FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

| • | | OMB APPROV | | | | |
|---|-------------------------|------------|--|--|--|--|
| | IN DENEETOIAL OWNEDCHID | OMB Number | | | | |

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

| OMB APPROVAL | | | | | | | | | | |
|--------------------------|-----------|--|--|--|--|--|--|--|--|--|
| OMB Number: | 3235-0287 | | | | | | | | | |
| Estimated average burden | | | | | | | | | | |
| hours per response. | 0.5 | | | | | | | | | |

| 1. Name and Address of Reporting Person Schlect Edward David | | | | | | AVISTA CORP [AVA] | | | | | | | | eck all appli Directo | ationship of Reporting k all applicable) Director | | 10% Ov | /ner |
|-------------------------------------------------------------------------------------|-----------------------------------------------------------|--------------------------------------------|-----------------------|----------|--------------|-------------------------------------------------------------|--------------------------------------------------------|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|-----------------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------|--------------------------------------------------------|---------------------------------------|
| (Last) 1411 E. M | (Firs | , | /liddle) | | | 3. Date of Earliest Transaction (Month/Day/Year) 01/11/2018 | | | | | | | | | Officer (give title below) Vice President | | Other (s below) ent | респу |
| (Street) SPOKAN | E WA | te) (Z | 9202 Zip) | | | 4. If Amendment, Date of Original Filed (Month/Day/Year) | | | | | | | Lin | Form filed by One Reporting Person Form filed by More than One Reporting Person | | | | |
| Table I - Non-Deriva 1. Title of Security (Instr. 3) 2. Transac Date (Month/Date) | | | | | | ction 2A. Deemed Execution Date, | | | quired, Disposed of, or Benefic 3. Transaction Code (Instr. 8) 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 1) | | | ed (A) or | 5. Amount of Securities Beneficially Owned Following | | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | | 7. Nature of Indirect Beneficial Ownership | |
| | | | | | | Code | v | Amount | (A) or (D) | Price | Transac | Reported Transaction(s) (Instr. 3 and 4) | | | (Instr. 4) | | | |
| Common S | Stock-Perfor | /2018 | 2018 | | | M | | 4,072 | A | (1) | 7, | 7,091 | | D | | | | |
| Common Stock-Performance Shares 01/11/2 | | | | | | 2018 | | F | | 1,156 ⁽²⁾ D | | \$51.6 | 52 5, | 5,935 | | D | | |
| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative | 3. Transaction Date (Month/Day/Year) | 3A. Deer Execution | (e.g., p | 4. Transa | 4. Transaction Code (Instr. | | on of tr. Derivative Securities Acquired | | ns, c | sable and | 7. Title an Amount of Securitie Underlyin Derivativ | irities) nd of s ng e Security | 8. Price of Derivative Security (Instr. 5) | 9. Numbe derivative Securities Beneficia Owned | ve es ally ig d tion(s) | 10. Ownership Form: Direct (D) or Indirect | Beneficial Ownership (Instr. 4) |
| | Security | | | | | | (A) or Disposed of (D) (Instr. 3, 4 and 5) | | | | | (Instr. 3 a | nd 4) | | Following Reported Transacti (Instr. 4) | | (I) (Instr. 4) | |
| | | | | | Code | v | (A) | (D) | Date Exercisa | ıble | Expiration Date | Title | Amount or Number of Shares | | | | | |
| Conversion of 2015 Performance Shares | (1) | 01/11/2018 | | | М | | | 2,770 | (1) | | (1) | Common Stock | 2,770 | (1) | 0 | | D | |

Explanation of Responses:

- 1. Each performance share represents a contingent right to receive a share of Avista Common Stock upon achieving a specified performance measure.
- 2. Shares withheld to pay income tax on Performance Shares acquired 1/11/18.

<u>/s/Edward D. Schlect</u> <u>01/16/2018</u>

** 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.