

2006

# COPPER ENVIRONMENTAL REPORT



++

[COPPERCOLORADO.COM/ENVIRONMENT](http://COPPERCOLORADO.COM/ENVIRONMENT)



## TABLE OF CONTENTS

LETTER FROM THE GM .....	3
COMPANY PROFILE .....	4
ENVIRONMENTAL VISION.....	4
FOREST STEWARDSHIP .....	5-6
ENERGY EFFICIENCY AND RENEWABLE ENERGY.....	7-9
WASTE REDUCTION .....	10
ENVIRONMENTAL MANAGER PROFILE .....	11





## LETTER FROM THE GM



Environmental stewardship and running a successful business are not mutually exclusive. We recognize that Copper Mountain's greatest asset is our environment, and it is essential to preserve that for generations yet to come.

When it comes to environmental responsibility at Copper, we're taking a back-to-basics approach, assessing our current situation and taking smart, achievable steps toward the goal of reducing our environmental impacts.

What does a back-to-basics approach mean? It means understanding our current environmental footprint and using that as a starting point from which to launch projects that move us closer to our goals.

Copper has been focused on several key environmental initiatives in recent years. In 2004, we completed an energy efficient lighting retrofit project, replacing old fluorescent lamps with newer, more efficient fluorescent lamps in all Copper-owned buildings. Currently,

Copper operates three Cobuses within the fleet of buses that transports guests throughout the resort. Cobuses are almost 60% more fuel efficient per passenger than our other buses, allowing us to reduce fuel consumption and pollution.

Additionally, our lift maintenance team installed a centralized control system to monitor and control lift engine room heat. The new centralized control system saves up to 3,000 kilowatt hrs/day in electricity, the equivalent power consumed by an average home for three months.

Copper's renewed environmental focus includes the hiring of our first environmental manager in November 2005 (you'll read more about Jen Schenk later in the report) and increased recycling efforts and environmental awareness among guests and employees.

Looking forward, we will continue to take small, positive steps including the purchase of wind renewable energy credits to offset the electricity utilized for the entire resort, the formation of a partnership with the National Forest Foundation to fund local conservation projects in our national forest, a focus on energy efficiency in existing buildings and increased environmental education for our guests and employees.

Copper has a responsibility to help preserve our environment. This report details our current environmental impacts, ongoing environmental initiatives and future vision. We are committed to the environmental stewardship of Copper Mountain Resort.

Sincerely,

**Gary Rodgers**

*General Manager, Copper Mountain  
Senior Vice President, Intrawest Colorado*



## COMPANY PROFILE

Copper Mountain opened for skiing in the winter of 1972, thanks to the vision of founder Chuck Lewis. Lewis was an innovator and during his leadership, Copper was recognized for its environmental stewardship. Through the years, Copper has grown from a small ski area into a world-class, year-round resort. In 1997, Intrawest, purchased Copper and took strides to grow the resort to what it is today. In August of 2006, Intrawest entered into a definitive agreement under which Intrawest would be acquired by Fortress Investment Group LLC. The announcement, made just prior to the completion of this report, has not affected the day-to-day business at Copper, nor our commitment to environmental stewardship.



*Then and now. Chuck Lewis in May 1970 overlooking the future Copper ski area and village sites, and present-day Copper Mountain Resort in May 2003 from same vantage point.*

Copper, located 75 miles west of Denver, Colorado in the White River National Forest in the Rocky Mountains, hosted 1.13 million skier visits during the 2005/2006 winter on more than 2,400 acres of terrain. In the summer, Copper thrives with concerts and events, meeting and conference groups, and a variety of summer activities including hiking and biking. Copper manages more than 700 lodging units, multiple retail stores and up to 10 restaurants during the winter. Copper has 250 year-round employees and up to 2,500 employees and volunteers during the winter. Copper understands that the resort has significant impacts on the environment and takes responsibility for reducing these impacts and preserving our natural surroundings.

## ENVIRONMENTAL VISION

Copper recognizes that our environment is our most important asset. We cherish the outdoors and respect the alpine environment in which we live and work. We are committed to improving environmental stewardship in all aspects of our business and managing our resort for continued enjoyment by future generations.

We believe that conservation begins with awareness. Copper's first environmental report outlines our current environmental footprint and highlights our initiatives to reduce our environmental impact. Copper has adopted a back-to-basics environmental approach. By taking one step at a time, we are working towards reducing our impacts on the environment.





## FOREST STEWARDSHIP

Copper is located within the White River National Forest and leases land from the U.S. Forest Service (USFS), under a USFS special-use permit. Copper is committed to environmental stewardship of our national forest and all lands that we manage. We strive to protect these spectacular mountains and continue to improve our environmental business practices to ensure that we are working toward minimizing our environmental impacts. Starting in November 2006, we will partner with the National Forest Foundation (NFF) to fund local conservation projects. Copper has also committed to maintaining a nearby USFS trail, has initiated a noxious weed eradication program and is working to mitigate the mountain pine beetle impacts on our mountain.



## LOCAL FOREST CONSERVATION

Copper has partnered with the National Forest Foundation (NFF), a non-profit partner of the USFS, to fund local forest conservation projects. Copper will support conservation projects in the Dillon Ranger District of the White River National Forest through a voluntary lodging guest contribution program, beginning November 3, 2006. These voluntary donations of \$1 per room night will be matched at a rate of 50 percent by the NFF, which we anticipate will raise more than \$75,000 in the first year of the program. All funds raised will be used to complete local forest conservation projects in the areas of recreation, wildlife and stream preservation. Copper will also donate \$30,000 over the next three years to the Friends of the Dillon Ranger District (FDRD), a local non-profit partner of the USFS, that is committed to stewardship of our local national forest.



In addition to funding conservation projects, Copper, in conjunction with the FDRD and the USFS, has adopted the Wheeler Lakes Trail and will organize volunteer groups each summer to improve and maintain the heavily-utilized trail. Located within walking distance of the resort entrance, the Wheeler Lakes Trail ascends to two spectacular high alpine lakes and is a favorite among our guests and those who live in the surrounding communities.

Copper also offers free naturalist-guided hikes all summer long. Several different hikes are offered for adults and children of various hiking abilities. Conservation and forest stewardship practices are reviewed with guests participating in the hikes. The Copper Mountain Chapel Foundation has also recently constructed a nature center, located near Solitude Station at the top of the American Eagle lift, which will feature two nature displays highlighting the influence of weather on our high alpine flora and fauna.

*Copper employees work with the Friends of the Dillon Ranger District on maintaining the Wheeler Lakes Trail.*



*Lodgepole pines produce resin or “pitch” as a defense mechanism against the beetles boring into their bark. This tree’s pitch tubes indicate a successful beetle attack.*



*Pine needles on infested trees turn red and begin to fall off the summer after the tree has been attacked. A successful beetle infestation results in mortality of the tree.*



*The “blue denim” ring in the outer bark indicates the presence of blue-stained fungus. This fungus lives symbiotically in mountain pine beetles and contributes to the death of the tree.*

## **MOUNTAIN PINE BEETLE FOREST MANAGEMENT**

Here in Summit County, home to Copper Mountain and three other ski resorts, we are experiencing a mountain pine beetle infestation within our lodgepole pine forests. Clearcutting in our area more than a century ago, changes in fire management practices and drought conditions during the past decade have caused our forest to become susceptible to mountain pine beetle infestation. Up to 80 percent of the lodgepole pines are predicted to perish in the lower elevations of our area. Copper is working with the USFS to identify affected trees and remove them before the beetles leave the infested tree to attack other trees. Copper is also working to protect high-value trees within our village and in view corridors through spraying trees with carbaryl, which prevents the tree from becoming infested by the beetles. This summer, Copper also completed a noxious weed eradication program on the mountain and in the base area with a focus on eliminating Canadian thistle, yellow toadflax and false chamomile.

## **SUSTAINABLE SLOPES AND CLIMATE CHANGE**

Copper recognizes that our environment is our greatest asset and is dedicated to minimizing our impacts on our national forests. In addition to our individual resort initiatives outlined above, Copper participates in the National Ski Areas Association’s (NSAA) Sustainable Slopes program, an environmental charter for ski areas. Copper also advocates taking action on reducing climate change through our support of the NSAA’s Keep Winter Cool campaign and the Rocky Mountain Climate Organization.

We are proud of our recent forest stewardship initiatives including creating partnerships to increase local forest conservation, mitigating pine beetle impacts on our mountain, and joining alliances that support taking action on climate change. Forest stewardship is one of Copper’s greatest environmental priorities, and we are committed to responsible management of our national forests.



## ENERGY EFFICIENCY AND RENEWABLE ENERGY

Copper recognizes that one of our largest impacts on the environment is the air pollutants produced by our power consumption. To that end, Copper is working to become more energy efficient across the entire resort, while simultaneously purchasing wind renewable energy credits (RECs) to offset the amount of electricity used at the resort and support clean energy development.



### 100% WIND POWERED

Starting in October 2006, Copper will offset 100% of its electrical energy use through a purchase of 20,000 megawatt-hours of wind renewable energy credits (RECs). Copper will purchase wind RECs to offset electricity used for lift operations, snowmaking and all facilities owned by Copper. Since Copper is unable to directly use power generated by wind turbines, our purchase of RECs will ensure the amount of electricity we use will be matched on the electrical grid by wind power. Copper's wind purchase will prevent the release of 12,628 metric tons of carbon emissions, the equivalent of planting 10,523 acres of trees or removing 2,733 cars from the road for a year.\*

Copper is partnering with 3 Phases Energy, which will facilitate the REC purchase on behalf of Copper. 3 Phases Energy is a renewable energy marketing and development company, which provides renewable energy solutions for corporations, institutions, utilities, and residential customers. In addition to the REC purchase, Copper will create a program to educate resort guests on wind power and how they can purchase RECs to offset electricity consumed in their homes.

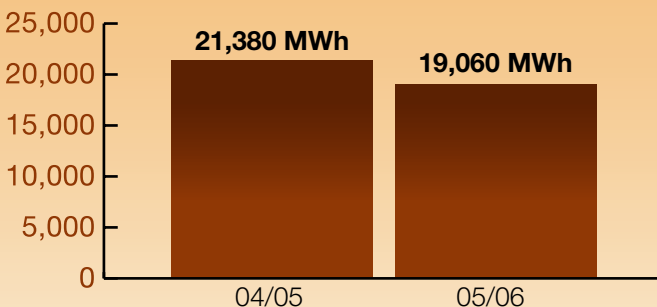
*\*Carbon emissions based on EPA eGRID database. Tree and car equivalents calculated using U.S. Climate Technology Cooperation Gateway methodology.*

### 05/06 ENERGY USAGE

In addition to Copper's renewable energy commitment, we are also working to reduce energy consumption at the resort. Copper's electricity usage from July 2005 to June 2006 was 19,060 megawatt hours, an 11% reduction from the same period during the prior year. Electricity consumption was less than the prior year because of energy efficiency initiatives implemented in late 2004 and less energy required for snowmaking in 05/06 because of plentiful natural snow. Our natural gas consumption for July 2005 through June 2006 was 54,976 MM BTUs, a 5% decrease from the prior year.

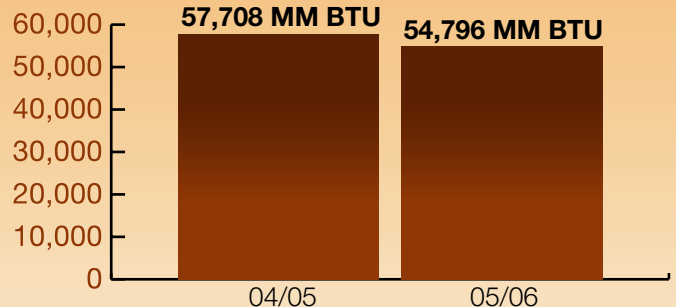
#### ELECTRICAL CONSUMPTION

JULY-JUNE



#### NATURAL GAS CONSUMPTION

JULY-JUNE



*Electrical and natural gas consumption figures include all power utilized on our ski mountain, golf course and all facilities that Copper owns including the E.D.G.E., Copper Station, Copper Conference Center, the Athletic Club, Union Creek and the Schoolhouse, and Solitude Station. Copper's wind REC purchase includes the equivalent electricity consumed by the aforementioned operations and buildings, plus Copper will also purchase an additional 1,000 MWhs to meet snowmaking energy needs based on average snowfall. Many of the buildings in Copper's village are owned by individual homeowner associations, which are responsible for the power consumption in their buildings.*



## ENERGY EFFICIENCY

In 2004, two major energy efficiency initiatives were completed at a cost of \$240,000 to reduce our electricity usage by up to 1,100 megawatt-hours per year – the same amount of energy needed to power 100 homes for a year.\*

The first energy efficiency project included a lighting retrofit in all of the buildings that we own, including the E.D.G.E, Copper Station, Copper Conference Center, the Athletic Club, Union Creek and Solitude Station. Older 34 watt T12 fluorescent lamps were replaced with more efficient 32 watt T8 lamps, and compact fluorescent lamps replaced many incandescent bulbs. More than 5,000 light bulbs and fluorescent lamps were replaced during this project.



The other energy savings project included installing a centralized control system to monitor and control our lift engine room heat. On cold days, of which we have many, lift engines must be heated prior to start-up in order to run properly and efficiently. Before this central control system was installed, engine room heaters ran all night long. Current lifts on the system include the Super Bee, American Eagle, American Flyer and Timberline Express. Several additional lifts are planned to be added to the system during the 06/07 ski season.



## SNOWMAKING

Copper upgraded its snowmaking system significantly in 1998 and has replaced many snow guns with higher-efficiency guns. These upgrades include a computerized-monitoring system that controls 65% of our snowmaking system. Additionally, almost 70% of our snow guns utilize new, more efficient technology. We will continue to update our snowmaking system and implement best practices to provide outstanding snow quality, while minimizing our environmental impacts.

*\*Energy Information Administration. Average annual residential electrical consumption for 2004 is 10,896 KWhs.*



## FUEL EFFICIENCY

One of Copper's environmental impacts is the pollutants generated by our buses, snowcats, snowmobiles and other company vehicles. Although our overall July 2005 to June 2006 fuel consumption of 376,824 gallons represents a 10% annual increase, primarily due to increases in snowcat hours spent grooming trails because of significant snowfall, we improved fuel efficiency in our resort buses by adding environmentally-friendly Cobuses to our fleet and reduced the amount of fuel used in our snowmobiles.

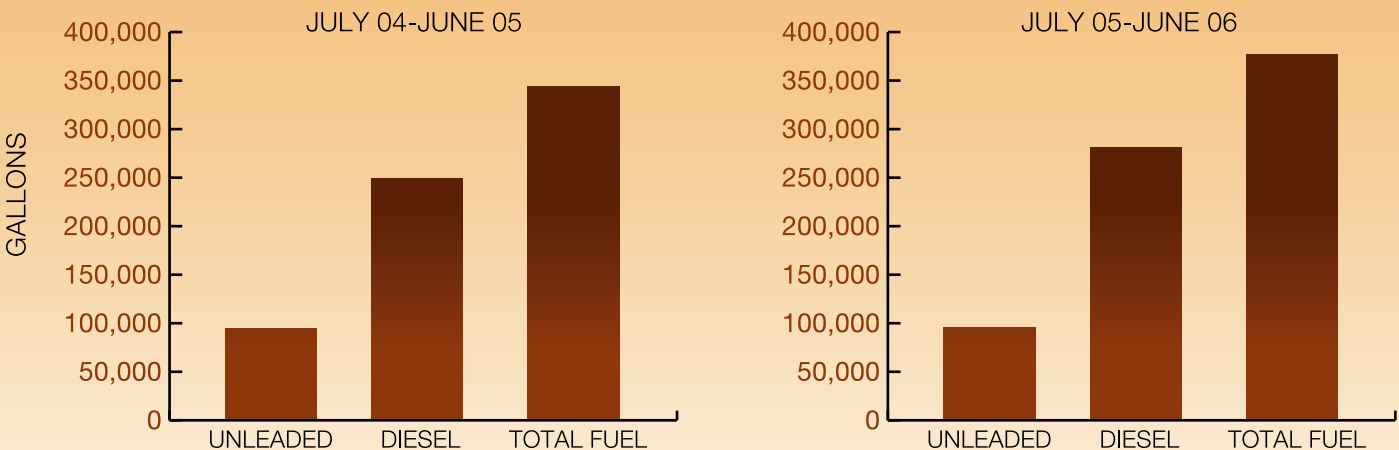
In 2004, Copper purchased its first Cobus 3000 and has since purchased two more of the fuel-efficient buses. The Cobus has traditionally been used as an airport shuttle because its four-cylinder engine only allows maximum speeds of 30-40 miles per hour, which makes the bus ideal for short distances on flat roads. The Cobus is, therefore, perfectly suited for shuttling resorts guests from our outer parking lots into our village. Cobuses are almost 60% more efficient on a per passenger basis than the other buses in our fleet. In addition, we are now using full synthetic oil in all of our buses, snowcats and snowmobiles. Although synthetic oil costs more, it improves gas mileage and needs to be changed much less frequently than motor oil, which further reduces our environmental impacts.



Even though Copper experienced near-record snowfall and record numbers of visitors during the 05/06 season, we reduced our snowmobile usage last season by 20% with a corresponding reduction in fuel consumption. In addition, Copper has begun replacing its two-stroke engine snowmobiles with more environmentally-friendly, four-stroke engine snowmobiles, and hopes to have all two-strokes replaced in the next several years. During 2005, we purchased our first four snowmobiles with four-stroke engines and are purchasing more four-stroke snowmobiles this year. The four-stroke snowmobiles use fuel more efficiently, are significantly quieter and produce up to 40% less emissions than those with two-stroke engines. Copper also recently began purchasing smokeless oil for our entire snowmobile fleet.

Copper is also developing a plan to continue to conserve energy in our buildings through increased awareness and education of our building managers and staff. Through a combination of energy conservation initiatives, wind power purchases and efforts to improve fuel efficiency, Copper is actively working toward lessening our impact on the environment.

## FUEL CONSUMPTION



Fuel consumption figures include all gallons pumped at Copper for vehicles owned by Copper. This includes buses, snowcats, snowmobiles, heavy equipment, golf course equipment, and all cars, trucks, vans in Copper's vehicle fleet.



## WASTE REDUCTION

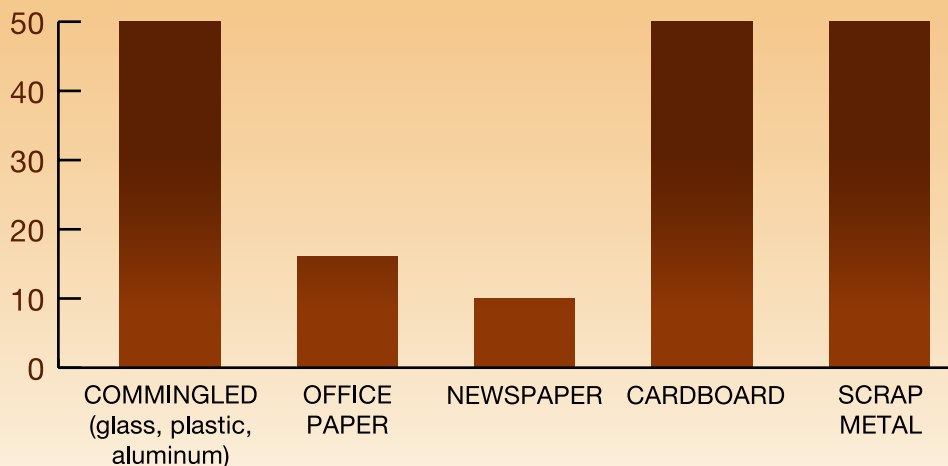


Copper has recycled for many years in our Copper-owned restaurants and in several key locations throughout the village. However, we recognize the need to do more and are working to increase our recycling efforts, while simultaneously trying to reduce our natural resource consumption. In 2005, we increased recycling in our restaurants and throughout our village and base areas, while also initiating recycling programs with several independent resort businesses. For the 06/07 season, we will be adding recycling bins at the bottom and top of our major lifts, making it easier for our guests to also be stewards of the national forest. While we acknowledge that Copper's recycling improvements are long overdue, we believe a back-to-basics approach will help us work towards reducing our waste.

Although Copper recycled 175 tons of materials from July 2005 through June 2006, we still generated 1362 tons of trash, resulting in an 11% landfill diversion rate. This is the first year that Copper's recycling diversion rate has been tracked, so this year's rate will serve as a baseline to improve upon in future years. Copper recycles cardboard, office paper, newspaper and scrap metal as individual materials. Glass, aluminum, and plastic are commingled for recycling. Copper understands that reduction and reuse are critical to reducing waste, and we strive to create as little waste as possible in our everyday operations. We make efforts wherever possible to reuse materials, and our terrain park boasts several rails and features made of old pipe and scrap metal from other operations. Copper will continue to improve our efforts to reduce, reuse and recycle across the resort.

### RECYCLING TONS

JULY 05-JUNE 06



*All data and recycling weights are from Waste Management, Inc. (WMI), except scrap metal. WMI recycled materials are not weighed when collected. Scrap metal data based on actual weight of material. WMI material weights based on averages from their Colorado Springs location:*

*Trash=68 lbs/yd  
Commingled=165 lbs/yd  
Office paper=131 lbs/yd  
Newspaper=131 lbs/yd  
Cardboard=28.2 lbs/yd*



## COPPER'S FIRST ENVIRONMENTAL MANAGER

Meet Jen Schenk, Copper's environmental manager. Jen is tasked with helping our resort play a leadership role in the area of environmental stewardship and sustainability within local communities, the resort industry, employees and guests.

Schenk, a 12-year Summit County resident, brings both passion and learning to her role. She is currently pursuing her Masters in Environmental Policy and Management from Denver University and has been a board member of the High Country Conservation Center for the last six years.

Jen's initial focus has been to audit Copper's internal practices and understand our current environmental footprint, while benchmarking companies both within and outside of the ski industry. Since beginning the role, the goal has been to better align business planning and development with a commitment to the resort's own environmental practices.

In the past year, Jen has accomplished a great deal. Jen spearheaded Copper's partnership with National Forest Foundation to create a lodging guest donation program, increased recycling throughout the resort and developed this report, Copper's first-ever environmental report, just to name a few projects.

If you have comments or questions about Copper's environmental programs, please contact Jen at [environment@coppercolorado.com](mailto:environment@coppercolorado.com).

