,966	\$ 3,833	\$ 3,695

(a) Paid by the Partnership on behalf of Mr. Borer.

Table of Contents**William S. Waldheim, President**

Under DCP Midstream, LLC's 2012 STI, Mr. Waldheim's target opportunity was 60% of his annual base salary, with the possibility of earning from 0% to 120% of his annual base salary in 2012, depending on the level of performance in each of the STI objectives.

All Other Compensation includes the following:

	2012
Company retirement contributions to defined contribution plans	\$
Nonqualified deferred compensation program contributions	\$ 15,400
Life insurance premiums (a)	\$ 1,143

(a) Paid by the Partnership on behalf of Mr. Waldheim.

Rose M. Robeson, Senior Vice President and CFO

Under the 2012 STI, Ms. Robeson's target opportunity was 50% of her annual base salary, with the possibility of earning from 0% to 100% of her annual base salary, depending on the level of performance in each of the STI objectives.

All Other Compensation includes the following:

	2012
Company retirement contributions to defined contribution plans	\$ 2,604
Nonqualified deferred compensation program contributions	\$ 18,163
Life insurance premiums (a)	\$ 969

(a) Paid by the Partnership on behalf of Ms. Robeson.

Angela A. Minas, Vice President and CFO

The LTIP awards are comprised of PPU's and RPU's pursuant to the LTIP. Under the 2012, 2011 and 2010 STI, Ms. Minas' target opportunity was 45% of her annual base salary, with the possibility of earning from 0% to 90% of her annual base salary, depending on the level of performance in each of the STI objectives.

All Other Compensation includes the following:

	2012	2011	2010
Company retirement contributions to defined contribution plans	\$ 11,247	\$ 24,500	\$ 24,500
Nonqualified deferred compensation program contributions	\$	\$ 14,736	\$ 1,965
DERs	\$ 15,578	\$ 75,742	\$ 64,312
Life insurance premiums (a)	\$ 318	\$ 810	\$ 780
Vacation payout	\$ 22,000	\$	\$

(a) Paid by the Partnership on behalf of Ms. Minas.

Michael S. Richards, Vice President, General Counsel and Secretary

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The LTIP awards are comprised of PPU's and RPU's pursuant to the LTIP. Under the 2012, 2011 and 2010 STI, Mr. Richards' target opportunity was 45% of his annual base salary, with the possibility of earning from 0% to 90% of his annual base salary in 2012, 2011 and 2010, depending on the level of performance in each of the STI objectives.

All Other Compensation includes the following:

	2012	2011	2010
Company retirement contributions to defined contribution plans	\$ 27,500	\$ 26,950	\$ 26,950
Nonqualified deferred compensation program contributions	\$ 122,933	\$ 19,317	\$ 13,156
DERs	\$ 36,168	\$ 61,431	\$ 53,434
Life insurance premiums (a)	\$ 1,038	\$ 974	\$ 936

(a) Paid by the Partnership on behalf of Mr. Richards.

Table of Contents**Grants of Plan-Based Awards**

Following are the grants of plan-based awards during the year ended December 31, 2012 for the General Partner's executive officers:

Name	Grant Date	Estimated Future Payouts under Non-Equity Incentive Plan Awards (a)			Estimated Future Payouts under Equity Incentive Plan Awards			Grant Date Fair Value of LTIP Awards (\$)
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)	
Mark A. Borer	NA	\$	\$ 245,539	\$ 491,078				\$
PPUs	(b)	\$	\$	\$		7,150	14,300	\$ 267,617
RPU	(c)	\$	\$	\$	7,150	7,150	7,150	\$ 267,617
William S. Waldheim	NA	\$	\$	\$				\$
PPUs	(b)	\$	\$	\$				\$
RPU	(c)	\$	\$	\$				\$
Rose M. Robeson	NA	\$	\$ 90,168	\$ 180,336				\$
PPUs	(b)	\$	\$	\$				\$
RPU	(c)	\$	\$	\$				\$
Angela A. Minas	NA	\$	\$	\$				\$
PPUs	(b)	\$	\$	\$				\$ 104,372
RPU	(c)	\$	\$	\$				\$ 104,372
Michael S. Richards	NA	\$	\$ 95,883	\$ 191,767				\$
PPUs	(b)	\$	\$	\$		2,300	4,600	\$ 85,935
RPU	(c)	\$	\$	\$	2,300	2,300	2,300	\$ 85,935

- (a) Amounts shown represent amounts under the STI. If minimum levels of performance are not met, then the payout for one or more of the components of the STI may be zero.
- (b) The number of units shown represents units awarded under the LTIP. If minimum levels of performance are not met, then the payout may be zero.
- (c) The number of units shown represents units awarded under the LTIP and these units vest at the end of the Vesting Period provided the individual is still employed by the Partnership.
- The PPUs awarded on February 15, 2012 will vest in their entirety on December 31, 2014 if the specified performance conditions are satisfied and the RPU awarded on February 15, 2012 will vest in their entirety on December 31, 2014 if the executive is still employed by the Partnership.

Outstanding Equity Awards at Fiscal Year-End

Following are the outstanding equity awards for the General Partner's executive officers as of December 31, 2012:

Name	Outstanding LTIP Awards	
	Equity Incentive Plan Awards: Unearned Units That	Equity Incentive Plan Awards: Market Value of Unearned Units That Have Not

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	Have Not Vested (a)	Vested (b)
Mark A. Borer	13,680	\$ 563,582
Angela A. Minas		\$
Michael S. Richards	12,750	\$ 526,742

- (a) PPU s awarded 2/15/2012 and 3/1/2011; units vest in their entirety over a range of 0% to 200% on 12/31/2014 and 12/31/2013, respectively, if the specified performance conditions are satisfied. RPU s awarded 2/15/2012 and 3/1/2011, vest in their entirety on 12/31/2014 and 12/31/2013, respectively. To determine the number of unearned units and the market value, the calculation of the number of PPU s granted on 2/15/2012 and 3/1/2011, that are expected to vest, is based on assumed performance of 200%, as the previous fiscal year performance has exceeded target performance.
- (b) Value calculated based on the closing price at December 31, 2012 of our common units at \$41.75, the closing price of Spectra Energy s common units at \$27.38, and Phillips 66 s common units at \$53.10.

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Following are the units vested for the General Partner's executive officers for the year ended December 31, 2012:

Name	Stock Awards	
	Number of Units Acquired on Vesting	Value Realized on Vesting
Mark A. Borer	7,880	\$ 365,553
Angela A. Minas		\$
Michael S. Richards	2,460	\$ 114,119

Nonqualified Deferred Compensation

Following is the nonqualified deferred compensation for the General Partner's executive officers for the year ended December 31, 2012:

Name	Executive Contributions in Last Fiscal Year (a)	Registrant Contributions in Last Fiscal Year (b)	Aggregate Earnings in Last Fiscal Year (c)	Aggregate Withdrawal/Distributions	Aggregate Balance at December 31, 2012
Mark A. Borer	\$ 290,582	\$ 85,932	\$ 77,752	\$	\$ 1,626,620
William S. Waldheim	\$ 23,692	\$	\$ 377	\$	\$ 24,069
Rose M. Robeson	\$ 45,084	\$	\$ 956	\$	\$ 46,040
Angela A. Minas	\$ 128,811	\$ 19,237	\$ 6,145	\$ (381,882)	\$
Michael S. Richards	\$ 59,080	\$ 14,800	\$ 6,193	\$	\$ 157,791

- (a) These amounts are included in the Summary Compensation table for the year 2012 with the exception of \$128,811 for Ms. Minas and \$5,811 for Mr. Richards, which were included in the Summary Compensation table for the year 2011 as they related to deferrals of 2011 STI, and \$290,582 for Mr. Borer, which was included in the Summary Compensation table for the year 2009 as it related to deferrals of 2009 RPU.
- (b) These amounts are included in the Summary Compensation table for the year 2011.
- (c) The performance of executive officers non-qualified deferred compensation is linked to certain mutual funds or to the average rating of the BBB bond index at the election of the participant.

Potential Payments upon Termination or Change in Control

The General Partner has not entered into any employment agreements with any of the executive officers. There are no formal severance plans in place for any employees in the event of termination of employment, or a change in control of the Partnership. As noted above, the PPU's, RPU's and the related dividend equivalent rights, or DER's, will become payable to executive officers under certain circumstance related to termination or change in control. When employees terminate employment with the Partnership, they are entitled to a cash payment for the amount of unused vacation hours at the date of their termination.

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The following table presents PPU s, RPU s and DERs payable as of December 31, 2012 under certain circumstances, following termination, or a change in control:

Triggering Event	PPUs	RPUs	DERs	Total
Mark A. Borer				
Change of Control (a)	\$ 847,554	\$ 847,554	\$ 104,181	\$ 1,799,289
Termination (b)	\$ 544,745	\$ 561,963	\$ 93,766	\$ 1,200,474
Angela A. Minas				
Change of Control (a)	\$	\$	\$	\$
Termination (b)	\$	\$	\$	\$
Michael S. Richards				
Change of Control (a)	\$ 267,600	\$ 267,600	\$ 29,171	\$ 564,371
Termination (b)	\$ 170,303	\$ 175,763	\$ 29,300	\$ 375,366

(a) In the event that the recipient is severed or if the recipient s job is lower in status within twelve months of the change of control.

(b) In the event of termination for reasons of death, disability, early or normal retirement, or if the recipient is terminated by the General Partner for reasons other than cause, at least one year after the grant date.

Compensation of Directors

General Effective February 15, 2012, the board of directors of the General Partner approved a compensation package for directors who are not officers or employees of affiliates of the General Partner, or Non-Employee Directors. Members of the board who are also officers or employees of affiliates of the General Partner do not receive additional compensation for serving on the board. The board approved the payment to each Non-Employee Director of an annual compensation package containing the following: (1) a \$40,000 retainer; (2) a board meeting fee of \$1,250 for each board meeting attended; (3) a telephonic board and committee meeting fee of \$500 for each telephonic meeting attended, except a telephonic audit committee fee of \$1,500 for each telephonic audit committee attended; and (4) an annual grant of Phantom Units that approximate \$50,000 of value, awarded pursuant to the LTIP, that have a six month vesting period. The directors also receive DERs, based on the number of units awarded, which are paid in cash on a quarterly basis. The Phantom Units will be paid in units upon vesting.

The compensation committee reviews data from market surveys provided by BDO to assess the corporate position with respect the director compensation, The BDO study was based on compensation as reported in the annual reports on Form 10-K for a group of peer companies with a similar tax status, and the Towers Watson database.

The directors will also be reimbursed for out-of-pocket expenses associated with their membership on the board of directors. Each director will be fully indemnified by us for his actions associated with being a director to the fullest extent permitted under Delaware law.

Committees The chairman of the audit committee of the board will receive an annual retainer of \$20,000 and the members of the audit committee will receive \$1,500 for each audit committee meeting attended; telephonic or in-person. The chairman of the special committee of the board will likewise receive an annual retainer of \$20,000 and the members of the special committee will receive \$1,250 for each special committee meeting attended. The Non-Employee Director members of the compensation committee will receive \$1,250 for each compensation committee meeting attended, however, the compensation committee was discontinued starting in 2013. Finally, the Non-Employee Director members of the pricing committee will receive \$1,000 for each pricing committee meeting attended.

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Following is the compensation of the General Partner's Non-Employee Directors for the year ended December 31, 2012:

Name	Fees Earned or Paid in Cash	LTIP Awards (a)	DERs	Total
Paul F. Ferguson, Jr.	\$ 104,000	\$ 48,030	\$ 1,330	\$ 153,360
Frank A. McPherson	\$ 85,750	\$ 48,030	\$ 1,330	\$ 135,110
Thomas C. Morris	\$ 84,500	\$ 48,030	\$ 1,330	\$ 133,860
Stephen R. Springer	\$ 104,000	\$ 48,030	\$ 1,330	\$ 153,360

a) The amounts in this column reflect the grant date fair value of LTIP awards in accordance with the provisions of ASC 718. Mr. Ferguson is the audit committee chair and a member of the special committee.

Mr. McPherson is a member of the audit committee, the compensation committee and the special committee.

Mr. Morris is a member of the audit committee and the special committee.

Mr. Springer is the special committee chair and a member of the audit committee.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Unitholder Matters

The following table sets forth the beneficial ownership of our units and the related transactions held by:

each person who beneficially owns 5% or more of our outstanding units as of February 22, 2013;

all of the directors of DCP Midstream GP, LLC;

each Named Executive Officer of DCP Midstream GP, LLC; and

all directors and executive officers of DCP Midstream GP, LLC as a group.

Percentage of total common units beneficially owned is based on 61,346,058 common units outstanding.

Name of Beneficial Owner (a)	Common Units Beneficially Owned	Percentage of Common Units Beneficially Owned
DCP LP Holdings, LLC (b)	16,034,899	26.1%

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Kayne Anderson Capital Advisors, L.P (c)	5,954,955	9.7%
Piper Jaffray Companies (d)	4,344,219	7.1%
Tortoise Capital Advisors L.L.C. (e)	4,274,209	7.0%
Wouter T. van Kempen	2,540	*
William S. Waldheim	21,800	*
Rose M. Robeson	12,001	*
Michael S. Richards	19,427	*
Paul F. Ferguson, Jr.	13,634	*
R. Mark Fiedorek		*
Greg G. Maxwell		*
Frank A. McPherson	22,966	*
Thomas C. Morris	27,967	*
Thomas C. O Connor	14,500	*
Stephen R. Springer	8,800	*
Andy Viens		*
All directors and executive officers as a group (12 persons)	143,635	*

*Less than 1%.

(a) Unless otherwise indicated, the address for all beneficial owners in this table is 370 17th Street, Suite 2500, Denver, Colorado 80202.

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- (b) DCP Midstream, LLC is the managing member of DCP LP Holdings, LLC and may, therefore, be deemed to indirectly beneficially own the units held by DCP LP Holdings, LLC. DCP Midstream, LLC disclaims beneficial ownership of all of the units owned by DCP LP Holdings, LP except to the extent of its pecuniary interest therein. The address of DCP LP Holdings, LLC and DCP Midstream, LLC is 370 17th Street, Suite 2500, Denver, Colorado 80202.
- (c) As set forth in a Schedule 13G/A filed on January 10, 2013. The address of Kayne Anderson Capital Advisors, L.P. is 1800 Avenue of the Stars, Third Floor, Los Angeles, California 90067.
- (d) As set forth in a Schedule 13G filed on February 15, 2013. The address of Piper Jaffray Companies is 800 Nicollet Mall Suite 800, Minneapolis, Minnesota 55402.
- (e) As set forth in a Schedule 13G/A filed on February 12, 2013. The address of Tortoise Capital Advisors L.L.C. is 11550 Ash Street, Suite 300, Leawood, Kansas 66211.

Equity Compensation Plan Information

The following table summarizes information about our equity compensation plan as of December 31, 2012.

	Number of securities to be issued upon exercise of outstanding options, warrants and rights (1) (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by unitholders		\$	
Equity compensation plans not approved by unitholders			813,061
Total		\$	813,061

- (1) The long-term incentive plan currently permits the grant of awards covering an aggregate of 850,000 units. For more information on our long-term incentive plan, which did not require approval by our limited partners, refer to Item 11. Executive Compensation Components of Compensation.

Item 13. Certain Relationships and Related Transactions, and Director Independence Distributions and Payments to our General Partner and its Affiliates

The following table summarizes the distributions and payments to be made by us to our General Partner and its affiliates in connection with our formation, ongoing operation, and liquidation. These distributions and payments are determined by and among affiliated entities and, consequently, are not the result of arm's-length negotiations.

Operational Stage:

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Distributions of Available Cash to our General Partner and its affiliates We will generally make cash distributions to the unitholders and to our General Partner, in accordance with their pro rata interest. In addition, if distributions exceed the minimum quarterly distribution and other higher target levels, our General Partner will be entitled to increasing percentages of the distributions, up to 48% of the distributions above the highest target level. Currently, our distribution to our general partner related to its incentive distribution rights is at the highest level.

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Payments to our General Partner and its affiliates We expect to reimburse DCP Midstream, LLC and its affiliates \$28.1 million per year starting in 2013. Previously, we reimbursed DCP Midstream, LLC and its affiliates \$17.6 million per year. In conjunction with our acquisition of the remaining 66.67% interest in Southeast Texas, we increased the annual fee we pay to DCP Midstream, LLC under the agreement by \$10.3 million, prorated for the remainder of the 2012 calendar year. In July 2012, in conjunction with our acquisition of the minority ownership interests in the Mont Belvieu fractionators, we increased the annual fee we pay to DCP Midstream, LLC by \$0.2 million, prorated for the remainder of the 2012 calendar year. For further information regarding the reimbursement, please see the Omnibus Agreement section below. We also reimburse DCP Midstream, LLC and its affiliates for general and administrative expenses in connection with the Eagle Ford system. Please see the Other Agreements and Transactions with DCP Midstream, LLC section below.

Withdrawal or removal of our General Partner If our General Partner withdraws or is removed, its general partner interest and its incentive distribution rights will either be sold to the new general partner for cash or converted into common units, in each case for an amount equal to the fair market value of those interests.

Liquidation Stage:

Liquidation Upon our liquidation, the partners, including our General Partner, will be entitled to receive liquidating distributions according to their respective capital account balances.

Omnibus Agreement

The employees supporting our operations are employees of DCP Midstream, LLC. We have entered into an omnibus agreement, as amended, or the Omnibus Agreement, with DCP Midstream, LLC. Under the Omnibus Agreement, we are required to reimburse DCP Midstream, LLC for salaries of operating personnel and employee benefits as well as capital expenditures, maintenance and repair costs, taxes and other direct costs incurred by DCP Midstream, LLC on our behalf. We also pay DCP Midstream, LLC an annual fee for centralized corporate functions performed by DCP Midstream, LLC on our behalf, including legal, accounting, cash management, insurance administration and claims processing, risk management, health, safety and environmental, information technology, human resources, credit, payroll, taxes and engineering.

On January 3, 2012, we extended the omnibus agreement through December 31, 2012 for an annual fee of \$17.6 million, with the primary increase resulting from the acquisition of the remaining 49.9% interest in East Texas. On March 30, 2012, in conjunction with our acquisition of the remaining 66.67% interest in Southeast Texas, we increased the annual fee we pay to DCP Midstream, LLC under the agreement by \$10.3 million, prorated for the remainder of the 2012 calendar year. These fees were previously allocated to East Texas and Southeast Texas. In July 2012, in conjunction with our acquisition of the minority interests in the Mont Belvieu fractionators, we increased the annual fee we pay to DCP Midstream, LLC by \$0.2 million. As a result of these transactions, the annual fee payable in future years to DCP Midstream, LLC will be \$28.1 million. The Omnibus Agreement also addresses the following matters:

DCP Midstream, LLC's obligation to indemnify us for certain liabilities and our obligation to indemnify DCP Midstream, LLC for certain liabilities;

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DCP Midstream, LLC's obligation to continue to maintain its credit support for our obligations related to commercial contracts with respect to its business or operations that were in effect at December 7, 2005 until the expiration of such contracts; and

Our general partner will have the right to agree to further increases in connection with expansions of our operations through the acquisition or construction of new assets or businesses, with the concurrence of the special committee of DCP Midstream GP, LLC's board of directors.

Our General Partner and its affiliates will also receive payments from us pursuant to the contractual arrangements described below under the caption "Contracts with Affiliates."

Any or all of the provisions of the Omnibus Agreement, other than the indemnification provisions described below, will be terminable by DCP Midstream, LLC at its option if our general partner is removed without cause and units held by our general partner and its affiliates are not voted in favor of that removal. The Omnibus Agreement will also terminate in the event of a change of control of us, our general partner (DCP Midstream GP, LP) or our General Partner (DCP Midstream GP, LLC).

On February 14, 2013, we entered into a Services Agreement with DCP Midstream, LLC, which replaces the Omnibus Agreement, whereby DCP Midstream, LLC will continue to provide us with the general and administrative services previously provided under the Omnibus Agreement. The annual amounts payable in future years to DCP Midstream, LLC under the Services Agreement will be consistent with the fee structure previously payable under the Omnibus Agreement. Pursuant to the Services Agreement, we will reimburse DCP Midstream, LLC for expenses and expenditures incurred or payments made on our behalf.

Competition

None of DCP Midstream, LLC or any of its affiliates, including Spectra Energy and Phillips 66, is restricted, under either our partnership agreement or the Omnibus Agreement, from competing with us. DCP Midstream, LLC and any of its affiliates, including Spectra Energy and Phillips 66, may acquire, construct or dispose of additional midstream energy or other assets in the future without any obligation to offer us the opportunity to purchase or construct those assets.

Contracts with Affiliates

We charge transportation fees, sell a portion of our residue gas and NGLs to, and purchase natural gas and NGLs from, DCP Midstream, LLC, Phillips 66, and their respective affiliates. Management anticipates continuing to purchase and sell these commodities to DCP Midstream, LLC, Phillips 66 and their respective affiliates in the ordinary course of business.

Natural Gas Gathering and Processing Arrangements

We sell NGLs processed at certain of our plants, and sell condensate removed from the gas gathering systems that deliver to certain of our systems under contracts to a subsidiary of DCP Midstream, LLC equal to that subsidiary's net weighted-average sales price, adjusted for transportation, processing and other charges from the tailgate of the respective asset.

Please read Item 1. "Business - Natural Gas Services Segment - Customers and Contracts" and Note 5 of the Notes to Consolidated Financial Statements in Item 8. "Financial Statements and Supplementary Data."

Merchant Arrangements

Under our merchant arrangements, we use a subsidiary of DCP Midstream, LLC (DCP Midstream Marketing, LP) as our agent to purchase natural gas from third parties at pipeline interconnect points, as well as residue gas from certain of our processing plants, and then resell the aggregated natural gas primarily to third parties. DCP Midstream, LLC owns certain assets and is party to certain contractual relationships around our Pelico system, included in our Northern Louisiana system, that are periodically used for the benefit of Pelico. DCP Midstream, LLC is able to source natural gas upstream of Pelico and deliver it to us and is able to take natural gas from the outlet of the Pelico system and market it downstream of Pelico. We purchase natural gas from DCP Midstream, LLC upstream of Pelico and transport it to Pelico under a firm transportation agreement.

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with an affiliate. Our purchases from DCP Midstream, LLC are at DCP Midstream LLC's actual acquisition cost plus any transportation service charges. Volumes that exceed our on-system demand are sold to DCP Midstream, LLC at an index-based price, less contractually agreed to marketing fees. Please read Note 5 of the Notes to Consolidated Financial Statements in Item 8. Financial Statements and Supplementary Data.

Propane Supply Arrangements

We had a propane supply agreement with Spectra Energy that expired on April 30, 2012, which provided us with an annual propane supply of up to approximately 185 million gallons at our marine terminals, which are included in our Wholesale Propane Logistics segment.

In December 2010, Spectra Energy's international propane supplier breached its contract with Spectra Energy by failing to make certain scheduled propane deliveries that were to be delivered to us under our propane supply contracts with Spectra Energy. We were able to secure spot shipments on the open market at a price higher than our contract price to cover these missing deliveries. In December 2010, Spectra Energy made a \$17.0 million payment to us to reimburse us for the damages we incurred for our open market purchases.

Transportation Arrangements

We also have a contractual arrangement with a subsidiary of DCP Midstream, LLC that provides that DCP Midstream, LLC will pay us to transport NGLs over our Seabreeze and Wilbreeze pipelines, pursuant to fee-based rates that will be applied to the volumes transported. DCP Midstream, LLC is the sole shipper on these pipelines under the transportation agreements.

In conjunction with our acquisition of the Wattenberg pipeline, which is part of our NGL Logistics segment, we signed a transportation agreement with DCP Midstream, LLC pursuant to fee-based rates that will be applied to the volumes transported. The agreement was effective through December 31, 2010. Effective January 1, 2011, we entered into a 10-year dedication and transportation agreement with a subsidiary of DCP Midstream, LLC whereby certain NGL volumes produced at several of DCP Midstream, LLC's processing facilities are dedicated for transportation on the Wattenberg pipeline. We collect fee-based transportation revenues under our tariff.

DCP Midstream, LLC historically is also the largest shipper on the Black Lake pipeline, primarily due to the NGLs delivered to it from certain of our processing plants. Please read Note 4 of the Notes to Consolidated Financial Statements in Item 8. Financial Statements and Supplementary Data.

Derivative Arrangements

We have entered into commodity contracts whereby we receive a fixed price and we pay a floating price. DCP Midstream, LLC has issued parental guarantees in favor of certain counterparties to our commodity derivative instruments to mitigate a portion of our collateral requirements with those counterparties. We pay DCP Midstream, LLC interest of 0.5% per annum on these outstanding guarantees. We have also entered into a short term NGL swap contracts with DCP Midstream, LLC whereby we receive a fixed price for NGLs and we pay a floating price. For more information regarding our derivative activities and credit support provided by DCP Midstream, LLC, please read Management's Discussion and Analysis of Financial Condition and Results of Operations - Quantitative and Qualitative Disclosures about Market Risk - Commodity Price Risk - Commodity Cash Flow Protection Activities and Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources.

Other Agreements and Transactions with DCP Midstream, LLC

DCP Midstream, LLC was a significant customer during the years ended December 31, 2012, 2011 and 2010. We sell a portion of our residue gas, NGLs and condensate to, purchase natural gas and other petroleum products from, and provide gathering and transportation services for, DCP Midstream, LLC. We anticipate continuing to purchase from and sell commodities and services to DCP Midstream, LLC in the ordinary course of business. In addition, DCP Midstream, LLC conducts derivative activities on our behalf. We have and may continue to enter into derivative transactions directly with DCP Midstream, LLC, whereby DCP Midstream, LLC is the counterparty.

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We have a contractual arrangement with DCP Midstream, LLC, through March 2022, in which we pay DCP Midstream, LLC a fee for processing services associated with the gas we gather on our Southern Oklahoma system, which is part of our Natural Gas Services segment. In addition, in February 2010, a contract was signed with DCP Midstream, LLC providing for adjustments to those fees based upon plant efficiencies related to our portion of volumes from the Southern Oklahoma system being processed at DCP Midstream, LLC's plant through March 2022. We generally report fees associated with these activities in the consolidated statements of operations as purchases of natural gas, propane, NGLs and condensate from affiliates. In addition, as part of this arrangement, DCP Midstream, LLC pays us a fee for certain gathering services. We generally report revenues associated with these activities in the consolidated statements of operations as transportation, processing and other to affiliates.

DCP Midstream, LLC owns certain assets and is party to certain contractual relationships around our Pelico system, included in our Northern Louisiana system, which is part of our Natural Gas Services segment, that are periodically used for the benefit of Pelico. DCP Midstream, LLC is able to source natural gas upstream of Pelico and deliver it to us and is able to take natural gas from the outlet of the Pelico system and market it downstream of Pelico. We purchase natural gas from DCP Midstream, LLC upstream of Pelico and transport it to Pelico under an interruptible transportation agreement with an affiliate. Our purchases from DCP Midstream, LLC are at DCP Midstream, LLC's actual acquisition cost plus any transportation service charges. Volumes that exceed our on-system demand are sold to DCP Midstream, LLC at an index-based price, less contractually agreed to marketing fees. Revenues associated with these activities are reported gross in our consolidated statements of operations as sales of natural gas, propane, NGLs and condensate to affiliates.

In our Natural Gas Services segment, we sell NGLs processed at certain of our plants, and sell condensate removed from the gas gathering systems that deliver to certain of our systems under contracts to a subsidiary of DCP Midstream, LLC equal to that subsidiary's net weighted-average sales price, adjusted for transportation, processing and other charges from the tailgate of the respective asset.

As a result of a downstream outage, certain of our assets were required to curtail NGL production during 2012. DCP Midstream, LLC has reimbursed us for the impact of the curtailment and accordingly, we have recorded \$2.5 million to sales of natural gas, propane, NGLs and condensate to affiliates and \$0.2 million to transportation, processing and other to affiliates in the consolidated statements of operations for the year ended December 31, 2012.

In conjunction with our acquisitions of our East Texas and Southeast Texas systems, which are part of our Natural Gas Services segment, we entered into agreements with DCP Midstream, LLC whereby DCP Midstream, LLC will reimburse us for certain expenditures on East Texas and Southeast Texas capital projects. These reimbursements are for specific capital projects which have commenced within three years from the respective acquisition dates. DCP Midstream, LLC made capital contributions to East Texas for capital projects of \$5.3 million, \$18.3 million and \$13.8 million for the years ended December 31, 2012, 2011 and 2010, respectively. DCP Midstream, LLC made capital contributions to Southeast Texas for capital projects of \$4.9 million for the year ended December 31, 2012.

During the year ended December 31, 2011, East Texas received \$7.8 million in business interruption recoveries related to the first quarter 2009 fire that was caused by a third party underground pipeline rupture outside of our property, or the East Texas recovery settlement. We have allocated the recoveries based upon relative ownership percentages at the time the losses were incurred, factoring in amounts previously reimbursed to us by DCP Midstream, LLC. For the year ended December 31, 2011, we recorded \$6.6 million to our consolidated statement of operations in sales of natural gas, propane, NGLs and condensate, with \$4.6 million representing DCP Midstream, LLC's portion in net income attributable to noncontrolling interests.

On September 16, 2010, we entered into an agreement with DCP Midstream, LLC to sell certain surplus equipment at Collbran, part of our Natural Gas Services segment, with a net book value of \$6.2 million for net proceeds of \$3.6 million. The surplus equipment is the result of a consolidation of operations at our Anderson Gulch plant in the Piceance Basin. The net proceeds of \$3.6 million were distributed 75% to us and 25% to the noncontrolling interest in Collbran, based upon proportionate ownership, during the year ended December 31, 2010. The sale was completed when title to the surplus equipment passed to DCP Midstream, LLC in March

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2011. We have recognized a distribution of \$2.6 million for year ended December 31, 2011 to DCP Midstream, LLC in our consolidated statements of changes in equity representing the difference between the net book value and the proceeds received for the surplus equipment.

In our NGL Logistics segment, we also have a contractual arrangement with a subsidiary of DCP Midstream, LLC that provides that DCP Midstream, LLC will pay us to transport NGLs over our Seabreeze and Wilbreeze pipelines, pursuant to fee-based rates that will be applied to the volumes transported. DCP Midstream, LLC is the sole shipper on these pipelines under the transportation agreements. We generally report revenues associated with these activities in the consolidated statements of operations as transportation, processing and other to affiliates.

With respect to our Wattenberg pipeline, effective January 1, 2011, we entered into a 10-year dedication and transportation agreement with a subsidiary of DCP Midstream, LLC whereby certain NGL volumes produced at several of DCP Midstream, LLC's processing facilities are dedicated for transportation on the Wattenberg pipeline. We collect fee-based transportation revenues under our tariff. We generally report revenues associated with these activities in the consolidated statements of operations as transportation, processing and other to affiliates.

We pay a fee to DCP Midstream, LLC to operate our DJ Basin NGL fractionators and receive fees for the processing of DCP Midstream, LLC's committed NGLs produced by them in Colorado at our DJ Basin NGL fractionators under agreements that are effective through March 2018. We incurred fees of \$0.6 million during each of the years ended December 31, 2012 and 2011, which are included in operating and maintenance expense in the consolidated statements of operations.

DCP Midstream, LLC has issued parental guarantees, totaling \$25.0 million as of December 31, 2012, in favor of certain counterparties to our commodity derivative instruments to mitigate a portion of our collateral requirements with those counterparties. We pay DCP Midstream, LLC a fee of 0.5% per annum on these outstanding guarantees.

Review, Approval or Ratification of Transactions with Related Persons

Our partnership agreement contains specific provisions that address potential conflicts of interest between the owner of our general partner and its affiliates, including DCP Midstream, LLC on one hand, and us and our subsidiaries, on the other hand. Whenever such a conflict of interest arises, our general partner will resolve the conflict. Our general partner may, but is not required to, seek the approval of such resolution from the special committee of the board of directors of our general partner, which is comprised of independent directors and acts as our conflicts committee. The partnership agreement provides that our general partner will not be in breach of its obligations under the partnership agreement or its duties to us or to our unitholders if the resolution of the conflict is:

approved by the conflicts committee;

approved by the vote of a majority of the outstanding common units, excluding any common units owned by our general partner or any of its affiliates;

on terms no less favorable to us than those generally being provided to or available from unrelated third parties; or

fair and reasonable to us, taking into account the totality of the relationships between the parties involved, including other transactions that may be particularly favorable or advantageous to us.

If our general partner does not seek approval from the special committee and the board of directors of our general partner determines that the resolution or course of action taken with respect to the conflict of interest satisfies either of the standards set forth in the third and fourth bullet points above, then it will be presumed that, in making its decision, the board of directors acted in good faith, and in any proceeding brought by or on behalf of any limited partner or the Partnership, the person bringing or prosecuting such proceeding will have the burden of overcoming such presumption. Unless the resolution of a conflict is specifically provided for in our partnership agreement, our general partner or the conflicts committee may consider any factors it determines in good faith to consider when resolving a conflict. When our partnership agreement requires someone to act in good faith, it requires that person to reasonably believe that he is acting in the best interests of the Partnership, unless the context otherwise requires.

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In addition, our code of business ethics requires that all employees, including employees of affiliates of DCP Midstream, LLC who perform services for us and our general partner, avoid or disclose any activity that may interfere, or have the appearance of interfering, with their responsibilities to us.

Director Independence

Please see Item 10. Directors, Executive Officers and Corporate Governance for information about the independence of our general partner's board of directors and its committees, which information is incorporated herein by reference in its entirety.

Item 14. Principal Accountant Fees and Services

The following table presents fees for professional services rendered by Deloitte & Touche LLP, or Deloitte, our principal accountant, for the audit of our financial statements, and the fees billed for other services rendered by Deloitte:

Type of Fees	Year Ended December 31,	
	2012	2011
	(Millions)	
Audit Fees (a)	\$ 2.0	\$ 1.8

- (a) Audit Fees are fees billed by Deloitte for professional services for the audit of our consolidated financial statements included in our annual report on Form 10-K and review of financial statements included in our quarterly reports on Form 10-Q, services that are normally provided by Deloitte in connection with statutory and regulatory filings or engagements or any other service performed by Deloitte to comply with generally accepted auditing standards and include comfort and consent letters in connection with Securities and Exchange Commission filings and financing transactions.

For the last two fiscal years, Deloitte has not billed us for assurance and related services, unless such services were reasonably related to the performance of the audit or review of our financial statements, and are included in the table above. Deloitte has not provided any services to us over the last two fiscal years related to tax compliance, tax services and tax planning.

Audit Committee Pre-Approval Policy

The audit committee pre-approves all audit and permissible non-audit services provided by the independent auditors on a case-by-case basis. These services may include audit services, audit-related services, tax services and other services. The audit committee does not delegate its responsibilities to pre-approve services performed by the independent auditor to management or to an individual member of the audit committee. The audit committee has, however, pre-approved audit related services that do not impair the independence of the independent auditors for up to \$50,000 per engagement, and up to an aggregate of \$200,000 annually, provided the audit committee is notified of such audit-related services in a timely manner. The audit committee may, however, from time to time delegate its authority to any audit committee member, who will report on the independent auditor services that were approved at the next audit committee meeting.

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PART IV

Item 15. *Exhibits and Financial Statement Schedules*

(a) Consolidated Financial Statements and Financial Statement Schedules included in this Item 15:
Consolidated Financial Statements of Discovery Producer Services LLC

Other schedules are omitted because they are not required or because the required information is included in the Consolidated Financial Statements or Notes.

(b) Exhibits
(a) Financial Statements

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Discovery Producer Services LLC

Consolidated Financial Statements

For the Years Ended December 31, 2012, 2011 and 2010

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Management Committee of

Discovery Producer Services LLC

We have audited the accompanying consolidated balance sheets of Discovery Producer Services LLC as of December 31, 2012 and 2011, and the related consolidated statements of comprehensive income, members' capital, and cash flows for each of the three years in the period ended December 31, 2012. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Discovery Producer Services LLC at December 31, 2012 and 2011, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2012, in conformity with U.S. generally accepted accounting principles.

/s/ Ernst & Young LLP

Tulsa, Oklahoma

February 27, 2013

Table of Contents**DISCOVERY PRODUCER SERVICES LLC****CONSOLIDATED BALANCE SHEETS**

	December 31, 2012 2011 (In thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 43,222	\$ 17,457
Trade accounts receivable:		
Affiliate	13,009	14,497
Other	3,476	2,434
Prepaid insurance	3,028	2,708
Other current assets	2,372	833
Total current assets	65,107	37,929
Property, plant, and equipment, net	646,599	359,566
Other noncurrent assets	74	156
Total assets	\$ 711,780	\$ 397,651
LIABILITIES AND MEMBERS CAPITAL		
Current liabilities:		
Accounts payable:		
Affiliate	\$ 2,332	\$ 1,793
Other	32,779	17,875
Accrued liabilities	334	408
Other current liabilities	694	277
Total current liabilities	36,139	20,353
Asset retirement obligations	43,144	28,518
Members capital	632,497	348,780
Total liabilities and members capital	\$ 711,780	\$ 397,651

See accompanying notes to consolidated financial statements.

Table of Contents**DISCOVERY PRODUCER SERVICES LLC****CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Years Ended December 31,		
	2012	2011	2010
	(In thousands)		
Revenues:			
Product sales:			
Affiliate	\$ 125,578	\$ 171,802	\$ 157,785
Third-party	63	50	58
Transportation services:			
Affiliate	57	124	322
Third-party	13,712	14,110	21,743
Gathering and processing services:			
Affiliate	311	341	285
Third-party	16,098	17,397	19,717
Other revenues	13,247	6,723	7,496
Total revenues	169,066	210,547	207,406
Costs and expenses:			
Product cost and shrink replacement:			
Affiliate	8,526	12,594	27,995
Third-party	72,168	87,999	64,330
Operating and maintenance expenses:			
Affiliate	7,757	7,644	7,309
Third-party	19,645	21,258	24,474
Depreciation, amortization and accretion	22,653	21,211	20,544
Taxes other than income	3,050	2,986	3,016
General and administrative expenses affiliate	6,348	6,080	6,087
Other (income) expense, net	(1,280)	(21)	2,229
Total costs and expenses	138,867	159,751	155,984
Operating income	30,199	50,796	51,422
Interest income (expense)	(34)	12	4
Foreign exchange gain	62		
Net income	30,227	50,808	51,426
Other comprehensive income:			
Net unrealized gain from derivative instruments	1,697		
Comprehensive income	\$ 31,924	\$ 50,808	\$ 51,426

See accompanying notes to consolidated financial statements.

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DISCOVERY PRODUCER SERVICES LLC
CONSOLIDATED STATEMENT OF MEMBERS' CAPITAL

	Williams Field Services Group, LLC	DCP Assets Holding, LP	Accumulated Other Comprehensive Income	Total
Balance at December 31, 2009	\$ 218,596	\$ 145,727	\$	\$ 364,323
Contributions	3,480	2,320		5,800
Distributions	(44,076)	(29,384)		(73,460)
Net income	30,856	20,570		51,426
Balance at December 31, 2010	208,856	139,233		348,089
Contributions	10,310	6,873		17,183
Distributions	(40,380)	(26,920)		(67,300)
Net income	30,485	20,323		50,808
Balance at December 31, 2011	209,271	139,509		\$ 348,780
Contributions	173,394	115,596		288,990
Distributions	(22,318)	(14,879)		(37,197)
Net income	18,136	12,091		30,227
Other comprehensive income			1,697	1,697
Balance at December 31, 2012	\$ 378,483	\$ 252,317	\$ 1,697	\$ 632,497

See accompanying notes to consolidated financial statements.

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DISCOVERY PRODUCER SERVICES LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31,		
	2012	2011	2010
	(In thousands)		
OPERATING ACTIVITIES:			
Net income	\$ 30,227	\$ 50,808	\$ 51,426
Adjustments to reconcile to cash provided by operations:			
Depreciation, amortization and accretion	22,653	21,211	20,544
Net loss (gain) on disposal of equipment	259	(18)	3
Cash provided (used) by changes in assets and liabilities:			
Trade accounts receivable	446	1,979	2,154
Insurance receivable		2,234	2,413
Prepaid insurance	(320)	61	(285)
Other current assets	81	51	301
Accounts payable	1,851	(2,242)	1,372
Accrued liabilities	(74)	(276)	(417)
Other current liabilities	417	(103)	(942)
Net cash provided by operating activities	55,540	73,705	76,569
INVESTING ACTIVITIES:			
Property, plant, and equipment capital expenditures*	(281,568)	(16,396)	(8,474)
Acquisition of other noncurrent assets		35	(279)
Net cash used by investing activities	(281,568)	(16,361)	(8,753)
FINANCING ACTIVITIES:			
Distributions to members	(37,197)	(67,300)	(73,460)
Capital contributions	288,990	17,183	5,800
Net cash provided (used) by financing activities	251,793	(50,117)	(67,660)
Increase in cash and cash equivalents	25,765	7,227	156
Cash and cash equivalents at beginning of period	17,457	10,230	10,074
Cash and cash equivalents at end of period	\$ 43,222	\$ 17,457	\$ 10,230
*Increase to property, plant, and equipment	(295,166)	(21,536)	(9,556)
Changes in related accounts payable and accrued liabilities	13,598	5,140	1,082
Capital expenditures	\$ (281,568)	\$ (16,396)	\$ (8,474)

See accompanying notes to consolidated financial statements.

Table of Contents**DISCOVERY PRODUCER SERVICES LLC****NOTES TO CONSOLIDATED FINANCIAL STATEMENTS****Note 1. Organization and Description of Business**

Unless the context clearly indicates otherwise, references in this report to we, our, us or similar language refer to Discovery Producer Services LLC and its wholly owned subsidiary, Discovery Gas Transmission LLC (DGT). We are a Delaware limited liability company formed on June 24, 1996 for the purpose of constructing and operating a cryogenic natural gas processing plant near Larose, Louisiana and a natural gas liquids fractionator near Paradis, Louisiana. DGT is a Delaware limited liability company formed on June 24, 1996 for the purpose of constructing and operating a natural gas pipeline from offshore deep water in the Gulf of Mexico to our gas processing plant in Larose, Louisiana. We have since connected several laterals to the DGT pipeline to expand our presence in the Gulf. A new lateral, the Keathley Canyon Connector, is currently being constructed and is anticipated to be completed in 2014.

We are owned 60% by Williams Field Services Group, LLC (a wholly owned subsidiary of Williams Partners L.P. (WPZ)) and 40% by DCP Assets Holding, LP (a wholly owned subsidiary of DCP Midstream Partners, LP (DCP)). Williams Field Services Group, LLC is our operator. Herein, The Williams Companies, Inc. who controls WPZ through its general partner interest and its subsidiaries, including WPZ and Williams Field Services Group, LLC, are collectively referred to as Williams.

We evaluated our disclosure of subsequent events through the date, February 27, 2013, that our financial statements were issued.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation. The consolidated financial statements have been prepared based upon accounting principles generally accepted in the United States and include the accounts of the parent and our wholly owned subsidiary, DGT. Intercompany accounts and transactions have been eliminated.

Reclassifications. Certain prior year amounts have been reclassified to conform to the current year presentation. We have reclassified Paradis fuel cost purchased from Williams from affiliate operating and maintenance expense to affiliate product cost and shrink replacement. These amounts aggregated \$3.8 million and \$4.6 million in 2011 and 2010, respectively, and had no effect on total costs and expenses or net income.

Use of Estimates. The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Significant Estimates and assumptions include:

Asset retirement obligations

Depreciable asset lives

Cash and Cash Equivalents. The cash and cash equivalent balance is primarily invested in funds with high-quality, short-term securities and instruments that are issued or guaranteed by the U.S. government. These securities have maturities of three months or less when acquired.

Trade Accounts Receivable. Trade accounts receivable are carried on a gross basis, with no discounting, less an allowance for doubtful accounts. We do not recognize an allowance for doubtful accounts at the time the revenue that generates the accounts receivable is recognized. We estimate the allowance for doubtful accounts based on existing economic conditions, the financial condition of the customers, and the amount and age of past due accounts. Receivables are considered past due if full payment is not received by the contractual due date. Past due accounts are generally written off against the allowance for doubtful accounts only after all collection attempts have been exhausted. There was no allowance for doubtful accounts at December 31, 2012 and 2011.

Prepaid Insurance. Prepaid insurance represents the unamortized balance of insurance premiums. These payments are amortized on a straight-line basis over the policy term.

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Gas Imbalances. In the course of providing transportation services to customers, we may receive different quantities of gas from shippers than the quantities delivered on behalf of those shippers. This results in gas transportation imbalance receivables and payables which are recovered or repaid in cash, based on market-based prices, or through the receipt or delivery of gas in the future. Imbalance receivables are valued based on the lower of the current market prices or weighted average cost of natural gas in the system. Imbalance payables are valued at current market prices. Settlement of imbalances requires agreement between the pipelines and shippers as to allocations of volumes to specific transportation contracts and the timing of delivery of gas based on operational conditions. Pursuant to a settlement with our shippers issued by the Federal Energy Regulatory Commission (FERC) on February 5, 2008, if a cash-out refund is due and payable to a shipper during any year pursuant to a Transporter's FERC Gas Tariff, the shipper will be deemed to have immediately assigned its right to the refund amount to us.

Property, Plant and Equipment. Property, plant and equipment is recorded at cost. We base the carrying value of these assets on estimates, assumptions and judgments relative to capitalized costs, useful lives and salvage values. The natural gas and natural gas liquids maintained in the pipeline facilities necessary for their operation (line fill) are included in property, plant and equipment. Depreciation of property, plant and equipment is provided on a straight-line basis over the estimated useful lives of 25 to 35 years. Expenditures for maintenance and repairs are expensed as incurred. Expenditures that extend the useful lives of the assets or increase their functionality are capitalized. The cost of property, plant and equipment sold or retired and the related accumulated depreciation is removed from the accounts in the period of sale or disposition. Gains and losses on the disposal of property, plant and equipment are recorded in operating income.

We record an asset and a liability equal to the present value of each expected future asset retirement obligation (ARO). The ARO asset increases the carrying value of the underlying physical asset and is depreciated with the underlying physical asset. We measure changes in the liability due to passage of time by applying an interest method of allocation. This amount is recognized as an increase in the carrying amount of the liability and as corresponding accretion expense included in operating income.

Revenue Recognition. Revenue for sales of products is recognized in the period of delivery, and revenues from the gathering, transportation and processing of gas are recognized in the period the service is provided based on contractual terms and the related natural gas and liquid volumes. DGT is subject to FERC regulations, and accordingly, certain revenues collected may be subject to possible refunds upon final orders in pending cases. DGT records rate refund liabilities considering its and other third parties' regulatory proceedings, advice of counsel, estimated total exposure as discounted and risk weighted, and collection and other risks. There was no rate refund liabilities accrued at December 31, 2012 or 2011.

Impairment of Long-Lived Assets. We evaluate long-lived assets for impairment when events or changes in circumstances indicate that, in our management's judgment, the carrying value of such assets may not be recoverable. When such a determination has been made, we compare our management's estimate of undiscounted future cash flows attributable to the assets to the carrying value of the assets to determine whether the carrying value is recoverable. If the carrying value is not recoverable, we determine the amount of the impairment recognized in the financial statements by estimating the fair value of the assets and recording a loss for the amount that the carrying value exceeds the estimated fair value.

Income Taxes. For federal tax purposes, we have elected to be treated as a partnership with each member being separately taxed on its ratable share of our taxable income. This election, to be treated as a pass-through entity, also applies to our wholly owned subsidiary, DGT. Therefore, no income taxes or deferred income taxes are reflected in the consolidated financial statements.

Foreign Currency Transactions. Transactions denominated in currencies other than the functional currency are recorded based on exchange rates at the time such transactions arise. Subsequent changes in exchange rates result in transaction gains or losses which are reflected in net income.

Derivative Instruments and Hedging Activities. We utilize derivatives to manage our currency exposure on construction contracts requiring payment in Euros. These instruments consist entirely of forward contracts. We report the fair value of derivatives in other current assets on the balance sheet. The current classification was based on the timing of expected future cash flows of individual trades. These derivatives have been designated

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in hedging relationships. For a derivative to qualify for designation in a hedging relationship, it must meet specific criteria and we must maintain appropriate documentation. We establish hedging relationships pursuant to risk management policies. We evaluate the hedging relationships at the inception of the hedge and on an ongoing basis to determine whether the hedging relationship is, and is expected to remain, highly effective in achieving offsetting changes in cash flows attributable to the underlying risk being hedged. We also regularly assess whether the hedged forecasted transaction is probable of occurring. If a derivative ceases to be or is no longer expected to be highly effective, or if we believe the likelihood of occurrence of the hedged forecasted transaction is no longer probable, hedge accounting would be discontinued prospectively, and future changes in the fair value of the derivative would be recognized currently in other income or expenses. For these cash flow hedges, the effective portion of the change in the fair value of the derivative is reported in AOCI and reclassified into earnings in the period in which the hedged item affects earnings. Any ineffective portion of the derivative's change in fair value is recognized currently in other income or expenses. The change in likelihood of a forecasted transaction is a judgmental decision that includes qualitative assessments made by management.

Note 3. Related Party Transactions

We have various business transactions with our members and subsidiaries and affiliates of our members. Revenues include the following:

sales to Williams of natural gas liquids (NGLs) to which we take title and excess natural gas at current market prices for the products and

processing and sales of NGLs and transportation of natural gas and condensate for DCP's affiliates, Texas Eastern Corporation and Phillips 66.

The following table summarizes these related-party revenues during 2012, 2011 and 2010.

	Years Ended December 31,		
	2012	2011	2010
	(In thousands)		
Williams	\$ 125,797	\$ 172,143	\$ 158,070
Texas Eastern Corporation	124		
Phillips 66	25	124	322
Total	\$ 125,946	\$ 172,267	\$ 158,392

Product cost and shrink replacement affiliate includes natural gas purchases from Williams for fuel and shrink requirements made at market rates at the time of purchase.

We have no employees. Pipeline and plant operations are performed under operation and maintenance agreements with Williams. Most costs for materials, services and other charges are third-party charges and are invoiced directly to us. Operating and maintenance expenses affiliate includes the following:

direct payroll and employee benefit costs incurred on our behalf by Williams, and

transportation expense under a 10-year transportation agreement for pipeline capacity through 2015 from Texas Eastern Transmission, LP (an affiliate of DCP)

General and administrative expenses affiliate includes a monthly operation and management fee paid to Williams to cover the cost of accounting services, computer systems and management services provided to us.

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We also pay Williams a project management fee to cover the cost of managing capital projects. This fee is determined on a project by project basis and is capitalized as part of the construction costs. A summary of the payroll costs and project fees charged to us by Williams and capitalized are as follows:

	Years Ended December 31,		
	2012	2011	2010
	(In thousands)		
Capitalized labor	\$ 2,201	\$ 834	\$ 295
Capitalized project fee	5,572	566	288
	\$ 7,773	\$ 1,400	\$ 583

Table of Contents**Note 4. Property, Plant, and Equipment**

Property, plant, and equipment consisted of the following at December 31, 2012 and 2011:

	Years Ended December 31,		Estimated Depreciable Lives	
	2012	2011		
	(In thousands)			
Property, plant, and equipment:				
Transportation lines	\$ 327,480	\$ 327,497	25	35 years
Plant and other equipment	320,801	295,760	25	35 years
Buildings	6,018	5,483	25	35 years
Land and land rights	7,927	7,910	0	35 years
Construction work in progress	296,088	14,937		
Total property, plant, and equipment	958,314	651,587		
Less accumulated depreciation	311,715	292,021		
Net property, plant, and equipment	\$ 646,599	\$ 359,566		

In 2012, construction work in progress increased due to the construction of a new lateral called the Keathley Canyon Connector.

Our asset retirement obligations relate primarily to our offshore platform and pipelines and our onshore processing and fractionation facilities. At the end of the useful life of each respective asset, we are legally or contractually obligated to dismantle the offshore platform, properly abandon the offshore pipelines, remove the onshore facilities and related surface equipment and restore the surface of the property.

A rollforward of our asset retirement obligation for 2012 and 2011 is presented below.

	Years Ended December 31,	
	2012	2011
	(In thousands)	
Balance at January 1	\$ 28,518	\$ 25,575
Accretion expense	2,437	2,144
Estimate revisions	12,189	799
Liabilities incurred		
Balance at December 31	\$ 43,144	\$ 28,518

Note 5. Commitments

During 2011, we began the Keathley Canyon Connector project. This is an expansion of our pipeline into the Gulf of Mexico for purposes of gathering production from the Keathley Canyon, Walker Ridge and Green Canyon areas. Commitments for pipeline construction and installation of the Keathley Canyon Connector were approximately \$262.1 million as of December 31, 2012.

We lease the land on which the Paradis fractionator and the Larose processing plant are located. The term for each lease expires in 2017 with renewal options for an additional 30 years.

(In thousands)

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2013	\$	118
2014		118
2015		118
2016		118
2017		118
Thereafter		
	\$	590

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We also have a ten-year agreement for pipeline capacity from Texas Eastern Transmission, LP that expires in June 2015 and includes renewal options and options to increase capacity which would also increase rentals. The future minimum annual commitment under this non-cancelable arrangement as of December 31, 2012 is payable as follows:

	(In thousands)
2013	\$ 1,150
2014	1,150
2015	575
2016	
2017	
Thereafter	
	\$ 2,875

Total rent and lease expense for 2012, 2011, and 2010, including a cancelable platform space lease and miscellaneous month-to-month leases, was \$1.9 million, \$1.7 million, and \$1.8 million, respectively.

Note 6. Financial Instruments, Derivative Instruments, Concentrations of Credit Risk and Major Customers***Fair Value of Financial Instruments***

Fair value is defined as the price which would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assets and liabilities recorded or disclosed at fair value are categorized based upon the level of judgment associated with the inputs used to measure their fair values. These categories include (in descending order of priority): Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions. The following table presented the fair value of our financial instruments:

	2012		2011	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(In thousands)			
Cash and cash equivalents	\$ 43,222	\$ 43,222	\$ 17,457	\$ 17,457
Foreign exchange derivatives designated in hedging relationship	\$ 1,620	\$ 1,620		

Fair Value Methods

We used the following methods and assumptions to estimate the fair value of financial instruments:

Cash and cash equivalents. The carrying amounts reported in the Consolidated Balance Sheets approximate fair value due to the short-term maturity of these instruments.

Foreign exchange derivatives. The foreign exchange derivatives consist of over-the-counter forward contracts. These contracts are valued using an income approach including present value technique and are considered Level 2 measurements. Significant inputs into our Level 2 valuation include broker quotes corroborated by other market data.

No transfers between Level 1, Level 2, and Level 3 of the fair value hierarchy were made during 2012.

Derivative Instruments

Derivative contracts for the purchase of 47,509,898 Euros through December 2013 remained outstanding as of December 31, 2012. During 2012, we recognized gains on these derivative instruments of \$1.7 million in AOCI which, along with any subsequent changes in the fair value

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of these instruments, will be reclassified into earnings in the same period in which the hedged transactions affect earnings. There were no gains or losses

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recognized in income as a result of ineffectiveness, following the discontinuance of any cash flow hedges or as a result of excluding amounts from the assessment of hedge effectiveness. Based on recorded values at December 31, 2012, no gains or losses will be reclassified into earnings within the next year.

Concentrations of Credit Risk

Our cash equivalents balance is primarily invested in funds with high-quality, short-term securities and instruments that are issued or guaranteed by the U.S. government.

At December 31, 2012, substantially our entire customer accounts receivable result from product sales to and gas transmission services provided for our largest three customers. This concentration of customers may impact our overall credit risk either positively or negatively, in that these entities may be similarly affected by industry-wide changes in economic or other conditions. As a general policy, collateral is not required for receivables, but customers' financial condition and credit worthiness are evaluated regularly. Our credit policy and the relatively short duration of receivables mitigate the risk of uncollected receivables. We incurred credit losses on receivables during 2012 of \$8,168. We did not incur any credit losses on receivables during 2011 and 2010.

As of December 31, 2012 we entered into forward contracts for the purchase of 47,509,898 Euros to reduce our foreign currency risk associated with Euro-denominated payments under the Keathley Canyon Connector construction contract.

Major Customers

Williams accounted for \$125.8 million (74%), \$172.1 million (82%), and \$158.1 million (76%) respectively, of our total revenues in 2012, 2011 and 2010. These revenues were for the sale of NGLs received as compensation under processing contracts with third-party producers.

Note 7. Rate and Regulatory Matters

Rate and Regulatory Matters. Annually, DGT files a request with the FERC for a fuel lost-and-unaccounted-for gas (FL&U) percentage to be allocated to shippers for the upcoming fiscal year beginning July 1. On May 31, 2012, DGT filed to decrease the FL&U percentage from 0.35% to zero percent (0%) effective for the twelve months commencing July 1, 2012. By Order dated June 27, 2012 the filing was approved. During 2012, \$0.7 million of FL&U was retained from the shippers compared to \$1.2 million in 2011. The actual system gain for 2012 was \$1.1 million compared to a system loss of \$24,000 in 2011. These amounts were both recognized in operating income.

On November 15, 2012, DGT filed with the FERC its annual Hurricane Mitigation and Reliability Enhancement (HMRE) surcharge adjustment. The filing proposed to increase the HMRE surcharge from \$0.0040 per Dt to \$0.0092 per Dt, effective January 1, 2013. The FERC approved the filing on December 21, 2012.

Environmental Matters. We are subject to extensive federal, state, and local environmental laws and regulations which affect our operations related to the construction and operation of our facilities. Appropriate governmental authorities may enforce these laws and regulations with a variety of civil and criminal enforcement measures, including monetary penalties, assessment and remediation requirements and injunctions as to future compliance. We have not been notified and are not currently aware of any material noncompliance under the various environmental laws and regulations.

Other. We are party to various other claims, legal actions and complaints arising in the ordinary course of business. We estimate that, for all matters for which we are able to reasonably estimate a range of loss, our aggregate reasonably possible losses beyond amounts accrued for all of our contingent liabilities are immaterial to our expected future annual results of operations, liquidity, and financial position. These calculations have been made without consideration of any potential recovery from third parties. There are no significant matters for which we are unable to reasonably estimate a range of possible loss.

Note 8. Subsequent Events

On February 1, 2013, we requested capital contributions from our partners of \$7.9 million for the Keathley Canyon project.

Table of Contents**(b) Exhibits**

A list of exhibits required by Item 601 of Regulation S-K to be filed as part of this report:

Exhibit	
Number	Description
1.1*	Equity Distribution Agreement, dated August 17, 2011, among DCP Midstream Partners, LP, DCP Midstream GP, LP, DCP Midstream GP, LLC, and Citigroup Global Markets Inc (filed as Exhibit 1.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on August 18, 2011).
2.1*	Contribution Agreement, dated October 9, 2006, between DCP LP Holdings, LP and DCP Midstream Partners, LP (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on October 13, 2006).
2.2*	Purchase and Sale Agreement, dated March 7, 2007, between Anadarko Gathering Company, Anadarko Energy Services Company and DCP Midstream Partners, LP (attached as Exhibit 99.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on May 14, 2007).
2.3*	Contribution and Sale Agreement, dated May 21, 2007, between Gas Supply Resources Holdings, Inc., DCP Midstream, LLC and DCP Midstream Partners, LP (attached as Exhibit 10.1 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on May 25, 2007).
2.4*	Contribution Agreement, dated May 23, 2007, among DCP LP Holdings, LP, DCP Midstream, LLC, DCP Midstream GP, LP and DCP Midstream Partners, LP (attached as Exhibit 10.1 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on May 25, 2007).
2.5*	Contribution Agreement dated February 24, 2009, among DCP LP Holdings, LLC, DCP Midstream GP, LP DCP Midstream, LLC, and DCP Midstream Partners, LP (attached as Exhibit 10.16 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on March 5, 2009).
2.6*	Purchase and Sale Agreement by and Among DCP Midstream, LLC and DCP Midstream Partners, LP dated as of November 4, 2010 (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 November 8, 2010).
2.7*	Contribution Agreement between DCP Southeast Texas, LLC and DCP Partners SE Texas LLC dated as of November 4, 2010 (attached as Exhibit 2.2 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on November 8, 2010).
2.8*	Contribution Agreement, dated November 4, 2011, among DCP LP Holdings, LLC, DCP Midstream GP, LP, DCP Midstream, LLC and DCP Midstream Partners, LP. (attached as Exhibit 10.7 to DCP Midstream, LLC's Schedule 13D (File No. 005-81287) dated as of January 13, 2012).
2.9*	Contribution Agreement, dated February 27, 2012, among DCP LP Holdings, LLC, DCP Midstream, LLC and DCP Midstream Partners, LP (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 March 1, 2012).
2.10*	First Amendment to Contribution Agreement, dated March 30, 2012, among DCP LP Holdings, LLC, DCP Midstream, LLC and DCP Midstream Partners, LP (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 April 4, 2012).
2.11*	Contribution Agreement among DCP LP Holdings, LLC, DCP Midstream, LLC and DCP Midstream Partners, LP dated June 25, 2012 (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 June 29, 2012).
2.12*	Contribution Agreement, dated November 2, 2012, among DCP LP Holdings, LLC, DCP Midstream GP, LP, DCP Midstream, LLC, and DCP Midstream Partners, LP (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 November 7, 2012).

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Number	Description
2.13*	Contribution Agreement dated February 27, 2013 among DCP LP Holdings, LLC, DCP Midstream, LLC and DCP Midstream Partners, LP (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 February 27, 2013).
3.1*	First Amended and Restated Agreement of Limited Partnership of DCP Midstream GP, LP (attached as Exhibit 3.4 to DCP Midstream Partners, LP's Amendment No. 2 to Registration Statement on Form S-1 (File No. 333-128378) filed with the SEC on November 18, 2005).
3.2*	Amended and Restated Limited Liability Company Agreement of DCP Midstream GP, LLC (attached as Exhibit 3.6 to DCP Midstream Partners, LP's Amendment No. 2 to Registration Statement on Form S-1 (File No. 333-128378) filed with the SEC on November 18, 2005).
3.3*	Second Amended and Restated Agreement of Limited Partnership of DCP Midstream Partners, LP (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 November 7, 2006).
3.4*	Amendment No. 1 to Amended and Restated Limited Liability Company Agreement of DCP Midstream GP, LLC (attached as Exhibit 3.1 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on March 5, 2009).
3.5*	Amendment No. 1 to the Second Amended and Restated Agreement of Limited Partnership of DCP Midstream Partners, LP (attached as Exhibit 4.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on April 14, 2008).
3.6*	Amendment No. 2 to the Second Amended and Restated Agreement of Limited Partnership of DCP Midstream Partners, LP (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 April 7, 2009).
3.7*	Amendment No. 2 to Amended and Restated Limited Liability Company Agreement of DCP Midstream GP, LLC (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 February 21, 2013).
4.1*	Indenture dated as of September 30, 2010 for the issuance of debt securities between DCP Midstream Operating, LP, as issuer, any Guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee (attached as Exhibit 4.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on September 30, 2010).
4.2*	First Supplemental Indenture dated as of September 30, 2010 to Indenture dated as of September 30, 2010 between DCP Midstream Operating, LP, as issuer, DCP Midstream Partners, LP, as Guarantor, and the Bank of New York Mellon Trust Company, N.A., as trustee (attached as Exhibit 4.2 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on September 30, 2010).
4.3*	Second Supplemental Indenture dated as of March 13, 2012 to Indenture dated as of September 30, 2010 between DCP Midstream Operating, LP, as issuer, DCP Midstream Partners, LP, as guarantor, and the Bank of New York Mellon Trust Company, N.A., as trustee (attached as Exhibit 4.2 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on March 13, 2012).
4.4*	Third Supplemental Indenture dated as of June 14, 2012 to Indenture dated as of September 30, 2010 between DCP Midstream Operating, LP, as issuer, DCP Midstream Partners, LP, as guarantor, and the Bank of New York Mellon Trust Company, N.A., as trustee (attached as Exhibit 4.2 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on June 14, 2012).
4.5*	Fourth Supplemental Indenture dated as of November 27, 2012 to Indenture dated as of September 30, 2010 between DCP Midstream Operating, LP, as issuer, DCP Midstream Partners, LP, as guarantor, and the Bank of New York Mellon Trust Company, N.A., as trustee (attached as Exhibit 4.3 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on November 27, 2012).
4.6*	Registration Rights Agreement by and among DCP Midstream Partners, LP and the purchasers named therein dated July 2, 2012 (attached as Exhibit 4.1 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on July 9, 2012).

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Number	Description
10.1*	Omnibus Agreement, dated December 7, 2005, among Duke Energy Field Services, LLC, DCP Midstream GP, LLC, DCP Midstream Partners, LP and DCP Midstream Operating, LP (attached as Exhibit 10.4 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on December 12, 2005).
10.2*+	DCP Midstream Partners, LP Long-Term Incentive Plan (attached as Exhibit 10.2 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on December 12, 2005).
10.3*+	Form of Phantom Unit and DERs Grant for Directors under the DCP Midstream Partners, LP Long-Term Incentive Plan (attached as Exhibit 4.3 to DCP Midstream Partners, LP's Registration Statement on Form S-8 (File No. 001-32678) filed with the SEC on April 20, 2007).
10.4*+	Form of Performance Phantom Unit Grant Agreement and DERs Grant for Officers/Employees under the DCP Midstream Partners, LP Long-Term Incentive Plan (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on February 24, 2011).
10.5*+	Form of Restricted Phantom Unit Grant Agreement under the DCP Midstream Partners, LP Long-Term Incentive Plan (attached as Exhibit 10.5 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on March 1, 2011).
10.6*	Contribution, Conveyance and Assumption Agreement, dated December 7, 2005, among DCP Midstream Partners, LP, DCP Midstream Operating LP, DCP Midstream GP, LLC, DCP Midstream GP, LP, Duke Energy Field Services, LLC, DEFS Holding 1, LLC, DEFS Holding, LLC, DCP Assets Holdings, LP, DCP Assets Holdings, GP, LLC, Duke Energy Guadalupe Pipeline Holdings, Inc., Duke Energy NGL Services, LP, DCP LP Holdings, LP and DCP Black Lake Holdings, LLC (attached as Exhibit 10.3 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on December 12, 2005).
10.7*	First Amendment to Omnibus Agreement, dated April 1, 2006, among Duke Energy Field Services, LLC, DCP Midstream GP, LLC, DCP Midstream Partners, LP and DCP Midstream Operating, LP (attached as Exhibit 10.6 to DCP Midstream Partners, LP's Quarterly Report on Form 10-Q (File No. 001-32678) filed with the SEC on August 11, 2006).
10.8*	Second Amendment to Omnibus Agreement, dated November 1, 2006, among Duke Energy Field Services, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LP and DCP Midstream Operating, LP (attached as Exhibit 10.2 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on November 7, 2006).
10.9*	Third Amendment to Omnibus Agreement, dated May 9, 2007, among DCP Midstream, LLC (f/k/a Duke Energy Field Services, LLC), DCP Midstream GP, LLC, DCP Midstream Partners, LP, DCP Midstream GP, LP, and DCP Midstream Operating, LP (attached as Exhibit 99.3 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on May 14, 2007).
10.10*	Amended and Restated Credit Agreement, dated June 21, 2007, among DCP Midstream Operating, LP, DCP Midstream Partners, LP and Wachovia Bank, National Association as Administrative Agent (attached as Exhibit 10.1 to DCP Midstream Partners LP's Current Report on Form 10-Q (File No. 001-32678) filed with the SEC on November 9, 2010).
10.11*	Fourth Amendment to Omnibus Agreement, dated July 1, 2007, by and among DCP Midstream, LLC f/k/a/ Duke Energy Field Services, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LP, and DCP Midstream Operating, LP (attached as Exhibit 10.2 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on July 2, 2007).
10.12*	Amended and Restated Limited Liability Company Agreement of DCP East Texas Holdings, LLC, dated July 1, 2007, between DCP Midstream, LLC and DCP Assets Holding, LP (attached as Exhibit 10.3 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on July 2, 2007).

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Exhibit	
Number	Description
10.13*	Fifth Amendment to Omnibus Agreement dated August 7, 2007, among DCP Midstream, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LP, and DCP Midstream Operating, LP (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Quarterly Report on Form 10-Q (File No. 001-32678) filed with the SEC on August 9, 2007).
10.14*	Sixth Amendment to Omnibus Agreement, dated August 29, 2007, among DCP Midstream, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LLC, and DCP Midstream Operating, LP (attached as Exhibit 10.1 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on September 5, 2007).
10.15*	Second Amended and Restated Limited Liability Company Agreement of DCP East Texas Holdings, LLC, dated April 1, 2009 between DCP Midstream, LLC and DCP Assets Holding, LP (attached as Exhibit 10.2 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on April 7, 2009
10.16*	Tenth Amendment to Omnibus Agreement, dated December 3, 2009, among DCP Midstream, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LLC, and DCP Midstream Operating, LP (attached as Exhibit 10.25 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on March 11, 2010).
10.17*++	Amended and Restated General Partnership Agreement of DCP Southeast Texas Holdings, GP, dated as of January 1, 2011, by and among DCP Southeast Texas, LLC, Gas Supply Resources Holdings, Inc. and DCP Partners SE Texas LLC, (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on January 6, 2011).
10.18*	Twelfth Amendment to Omnibus Agreement, dated January 1, 2011, among DCP Midstream, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LP, and DCP Midstream Operating, LP (attached as Exhibit 10.19 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on March 1, 2011).
10.19*++	Propane Sales Contract between Spectra Energy Propane LLC and Gas Supply Resources LLC effective May 1, 2008 (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Periodic Report (File No. 001-32678) on Form 10-Q filed August 8, 2008.
10.20*++	Amendment dated June 15, 2010 to Propane Sales Contract between Spectra Energy Propane LLC and Gas Supply Resources LLC effective May 1, 2008 (attached as Exhibit 10.2 to DCP Midstream Partners, LP's Periodic Report (File No. 001-32678) on Form 10-Q filed August 9, 2010.
10.21*	First Amendment to Amended and Restated General Partnership Agreement of DCP Southeast Texas, LLC, Gas Supply Resources Holdings, Inc. and DCP Partners SE Texas, LLC (attached as Exhibit 10.22 DCP Midstream, LP's Form 10-K (File No. 001-32678) filed with the SEC on March 1, 2011).
10.22*	Thirteenth Amendment to Omnibus Agreement, dated January 3, 2012, among DCP Midstream, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LP, and DCP Midstream Operating, LP (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on January 6, 2012).
10.23*	Term Loan Agreement, dated January 3, 2012, among DCP Midstream Operating, LP, DCP Midstream Partners, LP and Wells Fargo, National Association as Administrative Agent (attached as Exhibit 10.2 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on January 6, 2012).
10.24*++	Gas Processing Contract between DCP Midstream, LP and DCP Midstream Partners, LP dated as of August 1, 2011 (attached as Exhibit 10.4 to DCP Midstream Partners LP's Quarterly Report on Form 10-Q (File No. 001-32678) filed with the SEC on November 9, 2011).
10.25*	Credit Agreement, dated November 10, 2011, among DCP Midstream Operating, LP, DCP Midstream Partners, LP and Wells Fargo, National Association as Administrative Agent (attached as Exhibit 10.1 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on November 14, 2011).

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Exhibit	
Number	Description
10.26*+	DCP Midstream Partners, LP 2012 Long-Term Incentive Plan (attached as Exhibit 10.26 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on February 29, 2012).
10.27*+	Form of Phantom Unit and DERs Grant for Directors under the DCP Midstream Partners, LP 2012 Long-Term Incentive Plan (attached as Exhibit 10.27 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on February 29, 2012).
10.28*+	Form of Performance Phantom Unit Grant Agreement and DERs Grant for Officers/Employees under the DCP Midstream Partners, LP 2012 Long-Term Incentive Plan (attached as Exhibit 10.28 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on February 29, 2012).
10.29*+	Form of Restricted Phantom Unit Grant Agreement and DERs Grant under the DCP Midstream Partners, LP 2012 Long-Term Incentive Plan (attached as Exhibit 10.29 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on February 29, 2012).
10.30*	Fourteenth Amendment to Omnibus Agreement, dated March 30, 2012, among DCP Midstream, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LP, and DCP Midstream Operating, LP (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on April 5, 2012).
10.31*	Fifteenth Amendment to the Omnibus Agreement by and among DCP Midstream, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LP and DCP Midstream Operating, LP dated July 2, 2012 (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on July 9, 2012).
10.32*	Term Loan Agreement by and among DCP Midstream Operating, LP, DCP Midstream Partners, LP and SunTrust Bank as Administrative Agent dated July 2, 2012 (attached as Exhibit 10.2 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on July 9, 2012).
10.33*	First Amendment to Term Loan Agreement, dated November 1, 2012, among DCP Midstream Partners, LP, DCP Midstream Operating, LP, SunTrust Bank, as administrative agent, and the lenders named therein (attached as Exhibit 10.2 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on November 7, 2012).
10.34*	Common Unit Purchase Agreement by and among DCP Midstream Partners, LP and the purchasers named therein dated June 25, 2012 (attached as Exhibit 10.1 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on June 29, 2012).
10.35*	Term Loan Agreement by and among DCP Midstream Operating, LP, DCP Midstream Partners, LP and SunTrust Bank as Administrative Agent dated November 1, 2012 (attached as Exhibit 10.3 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on November 7, 2012).
10.36*	Amended and Restated General Partnership Agreement of DCP SC Texas GP, dated November 2, 2012, by and among DCP LP Holdings, LLC, DCP SC Texas Holdings LLC, and DCP South Central Texas Holdings LLC (attached as Exhibit 10.1 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on November 7, 2012).
10.37*	Services Agreement, dated as of February 14, 2013, among DCP Midstream Partners, LP and DCP Midstream, LP (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on February 21, 2013).
10.38*	Employee Secondment Agreement, dated as of February 14, 2013, among DCP Midstream Partners, LP and DCP Midstream, LP (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on February 21, 2013).
12.1	Ratio of Earnings to Fixed Charges.

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Exhibit

Number	Description
21.1	List of Subsidiaries of DCP Midstream Partners, LP.
23.1	Consent of Deloitte & Touche LLP on Consolidated Financial Statements of DCP Midstream Partners, LP and the effectiveness of DCP Midstream Partners, LP's internal control over financial reporting.
23.2	Consent of Ernst & Young LLP on Consolidated Financial Statements of Discovery Producer Services LLC.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of 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 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 Annual Report on Form 10-K of DCP Midstream Partners, LP for the annual period ended December 31, 2012, formatted in XBRL: (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Comprehensive Income, (iv) the Consolidated Statements of Cash Flows, (v) the Consolidated Statements of Changes in Equity, and (vi) the Notes to the Consolidated Financial Statements.

* Each 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.

++ Confidential treatment has been requested with respect to portions of the exhibit. Such portions have been redacted and filed separately with the SEC.

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SIGNATURES

Pursuant to the requirements of the Section 13 or 15(d) 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, in the City of Denver, State of Colorado, on February 27, 2013.

DCP Midstream Partners, LP

By: DCP Midstream GP, LP
its General Partner

By: DCP Midstream GP, LLC
its General Partner

By: */s/* Wouter T. van Kempen
Name: Wouter T. van Kempen

Title: Chief Executive Officer

Table of Contents**POWER OF ATTORNEY**

KNOW ALL PERSONS BY THESE PRESENTS that each person whose signature appears below constitutes and appoints each of Wouter T. van Kempen and Rose M. Robeson as his/her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or in his name, place, and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this annual report, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Wouter T. van Kempen Wouter T. van Kempen	Chief Executive Officer (Principal Executive Officer)	February 27, 2013
/s/ William S. Waldheim William S. Waldheim	President and Director	February 27, 2013
/s/ Rose M. Robeson Rose M. Robeson	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	February 27, 2013
/s/ Gary D. Watkins Gary D. Watkins	Chief Accounting Officer (Principal Accounting Officer)	February 27, 2013
/s/ Thomas C. O Connor Thomas C. O Connor	Chairman of the Board and Director	February 27, 2013
/s/ Paul F. Ferguson, Jr. Paul F. Ferguson, Jr.	Director	February 27, 2013
/s/ R. Mark Fiedorek R. Mark Fiedorek	Director	February 27, 2013
/s/ Greg G. Maxwell Greg G. Maxwell	Director	February 27, 2013
/s/ Frank A. McPherson Frank A. McPherson	Director	February 27, 2013
/s/ Thomas C. Morris	Director	February 27, 2013

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Thomas C. Morris

/s/ Stephen R. Springer

Director

February 27, 2013

Stephen R. Springer

/s/ Andy Viens

Director

February 27, 2013

Andy Viens

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Exhibit	Description
Number	Description
1.1*	Equity Distribution Agreement, dated August 17, 2011, among DCP Midstream Partners, LP, DCP Midstream GP, LP, DCP Midstream GP, LLC, and Citigroup Global Markets Inc (filed as Exhibit 1.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on August 18, 2011).
2.1*	Contribution Agreement, dated October 9, 2006, between DCP LP Holdings, LP and DCP Midstream Partners, LP (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on October 13, 2006).
2.2*	Purchase and Sale Agreement, dated March 7, 2007, between Anadarko Gathering Company, Anadarko Energy Services Company and DCP Midstream Partners, LP (attached as Exhibit 99.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on May 14, 2007).
2.3*	Contribution and Sale Agreement, dated May 21, 2007, between Gas Supply Resources Holdings, Inc., DCP Midstream, LLC and DCP Midstream Partners, LP (attached as Exhibit 10.1 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on May 25, 2007).
2.4*	Contribution Agreement, dated May 23, 2007, among DCP LP Holdings, LP, DCP Midstream, LLC, DCP Midstream GP, LP and DCP Midstream Partners, LP (attached as Exhibit 10.1 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on May 25, 2007).
2.5*	Contribution Agreement dated February 24, 2009, among DCP LP Holdings, LLC, DCP Midstream GP, LP DCP Midstream, LLC, and DCP Midstream Partners, LP (attached as Exhibit 10.16 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on March 5, 2009).
2.6*	Purchase and Sale Agreement by and Among DCP Midstream, LLC and DCP Midstream Partners, LP dated as of November 4, 2010 (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 November 8, 2010).
2.7*	Contribution Agreement between DCP Southeast Texas, LLC and DCP Partners SE Texas LLC dated as of November 4, 2010 (attached as Exhibit 2.2 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on November 8, 2010).
2.8*	Contribution Agreement, dated November 4, 2011, among DCP LP Holdings, LLC, DCP Midstream GP, LP, DCP Midstream, LLC and DCP Midstream Partners, LP (attached as Exhibit 10.7 to DCP Midstream, LLC's Schedule 13D (File No. 005-81287) dated as of January 13, 2012).
2.9*	Contribution Agreement, dated February 27, 2012, among DCP LP Holdings, LLC, DCP Midstream, LLC and DCP Midstream Partners, LP (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 March 1, 2012).
2.10*	First Amendment to Contribution Agreement, dated March 30, 2012, among DCP LP Holdings, LLC, DCP Midstream, LLC and DCP Midstream Partners, LP (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 April 4, 2012).
2.11*	Contribution Agreement among DCP LP Holdings, LLC, DCP Midstream, LLC and DCP Midstream Partners, LP dated June 25, 2012 (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 June 29, 2012).
2.12*	Contribution Agreement, dated November 2, 2012, among DCP LP Holdings, LLC, DCP Midstream GP, LP, DCP Midstream, LLC, and DCP Midstream Partners, LP (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 November 7, 2012).

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Number	Description
2.13*	Contribution Agreement dated February 27, 2013 among DCP LP Holding, LLC, DCP Midstream, LLC and DCP Midstream Partners, LP (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 February 27, 2013).
3.1*	First Amended and Restated Agreement of Limited Partnership of DCP Midstream GP, LP (attached as Exhibit 3.4 to DCP Midstream Partners, LP's Amendment No. 2 to Registration Statement on Form S-1 (File No. 333-128378) filed with the SEC on November 18, 2005).
3.2*	Amended and Restated Limited Liability Company Agreement of DCP Midstream GP, LLC (attached as Exhibit 3.6 to DCP Midstream Partners, LP's Amendment No. 2 to Registration Statement on Form S-1 (File No. 333-128378) filed with the SEC on November 18, 2005).
3.3*	Second Amended and Restated Agreement of Limited Partnership of DCP Midstream Partners, LP (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 November 7, 2006).
3.4*	Amendment No. 1 to Amended and Restated Limited Liability Company Agreement of DCP Midstream GP, LLC (attached as Exhibit 3.1 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on March 5, 2009).
3.5*	Amendment No. 1 to the Second Amended and Restated Agreement of Limited Partnership of DCP Midstream Partners, LP (attached as Exhibit 4.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on April 14, 2008).
3.6*	Amendment No. 2 to the Second Amended and Restated Agreement of Limited Partnership of DCP Midstream Partners, LP (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 April 7, 2009).
3.7*	Amendment No. 2 to Amended and Restated Limited Liability Company Agreement of DCP Midstream GP, LLC (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 February 21, 2013).
4.1*	Indenture dated as of September 30, 2010 for the issuance of debt securities between DCP Midstream Operating, LP, as issuer, any Guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee (attached as Exhibit 4.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on September 30, 2010).
4.2*	First Supplemental Indenture dated as of September 30, 2010 to Indenture dated as of September 30, 2010 between DCP Midstream Operating, LP, as issuer, DCP Midstream Partners, LP, as guarantor, and the Bank of New York Mellon Trust Company, N.A., as trustee (attached as Exhibit 4.2 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on September 30, 2010).
4.3*	Second Supplemental Indenture dated as of March 13, 2012 to Indenture dated as of September 30, 2010 between DCP Midstream Operating, LP, as issuer, DCP Midstream Partners, LP, as guarantor, and the Bank of New York Mellon Trust Company, N.A., as trustee (attached as Exhibit 4.2 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on March 13, 2012).
4.4*	Third Supplemental Indenture dated as of June 14, 2012 to Indenture dated as of September 30, 2010 between DCP Midstream Operating, LP, as issuer, DCP Midstream Partners, LP, as guarantor, and the Bank of New York Mellon Trust Company, N.A., as trustee (attached as Exhibit 4.2 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on June 14, 2012).
4.5*	Fourth Supplemental Indenture dated as of November 27, 2012 to Indenture dated as of September 30, 2010 between DCP Midstream Operating, LP, as issuer, DCP Midstream Partners, LP, as guarantor, and the Bank of New York Mellon Trust Company, N.A., as trustee (attached as Exhibit 4.3 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on November 27, 2012).

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4.6*	Registration Rights Agreement by and among DCP Midstream Partners, LP and the purchasers named therein dated July 2, 2012 (attached as Exhibit 4.1 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on July 9, 2012).
10.1*	Omnibus Agreement, dated December 7, 2005, among Duke Energy Field Services, LLC, DCP Midstream GP, LLC, DCP Midstream Partners, LP and DCP Midstream Operating, LP (attached as Exhibit 10.4 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on December 12, 2005).
10.2*+	DCP Midstream Partners, LP Long-Term Incentive Plan (attached as Exhibit 10.2 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on December 12, 2005).
10.3*+	Form of Phantom Unit and DERs Grant for Directors under the DCP Midstream Partners, LP Long-Term Incentive Plan (attached as Exhibit 4.3 to DCP Midstream Partners, LP's Registration Statement on Form S-8 (File No. 001-32678) filed with the SEC on April 20, 2007).
10.4*+	Form of Performance Phantom Unit Grant Agreement and DERs Grant for Officers/Employees under the DCP Midstream Partners, LP Long-Term Incentive Plan (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on February 24, 2011).
10.5*+	Form of Restricted Phantom Unit Grant Agreement under the DCP Midstream Partners, LP Long-Term Incentive Plan (attached as Exhibit 10.5 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on March 1, 2011).
10.6*	Contribution, Conveyance and Assumption Agreement, dated December 7, 2005, among DCP Midstream Partners, LP, DCP Midstream Operating LP, DCP Midstream GP, LLC, DCP Midstream GP, LP, Duke Energy Field Services, LLC, DEFS Holding 1, LLC, DEFS Holding, LLC, DCP Assets Holdings, LP, DCP Assets Holdings, GP, LLC, Duke Energy Guadalupe Pipeline Holdings, Inc., Duke Energy NGL Services, LP, DCP LP Holdings, LP and DCP Black Lake Holdings, LLC (attached as Exhibit 10.3 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on December 12, 2005).
10.7*	First Amendment to Omnibus Agreement, dated April 1, 2006, among Duke Energy Field Services, LLC, DCP Midstream GP, LLC, DCP Midstream Partners, LP and DCP Midstream Operating, LP (attached as Exhibit 10.6 to DCP Midstream Partners, LP's Quarterly Report on Form 10-Q (File No. 001-32678) filed with the SEC on August 11, 2006).
10.8*	Second Amendment to Omnibus Agreement, dated November 1, 2006, among Duke Energy Field Services, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LP and DCP Midstream Operating, LP (attached as Exhibit 10.2 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on November 7, 2006).
10.9*	Third Amendment to Omnibus Agreement, dated May 9, 2007, among DCP Midstream, LLC (f/k/a Duke Energy Field Services, LLC), DCP Midstream GP, LLC, DCP Midstream Partners, LP, DCP Midstream GP, LP, and DCP Midstream Operating, LP (attached as Exhibit 99.3 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on May 14, 2007).
10.10*	Amended and Restated Credit Agreement, dated June 21, 2007, among DCP Midstream Operating, LP, DCP Midstream Partners, LP and Wachovia Bank, National Association as Administrative Agent (attached as Exhibit 10.1 to DCP Midstream Partners LP's Current Report on Form 10-Q (File No. 001-32678) filed with the SEC on November 9, 2010).
10.11*	Fourth Amendment to Omnibus Agreement, dated July 1, 2007, by and among DCP Midstream, LLC f/k/a/ Duke Energy Field Services, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LP, and DCP Midstream Operating, LP (attached as Exhibit 10.2 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on July 2, 2007).

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10.12*	Amended and Restated Limited Liability Company Agreement of DCP East Texas Holdings, LLC, dated July 1, 2007, between DCP Midstream, LLC and DCP Assets Holding, LP (attached as Exhibit 10.3 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on July 2, 2007).
10.13*	Fifth Amendment to Omnibus Agreement dated August 7, 2007, among DCP Midstream, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LP, and DCP Midstream Operating, LP (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Quarterly Report on Form 10-Q (File No. 001-32678) filed with the SEC on August 9, 2007).
10.14*	Sixth Amendment to Omnibus Agreement, dated August 29, 2007, among DCP Midstream, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LLC, and DCP Midstream Operating, LP (attached as Exhibit 10.1 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on September 5, 2007).
10.15*	Second Amended and Restated Limited Liability Company Agreement of DCP East Texas Holdings, LLC, dated April 1, 2009 between DCP Midstream, LLC and DCP Assets Holding, LP (attached as Exhibit 10.2 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on April 7, 2009).
10.16*	Tenth Amendment to Omnibus Agreement, dated December 3, 2009, among DCP Midstream, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LLC, and DCP Midstream Operating, LP (attached as Exhibit 10.25 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on March 11, 2010).
10.17*++	Amended and Restated General Partnership Agreement of DCP Southeast Texas Holdings, GP, dated as of January 1, 2011, by and among DCP Southeast Texas, LLC, Gas Supply Resources Holdings, Inc. and DCP Partners SE Texas LLC (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on January 6, 2011).
10.18*	Twelfth Amendment to Omnibus Agreement, dated January 1, 2011, among DCP Midstream, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LP, and DCP Midstream Operating, LP (attached as Exhibit 10.19 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on March 1, 2011).
10.19*++	Propane Sales Contract between Spectra Energy Propane LLC and Gas Supply Resources LLC effective May 1, 2008 (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Periodic Report (File No. 001-32678) on Form 10-Q filed August 8, 2008).
10.20*++	Amendment dated June 15, 2010 to Propane Sales Contract between Spectra Energy Propane LLC and Gas Supply Resources LLC effective May 1, 2008 (attached as Exhibit 10.2 to DCP Midstream Partners, LP's Periodic Report (File No. 001-32678) on Form 10-Q filed August 9, 2010).
10.21*	First Amendment to Amended and Restated General Partnership Agreement of DCP Southeast Texas, LLC, Gas Supply Resources Holdings, Inc. and DCP Partners SE Texas, LLC (attached as Exhibit 10.22 DCP Midstream, LP's Form 10-K (File No. 001-32678) filed with the SEC on March 1, 2011).
10.22*	Thirteenth Amendment to Omnibus Agreement, dated January 3, 2012, among DCP Midstream, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LP, and DCP Midstream Operating, LP (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on January 6, 2012).
10.23*	Term Loan Agreement, dated January 3, 2012, among DCP Midstream Operating, LP, DCP Midstream Partners, LP and Wells Fargo, National Association as Administrative Agent (attached as Exhibit 10.2 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on January 6, 2012).

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10.24*++	Gas Processing Contract between DCP Midstream, LP and DCP Midstream Partners, LP dated as of August 1, 2011 (attached as Exhibit 10.4 to DCP Midstream Partners LP's Quarterly Report on Form 10-Q (File No. 001-32678) filed with the SEC on November 9, 2011).
10.25*	Credit Agreement, dated November 10, 2011, among DCP Midstream Operating, LP, DCP Midstream Partners, LP and Wells Fargo, National Association as Administrative Agent (attached as Exhibit 10.1 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on November 14, 2011).
10.26*+	DCP Midstream Partners, LP 2012 Long-Term Incentive Plan (attached as Exhibit 10.26 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on February 29, 2012).
10.27*+	Form of Phantom Unit and DERs Grant for Directors under the DCP Midstream Partners, LP 2012 Long-Term Incentive Plan (attached as Exhibit 10.27 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on February 29, 2012).
10.28*+	Form of Performance Phantom Unit Grant Agreement and DERs Grant for Officers/Employees under the DCP Midstream Partners, LP 2012 Long-Term Incentive Plan (attached as Exhibit 10.28 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on February 29, 2012).
10.29*+	Form of Restricted Phantom Unit Grant Agreement and DERs Grant under the DCP Midstream Partners, LP 2012 Long-Term Incentive Plan (attached as Exhibit 10.29 to DCP Midstream Partners, LP's Annual Report on Form 10-K (File No. 001-32678) filed with the SEC on February 29, 2012).
10.30*	Fourteenth Amendment to Omnibus Agreement, dated March 30, 2012, among DCP Midstream, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LP, and DCP Midstream Operating, LP (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on April 5, 2012).
10.31*	Fifteenth Amendment to the Omnibus Agreement by and among DCP Midstream, LLC, DCP Midstream GP, LLC, DCP Midstream GP, LP, DCP Midstream Partners, LP and DCP Midstream Operating, LP dated July 2, 2012 (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on July 9, 2012).
10.32*	Term Loan Agreement by and among DCP Midstream Operating, LP, DCP Midstream Partners, LP and SunTrust Bank as Administrative Agent dated July 2, 2012 (attached as Exhibit 10.2 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on July 9, 2012).
10.33*	First Amendment to Term Loan Agreement, dated November 1, 2012, among DCP Midstream Partners, LP, DCP Midstream Operating, LP, SunTrust Bank, as administrative agent, and the lenders named therein (attached as Exhibit 10.2 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on November 7, 2012).
10.34*	Common Unit Purchase Agreement by and among DCP Midstream Partners, LP and the purchasers named therein dated June 25, 2012 (attached as Exhibit 10.1 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on June 29, 2012).
10.35*	Term Loan Agreement by and among DCP Midstream Operating, LP, DCP Midstream Partners, LP and SunTrust Bank as Administrative Agent dated November 1, 2012 (attached as Exhibit 10.3 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on November 7, 2012).
10.36*	Amended and Restated General Partnership Agreement of DCP SC Texas GP, dated November 2, 2012, by and among DCP LP Holdings, LLC, DCP SC Texas Holdings LLC, and DCP South Central Texas Holdings LLC (attached as Exhibit 10.1 to DCP Midstream Partners LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on November 7, 2012).

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10.37*	Services Agreement, dated as of February 14, 2013, among DCP Midstream Partners, LP and DCP Midstream, LP (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on February 21, 2013).
10.38*	Employee Secondment Agreement, dated as of February 14, 2013, among DCP Midstream Partners, LP and DCP Midstream, LP (attached as Exhibit 10.1 to DCP Midstream Partners, LP's Current Report on Form 8-K (File No. 001-32678) filed with the SEC on February 21, 2013).
12.1	Ratio of Earnings to Fixed Charges.
21.1	List of Subsidiaries of DCP Midstream Partners, LP.
23.1	Consent of Deloitte & Touche LLP on Consolidated Financial Statements of DCP Midstream Partners, LP and the effectiveness of DCP Midstream Partners, LP's internal control over financial reporting.
23.2	Consent of Ernst & Young LLP on Consolidated Financial Statements of Discovery Producer Services LLC.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of 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 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 Annual Report on Form 10-K of DCP Midstream Partners, LP for the annual period ended December 31, 2012, formatted in XBRL: (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Comprehensive Income, (iv) the Consolidated Statements of Cash Flows, (v) the Consolidated Statements of Changes in Equity, and (vi) the Notes to the Consolidated Financial Statements.

* Each 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.

++ Confidential treatment has been requested with respect to portions of the exhibit. Such portions have been redacted and filed separately with the SEC.