



Le réseau
de transport
d'électricité

Manual frequency restoration reserve and replacement reserve terms and conditions

Version in force on 1 January 2025

The following translation is not binding

The authentic language for interpretation or execution of the Manual frequency restoration and replacement reserve terms and conditions is French



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FOREWORD

Article L.321-11 of the French Energy Code provides that:

"The national transmission system operator monitors availability and implementation of the reserves required for operating the grid. [...]"

Thus, within the framework laid down by the French Energy Code and the mission of maintaining the reliable operation of the power grid, RTE contracts the provision of power reserves with market players with generation or demand response capacities to maintain this reliability. These capacities must have specific dynamic characteristics, including short mobilisation lead times, to counteract incidents occurring in real time that may affect the balance of power flows on the grid.

By establishing the above-mentioned power reserves, RTE (across mainland France) must be able to comply with the requirements of Commission Regulation (EU) 2017/1485 establishing a guideline on electricity transmission system operation (hereinafter "SOGL") which provides that:

- after an incident, the transmission system operator must be able to restore the power exchanges of its control area in under fifteen (15) minutes;
- that the dimensioning of reserves available in under fifteen (15) minutes is done based on the evaluation of the largest possible generation incident. In the case of RTE, the dimensioning incident considered is the loss of the biggest generation unit that can be connected to the grid.

In addition, RTE establishes the reserves which allow it to restore the automatic frequency restoration reserve within thirty (30) minutes.

In order to address short-term incidents, RTE must therefore have a sufficient volume of reserves at all times able to cover two (2) occurrences of an incident every day, equivalent to the largest possible generation incident due to:

- a manual frequency restoration reserve volume that can be dispatched in less than fifteen (15) minutes and for 2 hours;
- a replacement reserve volume that can be activated in less than thirty (30) minutes and for 1.5 hours.

To meet this need, RTE procures reserves according to the terms described in Article 3. Article 3.2 states that the dimensioning method for defining the volume of these reserves is detailed in Annex 2 of the Block Agreement.

These manual frequency restoration and replacement reserve terms and conditions specify the technical, legal and financial conditions under which the Participant guarantees RTE the provision of power on the Balancing Mechanism, by Submitting Bids with Qualified BEs, and subject to technical conditions specified in these terms and conditions.

The procedures for the provision of the contracted capacities are described in Article 4 and the procedures for activation of these capacities by RTE are described in Article 5.



DEFINITIONS

All words or phrases used in these manual frequency restoration and replacement reserve Terms and Conditions (“mFRR-RR Terms and Conditions”) that begin with a capital letter have the meanings attributed to them below or, otherwise, the meaning given in the chapter on Harmonised Terms and Conditions relating to Scheduling, the Balancing Mechanism, and Recovery of Balancing Charges, or in the chapters on Frequency Ancillary Services Terms and Conditions in their latest respective versions in force.

In the event of a difference between the definitions given below and those provided for in the chapters relating to Scheduling, the Balancing Mechanism, and Recovery of Balancing Charges, the mFRR-RR Terms and Conditions shall prevail.

mFRR-RR Participation Agreement	means the contract concluded between RTE and a Participant in the mFRR-RR Terms and Conditions, in accordance with the model in Annex 1, whereby the latter agrees to adhere to the mFRR-RR Terms and Conditions to participate in the Manual Frequency Restoration Reserve (mFRR) and Replacement Reserve (RR) mechanism.
Participation Agreement in the Balancing Mechanism	means the contract or protocol concluded between RTE and a Participant in accordance with the RM_2_Balancing Mechanism Terms and Conditions, whereby the latter agrees to adhere to the RM_2_Balancing Mechanism Terms and Conditions in order to qualify as a Balancing Service Provider.
Frequency Ancillary Services Terms and Conditions Participation Agreement	means the contract between RTE and a Participant in accordance with the Frequency Ancillary Services Terms and Conditions, whereby the Participant agrees to adhere to the RM_4_Frequency Ancillary Services Terms and Conditions in order to participate in frequency control or as a supplier, as defined in the RM_4_Frequency Ancillary Services Terms and Conditions.
Block Agreement	means the load-frequency control block operational agreement. It includes the conditions and methodologies listed in paragraph 1, Article 119 of the SOGL.
Balancing Service Provider	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Qualification	refers to the technical qualification of a BE for mFRR and RR that certifies the BE’s ability to meet the technical specifications stipulated in Article 6 of the mFRR-RR Terms and Conditions.
Incident	means a period of time requiring activation by RTE of the capacity/capacities committed in manual Frequency Restoration Reserve or Replacement Reserve necessary to maintain the normal state of the power system as defined by Commission Regulation (EU) 2017/1485 establishing a guideline on electricity transmission system operation (“System Operation Guideline”) (hereinafter “SOGL”).



Technical Incident	has the meaning stated in Article 8.2.5 of the mFRR-RR Terms and Conditions.
CAM	Market Access Commission, a sub-group of the Power Transmission System Users' Committee (CURTE).
Candidate	designates the legal entity wishing to apply for an annual and/or day-ahead call for tenders for manual Frequency Restoration and Replacement Reserves.
Reserved Capacity	means the sum of the Participant's Commitments.
Bid Usage Conditions (CUO) or Terms of Use	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Upstream D-1 Framework Agreement	the contract defining the technical, financial and legal arrangements for the agreements which may be concluded between RTE and the Participant upstream of D-1 with the aim of avoiding congestion on the Public Transmission System.
Interruptibility Contract	the contract concluded under Article L. 321-19 of the French Energy Code between RTE and a Site directly connected to the Public Transmission System.
CRE	French Energy Regulatory Commission (<i>Commission de régulation de l'énergie</i>)
Date of effect	means the date specified in the header of these mFRR-RR Terms and Conditions.
Failure	means any breach of contractual obligations as provided for in Article 8 of these mFRR-RR Terms and Conditions and giving rise to the payment of penalties and "Failed/At Fault" means the action or omission of the Participant giving rise to a Failure.
Mobilisation Lead Time or DMO	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Neutralisation Lead Time between Activations or DNA	Designates the time period declared by the Balancing Service Provider that is the minimum time between the Deactivation Time of a balancing operation and the Activation Time of the next balancing operation.
Request for Qualification	has the meaning stated in Article 6.3.2.
Applicant	the Balancing Service Provider who has Notified RTE of a Request for Qualification.



Technical system of Automated transmission of Balancing Orders (TAO)	Technical communication system enabling: <ul style="list-style-type: none">- RTE to transmit Balancing Orders to the Order Receivers;- the Order Receiver to transmit Final Dispatch Schedules to RTE. The connection and correspondence procedures for this system are described in the IS Terms and Conditions.
DMO_{E,i}	the Mobilisation Lead Time corresponding to the Commitment Type i.
DO_{max}	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
DO_{max,E,i}	Means the maximum usage time for an activation of the Reserved Capacity relating to Commitment Type i.
DO_{min}	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
DO_{min,E,i}	is the minimum usage time for an activation of the Reserved Capacity relative to Commitment Type i.
Balancing Energy Imbalance of a BE	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Reserve Exchange	has the meaning stated in Article 2.5 of the mFRR-RR Terms and Conditions.
Failure of a BE Qualification or BE Qualification-related Failure	has the meaning given in Article 6.5.
BE	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Qualified BE	Refers to any BE mentioned in Annex 3.
Commitments	refers to the set of capacities that the Participant commits to make available to RTE on the Balancing Mechanism through Qualified BEs, including Initial Commitments, to which Additional Commitments are added and Withdrawn Commitments and Terminated Commitments are removed.
Initial Commitments	refers to the capacities that the Participant initially undertakes to make available to RTE on the Balancing Mechanism via Qualified BEs contracted with RTE following an annual or day-ahead call for tenders.
Withdrawn Commitments	means all or part of the Initial Commitments assigned by the Assignor Participant in the context of a Reserve Exchange approved by RTE, the Withdrawn Commitments being defined specifically by the dates of availability, powers, activation periods and mobilisation lead times.



Terminated Commitments	means the capacities withdrawn from the Initial Commitments resulting from the annual call for tenders in accordance with Article 2.4 or following termination of the Commitments in accordance with Article 1.3.
Additional Commitments	means all or part of the Commitments assigned by the Purchaser Participant in the context of a Reserve Exchange approved by RTE, the Additional Commitments being defined specifically by the dates of availability, powers, activation periods and mobilisation lead times.
Reserve Providing Group (RPG)	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Force Majeure Event	has the meaning stated in Article 1.6 of these mFRR-RR Terms and Conditions.
Gradient	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Hour or H	means the hours corresponding to Paris time and a duration of (60) minutes.
System Access Deadline	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Activation Time	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Balancing Start time	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Deactivation Time	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Balancing End Time	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Day or Day D (J in the formula)	designates the calendar day lasting twenty-four (24) hours defined as follows: [00:00; 24:00]. Days on which the official time changes, as defined by Decisions published in the Official Journal of the French Republic, comprise either 23 Hours or 25 Hours.
Business Day	means any one of the days of the week, with the exception of Saturday, Sunday and public and bank holidays as defined in Article L. 3133- 1 of the French Labour Code.
List of Commitments	the list transmitted by the Participant to RTE, consisting of Qualified BEs for participation in mFRR or RR and which the Participant commits for day D in order to meet its Commitments, specifying for each Commitment, the BEs and the technical characteristics of the power Time Series offered per BE.
NB_ACTIVATIONS	refers to the parameter corresponding to the Commitment of the BE to cover two (2) or four (4) Balancing Orders.



NB_BLOCS	<p>refers to the parameter corresponding to the Commitment in duration of an activation for the BE as mentioned in the List of Commitments by the Participant, (i) for each BE and (ii) for each Type i Commitment</p> <p>A BLOCK corresponds to a period of 30 minutes and NB_BLOCS can be 1, 2, 3 or 4.</p>
Notification	<p>has the meaning assigned to it in Article 1.11.</p>
Reserve Exchange Notification or NER	<p>Means the Notification to RTE of a Reserve Exchange such that a Commitment must be deducted (i) from the Initial Commitments of one Participant (hereinafter the "Assignor Participant") and (ii) added to the Additional Commitments of another Participant (hereinafter the "Purchaser Participant")</p>
Observability	<p>has the meaning attributed in Annex 6 of these mFRR-RR Terms and Conditions and "Observable" means a BE whose Observability is available to RTE.</p>
Balancing Bid	<p>has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions and the terms "Submitted", "Activated" and "Deactivated" have the meaning provided for therein. A Balancing Bid can be an Upward Bid or a Downward Bid. Chronologically, a Bid is:</p> <ul style="list-style-type: none">- "Submitted" and constitutes a "Submission" when it is received by RTE.- "Modified" and constitutes a "Modification" when it is Submitted for a BE and modified at one of the following Gates by the Balancing Service Provider. This modification may concern the price or the Usage Conditions of the Submitted Bid, provided that these modifications do not prevent the Activation of Balancing Bids that have been Activated by RTE for this same Bid.- "Withdrawn" and constitutes a "Withdrawal" when a Bid is Submitted at a Gate and withdrawn at one of the following Gates by the Balancing Service Provider, provided that this Bid has not already been Activated by RTE.- "Refused" and constitutes a "Refusal" when, not having been drawn up in accordance with the provisions of the Terms and Conditions, the Bid cannot be taken into account by RTE.



- “Taken into Account” when, having been established in accordance with the provisions of the Terms and Conditions, the Bid Submitted and/or Modified can be Activated by RTE and the Bid that is the subject of a Withdrawal can no longer be activated by RTE at the end of the Neutralisation Lead Time. A Bid is Taken into Account at the Gate following its Submission.
- the Bid is “Activated” and constitutes a “Activation” or a “Balancing Order” when RTE informs the Balancing Service Provider that it accepts its Bid by sending a Balancing Order. As from this moment, this Bid can no longer be Withdrawn or Modified by the Balancing Service Provider.
- “Activated” and constitutes an “Activation”: a Bid is Activated for the period between the Activation Time and the Deactivation Time specified in the Balancing Order when Balancing volumes relating to this Bid are requested by RTE.
- “Deactivated” and constitutes a “Deactivation” when the Activation Period of an Activated Bid ends or when RTE informs the Balancing Service Provider, by sending a Balancing Order, that a Bid must be Deactivated.

Upward Bid	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Specific Balancing Bid or Specific Bid	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Explicit Specific Balancing Bid or Explicit Specific Bid	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Implicit Specific Balancing Bid or Implicit Specific Bid	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Standard Manual Frequency Restoration Reserve Bid or Standard Bid	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Order	A message transmitted by RTE to the Order Receiver designated by the Balancing Service Provider according to the procedures defined in the RM_0_General Provisions Terms and Conditions.
Balancing Order	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Participant	A signatory to the mFRR-RR Participation Agreement that has entered into the said agreement with RTE.



Purchaser Participant	has the meaning assigned to it in the definition of the term “Reserve Exchange Notification”.
Assignor Participant	has the meaning assigned to it in the definition of the term “Reserve Exchange Notification”.
Party	means the Participant or RTE individually, collectively the " Parties ".
Half-Hourly Interval	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Quarter-Hourly Interval	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
P_{E,i}	means the minimum power that the Participant undertakes to make available on the Balancing Mechanism under its Commitments and corresponding to Commitment Type i.
Qualified Perimeter of a BE	refers to the set of Sites that have contributed to obtaining the Qualification of the BE and described in Annex 3 of these mFRR-RR Terms and Conditions. The Qualified Perimeter of a BE is a subset of the perimeter of that BE.
Balancing Perimeter	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Exclusion Period	refers to the period during which a Qualified BE can no longer be proposed in a List of Commitments to meet a Commitment.
Availability Period	means one or more periods for the provision of Capacities covering Initial Commitments (as specified in Annex 8) or Additional Commitments (as specified in the NER).
Price Segment	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Fixed Premium	means the amount corresponding to the power contracted multiplied by the marginal price of each Commitment Type i.
Reference Spot Price	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Final Dispatch Schedule	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Theoretical Final Dispatch Schedule	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Order Receiver	has the meaning stated in the RM_0_General Provisions Terms and Conditions.



Redeclaration	has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions and the term “Accepted” will have the meaning established therein.
Tender Regulation	has the meaning stated in Article 3.4.1 of these mFRR-RR Terms and Conditions.
SOGL (guideline)	has the meaning stated in the foreword.
Manual frequency restoration reserve and replacement reserve terms and conditions or mFRR-RR Terms and Conditions	refers to these manual frequency restoration and replacement reserve Terms and Conditions, available on the RTE website (https://www.services-rte.com/fr/home.html).
RM_0_General Provisions	means the present Market Rules relating to the General Provisions available on the RTE Services Portal (https://www.services-rte.com/fr/home.html)
RM_1_Scheduling	means the present Market Rules relating to Scheduling available on the RTE Services Portal (https://www.services-rte.com/fr/home.html)
RM_2_Balancing mechanism	means the present Market Rules relating to the Balancing Mechanism available on the RTE Services Portal (https://www.services-rte.com/fr/home.html)
RM_3_Recovery of Balancing Charges	means the present Market Rules relating to the Recovery of Balancing Charges, available on the RTE Services Portal (https://www.services-rte.com/fr/home.html)
RM_4_Frequency Ancillary Services	means the present Market Rules relating to Frequency Ancillary Services available on the RTE Services Portal (https://www.services-rte.com/fr/home.html)
IS Terms and Conditions	Rules for access to RTE’s Information System and Applications, specific to the "Scheduling and Balancing Mechanism" system or to the RACOON platform including their Annexes, available on the RTE Website. (https://www.services-rte.com/fr/home.html).
Public Distribution System	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Public Transmission System	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Replacement Reserve or RR	means the capacity (or BE) whose Mobilisation Lead Time is less than or equal to thirty (30) minutes



Manual Frequency Restoration Reserve or mFRR	means the capacity (or BE) for which the Mobilisation Lead Time is less than or equal to thirteen (13) minutes
Frequency Ancillary Services	has the meaning stated in RM_4_Frequency Ancillary Services
Site	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Commitment Type i or Type of Commitment i	<p>refers to a Type of Commitment characterised by the Mobilisation Lead Time and the quantity of energy guaranteed per Number of Activations to be made available to RTE via Qualified BEs.</p> <p>The Commitment Types are represented by five (5) digits NNYYY where NN is the Mobilisation Lead Time (in minutes) and YYY is the maximum guaranteed activation time per Number of Activations (in minutes). The two possible Commitment Types are 13120 and 30090.</p>
User	has the meaning stated in the RM_0_General Provisions Terms and Conditions.
Actual upward volume of the BE (VRH)	has the meaning stated in the RM_2_Balancing mechanism Terms and Conditions.



1 GENERAL PROVISIONS

1.1 Scope of the mFRR-RR Terms and Conditions and entry into force

The mFRR-RR Terms and Conditions detail the conditions for participation in the provision of manual Frequency Restoration Reserve and Replacement Reserve.

These mFRR-RR Terms and Conditions come into force from the Date of Effect and are applicable for Commitments starting at the earliest on 1 January 2025.

The Parties agree that the provisions of all the articles in this chapter shall prevail over those in RM_0_General Provisions, except where explicit reference is made to the Harmonised Market Rules-Contract conditions.

1.2 Contract conditions

1.2.1 Principles

The mFRR-RR Terms and Conditions are applicable to Participants and to RTE.

In the event of a contradiction between these mFRR-RR Terms and Conditions and the terms of the mFRR-RR Participation Agreement signed by the Participant, the provisions of the Participation Agreement shall prevail.

1.2.2 Types of contract

Contracting can take place through calls for tenders:

- annual;
- day-ahead.

1.2.3 Prerequisites

To participate in the provision of manual Frequency Restoration Reserve and Replacement Reserve, a market participant must first become a Balancing Service Provider and provide a copy of the first page of the Balancing Mechanism Participation Agreement.

1.2.3.1 For market participants established in France

The market participant must also provide the elements listed below:

- an extract of the entry in the trade and companies register (K-bis company registration form), or an Identification Card justifying the entry in the trade and commerce registry (original or copy) that is less than three (3) months old or a receipt of the declaration submission at a business start-up centre for legal or natural persons in the process of registration. An update of this document may be requested once (1) per year by RTE.



1.2.3.2 For market participants established outside France

The market participant must also provide the elements listed below:

- ☒ a document from the authorities maintaining the business registry or an equivalent document certifying such registration or, for companies being created, a document less than 3 months old from the authority authorised to receive the entry in the business registry and attesting to the application for registration in the said registry. An update of this document may be requested once per year by RTE;
- ☒ a document stating identity and address or, if applicable, the contact information of its temporary tax representative in France.

1.2.4 Contracting process

Any participant wishing to participate in the mFRR-RR Terms and Conditions must Notify a duly completed and signed Participation Agreement to RTE, in accordance with the template in Annex 1, as a Participant in the mFRR-RR Terms and Conditions.

This Notification must be accompanied by the elements mentioned in Article 1.2.3. The Participation Agreement shall take effect on the date set out in this Article subject to RTE's signature.

If a market participant holds an mFRR-RR Participation Agreement that was terminated pursuant to the provisions of Articles 1.3.2 and 1.3.3, then this participant may only sign a new Participation Agreement after providing proof that the situation has been resolved with RTE, particularly in the case of payment default, and obtained confirmation from RTE that the situation has been remedied permanently.

the Participation Agreement requires a simple electronic signature in accordance with eIDAS Regulation 910/2014 of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market.

1.3 Termination of the mFRR-RR Participation Agreement

1.3.1 On the initiative of the Participant

1.3.1.1 If the Participant is not under any Commitment

If the Participant does not hold any Commitment, the Participant may terminate its mFRR-RR Participation Agreement at any time by sending a Notification to RTE by registered letter with acknowledgement of receipt. The termination takes effect after a maximum of ten (10) Business Days from the date of receipt, or earlier, on agreement between the Parties.



1.3.1.2 *If the Participant is under a Commitment*

The Participant may terminate the mFRR-RR Participation Agreement if:

- under Article 8 of these mFRR-RR Terms and Conditions, the Participant is liable for a penalty amount exceeding 140% of the Fixed Premium for the current year referred to in Article 3 of Annex 8, not including the Additional Commitments provided for in Article 2.5; and
- it provides proof to RTE in writing of its long-term and justified technical inability to perform a significant part of the Commitments or one of the contractual obligations defined in the mFRR-RR Terms and Conditions.

Notwithstanding the provisions of Article 1.11, the termination of the mFRR-RR Participation Agreement must be Notified to RTE by the Participant by registered mail with acknowledgement of receipt.

The termination of the mFRR-RR Participation Agreement, if accepted by RTE, shall take effect from the receipt of the Notification by RTE after fifteen (15) Business Days.

During this period, all the terms of the mFRR-RR Participation Agreement shall remain applicable.

In the event of termination by the Participant under this Article, a penalty equal to 5% of the current year Fixed Premium not yet paid shall be due by the Participant to RTE.

The termination of the mFRR-RR Participation Agreement will result in the termination of the monthly payment of the Fixed Premium. When the termination takes place during a calendar month, the termination shall give rise to the calculation of the monthly amount of the Fixed Premium, on the basis of the marginal prices of the periods concerned in the current month and the commitments up to the date of termination (not included), in order to determine the sum due by RTE to the Participant under the mFRR-RR Terms and Conditions.

The Participant shall remain liable for all penalties payable to RTE pursuant to Article 8 of these mFRR-RR Terms and Conditions until the effective date of termination of the mFRR-RR Participation Agreement.

1.3.2 **Termination without cause**

The mFRR-RR Participation Agreement may be terminated automatically and without compensation (except for any penalties payable to RTE in application of Article 8 of these mFRR-RR Terms and Conditions as mentioned in this Article) in the following cases:

- a) in the event of a Force Majeure Event of a duration greater than thirty (30) consecutive days;
- b) in the event of the Participant's cessation of activity;
- c) in the event the Participant loses the Balancing Service Provider status, only following the termination of its Balancing Mechanism Participation Agreement in the event of non-compliance by RTE with its obligations under the RM_2_Balancing mechanism Terms and Conditions;



- d) in the event a change is made to the RM_2_Balancing mechanism Terms and Conditions, or to the mFRR-RR Terms and Conditions in accordance with Article 1.4 of these mFRR-RR Terms and Conditions, where the Participant sends justification, in writing, of a subsequent change in the financial conditions of the mFRR-RR Terms and Conditions resulting from this amendment to the RM_2_Balancing mechanism Terms and Conditions or mFRR-RR Terms and Conditions, making it financially impossible to abide by, subject to acceptance by RTE of the said justifications.

In cases (a) and (b) mentioned above, termination is effected by sending a registered letter to the other Party with acknowledgement of receipt. Termination shall take effect on the date this letter is received.

In case (c), termination is effected by Notification to the other Party by registered letter with acknowledgement of receipt where the termination date of the mFRR-RR Participation Agreement is that, if applicable, of the termination of the Balancing Mechanism Participation Agreement.

In case (d), the Participant Notifies RTE of its request for termination, duly justified, by registered letter with acknowledgement of receipt. If RTE accepts the justifications, RTE Notifies the Participant of the termination of the mFRR-RR Participation Agreement by sending a registered letter with acknowledgement of receipt. The termination of the mFRR-RR Participation Agreement takes effect, from the date of receipt by the Participant of the said letter, at the earliest within fifteen (15) Business Days.

During this period, all the terms of the mFRR-RR Participation Agreement remain applicable.

The termination of the mFRR-RR Participation Agreement, for all cases a), b), c) and d), will result in the termination of the monthly payment of the Fixed Premium. When the termination takes place during a calendar month, the termination shall give rise to the calculation of the monthly amount of the Fixed Premium, on the basis of the marginal prices of the periods concerned in the current month and the commitments up to the date of termination (not included), in order to determine the sum due by RTE to the Participant under the mFRR-RR Participation Agreement.

Notwithstanding the above, the Participant shall remain liable, where relevant, for all penalties payable to RTE in application of Article 8 until the effective date of termination of the mFRR-RR Participation Agreement.

1.3.3 Termination for breach

The mFRR-RR Participation Agreement may be terminated as of right in the following cases:

- a) in the event of non-payment by the Participant of any sum due to RTE after a period of thirty (30) days from the receipt of an unheeded official payment notice;
- b) in the event of a repeat failure of one of the Parties to meet its contractual obligations by the expiry of a period of ten (10) Business Days from the date of receipt of an unheeded official notice;
- c) in the event of cumulative Failure, greater than 3% (in duration) for a Type of Commitment i over a rolling year.
- d) in the event that the Participant loses the Balancing Service Provider status, only following the termination of its Balancing Mechanism Participation Agreement in the event of non-compliance by Participant with its obligations under the RM_2_Balancing mechanism Terms



and Conditions;

In cases (a), (b) and (c), RTE Notifies the Participant with a formal notice to terminate the situation described in the Notification, and within a time limit mentioned in the Notification of the formal notice.

If RTE finds that the situation has not been resolved within the period mentioned in the formal notice, then the termination of the mFRR-RR Participation Agreement shall be effected by sending a registered letter with acknowledgement of receipt to the other Party. Termination shall take effect on the date this letter is received.

In case d), termination is effected by Notification to the other Party by registered letter with acknowledgement of receipt, where the termination date of the mFRR-RR Participation Agreement is that, if applicable, of the termination of the Balancing Mechanism Participation Agreement.

In the event of termination for breach, a penalty equal to 10% of the Fixed Premium not yet paid is due by the Participant to RTE.

The termination of the mFRR-RR Participation Agreement will result in the termination of the monthly payment of the Fixed Premium. When the termination takes place during a calendar month, the termination gives rise to the calculation of the monthly amount of the Fixed Premium, on the basis of the marginal prices of the periods concerned in the current month and the commitments up to the date of termination (not included), in order to determine the sum due by RTE to the Participant under these mFRR-RR Terms and Conditions.

Notwithstanding the above, the Participant shall remain liable, where relevant, for all penalties payable to RTE pursuant to Article 8 until the effective date of termination of the mFRR-RR Participation Agreement.

1.4 Set of rules for revising the mFRR-RR Terms and Conditions

When new legislative or regulatory texts come into force with regards to these mFRR-RR Terms and Conditions, RTE undertakes, as necessary, to revise the mFRR-RR Terms and Conditions to bring them into line with the new provisions in force.

The mFRR-RR Terms and Conditions shall be revised according to chapter 0.D.1 “Set of rules for revising the General Provisions” of the RM_0_General Provisions Terms and Conditions.

The revision of the mFRR-RR Terms and Conditions and the Annexes shall have no impact on the validity of the mFRR-RR Participation Agreement signed by the Participant, which shall continue to produce its effects and implies acceptance of the changes made in the revised mFRR-RR Terms and Conditions published on the RTE website, without prejudice to the Participant’s right to terminate its mFRR-RR Terms and Conditions in accordance with Article 1.3.1 of these mFRR-RR Terms and Conditions

The IS Terms and Conditions provide for specific terms of revision which deviate from the procedure outlined above.



From entry into force of the new RM_2_Balancing mechanism Terms and Conditions, these shall automatically apply to these mFRR-RR Terms and Conditions, which will continue to have full effect between the Parties, by integrating the changes made in the revised mFRR-RR Terms and Conditions published on the RTE website.

1.5 Assignment and transfer of the mFRR-RR Participation Agreement

A Participant may assign its mFRR-RR Participation Agreement to a third party subject to RTE's prior written consent. The assignment shall be made to RTE provided that the assignee of the mFRR-RR Participation Agreement has Notified RTE no later than three (3) months before the effective date of the assignment of the mFRR-RR Participation Agreement and signed an amendment to the mFRR-RR Participation Agreement noting this assignment.

The assignment of the mFRR-RR Participation Agreement does not result in the transfer of the List of Qualified BEs of the assignor Participant to the assignee Participant. The assignee Participant must therefore make new Requests for Qualification in accordance to the conditions laid down in Article 6.3.2 and send these requests to RTE at least thirty (30) Days before the effective date of the assignment of the mFRR-RR Participation Agreement. RTE shall notify the Participant of Annex 3 under the conditions laid down in the aforementioned Article.

As these are obligations arising under the mFRR-RR Participation Agreement prior to the assignment of the Agreement, the assignee Participant and assignor Participant are jointly and severally liable for their implementation.

Where relevant, a clause concerning the assignment is added to the amendment to the mFRR-RR Participation Agreement. By this clause, the assignee Participant acknowledges that it is a substitute for the assignor Participant and liable for all amounts owed by the assignor since the date of signature of the mFRR-RR Participation Agreement by the assignor Participant.

Any change in control of the Participant (the notion of "control" being defined within the meaning of Article L. 233-3 of the French Commercial Code), will require RTE's prior written consent, which may only oppose the change of control if it challenges the Participant's technical and financial capabilities required for the execution of the mFRR-RR Participation Agreement in accordance with these mFRR-RR Terms and Conditions. In order to obtain RTE's prior written consent, the Participant shall Notify in writing the proposed assignment of shares, the identity of the assignee, as well as its technical and financial expertise. If RTE does not reply within thirty (30) Days from the date of receipt of this Notification, the authorisation shall be considered granted. With the exception of the above, assignments of the Participant's shares between shareholders and companies under the same control are free.

In the event of an operation involving universal transfer of the Participant's shares (outgoing Participant) to another entity (the beneficiary), the outgoing Participant Notifies RTE of this operation no later than three (3) months before the effective date of the operation. In this case, the mFRR-RR Participation Agreement is automatically transferred to the market participant benefiting from the operation, on condition that the latter signs an amendment to the mFRR-RR Participation Agreement. The beneficiary market participant shall be jointly and severally liable for all amounts due by the outgoing Participant since the date of signing the mFRR-RR Participation Agreement by the outgoing Participant.



1.6 Force Majeure

In accordance with Article 1218 of the French Civil Code, a "Force Majeure Event" means any event beyond the control of the Participant or RTE, which could not reasonably be provided for at the time the mFRR-RR Participation Agreement in force was entered into, the impact of which cannot be avoided by taking appropriate measures, and which makes it impossible to execute all or part of the Party's legal, regulatory or contractual obligations, temporarily or permanently, provided that such a Force Majeure Event is not the result of non-performance or breach by the prevailing Party of its legal, regulatory or contractual obligations under the mFRR-RR Participation Agreement and these mFRR-RR Terms and Conditions.

The Party invoking a Force Majeure Event shall send to the Party concerned, within fourteen (14) Days of discovering the said Force Majeure Event, a Notification stating (i) the satisfactory evidence of the existence of a Force Majeure Event, (ii) any details as to the nature of the Force Majeure Event that directly affects the Party, (iii) the start date of the Force Majeure Event, (iv) the effects of the Force Majeure Event on the performance of its obligations, (v) the measures and actions taken by the affected Party to minimise these effects and, to the extent possible, (vi) the likely duration and foreseeable consequences of the Force Majeure Event. The contractual obligations of both Parties, with the exception of those defined in Articles 1.6 and 1.7, shall be suspended throughout the duration of the Force Majeure Event, from its occurrence and until the cause and/or effects of the situation considered a Force Majeure Event have ceased. The Parties are not responsible for and are not obliged to repair damage incurred by either Party as a result of non-execution or faulty execution of all or part of their obligations, as a result of this Force Majeure Event.

Any Party invoking a Force Majeure Event has an obligation to use all means at its disposal to limit its scope and duration and shall inform the other Party when it is no longer affected by the Force Majeure Event.

The Parties agree to consult with one another as soon as possible in order to take every reasonably possible action to continue to fulfil the obligations under the mFRR-RR Terms and Conditions.

If a Force Majeure event lasts for a period exceeding thirty (30) consecutive Days, the Participant or RTE may terminate the mFRR-RR Participation Agreement, without the other Party having any right to compensation of any kind, by sending RTE or the Participant a Notification by registered letter with acknowledgement of receipt. Termination shall take effect on the date this letter is received.

The Parties agree that the provisions of this Article shall prevail over those of Article 0.H of the RM_0_General Provisions and Article 3.5 of the Capacity Mechanism Terms and Conditions.

1.7 Confidentiality

1.7.1 Nature of the confidential information

In application of Articles L. 111-72 and L.111-72 of the French Energy Code, RTE is required to uphold the confidentiality of economic, commercial, industrial, financial or technical information which, if revealed, would infringe the rules on free and fair competition and non-discrimination imposed by the law. The list of information and the conditions for their use are laid down in Articles R. 111-26 and onwards of the French Energy Code.



Each Party acknowledges that any information transmitted to it in connection with the mFRR-RR Participation Agreement and these mFRR-RR Terms and Conditions, including those relating to technical and financial data, is of a confidential nature ("**Confidential Information**"), unless expressly stated otherwise.

1.7.2 Content of the confidentiality obligation

The Participant authorises RTE to transmit the information covered by Articles R. 111-26 and following of the French Energy Code to third parties if such communication is necessary for the execution of the mFRR-RR Terms and Conditions and the mFRR-RR Participation Agreement.

The Parties may disclose the Confidential Information to third parties if such communication is necessary for the execution of the mFRR-RR Terms and Conditions and the mFRR-RR Participation Agreement, subject to the prior agreement of the other Party.

The Parties ensure that the third parties which are recipients of Confidential Information undertake the same confidentiality commitments as those set out in this Article. To this end, the recipient Party of Confidential Information undertakes on behalf of its employees, subcontractors and any natural or legal person that it mandates to participate in the implementation of these mFRR-RR Terms and Conditions, to ensure all appropriate measures are met, in particular contractual measures, to guarantee that information in their possession remains confidential. Moreover it shall take all necessary measures to ensure the physical protection of such information, including during its storage.

Each Party shall inform the other Party as soon as possible and by any means of any breach or presumption of breach of the obligations under this Article.

The obligations under this Article shall not apply if the receiving Party of Confidential Information provides evidence that such Confidential Information (i) was already publicly available prior to its disclosure, (ii) was known to the receiving Party before it was disclosed by the other Party, (iii) has been received by it from a third party who was not subject to a confidentiality obligation and had the right to disclose it, without breach of the provisions of this article, (iv) must be disclosed in order to comply with a request from a competent court and if it is reasonably justified to permit any Party to perform and enforce their respective rights under these mFRR-RR Terms and Conditions and the mFRR-RR Participation Agreement or (v) must be disclosed under applicable law or regulations.

1.7.3 Duration of the obligation of confidentiality

After termination of the mFRR-RR Participation Agreement, the Parties undertake to comply with the provisions of this Article 1.7 for a period of five (5) years.

1.8 Liability

Each Party, as far as each is concerned, bears the burden of all damages caused to the people it employs or uses or who are used or employed by its subsidiaries, affiliates or subcontractors and property owned or entrusted to it by third parties or owned or entrusted to its subsidiaries, affiliates or subcontractors by third parties.

Each Party shall be liable for direct damages to the other Party and its personnel as a result of the performance or non-performance of the mFRR-RR Participation Agreement or the mFRR-RR Terms and Conditions and shall indemnify the other Party for any damages suffered or in the future.



Excluded from this liability are damages resulting from a Force Majeure Event, or from any indirect damages or losses including, but not limited to, any loss of operations, generation, profit or income, except in the case of fraud, gross negligence or wilful misrepresentation.

The Party that considers it has incurred damage shall inform the other Participant by way of a Notification, within a period of ten (10) Days following discovery of the damage. This Notification must indicate (i) the nature of the damage suffered for which a claim for compensation may be submitted, (ii) the legal and contractual grounds on which the request for information is based, (iii) any copy of the documents justifying the damage suffered and (iv), to the extent possible, a detailed estimate of the amount of the injury suffered or to be incurred.

On receipt of this Notification, the recipient Party shall have thirty (30) Days to respond to the requests made in this Notification, it being specified that if there is no reply by this deadline, the request for compensation shall be considered as approved by the other Party. In the event of a dispute over all or part of the elements mentioned in the Notification issued under paragraph 4 of this Article 1.8, the Parties shall consult with a view to settling the dispute in accordance with the provisions of Article 1.13.

Each Party shall at all times take all reasonable steps to avoid, minimise and/or mitigate any loss or damage that has arisen or may arise for which the Party concerned has the right (or claims to have the right) to submit a claim for compensation on the basis of a violation of the mFRR-RR Participation Agreement or the mFRR-RR Terms and Conditions.

1.9 Publication

The Participant may not mention RTE as one of its clients without obtaining the prior written consent of RTE.

Notwithstanding the provisions laid down in Article 1.7, RTE shall publish the list of Participants in manual Frequency Restoration and Replacement Reserves on its website (<https://www.services-rte.com/fr/home.html>) whenever a Participant has a list of qualified non-empty BEs (as listed in Annex 3).

The Participant acknowledges that RTE reserves the right to publish various indicators relating to the failure of the Participants according to the criteria set out in Article 8 as well as the indicators concerning the activations of the BEs proposed on a List of Commitments.

After the award of the annual call for tenders mentioned in Article 3.4 and following the allocation of a gate for the day-ahead call for tenders mentioned in Article 3.5, RTE shall publish on its website and/or on the ENTSO-E Transparency Platform:

- the names of the successful tenderers;
- total contracted power per product per period;
- marginal prices per product and per period;
- the volumes offered and the prices offered for the balancing capacities acquired;



More detailed and aggregated data concerning contracting may be communicated within the framework of the CURTE (Power Transmission System Users' Committee), in accordance with the provisions of Articles L.111-72 and following and R. 111-26 and following of the French Energy Code.

1.10 Unforeseeability

Each Party acknowledges that the provisions of Article 1195 of the French Civil Code do not apply to it with respect to the obligations laid down in the mFRR-RR Participation Agreement and the mFRR-RR Terms and Conditions and that they are not entitled to make any claim under Article 1195 of the French Civil Code.

1.11 Notifications and correspondence

Unless otherwise provided, a Notification under the mFRR-RR Participation Agreement and the mFRR-RR Terms and Conditions is a written document that is transmitted by one Party to the other:

- either by hand and in exchange for a receipt;
- or by registered letter with acknowledgement of receipt;
- or by fax;
- or by email with acknowledgement of receipt.

The date of Notification is deemed to be:

- the date indicated on the receipt for a hand delivery;
- or the date on the acknowledgement of receipt for a registered letter with acknowledgement of receipt;
- or the Day and Time of the acknowledgement of receipt transmitted by fax, for a fax delivery;
- or the Day and Time of the acknowledgement of receipt transmitted by the IT system of the receiving Party for an email.

The Notifications provided for in the mFRR-RR Participation Agreement and these mFRR-RR Terms and Conditions and any exchange of information relating to the interpretation or enforcement of the mFRR-RR Participation Agreement and the mFRR-RR Terms and Conditions must be addressed to the account manager specified in Annex 2, unless explicitly stated otherwise in the mFRR-RR Participation Agreement or the mFRR-RR Terms and Conditions.

For the proper execution of the mFRR-RR Terms and Conditions, the Parties undertake to inform each other of any change in the list of contacts identified in Annex 2.



1.12 Governing law and language of the mFRR-RR Participation Agreement and mFRR-RR Terms and Conditions

The mFRR-RR Participation Agreement and mFRR-RR Terms and Conditions are governed by French law.

Notwithstanding any translations that might be made of them, whether certified or not, the authentic language for interpretation and execution of the mFRR-RR Participation Agreement and mFRR-RR Terms and Conditions is French.

1.13 Settlement of Disputes

In the event of a dispute concerning the conclusion, interpretation, termination or enforcement of the mFRR-RR Participation Agreement or the mFRR-RR Terms and Conditions, the Parties undertake in good faith to seek an amicable agreement to reach an amicable settlement by themselves of any dispute that may arise between them.

To this end, the applicant Notifies the other Party of the subject of the dispute and sets up a meeting with a view to settling the dispute amicably.

If there is no amicable agreement or response from the other Party after thirty (30) Days from the above Notification, and except in cases of emergency which may lead to emergency proceedings, any dispute shall be, unless the Parties agree otherwise, subject to the jurisdiction of first instance of the CRE Dispute Settlement and Sanctions Committee for disputes which are within its jurisdiction, and under the conditions of Articles L. 134-19 and following of the Energy Code, or the Paris Commercial Court for any other dispute, it being specified that the referral by one of the Parties to the Dispute Settlement and Sanctions Committee of the CRE or the Paris Commercial Court will lead to exclusive competence of the body referred to for the settlement of the dispute in question throughout the procedure except in the event that the dispute no longer falls within the subject-matter jurisdiction of the legal body referred to. Any decision may be appealed to the Paris court of appeal.

1.14 Personal data

In accordance with the execution of the obligations set out in the mFRR-RR Participation Agreement and the mFRR-RR Terms and Conditions, each Party guarantees the other Party the fulfilment of its legal and regulatory obligations with regard to the protection of personal data, in particular the amended Act no. 78-17 of 6 January 1978 on Data Processing, Data Files and Individual Liberties and Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data.

2 PARTICIPANT'S RIGHTS AND OBLIGATIONS

The Participant undertakes to supply RTE with capacities capable of covering all of its Commitments by making Specific Upward Balancing Energy Bids on the Balancing Mechanism with the Qualified BEs. The sum of the powers of the proposed qualified BEs must be greater than or equal to its Commitments.

RTE undertakes, in return, to pay it a Fixed Premium.

The BEs are proposed by the Participant through the transmission of the List of Commitments. The List of Commitments shall be transmitted in accordance with the terms and conditions described in the IS Terms and Conditions relating to the RACOON platform.



The Bids proposed under the mFRR-RR Terms and Conditions must meet the conditions described in this Article and Article 4. Any Bid which does not comply with the conditions described in this Article and in the RM_2_Balancing mechanism Terms and Conditions will give rise to a Failure and shall lead to the application of penalties under Article 8.

A Participant with Commitments may submit mFRR Standard Bids under the following condition: for a given time slot [H; H+1[, mFRR Standard Bids Submitted by a Balancing Service Provider and associated with a BE included in the Balancing Service Provider's List of Commitments under the mFRR-RR Participation Agreement over all or part of the day, including the time slot concerned, must not negatively affect the Participant's Commitments for the rest of the day.

2.1 Terms for provision of reserved capacities

The provision of reserved capacities must be made under the technical terms described in Article 4.

Failure by the Participant to comply with the provisions relating to the technical terms and conditions will lead to the application of Article 8 on the handling of Failures.

RTE invites Bids according to the procedures stated in the RM_2_Balancing mechanism Terms and Conditions. As such, BEs declared in the List of Commitments for a day D may be excluded by RTE from the list of Bids in economic merit order.

2.2 Exclusivity of the capacity provided

The power and energy proposed under the mFRR-RR Terms and Conditions (corresponding to the power declared by the Participant in the List of Commitments) under the Participant's Commitments are exclusive.

In particular, the proposed power under each Commitment Type *i* and the associated energy declared in the List of Commitments are exclusive and cannot be offered under a Frequency Ancillary Services Terms and Conditions Participation Agreement.

In accordance with Article 14 of Order DEVR1529643A of 22 December 2015, the terms of this Article do not apply to Interruptible Load Contracts.

2.3 Providing Observability for a Qualified BE

The Participant, for each Qualified BE, shall transmit to RTE in real time the instantaneous power data generated or consumed at the perimeter of each Qualified BE, in accordance with the procedures laid down in Annex 6.

The Participant may choose to implement statistical Observability in accordance with the experimental procedures detailed in Article 6.1.4 of Annex 6. This choice is subject to a specific declaration at the time of participation in the annual call for tenders or at a gate of the day-ahead call for tenders on bid submission in accordance with Article 3. The maximum powers of the capacities that can be made available by the Participant and implementing statistical Observability are defined in Annex 9.



2.4 Amendment of the Initial Commitments

This Article shall not apply to the Initial Commitments resulting from contracting through day-ahead call for tenders. The Initial Commitments resulting from the annual call for tenders as described in Annex 8 can only be modified under the conditions strictly described within this Article.

Any request to modify the Initial Commitments must be made via the RACOON platform (the terms and conditions of use of which are accessible in the IS Terms and Conditions of the said platform), by the Participant at least two (2) Business Days before the start of the first period concerned by the modification. The procedures are described in the IS implementation guide made available to market participants on the RACOON platform and on the RTE website (<https://www.services-rte.com/en/home.html>). It should be noted that the expected format of the RL file will be modified on Date RT₁₆

This modification becomes effective on receipt by the Participant of a successful transaction notice from the RTE IS. RTE will send these updated Initial Commitments as well as the associated Fixed Premium by email.

As an express agreement between the Parties, this email will replace Annex 8.

RTE shall not amend the table of Initial Commitments without prior request for amendment by the Participant under this Article.

2.4.1 Applicable penalty

If RTE revises the Commitments at the request of the Participant, according to the conditions specified in this Article, the amount of the outstanding Fixed Premium shall be revised downwards in accordance with the new Commitments and the Participant shall pay RTE, for each day and for each Terminated Commitment, a penalty equal to the highest of the two (2) following values:

- 10% of the marginal price obtained at the annual tender for the Terminated Commitment;
- the difference between the marginal price of the day-ahead call for tenders and the marginal price of the annual call for tenders for the Type of Terminated Commitment.

$$Pénalité_{i,J} = V_{résilié\ i,J} \times \text{Max} (10\% \text{ prix marginal}_{AO\ annuel\ i,J}; \text{prix marginal}_{AO\ Jour\ i,J} - \text{prix marginal}_{AO\ annuel\ i,J})$$

Where:

- $\text{prix marginal}_{AO\ Jour\ i,J}$ is the marginal price of the day-ahead call for tender (AO) for day J and for Commitment Type i
- $\text{prix marginal}_{AO\ annuel\ i,J}$ is the marginal price of the annual call for tenders for the period in which day J is situated and brought to day J and for Commitment Type i
- $V_{résilié\ i,J}$ is the volume of Terminated Commitments for Commitment Type i and for day J.

2.5 Reserve Exchange Notifications

Initial Commitments may be exchanged over-the-counter between different Participants, only under the conditions specified in Article 7.

NERs shall be transmitted to RTE in accordance with the terms described in Article 7.2 with a notice not exceeding seven (7) Days before the last day of delivery mentioned within the NER.



3 CONTRACTING OF RESERVES

3.1 Applicable contracting method

The contracting of manual Frequency Restoration Reserve and Replacement Reserve is done by calls for tenders:

- annually, in accordance with article 3.4;
- daily, in accordance with article 3.5.

3.2 Calculation of RTE's Reserve requirements

The methodology for determining the manual Frequency Restoration Reserve need (noted V_{RR}) and Replacement Reserve need (noted V_{RC}) is given in the Block Agreement.

The manual Frequency Restoration Reserve need and, if applicable, the Replacement Reserve need to be contracted through an annual tender (noted respectively $V_{AO\ annual_RR}$ and $V_{AO\ annual_RC}$) shall be in the Tender Regulation of the annual call for tenders.

At the end of the allocation of the annual call for tenders, the following shall be published:

- the volume of manual Frequency Restoration Reserve awarded at the annual tender (noted as V_{RRa}), and
- the volume of Replacement Reserve awarded at the annual tender is (noted as V_{RCa})

V_{RRa} is thus equal to the sum of the Initial Commitments resulting from the annual tender for manual Frequency Restoration Reserve type products.

V_{RCa} is thus equal to the sum of the Initial Commitments resulting from the annual tender for Replacement Reserve type products.

For a given day, the sum of the Terminated Commitments resulting from the amendment of the Initial Commitments from the annual tender and provided for in Article 2.4 is noted $V_{résilié\ RR_J}$ for mFRR type commitments and $V_{résilié\ RC_J}$ for RR type Commitments.

The volumes of the manual Frequency Restoration Reserve and Replacement Reserve contracted through a daily tender (noted as $V_{AO\ J\ RR}$ and $V_{AO\ J\ RC}$ respectively) correspond to the residual volumes required to reach V_{RR} and V_{RC} respectively, after taking into account the contracted volumes on the annual tender (V_{RRa} and V_{RCa} respectively) and deducting any cancelled volumes ($V_{résilié\ RR_J}$ and $V_{résilié\ RC_J}$).

In the event of a change in the dimensioning incident according to the determination methodology given in the Block Agreement, any additional volume shall only be added to the mFRR volume contracted by means of a day-ahead tender ($V_{AO\ J\ RR}$).



It is specified that if the volume of manual Frequency Restoration Reserve awarded at the annual call for tenders V_{RRa} exceeds the volume of the manual Frequency Restoration Reserve to be contracted by the annual call for tenders $V_{AO_annual_RR}$ in application of the substitution principle described in Article 3.4.6.2, mFRR-type Terminated Commitments can be contracted again through the day-ahead tender in the form of an RR-type Commitment.

3.3 Technical characteristics of manual Frequency Restoration Reserve and Replacement Reserve

3.3.1 Technical characteristics of manual Frequency Restoration Reserve

Any Candidate wishing to provide manual Frequency Restoration Reserve to RTE over a time interval must ensure that the capacity made available complies with the conditions of Article 4.

It should be noted that the time taken to mobilise a manual Frequency Restoration Reserve capacity must be less than or equal to thirteen (13) minutes.

The total capacity contracted by RTE for manual Frequency Restoration Reserve is V_{RR} (MW), and the corresponding daily energy is $4h * V_{RR}$ (MWh).

3.3.2 Technical characteristics of Replacement Reserve

Any market participant wishing to provide Replacement Reserve to RTE over a time interval must ensure that the capacity made available complies with the conditions of Article 4.

It should be noted that the time taken to mobilise Replacement Reserve (RR) capacity must be less than or equal to thirty (30) minutes.

The total power contracted by RTE for Replacement Reserve is V_{RC} (MW), and the corresponding daily energy is $3h * V_{RC}$ (MWh).

3.4 Contracting through an annual call for tender

3.4.1 Tender regulation

At the launch of each call for tenders, RTE shall make available a tender regulation on its website (<https://www.services-rte.com/fr/home.html>) (hereinafter the “Tender Regulation”).

The Tender Regulation specifies, among other things:

- The manual Frequency Restoration Reserve and Replacement Reserve need as defined in Article 3.2;
- the deadline for submission of tenders;
- conditions for submission of bids and their format;
- the terms for communication between RTE and a Candidate.

The duration of the consultation may not be less than one (1) month.

3.4.2 Prerequisites for participating in the call for tenders

To participate in an annual tender, the Candidate must hold a mFRR-RR Participation Agreement that is valid on the deadline for the submission of tenders specified in the relevant Tender Regulation.



3.4.3 Format of the offer

A candidate's offer is composed of:

- an administrative file;
- a technical bid;
- one or more commercial bids.

The procedures for the submission of an offer by a Candidate are specified in the Tender Regulation of the call for tenders.

The submission of a bid by the Candidate shall constitute implicit acceptance of all the elements described in this Article 3.4.

The fact of submitting a bid shall constitute a firm commitment for the Candidate to respect the various requirements of the technical documents and shall not release the candidate from its full responsibility for which it may be liable as a professional.

3.4.4 Content of the offer

3.4.4.1 Administrative file

The Candidate must provide the elements listed below:

- a reply letter, for which a template is provided in the Tender Regulation, filled in by hand, dated and signed by the Candidate;
- a copy of the first page of the mFRR-RR Participation Agreement. Any candidate whose mFRR-RR Participation Agreement has not been signed by the date specified in paragraph 3.4.2 will be excluded and will not be eligible to participate in the contracting of manual Frequency Restoration and Replacement Reserves;
- for Candidates who do not have a technical link for the reporting of observability data at the date of submission of the bid, the information relating to the candidate's "control centre"¹, in accordance with the template provided by the tender regulation;
- in the event of receivership, a copy of the ruling(s).

The documents and certificates listed above must be written in French or be accompanied by a certified translation from the original language into French.

Important: The provision of all the documents defined above constitutes an essential prerequisite for any award of the call for tenders.

At the end of the consultation procedure, Candidates considered for the award of the contract must also produce all the updated documents provided for in Articles D. 8222-5 or D. 8222-7 and D. 8222-8 and D. 8254-4 of the French Labour Code with regard to their tax, tax, social and labour obligations, (K-bis, tax certification, URSSAF certification, or equivalent documents, and the nominal list of foreign workers where applicable) as well as insurance certificates, within ten (10) Business Days following the express request of RTE.

¹ This is the location site of the application (SCADA...) or RTU (ETL) for reporting telemetry data to RTE. This may therefore be the site of an external host and not the Candidate's site.



3.4.4.2 *Technical bid*

The Candidate's response must demonstrate its ability to meet all the requirements expected in Article 3.3, and in particular the following provisions.

The Candidate must provide the following in their technical bids:

the list of sites that the Candidate intends to propose in the format specified in the Tender Regulation, including:

- The name of the Site(s),
- The identifier of the Site(s) (SIRET),
- The System Access Contract (CART, CARD), the Additional Services Contract or the Metering Data Service Contract number or, if applicable, the Single Contract, the delivery point number (PDL) or reference metering point number (PRM) as these terms are defined in the RM_0_General Provisions. For Sites connected to the Public Distribution System, the Candidate must ensure that the number indicated corresponds to the site code used by the system operator concerned for data exchange with RTE under the Balancing Mechanism,
- the postal code of the municipality where the Site is located,
- the periods over which the Site commits to be integrated into the Candidate's Balancing Perimeter,
- the balancing capacity at each Site (which must be less than the connection power or subscribed power under the System Access Contract),
- the holder of the Site or Sites' System Access Contract,
- where applicable, the BE to which the Site(s) are attached on the date of the submission of the bid;

the commitment of the Candidate to provide qualified capacities, according to the template in the Tender Regulation, filled in by hand, dated and signed by the Candidate;

if the Candidate wishes to implement the experimental provisions relating to statistical Observability described in Article 6.1.4 of Annex 6, a technical file quantitatively demonstrating that the transmission of all telemetry data in real time has a significant economic impact on the profitability of its participation in manual Frequency Restoration and Replacement Reserves. This file must contain the breakdown of actual costs that the Candidate faces for the implementation of real-time telemetering.

In addition, at the time of submission of its offer, the Candidate must have a confirmation of the agreement of each User of the Public Transmission System or Public Distribution System holding a System Access Contract of each Site, according to the template in Appendix 4 of the Tender Regulation, to be attached to the Candidate's Balancing Perimeter during the periods for which a bid has been submitted.

If a Site is proposed over an identical period by several Candidates, RTE may ask the Candidates concerned to provide this certificate within twenty-four (24) hours. After this period, if no certificate has been transmitted, the balancing capacity of this Site shall be considered to be nil for each of these Candidates for that period.

If several Candidates provide a Site agreement for an identical period, the balancing capacity of that Site is considered to be nil for each of these Candidates for that period.



The sum of the balancing capacities of all the Sites in the list must be greater than or equal to the maximum power proposed in the Candidate's commercial bids. If this condition is not met, RTE will ask the Candidate to correct its commercial bids within twenty-four (24) hours. If there is no correction within the time limit, no commercial bid can be taken into account.

All Sites must be located in Metropolitan France, and connected to the Public Transmission System or to an interconnected Public Distribution System.

3.4.4.3 Commercial bid

3.4.4.3.1 Technical allotment

For each commercial bid, the Candidate must indicate the mobilisation lead time (DMO) for which the capacity can be committed (valid for all time intervals). This Mobilisation Lead Time can be either thirteen (13) minutes or thirty (30) minutes.

By convention, the bids that can be proposed are identified by {13;120} for the manual Frequency Restoration Reserve and {30;90} for the Replacement Reserve. The Commitments thus formulated shall be valid for four (4) Activation Orders per day.

For each commercial bid, the Candidate must specify the threshold below which the bid is not maintained (valid for all time intervals). This threshold power (P_{seuil}) must be greater than or equal to ten (10) MW. This value is the power below which the Candidate does not want to maintain its commercial bid over a time interval, if it were to be selected for a power below the threshold.

For each commercial bid, the Candidate must indicate whether it wishes to be able to implement the experimental provisions relating to statistical Observability described in Article 6.1.4 of Annex 6 for the capacities made available under the Commitments arising from its offer.

For each period for which a bid is submitted, commercial bids are submitted to the nearest MW. The Candidate chooses the power ranges for which the bid price is constant (in €/MW for the period concerned).

For a given commercial bid corresponding to either product {13, 120} or product {30, 90}, the Candidate must submit a single price for each time interval for which an offer is made and each power range.

The bids offered at a time interval must meet the following conditions:

- the Candidate's power must be greater than or equal to ten (10) MW;
- For a given time range, the proposed price for a given {13, 120} or {30, 90} bid must be constant over the entire power range between 0 MW and the power threshold below which the Candidate does not wish to maintain their commercial bid;
- the price (in €/MW/period) rises with the power (not strictly), i.e. the proposed price for a commitment {13, 120} or {30, 90} for the n^{th} MW is greater than or equal to the proposed price for the p^{th} MW when $n > p$;
- the power offered by the Candidate can be divided to the nearest MW for all powers offered above the threshold power;
- if the Candidate wishes to be able to implement the experimental provisions on statistical Observability described in Article 6.1.4 of Annex 6, the power offered across all of the commercial bids must not exceed 50 MW.



3.4.4.3.2 *Time allotment*

In terms of time period, the bids submitted should be made at weekly {business days} and {weekend + public holidays} intervals of each week (limited by a given month). Weekly intervals are set. They are specified annually in the Tender Regulation.

The periods {weekend + public holidays} correspond to the periods made up of:

- for weekends, Saturdays and Sundays;
- For public holidays, on the days mentioned in Article L 3133-1 of the French Labour Code and specified in the Tender Regulation for the period concerned by the Tender Regulation.

The Candidate may also propose bids at monthly intervals for the period open for contracting. Monthly bids should only be made when the Candidate has made bids of the same type for each weekly interval for all types of Days ({Business Days} and {Weekend + Public Holidays}) of the month(s) concerned.

The price of a {13, 120} or {30, 90} bid on a monthly time interval must be greater than or equal to the maximum price submitted for this power and the same type of bid on a weekly merit order interval for all types of Days ({Business Days} and {Weekend + Public Holidays}) contained in the month.

The Candidate may also propose annual bids covering the entire period open for contracting. Annual offers should only be made when the Candidate has made identical type offers for each month of the year.

The price of an annual {13, 120} or {30, 90} bid must be greater than or equal to the maximum price submitted for that power and the same type of bid over one month of the year.

3.4.5 **Offer opening and evaluation**

3.4.5.1 *Offer opening*

Any attempt by a Candidate to influence RTE in the examination of tenders or the award decision automatically results in the rejection of its offer.

In order to facilitate the examination, evaluation and comparison of tenders, RTE may, if it so wishes, ask any Candidate to provide clarifications concerning its offer, including a detail of unit prices and/or packages. No change in the amount or content of the offer is sought, offered or authorised, except where necessary to confirm the correction of calculation errors discovered by RTE during the evaluation of tenders in accordance with the following provisions. This provision is made independently of any negotiation of the commercial bid. The terms for communication between RTE and a Candidate are specified in the Tender Regulation.

Subject to the above provisions, Candidates shall not contact RTE for questions relating to their offer, between the offer opening and the awarding of the call for tenders. If a Candidate wishes to bring additional information to RTE's attention, it will have to do so in accordance with the procedures laid down in the Tender Regulation.



3.4.5.2 *Admissibility of offer*

For the consultation, the Candidate receives the documents concerning the nature of the services to perform. The candidate must have a full knowledge of the technical, administrative and commercial clauses required for the performance of the service.

As a result, no dispute will be admissible after the submission of the tenders, under the pretext of an inadequate assessment of the services to be performed. It is therefore considered that the Candidate has checked all of the indications in the mFRR-RR Terms and Conditions, and the Tender Regulation.

A compliant offer (technical and commercial compliance) is an offer that meets all the terms, conditions and specifications of the mFRR-RR Terms and Conditions and the Tender Regulation, with no discrepancies or significant reservations.

A significant reservation:

- substantially affects the extent, quality or fulfilment of the mFRR-RR Participation Agreement;
- substantially limits, in contradiction to the mFRR-RR Terms and Conditions and/or the Tender Regulation, RTE's rights or the Participant's obligations; or
- unjustly affects the competitiveness of the other Candidates who submitted compliant offers.

Any offer submitted is deemed to be feasible independently and it is not possible to submit linked offers.

If an offer is not admissible, it will be rejected by RTE and cannot be subsequently rendered admissible by the later correction or withdrawal of the discrepancy or reservation which made it inadmissible.

3.4.5.3 *Terms for the examination of offers*

Candidates' offers are evaluated according to the steps described below.

3.4.5.3.1 *Analysis of the technical bid and administrative documents*

Firstly, the compliance of the technical bid and administrative documents are assessed.

If this offer meets the administrative and technical admissibility criteria defined above, it is declared technically admissible.

In the event of non-admissibility of the technical bid, RTE may nevertheless open the commercial bid after award of the contract, only in order to supply its reference price base.

3.4.5.3.2 *Assessment of the commercial bid*

The commercial bid is assessed only if the technical bid has been declared admissible by RTE.

The conformity of the Candidate's commercial bid is then examined.

RTE reserves the right to negotiate with all the Candidates or the best placed Candidates.

3.4.6 **Award**

3.4.6.1 *Award criterion*

The rule for awarding the call for tenders shall be the most economically advantageous bid according to the price criterion in €/MW, taking into account a merit order weighting of +5 €/MW/jour applied for all bids for which the Candidate can implement the experimental provisions relating to statistical Observability.



3.4.6.2 *Manual frequency restoration and replacement reserves to allocate for each time period*

The manual Frequency Restoration and Replacement Reserve need is defined in accordance with the provisions of Article 3.2. It is the same for each time period of the call for tenders.

RTE may select a technical bid with higher characteristics (lower DMO and longer time of guarantee) to meet a lower need (RTE may select a {13;120} bid to cover a {30;90} need).

The need is covered if:

- (i) the guaranteed energy to be contracted is greater than the strict need (a {13;120} bid can be used to cover a {30;90} need);
- (ii) the amount of power to be contracted is greater than or equal to the strict need.

3.4.6.3 *Set of rules for allocation*

For a weekly time period of merit order ranking, the bids selected are:

- {13;120} bids for which $Critère(\{13; 120\}) \leq Prix(13; 120)$;
- {30;90} bids for which $Critère(\{30; 90\}) \leq Prix(30; 90)$;

With $Critère(\{xx;yy\})$, the bid price, either increased or decreased according to the merit order weighting mentioned in 3.4.6.2.

Over each time period, the sum of the powers selected from all of the bids for which the Candidate may implement the experimental provisions relating to statistical Observability must be less than or equal to 50 MW. Priority is given to the lowest price bids.

$Prix(13; 120)$ and $Prix(30; 90)$ are determined for the period and:

- minimise the following sum: $Price(13;120) * V_{RR,p} + Price(13;90) * V_{RC,p}$ where:
 - $V_{RR,p}$ represents the number of MW selected for the bid type {13;120} over the merit order ranking interval p;
 - $V_{RC,p}$ represents the number of MW selected for the bid type {30;90} over the merit order ranking interval p;
- to cover the manual Frequency Restoration and Replacement Reserve need for the period as calculated in Article 3.2.

As specified in 3.4.6.2, it is possible to select more mFRR bids than the mFRR need sought and as substitution for some or all the replacement reserve need if this reduces the cost of contracting.

The marginal bid (the highest bid price chosen) can be selected from an intermediate power (to the nearest MW) while respecting the power threshold specified by the Candidate.

Several companies may be selected in the context of the call for tenders.

Monthly bids

The monthly bids of one month M made by the Candidates may be selected (in the same order of priority as defined previously when several prices are submitted for the same power) if the price proposed for these tenders is lower than the sum of the marginal prices for each day of the month M.



The monthly bid price can determine the marginal prices when the need is fully covered by annual and monthly bids according to the award conditions detailed in this Article.

Some monthly bids may be “paradoxically rejected,” i.e. the sum of the final Prices (13;120) and Prices (30;90) of the weekly periods is higher than the Candidate’s monthly bid.

Annual bids

The annual bids made by the Candidates can be selected (in the same order of priority as defined previously when several prices are submitted for a same power) if the price offered for these bids is lower than the sum of the marginal prices of each day of the year.

The annual bid price can determine the marginal prices when the need is fully covered by annual bids according to the award conditions detailed in this Article.

Some annual bids may be “paradoxically rejected,” i.e. the sum of the final Prices (13;120) and Prices (30;90) of the weekly periods is higher than the Candidate’s annual bid.

Bid selected at P_{seuil}

On a time interval, if the highest-priced bid selected is selected at P_{seuil} and the contracting need is more than covered, the withdrawal of the bid is considered. The solution chosen is that which minimises Prices (13;120)* $V_{RR,p}$ + Prices (30;90)* $V_{RC,p}$, i.e. the bid can still be maintained and an award made at the power threshold, if it is more economical to contract more power with a consequently lower marginal price.

If, on a merit order ranking time interval, one or more bids are affected by this constraint (the withdrawal of the first bid leads to a similar situation with another bid), the bid withdrawn first is the bid for which the proposed threshold power is the highest.

3.4.7 Formalisation of Initial Commitments following award

For a given year, a Candidate’s selected bids are aggregated in Annex 8, for which the Initial Commitments correspond to the types of bids selected ({xx;yyy} bids correspond to the “xyyy” Commitment Types).

The contractual commitment of availability concluded with each Participant following the call for tenders will lead to the payment of a Fixed Premium, which is the amount of power contracted multiplied by the marginal price of each Commitment Type.

The Fixed Premiums awarded to Participants are determined from the tendered volumes selected by type and at the marginal prices $P_{RR}(13;120)$ and $P_{RC}(30;90)$ determined for the types of days of the weekly period in question.

Thus:

- the selected {13;120} commitments are remunerated $P_{RR}(13;120)$;
- the selected {30;90} commitments are remunerated $P_{RC}(30;90)$.

3.4.8 Notification of the award of the annual call for tenders:

Notification of the award of the annual call for tenders shall be sent by email.



3.4.9 RTE's right to cancel all or part of the consultation procedure

RTE reserves the right to cancel the consultation procedure in whole or in part and at any time. RTE may allocate the manual Frequency Restoration and Replacement Reserves for a period which is less than the 1 January to 31 December period of the year the call for tenders relates to.

In this case, RTE Notifies the Candidates of the cancellation of the procedure.

When a time period is assigned, it is assigned for all the need open to contracting.

RTE cannot be held liable for the costs incurred by the Candidates due to the cancellation of the consultation procedure.

3.4.10 Insufficient offers

If there are insufficient offers (bids) at the annual call for tenders on one or the other of the products leading to certain periods not being contracted in accordance with Article 3.4.9, RTE will contract the missing volume over the periods concerned through the day-ahead capacity contracting provided for in Article 3.5.

3.5 Contracting through day-ahead calls for tender

The powers selected and the associated Fixed Premiums resulting from the day-ahead calls for tender shall be made available to the Participant on the RACOON platform.

3.5.1 Prerequisites for participating in the call for tenders

To participate in the day-ahead call for tenders, the Candidate must be the holder of a valid mFRR-RR Participation Agreement.

3.5.2 Terms and conditions of participation

The Candidates interested in participating in a day-ahead gate for the manual Frequency Restoration and Replacement Reserve must first have valid access to the RACOON platform. To participate in the gate closure for a day-D Commitment, this access must have been obtained no later than ten (10) Business Days prior to this day-D Commitment.

The conditions to meet in order to create an access to the RACOON platform are described in the IS implementation guide available to market participants on the RACOON platform and on the RTE website (<https://www.services-rte.com/en/home.html>).

3.5.3 manual Frequency Restoration and Replacement Reserve to allocate for each day

The desired volume of manual Frequency Restoration Reserve (product {13;120}) and Replacement Reserve (product {30;90}) for each day can be viewed on the RACOON platform.

3.5.4 Bid submission

3.5.4.1 Bid format

The fact of submitting a bid constitutes a firm commitment for the Candidate to respect the various requirements of the technical documents and does not release the candidate from its full responsibility for which it may be liable as a professional.



3.5.4.2 *Conditions of eligibility*

The Candidate can only participate at a day-ahead gate closure if it has sufficient Qualified BEs, minus, where relevant, its Commitments from the annual manual Frequency Restoration and Replacement Reserve call for tenders. This condition will be checked when each bid is entered by the Candidate and any subsequent changes made.

3.5.4.3 *Submission of bids*

The submission of a bid on the RACOON platform is the only way to participate in the day-ahead contracting of manual frequency restoration and replacement reserves. The procedures for submitting bids are specified in the IS implementation guide made available to the market participants on the RTE website (<https://www.services-rte.com/en/home.html>).

For a commitment relating to Day D, the gate closure is at **10:00 of day D-1**. The gate opens seven (7) **calendar days** before the gate closure date.

For a commitment relating to Day D, the Candidate's bid must be submitted **between 10:00 of day D-8 and 10:00 of day D-1** on the RACOON platform.

For a given gate, a Candidate:

- may modify or remove any bid submitted up to the date and time limit for the submission of bids for this gate;
- may submit one or more bids for the same product.

Any bid submitted is deemed to be feasible independently and it is not possible to submit linked bids.

The candidate must have a full knowledge of the technical, administrative and commercial clauses required for the performance of the service.

No dispute will thus be admitted after the submission of the bids. The Candidate is therefore considered to have checked all of the indications in the mFRR-RR Terms and Conditions, its annexes and the IS implementation guide. Thus, if a bid is not admissible, it will be rejected by RTE and cannot be subsequently rendered admissible by the subsequent correction or withdrawal of the discrepancy or reservation which made it inadmissible.

3.5.5 **Content of the bid**

3.5.5.1 *Time allotment*

For a given gate, the bids submitted relate to a full day of commitment.

The Candidate may submit, in total, all bids combined, a maximum of fifty (50) prices for each gate.

3.5.5.2 *Technical allotment*

For each offer, the Candidate must indicate the Mobilisation Lead Time (DMO) that the capacity can be committed to. This Mobilisation Lead Time may take the following values: thirteen (13) minutes or thirty (30) minutes.

By convention, the bids that can be proposed are identified by {13;120} for the manual Frequency Restoration Reserve and {30;90} for the Replacement Reserve. The Commitments thus formulated shall be valid for four (4) Activation Orders per day.



For each bid, the Candidate must specify the threshold below which the bid is not maintained. This threshold power (P_{seuil}) must be by default greater than or equal to ten (10) MW. If the Candidate has been selected in the annual tender for at least one bid, this threshold power (P_{seuil}) may be less than ten (10) MW and must be greater than or equal to one (1) MW. This value is the power below which the Candidate does not want to maintain their bid for a given gate closure if it were to be selected for a power below the threshold.

For each gate closure for which a bid is submitted, bids shall be submitted to the nearest MW. The Candidate chooses the power ranges for which the bid price is constant (in €/MW per day).

For a given bid corresponding to either product {13;120} or product {30;90}, the Candidate must submit a single price for each power range.

The bids offered at a gate must meet the following conditions:

- the Candidate's power must be greater than or equal to ten (10) MW in the general case;
- The Candidate's power can be less than ten (10) MW and must be greater than or equal to one (1) MW in the event that at least one bid has been selected for the Candidate at the time of the annual tender;
- the proposed price for a given {13;120} or {30;90} bid must be constant over the entire power range between 0 MW and the power threshold below which the Candidate does not wish to maintain their commercial bid;
- the price (in €/MW) rises with the power (not strictly), i.e. the proposed price for a commitment {13, 120} or {30, 90} for the n^{th} MW is greater than or equal to the proposed price for the p^{th} MW when $n > p$;
- the power offered by the Candidate can be divided to the nearest MW for all powers offered above the threshold power;
- If the Candidate wishes to implement the experimental provisions relating to statistical Observability described in Article 6.1.4 of Annex 6, the power offered across all the commercial bids must not exceed fifty (50) MW, minus, where relevant, the power for which the Candidate implements statistical Observability for the Commitments resulting from the annual call for tenders.

3.5.6 Evaluation of bids

The bid is only analysed if the eligibility conditions mentioned in 3.5.4.2 are met.

If a bid is not admissible, it will be rejected.

Any attempt by a Candidate to influence RTE in the examination of tenders or the award decision automatically results in the rejection of its bid.

3.5.7 Award

3.5.7.1 Award criterion

The rule for awarding is to the most economically advantageous bid according to the price criterion in €/MW, taking into account a merit order weighting of +5 €/MW/jour applied for all bids for which the Candidate can implement the experimental provisions relating to statistical Observability.



RTE can select a higher technical bid to meet a lower need. For example, a manual Frequency Restoration Reserve bid {13;120} can be selected to cover a need for replacement reserve {30;90}.

The need is covered if the amount of power to be contracted is greater than or equal to the strict need.

3.5.7.2 Set of rules for allocation

For one day of merit order ranking, the bids selected are:

- {13;120} bids for which $Critère(\{13; 120\}) \leq Prix(13,120)$;
- {30;90} bids for which $Critère(\{30; 90\}) \leq Prix(30, 90)$;

With $Critère(\{xx;yy\})$, the bid price, either increased or decreased according to the merit order weighting mentioned in 3.5.7.1.

$Prix(13,120)$ and $Prix(30,90)$ are determined for the day of merit order ranking and:

- minimise the following sum: $Price(13;120) * V_{RR,j} + Price(30;90) * V_{RC,j}$ where:
 - $V_{RR,j}$ represents the number of MW selected for the bid type (13;120) on the merit order ranking day;
 - $V_{RC,j}$ represents the number of MW selected for the bid type (30;90) on the merit order ranking day;
- to cover the manual Frequency Restoration and Replacement Reserve need for the day as specified in Article 3.5.3.

As explained in 3.5.7.1, it is possible to select more mFRR bids than the mFRR need sought and as substitution for some or all of the Replacement Reserve need if this reduces the cost of contracting.

The marginal bid (the highest bid price chosen) can be selected from an intermediate power (to the nearest MW) while respecting the power threshold specified by the Candidate.

Multiple companies may be selected for a given day.

On a given day, if the most expensive bid chosen is selected at P_{seuil} and the need for contracting is more than covered, the withdrawal of the bid shall be considered. The solution chosen shall be that which minimises $Price(13;120) * V_{RR,p} + Price(30;90) * V_{RC,p}$, i.e. the bid can still be maintained and an award made at the power threshold, if it is more economical to contract more power with a consequently lower marginal price.

If, on a merit order ranking time interval, one or more bids are affected by this constraint (the withdrawal of the first bid leads to a similar situation with another bid), the bid withdrawn first is the bid for which the proposed threshold power is the highest.

3.5.7.3 Notification of the gate assignment

Merit order ranking takes place after each day-ahead gate closure. **The results shall be communicated between 10:00 and 10:30 and made available on the RACOON platform.**

The commitment of availability of each Participant following the day-ahead call for tenders will lead to the payment of a Fixed Premium, which is the power contracted at the day-ahead call for tenders multiplied by the marginal price of each Commitment Type i.



The Fixed Premiums awarded to Participants shall be determined from the tendered volumes selected by type and at the marginal prices {13;120} and {30;90} determined for the day in question.

Any bid selected in the context of the day-ahead call for tenders commits the Participant to it, in accordance with the conditions and procedures laid down in the mFRR-RR Terms and Conditions.

3.5.8 Fallback situations

Fallback situations can be caused by a computer issue. Each fallback situation is subject to an RTE analysis sent to the Participants.

In the event of a fallback situation, RTE shall Notify the Participants of the transition to fallback mode no later than thirty (30) minutes after the end of the bid submission deadline.

In this case, the results of the gate closure for a day D for delivery on D+1 can be communicated until 11:30 on the same day D via submission on the RACOON platform.

If no results can be communicated by 11:30 for day D, RTE will organise, where possible, a new bid submission gate between 12:45 and 15:00 on day D. The results from this gate will be communicated to the Participants no later than thirty (30) minutes after the new deadline for the submission of tenders.

If no results are available thirty minutes after the new deadline for the submission of tenders, RTE reserves the right to cancel the gate for that day D. RTE Notifies the cancellation of the gate via the RACOON platform or by email with acknowledgement of receipt at the latest thirty (30) minutes after the new deadline for the submission of tenders.

3.5.9 Insufficient bids

In the event of insufficient bids at the day-ahead call for tenders for one or the other of the products, RTE will retain the whole volume offered for the product(s) concerned by the insufficient bids. In this case, the marginal price will be determined based on the merit order criterion of the highest bid price selected.

4 SET OF RULES FOR PROVISION OF MANUAL FREQUENCY RESTORATION AND REPLACEMENT RESERVE CAPACITIES

This article aims to describe the technical conditions the Participant must meet in order to provide the capacities reserved on the Balancing Mechanism. If these technical procedures are not respected, then this will be considered a Failure on the part of Participant, and the penalties provided for in Article 8 will apply, depending on the type of Failure.

4.1 General principles

When it has been awarded the annual and/or day-ahead tender for a given time interval, the Candidate undertakes to submit, for all days D of that time interval and for each moment of time of those days, a contractually guaranteed volume of Upward Specific Bids on the Balancing Mechanism respecting the technical requirements. These capacities can be activated at any time and, in particular:

- the guaranteed power must be technically activatable at all times during the time interval in question;
- any Redclarations of Bids must not impact the guaranteed energy, or the possibility for RTE to activate the totality of the contracted power;



- the activation of the Bids must be possible up to the last minute of the time interval concerned.

Each Day for which a Participant has Commitments, and before the System Access Deadline:

1. Before a date RT_{16} : the Participant must send RTE a List of Commitments specifying the volume offered on each BE under each Commitment, every half hour.

After a date RT_{16} : the Participant must send RTE a List of Commitments specifying the volume offered on each BE for each Quarter-Hourly-Interval Commitment.

This list allows RTE to identify the Bids for which the Participant has respected its commitments. The powers indicated in the List of Commitments are given to the nearest megawatt;

2. the Participant must Submit via the TOPASE application its Upward Bids for the whole day and its availability period under contract (i.e.: submit six (6) Bids per BE when a BE is committed for a full day corresponding to one Bid for each Price Segment).

The Participant undertakes to inform RTE as soon as possible of any unavailability or failure of the capacity made available to RTE. This information shall be shared in accordance with the procedures specified in Article 1.1.

4.2 Declaration and redeclaration of the List of Commitments

4.2.1 Definition of the List of Commitments

The List of Commitments formalises for a Day D the BEs that the Participant makes available under its Commitments.

The List of Commitments defines, for each Day D, the Qualified BEs to which the Participant's Commitment relates, as well as the technical commitment level of each Qualified BE:

1. Before a date RT_{16} : the committed power for each Half-Hourly Interval and for each Qualified BE ;
After a date RT_{16} : the committed power for each Quarter-Hourly Interval and for each Qualified BE ;
2. the DMO relating to the Commitment of the Qualified BE;
3. the number of Activations for which each Qualified BE is committed;

Only one List of Commitments is transmitted to RTE per Participant.

The List of Commitments shall be transmitted in accordance with the terms and conditions described in the IS Terms and Conditions relating to the RACOON platform.

4.2.2 Initial declaration D-1 before the System Access Deadline

On D-1, between 00:00 and the System Access Deadline excluded, the Participant shall transmit an initial List of Commitments corresponding to its Reserved Capacity for Day D in accordance with its Commitments. RTE will only take into account the last List of Commitments transmitted before the System Access Deadline excluded, in accordance with the procedures described in the IS Terms and Conditions relating to the RACOON platform.



4.2.3 Redeclaration of the List of Commitments after the System Access Deadline

After the System Access Deadline D-1, the List of Commitments can be redeclared for Day D.

When the List of Commitments is redeclared for a Half-Hourly Interval p , only the values declared by the Participant over the Half-Hourly Intervals from $p+2$ are taken into account.

The List of Commitments shall be redeclared according to the procedures described in the IS Terms and Conditions relating to the RACOON platform.

The Participant shall inform by telephone the RTE real-time operational contacts stated in Annex 2 of this redeclaration. The authentic List of Commitments is the latest List of Commitments received by RTE and complying with the procedures described in the IS Terms and Conditions relating to the RACOON platform.

The redeclared List of Commitments is effective immediately after completion of the current Balancing Orders for the Qualified BEs of the previously declared List of Commitments.

4.3 Submission of Bids on the Balancing Mechanism for Qualified BEs offered in the List of Commitments

4.3.1 On D-1 before the System Access Deadline

For one day D of the Availability Period, the Participant must Submit Upward and Accepted Bids, in accordance with its Commitment in terms of Reserved Capacity on the System Access Deadline gate closure on D-1, and on all the Qualified BEs on the List of Commitments.

4.3.2 Redeclaration of Bids

The Participant may redeclare one or several Bids concerning the Qualified BEs in the List of Commitments.

Redeclarations made by the Participant must allow it to maintain its Commitments, and in particular the capacity must be available and activatable at all times.

4.4 Compliance of the Participant's Commitment with the List of Commitments and the Bids submitted on the BM

The Participant's contractual Commitment has been respected when all of the conditions set out in this Article are met.

If the Bid Usage Conditions declared for a BE do not meet all of these conditions, it is considered that the Commitment of that BE is not respected and that the Participant has not fulfilled its Commitment. This constitutes a Failure under these mFRR-RR Terms and Conditions and the way it is handled is described in Article 8.2.4.



4.4.1 List of Commitments

4.4.1.1 Declaration linked to the Qualification of the BE

The BEs declared in the List of Commitments must be qualified and must meet the conditions stated in Article 6. BEs that do not fall within this framework are not taken into account under these mFRR-RR Terms and Conditions.

The following conditions must also be met for the Qualified BEs mentioned in the List of Commitments, including:

- for each Quarter-Hourly Interval, the sum of the powers declared by the Participant for each BE cannot exceed the $P_{\text{agr    }}$ (qualified power) of the BE considered as defined in Annex 3.
- the declared DMO for the BE must be greater than or equal to the DMO for which the BE is technically Qualified.

4.4.1.2 Declaration under the Commitments

4.4.1.2.1 General case

For each Commitment Type i , the BEs proposed in the List of Commitments must meet the following conditions:

- for each Quarter-Hourly Interval p of day D , the sum of the powers declared under Commitment Type i in the List of Commitments is greater than or equal to the power $P_{E,i}$;
- the DMO declared for the BEs under Commitment Type i in the List of Commitments is less than or equal to $DMO_{E,i}$;
- Each MW committed in mFRR or RR shall be offered for at least 4 activations in the day:

$$\sum_{EDA \in LE} (\max \{ \{ P_{LE,EDA,p} \}_{p \in J} \}) \times NB_{\text{activations},EDA} \geq \sum_{i \in \{RR,RC\}} (P_{E,i}) \times 4$$

Where:

- $\max \{ P_{EDA,p} \}_{p \in J}$: is the maximum power declared by the market participant in the List of Commitments for a BE over all the quarter-hourly intervals p belonging to a day D .
- $NB_{\text{activations},EDA}$: The Commitment of the BE to cover two (2) or four (4) Balancing Orders.
- $P_{E,i}$: The minimum power that the Participant undertakes to make available on the Balancing Mechanism under its Commitments and corresponding to Commitment Type i . (Or volume contracted for the day)
- DMOin less than or equal to sixty (60) minutes
- the BEs shall be declared on a Number of Activation Orders (NB_ACTIVATIONS) equal to two (2) or four (4).



4.4.1.2.2 Special cases

4.4.1.2.2.1 Commitment of two BEs for two Activation Orders each

For a Commitment Type i , the four (4) Activations may be covered by two (2) separate BEs if they satisfy the following conditions:

- each of the two (2) BEs shall be declared with a Number of Activation Orders (NB_ACTIVATIONS) equal to two (2);
- for each Quarter-Hourly Interval p of day D , the declared power for both (2) BEs shall be identical ($P_{EDA1,p} = P_{EDA2,p}$);
- only the power declared in the List of Commitments for the BE (EDA)₁ shall be taken into account for the verification of the power Commitment specified in Article 4.4.1.2.1.

4.4.1.2.2.2 Only one BE for several Commitment Types

A same Qualified BE may participate in several Commitment Types i provided that the exclusivity of the Reserved Capacity under the Commitments is respected.

4.4.2 Bids Submitted on the BM

The following conditions apply to Bids relating to Qualified BEs Submitted by the Participant and declared in the List of Commitments.

For each BE declared in the List of Commitments, an Upward Specific Bid must be Submitted for each Quarter-Hourly Interval p if a power greater than zero has been declared for this BE in the List of Commitments.

For each BE declared in the List of Commitments, the Bid Usage Conditions must comply with the following conditions, taking into account the latest Accepted Bids (including redeclarations):

- $DO_{min} \leq 60 \text{ minutes}$,
- $DO_{min} \leq DO_{max} - 5 \text{ minutes}$
- $P_{MAX} \geq 10 \text{ MW}$;
- $NB_{activations} \geq NB_ACTIVATIONS$;
- $DNA \leq 60 \text{ minutes}$;
- for each Quarter-Hourly Interval p of the day, $P_{MAX,EDA,p} \geq \sum_i P_{LE,EDA,p,i} \text{ MW}$;
- for each Quarter-Hourly Interval p of the day, $P_{min,EDA,p} \leq \sum_i P_{LE,EDA,p,i} \text{ MW}$, except where the Participant provides justification of a technical constraint on the BE which does not allow this criterion to be met;
- The maximum upward balancing energy offered on the BE (E_{max}) shall be greater than or equal to the energy available in the List of Commitments (LE) for this BE, i.e.:



For mFRR:

$$\left(E_{max} - \sum_{p \in J} \frac{\text{moyenne}(PA)_{(p)}}{4} \right) \geq \max \left(\{P_{LE,EDA,p}\}_{p \in J} \right) \times NB_{activations} \times 1h$$

For RR:

$$\left(E_{max} - \sum_{p \in J} \frac{\text{moyenne}(PA)_{(p)}}{4} \right) \geq \max \left(\{P_{LE,EDA,p}\}_{p \in J} \right) \times NB_{activations} \times 0,75 h$$

- DMO less than or equal to the minimum of the DMOs declared in the List of Commitments for this BE under the Commitments of the BE.

Where:

- $P_{LE,EDA,p}$ corresponding to the power declared for the Quarter-Hourly Interval p for the BE.
- NB_ ACTIVATIONS the parameter corresponding to the BE's commitment to cover 2 or 4 Activation Orders and when the BE is used to cover several Commitments, the value used is the maximum value of the NB_ ACTIVATIONS declared for the BE-related Commitment;
- average PA(p), the average Forecast Dispatch Schedule of the BE in MW over the Quarter-Hourly Interval p when the BE is made up of a Scheduling Entity and forms implicit Specific Bids on the Balancing Mechanism. By convention, PA(p)=0 for BEs submitting explicit Specific Bids.



5 ACTIVATION OF BIDS RELATING TO COMMITTED BES

Upward Bids Submitted in accordance with the mFRR-RR Terms and Conditions must be Activatable at any time:

- the guaranteed power on the Balancing Mechanism for Reserved Capacity must be technically activatable permanently for all Quarter-Hourly Intervals of a Day in the Availability Period;
- any Redeclarations of Bids must permanently enable the Commitments specified in Article 4.4.2 to be met;
- The activation of Bids must be possible until the end of each Quarter-Hourly Interval for which the BE is declared in the List of Commitments, i.e. provision of the order can take place at the last minute of the last Quarter-Hourly Interval for which the BE is committed as specified in the List of Commitments.

Orders shall be transmitted in accordance with the procedures set out in RM_2_Balancing Mechanism:

- when the activation Order is transmitted by the TAO Technical System, the transmission protocol is consistent with the protocol described in the implementation guide for exchanges with the TAO Technical System;
- when the activation Order is transmitted by telephone, the following protocol is respected:
 1. RTE calls the main number of the Qualified BE's Order Receiver and waits for a duration of one (1) minute for the call to go through,
 2. If this first call is not successful, RTE calls the second number of the Qualified BE's Order Receiver (or BIS number, or emergency number) and waits for a duration of one (1) minute for the call to go through.

If both telephone calls are unsuccessful, this constitutes a Failure, in accordance with Article 8.3. The Failure applies to all BEs declared in the List of Commitments and Submitted by the Participant and whose Order Receiver is the Order Receiver at fault.

The TAO Technical System is the main system and in M2M interface for each Qualified BE according to the set of rules in the implementation guide. The telecommunications link between the Participant's Order Receivers and RTE's TAO Technical System is a high reliability link operated by RTE.

When the activation Orders are transmitted by telephone (in case of unavailability of the TAO Technical system), the Participant undertakes to limit as much as possible the number of Order Receivers relating to the BEs proposed under its Commitments.



5.1 Final Dispatch Schedule transmitted by the Balancing Service Provider following Activation of a Specific Upward Balancing Bid of a BE committed in mFRR-RR

By way of derogation from RM_1_Scheduling of the Final Dispatch Schedule, when all the conditions of this Article are met and following the activation of a Specific Upward Bid of a BE declared in the List of Commitments, the Theoretical Final Dispatch Schedules established by RTE for this BE shall be replaced by the Final Dispatch Schedules transmitted by the Order Receiver after receiving a Balancing Order.

By way of derogation from RM_1_Scheduling of the Final Dispatch Schedule transmitted by the Balancing Service Provider following the Activation of a Bid, the following cumulative conditions must be met in order for the Final Dispatch Schedule transmitted by the Order Receiver to be taken into account in the Theoretical Final Dispatch Schedule established by RTE following Activation of a Specific Upward Bid of a BE declared in a List of Commitments:

- When the Activation Time is specified:
 - the power of the Final Dispatch Schedules must be less than the set point power from the Balancing Order up to the 5-Minute Interval preceding the Activation Time minus five (5) minutes;
 - the power of the Final Dispatch Schedules must be equal to the power of the Forecast Dispatch Schedules (or 0 if there is no Forecast Dispatch Schedule) up to the 5-Minute Interval preceding the Activation Time:
 - minus the power variation requested resulting from the Balancing Order divided by the Gradient, or;
 - minus the DMO minus five (5) minutes if the Gradient is not specified;
- No later than 5 minutes after the Deactivation Time plus the DMO (or the Gradient multiplied by the power variation), the Final Dispatch Schedule must be equal to the Forecast Dispatch Schedule (or 0 if there is no Forecast Dispatch Schedule);
- Throughout the period between the Balancing Start Time and the Balancing End Time, the power reached by the sum of the Final Dispatch Schedules must be:
 - below the set point power plus the max (10 MW; 10% of the set point power (in absolute value));
 - in all cases, the powers of the Final Dispatch Schedules must correspond to a power variation relating to the direction of the Activated Bid.
- Throughout the period between the Activation Time and the Deactivation Time, the power reached by the sum of the Final Dispatch Schedules must be:
 - greater than or equal to the minimum between the set point power and the committed power listed in the List of Commitments.

5.2 Performance of the TAO interface system implemented by the Participant

The Order Receivers of the Qualified BEs must have an M2M interface set up by the Participant to interact with the TAO Technical System.



5.3 Performance requirements

For each of the Order Receivers for Qualified BEs, the performance requirements for the M2M system put in place by the Participant are as follows:

- the number of periods without screening of a unit duration longer than one (1) minute must not exceed nine (9) over a period of three (3) consecutive Days;
- the number of periods without screening of a unit duration longer than one (1) minute must not exceed ninety (90) over a period of thirty (30) consecutive Days;
- the cumulative duration of periods without screening greater than one minute must not exceed eight (8) hours over thirty (30) consecutive days;
- the maximum duration of a period without screening is four (4) hours, in all situations (i.e.: the Participant has the means 24 hours a day 7 days a week to re-establish service within four (4) hours).

A period without screening is a period between two TAO server queries from the system set up by the Participant.

Furthermore, the Participant must set up back-up systems allowing it to respond to an Activation Order in the event of failure of its M2M system, with the technical system of its choice (such as a redundant mechanism or the ability to quickly switch to the Web HMI available).

5.3.1 Period of implementation of the requirements

These requirements must be met at all times by the Participant. The Participant may Notify RTE of periods for which one or more Qualified BE Order Receivers do not satisfy the requirements specified above. During these periods:

- the Participant cannot declare the Qualified BEs associated with the Order Receiver in its List of Commitments;
- the performances observed by RTE are not taken into account for the verification of compliance with the performance requirements for the M2M system put in place by the Participant for the Order Receiver concerned.

5.4 Activation of the Bids until the last minute of the Commitment of the Qualified BE by the Participant

When a Qualified BE is declared in the List of Commitments and Submitted on a Half-Hourly Interval p, the Participant is committed to executing an activation Order of the Bid on the Qualified BE, for all activations whose Activation Time is included within the Half-Hourly Interval p and in accordance with the Bid Usage Conditions specified for the Half-Hourly Interval p.

For a Qualified BE, when all of the following conditions are met:

- on a Half-Hourly Interval p, the Qualified BE is declared in the List of Commitments under these mFRR-RR Terms and Conditions and a Bid is Submitted and Accepted on the Balancing Mechanism on this Half-Hourly Interval, in accordance with the conditions specified in Article 4;



- the Participant has reduced (or reset to zero) the power declared on the Qualified BE under these mFRR-RR Terms and Conditions on the Half-Hourly Interval p+1, following the Half-Hourly Interval p;
- either no Bid is Submitted on the Half-Hourly Interval p+1, or the maximum power Submitted for the BE on the Half-Hourly Interval p+1 is less than the power declared in the List of Commitments by the Participant on the Half-Hourly Interval p;
- the Activation Time of the BE plus the DO_{min} declared by the Participant in the Bid Usage Conditions for this BE implies that the activation continues on the Half-Hourly Interval p+1.

The Deactivation Time of the BE is equal to the end of the Half-Hourly Interval p, and the dedicated article of RM_2_Balancing mechanism “Bids Deactivated before the end of the Minimum Duration of Use” is applied, without any other formality.

When a Bid is Submitted for a BE on the Half-Hourly Interval p+1 and with a power at least equal to the power declared in the List of Commitments on the Half-Hourly Interval p, the remuneration of the Balancing operation shall be made in accordance with the provisions laid down in the RM_2_Balancing mechanism.



6 QUALIFICATION

The Participant must have obtained Qualification of a BE for it to be included in the List of Commitments for the provision of a Commitment.

The list of Qualified BEs that may be offered by the Participant is given in Annex 3. This list may only be modified under the conditions strictly defined in Article 6.2.

6.1 Characteristics of a Qualification

The information contained in the Qualification is as follows:

- The name of the BE;
- The Qualified Perimeter of the BE consisting of the identification of the Sites and the identification of the system operator to which the Site is directly or indirectly connected;
- The power declared for the Qualification, $P_{agr\acute{e}e}$;
- The declared DMO;
- The declared DO_{max} ;
- The declared DO_{min} ; and
- The Order Receiver.

The Qualified Perimeter of the BE must correspond to all the Sites making up the BE from the start of validity of the Qualification. Thus, in accordance with the provisions of Article 6.3, a Request for Qualification is required for the removal or addition of one or more Sites.

If one or more Sites of a Qualified BE are part of a certified Reserve Providing Group (RPG), it is the Participant's responsibility to ensure that the $P_{agr\acute{e}e}$ is feasible, including when Frequency Ancillary Services are scheduled on the RPG concerned, in accordance with the principle of exclusivity mentioned in Article 2.2.

A BE can only be subject to a single Qualification which is valid for a given period.

6.2 Obtaining Qualification

The Participant may apply for Qualification of a BE, in accordance with the provisions of Article 6.3. Qualification is obtained by adding the BE or modifying the BE's technical characteristics in Annex 3. RTE shall notify the Participant of the updated Annex 3. This amendment shall be effective on the 1st of the month following the Notification of the updated Annex 3.

The amendment to Annex 3 can only be made by RTE and only under the conditions of the present Article.

In particular, RTE may under no circumstances add Sites to the Qualified Perimeters of the Qualified BEs listed in Annex 3 without the Participant having requested an amendment to a Qualification according to the terms of Article 6.3.3.

6.3 Qualification Procedure

The Qualification of a BE is granted on a declarative basis, in accordance with the conditions laid down below.



6.3.1 Prerequisites

Compliance with all the prerequisites defined in this Article is necessary for the Request for Qualification, as defined in Article 6.3.2 of this document, to be considered admissible by RTE:

- the Qualification applicant must be the holder of a mFRR-RR Participation Agreement;
- The Sites that make up the BE to be qualified are directly or indirectly connected to the public electricity transmission system.

6.3.2 Request for Qualification

The Request for Qualification shall be made by Notification, at the initiative of the Participant to RTE, of Annex 4, duly and fully completed and signed by the Participant.

The receipt of an incomplete or non-compliant Request will not be taken into account by RTE and this rejection will be Notified to the Participant.

In order to be qualified, the BE or future BE must meet the following conditions:

- The declared Power for Qualification of the BE must be greater than or equal to 10 MW,
- The declared DO_{max} must be greater than or equal to 30 minutes,
- The declared DO_{min} must be less than or equal to 60 minutes,
- The declared DO_{max} must be over 5 minutes greater than the declared DO_{min} .

In order for a BE to be Qualified for manual Frequency Restoration Reserve, the DMO declared in the Request for Qualification must be less than or equal to thirteen (13) minutes.

In order for a BE to be Qualified for Replacement Reserve, the DMO declared in the Request for Qualification must be less than or equal to thirty (30) minutes.

For a given BE for which the Participant has made a Request for Qualification, RTE shall Notify the Applicant of Annex 3 or its update, in accordance with the procedures described in Article 6.2, within five (5) Business Days following receipt of the Request for Qualification by RTE.

The Participant may not make a second Request for Qualification concerning the same BE until RTE has Notified the outcome of the first procedure. In particular, the Participant may not make two concurrent Requests for Qualification for the same BE.

6.3.3 Conditions applicable to new Requests for Qualification for a BE

For a given BE, a Participant may make only one Request for Qualification per calendar month, whether it be an initial request or an amendment to an existing Qualification.

In accordance with the provisions of Article 6.6, any new Request for Qualification for at least one Site subject to a pending suspension shall not take effect until the end of the suspension period.

Any new Request for Qualification accepted on a previously Qualified BE and modifying a characteristic of the Qualification other than DO_{min} will be considered as a new Qualification, and will reset the number of tests provided for in Article 6.4.

The amendment of the list of Qualified BEs shall be made in accordance with the procedures of Article 6.2.



6.4 Tests

RTE reserves the right to request a test be conducted, as long as the Qualified BE is proposed in a List of Commitments and within the limit of three (3) tests per year and per Qualified BE.

The Participant with one or more Qualified BE(s) undertakes to meeting RTE's test requests.

This test shall take the form of a request for activation of a Specific Upward Bid on the Balancing Mechanism for a BE offered in the List of Commitments, following the submission of a Bid in accordance with the terms of Article 4.3.

The Participant will only be informed after the activation of the Bid on the Balancing Mechanism that the latter arose from a test and will be Notified no later than fifteen (15) Business Days after the activation test. In this case, the activation shall be remunerated at the Marginal Upward Balancing Price, as defined in RM_0_General Provisions, and not at the Participant's proposed Upward Bid Price.

The test covers the minimum value between the maximum power offered on the Balancing Mechanism and the power qualified for the BE in the List of Commitments.

The duration of a test is limited to the qualified DO_{max} .

The compliance of a test shall be assessed against the criteria laid down in Article 8.3.1. When the test is declared to have Failed, it is a BE Qualification-related Failure, which results in the suspension of the Qualification and the application of an Exclusion Period under the conditions laid down in Article 6.6.

6.5 Activations of the Qualified BE on the Balancing Mechanism

During a Day, any activation on the Balancing Mechanism of a Qualified BE made available in a List of Commitments that shows a failure in execution according to the criteria laid down in Article 8.3.1 shall be considered as a Failure relating to the BE Qualification.

A BE Qualification-related Failure shall result in the suspension of the Qualification and application of an Exclusion Period under the conditions laid down in Article 6.6.

For each Qualified BE and the Sites making it up, RTE keeps count of the number of Qualification-related Failures.

6.6 Suspension of Qualification and Exclusion Period

The Qualification of a BE shall be suspended by RTE in the event of a BE Qualification-related Failure as defined in Article 6.5.

The Qualification of a BE shall also be suspended in the event that the Participant has not updated a Qualification following a change in the perimeter of a Qualified BE or in the event of failure to make the Observability available in accordance with Article 6.7.

The suspension of Qualification results in the Participant's inability to employ a BE with suspended Qualification or the Sites making it up to cover a Commitment during the Exclusion Period.

The Exclusion Period is defined as follows:

- For the second Qualification-related Failure, the Exclusion Period is three (3) months;
- For the third Qualification-related Failure, the Exclusion Period is six (6) months;
- For the next Qualification-related Failures, the Exclusion Period is also six (6) months.



If several failed activations under the criteria in Article 8.3.1 occur on the same Day that a Qualified BE is committed under a List of Commitments, only one Qualification-related Failure shall be counted.

The suspension of the BE is done by Notification to the Participant.

The market participant may declare any failures relating to Qualification to RTE by email.

- If the declaration is made before the last 5 working days of month M, notification of the suspension by RTE shall be made before the end of month M for a suspension under the conditions laid down in Article 6.6.
- If the declaration is made in the last 5 working days of month M, notification of the suspension by RTE shall be made in M+1 for a suspension under the conditions laid down in Article 6.6.

The suspension shall be effective from the 1st day of the month following the Notification of the Qualification-related Failure, with no other formality being required. A market participant cannot retract its declaration of failure once RTE has sent the notification.

When the suspension results from a failure to update a Qualification as a result of a change in the perimeter of a BE or from a failure to make the Observability available, the suspension will be effective immediately and will terminate as soon as the Participant resolves this situation.

In the event that several Qualification-related Failures occur in the same calendar month, the exclusion periods overlap. For example, for a given Qualified BE, if a first Qualification-related Failure occurs in month M and a second Qualification-related Failure occurs in this same month M, a three (3) month suspension will be applied from the 1st of the month following the Notification of the two (2) Failures. In the event that a Qualified BE has successfully completed at least three (3) consecutive activations on the Balancing Mechanism at maximum power offered greater than or equal to the qualified power $P_{agr\acute{e}e}$ in accordance with the criteria set out in Article 8.3.1 and provided that the Bids made on the Balancing Mechanism comply with the conditions of Article 4.4.2, the Qualification-related Failure counter of this BE will be reset to zero. Thus, the next Failure relating to this BE's Qualification will be considered as the first Qualification-related Failure. It is the Participant's responsibility to justify these three (3) successful activations to RTE in order for the BE's Qualification Failure counter to be reset. Resetting the Qualification-related Failure counter only applies at the end of the current Exclusion Period, if relevant.

The Request to reset the Qualification-related Failure counter shall be made by Notification by the Participant to RTE of Annex 6, duly completed and signed from the Participant.

The receipt of an incomplete or non-compliant Request will not be taken into account by RTE and this rejection will be Notified to the Participant. In the event that the three (3) activations Notified in Annex 5 do not comply with the criteria provided for in Article 8.3.1 and/or if the Bids submitted on the Balancing Mechanism for these activations do not comply with the conditions of Article 4.4.2, the Participant will not be able to request a reset of the Qualification-related Failure counter of the BE concerned or the sites that compose it for a period of three (3) months from the Notification of the rejection by RTE.

For a given Participant, the Qualification-related Failure counter is specific to each Site that makes up its Qualified BE perimeter. Thus, in the event that a Participant rebuilds the perimeter of a Qualified BE from Sites with an Qualification-related Failure counter of different values, RTE will take as reference for the accounting of Failures relating to the Qualification of this BE, the highest count of the Sites that make up this BE.



6.7 Providing Observability for a Qualified BE

In the event of non-compliance with the obligation specified in Article 2.3 of making the Observability available or in the event of difficulty in implementing Observability by the Participant, the Participant shall propose to RTE a time frame for implementation of Observability, not exceeding three (3) months. At the end of this period, the Qualification of non-Observable BEs is suspended until the actual availability of the Observability of the BE concerned.



7 RESERVE EXCHANGE

7.1 Principle

The Reserve Exchange is Notified to RTE in the form of a Reserve Exchange Notification (NER), providing the terms of this Article are met.

The Assignor Participant transfers power quantities of a Commitment Type (specified by the NER) to the Purchaser Participant. When the NER is accepted, the Initial Commitments of the Assignor Participant are reduced by the amount of the accepted NERs.

The Purchaser Participant is the Participant who will be required to make the manual Frequency Restoration Reserve or Replacement Reserve available to RTE under its Additional Commitments. When the NER is accepted, the amount of NERs accepted is added to the Purchaser Participant's Additional Commitments.

If several NERs are received by RTE relating to the same Assignor Participant, Purchaser Participant, Delivery Day and Commitment Type, only the last accepted NER shall be taken into account in such a way that the exchanged power values of the different NERs are not added but are substituted.

NERs cannot be cancelled by Participants once Notified to RTE.

An NER is considered Accepted when the following cumulative conditions are met:

1. the NER is Notified to RTE according to the set of rules in Article 7.2;
2. the power Time Series of the NER contains only positive or zero integers;
3. the NER is one or more Additional Commitments of the Purchaser Participant;
4. the Purchaser Participant:
 - has an mFRR-RR Participation Agreement entered into with RTE and which is valid on day D of delivery of the NER (the name of the Participant shall be published on the RTE Service Portal: <https://www.services-rte.com/fr/home.html>),
 - has Qualified BEs with technical characteristics sufficient to honour (without exchanging again) all of its Initial Commitments, if it has any, and Additional Commitments after Acceptance of the NER.

In the event one of these conditions is not met and only in this event, the NER is rejected. In this case, RTE Notifies the Purchaser Participant and the Assignor Participant of the refusal.

The Notification of rejection by RTE may be sent after the NER delivery date.

7.2 Procedure for transmission of NERs to RTE

NERs are Notified to RTE by means of a dedicated application whose implementation guide is published on the RTE website. The process for submitting and accepting NERs implemented within the aforementioned dedicated application is described in Article 7.2.1.

In case of unavailability of the dedicated application, the Participant must send the NER to RTE by email according to the procedures described in Article 7.2.2.



7.2.1 Nominal procedure for transmission of NERs to RTE

Before a date RT_{16} , the Assignor Participant and the Purchaser Participant shall each send the following information to RTE using the CRISTAL application:

- i. the identity of the Assignor Participant;
- ii. the identity of the Purchaser Participant;
- iii. the Delivery Day concerned;
- iv. The Commitment Type for which the exchange is made (including DMO and DMax information);
- v. the start time of the reserve exchange;
- vi. the end time of the reserve exchange;
- vii. the power exchanged (whole MW).

After a date RT_{16} , the Assignor Participant and the Purchaser Participant shall each send the following information to RTE using the CRISTAL application:

- i. the identity of the Assignor Participant;
- ii. the identity of the Purchaser Participant;
- iii. the Delivery Day concerned;
- iv. Type of Reserve to which the exchange relates: mFRR or RR
- v. the start time of the reserve exchange;
- vi. the end time of the reserve exchange;
- vii. the power exchanged (whole MW).

An NER is considered accepted when the following cumulative conditions are met:

- The Assignor Participant and the Purchaser Participant have provided the above detailed information in accordance with the technical terms and conditions compliant with the dedicated application Implementation Guide;
- the information transmitted by each of the market participants is exactly the same;
- the start time of the reserve exchange is strictly after the time of reception of the last file by RTE;
- the conditions of Article 7.1 of the mFRR-RR Terms and Conditions are met.

The technical procedures for the constitution and transmission of NERs as well as information on the status of the requests are detailed in the implementation guide of the dedicated application. Failure to comply with these terms and conditions will mean the NER is considered invalid.



7.2.2 Procedures for transmission of NERs in case of unavailability of the dedicated application

The Assignor Participant shall notify the NER with the same email sent to the RTE operational contact for the Reserve Exchange Notification mentioned in Annex 2, to the operational contact of the Purchaser Participant, and to marketservices@rte-france.com. For all NERs transmitted after the System Access Deadline on the Business Day preceding the day to which the exchange relates, the Participant shall also notify the exchange to the RTE real-time operational contact identified in Annex 2.

The NER shall observe the format in Annex 7 and this shall be co-signed by the Assignor Participant and the Purchaser Participant.



8 FAILURES AND PENALTIES

If the Participant does not fulfil the obligations under these mFRR-RR Terms and Conditions, and in particular if the Participant does not comply with the obligations under Article 4, then the Participant shall be subject to penalties which may differ depending on the type of Failure.

Penalties are automatically applicable with no formality other than the billing of these to the Participant.

The penalties set out in the RM_2_Balancing mechanism shall apply automatically, regardless of the penalties applied under the mFRR-RR Terms and Conditions.

As Penalties are final, no additional compensation may be claimed by RTE. Penalties resulting from different cases are accumulated, unless otherwise stated.

It is specified that under the mFRR-RR Terms and Conditions, when a failure is caused by the execution of an Upstream Framework Agreement D-1 entered into with RTE, then the penalty or penalties provided for in these mFRR-RR Terms and Conditions relating to that failure is/are not due.

8.1 Definition of the base penalty

The base penalty (referred to in the following articles) is defined as follows for a Quarter-Hourly Interval:

$$P\acute{e}nalit\acute{e}_{de\ base\ 15\ min} = C \times \max (Prix\ Marginal\ (\text{€}/\text{MW}/15\text{min}); \frac{Spot_{ref}\ (\text{€}/\text{MWh})}{4})$$

where:

- the coefficient C is 1.35;
- the $Spot_{ref}$ term corresponds to the Reference Spot Price for the Quarter-Hourly Interval in which the Failure is recorded in €/MWh;
- the term $Prix\ Marginal_{j,i}(\text{€}/\text{MW}/15\text{min})$ is the Marginal Capacity Price **calculated at 15-minute intervals** for Commitment Type **i** over the corresponding Availability Period;

In the event of a Commitment which is also subject to day-ahead contracting, the term "Prix Marginal" is calculated from the mean of the marginal prices associated with this Commitment, weighted by the total volumes contracted by RTE on the annual tender (after taking into account any revisions of Commitments) and day-ahead calls for tender.

8.2 Declared Failure

8.2.1 Declared Failure prior to the System Access Deadline

If the Participant notifies RTE before the D-1 System Access Deadline, of a Failure for day D, specifying the Commitment Types that the Participant is unable to honour, and for each of the Commitment Types concerned, the power and Quarter-Hourly Intervals concerned, then the Participant is in Failure.

For a Failure declared prior to the System Access Deadline, the power considered as a failed power is the sum of the powers declared by the Participant for the Commitments is unable to fulfil.



For each Failure declared by the Participant prior to the System Access Deadline, the following penalty applies for each Quarter-Hourly Interval concerned:

$$P_{\text{é}nalit\acute{e}}_{15\text{min}} = P_{\text{d}\acute{e}faillante} \times 80\% P_{\text{é}nalit\acute{e}}_{\text{de base } 15\text{ min}}$$

where $P_{\text{d}\acute{e}faillante}$ is the power considered to have failed under the terms of this Article.

When a Failure is declared prior to the System Access Deadline, no additional penalty is applied to the failed declared power.

8.2.2 Failures concerning declarations at the System Access Deadline

A Declaration at System Access Deadline type Failure occurs if:

- the Participant has not declared a List of Commitments for Day D within the time specified in Article 4.2.2: in this case, the failed power is equal to the maximum value, on the Quarter-Hourly Intervals of Day D, of the sum of the Participant's Commitments; and/or
- the Participant has not Submitted all or part of the Upward Bids relating to the BE declared in the List of Commitments for Day D, in accordance with the terms set out in Article 4.3.1. In this case, the failed power is equal to the sum of the maximum powers declared for the BE in the List of Commitments and for which the Bids Submitted on D-1 at the System Access Deadline are missing in relation to the declarations in the List of Commitments.

The failed power is calculated on the basis of the information available to RTE at the System Access Deadline on D-1 for Day D.

For Day D and for each failed power, constituting a Failure in the declaration at the System Access Deadline, calculated on the basis of the information available to RTE at the System Access Deadline on D-1 for Day D, the Participant is liable for a penalty equal to:

$$P_{\text{é}nalit\acute{e}}_j = 15\text{€}/\text{MW} \times P_{\text{d}\acute{e}faillante}$$

Where $P_{\text{d}\acute{e}faillante}$ is the power considered to have failed under the terms of this Article.

8.2.3 Reporting format error failures

If RTE determines that the declared List of Commitments does not comply with the procedures described in the IS Terms and Conditions or finds an error in the format of Upward Bids, the Participant shall be liable for a lump sum penalty equal to five hundred euros (€500).

8.2.4 Failures in terms of the Compliance of the List of Commitments and/or the Submission of Bids not compliant with the List of Commitments

8.2.4.1 Failure in terms of List of Commitments Compliance

For the Quarter-Hourly Interval p , the following case constitutes a Failure in terms of List of Commitments compliance: the last List of Commitments declared by the Participant for a Quarter-Hourly Interval p does not meet the conditions specified in Article 4.4.1 for this Quarter-Hourly Interval.

The power considered to have Failed is the sum of the missing powers for the List of Commitments to comply in accordance with the provisions specified in Article 4.4.1.



When the Failure is related to the BE not having Qualification, , $NB_ACTIVATIONS_{LE,EDA}$ and/or DMO, the Failed power is the power declared by the market participant in the List of Commitments $P_{LE,EDA,p}$ for the corresponding BE.

8.2.4.2 Failure in terms of the Submission of Bids not compliant with the List of Commitments

For each Quarter-Hourly Interval p, the following situations are considered as Failures corresponding to a Bid Submission that does not conform to the List of Commitments:

- The Bids submitted by the Participant do not correspond to the conditions specified in Article 4.4.2;
- for the BEs referred to in Article 4.4.2.1, the Bids Submitted by the Participant do not meet the conditions specified in the above Article;
- the Participant does not Submit Upward Bids on one or more of the BE(s) declared in the List of Commitments.

The power considered to be in Failure is the sum of the powers missing in order for the Bids submitted by the Participant to conform to the List of Commitments. The power is considered failed following all the redeclaration gate closures of the Balancing Mechanism taken into account for the Quarter-Hourly Interval p considered.

For the BE concerned by the failure:

- when the Failure concerns the offered power: the Failed power is $P_{défaillante} = P_{LE,EDA,p} - P_{MA,EDA,p}$ with $P_{MA,EDA,p}$ the power Submitted by the Participant for the BE;
- when the Failure concerns E_{max} , it is considered a Failed power equal to:

For mFRR:

$$P_{défaillante} = \frac{E_{max}}{(NB_{ACTIVATIONS_{LE,EDA}} \times 1 h)}$$

For RR:

$$P_{défaillante} = \frac{E_{max}}{(NB_{ACTIVATIONS_{LE,EDA}} \times 0,75 h)}$$

- when the other Bid Usage Conditions (in particular , DO_{min} , DMO, $NB_{activations}$) do not comply with the conditions specified in Article 4.4.2, the Fled power is the power $P_{LE,EDA,p}$ declared by the market participant in the List of Commitments for the corresponding BE.

8.2.4.3 Applicable penalty formula

For all the failed powers in terms of List of Commitments Compliance and/or the Submission of Bids which do not conform with the List of Commitments, the following penalty shall apply for each Quarter-Hourly Interval concerned:

$$Pénalité_{15min} = P_{défaillante} \times Pénalité_{de base 15 min}$$



8.2.5 Special case of Failures declared related to a Technical Incident

For a day D, the provisions of this Article shall apply only when the time limit for an amendment of the Initial Commitments under Article 2.4 for that day D is exceeded.

The following situations can be considered Technical Incidents (exhaustive list):

- exceptional and impromptu failure of a technical device located on a Site constituting the capacities committed under these mFRR-RR Terms and Conditions, and directly required for the implementation of the Balancing operation, resulting in the unavailability of an Qualified BE that cannot be technically compensated by the commitment of another Qualified BE within the Participant's portfolio or the Reserve Exchange between Participants;
- exceptional and impromptu failure of a technical system belonging to the chain of transmission of the Balancing Orders of the Balancing Service Provider to the Site(s), and directly required for the implementation of the Balancing operation, resulting in the unavailability of an Qualified BE that cannot be technically compensated by the commitment of another Qualified BE within the Participant's portfolio or the Reserve Exchange between Participants;
- of a strike at all or part of the Sites constituting the committed capacities and leading to unavailability of an Qualified BE which cannot be technically compensated by the commitment of another Qualified BE within the Participant's portfolio or the Reserve Exchange between Participants.

Notably excluded from the definition of Technical Incident are situations of:

- economic arbitration of any kind, in particular: production for the market, optimisation of the industrial production plan leading to a reduced level of consumption, use of the means necessary for Balancing operations for industrial production purposes preventing the availability of the committed capacities;
- failure of the Qualification procedure;
- regular maintenance operations;
- adverse weather conditions;
- recurrent failures of the technical framework needed to implement the Balancing operation.

The Participant must notify RTE of any Technical Incident as soon as it occurs and make the necessary Redeclarations:

- If the Incident occurs on D-1, the Participant must notify RTE's D-1 Operational Contact with the account manager in cc, as designated in Annex 1.
- If the Incident occurs on ID, the Participant must notify in real time RTE's D-1 Operational Contact with the account manager in cc, as designated in Annex 1.

The Notification must contain the nature and consequences of the Technical Incident on the availability of capacities committed under these mFRR-RR Terms and Conditions. If necessary, RTE will ask the Participant to provide proof of the nature and consequences of the Technical Incident.



RTE may recognise the status of Technical Incident based on these elements, and on the definition given in this Article. If the Technical Incident is recognised by RTE, for any Failure identified prior to the System Access Deadline related to the Technical Incident and/or any Failure relating to the Conformity of the List of Commitments related to the Technical Incident, the following penalty shall apply for each Quarter-Hourly Interval concerned:

$$Pénalité_{15min} = P_{défaillante} \times 4 \times \text{Prix Marginal}_{J,i} (\text{€/MW/15min})$$

where the term Prix Marginal_{J,i} (€/MW/15min) is the Marginal Price **calculated at 15-minute intervals** for Commitment Type **i** calculated in accordance with Article 8.1.

In this case, this penalty is in lieu of the penalties set out in Articles 8.2.1 and 8.2.4 for the Failure in terms of compliance with the List of Commitments.

For other types of Failures, the general terms and conditions of Article 8 shall apply.



8.3 Failure found

8.3.1 Failure of the activation of a BE declared in the List of Commitments

For each Quarter-Hour Period of day D on which at least one activation of a Specific Upward Balancing Bid takes place, the following situations constitute a Failure relating to the activation of a BE declared in the List of Commitments:

1. RTE cannot reach the Order Receiver either on the main communication channel or on the back-up channel: the Failure power is the sum of the $P.(LE, BE, p)$ of the BEs committed in the List of Commitments for the Quarter-Hourly Intervals (p) and whose Order Receiver is the one that RTE has not been able to reach.
2. The Order Receiver of an Activated BE refuses to execute a Balancing Order (whether the Order is transmitted by the TAO Technical System or by telephone): the Failed power is equal to $P.(LE, BE, p)$.
3. A Failure Power is identified from the average of the $P.Défaillante_{u \in P}$ calculated over the 5-minute intervals (u) within the Control Period (P) according to the formula:

$$P.Défaillante_{u \in P} = \min(P.(LE, EDA)_{u \in P}; P.Attendue initiale_{u \in P}) - P.Réalisée_{u \in P}$$

with:

- Only $P.Défaillantes_{u \in P} \geq \max(10\% * P.Attendue initiale_{u \in P}; 5MW)$ are taken into account.
- $P.(LE, EDA)$: is the power declared by the participant in the List of Commitments for the corresponding BE
- $P.Attendue Initiale$: is the initial Expected Power requested for the 5-minute delivery interval during the first call made by RTE to the Order Receiver of the BE committed in mFRR-RR via TAO.
- $P.Réalisée_{u \in P}$: is the average upward power produced over the 5-minute interval (u) by the BE. This value is calculated from the Actual upward volume $VR_H(BE, u)$ of the BE over the 5-minute interval (u) by:

$$P.Réalisée_{u \in P} = \frac{VR_H(EDA, u)}{\frac{5}{60}}$$

- **Control Period (P)**: is the range made up of the 5-minute intervals between:
 - [The time at which the Order is consulted] plus $[DMO_{E,i}]$ (13' or 30') truncated to the minute.
 - [Deactivation Time] truncated to the minute.

And excluding:

- the 5-minute intervals included in and preceding the 10-minute intervals containing: [the time at which the order was consulted] plus the $DMO_{E,i}$ (13' or 30') truncated to the minute.



- The 5-minute intervals included in and following the 10-minute intervals containing: [the Deactivation Time] rounded off in accordance with RM_0_General Provisions terms and conditions.
4. The Participant informs of a Failure while RTE has initiated communication for the implementation of the Balancing Order: the Failed power is $P.(LE, BE, p)$, with $P.(LE, EDA, p)$ the sum of the powers declared by the Participant in the List of Commitments for all the Commitments and for this BE, for the Quarter-Hourly Interval p .

If the Participant considers that the Failure detected in accordance with this Article is not valid, in particular when the actual power is at least equal to the committed power listed in the List of Commitments, the Participant may, in accordance with Article 1.13 of these Terms and Conditions, inform RTE accordingly. Where relevant, once RTE has verified and validated the evidence submitted by the Participant to justify its request to contest, RTE may remedy the Failure that was subject to dispute.

If RTE was unable to reach the Order Receiver or the Order Receiver rejected the balancing operation, RTE will consider that the Balancing Order relating to the BE would have lasted the duration for which the Participant had committed itself in the List of Commitments for the BE. The number of failed Quarter-Hourly Intervals corresponds to the number of Quarter-Hourly Intervals for that duration.

If the activation Order is transmitted by the TAO Technical System and the Order Receiver does not carry out screening during the period during which the order is made available to the Order Receiver, this does not constitute a Failure relating to the activation of a BE declared in the List of Commitments.

If a Failure related to the performances of the TAO interface system is found in accordance with Article 8.3.2, then these situations are the subject of a Penalty under Article 8.3.2. The power and the Failure time are those of the Order Activated by RTE.

For each Quarter-Hourly Interval concerned by a BE activation Failure reported in the List of Commitments, the Participant is liable for a penalty equal to:

$$Pénalité_{15min} = P_{défaillante} \times \left(Pénalité_{de\ base\ 15min} + \frac{\max(0; PME_{ref}(\text{€/MWh}))}{4} \right)$$

with:

- $P_{défaillante}$, the failed power, rounded to the higher MW;
- PME_{ref} (€/MWh) corresponds to the Marginal Upward Balancing Price in €/MWh as defined in RM_2_Balancing Mechanism and applicable to the Quarter-Hour Interval for which the Failure is recorded.

For a given day, the Quarter-Hourly Intervals that can be penalised under this article are:

- The first 16 Quarter-Hourly Intervals on which a Failure relating to the activation of MWs committed in mFRR is observed (4h)



- The first 12 Quarter-Hourly Intervals on which a Failure relating to the activation of MWs committed in mFRR is observed (3h).

For a given day, when a BE is declared for a Number of Activation Orders strictly greater than 4, the Quarter-Hourly Intervals that may be subject to a penalty under the present article are the Quarter-Hourly Intervals strictly prior to the fifth Activation Order of the BE on which a Failure relating to activation is observed.

In the specific case where a BE is declared for a day D and a consecutive day D+1, when this BE is activated at the end of day D, over a period between days D and D+1, an Activation Order will be counted for day D and an Activation Order for day D+1.

For each day D and D+1, the $NB_{ACTIVATIONS} \times 4$ first Quarter-Hourly Intervals on which a Failure relating to the activation is observed may be penalised under this Article.

When a BE is declared in the List of Commitments for several Commitment Types, the $P_{défaillante}$ and the $Pénalité_{de\ base\ 15\ minutes}$ are calculated pro-rata for each Commitment on each of the Quarter-Hourly Intervals on which an activation-related Failure is observed.

8.3.2 Failure to comply with the requirements relating to the technical systems of Order Receivers

If, for one or more of the Order Receivers relating to Qualified BEs listed in Annex 3, the Participant fails to meet the performance requirements of the TAO interface system put in place by the Participant as specified in Article 5, a Failure related to the performance of the TAO interface system is found.

When a failure relating to the performance of the TAO interface system is found by RTE, the following penalties apply:

A penalty is charged for all of the days where RTE has noted periods without screening, greater than 1 minute and for which BEs associated with the Order Receiver at fault are declared in the List of Commitments. This penalty is equal to:

$$Pénalité_j = \sum_{EDA\ associée\ au\ RO,i} Puissance\ déclarée\ pour\ le\ type\ d'engagement\ n^o\ i \times 0,5 \times PrixMarginal_{j,i}$$

where $Prix\ Marginal_{j,i}$ is the Marginal Price for Commitment Type i for day D as set out in Article 8.1.

A penalty is charged for all BE activation requests associated with the Order Receiver and declared in the List of Commitments and which could not be achieved due to the technical failure of the M2M technical system put in place by the Participant. This penalty is equal to the penalty provided for in Article 8.3.1.



9 INVOICING

9.1 Invoicing conditions

9.1.1 Invoicing for the Fixed Premium

The Participant shall send RTE a single monthly invoice containing:

- the amount relating to the Initial Commitments resulting from the annual call for tenders ;
- the recovery of Fixed Premium corresponding to any cancellations of initial commitments for the month invoiced;
- the amount relating to Commitments resulting from the day-ahead call for tenders.

Each invoice for month M shall be sent after the 1st of month M+1 and before the last day of month M+1.

The invoices shall be drawn up in two (2) copies and transmitted to the RTE accounting service, at the RTE billing address defined in the mFRR-RR Participation Agreement or via the RTE Sy Portal.

Any invoice that does not contain the statutory legal notices, and in particular those mentioned in Article L.4441-3 of the French Commercial Code, shall be returned to the Participant.

9.1.2 Billing of penalties issued by RTE

9.1.2.1 Invoice in application of Article 8

The penalties defined in these mFRR-RR Terms and Conditions due by the Participant for a month M is subject to an invoice drawn up by RTE and transmitted to the Participant. RTE shall send an invoice, at the earliest, at M+4.

RTE transmits the invoice in two (2) copies to the Participant at the billing address defined in the mFRR-RR Participation Agreement.

Load reduction check penalties applied in accordance with the RM_2_Balancing Mechanism Terms and Conditions shall remain invoiced in accordance with the terms and conditions set out in the RM_2_Balancing Mechanism Terms and Conditions.

9.1.2.2 Invoice in the event of Termination

The penalty for the termination of the mFRR-RR Participation Agreement as defined in Article 1.3 is subject to an invoice issued by RTE and transmitted to the Participant within one month of the termination of the mFRR-RR Participation Agreement.

9.2 Payment terms

9.2.1 Payment of invoices by RTE

The payment of invoices shall be made by RTE within thirty (30) days from the date of issue by the Participant, by bank transfer, the details of which are specified in the mFRR-RR Participation Agreement.

Any fees charged by RTE's bank are borne by the latter. RTE is also required to attach the references of the invoice issued by the Participant to each payment.



9.2.2 Payment of invoices by the Participant

The Participant settles RTE's invoices within thirty (30) days from the date of issue by RTE, by bank transfer, the details of which are specified in the mFRR-RR Participation Agreement.

Load reduction check penalties applied in accordance with the RM_2_Balancing Mechanism Terms and Conditions shall be settled by the Balancing Service Provider in accordance with the RM_2_Balancing Mechanism Terms and Conditions.

The Participant pays any charges debited by its bank. The Participant is required to attach the references of the invoice issued by RTE to each payment.

The Participant must check with its bank that the transfer order for payment of a given invoice states the invoice number issued by RTE in the "Reasons for Payment" field. If no such indication is included, this implies a manual identification by RTE of the transfers arriving on its account. Any manual identification will entitle RTE to the invoicing of a flat fee of one hundred and forty euros (140 €).

9.2.3 Penalties for late payments

In the event of failure to pay the sums owed by one of the Parties in full and within the deadlines stipulated in Articles 9.2.1 and 9.2.2, the sums due are subject to, and without prior formal notice, penalties calculated on the basis of the interest rate applied by the European Central Bank to its most recent refinancing operation, plus ten (10) percentage points.

This interest is calculated from the payment due date up to the date of actual payment of the invoice.

Pursuant to Articles L. 441-10 and D. 441-5 of the French Commercial Code, in the event of failure by one of the parties to pay in full before the deadline stated in Article 9.2, a set fee of 40 euros (€40) debt recovery costs shall be added to this amount, charged to the debtor.



ANNEX 1. PARTICIPATION AGREEMENT IN THE MANUAL FREQUENCY RESTORATION AND REPLACEMENT RESERVE TERMS AND CONDITIONS

[Participant No.____]

BETWEEN

_____ [full name], company _____ [legal form], with share capital of _____ euros, with its head office located at _____ [full address], registered on the Trade and Companies Register of _____ [town] under number _____ [SIRET No.], and with Intra-community VAT ID number: _____, represented by Ms/Mr _____ [enter the name and position of the signatory], duly authorised for this purpose,

hereinafter referred to as the “Participant”

OF THE FIRST PART,

AND

RTE electricity transmission network, public limited company with a board of directors and a supervisory board with a capital of 2 132 285 690 euros, registered with the Register of Commerce and Companies of Nanterre under no. 444 619 258, with head office at Immeuble WINDOW - 7C, Place du Dôme 92073 Paris la Défense CEDEX, represented by [.....], as [.....], duly authorised for this purpose, with an address in [.....], hereinafter referred to as “RTE”

OF THE SECOND PART,

or by default, hereinafter referred to individually as a "Party", or jointly as the "Parties",

the following has been decided and agreed upon:

Foreword

The Participant wishes to adhere to the manual Frequency Restoration and Replacement Reserve Terms and Conditions.

For this purpose, the Parties have decided and agreed upon the following:

1. Definitions

All words or phrases used in this mFRR-RR Participation Agreement and which begin with upper-case letters have the meanings attributed to them in the Definitions article of the mFRR-RR Terms and Conditions.

2. Purpose and scope of the contract

By signing this mFRR-RR Participation Agreement, the Participant undertakes to participate in the provision of manual Frequency Restoration Reserve or Replacement Reserve, and declares that it has full knowledge of the mFRR-RR Terms and Conditions, which can be freely consulted on the RTE website. As such, the Participant agrees to comply with all the provisions set out in the mFRR-RR Terms and Conditions.



This mFRR-RR Participation Agreement applies to the RM_2_Balancing mechanism Terms and Conditions, the provisions of which fully apply to this mFRR-RR Participation Agreement, which the Participant acknowledges having read and understood.

The contractual documents binding on the Parties are as following, in order of precedence:

- the provisions of the mFRR-RR Terms and Conditions and their Annexes;
- the RM_2_Balancing mechanism Terms and Conditions in force, in particular the Participation Agreement as a Balancing Service Provider and the technical agreement(s) entered into between RTE and the Balancing Service Provider, except for the definitions given in the mFRR-RR Terms and Conditions which will take precedence over those given in the RM_2_Balancing mechanism Terms and Conditions and notwithstanding any other provision to the contrary in the mFRR-RR Terms and Conditions;
- the RM_4_Frequency Ancillary Services in force where applicable, in particular the Participation Agreement for RM_4_Frequency Ancillary Services;
- The tender regulation of the additional call for tenders;
- the IS Terms and Conditions specific to the “Scheduling and Balancing Mechanism” system;
- the IS Terms and Conditions relating to the RACOON platform;
- The IS implementation guide for reserve exchange;
- Tender regulation of the annual call for tenders;
- The annexes concerning observability are available on the RTE website.

These documents form the exclusivity and entirety of the agreement between the Parties for the provision of manual Frequency Restoration Reserve and/or Replacement Reserve under the mechanism described in the mFRR-RR Terms and Conditions.

3. Invoicing

	THE PARTICIPANT	RTE.
Address to be stated on invoices	_____ _____ _____ Tel: _____ Mobile: _____ Fax: _____ Email: _____@_____	RTE – Réseau de transport d’électricité LAD FACTURES TSA 50010 78457 VELIZY VILLACOUBLAY CEDEX

Bank details of Participant:

Holder:	XXXX
Registered address:	XXXX



Bank code:	XXXX
Sort code:	XXXX
Account no.:	XXXX
RIB key:	XXXX
IBAN:	XXXX
BIC-SWIFT code:	XXXX



RTE collection account:

Holder:	RTE RESEAU DE TRANSPORT D'ELECTRICITE SG Paris Opera (03620)
Registered address:	50 Bd Haussmann 75009 PARIS
Bank code:	30003
Sort code:	04170
Account no.:	00020122549
RIB key:	73
IBAN:	FR76 3000 3041 7000 0201 2254 973
BIC-Swift code:	SOGEFRPP

4. Entry into force, duration, and termination of the mFRR-RR Participation Agreement

The mFRR-RR Participation Agreement is effective from [date]

This agreement is signed for an indeterminate period.

It may only be terminated under the conditions laid down in the current mFRR-RR Terms and Conditions.

Drawn up in two (2) original copies,
in Paris la Défense, on ____/____/____.

For RTE:

Name and position of representative:

Signature:

For the Participant:

Name and position of representative:

Signature:



ANNEX 2. CONTACT INFORMATION

Business Contacts: Monitoring of the implementation of the mFRR-RR Participation Agreement

THE PARTICIPANT	RTE.
<p>_____</p> <p>_____</p> <p>_____</p> <p>Tel: _____</p> <p>Mobile: _____</p> <p>Fax: _____</p> <p>Email: _____@_____</p>	<p>_____</p> <p>RTE – Service Commercial Saint-Denis</p> <p>22 boulevard Finot</p> <p>93200 Saint-Denis</p> <p>Tel: _____</p> <p>Mobile: _____</p> <p>Fax: _____</p> <p>Email: @rte-france.com</p> <p>marketservices@rte-france.com</p>

Business Contacts: Management of Qualifications

THE PARTICIPANT	RTE.
<p>_____</p> <p>_____</p> <p>_____</p> <p>Tel: _____</p> <p>Mobile: _____</p> <p>Fax: _____</p> <p>Email: _____@_____</p>	<p>_____</p> <p>RTE – Service Commercial Saint-Denis</p> <p>22 boulevard Finot</p> <p>93200 Saint-Denis</p> <p>Tel: _____</p> <p>Mobile: _____</p> <p>Fax: _____</p> <p>Email: @rte-france.com</p> <p>rte-agrevent-rrrc@rte-france.com</p>



Operational contacts:

	THE PARTICIPANT	RTE.
Questions relating to the application of the RM_2_Balancing Mechanism	_____ _____ _____ Tel: _____ Mobile: _____ Fax: _____ Email: _____@_____	RTE – Service Accès Marché 22 boulevard Finot 93200 Saint-Denis Tel: _____ _____@rte-france.com marketservices@rte-france.com
Reserve Exchange Notification	_____ _____	_____@rte-france.com marketservices@rte-france.com
D-1 Operational Contact	Contact: Phone no.: Fax no.: Email address:	GENERATION D-1 01 41 66 70 40 (tel) 01 41 66 70 71 (fax) RTE-COSEP-TR-EOD-J-1@rte-france.com
Real-time operations contact:	Contact: Phone no.: Fax no.: Email address:	GENERATION Real Time 01 40 12 65 00 (tel) 01 40 12 37 95 (tel) 01 41 66 70 77 (fax)
Back Office operational contact	Contact: Phone no.: Fax no.: Email address:	RTE. Service Accès Marché 22 boulevard Finot 93200 Saint-Denis Tel: _____ _____@rte-france.com



ANNEX 3. LIST OF QUALIFIED BES

XXX is a holder of the mFRR-RR Participation Agreement.

XXX is the Balancing Service Provider that has obtained Qualification under Article 6 of the mFRR-RR Terms and Conditions, the details of which are given in the following table:

BE name	Qualified Perimeter		P _{Agrée} (qualified power)	DMO	DO _{max}	DO _{min}	Order Receiver	Agreement Date
	Identifier	System Operator						

Drawn up in two (2) original copies,
in, on

For RTE:

Name and position of representative:

Service Accès Marché

Signature:



ANNEX 4. REQUEST FOR QUALIFICATION

The Applicant acting as a Balancing Service Provider requests on behalf of the BE described in this Annex the Qualification of its ability to provide manual Frequency Restoration Reserve or Replacement Reserve in accordance with Article 6.3 of the mFRR-RR Terms and Conditions.

1 Administrative information relating to the BE to be qualified

Name of the Balancing Service Provider				
Information about the Order Receiver in TAO nominal mode and when TAO is out of service	Name of the Order Receiver: Primary phone number when TAO is out of service: Back-up phone number when TAO is out of service: Back-up phone number when TAO is out of service:			
Name of the BE <i>If the perimeter to be qualified contains only Sites that are not part of the applicant's Balancing Perimeter at the date of the request, provide the name of the future BE and its creation date.</i>				
Perimeter to Approve ² For Sites connected to the PTS, enter the METERING code (METERING no.....) or CART number (CART no.....) For Sites connected to the PDS, enter the PDS external site code used by the DSO in data exchanges with RTE in accordance with the IS Terms and Conditions of the balancing mechanism.	Site ID	System Operator	<i>Site not within the applicant's Balancing Perimeter on the date of the application (mark with a cross)</i>	Site belonging to a certified RPG (give name of RPG)

² The Perimeter to be Qualified must correspond to the entire perimeter of the BE



For BEs made up of more than 5 Sites, the Applicant attaches a CSV file (delimited with semicolons) to the Request, with no header and two columns: Site ID, System Operator.

2 Technical specifications to be Qualified for the BE

DMO (in minutes)	minutes
$P_{Agr\acute{e}e}$ (in whole MW): Power to Qualify	MW
DO_{max} of the BE (in minutes)	minutes
DO_{min} of the BE (in minutes)	minutes

Desired Qualification start date: Reminder:

Always on the 1st of the month, no earlier than 5 business days after the request date

By signing this Request, the Applicant acknowledges that it has read and fully understood the terms relating to the Qualification of a BE for mFRR-RR or RR as set out in Article 6 of the mFRR-RR Terms and Conditions.

Date

Signature



ANNEX 5. REQUEST TO RESET THE QUALIFICATION-RELATED FAILURE COUNTER

In accordance with Article 6.6 of the mFRR-RR Terms and Conditions and under the conditions specified in this article, the Participant may request to reset to zero the Qualification-related Failure counter of an Qualified BE.

1 Administrative information concerning the BE for which the request to reset the Qualification-related Failure counter to zero is being made

Name of the Balancing Service Provider	
Name of the BE	
Pagr�ee (MW) (qualified power)	

2 Information concerning activations on the Balancing Mechanism justifying resetting the Qualification-related Failure counter to zero

Dates of activations of the BE on the Balancing Mechanism Time of transition to the TAO or telephone order Activation Period (as stated in the RM_0_General Provisions Terms and Conditions)	
--	--

Date

Signature



ANNEX 6. SPECIFICATIONS FOR CONNECTING THE CUSTOMER'S CONTROL CENTRE TO RTE'S TELECONTROL SYSTEM FOR THE VOLUNTARY PROVISION OF SERVICES TO THE NETWORK



ANNEX 7. RESERVE EXCHANGE NOTIFICATION UNDER MFRR-RR TERMS AND CONDITIONS

Between:

XXX [full name], company _____ [legal form], with share capital of ____ euros, with its head office located at _____ [full address], registered on the Trade and Companies Register of _____ [town] under number ____ [SIRET no.],

as a Balancing Service Provider, Holder of a "Participation Agreement no. YY_YYMM_XXXX [enter number] with RTE dated DD/MM/YYYY [enter date], and Holder of a Participation Agreement in the Manual Frequency Restoration and Replacement Reserve Terms and Conditions no. C_____ with RTE.

represented by Ms./Mr. _____, duly authorised for this purpose,

Hereinafter referred to as "Assignor Participant"

of the first part,

and

YYY [full name], company _____ [legal form], with share capital of ____ euros, with its head office located at _____ [full address], registered on the Trade and Companies Register of _____ [town] under number ____ [SIRET no.],

as Balancing Service Provider, Holder of a Participation Agreement no. [enter number] signed with RTE on DD/ MM/ YYYY [date],

and Holder of a Participation Agreement in the manual Frequency Restoration and Replacement Reserve Terms and Conditions no. C_____ with RTE.

represented by Ms./Mr. _____, duly authorised for this purpose,

hereinafter referred to as "Purchaser Participant"

of the second part,

or by default, hereinafter referred to individually as a "Party", or jointly as the "Parties",

The Parties agree as follows:

Article 1

All words or phrases used in this Agreement and which begin with upper case letters have the meanings attributed in them in "Definitions" chapter of the mFRR-RR Terms and Conditions

Article 2

The Parties have established the terms for Reserve Exchange in accordance with Article 2.5 and 7 of the mFRR-RR Terms and Conditions. These terms lead to the following NER:

Exchange 1



Purchaser Participant	YYY
Assignor Participant	XXX
Delivery day(s)	
Type of commitment (In "XXYYY" format)	
Quarter-Hourly Intervals concerned (number of Quarter-Hourly Intervals or "all")	
Power exchanged (in whole MW)	

If RTE approves the NER, the Purchaser Participant will have its Additional Commitments increased in terms of power for the Commitment Type concerned by this NER and for the periods concerned.

Article 3

The Assignor Participant shall simultaneously Notify this Reserve Exchange to RTE’s operational contact for the Notification of Reserve Exchanges referred to in Annex 2 of the mFRR-RR Terms and Conditions and to the Purchaser Participant’s operational contact for the Notification of Reserve Exchanges.

Article 4

The NER shall be accepted when the conditions specified in Articles 2.5 and 7 of the mFRR-RR Terms and Conditions are met.

This Notification may not be cancelled for the period covered by this Reserve Exchange beyond its Notification to RTE in accordance with Article 7 of the mFRR-RR Terms and Conditions.

Drawn up in two (2) original copies,

in, on

For XXX

For YYY

ANNEX 8. COMMITMENTS UNDER THE ANNUAL CALL FOR TENDERS

1 Subject:

This Annex specifies the Reserved Capacity made available by the Participant for the year ____, as well as the associated Fixed Premiums resulting from the annual call for tenders.

It may be amended pursuant to Article 2.4 of the mFRR-RR Terms and Conditions.

2 CAPACITY CORRESPONDING TO INITIAL COMMITMENTS

Under manual Frequency Restoration Reserve and Replacement Reserve, for the periods and for the Commitment Types 13120 and 30090 indicated in the table below, the Participant undertakes to declare a List of Commitments and to Submit Bids on the Balancing Mechanism which meet the requirements of the manual Frequency Restoration Reserve and Replacement Reserve Terms and Conditions with the following characteristics:

Date	Period	Contractual commitments (MW)	
		13120	30090
01/01/20XX	(20XX, 1, 1, X)		
...

3 FINANCIAL CONDITIONS

Under the Participant's Initial Commitments described in Article 2 of this Annex, RTE shall pay the Participant a Fixed Premium broken down as follows:

Month	Fixed Premium (€)
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	
11	
12	

TOTAL

These prices are not subject to change during the validity of this Annex and are expressed exclusive of tax.

4 Entry into Force

This Annex shall enter into force on 1 January [year of the annual tender concerned] and shall end on 31 December [year of the annual tender concerned], or on the date of termination of the mFRR-RR Participation Agreement.

Drawn up in two (2) original copies,
in Paris, La Défense, on / /

For RTE:

Name and position of representative:

Signature:

For the Participant

Name and position of representative:

Signature:

ANNEX 9. TERMS RELATING TO STATISTICAL OBSERVABILITY EXPERIMENTATION

The total power of the capacities made available to RTE by all of the Participants under the manual Frequency Restoration and Replacement Reserves and implementing statistical observability within the meaning of Article 6.1.4 of Annex 6 is less than or equal to 50 MW.

The BEs for which statistical observability is implemented are listed in the table below.

Name of the BE

The maximum powers of the capacities that can be made available by the Participant under the Manual Frequency Restoration and Replacement Reserve Terms and Conditions and implementing statistical observability are defined in the table below.

Time period	Maximum power (MW)

To satisfy initial Commitments or Additional Commitments obtained following a Reserve Exchange, the Participant may Notify RTE of a request to make available capacities implementing statistical Observability whose power is greater than the powers detailed in the table above. Given the global limit of 50 MW, the allocation of available powers for each Quarter-Hourly Interval shall respect the following order of priority:

- powers necessary to cover Initial Commitments obtained following additional call for tenders; then
- powers corresponding to Reserve Exchanges on a “first come, first served” basis.