



Department of Justice

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FOR IMMEDIATE RELEASE
Friday, July 23, 2010
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FELONY JUDGMENT ENTERED AGAINST FORMER TVA PROJECT MANAGER FOR VIOLATION OF FEDERAL CONFLICT OF INTEREST STATUTE

KNOXVILLE, Tenn—A felony judgment was entered against Dennis S. Painter, 60, of Franklin, Tennessee, in federal court today by the Honorable Thomas W. Phillips, United States District Judge. Painter was sentenced to serve one (1) year of probation. This sentence followed Painter's guilty plea to violating the federal conflict of interest statute on January 19, 2010.

On January 11, 2010, the United States Attorney filed an Information in United States District Court charging Painter with violating the federal criminal conflict of interest statute. According to court documents, Painter admitted that from January 1, 2005, through March 30, 2005, he was employed by the Tennessee Valley Authority (TVA) as a technical services project manager within TVA's economic development section, and his duties included overseeing environmentally-friendly development projects and approving invoices submitted by contractors who performed work on the TVA projects he supervised. In the course of performing his official duties Painter personally approved an invoice to TVA in the amount of \$8,220.80 from the Center for Economic Development and Resource Stewardship, an entity known as "CEDARS", which had been submitted to TVA by CEDARS. Also in the course of performing the official duties of his employment with TVA, Painter personally approved an invoice to TVA in the amount of \$5,655.80 from CEDARS, which had been submitted to TVA by CEDARS. Prior to his approval of both invoices to TVA from CEDARS, Painter had personally loaned \$2,500 to CEDARS as "start up" money on January 7, 2005, and had loaned \$5,000 to CEDARS on October 18, 2004, on behalf of Enginuity Development Group, LLC, a limited liability company of which Painter was a managing member. Painter admitted that on January 21, 2005, and March 1, 2005, he knew that he had a financial interest in CEDARS and violated the federal conflict of interest statute by approving the invoices.

. This investigation was conducted by the TVA, Office of Inspector General. Assistant U.S. Attorney F. M. (Trey) Hamilton III represented the United States.

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