FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

| OMB APPROVAL             |           |  |  |  |  |  |  |  |  |
|--------------------------|-----------|--|--|--|--|--|--|--|--|
| OMB Number:              | 3235-0287 |  |  |  |  |  |  |  |  |
| 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

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|--|---|-----------------------|---|--|------------------------|---------|--|--|---|--------|--|--|----------------|--|---------------------------|--|---|---|--|---|--|
| 1. Name and Address of Reporting Person <sup>*</sup><br><u>Vermillion Dennis P</u> |   |                       |   |  |                        |         | 2. Issuer Name <b>and</b> Ticker or Trading Symbol AVISTA CORP [ AVA ] |  |   |        |  |  |                |  |                           |  | p of Reportin<br>blicable)<br>ctor  | g Pers  | son(s) to Is   |   |  |
| (Last) 1411 E M  |   |                       | 3. Date of Earliest Transaction (Month/Day/Year) 01/03/2017 |  |                        |         |  |  |   |        |  |  | Offic<br>belov | cer (give title<br>w)<br>Senior Vice     |                           | Other (specify below)  President                   |   |   |  |   |  |
| (Street) SPOKAN (City)   |   | 4. If                 | 4. If Amendment, Date of Original Filed (Month/Day/Year)    |  |                        |         |  |  |   |        |  | Individual or Joint/Group Filing (Check Applicable ine)  X Form filed by One Reporting Person Form filed by More than One Reporting Person |                |  |                           |  |   |   |  |   |  |
|  |   | Tabl                  | e I - No  | n-Deriv                                    | ative                  | Se      | curitie  | s Ac   | quired,                                 | Dis    | posed o  | f, o   | r Be           | nefici                                   | ally                      | Owne   | ed  |   |  |   |  |
| Da   |   |                       |   | 2. Transaction<br>Date<br>(Month/Day/Year) |                        | ar)   I | 2A. Deemed<br>Execution Date,<br>if any<br>(Month/Day/Year)            |  | 3.<br>Transaction<br>Code (Instr.<br>8) |        | 4. Securities Acquired (A)<br>Disposed Of (D) (Instr. 3, 4<br>5) |  |                | ed (A) oi<br>tr. 3, 4 a                  | 4 and Secu<br>Bend<br>Own |  | icially<br>d Following  | 6. Ownership<br>Form: Direct<br>(D) or Indirect<br>(I) (Instr. 4) |  | 7. Nature<br>of Indirect<br>Beneficial<br>Ownership |  |
|  |   |                       |   |  |                        |         |  |  | Code                                    | v      | Amount   |  | (A) or<br>(D)  | Price                                    | е                         |  | action(s)<br>3 and 4)   |   |  | (Instr. 4)  |  |
|  | Stock 2014<br>Stock Awa   | 2015 and 2016<br>ards |   | 01/03                                      | 3/2017                 | ,       |  |  | F                                       |        | 1,300  | 1)   | D              | \$39                                     | 9.71                      | 2  | 5,915   |   | D  |   |  |
| Common   | Stock held  | in 401(k) Plan        |   |  |                        |         |  |  |   |        |  |  |                |  |                           | 8  | 88.812  | I held by<br>Trustee  |  |   |  |
|  |   | Та                    |   |  |                        |         |  |  |   |        | sed of,<br>onvertib  |  |                |  |                           | wned   |   |   |  |   |  |
| 1. Title of<br>Derivative<br>Security<br>(Instr. 3)                                | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | e (Month/Day/Year)    | 3A. Deem<br>Execution<br>if any<br>(Month/Da                | n Date,                                    | Date, Transa<br>Code ( |         | of Deriving Security (A) of Disposor (D) (Insti                        | of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |   | on Dat |  | or   |                | of s s s s s s s s s s s s s s s s s s s | Deri<br>Seci              | B. Price of<br>Derivative<br>Security<br>Instr. 5) | 9. Number of<br>derivative<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction<br>(Instr. 4) | Ownership<br>Form:<br>Direct (D)<br>or Indirect<br>(I) (Instr. 4) | 11. Nature<br>of Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |   |  |
|  |   |                       |   |  | Code                   | v       | (A)  | (D)  | Date<br>Exercisa                        |        | Expiration<br>Date   | Titl   |                | r<br>hares                               |                           |  |   |   |  |   |  |

## Explanation of Responses:

1. Shares sold to pay income tax on final 1/3 of 2014, second 1/3 of 2015 and first 1/3 of 2016 restricted shares that vested on January 3, 2017.

/s/Dennis P. Vermillion 01/05/2017

\*\* Signature of Reporting Person Date

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

- \* 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.