

DIRECT COSTS**Direct Cost Personnel**

Senior Consultant, Daniel Horne. Daniel Horne has a Master of Science Degree in Finance, a Bachelor of Art Degree in Business with a major in Accountancy and an Associate's Degree in Engineering. In his thirty-three year career he has worked in multiple facets of government and commercial industry. Mr. Horne is uniquely qualified for this mission because of his expertise in engineering, accounting, finance and operations. His most recent employment was as Chief Financial Officer at an Arizona Defense Contractor for seven years.

Direct Labor Cost allocated to this Contract's Direct Cost Objective

Direct Labor under this contract is allocated between 5 contract tasks as follows:

Task 1: 5 days Direct Labor. Trip to Washington, DC Metro area. Meetings with the United States Trade & Development Agency, Export-Import Bank, Department of Energy, and Environmental Protection Agency.

Task 2: 20 days Direct Labor.

- Assess and justify USTDA funding for the proposed study
- Assess alternative studies or activities for USTDA
- Develop TOR and budgets for 3 studies
- Communication with Host Country Sponsors (past as well as potential new)
- Conduct extensive outreach to U.S. companies in sector
- Investigate financing options for U.S. and Sponsor companies
- Perform due diligence to ensure that Host Country Sponsor has explored various financing alternatives/options.

Task 3: 10 days Direct Labor. Trip to Mainland China. Meetings with U.S. Embassy, Export-Import Bank of China, other stake holders who have/may participate as host sponsor of an Energy Efficiency project, or other related project which the USTDA may desire to fund.

Task 4: 3 days Direct Labor. Reporting.

- Pre-Visit Findings Report
- Pre-Visit Itinerary Report

Task 5: 1 days Direct Labor. Final Definitional Mission and Desk Study report.

OTHER DIRECT COSTS**Purchased Services/Contracts**

None are anticipated.

Translation Services

None are anticipated

Travel

Trip 1 (Task 1) is a trip to the Washington, DC Metropolitan area. The trip to meet with the project's COTR for China, Ms. Lida Frits and others she so designates is requirement 2.1 of the government's RFQ-CO2009310003. Two days are allocated to travel between Phoenix, Arizona and the Washington, DC Metro area. Three days are allocated to meetings at the USTDA, Department of Energy, Environmental Protection Agency, and Export-Import Bank's representatives. For the purposes of these meetings, the contractor plans to rent a car from Enterprise Rent-A-Car for five days.

The contractor will stay at one of the economical hotels along the Dulles Access Corridor and renting a car poses a better value to the government than taxi service between the various government locations.

The purpose of the meetings is to be briefed on the cognizant priorities of all agencies and gain contact information for conducting Task 2, Desk Study. Information gathered from this trip will seed Mr. Horne's activities in outreach to interested U.S. manufacturing and engineering companies that are interested in teaming with a Chinese Sponsor, begin the flow of information about financing available to assist interested Sponsors, and begin the dialog between Mr. Horne and Chinese officials as regards China's priorities in Energy Efficiency Projects, and/or other trade capacity building activities.

Trip 2 (Task 3) is a trip to Beijing and Shanghai China. The trip to China is the Definitional Mission portion of the government and is requirement 2.4 of the RFQ. Mr. Horne will travel from Phoenix Sky Harbor Airport to Beijing, China (approximately 21 hours travel time), fly from Beijing to Shanghai in China (approximately 2 hours travel time each way), and return from Beijing, China to Phoenix, Arizona (approximately 22 hours travel time).

The leg of the trip from Beijing to Shanghai is priced into the proposal because Shanghai is representative of cost to other destinations within China where the interests of the Chinese Government, the USTDA and the Export-Import Bank(s) are most likely to be served. However, this is a contingency that cannot be properly identified until after contract award and completion of the Kick-off Meeting at USTDA in Arlington, VA. The contractor is willing to re-schedule one in-country trip to another destination within Mainland China if it better suits the needs of the government. The duration of the in-country trip is anticipated to be 3-nights away from Beijing.

The contractor plans to hire interpreter services for nine (9) days to assist in all discussions with relative parties identified by USTDA, USTDA sources and the Export-Import Bank of China.

The contractor plans on using taxi services on all ground travel while in China. The contractor will use his own vehicle to travel to and from Phoenix Sky Harbor Airport.

Foreign Per Diem rates have been taken from the Department of State website (http://aoprals.state.gov/web920/per_diem.asp) rate tables for Beijing and Shanghai China.

Domestic Per Diem Rates were taken from the General Services Administration (GSA) website for the Northern Virginia, Washington Metro, Area (http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentId=17943&contentType=GSA_BASIC).

These two rate tables and locations comprise the total Per Diem in this proposal. Per Diem proposed in separated into Lodging and Meals & Incidentals to better reflect the true cost of each (ie: Not charging a night's Lodging while traveling that night between destinations, but charging only the allowance for ME&I of Per Diem)

OTHER EXPENSES

Communication Expenses

To offer the best value to the government, much of this project will be completed with Desk Study (DS) rather than Definitional Mission (DM) travel. The contractor anticipates extensive long-distance and international telephone call costs throughout the course of the project. Email may be an acceptable alternative in some cases; however, this mission requires care be taken to build relationships with host country parties. All over the world, but specifically in Asia, personal contact is invaluable to achieving goals. The contractor has estimated a direct cost of \$900.00 for telephone expensive throughout the course of the project.

VAT

Recovery of VAT is allowed under the FAR. The contractor has included \$407.57 to cover 17% VAT surcharge on all Per Diem related items.

Insurance

Insurance will be obtained from government sources listed in the RFQ.