Deconstructing the Megaproject Playbook

Optimism bias, strategic misrepresentation, and the outside view as corrective — the analytical lens for the entire report.

This chapter establishes the analytical lens through which the entire report is constructed. The framework drawn on throughout — and pre-committed to, as a matter of methodological discipline, for every forecast in this document — is Bent Flyvbjerg's body of work on megaproject planning and behavioural bias: the largest and most replicated empirical programme in the field. Its conclusions have been reproduced across project types, political systems, and continents. They are, at this point, the outside view's most rigorous available expression.

1.1 The iron law of megaprojects

The most important single finding in the megaproject literature is also the most uncomfortable: large public infrastructure projects are, as a class, over budget, over schedule, under-delivering on forecast benefits, and under-performing on demand projections — and they have been, consistently, for as long as systematic records have been kept.[1]

Bent Flyvbjerg from the university of Oxford has called this the iron law of megaprojects. The phrase is not rhetorical hyperbole; the distribution of cost overruns is not centred near zero, as innocent technical error would predict. It is skewed systematically upward: costs come in higher than estimated, year after year, project after project, regardless of geography, project type, or the sophistication of the planning regime.

1.40× Average cost actual/estimate for rail projects	**0.66×** Average benefit actual/estimate for rail projects	**52%** Average cost overrun for high-speed rail specifically
106% Average ridership overestimate in rail projects	**9/10** Rail projects that overestimate passenger demand	**+45%** Average schedule overrun for rail megaprojects

For rail projects specifically, average cost overrun runs to roughly 40 per cent above the estimate; for high-speed rail, the figure is higher still, approaching 52 per cent on the most comprehensive cross-national database.[23] On the demand side, nine out of ten rail projects overestimate passenger numbers, with the average overestimate exceeding 100 per cent,

[1] Bent Flyvbjerg, "What You Should Know about Megaprojects and Why: An Overview," Project Management Journal 45, no. 2 (2014): 6–19.
[2] Bent Flyvbjerg, Nils Bruzelius, and Werner Rothengatter, Megaprojects and Risk: An Anatomy of Ambition (Cambridge: Cambridge University Press, 2003). Average cost escalation for high-speed rail ≈ 52%; conventional rail ≈ 30%.
[3] Bent Flyvbjerg and Dirk W. Bester, "The Cost-Benefit Fallacy: Why Cost-Benefit Analysis Is Broken and How to Fix It," Journal of Benefit-Cost Analysis 12, no. 3 (2021): 395–419. Rail base rates: cost actual/estimate ≈ 1.40; benefit actual/estimate ≈ 0.66.

meaning actual ridership typically comes in at less than half the forecast.[4] Schedule overruns compound the picture, averaging 45 per cent above the planned construction timeline for rail megaprojects.[5]

Applied to ALTO, the Initiative's own financial analysis finds that the released business case benefit-cost ratio (BCR), already below the 0.70 rejection threshold applied in Canadian federal infrastructure appraisal, falls further once reference-class corrections are applied to both cost and benefit.[6] The implication is not that cost overrun is inevitable in a deterministic sense. It is that any appraisal which does not explicitly account for this base rate is statistically mis calibrated; optimistic not by accident but by the systematic omission of the most relevant available evidence.

ALTO's risk profile, on this reading, is not bad luck or an exceptional confluence of difficulties. It is the expected profile for a project of its type, scale, and political structure. The difficulties are foreseeable precisely because they have been observed, consistently, in comparable projects. This chapter's purpose is to explain why that is so, and what analytical consequences follow. Chapter 2 sets out the structural case for change: why refinement of the ALTO approach is insufficient and why a different design philosophy is required. Chapter 7 presents the full financial and economic appraisal of both corridors under the reference-class discipline introduced here.

1.2 Delusion and deception

Flyvbjerg draws a distinction that is crucial to understanding what the empirical record actually shows, and what it does not. He identifies two separable mechanisms that can produce systematic directional error in project forecasts.[78]

The first is *optimism bias*: a genuine cognitive failing, non-deliberate, in whose grip planners are not aware they are being optimistic. This is the mechanism Kahneman's Nobel-winning work brought to prominence:the planning fallacy, base-rate neglect, the tendency to weight vivid inside-view detail over distributional outside-view evidence.[9]

The second is *strategic misrepresentation*: the deliberate distortion of forecasts to secure approval, funding, or political commitment. Flyvbjerg, borrowing from the philosophical literature on deception, calls this, plainly, lying; in the institutional context where it operates most consequentially, design by deception.[10]

The distinction matters because the two diagnoses share a symptom and an outcome — forecasts that understate cost, overstate benefit, and overstate demand — but differ in everything that matters for the appropriate response. Optimism is a defect of method, curable by better technique: forcing distributional reference-class information into the estimate. Misrepresentation is a defect of incentive, curable only by changing what forecasters are rewarded and held accountable for. Prescribe the wrong remedy and the problem recurs.

Flyvbjerg's settled position, reached through a long exchange with Kahneman, is that real decisions typically involve both mechanisms, with the mix shifting as a function of political and organisational pressure. Where stakes and pressure are low, optimism dominates. Where a minister or a Crown corporation must have a particular project approved, strategic misrepresentation dominates, with optimism present and reinforcing rather than absent. The two are not competing explanations; they are compounding ones.

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[4]Bent Flyvbjerg, Mette K. Skamris Holm, and Søren L. Buhl, "How (In)accurate Are Demand Forecasts in Public Works Projects? The Case of Transportation," Journal of the American Planning Association 71, no. 2 (2005): 131–146. Nine of ten rail projects overestimate passengers; average overestimate ≈ 106%.

[5]Bent Flyvbjerg, "What You Should Know about Megaprojects and Why: An Overview," Project Management Journal 45, no. 2 (2014): 6–19.

[6]ALTO HSR Citizen Research Initiative, Social Benefit-Cost Analysis of ALTO (citizenresearch.ca, 2026). BCR figures reported are the Initiative's own parametric analysis applying reference-class cost and demand corrections to the Toronto–Ottawa–Montréal triangle scope.

[7]Bent Flyvbjerg, "Top-Ten Behavioral Biases in Project Management: An Overview," Project Management Journal 52, no. 6 (2021): 531–546.

[8]Bent Flyvbjerg, Mette K. Skamris Holm, and Søren L. Buhl, "Underestimating Costs in Public Works Projects: Error or Lie?" Journal of the American Planning Association 68, no. 3 (2002): 279–295.

[9]Daniel Kahneman, Thinking, Fast and Slow (New York: Farrar, Straus and Giroux, 2011), 250–251.

[10]Bent Flyvbjerg, "Design by Deception: The Politics of Megaproject Approval," Harvard Design Magazine, no. 22 (2005): 50–59.

> *Underestimated costs plus overestimated benefits equals funding. The bias is not random but functional — it points in the direction that wins the competition for scarce capital.*

This document pre-commits to a different design principle: every forecast in this HPR report is anchored to an explicit reference-class distribution before any inside-view adjustment is applied. The methodological commitment is stated here, before results, so the reader knows the rules before seeing the numbers. Chapters 4, 6, and 8 show what that commitment produces in practice: a capital cost estimate anchored to a reference-class regression, a demand model calibrated to observable modal-shift distributions, and a benefit-cost analysis that carries the reference-class uplift and haircut through the full financial model.

1.3 Political bias and ALTO's structural profile

The distinction between optimism bias and strategic misrepresentation is not merely conceptual. Flyvbjerg gives it a structure that allows an observer to predict which mechanism is likely dominant in a given case — and therefore which corrective is likely necessary — without being able to read minds and without imputing motive to any individual.[11]

His Proposition 1 holds that for small projects with low strategic import and little top-management attention, bias, if present, originates mainly in cognition: planners genuinely cannot see past the vividness of the inside view. His Proposition 2 holds that for large projects with high strategic import and sustained top-management attention, bias originates mainly in politics — in strategic misrepresentation — though cognitive bias remains present and reinforcing. The two propositions describe a scale, not a binary; what shifts as one moves along it is the mix, not the presence or absence of distortion.

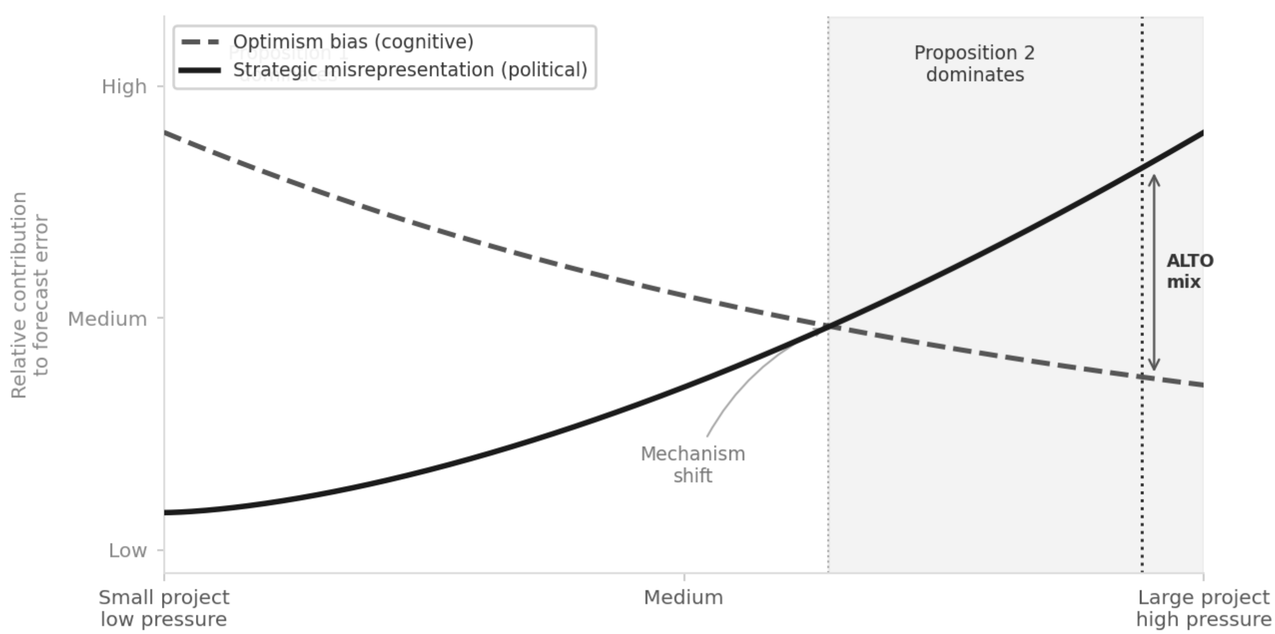

Figure 1.2. How the bias mix shifts with project size and political pressure. Optimism bias (dashed) starts high for small low-pressure projects and declines but never disappears. Strategic misrepresentation (solid) is negligible at low pressure but rises steeply and becomes the dominant mechanism for large high-pressure projects. ALTO's position at the right-hand extreme places it squarely in the zone where political misrepresentation is predicted to dominate — not optimism.

[11] Bent Flyvbjerg, "Top-Ten Behavioral Biases in Project Management: An Overview," Project Management Journal 52, no. 6 (2021): 531–546.

ALTO sits at the upper extreme of every variable in Proposition 2. It is delivered through a Crown corporation carrying a multi-billion-dollar infrastructure mandate; it carries explicit ministerial sponsorship across successive governments; and it competes with every other federal priority for a finite pool of capital. By the framework's own logic, this is precisely the configuration in which strategic misrepresentation should be expected to be the dominant bias — the pressure to present favourable numbers is strongest exactly where the numbers matter most to the funding decision.

> *The projects that look best on paper are precisely those with the largest cost underestimates and benefit overestimates — which makes them, in reality, among the worst. Approval is not a warrant of soundness; it is the outcome of a selection process that rewards optimism.*

This mechanism Flyvbjerg has named the survival of the unfittest.[12] It is not the best projects that get built but the projects that look best on paper — and the approval process therefore operates as an adverse-selection mechanism, a Gresham's law for infrastructure in which optimistic estimates drive out honest ones. The candid project that books realistic costs and realistic ridership loses the funding contest to the one that does not. Read in that light, the very fact of ALTO's survival through successive budget approvals is itself a piece of evidence: not proof of distortion, but a structural reason to distrust the survivor's own paperwork.

The framework also makes a prediction about process. Flyvbjerg documents that decision-makers at the high-pressure end of the scale tend to exclude deliberative scrutiny when the stakes are highest, precisely because deliberation threatens to disturb a decision already taken.[13] A public consultation is, in principle, the institutional site at which the outside view ought to enter — the moment when base rates, comparator projects, and independent reference-class evidence acquire standing against the proponent's inside view. The question a consultation poses is therefore whether it is genuinely structured to admit that evidence, or whether it functions to ratify a conclusion reached in advance. The Initiative's documented critique of the adequacy of the ALTO consultation process can be restated precisely in these terms.

One methodological caution is essential, and it is also a source of analytical strength. The framework does not require, and the Initiative does not assert, any claim about any individual's honesty. What the framework supplies is a distributional signature. Genuine technical error would scatter symmetrically around zero — roughly as many overshoots as undershoots, centred near accuracy. What the data actually show is error that is consistently directional: costs under, benefits over, stable across decades and continents, with no improvement as techniques improve. That asymmetry is the tell. Innocent error is not supposed to know which way to point. When error reliably points in the funding-favourable direction across an entire population of projects, the hypothesis that cognition alone is responsible is the one that gets falsified. The methodologically honest claim is not that the proponent is lying, but that ALTO's estimates exhibit the canonical directional signature that is, on the largest body of evidence in the field, the fingerprint of strategic distortion rather than honest error. The structure of the error carries the inference; the reader is left to draw the conclusion about agency.

1.4 The uniqueness trap

Perhaps the most practically consequential bias in the megaproject literature is what Flyvbjerg calls the uniqueness trap: the tendency of proponents to treat their project as singular, and therefore exempt from comparison with analogous projects elsewhere. The promotional framing of ALTO — the first true high-speed rail in Canada, a distinctive Shield geology, an unprecedented corridor — is structurally identical to the uniqueness claim that Flyvbjerg documents as the gateway to inside-view forecasting.

What the appeal to uniqueness accomplishes is epistemological. To call a project unique is to set the size of its reference class to one, and a reference class of one renders the proponent's own bottom-up estimate the only admissible evidence.

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[12] Bent Flyvbjerg, "Survival of the Unfittest: Why the Worst Infrastructure Gets Built—and What We Can Do about It," Oxford Review of Economic Policy 25, no. 3 (2009): 344–367.

[13] Bent Flyvbjerg, Rationality and Power: Democracy in Practice (Chicago: University of Chicago Press, 1998). The mechanism by which powerful decision-makers exclude deliberative scrutiny when stakes are highest is developed in Chapters 3–4.

Every comparable project, every base-rate distribution, every outcome dataset from analogous lines is declared irrelevant because, it is claimed, no true analogue exists.

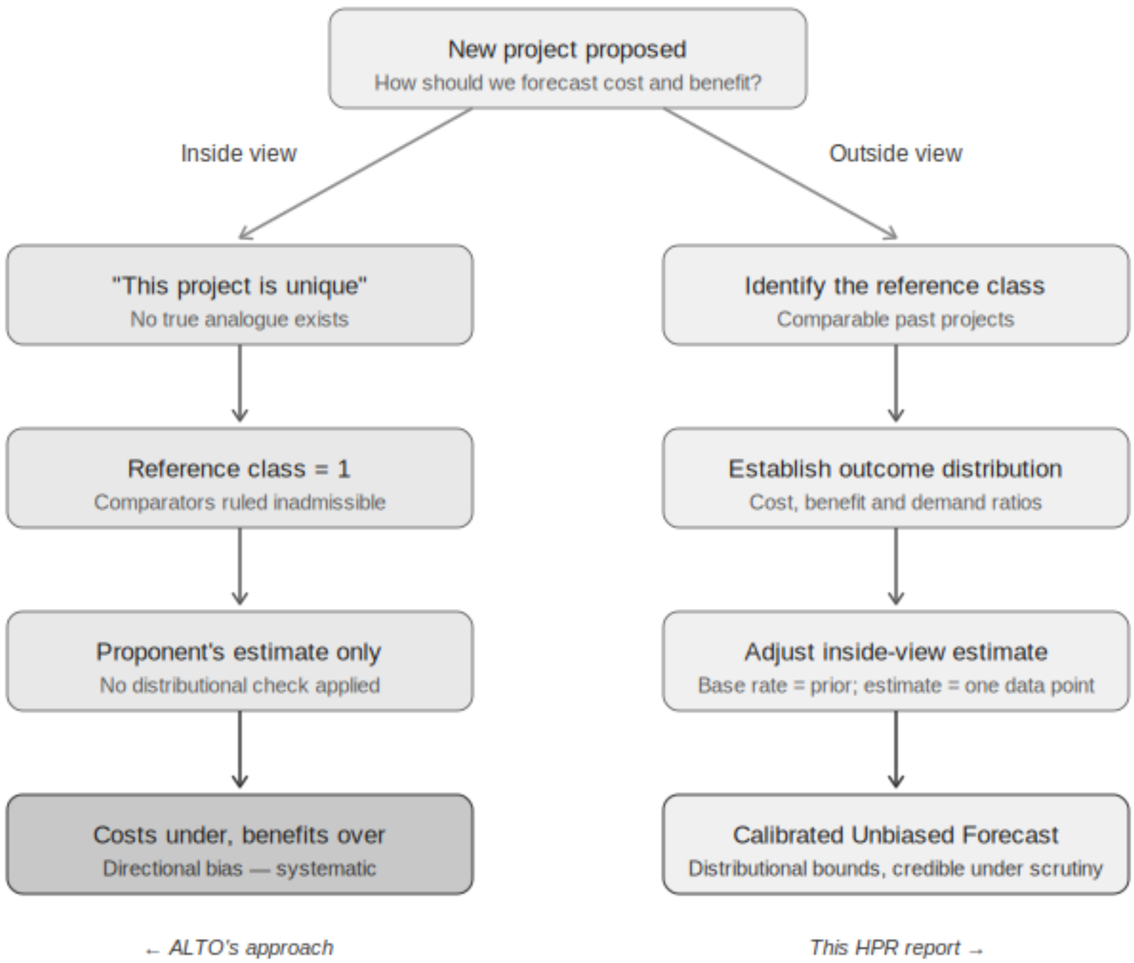

Figure 1.2. The uniqueness trap. The uniqueness claim (left, coral) collapses the reference class to a single project and forces reliance on the proponent's own estimate. The outside view (right, teal) treats the proponent's estimate as one data point in a larger distribution of comparable outcomes. This HPR report takes the right-hand path throughout.

> *The disagreement between this HPR report and ALTO's own appraisal is not fundamentally about any individual number. It is about whether ALTO should be judged on its own terms, as a unique case, or against the track record of comparable projects.*

This report takes the second position: ALTO is one instance of a well-documented type, and the evidence from that type is the most relevant evidence available.

Chapter 4 builds the dual-regime cost model from the reference class up, applying separate greenfield and urban coefficients to the measured corridor segments rather than reading a blended per-kilometre figure off a single division.

This HPR report explicitly refuses this move. The dual-regime cost model is a reference-class instrument: it anchors the HPR capital cost estimate to a regression fitted on international comparator projects, with explicit coefficients for the greenfield and urban regimes. The load-factor and ridership framework is similarly built on modal-shift distributions from comparable corridors. These are not stylistic choices; they are de-biasing operations, required by the empirical finding that inside-view estimates, unanchored to distributional data, systematically underestimate cost and overestimate benefit.

This HPR report takes the position that ALTO is a member of the class “high-speed and intercity rail megaprojects,” for which abundant outcome data exist — and it takes that position as a methodological pre-commitment rather than a conclusion tailored to a preferred answer.

1.5 Fat Tail Outcomes

A further consequence of the empirical record concerns the shape of the risk distribution. Conventional project appraisal treats cost risk as approximately normally distributed, which implies that adequate contingency can be derived from a central estimate by adding some multiple of the standard deviation. The reference-class data falsify this assumption.

Cost overruns in megaprojects follow what Flyvbjerg calls a fat-tailed distribution: the probability of very large overruns is substantially higher than a normal distribution would predict. The tail is not symmetrical; there is no corresponding fat tail on the upside. Projects very rarely come in significantly under estimate, but they frequently come in very substantially over it — by factors of two, three, or more for the worst cases.[14]

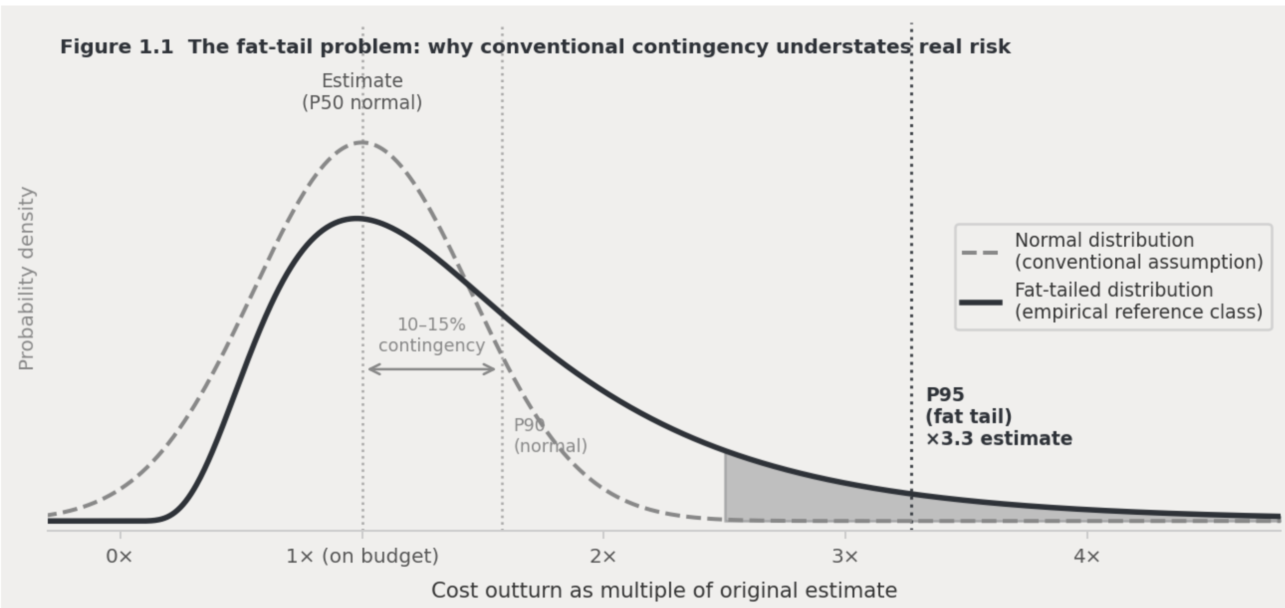

Figure 1.1. The fat-tail problem. The empirical distribution of cost overruns in rail megaprojects (solid line) has a substantially fatter right tail than a normal distribution (dashed). A conventional 10–15% contingency allowance reaches only the P90 of the normal — it may be P50 or below on the empirical distribution. The shaded region represents cost outcomes that standard contingency practice does not price.

The consequence for conventional contingency practice is direct. A contingency allowance of, say, 10–15 per cent against the central estimate is not a P90 outcome in the relevant reference class. It may be a P50 or below. The P95 for large rail megaprojects is not 1.15 times the central estimate; it is substantially higher.

This document’s cost analysis applies a reference-class uplift explicitly distinguishing the central (as-specified) estimate, the reference-class central (incorporating the expected systematic bias from the base rate), and the P95 scenario (incorporating the tail risk the fat-tailed distribution implies). All three figures are carried forward to the financial model, so the reader can see the sensitivity across the realistic range rather than being anchored to a single central case that the empirical record suggests will be exceeded more often than not. Chapter 4 presents the full cost build-up across all three scenarios. Chapter 8 carries them through the benefit-cost model and presents the BCR and NPV results as a parameter grid rather than a single-point answer, with the subsidy frontier and sensitivity analysis set out in §8.5.

[14] Bent Flyvbjerg, “What You Should Know about Megaprojects and Why: An Overview,” Project Management Journal 45, no. 2 (2014): 6–19.

1.6 The Outside View: Reference-class forecasting

The outside view, as Kahneman and Flyvbjerg have both argued, is the established corrective to the biases described in the preceding sections.[15][16]

The Outside View: Reference-class forecasting — the formal technique Flyvbjerg and Kahneman developed together — proceeds in three steps: identify a reference class of comparable past projects; establish the outcome distribution for that class, specifically the distribution of cost ratios, benefit ratios, and demand ratios relative to original forecast; and use that distribution to adjust the inside-view estimate, treating the inside-view result as one data point rather than as the forecast.[17]

The effect is to relocate the burden of proof. In standard inside-view appraisal, the reference class must argue its way in — comparator projects are acknowledged, noted as different in various particulars, and then set aside. In reference-class forecasting, the base-rate distribution is the prior, and the proponent must argue for any adjustment that takes the estimate away from the distributional expectation. The burden falls on the deviation from the average, not on the average itself.

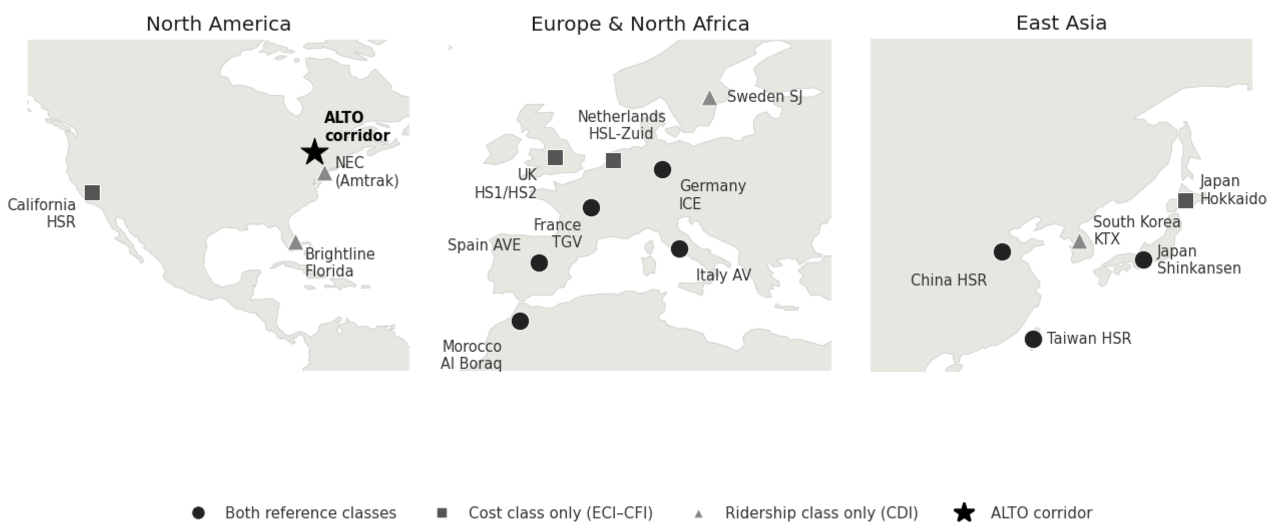

Figure 1.3. Geographic distribution of the CRI reference class. Circles (●) appear in both the ECI–CFI cost reference class and the CDI ridership reference class; squares (■) appear in the cost reference class only; triangles (▲) appear in the ridership reference class only. The ALTO corridor (★) is shown for context. The reference class spans Europe, East Asia, North Africa, and North America — a sufficiently diverse set of planning and governance environments to support the claim that the base-rate distributions are not specific to any single regulatory tradition.

The Initiative's own application of reference-class forecasting to ALTO operationalises this three-step procedure through a bivariate model fitted to 16 international HSR reference projects. Two independently constructed indices serve as predictors: the Engineering Complexity Index (ECIw), a weighted composite across six physical engineering dimensions scored on a 20–100 scale, and the Community Friction Index (CFI), a five-component sociopolitical cost-risk instrument scored on a 0–100 scale. The bivariate OLS regression of log-cost per kilometre on ECIw and CFI yields an adjusted R^2 of 0.882 — meaning the two indices together explain approximately 88 per cent of cross-project variance in PPP-adjusted construction cost. Notably, CFI is the stronger single predictor: the univariate CFI model explains 81 per cent of variance against 57 per cent for ECIw alone, and the standardised effect size for CFI (β=0.70) is approximately twice that of ECIw

[15] Daniel Kahneman, Thinking, Fast and Slow (New York: Farrar, Straus and Giroux, 2011), 250–251.

[16] Bent Flyvbjerg, "Quality Control and Due Diligence in Project Management: Getting Decisions Right by Taking the Outside View," International Journal of Project Management 31, no. 5 (2013): 760–774.

[17] Bent Flyvbjerg, "From Nobel Prize to Project Management: Getting Risks Right," Project Management Journal 37, no. 3 (2006): 5–15.

(β=0.35). A partial F-test confirmed that construction-period completion year adds nothing once the two indices are controlled for, falsifying the common assumption that newer projects are generically more expensive. At ALTO's current scores — ECIw=77 and CFI=54 as of June 2026, the latter having risen eleven points since the close of public consultation — the bivariate model yields a central reference-class cost prediction of $142M/km, with a 95 per cent prediction interval of $76–264M/km. The model and its underlying reference dataset are documented in the Initiative's ECI–CFI multivariate cost report (citizenresearch.ca).

Chapter 4 applies the engineering complexity analysis to HPR's route and alignment, showing how the choice of a disturbed-corridor-adjacent greenfield alignment produces a materially lower ECIw score than ALTO's Frontenac Arch crossing, and translates those scores into the dual-regime cost coefficients that anchor the HPR capital cost estimate.

The same reference-class logic applies to demand. The Initiative has constructed a Car Dependency Index (CDI) — a four-component measure of how committed a corridor population is to the private car — and regressed it against actual per-capita rail ridership across twelve global HSR systems. The relationship is strong and significant ($r = -0.71$, $p = 0.010$); neither train speed nor fare level adds explanatory power once CDI is controlled. The central finding is blunt: no system in the global reference class combines high car dependency with high ridership. The upper-right quadrant of the scatter — high dependency, high ridership — is empty. The ALTO corridor scores CDI 70.6, in the company of VIA Rail on the same route (71) and the Northeast Corridor (64). The fitted line predicts approximately 0.29 trips per capita — roughly 4–5 million annual trips, barely above what VIA reveals today at 0.23. ALTO's published target of 24 million trips by 2055 sits at approximately the 95th percentile of the global demand distribution; three independent corridor forecasts (GEPL 9.4M, McGill TRAM 10.5M, federal JPO 13.5M) cluster near the de-biased median of approximately 10.2 million. Chapter 6 presents the full demand analysis.

For this HPR report, this methodological pre-commitment has concrete consequences that run throughout the document. The capital cost estimate is derived from a regression on comparator projects and presented with explicit reference-class uncertainty bounds, not as a single-point prediction. The demand model is calibrated to modal-shift distributions observable in comparable corridors, with identified upper and lower bounds. The benefit-cost analysis carries the reference-class uplift to cost and the reference-class haircut to benefit through the full model, so the economic case is stated in distributional terms rather than as a single-point central case.

> *An appraisal that produces a more flattering picture than the outside view warrants is not more accurate. It is less so.*

A consequence worth stating directly: this approach produces a less flattering picture than the conventional inside-view alternative would produce for the same project. That is precisely the point. This HPR report is designed to be credible under hostile scrutiny, which requires accepting the outside view's discipline even where it bites.

1.7 Canada's Post-Prosperity Era

The analytical framework of this chapter — reference-class forecasting, fat-tailed risk, political bias, the uniqueness trap — is timeless in the sense that it applies to any megaproject in any era. But the case against ALTO and for HPR is not only methodological. It is contextual. The fiscal, geopolitical, and structural conditions that gave rise to ALTO as a project have shifted materially since its conception, and those shifts bear directly on whether a prosperity-era amenity infrastructure programme makes sense for Canada in 2026.

ALTO was conceived during a period of relative Canada–US harmony, a stable CUSMA framework, post-pandemic federal fiscal headroom, low interest rates that suppressed the true cost of long-term borrowing, and strong population growth projections that made ambitious ridership forecasts easier to defend. It was a political climate in which long-horizon national vision projects commanded public enthusiasm and the cost of being wrong was not yet apparent. Each of those conditions has since deteriorated materially. The current geopolitical environment — US tariff pressure on Canadian goods, the imperative of trade diversification away from the US market, constrained federal capital budgets, and an electorate whose priorities have shifted sharply toward economic resilience — is one in which a $100–200 billion passenger amenity project faces a legitimacy test that it did not face when it was approved.

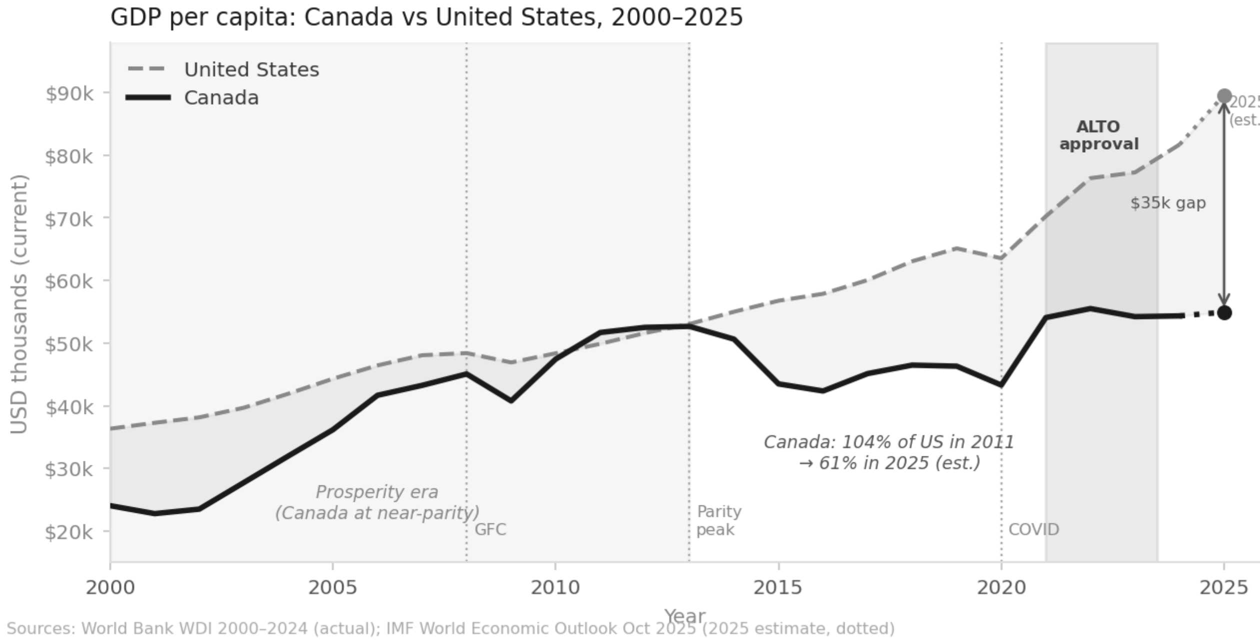

Figure 1.4. GDP per capita: Canada vs United States, 2000–2025 (current USD). Canada matched or exceeded US GDP per capita during the 2011–2012 commodity boom, then fell steadily as oil prices collapsed. By 2025 (IMF estimate, dotted), the absolute gap has widened to approximately $35k — Canada at roughly 61% of US per-capita income. The ALTO project was approved at the peak of Canada's post-COVID nominal rebound, in a fiscal environment that has since tightened materially. Sources: World Bank World Development Indicators 2000–2024; IMF World Economic Outlook October 2025 (2025 estimate).

> *ALTO is a prosperity-era amenity. The question for Canada in 2026 is not whether it would be pleasant to have high-speed rail. It is whether the corridor is one that justifies the cost — and whether the design proposed is the right response to the problem.*

The global HSR record makes the corridor question precise. The systems that have achieved genuine commercial viability — Japan's Tokaido Shinkansen, France's TGV Paris–Lyon, Spain's AVE Madrid–Barcelona, Taiwan's HSR, South Korea's KTX — share a structural profile that the Toronto–Ottawa–Montréal corridor does not replicate. They were built in low-car-dependency societies, with high urban density at both termini, strong public transit connectivity at origin and destination, and a pre-existing rail culture that new high-speed investment accelerated rather than created from scratch.

The practical implication is stark. The most viable HSR projects have already been built — on corridors where the structural pre-conditions were favourable. What remains, globally, is a second tier of proposed projects on corridors where car dependency is high, urban density is moderate, and the ridership case rests on inside-view projections rather than distributional evidence. California HSR is the canonical example: conceived in a prosperity era, now a decade behind schedule, billions over budget, and politically embattled precisely because the structural conditions that make HSR work elsewhere are absent. ALTO is in that second tier. The reference-class evidence is unambiguous on this point. It is this geopolitical context that gives HPR's dual-asset structure its full significance: by separating passenger and freight flows on the Kingston Subdivision, HPR returns uncongested freight capacity to a corridor currently constrained by the host-railway priority dynamic. In the current fiscal and trade environment, that freight dividend is not a supplementary benefit — it is the primary justification for the investment, the reason a fiscally constrained federal government with a trade-diversification mandate should prefer a brownfield incremental rail investment to a greenfield passenger amenity. The chapters that follow build that case from the reference class up.

INITIATIVE REFERENCE — FINANCIAL ANALYSIS OF ALTO

The ALTO HSR Citizen Research Initiative's parametric benefit-cost analysis applies reference-class corrections to both the cost and demand sides of the ALTO business case. At the 8% Treasury Board test rate, the Initiative finds the ALTO social BCR falls below both ALTO's released figure and the 0.70 rejection threshold applied in Canadian federal infrastructure appraisal across the full reference-class scenario space. Full parametric tables and methodology are set out in the Initiative's social BCR working paper (citizenresearch.ca).

CHAPTER NOTE

This chapter operates at the level of analytical principle and does not present quantitative results. The Flyvbjerg framework is invoked here as a methodological pre-commitment for the entire document, not as a rhetorical frame for a conclusion already reached. The capital cost model (Chapter 4), demand analysis (Chapter 6), and financial appraisal (Chapter 8) each implement the reference-class discipline described in §1.6. Readers interested in the full diagnostic reading of ALTO's forecast profile against the Flyvbjerg framework are referred to the companion Initiative working paper, *The Anatomy of an Optimistic Forecast* (June 2026).