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For Immediate Release**EthoStream Awarded Contracts to Provide Converged Network Solution and Guest Support for Two Additional Destination Hotels & Resorts**

14 Destination Hotels & Resorts properties now supported by EthoStream, with the latest two premier properties including the new Southern California world-class resort and spa, Terranea

August 18, 2009: Germantown, MD – EthoStream, LLC, a Telkonet company (NYSE Amex: TKO), operator of one of the largest hospitality high-speed Internet access (HSIA) networks in the U.S. and a preferred or endorsed provider for some of the world's largest hotel companies, announced today that it has received contracts from Destination Hotels & Resorts, consistently ranked one of the top ten largest independent hospitality management companies in the U.S. EthoStream is providing a single-solution converged IP network for the world-class Terranea Resort on California's Palos Verdes Peninsula, which opened on June 12, 2009. The project involves integrating wireless and wired high-speed Internet access (HSIA) with back-office connectivity and remote customer support. At the Resort at Squaw Creek near Lake Tahoe, California, EthoStream is installing wireless networking throughout the luxury resort, as well as providing 24/7 guest support services.

Jeff Henschel, Vice President of Technology - Hotels for Destination Hotels & Resorts, commented, "For our new flagship Terranea Resort, we wanted to consolidate a diversity of network applications over a single managed IP network, while still meeting our stringent budget requirements. EthoStream was able to deliver on all fronts. Its core network delivers consistent connectivity – across guest Internet access, mini-bar communications, guest TV systems, and our Property Management System. This converged network achieves far greater efficiency, as well as giving us a secure, extendible platform for our business-critical applications, and streamlining our operations."

With EthoStream's web-based management interface, Destination Hotels & Resorts is now able to manage 14 of their properties remotely from a single location, involving a total of over 4,000 guestrooms. Remote management facilities include the ability to compare HSIA usage among properties, as well as monitor Internet connectivity and guest support activity. EthoStream will be providing 24/7 support to both properties, taking over guest support from the internal IT staff at the Vail Cascade Resort and displacing the current vendor at the Resort at Squaw Creek. EthoStream's in-house support center has a real-time view of guests' HSIA usage via EthoStream's web-based platform, enabling quick, proactive problem resolution.

About Destination Hotels & Resorts

Destination Hotels & Resorts is one of the largest independent hospitality management companies in the country with more than 30 luxury and upscale hotels, resorts and conference centers. To protect and preserve the unique communities in which the company operates, Destination launched Destination Earth, an environmental sustainability program in 2008. In June of 2009, Destination opened the 582-room Terranea Resort situated on the Palos Verdes Peninsula in southern California. The 102-acre ocean front resort features a 25,000-square-foot destination spa, three swimming pools, three ocean-view restaurants and a Todd Eckenrode-designed par three golf course. In addition to Terranea Resort in the greater Los Angeles area, Destination operates properties in key metropolitan areas and resort markets including Washington, D.C., Denver, San Diego, Santa Fe, Aspen, Palm Springs, Houston and Lake Tahoe. Destination is a

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subsidiary of Los Angeles-based investment, development and management firm Lowe Enterprises. For more information on the properties in the Destination Hotels & Resorts collection, please visit www.destinationhotels.com.

About EthoStream

EthoStream, LLC is a technology solution provider targeting the hospitality and MDU/MTU verticals. Operating one of the largest hospitality high-speed Internet access (HSIA) networks in the U.S., EthoStream, a preferred or endorsed provider for some of the world's largest hotel franchisors, has developed the most comprehensive technology management platform available for the hospitality industry.

EthoStream has distanced itself from other providers in the hospitality HSIA field through the size of its EthoStream Hospitality Network, high quality of technology and support provided to network members, security of the network and overall guest satisfaction. Beyond claims made by competitors, as the premier hospitality HSIA provider, EthoStream has continued to lead the industry through end-to-end service and its high quality standards. www.ethostream.com

About Telkonet

Telkonet provides integrated, centrally-managed energy management and SmartGrid networking solutions that improve energy efficiency and reduce the demand for new energy generation. The company's energy management systems, aimed at the hospitality, commercial, government, healthcare and education markets, are dynamically lowering HVAC costs in over 140,000 rooms, and are an integral part of various utilities' green energy efficiency and rebate programs.

Primarily targeting SmartGrid and utility applications, Telkonet's patented powerline communications (PLC) platform delivers cost-effective, robust networking, with real-time online monitoring and maintenance capabilities, increasing the reliability and energy efficiency across the entire utility grid. www.telkonet.com.



EthoStream is providing a single-solution converged IP network for the new world-class Terranea Resort on California's Palos Verdes Peninsula.



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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).