

AVISTA CORP
Form 4
April 24, 2007

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
PETERSON RONALD R

(Last) (First) (Middle)
1411 E MISSION AVE
(Street)

SPOKANE, WA 99202

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
AVISTA CORP [AVA]

3. Date of Earliest Transaction
(Month/Day/Year)
04/20/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
X Officer (give title below) ___ Other (specify below)
Vice President

6. Individual or Joint/Group Filing(Check Applicable Line)
X Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V Amount or (D) Price | | | |
| Common Stock | 04/20/2007 | | M | 3,800 (1) A (1) | 5,490 | D | |
| Common Stock | 04/20/2007 | | S | 3,800 (1) D \$ 24.1034 | 1,690 | D | |
| Common Stock | 04/20/2007 | | M | 900 (2) A (2) | 1,503 | I | by Spouse |
| Common Stock | 04/20/2007 | | S | 900 (2) D \$ 24.1034 | 603 | I | by Spouse |
| Common Stock held in | | | | | 12,630 | I | by Trustee |

| | | | | | | | |
|--|--|--|--|-------|---|--|---------------|
| Executive Deferral Plan | | | | | | | |
| Common Stock held in 401(k) Investment Plan | | | | 9,946 | I | | by Trustee |
| Common Stock held in Spouse's Executive Deferral Plan | | | | 605 | I | | by Trustee |
| Common Stock held in Spouse's 401(k) Investment Plan | | | | 1,369 | I | | by Trustee |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares | |
|---|--|---|---|--------------------------------------|---|--|---|---|-------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | |
| Employee Stock Options <u>(1)</u> | \$ 22.54 | 04/20/2007 | | M | 3,800 | <u>(3)</u> | 11/09/2010 | Common Stock | 3,800 |
| Employee Stock Options <u>(2)</u> | \$ 22.54 | 04/20/2007 | | M | 900 | <u>(4)</u> | 11/09/2010 | Common Stock | 900 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|----------------|-------|
| | Director | 10% Owner | Officer | Other |
| PETERSON RONALD R 1411 E MISSION AVE SPOKANE, WA 99202 | | | Vice President | |

Signatures

/s/ Ronald R.
Peterson

04/24/2007

 Signature of
Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Per Ronald R. Peterson's 10b5-1 Sales Plan dated December 14, 2006 - Exercise of Employee Stock Options under the Company's Long-Term Incentive Plan. 8,500 Options were granted on 11/09/2000 at an option price of \$22.54.
- (2) Per Beth V. Peterson's (spouse of Ronald R. Peterson) 10b5-1 Sales Plan dated December 14, 2006 - Exercise of Employee Stock Options under the Company's Long-Term Incentive Plan. 3,100 Options were granted on 11/09/2000 at an option price of \$22.54.
- (3) Options vest in four equal annual installments beginning on the first anniversary of the grant date. 8,500 options were granted on 11/09/2000.
- (4) Options vest in four equal annual installments beginning on the first anniversary of the grant date. 3,100 options were granted on 11/09/2000.
- (5) Total reflects the number of derivative securities remaining under this particular option grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.