

Breathtaking Waterfront Hotel Is Online With Telkonet's Networked EcoSmart System

Funded by Utility Rate Payer Program, Waterfront Hotel Receives Full Benefit

MILWAUKEE, WI -- (MARKET WIRE) -- 08/09/11 -- Telkonet, Inc. (OTCBB: TKOI), developer of the revolutionary EcoSmart energy management platform which incorporates patented Recovery Time™ technology, announced today that the breathtaking Waterfront Hotel has become the latest hospitality leader to deploy a networked EcoSmart energy management system.

In partnership with Ecology Action, a nonprofit consulting firm, Telkonet helped the Waterfront Hotel, located in Oakland, CA, take advantage of the LodgingSavers utility ratepayer funded program. Telkonet installed a fully networked EcoSmart Energy Management System (EMS), replacing the hotel's existing thermostats with the Telkonet EcoInsight intelligent thermostat. Because the thermostats are ZigBee-enabled to create a mesh network, they develop a facility-wide wireless network dedicated to remote monitoring and control over each guest room HVAC system. With occupied hotel rooms having an individual present just 30% of the time on average, employing Telkonet's dynamic Recovery Time™ technology optimizes energy savings in the guest rooms while also ensuring that hotel guests enjoy a comfortable stay at the beautiful Waterfront Hotel.

The Waterfront Hotel is managed by Joie De Vivre, California's largest boutique hotel collection, where guests can expect an opportunity to simply enjoy life. After a multi-million dollar renovation in 2008, the Waterfront Hotel has now replaced the inefficient thermostats used to control the water source heat pumps within the guest rooms. Prior to the installation of Telkonet's EcoSmart platform, hotel management was unable to avoid excessive heating and cooling of unoccupied guestrooms. In addition to improving local control, the property management team now has the capability to monitor the health and efficiency of the HVAC systems themselves. "The transition from our old system to the EcoSmart was painless, as the installation included a simple thermostat replacement and the addition of EcoView remote occupancy sensors in each of the 145 guestrooms. Shortly after the EcoSmart wireless network equipment was installed, each of our guestrooms was on-line ready for us to view and manage. Telkonet's basic system training and intuitive web interface gave us the confidence to begin using the system immediately," said Mark Everton, General Manager of the Waterfront Hotel in Oakland, CA.

Jason Tienor, CEO, Telkonet, Inc., said, "The benefits of Telkonet's EcoSmart Suite are immense; whereas before most hospitality property managers had no ability to monitor, control and commission the building controls and mechanical systems on an ongoing basis,

with EcoSmart, it's now easy to demonstrate savings, validated by powerful data and measurement and verification reports. Our client response has been overwhelmingly positive regarding the properties in which EcoSmart has been installed and we're consistently delighted with savings that exceed our original projections."

ABOUT TELKONET

Telkonet is a leading energy management technology provider offering hardware, software and services to Commercial customers throughout the world. The EcoCentral Platform, in conjunction with the EcoSmart Suite of products, provides comprehensive savings, management and reporting of a building's energy consumption. Telkonet's energy management products are installed in properties within the Hospitality, Military, Educational, Healthcare and Residential markets reducing energy consumption, carbon footprints and eliminating the need for new energy generation. www.telkonet.com

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