

MEYER DAVID J
Form 4
September 15, 2008

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
MEYER DAVID J

(Last) (First) (Middle)
1411 E MISSION AVE
(Street)

SPOKANE, WA 99202

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
AVISTA CORP [AVA]

3. Date of Earliest Transaction
(Month/Day/Year)
09/11/2008

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
Vice President

6. Individual or Joint/Group Filing(Check Applicable Line)
 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)
Common Stock	09/11/2008		M	(A) Amount 14,540 (1)	A \$ 18.31 16,706	D	
Common Stock	09/11/2008		M	(A) Amount 5,460 (1)	A \$ 18.31 22,166	D	
Common Stock	09/11/2008		S	(D) Amount 14,540 (1)	D \$ 22.0113 7,626	D	
Common Stock	09/11/2008		S	(D) Amount 5,460 (1)	D \$ 22.007 2,166	D	
Common Stock held in 401(k)					9,904	I	by Trustee

Investment Plan

Common Stock held in Executive Deferral Plan

8,414

I

by Trustee

Common Stock held in IRA at D.A. Davidson & Co.

5,743

I

by Trustee

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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 control number.

SEC 1474 (9-02)

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 Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Exercise of Stock Option	\$ 18.31	09/11/2008		M	14,540	<u>(2)</u> 09/16/2008	Common Stock	14,540
Exercise of Stock Option	\$ 18.31	09/11/2008		M	5,460	<u>(3)</u> 09/16/2008	Common Stock	5,460

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other
Vice President

MEYER DAVID J
1411 E MISSION AVE
SPOKANE, WA 99202

Signatures

/s/ David J.
Meyer

09/15/2008

**Signature of
Reporting Person

Date

Explanation of Responses:

- * 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).
- (1) Transaction per Mr. Meyer's 10b5-1 Plan dated March 13, 2008.
- (2) Options vest in four equal annual installments beginning on the first anniversary of the grant date. Mr. Meyer received an option grant of 14,540 shares on 09/16/1998.
- (3) Options vest in four equal annual installments beginning on the first anniversary of the grant date. Mr. Meyer received an option grant of 5,460 shares on 09/16/1998.
- (4) Total reflects the number of derivative securities remaining under this particular option grant.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.