

Media Contacts:

Joe Noel, 240.912.1851

Michael Wachs, CEOcast, 212.732.4300, mwachs@ceocast.com

Garrett Axford, Georgina Garrett / Simon Jones, 866.940.9987, +44.1903.854900 mail@garrett-axford.co.uk

For Immediate Release**Telkonet Advances Powerline Communications Technology and Energy Management with 4 New Patents**

Telkonet Cements Technology Leadership with Latest PLC and EM Patents

September 23, 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 been granted four new patents, augmenting its overall total to twelve. The PLC patents reflect Telkonet's development of innovative networking methods, using powerline communications technology (PLC) in commercial and residential multi-dwelling (MDU) properties. Telkonet has also received a patent for its advanced thermostat design, incorporated within the leading edge Telkonet SmartEnergy™ in-room, occupancy-driven energy management system, which reduces HVAC costs by eliminating wasted heating and cooling of vacant rooms.

Telkonet has a strong track record for technology evolution, as President and CEO Jason Tienor comments, "We are consistently looking for new ways to enhance the efficiency and performance of our products, and invest extensively in this activity. These new patents are important additions to an already strong portfolio. Telkonet's commitment to innovate is central to our success, keeping us at the forefront of the hospitality, MDU, education and utility markets."

Integrated into the Telkonet iWire System™ and the Telkonet Series 5™ products, Telkonet's latest PLC patents involve delivering optimum performance with consistent signal levels and fast network speeds, providing effective ways to couple the PLC signal into multiple electrical panels and 3-phase meter banks respectively. Telkonet's patented PLC systems convert a site's existing internal electrical infrastructure into an IP network backbone, without requiring CAT-5 wiring, reducing costs and installation time.

Telkonet SmartEnergy realizes tangible energy savings by deploying Telkonet Energy Management Occupancy Sensors with smart, programmable Telkonet Energy Management Thermostats or Telkonet Energy Management Controllers, to adjust and maintain a room's temperature according to occupancy, and avoiding any unnecessary heating or cooling of vacant rooms. Additionally, the system reduces the run-time for heating, ventilation and cooling equipment, decreasing maintenance overheads and extending the equipment's working life.

About Telkonet

Telkonet is the leading provider of innovative, centrally managed solutions for integrated energy management, wired and wireless networking, building automation and proactive customer support services. The company's unique broadband networking solutions support more than 2 million network users per month, with its energy management systems dynamically lowering HVAC costs in over 95,000 rooms.

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Telkonet's approach is designed to deliver complete system control and flexibility. Using the Software-as-a-Service (SaaS) model, Telkonet's products are all networked, enabling local and remote access via Telkonet's web-based platform, Telkonet CENTRAL. This essential management tool enables both property management and Telkonet customer support staff to monitor and manage all of Telkonet's systems proactively in real time, reducing costs and streamlining network support.

Telkonet's technology innovation is underpinned by the highest level of end-to-end quality of service, with comprehensive technical customer support. Telkonet's platforms are widely deployed on the global stage – in single buildings and ships, in multi-building complexes, hospitality venues, multi-dwelling units, and utilities. www.telkonet.com

All company, brand or product names are registered trademarks or trademarks of their respective holders.

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).