



**The Comptroller General
of the United States**

Washington, D.C. 20548

Decision

Matter of: Federal Electric Corporation

File: B-220418.2

Date: April 1, 1987

DIGEST

Protest from an offeror which is not in line for award if the protest is upheld is dismissed because the protester does not have the requisite direct economic interest required to be considered an interested party under GAO Bid Protest Regulations.

DECISION

Federal Electric Corporation (FEC), protests the cancellation of request for proposals (RFP) No. DABT51-84-R-0034, issued by the Department of the Army for staffing, operation and administration of the Directorate of Engineering and Housing at Fort Bliss, Texas. The RFP implements Office of Management and Budget (OMB) Circular A-76 and the RFP is used to determine whether the services should be provided by a contractor or by government personnel. The decision is based on a cost comparison between the current government inhouse operations and the contractor selected under the RFP in accordance with the RFP selection criteria.

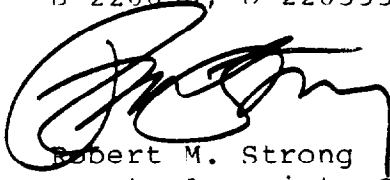
We dismiss the protest based on the contracting activity's report, in accordance with 4 C.F.R. § 21.3(f) (1986), which provides that when the propriety of a dismissal becomes clear only after information is provided by the contracting agency we will dismiss the protest at that time.

FEC claims that the cancellation decision is unreasonable and seeks reinstatement of the RFP. Our Bid Protest Regulations, 4 C.F.R. § 21.0(a) and 21.1(a) (1986), require that a party be "interested" before we will consider its protest. We have held that a protester is not interested where it would not be in line for award if its protest were upheld. C.A. Parshall, Inc., B-220650; B-220555.2, Jan. 14, 1986, 86-1 C.P.D. ¶ 38. Here, the Army report indicates that only the highest ranked offeror would compete in the cost comparison and that FEC is

038557/132659

6th in line for award after evaluations. Thus, even if its protest was sustained and the RFP reinstated, FEC still would not be eligible for award. Accordingly, FEC is not an interested party to challenge the Army's decision to cancel the RFP. See Gracon Corp., B-219663, Oct. 22, 1985, 85-2 C.P.D. ¶ 437.

The protester has also requested proposal preparation costs. However, a claim for such costs which is submitted with a protest that is dismissed without consideration on the merits will not be considered by our Office. C.A. Parshall, Inc., B-220650; B-220555.2, supra.



Robert M. Strong
Deputy Associate General Counsel