NORWOOD KELLY O

Form 4

January 15, 2008

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

Expires:

5. Relationship of Reporting Person(s) to

Issuer

January 31, 2005

0.5

Estimated average burden hours per

OMB APPROVAL

response...

if no longer subject to Section 16. Form 4 or Form 5

Check this box

obligations may continue. See Instruction

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

2. Issuer Name and Ticker or Trading

AVISTA CORP [AVA]

Symbol

1(b).

(Print or Type Responses)

NORWOOD KELLY O

1. Name and Address of Reporting Person *

		AVIST	A COM [AVA]	(Check	ck all applicable)		
(Last) 1411 E MISS	· · · · · ·		f Earliest Transaction Day/Year) 2008	DirectorX_ Officer (give ti	10% Owner		
	(Street)		endment, Date Original nth/Day/Year)	6. Individual or Joir Applicable Line) _X_ Form filed by On	nt/Group Filing(Check		
SPOKANE,	WA 99202				ere than One Reporting		
(City)	(State)	(Zip) Tab	le I - Non-Derivative Securities Acqu	uired, Disposed of,	or Beneficially Owned		
1.Title of Security (Instr. 3) Common Stock - Restricted Share Award	2. Transaction Date (Month/Day/Year) 01/11/2008		Code (Instr. 3, 4 and 5)	Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. 7. Nature of Ownership Form: Beneficial Direct (D) Ownership or Indirect (Instr. 4) (I) (Instr. 4)		
Common Stock held in 401(k) Investment Plan				8,951	I by Trustee		
Common Stock held				3	I by Spouse		

by Spouse

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474

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9. Nu Deriv Secur Bene Own Follo Repo Trans (Instr

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

1. Title of	2.	3. Transaction Date	3A. Deemed	4.	5.	6. Date Exerc	cisable and	7. Titl	e and	8. Price of
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transact	ionNumber	Expiration D	ate	Amou	nt of	Derivative
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Under	lying	Security
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Securi	ities	(Instr. 5)
	Derivative		•		Securities	3		(Instr.	3 and 4)	
	Security				Acquired				,	
					(A) or					
					Disposed					
					of (D)					
					(Instr. 3,					
					4, and 5)					
					4, and 3)					
									Amount	
						Data	Evaluation		or	
							Expiration	Title	Number	
						Exercisable	Date	C	of	
				Code V	(A) (D)				Shares	

Reporting Owners

Reporting Owner Name / Address	Relationships

Director 10% Owner Officer Other

NORWOOD KELLY O 1411 E MISSION AVE SPOKANE, WA 99202

Vice President

Signatures

/s/ Kelly O. Norwood 01/15/2008

**Signature of Date Reporting Person

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) Shares sold to pay income taxes on second 1/3 of 2006 restricted share award that vested on 1/07/08.

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.

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