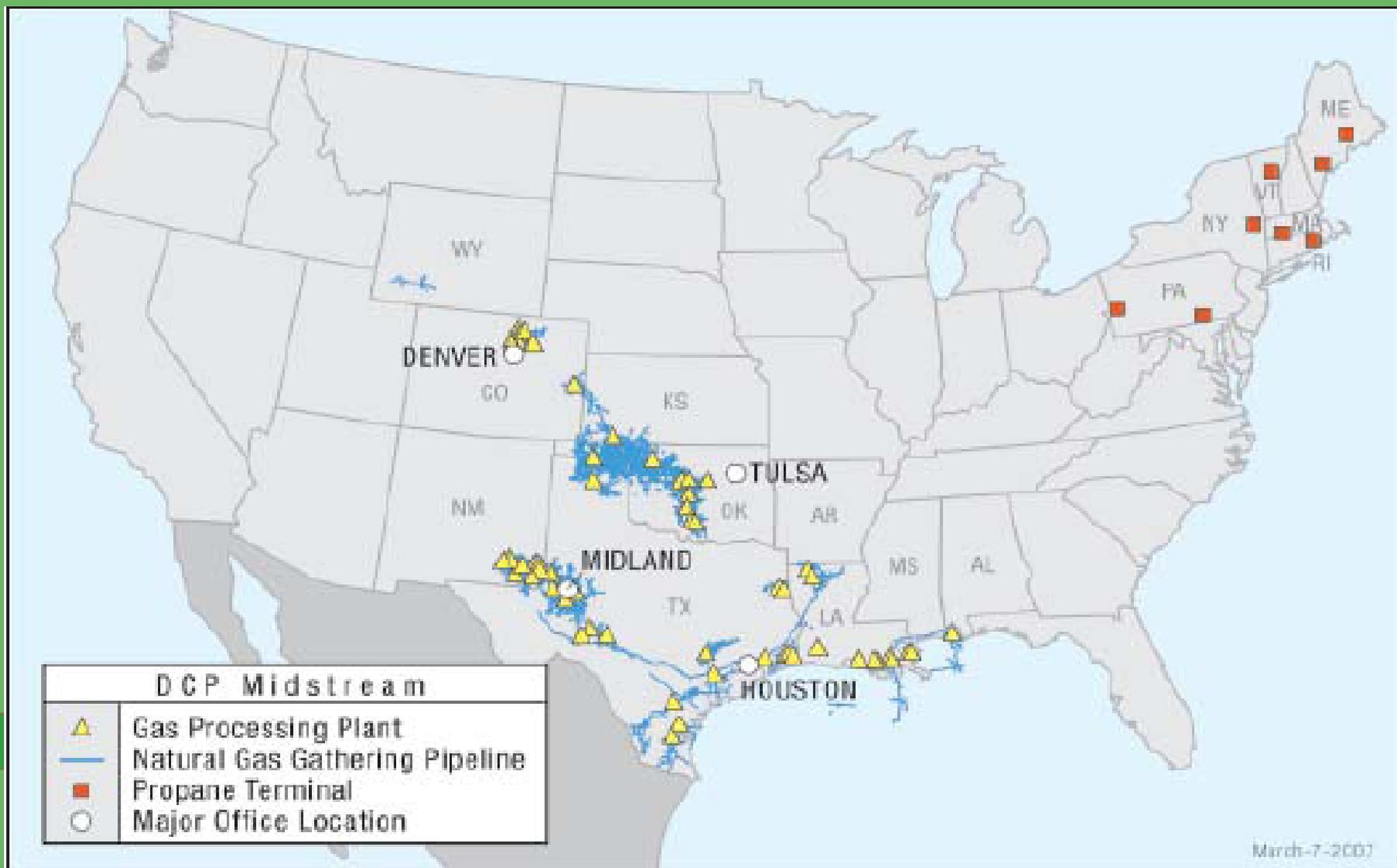


DCP Midstream's Experience with EPA Gas Star Program

Gas Star Workshop, 4-24-2007



DCP Midstream - Overview



Fast Facts

- Became DCP Midstream 1/1/07 (formerly Duke Energy Field Services)
- Operates primarily in 16 States
- Approximately 50 gas plants and several hundred compressor stations
- 56,000 miles of gathering and transmission pipelines
- Produces ~ 360,000 bbl/day of NGL

History with EPA Gas Star Program

- 2000: Helped EPA develop processing sector program
- 2001: DCP joined program by signing MOU
- 2001-2005: DCP remained a partner, implemented practices to reduce emissions, but did not report emissions reductions to the STAR Program
- 2002: BTU Efficiency pilot program began
- 2003: BTU teams started in 5 asset areas
- 2005: BTU Efficiency program extended to all asset areas
- 2006: DCP renews commitment to the Program
- 2006: Reported emission reductions and submitted Implementation Plan 2006: Received recognition as Partner of the Year for Gas Processing sector

Implementation Plan

- Develop internal support
 - Re-introduce program to company leaders
 - Internal communications program
 - Integrate STAR program with BTU Efficiency Teams
- Quantify and report annual emission reductions

Implementation Plan

- Continue methane reduction practices
 - BTU Teams will implement best practices
 - BTU Teams also will provide information on emission reductions
 - Track and report emission reductions annually
- Other participation
 - Share new best practices
 - Sponsor workshops
 - Attend workshops and present our experiences

2005 Reductions

Summary of Improvement in Gas Loss

ASSET	L&U Improvement (MMSCF)
SE New Mexico	2,900
Goldsmith	890
Liberal	400
Southern OK	90
Triad	60
TOTAL	4,340

BMP and PRO Implemented

- Pipeline replacement and repair
- Aerial optical imaging using laser and/or infrared technology (followed by pipeline repair)
- Minimize flaring, venting and blowdowns using operational best practices
- Improved measurement systems that allow problems to be identified more quickly
- Eliminate unnecessary equipment (idle gathering lines and idle equipment)
- Directed inspection and maintenance at gas plants and booster stations

2006 Reductions

- **Similar quantity of methane emission reductions**
- **Increased number of systems reporting reductions**
 - Due to expansion of BTU Efficiency teams
- **Implementing same set of BMP and PRO**

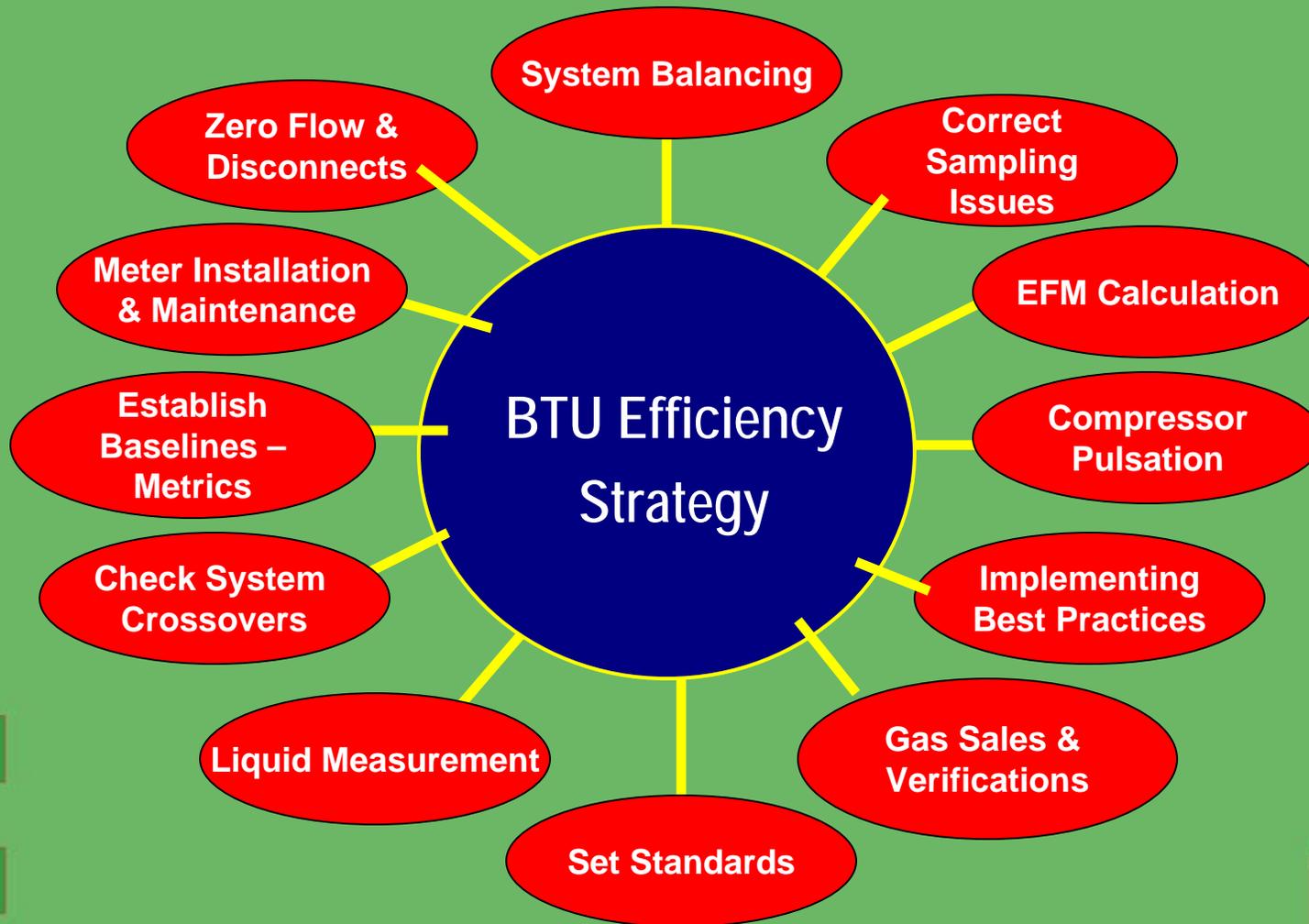
BTU Efficiency Program

- Program began in 2003 in 5 asset areas
- In 2004, expanded to 13 asset areas
- In 2005, expanded company wide
- Improve or maintain the calculated % of the difference between the MMBtu's that enter the system and the MMBtu sales that leave the system (NGL, Condensate, and Residue Gas)
- Establish a baseline
- Implement Best Practices
- Set a standard

BTU Efficiency Teams

- **Asset Core Team – Measurement, Operations, Commercial & Accounting**
 - Establishes baselines
 - Sets the standards
 - Determines priorities based on sub-balances
 - Forms system teams
 - Studies electronic maps
 - Brainstorms
 - Sets the tone
- **System Teams – Field Oper., Meas. Tech, Mechanic, I&E, Commercial Rep, Accounting**
 - Studies the trends
 - Determines areas of focus
 - Leads by example
 - Meets As needed
- **Subsystem Teams – Everyone who touches the asset**
 - Accountable and responsible for subsystem balance
 - Share ideas with system and core teams

BTU Efficiency Strategy



BTU Efficiency

Local BTU teams must drive the process – Empowerment

Find It Fast

- Improved measurement systems
- Laser – Aerial with LaSen, Inc.
- Remote Methane Leak Detector (RMLD) – Ground follow-up to aerial laser
- Infrared Camera – boosters & plants

Fix It Fast

- Resource limitations

2002 to Current Performance

- 2002 L&U -1.26%
- 2003 L&U -1.14%
- 2004 L&U -0.91%
- 2005 L&U -0.77%
- 2006 L&U -0.68%

45% Improvement over 2002

2007 BTU Efficiency Focus

- Find it Fast
 - Balance Ownership (at least weekly)
 - RMLD
 - Aerial Laser
 - Plant and Booster Shutdown Management
- Fix it Fast
- Tracking systems