

Media Contacts:

Joe Noel, 240.912.1851

Michael Wachs, CEOcast, 212.732.4300, mwachs@ceocast.comGarrett Axford, Georgina Garrett / Simon Jones, 866.940.9987, +44.1903.854900 mail@garrett-axford.co.uk***For Immediate Release*****Telkonet's Powerline Communications Solutions Fully Approved by Transportation Security Administration****July 29, 2008: Germantown, MD – Telkonet, Inc. (AMEX:TKO), the leading provider of innovative, centrally managed solutions for integrated energy management, networking, building automation and proactive support services,**

announced today that it has received "Permitted" status from the Transportation Security Administration (TSA) for its FIPS 140-2 validated, powerline communications (PLC) products for networking applications. This is the result of exhaustive trials, conducted at designated airports across the United States, and an intensive cost analysis and ROI review. Enabling fast-deployment, secure, high-speed network connectivity, Telkonet is now the only Permitted PLC solution authorized by TSA.

"The acceptance of a 'Permitted' technology represents a significant and valuable milestone, underlining Telkonet's ability to provide world-class, enterprise powerline networking technologies in the highly stringent and secure government networking space," said Jason Tienor, president and CEO of Telkonet. "This is an important achievement for Telkonet, resulting from many months' work to evaluate and test our products with the Transportation Security Administration (TSA) and U.S. Army's Technology Integration Center (TIC). We are pleased with the results and we look forward to assisting DHS to meet its future mission and strategic goals.

The Telkonet iWire™ System has been installed to support TSA's High-Speed Operational Connectivity (Hi-SOC) program, with Telkonet providing the underpinning network connectivity for data and Voice over IP (VoIP).

About Telkonet

Telkonet's unique broadband networking solutions currently support more than 1.8 million network users per month, with its energy management systems optimizing energy consumption in over 90,000 rooms. Telkonet's technology innovation is underpinned by the highest level of end-to-end quality of service, with comprehensive technical customer support. Its systems deliver wide-ranging functionality, from wired and wireless high-speed Internet access to energy management, IP surveillance and local area networking. Telkonet's platforms are widely deployed on the global stage – in single buildings and ships, in multi-building complexes, hospitality venues and multi-dwelling units, and at government, education and defense locations.

Telkonet's innovations include the revolutionary Telkonet Series 5 and the Telkonet iWire System™, which convert a site's existing internal electrical infrastructure into an IP network backbone – quickly, cost-effectively and without disruption. The portfolio also includes the integrated EthoStream product suite, providing a comprehensive and advanced technology management platform for the hospitality industry, differentiated by outstanding remote management tools and a dedicated customer support facility. Networked Telkonet SmartEnergy™ completes the line-up, delivering typical bottom line savings of up to 30% by controlling in-room energy consumption according to occupancy. For more information, please 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 revenues 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).