

THE UNITED STATES ATTORNEY'S OFFICE  
MIDDLE DISTRICT *of* TENNESSEE

[U.S. Attorneys](#) » [Middle District of Tennessee](#) » [News](#)

**Department of Justice**

U.S. Attorney's Office

Middle District of Tennessee

FOR IMMEDIATE RELEASE

Monday, September 13, 2021

## **California Software Company Executives Charged In Conspiracy To Defraud The Tennessee Valley Authority**

### **Company Allegedly Sought More Than \$300,000 in Fraudulent Incentive Payments from TVA Through Software Installation in Rutherford County Schools**

*NASHVILLE* – A seven-count indictment unsealed Friday charged two Danville, California men with conspiracy to defraud the Tennessee Valley Authority (TVA) of more than \$300,000, announced Acting U.S. Attorney Mary Jane Stewart for the Middle District of Tennessee.

Anthony Gigliotti, 74, the CEO of Autonomic Software, Inc., (Autonomic) was charged with conspiracy to commit wire fraud, three counts of mail fraud, and three counts of wire fraud. Alexander Gigliotti, 36, the Vice President of Autonomic, was charged with conspiracy to commit wire fraud. Both were arrested by U.S. Marshals in Danville, California on Friday and will appear in the Middle District of Tennessee at a later date for further proceedings.

According to the indictment, Autonomic was a software company located in Danville, California, which provided a variety of software to private and public sector organizations. In 2016, Autonomic installed power management software in Rutherford County school systems, in connection with TVA's EnergyRight program, an incentive-based program designed to save energy and reduce costs through the installation of energy-saving software. To be eligible for the energy conservation funds, customers were required to pay a portion of the software materials costs.

Instead of following the program requirements, Autonomic represented to the Rutherford County School District that schools would not incur any costs associated with the software installation. Following the installation of the software, Autonomic submitted 47 invoices, totaling \$588,240 to Lockheed Martin, the contract administrator of the EnergyRight program. The invoices were made out to Rutherford County Schools and represented that each school incurred costs associated with Autonomic's software installation.

Alexander Gigliotti also sent an email to a Lockheed Martin representative in support of seeking the incentive payments from TVA, with a breakdown of an invoice regarding purported costs incurred by Rutherford County Schools, claiming that the school paid \$22 per computer related to software and \$8 per computer related to support. In fact, Rutherford County Schools did not incur any costs associated with any invoice from Autonomic. Lockheed Martin then mailed incentive payments to Autonomic that corresponded to each invoice.

The Autonomic software failed to function as initially represented and approximately one year after the installation, Rutherford County Schools purchased energy saving software that could effectively quantify energy savings and which cost substantially less than Autonomic's total purported materials costs.

The indictment also alleges that Anthony Gigliotti lied to TVA agents by falsely stating that Alexander Gigliotti was not involved in any of the previous TVA or school system work.

If convicted, the defendants face up to 20 years in prison.

This case was investigated by the TVA Office of Inspector General and is being prosecuted by Assistant U.S. Attorney Sara Beth Myers.

An indictment is merely an accusation. The defendants are presumed innocent until proven guilty in a court of law.

#####

---

**Topic(s):**

Financial Fraud

**Component(s):**

USAO - Tennessee, Middle

**Contact:**

David Boling

Public Affairs Officer

615-736-5956

david.boling2@usdoj.gov

Updated September 13, 2021