

BLOCH KATHLEEN B
 Form 4
 May 31, 2011

FORM 4

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

OMB APPROVAL

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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 *
BLOCH KATHLEEN B

2. Issuer Name and Ticker or Trading Symbol
ECHELON CORP [ELON]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
550 MERIDIAN AVE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
05/26/2011

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Sr. VP, Gen Counsl & Secretary

SAN JOSE, CA 95126

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

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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 Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	05/26/2011		M	7,750 A \$ 61,428		D	
Common Stock	05/26/2011		F	2,842 D \$ 9.44 58,586		D	
Common Stock	05/27/2011		M	2,187 A \$ 60,773		D	
Common Stock	05/27/2011		F	802 D \$ 9.44 59,971		D	

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

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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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Performance Shares	<u>(1)</u>	05/26/2011		M	7,750	<u>(3)</u>	05/26/2014	Common Stock	7,750
Performance Shares	<u>(1)</u>	05/27/2011		M	2,187	<u>(2)</u>	05/27/2012	Common Stock	2,187

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

BLOCH KATHLEEN B
550 MERIDIAN AVE
SAN JOSE, CA 95126

Sr. VP, Gen Counsl & Secretary

Signatures

/s/ Oliver R. Stanfield, attorney-in-fact for Kathleen B. Bloch

05/31/2011

__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) Each performance share represents the right to receive one share of the Issuer's Common Stock.

(2) 2,187 of the 8,750 shares granted to the Reporting Person under the Issuer's 1997 Stock Plan (the "Plan") were vested and released to the Reporting Person effective May 27, 2011. Such 8,750 share grant vests at the following rate: 1/4th of such shares on May 27, 2009 and on each one year anniversary thereafter.

(3) 7,750 of the 31,000 shares granted to the Reporting person under the Plan were vested and released to the Reporting Person effective May 26, 2011. Such 31,000 share grant vests at the following rate: 1/4th of such shares on May 26, 2011 and on each one year anniversary

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thereafter.

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

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