

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

OMB APPROVAL	
OMB Number:	3235-0287
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1. Name and Address of Reporting Person* <u>MORRIS SCOTT L</u> (Last) (First) (Middle) <u>1411 E MISSION AVE</u> (Street) <u>SPOKANE WA 99202</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>AVISTA CORP [AVA]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner X Officer (give title below) Other (specify below) <u>Chairman, President and CEO</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>02/11/2010</u>	
		6. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock - 2008 Restricted Stock Award	02/11/2010		F		1,122	D	\$19.8 ⁽¹⁾	16,666	D	
Common Stock - 2009 Restricted Stock Award	02/11/2010		F		1,122	D	\$19.8 ⁽²⁾	12,449	D	
Common Stock - Restricted Shares	02/11/2010		A		12,500	A	⁽³⁾	24,999	D	
Common Stock held in 401(k) Investment Plan								12,215	I	by Trustee

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)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		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. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Performance Shares	⁽⁴⁾	02/11/2010		D		51,400		⁽⁵⁾	⁽⁵⁾	Common Stock	51,400	\$19.8	51,400	D	

Explanation of Responses:

- Shares withheld to cover income tax on second 1/3 vested portion of 2008 restricted Stock Award.
- Shares withheld to cover income tax on first 1/3 vested portion of 2009 Restricted Stock Award.
- Restricted shares vest one-third each year over a three-year period and are payable in Avista Corp. Common Stock at the end of each year in the three-year cycle.
- No conversion price. Shares awarded if performance measure is met.
- Each performance cycle is three years in length. Shares will be issued at the end of each three-year cycle if performance measure is met.

/s/ Scott L. Morris

02/16/2010

** 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.