



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Sun Valley Group, Inc.--Reconsideration and
Request for Declaration of Entitlement to
Costs

File: B-250546.2

Date: February 23, 1993

Michael A. Atwell for the protester.
Sherry Kinland Kaswell, Esq., Department of the Interior,
for the agency.
Paula A. Williams, Esq., and Paul Lieberman, Esq., Office of
the General Counsel, GAO, participated in the preparation of
the decision.

DIGEST

1. General Accounting Office Bid Protest Regulations do not provide for award of proposal preparation costs in cases where the agency has taken corrective action.
2. Dismissal of protest against anticipated award to another firm was proper where agency canceled request for quotations because the specifications failed to accurately reflect the agency's needs.

DECISION

Sun Valley Group, Inc. requests that we reconsider our dismissal of its protest as academic and declare it entitled to recover proposal preparation costs in connection with request for quotations (RFQ) No. 1443-RQ9000-92-014, issued by the Department of the Interior.

We affirm the dismissal and deny the claim for costs.

On September 28, 1992, Sun Valley filed a protest with our Office asserting that the agency intended to issue a purchase order to a firm which had quoted a higher price than the protester. Sun Valley also pointed out in its protest that, among other things, the RFQ specifications for precast concrete vault toilets failed to specify the required size for the vault retaining tanks. In response, the agency advised that the solicitation was canceled on

September 26 because of the deficiencies in the specifications which had been brought to the agency's attention by Sun Valley during discussions. We then dismissed Sun Valley's protest as academic.

Sun Valley contends that our dismissal of its protest was improper and requests that we declare the firm entitled to proposal preparation costs. Apparently, the protester seeks reimbursement of these costs on the theory that the agency took corrective action in response to its protest. While our Bid Protest Regulations provide for the possible recovery of the reasonable costs of filing and pursuing a protest, they do not permit the recovery of proposal preparation costs in these cases. See 4 C.F.R. § 21.6(e) (1992); Moon Eng'g Co., Inc.--Request for Declaration of Entitlement to Costs, B-247053.6, Aug 27, 1992, 92-2 CPD ¶ 129. Consequently, there is no basis to declare that Sun Valley is entitled to recover its proposal preparation costs.

To the extent that Sun Valley is asserting that our dismissal based on the agency's cancellation of the RFQ was erroneous, the agency concluded that the RFQ specifications failed to accurately set forth the agency's needs and the protester has in essence concurred that the specifications are inadequate. There is no basis to object to the cancellation since, in light of the specification deficiencies, award to any vendor would have been improper. Under these circumstances, no useful purpose would have been served by further consideration of the protest. See DHD, Inc.--Request for Recon.; Claim for Protest Costs, B-237048.3, Feb. 27, 1990, 90-1 CPD ¶ 237.

The dismissal is affirmed and Sun Valley's claim for costs is denied.


for James F. Hinchman
General Counsel