

## Report III

## Volume 2006

March 7, 2006

---

### H-NET™ NETWORKS

We are updating the H-Net™ Pilots with our new 8C-BaseStations and adding multiple modem hardware and software for that purpose. We anticipate project completion this month.

### C-NES™ NETWORKS

We are in the process of moving to our new location. The Company anticipates the project to be completed in April. Follow by submission to our local UDC for anticipated MDMA audit in June.

### C-NES™ MARKETING

A recent request for information from our local UDC will reveal that the ConectiSys H-Net™ Network bi-directional communications cost are well below net present value when compared to manual once a month meter reading.

Our research has shown on average National single monthly manual meter reads costs are 0.58; in comparison, the H-Net Meter reading system cost are about half at approximately .30 for streaming time of use data (STOUD) of 2880 meter reads in the monthly reporting period.

Before the UDC can successfully integrate reliable customer service connectivity a durable and reliable AMR Infrastructure must be deployed that employs base communication functionality for demand response at similar net present value.

Our fundamental development philosophy has been to deliver added value to the Utility market. The product's design has always been to out perform metering operation at a lower cost while delivering real-time of use energy consumption reports for demand response.

We anticipate that Utilities will take advantage of our robust technology on its merits and consider building its AMR/AMI program around our low infrastructure and communications costs.

Achieving higher efficiency for demand response maybe possible when Utility Distribution Companies (UDC), joint develop with existing AMR technology. It has always been ConectiSys' desire to join our efforts in this manner. The emphasis for this joint development targets demand response and customer interactivity. The challenges are significant in relationship to higher archival data management issues such as data capture, data dissemination, billing and energy purchasing in step with an emerging retail power market. ([See AMR Business Case Study](#))

#### Increased Presence

These entities are anticipated to provide an outstanding marketing tool through their broad publications and networking. ConectiSys' name will appear along with industry leaders and emerging markets.

- **MacReport.Net** is a leading provider of online business and financial information. "The MacReport.Net is a powerful tool that will allow ConectiSys (CNES) to increase its presence with investors; and the Wall Street community." [www.macreport.net](http://www.macreport.net)
- **Continental Automated Building Association (CABA)** - CABA is a not-for-profit industry association that promotes advanced technologies for the automation of homes and buildings in North America. There mission is to encourage the development, promotion, pursuit and understanding of integrated systems and automation in homes and buildings.

CABA provides an outstanding marketing tool through their broad publications and networking. ConectiSys name will appear along with industry leaders on all CABA membership lists including the CABA Web site <http://www.caba.org> where it is hot-linked.

The CABA eBulletin will transmit the ConectiSys media releases to over 20,000 industry contacts, including over 3,000 industry media and analysts.

The Company will also be able to upload their media releases on the CABA Web site, which is open to the world and is keyword searchable! The CABA Web site has received over 50,000 unique visitors on peak months. The Company can participate in CABA's Committees/Councils including the new CABA Connected Home Council, the CABA Intelligent & Integrated Buildings Council, and the CABA Information Council, the CABA Standards Committee and the CABA Marketing & eBusiness Committee or our new CABA [Connected @ Home](#)

CABA as well provides special assistance to provide the ConectiSys staff on specific industry issues or to find industry contacts.

CABA has a reputation for being a great organization and is second to none in gathering and distilling relevant industry information to its constituents. The CABA publications, resources and reports will assist the Company in evaluating all the relevant trends and events in order to best focus our efforts in marketing our H-Net products. For more visit [www.caba.org](http://www.caba.org)

---

The Company has become aware of certain rumors alleging that it is in the process of entering into a transaction with General Electric Co. The rumors appear to have originated from an electronic mail communication allegedly sent by the Company's investor relations personnel. This purported communication is a forgery and was not sent by Company personnel. The Company denies the existence of a transaction with General Electric Co., either pending or otherwise. It is the Company's policy to neither confirm nor deny rumors regarding potential or pending business transactions. Further, it is the Company's policy to divulge information regarding a business transaction only after the business transaction is formally entered into. In addition, any communications by the Company regarding its business transactions will only be through formal channels, such as press releases or filings made with the U.S. Securities and Exchange Commission.

---

**Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:** The statements contained herein and in the Monthly Report that are not historical are forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements including, but not limited to: the level of cost-effectiveness and efficiency of the Company's H-Net™ automatic meter reading products

*ConectiSys Corp. /monthly report/2006/  
By: Marsha Lee Casspi, Marketing Director*

or technologies; changes in the Company's policies regarding communications with shareholders and the general public; the success or failure of the Company's marketing efforts and the particular efforts to be employed; the Company's ability or inability to commercialize, sell, license or further develop its H-Net™ automatic meter reading products or technologies; and other risks detailed from time to time in the Company's periodic reports and other filings with the Securities and Exchange Commission.

**This months Article:**



## California Energy Commission

**Advance Meter and Pricing in California:  
Implementing a Vision of the Future. ([See Article](#))**

SEE RECENT INDEPENDENT ARTICLE ON THE  
COMPANY BY [WallStreetNewscast.com](#)

**For Live Meter Reads Follow  
The Link...**



SEE OUR H-NET™  
ILLISTARTED NETWORK

***Learn more about our company  
go to the ConectiSys Audio  
Presentation***

