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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934**

**Date of Report (Date of earliest event reported): July 5, 2011**

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**AVISTA CORPORATION**

(Exact name of registrant as specified in its charter)

**Washington**  
(State or other jurisdiction  
of incorporation)

**1-3701**  
(Commission  
File Number)

**91-0462470**  
(I.R.S. Employer  
Identification No.)

**1411 East Mission Avenue, Spokane, Washington**  
(Address of principal executive offices)

**99202-2600**  
(Zip Code)

**Registrant's telephone number, including area code: 509-489-0500**  
**Web site: <http://www.avistacorp.com>**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Section 8 – Other Events****Item 8.01 Other Events.**

On July 5, 2011, Avista Corporation (Avista Corp.) filed electric and natural gas general rate cases with the Idaho Public Utilities Commission (IPUC).

Avista Corp. has requested an overall electric rate increase of 3.7 percent and an overall natural gas rate increase of 2.7 percent. The filings are designed to increase annual base electric revenues by \$9.0 million and increase annual base natural gas revenues by \$1.9 million. Avista Corp.'s requests are based on a proposed overall rate of return of 8.49 percent, with a common equity ratio of 50.15 percent and a 10.9 percent return on equity.

The IPUC generally has up to 7 months to review the filings and issue a decision.

Costs for replacing aging electric infrastructure to ensure reliability is the major driver of Avista Corp.'s electric rate increase request. Other cost increases relate to vegetation management, power supply and transmission-related expenses, as well as administrative and general expenses.

The major drivers in the requested natural gas increase are increased operating costs and upgrades to the natural gas delivery system.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**AVISTA CORPORATION**  
(Registrant)

Date: July 7, 2011

/s/ Marian M. Durkin

Marian M. Durkin  
Senior Vice President, General Counsel  
and Chief Compliance Officer