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 or Section 30(h) of the Investment Company Act of 1940

| 1. Name and Address of Reporting Person* <u>ANDERSON ERIK J</u> | | | | | | 2. Issuer Name and Ticker or Trading Symbol AVISTA CORP [AVA] | | | | | | | | 5. Rela (Check | | , | | |
|---|--|------|----------|----------|---------------------------|---|---|------|--|-------|----------|---|-------------------------------|--------------------------------------|---|---|--|------------------|
| (Last) (First) (Middle) 1411 E MISSION AVE | | | | | | 3. Date of Earliest Transaction (Month/Day/Year) 05/14/2004 | | | | | | | | | Offic belov | er (give title w) | Othe belo | r (specify w) |
| (Street) SPOKANE WA 99202 (City) (State) (Zip) | | | | | | 4. If Amendment, Date of Original Filed (Month/Day/Year) | | | | | | | | 6. Indiv Line) X | ridual or Joint/Group Filing (Check Applicable Form filed by One Reporting Person Form filed by More than One Reporting Person | | | |
| | | Tabl | e I - No | on-Deriv | ative | Sec | uritie | s Ac | quired | l, Di | sposed o | f, or B | enef | cially | Owne | ∍d | | |
| 1. Title of Security (Instr. 3) 2. Transactic Date (Month/Day/ | | | | | | Execution Date, | | | 3. Transaction Code (Instr. 8) 4. Securities Acquired (A) o Disposed Of (D) (Instr. 3, 4 a | | | | and 5) Secur Benef Owne | | icially d Following | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | Ownership | |
| | | | | | | | | | Code | v | Amount | (A) or (D) | Pric | е | | action(s) 3 and 4) | | (Instr. 4) |
| Common Stock 05/14/20 | | | | | 2004 | 004 | | A | | 2,519 | A | \$1: | 5.8768 | | 7,054 | D | | |
| | 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) | ative Conversion Date rity or Exercise (Month/Day/Year) Execution Date, if any | | | | ransaction ode (Instr. | | 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. and 4) | | rice of vative urity ir. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction (Instr. 4) | Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) | |
| | | | | | Code | v | (A) | (D) | Exercis | able | Date | Title | Shares | ; | | | | |

Explanation of Responses:

/s/ Erik J. Anderson

05/18/2004

** 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.