Dear [Freelancer's Name],

Thank you for submitting your proposal for [Project Name] on [Date]. We appreciate the time and effort you invested in your submission.

After careful consideration, we regret to inform you that we will not be moving forward with your proposal. We received a number of strong submissions, and it was a difficult decision for us.

We encourage you to apply for future projects, as we were impressed with your qualifications and experience.

Thank you once again for your interest in working with us.

Best regards,
[Your Name]
[Your Position]
[Your Company]