## FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

| Washington, | D.C. | 20549 |
|-------------|------|-------|
|             |      |       |

| 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

OMB APPROVAL OMB Number: Estimated average burden hours per response: 0.5

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| 1. Name and Address of Reporting Person*  NELSON SHARON L  |   |  |  |                               |             | 2. Issuer Name and Ticker or Trading Symbol ITRON INC /WA/ [ ITRI ]                     |        |  |         |                                   |   |             |                     |                                      |   | olicable)   | ,  | Person(s) to Issuer<br>10% Owner                                  |  |
|--|---|--|--|-------------------------------|-------------|---|--------|--|---------|-----------------------------------|---|-------------|---------------------|--------------------------------------|---|---|--|---|--|
| (Last)<br>2818 N. S  | (Fii  | ,  | Middle)                                      |                               |             | 3. Date of Earliest Transaction (Month/Day/Year) 07/03/2006                             |        |  |         |                                   |   |             |                     |                                      | Offic<br>belov  | er (give title<br>w)  | Other<br>below   | (specify<br>)   |  |
| (Street) SPOKAN (City)   |   |  | 99216<br>Zip)                                |                               | 4. If       | 4. If Amendment, Date of Original Filed (Month/Day/Year)                                |        |  |         |                                   |   |             |                     |                                      | Forn<br>Forn  | ual or Joint/Group Filing (Check Applicable Form filed by One Reporting Person Form filed by More than One Reporting Person |  |   |  |
|  |   | Tabl                                       | e I - Nor                                    | n-Deriv                       | ative       | Sec   | uritie | s Ac   | quired, | Dis                               | posed o   | f, or E     | Benef               | icially                              | Owne  | ed  |  |   |  |
| Date   |   |  |  | 2. Transa<br>Date<br>(Month/D | Execution D |   |        | n Date,  | Code    | ansaction Disposed ode (Instr. 5) |   |             |                     |                                      | Securi<br>Benef   | icially<br>d Following  | 6. Ownership<br>Form: Direct<br>(D) or Indirect<br>(I) (Instr. 4)  | 7. Nature<br>of Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |  |
|  |   |  |  |                               |             |   |        |  | Code    | v                                 | Amount  | (A)<br>(D)  | or P                | rice                                 | Transa  | action(s)<br>3 and 4)   |  | (111301.4)  |  |
| Common Stock   |   |  |  | 07/03                         | 03/2006     |   |        |  | A       |                                   | 248 A   |             | A   \$              | 60.35                                | 3,398   |   | D  |   |  |
| Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities) |   |  |  |                               |             |   |        |  |         |                                   |   |             |                     |                                      |   |   |  |   |  |
| 1. Title of<br>Derivative<br>Security<br>(Instr. 3)  | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction<br>Date<br>(Month/Day/Year) | 3A. Deem<br>Execution<br>if any<br>(Month/Da | Date,                         |             | ransaction 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<br>Amount of<br>Securities<br>Underlying<br>Derivative<br>Security (Instr.<br>and 4) |             | Deri<br>Sec<br>(Ins | rice of<br>vative<br>urity<br>tr. 5) | 9. Number of<br>derivative<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s<br>(Instr. 4) | 10.<br>Ownership<br>Form:<br>Direct (D)<br>or Indirect<br>(I) (Instr. 4)  | 11. Nature<br>of Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |   |  |
|  |   |  |  |                               | Code        | V   | (A)    | (D)  |         |                                   | Date  | Title Share |                     | s                                    |   |   |  |   |  |

**Explanation of Responses:** 

By: MariLyn R. Blair, as attorney-in-fact For: Sharon L. 07/06/2006 Nelson

\*\* 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.