

## Telkonet and GE Energy Develop Integrated Utility Substation Automation System

## Telkonet and GE Energy to Co-Develop a Custom, Private Label Product That Enables Remote Monitoring and Management of Substation Equipment

GERMANTOWN, Md., Feb. 6, 2007 (PRIME NEWSWIRE) -- Telkonet, Inc. (AMEX:TKO), the leader in providing in-building broadband access over existing electrical wiring, today announced that it has signed an exclusive supply agreement with GE Energy to co-develop an innovative custom product that enables vital remote monitoring and management of utility substation equipment. This integrated system will revolutionize the way in which a substation's performance is monitored, considerably improving efficiency and reliability. Over the next six months, GE will commence the first installation phase involving customers in North America to further develop and refine the product, customizing it to be compatible with all the various types of substation equipment.

Over the past year, GE Energy conducted extensive laboratory and field testing of the Telkonet iWire System(tm) successfully; Telkonet's system met the rigorous performance and reliability requirements, as well as the environmental standards for both AC and DC operating environments, for GE Energy and the utility marketplace.

The Telkonet iWire System leverages the existing electrical wiring inside a substation to enable high-speed network connectivity, eliminating the need for new wiring or cabling. The data collected from GE Energy's monitoring systems can be transmitted remotely to any location via a broadband Internet connection, enabling utilities to monitor the conditions of the transformers, reroute power and efficiently manage the energy supply.

GE Energy will demonstrate this customized substation automation product, incorporating the Telkonet iWire System, at DistribuTECH 2007 in San Diego, CA, the largest energy trade show in the U.S., February 4 - 7, 2007.

Ron Pickett, President and CEO of Telkonet, commented, "We have been working very hard with GE Energy over the past year to make sure that this is a success and believe that it will open up many new opportunities for both companies. This agreement is a key element in Telkonet's strategy of delivering solutions to both the supply and demand sector -- utilities and building owners/managers."

## About Telkonet

Telkonet develops and markets technology for the high-speed transmission of secure voice, video and data communications over in-premise and shipboard electrical wiring. The

revolutionary Telkonet iWire System utilizes proven powerline communications (PLC) technology to deliver commercial high-speed broadband access from an IP "platform" that is easy to deploy, reliable and cost-effective by leveraging a building's existing electrical infrastructure. Telkonet's products are designed for use in commercial and residential applications, including multi-dwelling units and the hospitality and government markets. Applications supported by the Telkonet "platform" include but are not limited to: VoIP telephones, Internet connectivity, local area networking, video teleconferencing, IP surveillance and a host of other IT services. For more information, please visit <a href="https://www.telkonet.com">www.telkonet.com</a>.

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