

HARRIS RUSSELL
Form 4
May 30, 2012

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 *

HARRIS RUSSELL

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

SAN JOSE, CA 95126

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

ECHELON CORP [ELON]

3. Date of Earliest Transaction (Month/Day/Year)
05/26/2012

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)
Senior VP of Operations

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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	05/26/2012		M		7,750	A	Ⓛ
Common Stock	05/26/2012		F		2,842	D	\$ 3.555
Common Stock	05/27/2012		M		2,812	A	Ⓛ
Common Stock	05/27/2012		F		1,031	D	\$ 3.555
Common Stock					20,000	I	

See footnote (3)

Common Stock	31,704	I	See footnote <u>(5)</u>
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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>	05/26/2012		M	7,750	<u>(4)</u> 05/26/2014	Common Stock 7,750
Performance Shares	<u>(1)</u>	05/27/2012		M	2,812	<u>(2)</u> 05/27/2012	Common Stock 2,812

Reporting Owners

Reporting Owner Name / Address HARRIS RUSSELL 550 MERIDIAN AVE SAN JOSE, CA 95126	Relationships Director 10% Owner Officer Other Senior VP of Operations
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Signatures

/s/ Kathleen B. Bloch, attorney-in-fact for Russell Harris

05/30/2012

**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).

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- (1) Each performance share represents the right to receive one share of the Issuer's Common Stock.
2,812 of the 11,250 shares granted to the Reporting Person under the Issuer's 1997 Stock Plan (the "Plan") were vested and released to the
- (2) Reporting Person effective May 27, 2012. Such 11,250 share grant vests at the following rate: 1/4th of such shares on May 27, 2009 and on each one year anniversary thereafter.
- (3) These shares are held by The Russell R. Harris 2004 Children's Trust dated April 22, 2004, of which the Reporting Person is the Settlor and his spouse is Trustee.
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
- (4) 26, 2012. 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 thereafter.
- (5) These shares are held by The Harris Living Trust dated March 22, 2004, of which the Reporting Person and his spouse, Jan Johnson Harris, serve as co-trustees.

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.