FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT	OF CHANGES	IN BENEFICIAL	<b>OWNERSHIP</b>

OMB APPROVAL OMB Number: Estimated average burden hours per response: 0.5

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

Name and Address of Reporting Person*     STANLEY HEIDI B						2. Issuer Name and Ticker or Trading Symbol AVISTA CORP [ AVA ]								5. Relationship of Reporting Person(s) to Issuer (Check all applicable)					
(Last)						3. Date of Earliest Transaction (Month/Day/Year) 12/07/2006								X	Offic below	er (give title	Ot	% Owner ner (specify ow)	
(Street) SPOKAN (City)			99201-0 Zip)	0696	_ 4. If	4. If Amendment, Date of				of Original Filed (Month/Day/Year)				6. Indiv Line) X	Forn	or Joint/Group Filing (Check Applicable m filed by One Reporting Person m filed by More than One Reporting son			
Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned																			
1. Title of Security (Instr. 3)  2. Transaction Date (Month/Day/					Execution Date,		3. Transaction Code (Instr. 8)  4. Securities Acquired (A Disposed Of (D) (Instr. 3,			nd 5)	Secur Benef Owne	icially d Following	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	of Indirect ct Beneficial Ownership					
							Code	v	Amount	(A) o (D)	r Price			action(s) 3 and 4)		(Instr. 4)			
Common Stock 12/07/20				2006	06		P		1,738(1)	A	\$26	0823		1,738	D				
		Та	ble II -								osed of, convertib				vned				
1. Title of Derivative Security (Instr. 3)	2. 3. Transaction Date (Month/Day/Year) 3A. Deemed Execution Date, if any (Month/Day/Year) (Month/Day/Year)		on Date,	4. Transa Code ( 8)			6. Date Exercisable and Expiration Date (Month/Day/Year)  Date Expiration Date Expiration Date		7. Title and Amount of Securities Underlying Derivative Security (Instr. : and 4)  Amount or Number of Title Shares		Deriv Secu (Inst		9. Number of derivative Securities Beneficially Owned Following Reported Transaction (Instr. 4)	Ownersi Form: Direct (E or Indire (I) (Instr.	Beneficial Ownership ct (Instr. 4)				

## **Explanation of Responses:**

1. Shares purchased in accordance with the 2006 election of retainer payment submitted by Ms. Stanley and approved by the Board on May 12, 2006.

/s/ Heidi B. Stanley

12/08/2006

\*\* Signature of Reporting Person Date

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

- \* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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 Number.