

Jumbo Glacier Resort Master Plan

Appendix 6-A

Responses to Brent Harley and Associates Report
on Potential Impacts to R.K. Heli-Ski (1999)

PHEIDIAS PROJECT MANAGEMENT CORPORATION

1660-1188 west georgia street, vancouver, bc v6e 4a2
e-mail address: info@oberti.dwg.com

phone: (604) 662-8833 fax: (604) 662-7958
web page: www.dwg.com/oberti

June 24, 1999

Mr. Raymond Crook
Project Committee Chair
Jumbo Creek Project Review
Environmental Assessment Office
The Yates Centre
2nd Floor, 836 Yates Street
Victoria, B.C. V8V 1X4

Dear Mr. Crook:

The following are our comments on the Brent Harley and Associates Report on the potential impact of the Jumbo Glacier Alpine Resort project on R.K. Heli-ski:

1. The report states that it has made in depth, independent studies of the heli-ski territory and operations, but it appears that only two of the three report writers have actually visited the area (only once in Summer and once in Winter). This does not allow for "extensive independent evaluations".
2. The report is flawed by a fundamental assumption which we believe to be wrong, namely that R.K.Heli-ski would continue to operate from Panorama even after the start of the Jumbo Glacier Alpine Resort project in upper Jumbo Creek.

This scenario does not reflect the history of the growth of R.K. Heli-ski and its anticipated expansion plan with a new base of operations in Jumbo Creek. R.K.Heli-ski was successful even before it started developing its business in Jumbo Creek. It began to grow faster when it obtained winter opening of the road from Panorama to the Mineral King Mine. Most of the skiers are now taken by bus to the Mineral King Mine and would be more effectively delivered by bus or picked up by the lodge planned below Jumbo Pass in the Jumbo Creek Valley. This is obviously the ideal helicopter pick up point. R.K.Heli-ski profits not by flying most of its clients along Toby Creek, but by taking them by bus. This would be even more true after start of operations at Jumbo.

R.K.Heli-ski has a long-standing application (since 1991?) requesting permission to develop a lodge and to move operations to a Jumbo Creek location below Jumbo Pass and near the confluence of Jumbo and Leona Creek. It would be logical that when Jumbo Creek Resort proceeds the heli-ski operations would move closer to the centre of the territory, whether in cooperation with the new resort or not. The proponent is on record stating that it intends to facilitate and encourage R.K. Heli-ski to move to Jumbo Creek. The flying costs from the Jumbo Creek centre of operations would be greatly reduced, and other heli-ski opportunities would become more economical.

3. R.K. Heli-ski's territory was expanded with the proponent's support in 1996 into the Glacier Creek area. Flying into this area, very similar to the Jumbo and Leona Creeks drainage, would be greatly facilitated once a Jumbo Creek location were to be established. Also, while some may argue how often Jumbo Pass could be overflowed in bad weather, it is undeniable that flying over the pass is less difficult than flying over the crest of the mountains, and there would be a larger number of days when access to Glacier Creek would be possible from a Jumbo Creek base. In addition, when it is possible to land a helicopter at the top of the tree line in upper Jumbo Creek, where the heli-ski runs have been cut, it is also possible to fly over Jumbo Pass, which is below the tree line.
4. Following our formal application in early 1991, R.K.Heli-ski—with our support—started logging operations in Jumbo and Leona Creeks, vastly expanding bad weather ski runs in those drainages.

Bad weather skiing is, to a great extent, a function of where bad weather ski runs have been cut. This explains the apparent increase in utilization of Jumbo Creek from some 25 to 65% since the time our application was made; however, bad weather ski run tabulations do not identify the difference between Jumbo, Leona and Leo Creek areas, all frequently used areas which seem to be lumped together with Jumbo Creek. In this respect bad weather skiing in Jumbo Creek seems to be overstated as if it were the only existing, as well as the only possible bad weather area.

The bad weather skiing in Jumbo Creek appears to be overstated and unclear not only because it does not distinguish between Jumbo, and Leona Creek and Leo Creeks, which in fact have more easily accessible bad weather runs and allow skiing on two sides of the Redtop mountain ridge, but also because in serious bad weather conditions most of the heli-ski runs in upper Jumbo Creek would be inaccessible by helicopter.

As bad weather develops, the initial snow line is at the junction of Jumbo and Toby Creeks. This is a light snow line that can normally be penetrated by helicopter flying above the trees. But there is a second heavier snow line north of the junction of Leona and Jumbo Creek. This creates a white curtain that becomes impassable by the helicopter, closing upper Jumbo Creek drainage and most of the bad weather heli-ski runs there when there is any serious bad weather.

It is worth repeating that in most cases when the bad weather ski runs in Jumbo Creek would be accessible, those in Glacier Creek would also be accessible through Jumbo Pass, which is below tree line.

5. The report should have noted that it would only take glading of bad weather ski runs into Glacier Creek to allow similar utilization of Glacier Creek in bad weather from a Jumbo Creek base. Leona Creek and Leo Creek, below Redtop Mountain, would remain even more easily available than from Panorama from the Jumbo Creek base when Jumbo Pass could not be overflowed by helicopter.
6. It is ironic that the logging and the increased use of Jumbo Creek by helicopter since our application was filed would now be presented as reasons for creating difficulties for the project. It is also odd to read information that seems to be repeating verbatim marketing and planning material from R.K.Heli-ski without any consideration of the changes that would be generated by the move of operations to the Jumbo Creek base. In this respect the contention that the Jumbo Glacier Resort would cause a \$100 dollar increase per passenger is completely off the mark; helicopter time would actually decrease on average making operations more profitable, as planned by R.K. Heli-ski in their Jumbo Creek application.
7. The report shows the flying path from Panorama as following Toby and Jumbo Creek. Our experience is that most of the clientele is picked up at the Mineral King Mine. Other passengers taking off from Panorama or from Invermere are not normally taken along Toby and Jumbo Creeks. Our experience when flying on both R.K. Heli-ski and other helicopter services has been that the most economical and common flying path, weather permitting, is through Delphine Creek and into Farnham Glacier, or through the Farnham drainage to Glacier Dome and beyond. This is a particularly good route in unpredictable weather because it allows a landing at the top of Delphine where there are some excellent bad weather runs, even if the snow pack in marginal seasons is less than in the western drainages.
8. In addition to Delphine, which is not named, other bad weather flying routes and ski runs are available in that part of the territory which is on the south side of Toby Creek. Development of bad weather ski runs seems to be excluded following the glading work in Jumbo Creek as if there were no other area capable of glading.
9. There is an implication that the Jumbo Glacier Alpine resort not only would put heli-skiing out of business but would damage tourism in general. It would appear that our proposal is prejudged as being bad for pre-existing local interests and therefore bad for tourism; this seems to be based on the assumption that the project would automatically fail and leave behind a disaster. It is a premise that does not seem to derive its basis from the study that was commissioned and appears to be originated primarily by personal views, similar to the one of those who state that every ski resort must fail a few times before being able to make it.

We are disappointed to see some of the arguments that were used by Whistler to oppose Blackcomb. There is an implication that the project should be blackballed by industry as being dangerous competition and we are surprised to see in the report similar positions as this prevents a fair review.

What is proposed is a unique opportunity for sightseeing and for skiing of a quality that will be unrivalled in North America and perhaps, in terms of combination of powder snow, climate and scenery accessible by lift, in the world. This will put the entire region on the world tourist map, in a way that no other foreseeable tourism initiative can match. Similar exposure will benefit every business in the region, including Panorama, which will have one more reason to attract people from all over the world.

10. The advantage and prestige of heli-skiing is supported by the proponent, and it is the intent of the proponent to encourage R.K. Heli-ski to relocate into the Jumbo Creek drainage and to operate from there. This will not be a loss for Panorama, but a benefit, because the Jumbo Creek project and the heli-skiing would be in such close proximity that Panorama could advertise itself as being part of the same general area and unique world class skiing experience. It will allow the clientele of Panorama to have access to the best ski territory in the world, either by helicopter over the larger territory, or by gondola and other lifts over the smaller territory of the proposed Controlled Recreation Area.
11. It is a fact that Roger Madson in the presence of the proponent (represented by Jim Chamberlain and Oberto Oberti) explained in very favourable terms the improved opportunities for R.K. Heli-ski created by the Jumbo Creek project to a group from Vail, Colorado, represented by Pete Seibert, David Corbin and Bob Buckley in 1993. The arguments made were:
 - a) that the location at Jumbo Creek would be central to the heli-ski territory, making operations much more economical and efficient,
 - b) that the resort would provide desirable sleeping accommodation for guests staying for several days and package programs,
 - c) that the resort would allow non heli-ski partners and family members to vacation together,
 - d) that the resort would open a whole new market of people who would be tempted to try heli-skiing for the first time.

In this respect Whistler Resort proves the points raised by Roger Madson, because despite the bad weather of the Whistler area a thriving heli-ski business has been generated by the tourist activity of the resort. The Whistler area is expected to have on average approximately as much as ten times more bad weather closures than in the R.K.Heli-ski territory.

Purcell Heliski based its support granted to the Golden Peaks project on the same arguments noted above as provided by Roger Madson to the Vail group.

12. The comments on Commander Glacier are very surprising.

It is hard to understand how during a one day inspection one could derive the conclusion that the crevasses on Commander Glacier should all be bridged in winter. On the contrary, many of the large crevasses in the breaks of Commander Glacier have always been open in winter as well as in the summer, as in most glaciers which have breaks.

It is interesting that Roger Madson himself stated to me and to Alan Artibise that after having visited Europe he was satisfied that Commander was quite skiable and that he not only had started skiing it more often by helicopter but wanted to apply to install lifts on the glacier for summer skiing. He wanted our support to do that. It is absurd to expect the crevasses of Commander Glacier to be totally bridged in winter and to this end the proponent has carefully studied the possible ski runs over various seasons. Three major ski runs have been mapped, expected to be skiable every winter, possibly with up to two runs requiring the occasional wooden rafts to provide bridges which the weather would abundantly cover with snow.

The ultimate comparison is with glaciers such as the Toula Glacier providing the ski run from the Point Helbronner to Courmayeur, and the Vallée Blanche, from the Aiguille du Midi to Chamonix, where the passages through “la mer de glace” make Commander Glacier appear like an easy glacier.

13. Finally the comment on receding glaciers is another surprising statement, also based on two inspections. Glaciers have been receding for two centuries and the cycles of glacier growth and retraction are covering centuries, not years. Our glaciers have been seriously studied over more than one season by expert geophysicists, including Golder Associates, who have not found any extraordinary behaviour. Glaciers in the Rocky Mountains as in the Alps have been receding since the times of the American War of Independence and the French Revolution; this is hardly any news. An inspection to Columbia Icefields will show to the general public a typical receding glacier. This certainly does not make the glaciers less skiable in any foreseeable future, because we ski over the snow over the glacier not at the receding toe of the glacier, and we do not expect the disappearance of the glaciers in their main snow collection areas in the foreseeable future. In conclusion the glaciers have been studied by experts and have been found to be suitable for the intended use over the next century.
14. We have been sensitive to the comments on the helicopter use of Farnham Glacier and we will be studying ways to see if it is possible to revise the Master Plan to preserve Farnham Glacier for heli-skiing.

We are enclosing an annotated map showing some of the noted locations.

We are familiar with the quality of the studies by Brent Harley and Associates and we are disappointed to have to take issue with this one. We are sure that this will remain an exception in part due to the lack of direction and of scope that was probably provided in terms of reference and the lack of time to study an area that we had the opportunity to study for over a decade. Certainly a study, to be meaningful, must be based on the assumption that heli-ski operations will move to the proposed new base near the confluence of Jumbo and Leona Creek.

Yours truly,
PHEIDIAS PROJECT MANAGEMENT CORPORATION

Per: Oberto Oberti,
President

cc: Mr. Herb Hess (250) 489-8506
Mr. George McKay (250) 952-6237
Mr. Al Colombo (604) 582-5291

Subject: Dan Griffith comments on Brent Harley and Assoc. Report on Jumbo

Date: Fri, 11 Jun 1999 22:54:50 -0600

From: win95 <mntnadvnt@rockies.net>

To: "info@oberti.dwg.com" <info@oberti.dwg.com>

To Oberto Oberti:

General Comments:

The report seems to be written with a lot of the opinions based on information provided by R K Heli.

Was this info questioned or audited?

There doesn't seem to be any optimism for flying over Jumbo Pass to access Glacier Ck. How do these people come to that conclusion based on their lack of experience in the area.

The snow is even deeper in Glacier Ck and if the possibility of cutting runs there is opened, the skiing potential is even greater than Jumbo.

The memories of the viability of the operation before the logging in Jumbo are quickly forgotten.

For many years the business thrived and many guests enjoyed heli skiing without Jumbo.

It's always easier to say keep it the way it is now or it won't work, rather than to look at the options for working within the new parameters.

There are considerable positive affects for R K :

Greatly reduced flying costs due to the central location in the area.

Larger client base due to skiers at the area

The possibility of short time Packages (1-2 runs) because of the proximity to the skiing.

Opportunity to develop new terrain in Glacier Ck.

Summer Heli Hiking potential.

Property development potential at the proposed Lodge site.

Some specific points in the report:

Brent states in his methodology #6 that he based his opinion on financial and operational info provided by RK. That appears to be the case.

On page 10 they state that skiing in Glacier Ck would increase the price by \$100 due to increased flying -ridiculous ! Where do they get these figures? Did they do a business management plan for RK or did they take this concept from some RK provided material put forward to show only one point of view. Flying costs would be dramatically reduced by locating in Jumbo and access to the area in marginal weather would be improved because of the proximity to the pass. Opportunities to utilise any open weather would be more common as the base would be right there instead of 15 km. distant at Mineral King or even further at Panorama.

The observation that the glaciers were impassable this winter is not a fair representation of what is normal as last summer's unusually hot weather stripped all glaciers of their usual snow cover and it may take several years to return them to normal snow cover and crevasse bridging.

Comments on Oberto's Comments:

#4 Be careful of representing Delphine creek as a bad weather alternative. The snowpack in Delphine is much less than in Jumbo and the terrain is not as suitable for skiing as the valley is steeper and the forest cover is smaller and denser. Most often, except in extremely poor flying conditions (very marginal visibility and high winds) Leona Leo and upper Jumbo all enjoy the same level of accessibility because of the contrast created by the forest cover. The very upper end of Jumbo is however without trees and therefore this area is unaccessable because of bad visibility in flat light and snowy conditions.

Summary:

My view of the situation is that the business existed before Jumbo was prepared for bad weather skiing and therefore with the opportunity created by a location in Jumbo Resort, providing closer proximity to the skiing locations both on the glaciers and in Glacier Ck the net result looks positive for the business if run preparation is allowed in Glacier Ck.

Dan Griffith

email : mtnadvnt@rockies.net

Chamberlain & Co. Inc.

70 Greenway Terrace
Forest Hills, New York 11375

Telephone: (718) 263-1505
Fax (718) 263-2341

June 24, 1999

Mr. Raymond Crook
Environmental Assessment Office
2 - 836 Yates Street
Victoria, BC V8V 1X4

Re: Implications Assessment of the Proposed
Jumbo Glacier Alpine Resort for R.K. Heli-
Ski Panorama Inc.'s Operations (the "Report")

Dear Mr. Crook:

I have asked Mr. Oberto Oberti of Pheidais Project Management to forward this letter to you, along with any comments he might have.

As both an investor in, and advisor to, the Proponent in the Jumbo Glacier project, I wanted to express directly my grave dissatisfaction with the Report prepared by Brent Harley and Associates Inc. ("BH").

I have carefully read the Report and have spoken at length with several of the Proponent's consultants. It is clear that the Report cannot withstand even the most basic critical analysis. It is wrong as to the facts, its methodology and its findings.

REGARDING THE BASIC CONCLUSIONS OF THE REPORT

The Report contains a good deal of extraneous material and comments that tend to cloud the Report's central mission and findings. It is important to be clear about what the Report did and did not conclude.

Although BH was asked to address two separate questions, BH essentially condenses them into one: will R-K have any alternatives for bad weather skiing?

I refer to page 32 of the Report:

Question #1: Can the two operations exist and operate together. If so, in what format?

Answer: Our conclusion is that, in their current state, R.K. Heli-Ski and the proposed Jumbo Resort can not exist and operate together. At best, a fair weather heli-

Chamberlain & Co. Inc.

skiing operation might be able to co-exist. However, the fact [is] that all the reliability and consistency necessary to provide a high quality heli-skiing product will be significantly compromised due to the fact that access to the majority of the heli-skiing terrain lies beyond the Jumbo Creek drainage and will require high elevation passage [correction added]. This will, in turn result in a sporadic operation that would be difficult to staff, market and operate.

From the above excerpt, it is clear that BH's only concern is whether R-K has any alternatives to the upper Jumbo Creek Valley for bad weather skiing. As you will see, its first finding becomes subsumed by the second:

Question #2: Is there replacement terrain that is of a similar size and nature to the area that would be lost to Jumbo and could be offered to R.K. Heli-skiing?

Answer: Our conclusion is that there is no available replacement terrain.

A hasty reading of this second conclusion might give the impressions that R-K would lose substantially of all its heli-ski terrain to the Jumbo Glacier project. I would not be surprised to see an article in the *Valley Echo* substantially to that effect.

But, again, the second finding is limited solely to the question of whether alternative bad weather terrain exists.

1. R-K chose the Jumbo Creek Valley for its bad weather runs because the existing logging road and proximity made the cost of glading less than it might be in other areas. But, from a qualitative standpoint, it is by no means the only option, now or in the future.
2. For example, Glacier Creek has deeper snow and a greater skiing potential than that of Jumbo Creek. Contrary to what BH claimed in its report, Glacier Creek is just as accessible in bad weather through the Jumbo Pass. In most cases, whenever a helicopter can land at the top of the tree line in upper Jumbo Creek, where most of the heli-ski runs have been cut, it is also possible to fly over Jumbo Pass to Glacier Creek, which is below the tree line.
3. Moreover, Glacier Creek has one advantage over Jumbo Creek because gladed runs can but cut into the lower part of the valley where the weather is better. The upper part of Jumbo Creek Valley, where many of R-K's bad weather runs are currently located, is itself often inaccessible in bad weather. Placing more runs in the lower part of Jumbo Creek Valley, however, is not a feasible alternative because of the damage caused by the forest fires.

The EA Office can easily confirm all of this with any helicopter operator who is familiar with the area - although I hasten to add that some operators may be unwilling to go "on the record" because of local concerns.

QUESTIONS AS TO THOROUGHNESS

Since the Report is fundamentally wrong in its basic conclusions, it would normally be unnecessary to point out the Report's many other deficiencies. However, if the Report is allowed to stand as it is and disseminated to the public, its misleading content would do our project a great deal of harm.

We have already been contacted by the media to answer a series of pointed questions regarding the Sno-Engineering Report. Having the same thing happen with respect to the BH Report would be awkward and damaging for all concerned.

1. The report's static analysis is fundamentally flawed.

The concluding language on page 32 of the Report is telling in its careful choice of words: "[I]n their current state, R-K Heli-Ski and the proposed Jumbo Resort can not exist and operate together." [emphasis added]

Virtually every conclusion of the report rests on one critical, but incorrect, assumption: that R-K's base of operations and pick up point for skiers will remain either at Panorama or the Mineral King Mine.

- a) R-K does not currently bus its clients to a Jumbo base pick-up point because the government does not plow the logging road past the Mineral King Mine.
- b) BH's analysis is supposed to assess the impact on R-K *assuming the Jumbo Creek resort is completed* - which means the road would be open. Given BH's awareness of R-K's own long standing desire to move its operations, how could it fail to make such a critical adjustment in its analysis?
- c) The study should have analyzed R-K's future business and cost structure assuming a Jumbo-based operation. It also should have made a detailed qualitative assessment of the effect that the expanded skiable terrain and the close proximity to lodging would have on the competitiveness R-K's operations.

2. Failure to consider obvious alternatives to address negative findings.

The failure of BH to revise its assumptions and its analysis on such an obvious and crucial point is bad enough, but unfortunately, it is systematic of the entire Report: *There is not one instance in which BH mentions an obvious mitigating factor or alternative solution to any negative finding it makes against the Jumbo Glacier project.*

For example, on p. 11 of the Report, BH implies that companies like CMH Purcell have higher margins and can easily make up for bad weather because they can offer multi-day packages. Yet, it sees no similar opportunity for R-K once the Jumbo project is completed.

According to the Report, a typical one-day package from R-K begins at 6:30 AM, with a 2½ hour bus ride to Panorama, a 30-45 minute bus ride to the Mineral King Mine, 6-7 hours of heli-skiing, followed by another 2½ hour bus ride back to the Banff area. *More than six hours of every R-K heli-skiing day is therefore spent sitting on a bus!*

What reasonable person would fail to see the enormous potential of R-K's being able to offer multi-day packages at a world-class destination resort with bus rides reduced from 6 hours to ten minutes?

(Ironically, on the negative side, BH considered a 25 minute increase in travelling time to be a potentially significant competitive disadvantage for R-K.)

3. Incorrect on too many basic facts.

Mr. Oberti of Pheidias has prepared a response enumerating the many mistakes made in the BH Report. I do not need to repeat them here, but I would like to mention one error that was unfortunately relied upon to make an important point.

On pages 10-11 of the Report, BH writes:

"If R. K. Heli-Ski were to lose the Jumbo valley slopes, they would have to ferry skiers to the Glacier Creek drainage. This change would increase the time of the excursion by about one-half hour potentially making the Banff package considerably less desirable. This change would also add approximately 25 minutes of helicopter time or about \$1,200 incremental cost for standard group of 11 people. This extra time would add between \$100-110 to the cost of a standard daily package price. . .

Nothing in this statement is true. Glacier and Jumbo Creeks are essentially parallel to each other. At the appropriate point along Jumbo Creek, one can either bear right and fly into upper Jumbo Valley or cut left through the Jumbo Pass into Glacier Creek Valley. Regardless of whether a helicopter leaves from Panorama or the Mineral King Mine, the maximum additional flying time to the lower end of Glacier Creek is in the range of about 5 minutes through the Jumbo Pass.

BH gives no indication of how it arrived at its cost estimates but they are, in any event, meaningless because the difference in travel time is wrong.

Finally, even if the factual basis had been correct, the whole issue becomes moot once R-K moves its staging area to the planned location below the Jumbo Pass. The entire flight time will be no more than 10-15 minutes to Glacier Creek.

4. Sweeping statements are made with no hard data to support or quantify their impact.

In its concluding paragraph, BH makes unspecific references to "sporadic operations" and the difficulties in staffing, operating and marketing. Even if they were true, there is no hard data or financial analysis to confirm this or to assess their degree of impact on R-K's operations.

R-K began cutting bad weather runs after the Proponents application in 1991. Why is there no examination of R-K's business prior to that time?

Also, would it not have been reasonable for BH to confer with other heli-ski operators to learn about how and to what extent they deal with bad weather days and the disruptions they cause. I recall Mr. Madsen's boasting that R-K's tenure experienced some of the best climate in the region. Would not a comparison of bad weather days among operators have been helpful?

One of the most egregious and glaring omissions in the Report is the lack of any hard data on the number of days during the season the R-K must use bad weather runs. This is the lynch-pin of BH's entire analysis and it does not include the most critical fact!

5. Lack of Thorough Investigation of Heli-Ski Terrain.

As Pheidias notes in its letter, it appears that the Report writers have visited the area only twice - once in summer and once in winter. I have been to the site a half a

dozen or more times, but I would never claim such visits provided the basis for my making "extensive independent evaluations."

Looking at large-scale color-coded, topographical maps is no substitute for scouting out each valley and drainage area by helicopter and looking for the ideal spots. It is not something that can be easily done in an office and even less so by computer analysis.

Moreover, I see no reference to Roger Madsen's maps, which are handed out to clients and which show an abundance of heli-skiing runs throughout the tenure.

6. Relying on too heavily on R-K without independent verification.

Questioning the owner and his staff is the usual place to start a study like this, but is clear that BH did little else in the way of independent verification.

Given the inherent bias of Mr. Madsen in this case, any opinions or observations offered by him or his staff must be confirmed with third parties, such as former employees, other helicopter operators in the area, other heli-ski operators and even consultants for the Proponent, particularly given their ten years of experience flying with R-K and literally hundreds of helicopter visits studying the entire mountain system.

In 1993, I introduced Roger Madsen to a group from Vail Associates. Mr. Madsen's position was hardly negative about R-K's future prospects. Of course, at that time, Mr. Madsen was speaking to the Vail group as potential buyers of his operations and his motivation was clearly to put the best possible light on this matter.

The motivation with the BH report is, of course, just the opposite since this report could impact whatever recompense the government deems he should receive if Jumbo goes ahead.

I do not fault Mr. Madsen for taking contradictory positions to gain whatever pecuniary advantage he can from either private or public sources, but it is not acceptable for the government's independent consultant to place inordinate reliance on any opinion or information he may provide when such obvious biases exist.

7. The report provides a misleading analysis on the current use of Jumbo Creek Valley for bad weather skiing.

Aside from the fundamental error of not considering Glacier Creek as a substitute for bad weather skiing, the Report overstates the Jumbo's utilization by using statistics that lump Jumbo together with Leona and Leo Creeks, the latter two being frequently used and more easily accessible in bad weather than the upper Jumbo Creek Valley.

Moreover, the Report presumes that all of Jumbo's utilization rates arise out of necessity rather than out of availability or convenience. We do not know how many days in the year Jumbo Creek is actually used for bad weather runs vs fair weather runs; nor do we have any idea how often Glacier Creek or other areas would be used (in bad and good weather) if there were a Jumbo departure point.

Chamberlain & Co. Inc.

DOUBTS AS TO OBJECTIVITY

As the errors and omissions continue to mount, one must naturally start to question whether the shortcomings are due to lack of thoroughness or to an undisclosed bias or agenda.

I cannot say in this case, but there are signs that trouble me.

The Report clearly evidences a wistfulness for the status quo. Consider, for example, the following excerpts from the Report:

"Panorama Ski Resort uses R.K. Heli-ski as one of its major amenities to distinguish itself within the ski resort marketplace."

"R-K Heli-Ski acts as a significant complement to the Banff-centered tourism product."

Why is BH making any case for protecting Panorama? That was not its assignment, nor should it be any of its concern in determining the specific impacts that the Jumbo Glacier project might have on R-K. For that matter, why are Intrawest's opinions about the project's feasibility even mentioned in this report, let alone given such solemn prominence? BH was not engaged to assess, investigate or comment on the project's likelihood of success. It was supposed to assume only that there would be a new destination resort in Jumbo Creek Valley.

And why is BH so attached to the idea of preserving a *Banff-centered* tourist industry? Is the BC government interested in promoting BC tourism or Alberta's? As Sno-Engineering has so eloquently put it, Jumbo will be unique to North America. If anything, we should be thinking in terms of a *Jumbo-centered* tourism product that will bring international recognition to the BC Columbia Valley and all the attendant economic and social benefits that flow from that.

CONCLUDING REMARK

Putting aside the specific impacts on R-K that have improperly analyzed by BH, there is one overriding question that the government might wish to consider: what outcome will create the most benefit for the community as a whole?

Today, only a handful of wealthy, highly experienced and exceptionally fit skiers (and typically not from the local area) are able to enjoy the thrill of a true alpine glacier experience. We are proposing to make that experience available to a broad spectrum of tourists - whether it be through heli-skiing, lift-serviced skiing, sightseeing or sitting in front of a fire and looking out the window.

If the choice really was an either/or proposition, as BH would have the government believe, what side would the government wish to be on: protecting the profit of one who serves the interests of a privileged few, or improving the future prospects of many others in the community by opening the region's natural beauty to all?

When viewed from this perspective, I think the balancing of competing interests is heavily tipped in the proponent's favor.

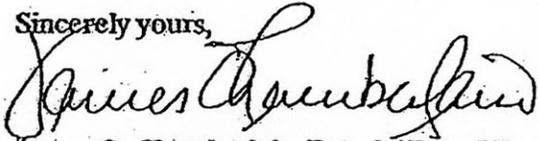
Chamberlain & Co. Inc.

FOLLOW-UP

It is obvious that the BH Report cannot be allowed to stand in its current form and, in my opinion, BH's credibility has been so compromised that an entirely new report must be commissioned with another group - and preferably someone not based in Whistler or even in this region. Based on my own experiences with professionals, the government would be hard-pressed to find a local consultant willing to issue a report whose findings might flatly contradict and discredit another colleague's work.

I have raised very serious issues in this letter I hope that my concerns will be dealt with in the near future.

Sincerely yours,



James O. Chamberlain, B.A., M.B.A., J.D.

cc: Oberti Oberti - Pheidias Project Management

PHEIDIAS PROJECT MANAGEMENT CORPORATION

1660-1188 west georgia street, vancouver, bc v6e 4a2
e-mail address: info@oberti.dwg.com

phone: (604) 662-8833 fax: (604) 662-7958
web page: www.dwg.com/oberti

September 15, 1999

Mr. Raymond Crook
Project Committee Chair
Environmental Assessment Office
2nd Floor, 836 Yates Street
Victoria, B.C.
V8V 1X4

Dear Mr. Crook:

The following are our responses to comments by both Brent Harley and Rod Gibbons on our earlier observations on the Brent Harley and Associates Report dealing with the potential impact of the Jumbo Glacier Alpine Resort project on R.K. Heli-Ski. For easier reading we will repeat our original comments and then respond to the responses:

1. The report states that it has made in depth, independent studies of the heli-ski territory and operations, but it appears that only two of the three report writers have actually visited the area (only once in Summer and once in Winter). This does not allow for “extensive independent evaluations.”

BH: “All three of the consultants visited the site. David Hughes and I went to the site twice, once in October 1998 and once in January 1999. Herb Bleuer joined us for the winter visit. Granted this is only limited exposure but, combined with the map study, a review of the proponent’s submission, a review of use records, input from the proponent, R.K. Heli-Ski and the Crown all combined with 21 years of working within the ski resort industry throughout the world, enables our report to be an “extensive independent evaluation.”

Response: We feel this is not a response. The fact remains that one or two visits do not comprise an “extensive” evaluation. We have not disputed the qualifications of Brent Harley and Associates, but if we go on authority, then the writer and the other consultants for the proponent, especially Peter Lev, Dan Griffith and Beat von Allmen, would combine over half a century of exposure truly throughout the world. In particular the writer has been practising glacier skiing by means of lifts, in the summer, since the 1950's, and belonged to the team of Pirovano, the sole pioneer in this activity when it was not known in North America.

In conclusion if the argument is based on authority rather than on fact, then the authority here has collapsed for lack of information.

2. The report is flawed by a fundamental assumption which we believe to be wrong, namely that R.K.Heli-Ski would continue to operate from Panorama even after the start of the Jumbo Glacier Alpine Resort project in upper Jumbo Creek.

This scenario does not reflect the history of the growth of R.K. Heli-Ski and its anticipated expansion plan with a new base of operations in Jumbo Creek. R.K.Heli-Ski was successful even before it started developing its business in Jumbo Creek. It began to grow faster when it obtained winter opening of the road from Panorama to the Mineral King Mine. Most of the skiers are now taken by bus to the Mineral King Mine and would be more effectively delivered by bus or picked up by the lodge planned below Jumbo Pass in the Jumbo Creek Valley. This is obviously the ideal helicopter pick up point. R.K.Heli-Ski profits not by flying most of its clients along Toby Creek, but by taking them by bus. This would be even more true after start of operations at Jumbo.

R.K.Heli-Ski has a long-standing application (since 1991?) requesting permission to develop a lodge and to move operations to a Jumbo Creek location below Jumbo Pass and near the confluence of Jumbo and Leona Creek. It would be logical that when Jumbo Creek Resort proceeds the heli-ski operations would move closer to the centre of the territory, whether in cooperation with the new resort or not. The proponent is on record stating that it intends to facilitate and encourage R.K. Heli-ski to move to Jumbo Creek. The flying costs from the Jumbo Creek centre of operations would be greatly reduced, and other heli-ski opportunities would become more economical.

BH: "Granted, if the base operations for R.K. Heli-Ski were to be located in the Jumbo base village, they would be closer to the bulk of the heli-skiing terrain. However, this point is irrelevant if they can not fly. (See the next point.)"

Response: This observation is absurd. There is no dispute that they could at least fly in good weather and therefore be more profitable in good weather and with a larger clientele; even if they indeed could not fly out of Jumbo Creek in bad weather it is arguable that the business could be more profitable. In addition, we have from our experts that they could fly out of Jumbo Creek most of the time, even in most cases of bad weather.

3. R.K. Heli-Ski's territory was expanded with the proponent's support in 1996 into the Glacier Creek area. Flying into this area, very similar to the Jumbo and Leona Creeks drainage, would be greatly facilitated once a Jumbo Creek location were to be established. Also, while some may argue how often Jumbo Pass could be overflowed in bad weather, it is undeniable that flying over the pass is less difficult than flying over the crest of the mountains, and there would be a larger number of days when access to Glacier Creek would be possible from a Jumbo Creek base. In addition, when it is possible to land a helicopter at the top of the tree line in upper Jumbo Creek, where the heli-ski runs have been cut, it is also possible to fly over Jumbo Pass, which is below the tree line.

BH: "Helicopter access to Glacier Creek via Jumbo Pass and to Eyebrow/Tenise/Forster via Glacier Dome can be contained by weather, regardless of the point of staging."

Response: This is not at all responsive to the crucial point being made by the proponent: i.e., that in general, helicopters can access Glacier Creek in bad weather just as frequently as they can access the upper Jumbo Creek Valley. It would be just as truthful, and as equally unenlightening to say that, “Helicopter access to the Upper Jumbo Creek Valley can be contained by weather, regardless of the point of staging.”

However, the additional point being made is that if the point of staging is at the critical point of the Jumbo Valley that is below Jumbo Pass; the pilot and the guide will have a better opportunity to assess local weather conditions.

4. Following our formal application in early 1991, R.K.Heli-Ski—with our support—started logging operations in Jumbo and Leona Creeks, vastly expanding bad weather ski runs in those drainages.

Bad weather skiing is, to a great extent, a function of where bad weather ski runs have been cut. This explains the apparent increase in utilization of Jumbo Creek from some 25 to 65% since the time our application was made; however, bad weather ski run tabulations do not identify the difference between Jumbo, Leona and Leo Creek areas, all frequently used areas which seem to be lumped together with Jumbo Creek. In this respect bad weather skiing in Jumbo Creek seems to be overstated as if it were the only existing, as well as the only possible bad weather area.

The bad weather skiing in Jumbo Creek appears to be overstated and unclear not only because it does not distinguish between Jumbo, and Leona Creek and Leo Creeks, which in fact have more easily accessible bad weather runs and allow skiing on two sides of the Redtop mountain ridge, but also because in serious bad weather conditions most of the heli-ski runs in upper Jumbo Creek would be inaccessible by helicopter.

As bad weather develops, the initial snow line is at the junction of Jumbo and Toby Creeks. This is a light snow line that can normally be penetrated by helicopter flying above the trees. But there is a second heavier snow line north of the junction of Leona and Jumbo Creek. This creates a white curtain that becomes impassable by the helicopter, closing upper Jumbo Creek drainage and most of the bad weather heli-ski runs there when there is any serious bad weather.

It is worth repeating that in most cases when the bad weather ski runs in Jumbo Creek would be accessible, those in Glacier Creek would also be accessible through Jumbo Pass, which is below tree line.

BH: “Logging and glading in Jumbo and Leona Creeks did and would expand the number of bad weather runs for R.K. Heli-Skiing. The bad weather use of Jumbo is not overstated. It is directly based on the records of R.K. Heli-Skiing’s use of the area, as filed with the Crown on an annual basis. These records were backed up by commentary from the R.K. Heli-Skiing registered ACMG guides and licensed helicopter pilots. Further, the elevation analysis in our study illustrates the physical realities of the tenure area, showing the access relationship of the Jumbo Valley to and from the existing

staging area.

“A potential improvement to the analysis could be achieved by tracking actual trail use. Assuming that the R.K. Heli-Skiing guide books exist and are available for use, one could determine with greater detail the actual number of times each trail was skied. This could then be correlated to the development of Jumbo Resort with greater accuracy. In turn, this analysis could then be combined with any additional capacity that could be incorporated through the development of new trails and glading outside of Jumbo Resort but still within the bad weather area of the Jumbo Creek drainage.”

Response: There is still no acknowledgement of bad weather skiing potential in Glacier Creek relative to Jumbo Creek, which is at least of equivalent value. It is as if this alternative could not be the subject of an area study. For an impact study this is very prejudicial.

5. The report should have noted that it would only take glading of bad weather ski runs into Glacier Creek to allow similar utilization of Glacier Creek in bad weather from a Jumbo Creek base. Leona Creek and Leo Creek, below Redtop Mountain, would remain even more easily available than from Panorama from the Jumbo Creek base when Jumbo Pass could not be overflowed by helicopter.

BH: “Glading in Glacier Creek will expand potential overall capacity for heli-skiing. It will not expand the bad weather capacity.”

Response: We are hitting again the absolute denial of bad weather access to Glacier Creek. The only response is to base an independent helicopter in Jumbo Creek and to show that you can fly as easily into Glacier Creek in most circumstances. As I have personally been in the area in bad weather I am satisfied that there are at least a large number of circumstances in which it is as easy to fly over the Pass as it is to land heli-skiers at the top of the tree line in Jumbo Creek.

6. It is ironic that the logging and the increased use of Jumbo Creek by helicopter since our application was filed would now be presented as reasons for creating difficulties for the project. It is also odd to read information that seems to be repeating verbatim marketing and planning material from R.K.Heli-Ski without any consideration of the changes that would be generated by the move of operations to the Jumbo Creek base. In this respect the contention that the Jumbo Glacier Resort would cause a \$100 dollar increase per passenger is completely off the mark; helicopter time would actually decrease on average making operations more profitable, as planned by R.K. Heli-Ski in their Jumbo Creek application.

BH: “This point can be argued from a variety of subjective angles. It is largely irrelevant when it comes to the core focus of ‘can the two operations survive together?’”

Response: We do not understand what is irrelevant. We obviously are answering that not only can the two operations survive together but that they would enhance each other, as the operator himself explained to our clients in 1993.

When presented with the clear fallacy of “objective” calculations of additional

helicopter times as if from Panorama and their effect on ticket prices, BH responds that it is actually a subjective matter and, in any event, beside the point. This, in fact, makes the study useless.

7. The report shows the flying path from Panorama as following Toby and Jumbo Creek. Our experience is that most of the clientele is picked up at the Mineral King Mine. Other passengers taking off from Panorama or from Invermere are not normally taken along Toby and Jumbo Creeks. Our experience when flying on both R.K. Heli-Ski and other helicopter services has been that the most economical and common flying path, weather permitting, is through Delphine Creek and into Farnham Glacier, or through the Farnham drainage to Glacier Dome and beyond. This is a particularly good route in unpredictable weather because it allows a landing at the top of Delphine where there are some excellent bad weather runs, even if the snow pack in marginal seasons is less than in the western drainages.

BH: "It was assumed that R.K. Heli-Skiing knows the site and their operation better than others. It is not our place to challenge their operation."

Response: We did not expect BH to challenge their operations, but certainly to do a critical review of the input being provided. Otherwise the report might as well have been prepared by R.K.Heli-ski, to further their negotiating position.

8. In addition to Delphine, which is not named, other bad weather flying routes and ski runs are available in that part of the territory which is on the south side of Toby Creek. Development of bad weather ski runs seems to be excluded following the glading work in Jumbo Creek as if there were no other area capable of glading.

BH: "Our analysis did not see the south side of Toby Creek as being capable of supporting bad weather use."

Response: This analysis was discussed or presented in the report; this comment is another point being dismissed without any material to substantiate the negative judgement.

9. There is an implication that the Jumbo Glacier Alpine resort not only would put heli-skiing out of business but would damage tourism in general. It would appear that our proposal is prejudged as being bad for pre-existing local interests and therefore bad for tourism; this seems to be based on the assumption that the project would automatically fail and leave behind a disaster. It is a premise that does not seem to derive its basis from the study that was commissioned and appears to be originated primarily by personal views, similar to the one of those who state that every ski resort must fail a few times before being able to make it.

We are disappointed to see some of the arguments that were used by Whistler to oppose Blackcomb. There is an implication that the project should be blackballed by industry as being dangerous competition and we are surprised to see in the report similar positions as this prevents a fair review.

What is proposed is a unique opportunity for sightseeing and for skiing of a quality that will

be unrivalled in North America and perhaps, in terms of combination of powder snow, climate and scenery accessible by lift, in the world. This will put the entire region on the world tourist map, in a way that no other foreseeable tourism initiative can match. Similar exposure will benefit every business in the region, including Panorama, which will have one more reason to attract people from all over the world.

BH: "We did not pre-judge that Jumbo Resort would be bad for tourism in general. Any statements leading to that conclusion can and should be removed."

Response: We agree that any statements implying that Jumbo Glacier Resort would be bad for tourism in general have no business being in the Report. But removing the offending passages only hides the negative bias that obviously elicited them.

10. The advantage and prestige of heli-skiing is supported by the proponent, and it is the intent of the proponent to encourage R.K. Heli-ski to relocate into the Jumbo Creek drainage and to operate from there. This will not be a loss for Panorama, but a benefit, because the Jumbo Creek project and the heli-skiing would be in such close proximity that Panorama could advertise itself as being part of the same general area and unique world class skiing experience. It will allow the clientele of Panorama to have access to the best ski territory in the world, either by helicopter over the larger territory, or by gondola and other lifts over the smaller territory of the proposed Controlled Recreation Area.

BH: "This is a good motherhood statement but ignores the facts of bad weather access as already discussed."

Response: We presume that BH agrees with our "motherhood" statement that local activities can enhance each other. We disagree, however, with BH's assertion that we have ignored the facts of bad weather. Indeed, the proponent provided very detailed descriptions of weather patterns and geological features that explained both its plans and its reasoning about the relocation of the heli-ski operations. But nowhere in its letter does BH address any of these points specifically. It simply asserts, over and over again, that Glacier Creek and other areas are not acceptable.

11. It is a fact that Roger Madson in the presence of the proponent (represented by Jim Chamberlain and Oberto Oberti) explained in very favourable terms the improved opportunities for R.K. Heli-ski created by the Jumbo Creek project to a group from Vail, Colorado, represented by Pete Seibert, David Corbin and Bob Buckley in 1993. The arguments made were:

- a) that the location at Jumbo Creek would be central to the heli-ski territory, making operations much more economical and efficient,
- b) that the resort would provide desirable sleeping accommodation for guests staying for several days and package programs,
- c) that the resort would allow non heli-ski partners and family members to vacation together, and
- d) that the resort would open a whole new market of people who would be tempted to try heli-skiing for the first time.

In this respect Whistler Resort proves the points raised by Roger Madson, because despite the bad weather of the Whistler area a thriving heli-ski business has been generated by the tourist activity of the resort. The Whistler area is expected to have on average approximately as much as ten times more bad weather closures than in the R.K.Heli-ski territory.

Purcell Heli-skiing based its support granted to the Golden Peaks project on the same arguments noted above as provided by Roger Madson to the Vail group.

BH: "Like Point 10, these comments ignore physical realities."

Response: It is hard to understand that the authority of the heli-ski operator regarding physical reality was accepted at point 7 but is not accepted at this point, which is fundamental and involves all aspects of the business.

12. The comments on Commander Glacier are very surprising.

It is hard to understand how during a one day inspection one could derive the conclusion that the crevasses on Commander Glacier should all be bridged in winter. On the contrary, many of the large crevasses in the breaks of Commander Glacier have always been open in winter as well as in the summer, as in most glaciers which have breaks.

It is interesting that Roger Madson himself stated to me and to Alan Artibise that after having visited Europe he was satisfied that Commander was quite skiable and that not only had he started skiing it more often by helicopter but he also wanted to apply to install lifts on the glacier for summer skiing. He wanted our support to do that. It is absurd to expect the crevasses of Commander Glacier to be totally bridged in winter and to this end the proponent has carefully studied the possible ski runs over various seasons. Three major ski runs have been mapped, expected to be skiable every winter, possibly with up to two runs requiring the occasional wooden rafts to provide bridges which the weather would abundantly cover with snow.

The ultimate comparison is with glaciers such as the Toul Glacier providing the ski run from the Point Helbronner to Courmayeur, and the Vallée Blanche, from the Aiguille du Midi to Chamonix, where the passages through "la mer de glace" make Commander Glacier appear like an easy glacier.

BH: "Herb Bleuer, who is well acquainted with the skiable glaciers of Europe, is of the opinion that Commander Glacier is largely unskiable and is only going to become more so. In terms of the study, the historic use of Commander is insignificant. As such, there is no point in dwelling on this."

Response: Certainly for an application in its tenth year, and after on site studies for years by Peter Lev, Beat von Allmen and supporting expeditions by others including Dan Griffiths and specialist glaciologists by Golder Associates, who singularly and cumulatively do provide greater experience than Herb Bleuer, it is astounding that a consultant would not want to dwell on this point.

13. Finally, the comment on receding glaciers is another surprising statement, also based on two inspections. Glaciers have been receding for two centuries and the cycles of glacier growth and retraction are covering centuries, not years. Our glaciers have been seriously studied over more than one season by expert geophysicists, including Golder Associates, who have not found any extraordinary behaviour. Glaciers in the Rocky Mountains as in the Alps have been receding since the times of the American War of Independence and the French Revolution; this is hardly any news. An inspection to Columbia Icefields will show to the general public a typical receding glacier. This certainly does not make the glaciers less skiable in any foreseeable future, because we ski over the snow over the glacier not at the receding toe of the glacier, and we do not expect the disappearance of the glaciers in their main snow collection areas in the foreseeable future. In conclusion the glaciers have been studied by experts and have been found to be suitable for the intended use over the next century.

BH: "As per Point 12."

Response: It looks like no argument is good enough once one's mind is made up.

14. We have been sensitive to the comments on the helicopter use of Farnham Glacier and we will be studying ways to see if it is possible to revise the Master Plan to preserve Farnham Glacier for heli-skiing

BH: "Maintaining the Farnham Glacier for heli-skiing will reduce the impact on R.K. Heli-Skiing. The critical point though, still rotates around the availability of bad weather skiing terrain, of which Farnham is not."

Response: same as point 13

Conclusion:

We are enclosing an annotated map showing some of the noted locations.

We are familiar with the quality of the studies by Brent Harley and Associates and we are disappointed to have to take issue with this one. We are sure that this will remain an exception in part due to the lack of direction and of scope that was probably provided in terms of reference and the lack of time to study an area that we had the opportunity to study for over a decade. Certainly a study, to be meaningful, must be based on the assumption that heli-ski operations will move to the proposed new base near the confluence of Jumbo and Leona Creek.

BH conclusion: "To reiterate, we stand by our conclusions. A more in-depth evaluation may reveal a slight variation to the results through an analysis of exact visitation records and a capacity calculation of potential expansion terrain in the lower Jumbo Valley as created through cutting new trails and glades. Other improvements can be made through the elimination of any perceived favouritism to one party or another."

Response: In our view the study is completely flawed by the doubly wrong assumptions:

1. that R.K.Heli-ski would continue to operate from Panorama when there is a resort in the location of the sawmill in Jumbo Creek.
2. that bad weather heli-skiing is only available in upper Jumbo Creek.

The study should be redone, but it is clear it would be difficult to find a truly impartial expert locally in B.C.

I will now respond to the points raised in Rod Gibbons' letter to you of August 7, 1999. Again, for clarity, we will repeat our original comments and then respond to the responses:

Rod's qualifications are not in question and the fact that he still works for R.K. Heli-skiing is noted. Rod states at the beginning of his letter that Dan Griffith would be as knowledgeable as himself if not even more about the area and the subjects in question. If this is agreed upon, then we must note that the proponent has used Dan Griffith's expertise and is still planning to rely on his professional advice.

We understand that Dan Griffith's opinion is substantially similar to ours and different from Rod's. Dan's opinion coincides with the information that Roger Madson himself provided to us in a meeting with Jim Chamberlain in 1993 and another with Alan Artibise in 1997 to the effect that the two activities of R. K. Heli-skiing and the proposed Jumbo Glacier project are complementary. Roger Madson has expressed the view that the glaciers accessed from the Jumbo Valley are a great place to develop for lift serviced skiing, particularly in the summer, and Dan Griffith has explored with Peter Lev the potential ski runs in the most difficult areas of the glaciers.

Regarding the detailed analysis of bad weather skiing in Glacier Creek, my understanding is that the snow cover and snow fall in upper Jumbo Creek and Glacier Creek are nearly the same, in the portions of the valley that are at the same elevations. Rod notes that most of Glacier Creek is more like Leona Creek and Leo Creek, but this happens to be where a great deal of bad weather skiing is done, especially when upper Jumbo Creek is in whiteout conditions.

3. R.K. Heli-Ski's territory was expanded with the proponent's support in 1996 into the Glacier Creek area. Flying into this area, very similar to the Jumbo and Leona Creeks drainage, would be greatly facilitated once a Jumbo Creek location were to be established. Also, while some may argue how often Jumbo Pass could be overflowed in bad weather, it is undeniable that flying over the pass is less difficult than flying over the crest of the mountains, and there would be a larger number of days when access to Glacier Creek would be possible from a Jumbo Creek base. In addition, when it is possible to land a helicopter at the top of the tree line in upper Jumbo Creek, where the heli-ski runs have been cut, it is also possible to fly over Jumbo Pass, which is below the tree line.

RG: "I can not figure out how the location of R.K.'s base would somehow influence whether you could fly over Jumbo Pass. You either have weather that allows you to or not it doesn't matter where you started flying from. As stated before this comment that if you can land at treeline in Jumbo Creek you can also fly through Jumbo Pass is just plain wrong. You should really spend some time in the mountains or in Jumbo Cr. flying in bad weather before you make a comment like that."

Response: The logical assumption is that the weather over Jumbo Pass may be more easily determined from Roger's proposed lodge location at Jumbo and Leona Creek or from the proposed resort than from Panorama. I agree with Rod that flying over the Pass or to the tree line in upper Jumbo Creek may not always be possible at the same time, but my understanding from sources that are as experienced as Rod is that you should be able to fly over the Pass at least as many times as you can fly to the top of the tree line in upper Jumbo Creek, and the proponent group believes that this is true and could be proven in the field.

4. Following our formal application in early 1991, R.K.Heli-Ski—with our support—started logging operations in Jumbo and Leona Creeks, vastly expanding bad weather ski runs in those drainages.

Bad weather skiing is, to a great extent, a function of where bad weather ski runs have been cut. This explains the apparent increase in utilization of Jumbo Creek from some 25 to 65% since the time our application was made; however, bad weather ski run tabulations do not identify the difference between Jumbo, Leona and Leo Creek areas, all frequently used areas which seem to be lumped together with Jumbo Creek. In this respect bad weather skiing in Jumbo Creek seems to be overstated as if it were the only existing, as well as the only possible bad weather area.

The bad weather skiing in Jumbo Creek appears to be overstated and unclear not only because it does not distinguish between Jumbo, and Leona Creek and Leo Creeks, which in fact have more easily accessible bad weather runs and allow skiing on two sides of the Redtop mountain ridge, but also because in serious bad weather conditions most of the heli-ski runs in upper Jumbo Creek would be inaccessible by helicopter.

As bad weather develops, the initial snow line is at the junction of Jumbo and Toby Creeks. This is a light snow line that can normally be penetrated by helicopter flying above the trees. But there is a second heavier snow line north of the junction of Leona and Jumbo Creek. This creates a white curtain that becomes impassable by the helicopter, closing upper Jumbo Creek drainage and most of the bad weather heli-ski runs there when there is any serious bad weather.

It is worth repeating that in most cases when the bad weather ski runs in Jumbo Creek would be accessible, those in Glacier Creek would also be accessible through Jumbo Pass, which is below tree line.

RG: "To try and clear this up I would expect in recent years that upper Jumbo Cr. i.e. Rosies area is used twice as much as Leona, Leo and lower Jumbo Cr. reason some

weather but mostly the difference in terrain. Upper Jumbo is better suited for most Day skiers. The point about being able to fly above the trees in lower Jumbo because of lighter snow is crazy. Even in lighter snow fall above treeline options in any Heli operation is very limited. Pilots need reference period. If the curtain exists that is referred to at Leona Cr. junction with Jumbo Cr. then it would also be true you could not access Glacier Cr."

Response: Rod misunderstood what I wrote. I wrote flying "above the trees" in lower Jumbo, not above the tree line. We understand that even in light snow fall in most cases a pilot would not be able to fly above the tree line and this is what my letter states, if it is read as it is written.

What I was trying to communicate is that in light snowfall the helicopter can often enter lower Jumbo Creek above the trees (well below the tree line) and reach Leo and Leona Creek and some of the heli-ski runs there. In these conditions whether from Panorama or from a lodge in Jumbo Creek the likelihood would be that neither upper Jumbo Creek nor Glacier Creek would be accessible by helicopter, so the resort would not make any difference, except the flight into Leo or Leona Creek would be much more economical.

6. It is ironic that the logging and the increased use of Jumbo Creek by helicopter since our application was filed would now be presented as reasons for creating difficulties for the project. It is also odd to read information that seems to be repeating verbatim marketing and planning material from R.K.Heli-Ski without any consideration of the changes that would be generated by the move of operations to the Jumbo Creek base. In this respect the contention that the Jumbo Glacier Resort would cause a \$100 dollar increase per passenger is completely off the mark; helicopter time would actually decrease on average making operations more profitable, as planned by R.K. Heli-Ski in their Jumbo Creek application.

RG: "What about increased staff cost of all staff not just flight crew and a few guides. Everyone would have to live on site no reasonable worker will drive that terrain twice a day after day. The added cost of the building to house everyone. Added cost of further remote helicopter maintenance cost, i.e. quick delivery of spare parts."

Response: The lodge in Jumbo Creek would be approximately 30 km (20 miles) west of Panorama. This is not an unusual situation. Whether with on site staff or commuting it is hard to see that the distance and added travel cost by car or bus would even remotely compare with the current cost and logistics of helicopter transportation. But again, we can only refer to Roger Madson as the expert who has been making the arguments in favour of the lodge in Jumbo Creek.

7. The report shows the flying path from Panorama as following Toby and Jumbo Creek. Our experience is that most of the clientele is picked up at the Mineral King Mine. Other passengers taking off from Panorama or from Invermere are not normally taken along Toby and Jumbo Creeks. Our experience when flying on both R.K. Heli-Ski and other helicopter services has been that the most economical and common flying path, weather permitting, is through Delphine Creek and into Farnham Glacier, or through the Farnham drainage to Glacier Dome and beyond. This is a particularly good route in unpredictable weather

because it allows a landing at the top of Delphine where there are some excellent bad weather runs, even if the snow pack in marginal seasons is less than in the western drainages.

RG: "Your experience is very limited if you think we don't fly most days down Toby and Jumbo Creeks. If you do have better weather the usual flight path is through Delphine but as Table 1 shows most of the time weather does not allow for that. I take issue with the comment that through Delphine/Farhman "is a particularly good route in unpredictable weather." That flight path is usually avoided in unpredictable weather it's a terrain trap. Any guide in the business will not look at Delphine creek as "excellent bad weather runs." Have you ever looked what is above your head there?"

Response: I do not wish to compare my experience with Rod's, and I have only tried to relay the sum total of the information we appear to have. The reference to unpredictable weather is only that while trying to reach Farnham Glacier along Delphine, if the weather appears to become marginal I think that any guide would have considered landings marked for ski runs into Delphine, provided other conditions permit. We all know that there is less snow and that the ski runs are less attractive, but it can still be skiable and fun on a number of occasions.

8. In addition to Delphine, which is not named, other bad weather flying routes and ski runs are available in that part of the territory which is on the south side of Toby Creek. Development of bad weather ski runs seems to be excluded following the glading work in Jumbo Creek as if there were no other area capable of glading.

RG: "Delphine does not get the snow that Jumbo and Glacier Creeks get, it's too far to the east."

Response: Yes, when we selected upper Jumbo Creek it was for the snow, but even if Delphine may have half the snow of upper Jumbo and Glacier Creeks, it may still be quite skiable.

10. The advantage and prestige of heli-skiing is supported by the proponent, and it is the intent of the proponent to encourage R.K. Heli-ski to relocate into the Jumbo Creek drainage and to operate from there. This will not be a loss for Panorama, but a benefit, because the Jumbo Creek project and the heli-skiing would be in such close proximity that Panorama could advertise itself as being part of the same general area and unique world class skiing experience. It will allow the clientele of Panorama to have access to the best ski territory in the world, either by helicopter over the larger territory, or by gondola and other lifts over the smaller territory of the proposed Controlled Recreation Area.

RG: "There would be a loss to Panorama as our customers would not get the same exposure to that resort and it would be a loss of walk-in customers to us and to the restaurant and gift shop."

Response: Yes, moving heli-ski operations into Jumbo Creek might generate a loss to Panorama, but this would be mitigated by the fact that it would still be easy to pick up guests from Panorama by bus, that the flying cost would be reduced and that Jumbo Glacier operations would make Panorama known as the best destination in

North America, perhaps in the world, for year round skiing in ideal climatic conditions.

12. The comments on Commander Glacier are very surprising.

It is hard to understand how during a one day inspection one could derive the conclusion that the crevasses on Commander Glacier should all be bridged in winter. On the contrary, many of the large crevasses in the breaks of Commander Glacier have always been open in winter as well as in the summer, as in most glaciers which have breaks.

It is interesting that Roger Madson himself stated to me and to Alan Artibise that after having visited Europe he was satisfied that Commander was quite skiable and that he not only had started skiing it more often by helicopter but wanted to apply to install lifts on the glacier for summer skiing. He wanted our support to do that. It is absurd to expect the crevasses of Commander Glacier to be totally bridged in winter and to this end the proponent has carefully studied the possible ski runs over various seasons. Three major ski runs have been mapped, expected to be skiable every winter, possibly with up to two runs requiring the occasional wooden rafts to provide bridges which the weather would abundantly cover with snow.

The ultimate comparison is with glaciers such as the Toulouze Glacier providing the ski run from the Point Helbronner to Courmayeur, and the Vallée Blanche, from the Aiguille du Midi to Chamonix, where the passages through “la mer de glace” make Commander Glacier appear like an easy glacier.

RG: “One of my favorite comment areas is about Commander Glacier. Let the record show I personally have skied it more than anyone. I have a bit of an idea about it as commercially viable ski terrain. First this is not Europe to compare is silly as we have something here in North America called Liability. The commander has very limited ski terrain period. Also you can’t compare hazard, terrain, and liability of the “mer de glace” to the Commander Glacier. I have skied them both.”

Response: This will always be the favourite comment area. Especially since Roger Madson met with Alan Artibise in 1997 and explained that after having been travelling to the Alps he had become convinced that skiing on the glaciers was the thing to do as we proposed and gave us pictures showing him skiing Commander Glacier. He also submitted to B.C. Lands a proposal to do the summer skiing on Commander by himself.

Regarding legal Liability we are aware it exists. We do have a great deal of exposure to legal advice, we recognize the more litigious North American environment and we are familiar with differences between Europe and Canada. I must note, however, that the heli-ski business is considered extremely risky by Europeans, and that they would have the same comments about liability that Rod seems to express about skiing groomed ski runs on Commander Glacier.

For this reason we propose that for at least the first ten years of operations skiers on Commander would go only in groups and with a guide in the same style of

operations as currently followed for heli-skiing the only difference would be in the cost of transportation, being by lift, at about one tenth the cost of the helicopter, and the much greater safety of skiing groomed ski runs.

I have also skied and studied in winter and summer la Mer de Glace of the Vallee' Blanche, the Toulà Glacier ski run and many other of the most famous glacier runs in the Alps since the 1950s. But I am not relying just on the knowledge that allowed me to discover skiable potential not previously understood, in Jumbo Valley and elsewhere. I am relying on the advice of Peter Lev, who is satisfied that not only is Commander eminently skiable as proposed but that it would create the most outstanding ski runs in North America and perhaps in the world. I understand that Peter Lev's reputation is a legend and consequently I presume that his advice will be respected. His advice should be respected even more now, after Roger Madson made similar representations to Alan Artibise.

I do not believe that I should enter into the matter of the correspondence generated by Jim Chamberlain, except perhaps I should note that Brent Harley's reference to a "desperate investor" is not professionally prudent but will hit the right nerve; in this case it appears that the strategy of RK Heli-ski has become that of demanding an outrageous buy out or threatening all out opposition to the project. A consultant's report playing into this strategy and refusing to take into account the fundamental benefits of a move into Jumbo Creek cannot but make an investor desperate as if there were an invincible conspiracy of local interests opposed to any new intrusion.

Finally I should also respond to the comment by Rod Gibbons that I should go away content if the project near Golden goes ahead. Where is the logic of sending away the Jumbo Creek clients if the Government approves a project for the Golden clients? This is just another way to try to offend and intimidate the clients for the Jumbo Glacier project, a clearly superior project which would benefit the public interest in a much greater way.

Yours truly,
PHEIDIAS PROJECT MANAGEMENT CORPORATION

Per: Oberto Oberti
President

cc: Mr. Peter Lev
Mr. George McKay
Mr. Al Colombo
Mr. Herb Hess

OO/ca