

August 16, 2011



Top Rated Alexandria Hotel Selects Telkonet EcoSmart Energy Management

EcoSmart Suite once again selected for technology leadership and energy saving abilities

MILWAUKEE, Aug. 16, 2011 /PRNewswire/ -- Telkonet, Inc. (OTCBB: TKOI.OB), developer of the revolutionary EcoSmart energy management platform incorporating patented Recovery Time™ technology, announced today that it will install its EcoSmart Suite energy management platform at the Westin Alexandria Hotel, owned by Cornerstone Real Estate Advisers, LLC and located in the exclusive Carlyle section of Old Town Alexandria. The property blends sophistication and elegance with the historic surroundings of Alexandria, VA, making the Westin Alexandria an integral component of Alexandria's newest community.

The Carlyle at King Street Metro is a stylish mixed-use community and is home to the United States Patent and Trademark Office and the Federal Courthouse.

(Logo: <https://photos.prnewswire.com/prnh/20110816/SF52768LOGO>)

Telkonet's EcoSmart platform will control existing water source heat pumps in each of the 341-luxury rooms and 7-luxury suites of the hotel – an upgrade that complements many green initiatives already in place. The EcoSmart products will be networked using a wireless communications infrastructure consisting of EcoWave wireless thermostats and EcoView wireless occupancy sensors that detect occupancy with high sensitivity motion and heat sensors.

As with most hotels where the EcoSmart technology is installed, the projected savings are dramatic. Telkonet projects that the EcoSmart energy management system for the Westin Alexandria will pay for itself from energy savings in less than three years: energy consumption is projected to drop by 34% and save approximately \$42,600 per year. Proactive troubleshooting of HVAC equipment and reduced runtimes will translate into additional savings from extended equipment life.

Energy usage will be managed and reduced by automatically adjusting the heating and air conditioning systems when rooms are unoccupied. The Telkonet patented *Recovery Time*™ algorithm allows the system to optimize energy efficiency and maximize occupant comfort. At a later date the Westin can expand the system to control other in-room plug-loads as well. The cloud-based EcoCentral platform enables remote monitoring and management of room temperatures.

Jason Tienor, CEO of Telkonet, Inc., said, "Since its release in February of 2011, we're very pleased by the market acceptance and penetration of our EcoSmart product line. Clients have been very generous with their positive feedback on the aesthetics and ease of use of our in-room thermostats. Additionally, they have noticed how much easier and faster it is to install and commission, which allows savings to be harvested very quickly. Perhaps most

exciting is feedback we've received on EcoCentral, which is Telkonet's cloud-based platform for management and reporting, and is one of the most comprehensive occupancy-based management platforms available."

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

Statements included in this release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve a number of risks and uncertainties such as competitive factors, technological development, market demand and the Company's ability to obtain new contracts and accurately estimate net revenue due to variability in size, scope and duration of projects, and internal issues in the sponsoring client. Further information on potential factors that could affect the Company's financial results, can be found in the Company's Registration Statement and in its Reports on Forms 8-K filed with the Securities and Exchange Commission (SEC).

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