

March 25, 2013



Telkonet and Constellation Offering Enables Hotels to Improve Energy Conservation Measures without Upfront Costs

Constellation's "Efficiency Made Easy" program allows hospitality market customers to fund Telkonet's EcoSmart energy management system as part of their electricity supply cost

MILWAUKEE, March 25, 2013 /PRNewswire/ -- Telkonet, Inc. (OTC BB: TKOI), developer of the EcoSmart energy management solution featuring Recovery Time™ technology, announced that EcoSmart energy management will be provided to hospitality customers nationwide through Constellation's "Efficiency Made Easy" program.

(Logo: <https://photos.prnewswire.com/prnh/20111011/NY83909LOGO>)

"Efficiency Made Easy" bundles a multi-year electricity agreement with energy conservation measures, including the [EcoSmart](#) energy management solution. The cost of efficiency upgrades is included in the price of electricity in competitive markets over the length of the agreement. At the end of the agreement, customers retain the full benefits of EcoSmart energy management.

To date, Telkonet has completed projects at six hotels with Constellation, comprising 1,073 rooms, including the three [Hilton hotels announced](#) in November 2012.

Greg Fox, manager, sales - Efficiency Made Easy for Constellation, said, "We always look for new and innovative energy solutions for our customers. Through Efficiency Made Easy, customers can implement technology such as Telkonet's EcoSmart to better manage energy use – without a large up-front capital investment."

Gerrit Reinders, Telkonet's Executive VP of Sales and Marketing, believes the program makes the process of investing in energy efficiency very straightforward.

"Our clients want energy efficiency solutions," Reinders said, "but may not have the capital required to pay for upgrades up-front, particularly in the hospitality market. With the Efficiency Made Easy program, Constellation offers us the opportunity to fund upgrades as an operating expense. By allowing hotels to reduce energy usage without committing up-front capital to a large retrofit project, Constellation opens the door to completing efficiency projects for a significant number of customers."

Telkonet will provide turnkey energy efficiency solutions that include a fully networked EcoSmart energy management system to control HVAC units, lights and plug loads, the

largest consumers of energy in hotel rooms. To maximize impact, EcoSmart also enables participation in demand response events through Telkonet's cloud-based EcoCentral dashboard.

Reinders added, "Constellation has an innovative load response program to monetize investments in energy efficiency. The program allows facilities with EcoSmart energy management to participate in load shed events for financial gain, without compromising room comfort. We anticipate that our respective offerings will change the way that hospitality stakeholders manage energy consumption."

"We're extremely proud to work with Constellation and applaud its Efficiency Made Easy program," Reinders said. "The simplicity of the program really does make efficiency easy."

The Constellation family of retail electricity and natural gas suppliers (www.constellation.com), are subsidiaries of Exelon Corp., and are leading competitive retail suppliers of power, natural gas and energy products and services for homes and businesses across the continental United States. Constellation's retail businesses serve more than 100,000 business and public sector customers, including more than two-thirds of the Fortune 100, and nearly one million residential customers.

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 EcoGuard energy management outlet and the EcoSwitch energy-efficient light switch 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.

For news updates as they happen, follow [@Telkonet](https://twitter.com/Telkonet) on Twitter.

To receive updates on all of Telkonet's developments, sign up for our email alerts [HERE](#).

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).

MEDIA CONTACTS:

Telkonet Investor Relations
414.721.7988
ir@telkonet.com

SOURCE Telkonet, Inc.