

SECURITIES AND EXCHANGE COMMISSION

Washington D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): April 9, 2003

AVISTA CORPORATION

(Exact name of registrant as specified in its charter)

Washington

1-3701

91-0462470

(State or other jurisdiction of
incorporation or organization)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

1411 East Mission Avenue, Spokane, Washington

99202-2600

(Address of principal executive offices)

(Zip Code)

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

509-489-0500

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

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Item 5. Other Information

On April 9, 2003, Avista Corporation (Avista Corp.) participated in a prehearing conference regarding certification of its agreement to resolve a pending investigation with the Federal Energy Regulatory Commission (FERC). On March 26, 2003 the FERC policy staff issued its final report on their investigation of western energy markets. In the March 26, 2003 FERC report, certain allegations were asserted against many energy companies, including Avista Corp. and Avista Energy. The specific agreement between Avista Corp. and Avista Energy and the FERC trial staff included certain issues that overlapped with issues presented in the final FERC policy staff report on western energy markets.

At the April 9, 2003 prehearing conference, Avista Corp. proposed that the decision to recommend certification of the agreement between Avista Corp., Avista Energy and the FERC staff should be delayed to further address certain issues and to allow for potential uncertainty to be removed with respect to the final resolution of the case. The FERC's Chief Administrative Law Judge, Curtis L. Wagner, Jr. has agreed and ordered a further prehearing conference to clarify certain issues raised in the March 26, 2003 FERC policy staff report on western energy markets.

The FERC's trial staff has until May 15, 2003 to submit supplementary information explaining its conclusions and addressing three narrowly focused issues related to the March 26, 2003 FERC policy staff report on western energy markets. A further prehearing conference is currently scheduled for May 20, 2003 to discuss certification of the agreement in resolution of the case.

Avista Corp.'s press releases disclosing these events are filed as exhibit 99(a) and 99(b) hereto.

Neither the filing of any press release as an exhibit to this Current Report nor the inclusion in such press releases of a reference to Avista Corp.'s Internet address shall, under any circumstances, be deemed to incorporate the information available at such Internet address into this Current Report. The information available at Avista Corp.'s Internet address is not part of this Current Report or any other report filed by Avista Corp. with the Securities and Exchange Commission.

Item 7. Exhibits

99(a)	Press release dated April 9, 2003
99(b)	Press release dated April 9, 2003

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: April 10, 2003

/s/ Gary G. Ely

Gary G. Ely
Chairman of the Board, President
and Chief Executive Officer

CONTACT: Media: Hugh Imhof (509) 495-4264 hugh.imhof@avistacorp.com
Investors: Angela Teed (509) 495-2930 angela.teed@avistacorp.com

FOR IMMEDIATE RELEASE:
April 9, 2003
2:30 p.m. EDT

AVISTA PROPOSES OPPORTUNITY FOR ALL PARTICIPANTS
TO BE HEARD IN RESOLUTION OF FERC CASE
JUDGE ASKS FOR FURTHER CLARIFICATION

SPOKANE, WASH.: Avista Corp. (NYSE:AVA) today proposed holding off certification of its agreement to resolve a pending investigation with the Federal Energy Regulatory Commission (FERC) so that all parties may be fairly heard and so that there is no cloud hanging over a final resolution of the case. Chief Administrative Law Judge Curtis L. Wagner, Jr. has agreed and ordered a further hearing to clarify certain issues raised in a recent report on western energy markets.

Avista believes that the issues raised in the March 26 FERC report have already been addressed in an extensive investigation of Avista Corp. and Avista Energy. The company also believes that the findings of the FERC staff investigation remain sound and will be affirmed through the upcoming hearing process.

Conclusions of the FERC trial staff contained in the agreement to resolve the company's case include the following:

FERC Trial Staff's investigation found no evidence that any executives or employees of Avista Utilities or Avista Energy knowingly engaged in or facilitated any improper trading strategy;

FERC Trial Staff's investigation found no evidence that Avista Utilities or Avista Energy engaged in any efforts to manipulate the western energy markets during 2000 and 2001;

FERC Trial Staff did not find that Avista Utilities or Avista Energy withheld relevant information from the Commission's inquiry into the western energy markets for 2000 and 2001.

At an upcoming hearing Judge Wagner is expected to hear clarifying arguments on issues that are mentioned in the advisory staff report that Avista believes have been addressed. Other parties to the case will also have an opportunity to provide input to the judge.

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Avista Corp. is an energy company involved in the production, transmission and distribution of energy as well as other energy-related businesses. Avista Utilities is a company operating division that provides electric and natural gas service to customers in four western states. Avista's non-regulated affiliates include Avista Advantage, Avista Labs and Avista Energy. Avista Corp.'s stock is traded under the ticker symbol "AVA" and its Internet address is www.avistacorp.com

Avista Corp. and the Avista Corp. logo are trademarks of Avista Corporation. All other trademarks mentioned in this document are the property of their respective owners.

This news release contains forward-looking statements regarding the company's current expectations. Forward-looking statements are all statements other than historical facts. Such statements speak only as of the date of the news release and are subject to a variety of risks and uncertainties, many of which are beyond the company's control, which could cause actual results to differ materially from the expectations.

These risks and uncertainties include, in addition to those discussed herein, all of the factors discussed in the company's Annual Report on Form 10-K for the year ended Dec. 31, 2002.

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Investors: Angela Teed (509) 495-2930 angela.teed@avistacorp.com

FOR IMMEDIATE RELEASE:
April 9, 2003
8:30 p.m. EDT

JUDGE ASKS FOR FURTHER CLARIFICATION IN AVISTA CASE
FERC STAFF TO SUPPLEMENT FINDINGS BEFORE CERTIFICATION OF AGREEMENT

SPOKANE, WASH.: Chief Administrative Law Judge Curtis L. Wagner, Jr. has asked for further clarification of three issues raised in a recent report on western energy markets before certifying an agreement to resolve an investigation into Avista Corp (NYSE:AVA).

Trial staff of the Federal Energy Regulatory Commission (FERC) has until May 15 to submit supplementary information explaining its conclusions and addressing three narrowly focused issues related to the recent report. A conference is scheduled for May 20 to discuss certification of the agreement resolving Avista's case.

Avista believes that the issues raised in the March 26 (FERC) report have already been addressed in an extensive investigation of Avista Corp. and Avista Energy. The company also believes that the findings of the FERC staff investigation remain sound and will be affirmed through the upcoming hearing process.

Conclusions of the FERC trial staff contained in the agreement to resolve the company's case include the following:

FERC Trial Staff's investigation found no evidence that any executives or employees of Avista Utilities or Avista Energy knowingly engaged in or facilitated any improper trading strategy;

FERC Trial Staff's investigation found no evidence that Avista Utilities or Avista Energy engaged in any efforts to manipulate the western energy markets during 2000 and 2001;

FERC Trial Staff did not find that Avista Utilities or Avista Energy withheld relevant information from the Commission's inquiry into the western energy markets for 2000 and 2001.

On May 20, Judge Wagner is expected to consider the additional information to clarify the findings of the FERC staff report.

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Avista Corp. is an energy company involved in the production, transmission and distribution of energy as well as other energy-related businesses. Avista Utilities is a company operating division that provides electric and natural gas service to customers in four western states. Avista's non-regulated affiliates include Avista Advantage, Avista Labs and Avista Energy. Avista Corp.'s stock is traded under the ticker symbol "AVA" and its Internet address is www.avistacorp.com

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These risks and uncertainties include, in addition to those discussed herein, all of the factors discussed in the company's Annual Report on Form 10-K for the year ended Dec. 31, 2002.