



July 7, 2026

Via Email: chibbard@bitfarms.com

Carbon Node East Development, LLC
c/o Craig Hibbard
4 Dennison Rd
Nesquehoning, PA 18240-2242

Re: Technical Deficiency Letter
Carbon Node East Development
DEP Application No. E1302226-001
APS ID No. 1158633
AUTH ID No. 1562782
Nesquehoning Borough, Carbon County

Dear Mr. Hibbard:

The Department of Environmental Protection (DEP) has reviewed the above referenced application and has identified the following significant technical deficiencies. The deficiencies are based on applicable laws and regulations, and the guidance sets forth DEP's preferred means of satisfying the applicable regulatory requirements.

Technical Deficiencies

1) Criteria for Permit Issuance and Denial §105.21.

- A) Appendix B in the Waters Delineation Report does not contain photos of the delineated wetlands. Please address. §105.21(a)(1).

2) Coordination of Permits §105.24.

- A) The PNDI Search Receipt (842844_Final_1) indicates a potential impact from the U.S. Fish and Wildlife Service (USFWS). The Department acknowledges your request for a concurrent review. Please provide all correspondence and associated determinations from the USFWS and/or USACE for the species identified on the USFWS IPaC (2025-0134542) letter dated 12/16/25. §105.24(a).

3) Review of Applications §105.14.

- A) Modules S1.B(2) and S3.F(1) state that the project is water dependent. The project is not considered water dependent. However, portions of the project such as utility lines and access roads may be considered water dependent provided that there are no alternatives that would not impact or would have less of an impact upon a regulated resource. Please address and update the application accordingly. §105.14(b)(7).
- B) Module S2.A indicates that the project is located within the public water supply service area for Nesquehoning Borough Water Authority. Potential impacts to a source for a

public water supply are identified in Module S2.A. However, the potential impact was not evaluated in Module S3.B. Please address. §105.14(b)(5).

- C) The Utility Notes on the E&S Plan indicate proposed substations and transmission lines are being designed and permitted by others. Secondary impacts associated with the project resulting in additional water obstructions or encroachments to fulfill the project purpose have not been identified in Module S3.G. Please address. §105.14(b)(12).
- D) Please provide a cumulative impacts assessment evaluating the cumulative impact of this project and other potential or existing projects in the immediate and/or surrounding area in Module S3.H of the EA. §105.14(b)(14).

4) Regulated Activities – Information and Fees §105.13.

- A) Please provide documentation of the alternative locations evaluated in Module S3.F(2), identify constraints or limiting factors of each location, list the potential environmental impacts, provide the justification that would prevent each location from fulfilling the basic project purpose, and further demonstrate how the chosen location is the practicable alternative. §105.15(a)(1), §105.13(e)(1)(viii).

5) Wetland Replacement Criteria §105.20a.

- A) According to §105.20a(a)(3), wetland replacement shall be located adjacent to the impacted wetland unless an alternative replacement site is approved by the Department. Alternative replacement sites will generally not be approved unless the replacement site is located within the same watershed as the wetland being replaced. Please address the following:
 - i) Please provide additional detail/documentation for the justifications provided in Module S4.C relating to onsite mitigation limitations.
 - ii) Please provide documentation of due diligence evaluation of potential mitigation within the Nesquehoning Creek (HUC-12) watershed.
 - iii) Update the justification for the proposed mitigation bank based off of your response to the comments above.

6) Criteria for Permit Issuance and Denial §105.21.

- A) Site Specific Plan Sheet SP13 indicates waterline crossing #5 will be installed under Dennison Run via directional boring. Please identify what type of bore (trenchless technology) is proposed and show the locations of the bore pits and E&S control measures on the drawings. If a horizontal direction drill (HDD) utilizing fluids under pressure is proposed, please consult with the Department to discuss what additional information will be required. §105.21(a)(1).

7) Subchapter G – Stream Crossings §105.291.

- A) On Plan Sheet #SP11, #SP13, and #SP14, three (3) separate utility crossings have been proposed within a 25 feet distance of Dennison Run (and UNT's) consisting of a 10-inch diameter and a 16-inch diameter ductile iron water line. Please note §105.314, which states that *"Pipelines along streams shall be located a sufficient distance away from the bank to prevent damage to the bank as a result of erosion; pipelines shall be located a minimum of 25 feet away from the streambank unless other erosion protection measures are approved by the Department."* Please revise accordingly.

Pursuant to 25 Pa. Code §105.13a of DEP's Chapter 105 Rules and Regulations you must submit a response fully addressing each of the significant technical deficiencies set forth above. Please note that this information must be received within sixty (60) calendar days from the date of this letter, on or before **September 7, 2026**, or DEP may consider the application to be withdrawn by the applicant.

You may request a time extension, in writing, before **September 7, 2026**, to respond to deficiencies beyond the sixty (60) calendar days. Requests for time extensions will be reviewed by DEP and considered. You will be notified in writing of the decision either to grant or deny, including a specific due date to respond if the extension is granted. Time extensions shall be in accordance with 25 Pa. Code §105.13a(b).

If you believe that any of the stated deficiencies is not significant, instead of submitting a response to that deficiency, you have the option of asking DEP to make a decision based on the information with regard to the subject matter of that deficiency that you have already made available. If you choose this option with regard to any deficiency, you should explain and justify how your current submission satisfies that deficiency. Please keep in mind that if you fail to respond, your application may be withdrawn or denied.

Should you have any questions regarding the identified deficiencies, please contact Justin Dresch, Application Manager, at 570.830.3040, and refer to Application No. E1302226-001, Authorization No. 1562782, to discuss your concerns or to schedule a meeting. The meeting must be scheduled within the 60-day period allotted for your reply, unless otherwise extended by DEP.

You may also follow your application through the review process via *eFACTS on the Web* at: <http://www.ahs2.dep.state.pa.us/eFactsWeb/default.aspx>.

Sincerely,



Pamela R. Kania, P.E.
Environmental Program Manager
Waterways and Wetlands Program

cc: PA Fish & Boat Commission, Northeast Regional Office (clgood@pa.gov)
Civil & Environmental Consultants, Inc. (marcher@cecinc.com)
Carbon Conservation District (carbmgr@ptd.net)
Philadelphia District, US Army Corps of Engineers (Glenn.R.Weitknecht@usace.army.mil)
Nesquehoning Borough (nesqboro@ptd.net)