

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	
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<p>1. Name and Address of Reporting Person*</p> <p><u>Thoren Diane C</u></p> <hr/> <p>(Last) (First) (Middle)</p> <p><u>1411 E. MISSION AVENUE</u></p> <hr/> <p>(Street)</p> <p><u>SPOKANE WA 99202</u></p> <hr/> <p>(City) (State) (Zip)</p>	<p>2. Issuer Name and Ticker or Trading Symbol</p> <p><u>AVISTA CORP [AVA]</u></p> <hr/> <p>3. Date of Earliest Transaction (Month/Day/Year)</p> <p><u>12/14/2009</u></p> <hr/> <p>4. If Amendment, Date of Original Filed (Month/Day/Year)</p>	<p>5. Relationship of Reporting Person(s) to Issuer (Check all applicable)</p> <p>Director 10% Owner</p> <p><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)</p> <p style="text-align: center;"><u>Treasurer</u></p> <hr/> <p>6. Individual or Joint/Group Filing (Check Applicable Line)</p> <p><input checked="" type="checkbox"/> Form filed by One Reporting Person</p> <p>Form filed by More than One Reporting Person</p>
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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	12/14/2009		M ⁽¹⁾		1,300	A	\$11.8	19,510	D	
Common Stock	12/14/2009		S ⁽¹⁾		1,300	D	\$21.7362	18,210	D	
Common Stock	12/14/2009		M ⁽¹⁾		675	A	\$10.17	18,885	D	
Common Stock	12/14/2009		S ⁽¹⁾		675	D	\$21.7222	18,210	D	
Common Stock held in 401(k) Investment Plan								4,024	I	by Trustee
Common Stock held in Executive Deferral Account								944	I	by Trustee
Common Stock held as Custodian for Zachery Brown								37	I	by Grandson
Common Stock held as Custodian for Meagan Cuthill								56	I	by Niece
Common Stock held as Custodian for Katherine Cuthill								37	I	by Niece
Common Stock held as Custodian for McIntyre Cuthill								12	I	by Niece
Common Stock held as Custodian for McKenzie Brown								22	I	by Granddaughter
Common Stock held as Custodian for Colton Materne								13	I	by Grandson
Common Stock held as Custodian for Avery Materne								7	I	by Granddaughter

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					
Exercise of Stock Option	\$11.8	12/14/2009		M		1,300		11/08/2002	11/08/2011	Common Stock	1,300	3,900 ⁽²⁾	D	
Exercise of Stock Option	\$10.17	12/14/2009		M		675		11/07/2003	11/07/2012	Common Stock	675	2,025 ⁽²⁾	D	

Explanation of Responses:

1. Exercise and sale of Option Grant.
2. Total reflects the number of derivative securities remaining for this particular option grant.

/s/ Diane C. Thoren

12/15/2009

** 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.