Filed Pursuant to Rule 433
Registration No. 333-139239

Final Term Sheet

Issuer:	Avista Corporation
Issue:	First Mortgage Bonds, 5.70% Series due 2037
Ratings:	Aaa/AAA/AAA
Insurer:	XL Capital Assurance
Offering Size:	$150,000,000
Coupon:	5.70%
Trade Date:	December 12, 2006
Settlement Date:	December 15, 2006 (T+3)
Stated Maturity:	July 1, 2037
Spread to Benchmark Treasury:	T+110
Yield to Maturity:	5.71%
Benchmark Treasury Yield:	4.61%
Benchmark Treasury:	4.50% due February 2, 2036
Initial Public Offering Price:	99.582%
Proceeds to Issuer (before expenses):	$148,465,500
Optional Redemption:	Make-Whole Call, 20 bps spread over U.S. Treasuries
Interest Payment Dates:	Semi-annually in arrears on January 1 and July 1 of each year, commencing on July 1, 2007
Sole Bookrunner:	Goldman, Sachs & Co.
Senior Lead Managers:	BNY Capital Markets, Inc.
	KeyBanc Capital Markets, a Division of McDonald Investments Inc.
Co-Managers:	A.G. Edwards & Sons, Inc.
	Banc of America Securities LLC