

# DATA DRIVEN: PSU ALUM FOLLOWS THE NUMBERS TO UNCOVER THE TRUTH

By KJ Fields

March 11th 2024



When issues in the energy market need transparency, Robert McCullough ('76) gets the call. An economist and prominent figure in the energy arena, McCullough has built an illustrious career combing through scores of data to unravel scandals, solve mysteries and deliver laser-sharp analyses.

"I especially enjoy it when there are lots of puzzles to solve," McCullough explains. "Most of my work involves intricate issues that I find very fascinating."

His consulting firm, [McCullough Research](#), boasts an extensive list of clients in the utility, government and private sectors across North America. On any given week, McCullough fills the role of strategic planner, investigator, advisor, negotiator and expert witness.

He frequently testifies before Congress and the Federal Energy Regulatory Commission. Reporters from publications across the nation call him to weigh in on energy topics. And his consulting firm is hired to decipher some of the most bewildering cases.

## ENRON AND OTHER ENERGY MATTERS

McCullough played a crucial part in exposing the energy-trading market manipulations of Enron in 2000 that made front-page headlines. When wholesale energy prices in California suddenly skyrocketed, a coalition of companies hired McCullough to determine why. His testimony in front of the U.S. Senate Energy Committee led to his firm being retained by the U.S. Department of Justice in the investigation. Enron was a



*Alumnus Robert McCullough '76.*

major energy provider to California, and McCullough later found himself touring Enron's headquarters in Houston with another expert. Enron's lawyer carelessly escorted them through a room filled with recording equipment that should have been surrendered as part of the ongoing federal investigation. That's when McCullough excused himself from the tour.

"I walked out onto the street and called the federal prosecutor to have the FBI come and seize the equipment," McCullough recalls. "The FBI arrived with a search warrant, and that's where they got the alarming recordings that showed up in the news all over the world."

The recorded conversations between Enron executives and staff operating out of Portland detailed corrupt energy trading deals that rigged the market, suppressed power generation to manipulate electricity prices and drove up costs tenfold for consumers.

Enron owned Portland General Electric (PGE) at the time, and McCullough credits Ron Eachus, former Oregon Regulatory Commissioner, with a significant role in exposing the scandal.

"In the beginning, we were stymied by Enron's attempt to keep the data secret. Ron caught on and got everyone together," he says. "Without his help, we would not have found all the data to prove what was going on."

In addition to his role in the investigation, McCullough was involved in legal cases against Enron all the way up to the Supreme Court, which resulted in the imprisonment of several top Enron executives. His firm has consulted on other market manipulations for injured parties and states in Oregon, Louisiana, Illinois, Montana, California, Colorado and Texas.

McCullough analyzed several turbulent Texas energy issues over the years, including the winter storm of February 2021. During frigid temperatures, more than 4 million people went without power, and the price of electricity soared to \$9,000 per megawatt-hour. Within days of the event, he co-authored a report about the "systematic unpreparedness" of the Electric Reliability Council of Texas (ERCOT), which operates the grid responsible for the blackouts. Ten years before, he had warned of the need for regulatory oversight of ERCOT, and he's currently an expert witness in lawsuits against the council.

In 2013, the Oregon and Washington Physicians for Social Responsibility hired McCullough to do a business case analysis of the Columbia Generating Station nuclear power plant. His research revealed that the little-known nuclear plant's continued operation was financially unfeasible and its decommissioning was forecast to save ratepayers \$1.7 billion. Eleven years later, the plant still remains operational.

McCullough also served private-sector clients such as Nordstrom, Blue Heron Paper, California Steel and Stanislaus Food Products. In Canada, he's an energy advisor to the Grand Council of the Crees, and even participated in litigation that resulted in the first nation-to-nation agreement between the council and the province of Quebec.

His passions for economics and the energy market were fueled by his experiences at PSU.

## PSU CONNECTIONS

The native Chicagoan moved to Portland to complete his undergraduate degree at Reed College. A mutual friend introduced him to a PSU alumna, Karen Tosi ('65, '76), who was teaching at high school at the time. The relationship bloomed, and McCullough decided to stay in Portland. He enrolled at PSU to obtain a master's in economics at PSU, and Tosi returned to PSU to pursue her master's degree in history.

"It was just a joy to go to PSU," McCullough says. "We developed lifelong friendships with Harold Vatter, Charlie White, John Walker, Morton Paglin, Helen Youngelson-Neal and many others. All these brilliant professionals inspired me, and it's not every day you can go to a school and end up with a group of friends 50 years later."



*Karen Tosi and Robert McCullough.*

He went to Cornell to work on a Ph.D. in the fall of 1976 and proposed to Tosi over the Thanksgiving break. The couple married two months later, and Tosi took a job at Cornell as the director of placement for the health administration program at Cornell graduate school of business. They moved back to Portland and McCullough was working on his dissertation when his career took a new turn.

“I got a call from John Walker – one of my favorite PSU professors,” McCullough recounts. “He said PGE called him and asked if I knew someone for a new position they just created. He suggested they meet with me.”

He got the job as an economist at PGE and rose through the ranks to become a vice president and a director of special projects.

With the rise of computer technology, McCullough helped devise the second-ever electric brokerage as well as a set of institutional changes.

“It was pretty exciting when things we invented were adopted all over the world,” he says. “I like to work on complicated issues where I can make a contribution, and the energy industry is full of interesting challenges. PGE had bright and supportive people, I made friends across the industry and had a hell of a good time.”

He started McCullough Research on the side in 1985. By the late 80s, his consulting business gained a reputation for expertise, so he retired from PGE in 1991.

Meanwhile, Tosi was carving her own career – this time at PSU. In 1979, she applied for a new position at the university, coordinator of the [Challenge Program](#). A cooperative program between PSU and metropolitan area high schools, the program allows high school seniors to take regular college courses on their own campuses and earn both high school and college credit.

“I heard they were looking for someone to direct the program my qualifications were a perfect fit. I had taught high school for 11 years, worked in the student placement department at Cornell and had received both of my degrees at PSU. I couldn’t have had more luck!” Tosi says.

Tosi led the Challenge Program for 27 years and retired in 2006, but the couple’s ties to PSU continue to this day.

McCullough’s consulting firm hires recent PSU graduates and he has been an Adjunct Professor/Visiting Scholar in the economics department since 1996.

“I love to teach. I often give guest lectures and talk to students,” he says. “PSU provides a fruitful recruiting ground for my company because the university is so technically oriented, and strong data skills are very important in this job. The average employee stays two to three years, and then I have a rule that they have to get into graduate school or law school. But from the first moment you walk in the door here, you’re given a real job.”

McCullough, Tosi and their longtime friend Helen Youngelson-Neal established the [Harold Vatter Memorial Lecture](#) series at PSU in honor of their educator and close colleague, and they continue to donate and sponsor it.

“Harold was a splendid intellectual. He wrote 30 books, and there was no question he wasn’t willing to pursue,” McCullough remembers. “The best part of him was how intellectually accessible he was to his students, to everyone.”

In addition to their support of the Vatter lecture series, the couple supports scholarships, the history department, the Italian department, the College of Liberal Arts and Sciences, and the College of Urban and Public Affairs.

In 2022, McCullough and Tosi were independently awarded the Portland State University Presidential Medal in recognition of their leadership and countless contributions to PSU and the community.



2022 President Stephen Percy, Karen Tosi, Robert McCullough and former PSU President Judith Ramaley.

## RELATED LINKS:

- [More Alumni Stories](#)

ECONOMY, BUSINESS AND FINANCE

PHILANTHROPY

← RETURN TO ALL NEWS

### CONTACT PSU

1825 SW Broadway  
Portland, OR 97201  
Phone: 503-725-3000  
[Contact Us](#)

### LEGAL

[ADA Accessibility Inquiries](#)  
[Privacy](#)  
[Copyright](#)

### LEARN MORE

[Careers at PSU](#)

### SUPPORT

[Find People](#)  
[Academic Programs](#)  
[Student Services](#)



© 2024 Portland State University

