

ECHELON CORP
Form 4
August 13, 2007

FORM 4

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

OMB APPROVAL

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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 *
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)
08/09/2007

____ 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	08/09/2007		M		9,556 A \$ 8.52	19,402	D
Common Stock	08/09/2007		F		5,053 D \$ 31.95	14,349	D
Common Stock	08/09/2007		M		5,217 A \$ 10.89	19,566	D
Common Stock	08/09/2007		F		3,007 D \$ 31.95	16,559	D
Common Stock	08/09/2007		M		54,783 A \$ 8.52	71,342	D

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Common Stock	08/09/2007	F	28,971	D	\$ 31.95	42,371	D
Common Stock	08/09/2007	S	200	D	\$ 31.61	42,171	D
Common Stock	08/09/2007	S	25,325	D	\$ 31.6	16,846	D

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

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(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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (Right to buy)	\$ 8.52	08/09/2007		M	9,556	<u>(1)</u>	05/21/2008	Common Stock	9,556
Employee Stock Option (Right to buy)	\$ 10.89	08/09/2007		M	5,217	<u>(2)</u>	03/17/2009	Common Stock	5,217
Employee Stock Option (Right to buy)	\$ 8.52	08/09/2007		M	54,783	<u>(3)</u>	03/17/2009	Common Stock	54,783

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

08/13/2007

**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) The Reporting Person exercised 9,556 of the 9,556 share option grant dated April 22, 2005. Previous vesting was such that this 9,556 share option vested as to 7,778 shares on April 22, 2006 and the remaining 1,778 shares vested monthly thereafter through December 22, 2006; however, on November 18, 2005 vesting was accelerated in full.

The Reporting Person exercised 5,217 of the 60,000 share option grant dated March 17, 2004. Previous vesting was such that this 60,000
 - (2) share option vested as to 1/4th of the shares on March 17, 2005 and as to 1/48th of the shares on the last day of each one month anniversary thereafter; however, on November 18, 2005 vesting was accelerated in full.
 - (3) The Reporting Person exercised 54,783 of the 54,783 share option grant dated April 22, 2005. Previous vesting was such that this 54,783 share option vested as to 31,250 shares on April 22, 2006 and the remaining 23,533 shares were to vest and become exercisable monthly thereafter through December 22, 2007; however, on November 18, 2005 vesting was accelerated in full.

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.