

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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 * <u>Kopczynski Don F</u> (Last) (First) (Middle) 1411 E. MISSION AVENUE (MSC-10) (Street) SPOKANE WA 99202 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>AVISTA CORP [AVA]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Vice President</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>05/16/2007</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

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	(A) or (D)	Price			
Common Stock	05/16/2007		M		4,100	A	\$18.63	12,285	D	
Common Stock	05/16/2007		S		4,100	D	\$23.54	8,185	D	
Common Stock	05/16/2007		M		10,000	A	\$17.31	18,185	D	
Common Stock	05/16/2007		S		10,000	D	\$23.54	8,185	D	
Common Stock held in 401(k) Investment Plan								5,027	I	by Trustee
Common Stock held in Executive Deferral Plan								373	I	by Trustee
Common Stock-Custodian for David A Kopczynski								16	I	by child
Common Stock-Custodian for Kyra M Kopczynski								16	I	by child
Common Stock-Custodian for Kristen M Kopczynski								16	I	by child

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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Exercise of Stock Option	\$18.63	05/16/2007		M			4,100	(1)	11/12/2008	Common Stock	4,100	\$23.54	0 ⁽²⁾	D	
Exercise of Stock Option	\$17.31	05/16/2007		M			10,000	(3)	11/11/2009	Common Stock	10,000	\$23.54	0 ⁽²⁾	D	

Explanation of Responses:

- Options vest in four equal annual installments beginning on the first anniversary of the grant date. 4,100 options were granted on 11/12/1998.
- Total reflects the number of derivative securities remaining under this particular option grant.
- Options vest in four equal annual installments beginning on the first anniversary of the grant date. 10,000 options were granted on 11/11/1999.

/s/ Don F. Kopczynski 05/17/2007
 ** 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.