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Prestigious Galt House Hotel to Install Telkonet's EcoSmart Energy Management Solution Throughout 1,290 Guest Rooms

EcoSmart Technology Expected to Reduce Annual Hotel Energy Expense by Over 33%

MILWAUKEE, March 5, 2013 /PRNewswire/ -- Telkonet, Inc. (OTC BB: TKOI), developer of the EcoSmart energy management platform featuring [Recovery Time™](#) technology, announced today that the prestigious Galt House Hotel, located in Louisville, Kentucky will install, integrate and network the EcoSmart energy management platform throughout its entire collection of 1,290 guest rooms.

Slater Coe, Director of Operations at Galt House Hotel, believes the EcoSmart energy management solution will allow the hotel to continue a decades-long trend of innovation and customer service. "We want to utilize cutting-edge technology to maximize efficiency and reduce expenses while providing our guests with a superior stay and comfortable room environment. We checked off every box on our list of objectives as we were considering energy management solutions when we understood what Telkonet's technology was capable of delivering to every room in our hotel."

"Adopting an appropriate energy efficiency policy along with the installation of Telkonet's EcoSmart technology remains one of the most accessible means with which building owners can reduce their energy expenses. The fact that Telkonet's proprietary energy management solutions have demonstrated the ability to significantly reduce a property's energy expenses, extend the life of its heating, ventilation and cooling systems while reducing the building's carbon footprint is what makes our resources so attractive," stated Gerrit Reinders, Telkonet's Executive VP of Sales and Marketing.

Galt House Hotel will be installing Telkonet's [EcoInsight intelligent thermostats](#), which will be integrated with both the internet-based application HotSOS (Hotel Service Optimization System) and the power management system of the hotel. The EcoInsight is a programmable controllable thermostat with over 125 configurable settings used to control the efficiency of HVAC systems. HotSOS, pronounced "hot sauce", gives hotel staff the ability to respond, create, and maintain work orders efficiently and accurately while managing guest response, incident tracking and workflow automation.

To illustrate the impact of the EcoSmart energy management platform, the 1,290-room Galt House Hotel currently incurs annual utility costs of roughly \$450,000 for guest room heating and cooling. After the installation of the EcoInsight intelligent thermostats and energy management network, the hotel expects to reduce energy expenses by more than \$150,000 annually, a significant savings of more than 33% that can now be applied to other components of the hotel to enhance guest comfort and experience. In addition, as a result

of these savings, Galt House Hotel should realize the return of its investment (ROI) in approximately three years – a significant deliverable that Telkonet provides to property owners.

"The energy infrastructure of a building has seen little, if any, reconfiguring or modification over the past fifty years. Utilizing our EcoSmart portfolio of energy management solutions allows a property to operate in its current state, but deliver energy in the most efficient manner - providing energy when it is needed and reducing consumption, room-by-room, when it is not," added Reinders.

ABOUT GALT HOUSE HOTEL

Galt House Hotel, the Heart of Louisville boasts 1,290 guest rooms and suites, 128,000 square-feet of convention space and more than 50 meeting rooms. Galt House Hotel features six full-service restaurants and lounges, including RIVUE, a 25th floor revolving restaurant with amazing cuisine, as well as the Rooftop Garden and Terrace, Club 360° Rooftop Fitness Center and the three-story Conservatory that connects the two towers over 4th Street. For reservations, call 1-800-THE-GALT, or visit www.GaltHouse.com.

ABOUT TELKONET

Telkonet, a leading United States-based energy management technology provider, offers hardware, software and services to commercial customers worldwide. The EcoSmart suite of products, which includes EcoInsight and EcoWave intelligent thermostats, the EcoView occupancy sensor and the EcoGuard energy management outlet, can be deployed in most building environments to cut utility costs and enable remote monitoring and control using the EcoCentral management platform. Telkonet's energy management products have the power to reduce energy consumption, minimize carbon footprints and help eliminate the need for the construction of new power plants. For more information, visit www.telkonet.com.

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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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