Pricing Supplement No. 5
Dated October 26, 1999
(To Prospectus dated April 22, 1998 as supplemented by the Prospectus Supplement dated April 24, 1998)

Filing under Rule 424(b)(3)
Registration No. 333-39551

AVISTA CORPORATION
Medium-Term Notes, Series C

Principal amount: $25,000,000

Redeemable: Yes ___ No X ___

Original Interest Accrual Date: October 26, 1999
Stated Maturity: October 26, 2010
Interest Rate: 8.02%
Interest Payment Dates: April 1 and October 1
Regular Record Dates: March 15 and September 15

Initial Redemption Date:
Initial Redemption Price:
Reduction Percentage:
Redemption Limitation Date:

Redeemable at Holder's Option: Yes ___ No X ___

Holder's Option Redemption Date(s):
Redemption Price:

OID: Yes ___ No X ___

Total Amount of OID (%):
Yield to Maturity (%):
Initial Accrual Period OID (%):
(Constant - Yield Method)

Use of Proceeds: To reduce short-term debt.

Other Provisions: N/A

As used herein, "N/A" means "Not Applicable".

MORGAN STANLEY DEAN WITTER
MERRILL LYNCH & CO.
SALOMON SMITH BARNEY