EXHIBIT 3-A

UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
Southwest Region
777 Sonoma Ave., Room 325
Santa Rosa, CA 95404-4731

April 23, 2013

In response, refer to:
SWR/F/SWR3:JEA

Richard C. Svindland, P.E.
Vice President - Engineering
California American Water
4701 Beloit Drive
Sacramento, California 95838

Dear Mr. Svindland:

This letter is in regards to California American Water's (CAW) Los Padres Dam (LPD) on the Carmel River, in Monterey, California. As you know, NOAA's National Marine Fisheries Service (NMFS) administers the Federal Endangered Species Act (ESA) of 1973, as amended, for South-Central California Coast (S-CCC) Distinct Population Segment steelhead (*Oncorhynchus mykiss*) which are present in the Carmel River and are listed as threatened under the ESA. NMFS adopted regulations (50 CFR 223.203) under section 4(d) of the ESA, which prohibit anyone from taking listed threatened species of salmon or steelhead, except in cases where the "take" is associated with an approved program. Section 9 of the ESA prohibits the "take" of any fish or wildlife species listed under the ESA as endangered. Under the ESA it is unlawful for any person to "take" endangered or threatened species. The ESA defines "take" to mean "harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or collect, or to attempt to engage in any such conduct." The term "harm" has been defined by NMFS to mean an act which actually kills or injures fish or wildlife. Such an act may include significant habitat modification or degradation which actually kills or injures fish or wildlife by significantly impairing essential behavioral patterns, including breeding, spawning, rearing, migrating, feeding or sheltering.

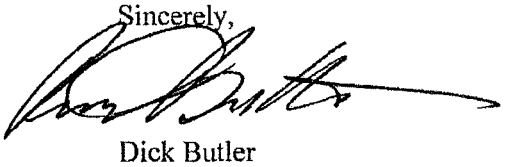
Dams in general are known to cause adverse effects to steelhead and can result in take of the species. In addition, dams retain sediment in their reservoirs that would be naturally transported downstream. As a result, the downstream channel becomes devoid of gravels that are necessary to maintain steelhead spawning habitat. The Los Padres Dam (LPD) has been a known fish passage impediment for both upstream and downstream migrating S-CCC steelhead as well as impacting the downstream habitat by blocking the natural sediment supply.

California American Water and NMFS entered into an agreement in 2009 to address CAW's water withdrawals from the Carmel River. That agreement requires CAW and NMFS to meet and confer regarding NMFS' concern over CAW's Carmel River operations other than well pumping and water withdrawals. NMFS is concerned the current operations of the LPD may be

causing take of S-CCC steelhead, as "take" is defined under the ESA, annually or seasonally by impeding migration and altering this species' critical habitat downstream of LPD. NMFS is interested in an expedient resolution to this issue. As a first step towards protecting S-CCC steelhead, NMFS strongly encourages CAW to resolve the fish passage and other potential take issues at LPD by completing a thorough feasibility study on the merits of either: 1) entirely removing the dam and restoring the reservoir area to its original environs; or 2) improving the dam with appropriate permanent fish passage modifications that allow for unimpeded, safe and effective, upstream and downstream migration of all life stages of S-CCC steelhead.

NMFS is willing to work with CAW to find solutions to the potential take issues of S-CCC steelhead and adverse impacts on their critical habitat from LPD on the Carmel River. If you have any questions please contact Ms. Joyce Ambrosius at (707) 575-6064 or joyce.ambrosius@noaa.gov.

Sincerely,



Dick Butler
North Central Coast Office Supervisor
Protected Resources Division

cc: C. Yates, NMFS, Long Beach
P. Ortiz, NOAA GCEL, Long Beach
M. Schubert, CAW, Coronado