

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

March 19, 2004

(Date of earliest event reported)

TELKONET, INC.

(Exact Name of Registrant as Specified in Its Charter)

UTAH (State of Other Jurisdiction of Incorporation)	87-0627421 (I.R.S. Employer Identification No.)
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000-27305
(Commission File No.)

902-A COMMERCE ROAD, ANNAPOLIS, MARYLAND 21401
(Address of Principal Executive Offices)

410-897-5900
(Registrant's Telephone Number)

ITEM 5. OTHER EVENTS.

On March 5, 2004, Telkonet, Inc. (the "Company") received a letter from Daniel L. McGinnis informing the Company of his resignation from the Company's Board of Directors. Warren V. Musser, Chairman of the Company's Board of Directors, has agreed to serve on the Company's Audit Committee until Mr. McGinnis' successor is appointed. The Company's announcement is included in the press release attached as Exhibit 99.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

- (a) No financial statements are required to be filed as part of this Current Report on Form 8-K.
- (b) No pro forma financial information is required to be filed as part of this Current Report on Form 8-K.
- (c) The following exhibit is filed as part of this Current Report on Form 8-K:

99 Press Release dated March 19, 2004

ITEM 9. REGULATION FD DISCLOSURE.

The Company is furnishing under Item 9 of this Current Report on Form 8-K the information included as Exhibit 99 to this report, which is hereby incorporated herein by reference. Exhibit 99 is the Company's press release announcing Mr. Daniel L. McGinnis' resignation from the Company's Board of Directors.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 19, 2004

TELKONET, INC.

/s/ Ronald W. Pickett

Ronald W. Pickett
Chief Executive Officer

EXHIBIT 99

DANIEL L. MCGINNIS RESIGNS FROM BOARD
OF DIRECTORS OF TELKONET, INC.

For Immediate Release:

ANNAPOLIS, MD- March 19, 2004. Telkonet, Inc. (Amex: TKO) announced today that it received a letter from Daniel L. McGinnis, dated March 5, 2004, informing the Company of his resignation from the Company's Board of Directors. Mr. McGinnis' letter cited personal reasons for his decision. Warren V. Musser, Chairman of the Company's Board of Directors, has agreed to serve on the Company's Audit Committee until Mr. McGinnis' successor is appointed.

ABOUT TELKONET

With its headquarters in Annapolis, MD, Telkonet's (Amex: TKO) products provide connectivity over existing electrical wiring and do not require the costly installation of additional wiring or major disruption of business activity. In many situations, the Telkonet system can be implemented more quickly and less expensively than adding dedicated wiring or installing a wireless system. The Telkonet PlugPlus family of networking and Internetworking products offers a viable and cost-effective alternative to the challenges of hardwiring and wireless local area networks. Telkonet PlugPlusInternet products are designed for use in commercial and residential applications, including multi-dwelling units, and the hospitality and government markets. For more information, visit: www.telkonet.com.

CONTACTS:

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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).
