Le réseau de transport d'électricité

Market Rules

Manual Frequency Restoration and Complementary Reserves

Version 6 in effect on 01/04/2026

The following translation is not binding

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

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7. Manual Frequency Restoration and Complementary Reserves

7.A. Foreword

French Transmission System Operator RTE is responsible for balancing supply and demand on the national power grid at all times. This management must address imbalances experienced by Balance Responsible Parties, production and consumption incidents, as well as import and export movements at the borders. RTE must therefore have power reserves that can be activated both upwards and downwards, from capacities based in France or elsewhere in Europe.

Of the three types of reserves that can be successively called upon (Frequency Containment, Automatic Frequency Restoration and Tertiary Reserves), the Balancing Mechanism (BM) enables RTE to deploy Tertiary Reserves to ensure a real-time balance between production and consumption.

RTE contracts capacities that can be dispatched on the Balancing Mechanism in accordance with the regulatory framework described in 7.B. These capacities are known as the Manual Frequency Restoration Reserve and the Complementary Reserve.

This chapter details the technical, legal and financial terms and conditions under which the Participant guarantees RTE the provision of power on the Balancing Mechanism, by Submitting Bids with BEs, and subject to the technical conditions detailed in this chapter. All words or phrases used in these manual frequency restoration and complementary 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 the Balance Responsible Party system, or in the chapters on Frequency Ancillary Services, in their latest respective version 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 the Balance Responsible Party system, the mFRR-RR Terms and Conditions shall prevail.

7.A.1. Definitions

mFRR-RR Participation Agreement	The contract concluded between RTE and a Participant in the mFRR-RR Terms and Conditions, in accordance with the template in Annex 7.AA1, whereby the latter agrees to adhere to the mFRR-RR Terms and Conditions to participate in the manual Frequency Restoration Reserve (mFRR) and Complementary Reserve (RR) mechanism.
Participation Agreement in the Balancing Mechanism	The contract or protocol concluded between RTE and a market 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.
Block Agreement	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 assigned to it 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 7.G.2.
Incident	Refers to a period of time requiring activation by RTE of the capacity/capacities committed in Manual Frequency Restoration Reserve or Complementary 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 7.L.1.1.2 of the mFRR-RR Terms and Conditions.
CAM	Market Access Commission, a sub-group of the Power Transmission System Users' Committee (CURTE).
Candidate	The legal entity wishing to apply for a periodic and/or day-ahead call for tenders for manual Frequency Restoration and Complementary Reserves.
Reserved Capacity	The sum of the Participant's Commitments.
Bid Usage Conditions (CUO) or Terms of Use	Has the meaning assigned to it 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	Refers to 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 or an aggregator of MV sites.

CRE	French Energy Regulatory Commission (Commission de régulation de l'énergie).
Failure	Refers to any breach of contractual obligations as provided for in Article 7.L 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 assigned to it in the RM_0_General Provisions Terms and Conditions.
Neutralisation Lead Time	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Neutralisation Lead Time between Activations or DNA	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Request for Qualification	Has the meaning assigned to it in Article 7.G.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: - 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.
$DMO_{E,i}$	Mobilisation Lead Time corresponding to the Commitment Type i.
DO_{max}	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
$DO_{max,E,i}$	Designates the maximum usage time for an activation of the Reserved Capacity relating to Commitment Type i.
DO_{min}	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
$DO_{min,E,i}$	Refers to 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 assigned to it in the RM_0_General Provisions Terms and Conditions.

Reserve Exchange	Has the meaning assigned to it in Article 7.H.5 of the mFRR-RR Terms and Conditions.
Failure of a BE Qualification or BE Qualification-related Failure	Has the meaning given in Article 7.G.2.
BE	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Qualified BE	Refers to any BE mentioned in Annex 7.AA1.
Commitments	Refers to the set of capacities that the Participant commits to make available to RTE on the Balancing Mechanism via 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 BEs contracted with RTE following a periodic 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 periodic call for tenders in accordance with Article 7.H.3.7 or following termination of the Commitments in accordance with Article 7.D.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 assigned to it in the RM_0_General Provisions Terms and Conditions.
Force Majeure Event	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Gradient	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Hour or H	Means the hours corresponding to Paris time and lasting sixty (60) minutes.
System Access Deadline	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.

Activation Time	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Balancing Start time	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Deactivation Time	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Balancing End Time	Has the meaning assigned to it 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 BEs for which the Participant commits for day D in order to meet its Commitments, detailing for each Commitment the BEs and the technical specifications of the power time series offered by each BE.
NB_ACTIVATIONS	Designates the parameter corresponding to the BE Commitment to cover up to four (4) Balancing Orders for the SPE0 product, taking the value -1 for the other products.
Notification	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Reserve Exchange Notification or NER	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**")
Observability	Has the meaning attributed to it in Annex 7.AA3 of these mFRR-RR Terms and Conditions and "Observable" means a BE with Observability available to RTE.
Balancing Bid	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. All the technical and financial conditions under which the Balancing Service Provider proposes to RTE a variation in Injection or Extraction

	of a BE. A Balancing Bid may be a Specific Bid or a Standard Bid. A Balancing Bid may be an upward or downward Bid.
Specific Balancing Bid or Specific Bid	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Explicit Specific Balancing Bid or Explicit Specific Bid	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Implicit Specific Balancing Bid or Implicit Specific Bid	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Standard Bid	Has the meaning assigned to it 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 assigned to it in the RM_0_General Provisions Terms and Conditions.
Participant	A signatory to the mFRR-RR Participation Agreement that has entered into 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	Means a period of thirty (30) consecutive minutes, the first of each Day starting at 0H00m00s.
Quarter-Hourly Interval	Means a period of fifteen (15) consecutive minutes, the first of each Day starting at 0H00m00s.
$\mathbf{P_{E,i}}$	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 are described in Annex 7.AA2 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 assigned to it in the RM_0_General Provisions Terms and Conditions.
Contract Period	The period during which a participant may submit one or more types of product for a capacity bid. A contract period may comprise one or more validity periods.
Validity Period	The period during which the Balancing Energy Bid submitted by the Balancing Service Provider can be activated, provided that all the specifications of the product are met. The validity period is defined by a start time and an end time.
Commitment Period	A period during which the Participant makes a BE available under its Commitments.
Exclusion Period	The period during which a Qualified BE can no longer be proposed in a List of Commitments to meet a Commitment.
Availability Period	One or more periods for the provision of Capacities covering Initial Commitments or Additional Commitments (as specified in the NER).
Control Period	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Price Segment	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Fixed Premium	The amount corresponding to the power contracted multiplied by the marginal price of each Commitment Type i.
Reference Spot Price	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
SPE Product	See definition in 7.H.1.2
SPE0 Product	See definition in 7.H.1.1
Order Receiver	Has the meaning assigned to it 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.
SOGL (guideline)	Has the meaning stated in the foreword.
Manual frequency restoration reserve and complementary reserve terms and conditions	Refers to these Manual Frequency Restoration Reserve and Complementary Reserve Terms and Conditions, available on the RTE website (https://www.services-rte.com/en/home.html).

or mFRR-RR Terms and Conditions	
RM_0_General Provisions	The Market Rules relating to the General Provisions available on the RTE Services Portal (https://www.services-rte.com/en/home.html)
RM_1_Scheduling	The Market Rules relating to Scheduling available on the RTE Services Portal (https://www.services-rte.com/en/home.html)
RM_2_Balancing mechanism	The Market Rules relating to the Balancing Mechanism available on the RTE Services Portal (https://www.services-rte.com/en/home.html)
RM_3_Balance Responsible Party	The Market Rules relating to Balance Responsible Parties, available on the RTE Services Portal (https://www.services-rte.com/en/home.html)
RM_4_Frequency Ancillary Services	The Market Rules relating to Frequency Ancillary Services available on the RTE Services Portal (https://www.services-rte.com/en/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/en/home.html).
Public Distribution System	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Public Transmission System	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Complementary Reserve (RR)	Manually activated active power reserve with a mobilisation lead time of less than or equal to 30 minutes.
Manual Frequency Restoration Reserve (mFRR)	Manually activated active power reserve with a mobilisation lead time of less than or equal to 15 minutes.
Frequency Ancillary Services	Has the meaning assigned to it in RM_4_Frequency Ancillary Services
Site	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Commitment Type i or Type of Commitment i	A Type of Commitment characterised by the triplet: type of reserve, product type and direction
User	Has the meaning assigned to it in the RM_0_General Provisions Terms and Conditions.
Metered Volume of a BE (VR of a BE)	Volume of balancing energy over a Control Interval, obtained by comparing the Load Curve of the BE with its Reference Curve.

7.A.2. Link with the General Provisions of the Harmonised Terms and Conditions

The Parties agree that the RM_0_General Provisions Terms and Conditions apply to the mFRR-RR Terms and Conditions. In the event of incompatibility with what is stated in the mFRR-RR Terms and Conditions, the relevant provisions of the mFRR-RR Terms and Conditions shall take precedence over those of the RM_0_General Provisions Terms and Conditions.

7.B. Legal Framework

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 who have 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.

Pursuant to Article 119 of Regulation (EU) 2017/1485 establishing a guideline on the management of the transmission system ("System Operation Guideline", hereinafter "the SOGL Regulation" or "SOGL"), the dimensioning of manual Frequency Restoration Reserves (mFRR) is detailed in the Block Agreement, and in addition, RTE shall operate reserves that enable it to deploy secondary control within thirty (30) minutes.

To meet this need, RTE procures reserves according to the terms described in Article 7.H. As indicated in Article 7.H.2, the dimensioning method used to define the volume of these reserves is detailed in Annex 2 of the Block Agreement, a new version of which is scheduled for the date of application RT_{19}.

The procedures for the provision of the contracted capacities are described in Article 7.J and the terms for activation of these capacities by RTE are described in Article 7.K.

7.C. Entry into Force and Revision

7.C.1. Entry into Force

In accordance with CRE decision 2026-56 of 05/03/2026, these Terms and Conditions relating to mFRR and complementary reserves become effective on 01/04/2026.

As of that date, they shall automatically replace previous versions of the Terms and Conditions relating to mFRR and complementary reserves, for all ongoing activities and processes, unless otherwise indicated.

7.C.1. Deferred Entry into Force

In derogation to the above Article, the following provisions shall have a deferred entry into force.

Date	Description	Participant Notification Lead Time	Articles concerned
Date RT_{17}	Start of procurement of the downward Manual Frequency Restoration Reserve via the SPE product	1 month	7.H. 7.J. 7.L.
Date RT_{18}	Start of upward manual Frequency Restoration Reserve contracting via the new mFRR product known as SPE UP	1 month	7.H
Date RT_{19}	Date of implementation of the new FRR dimensioning rules	1 month	7.B 7.H
Date RT_{20}	End of contracting of the Complementary Reserve	1 month	7.H
Date RT_{21}	End of cost management mechanism	1 month	7.H

7.C.2. Terms of Revision

When new legislative or regulatory texts come into force with regard 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 the principles described in RM_0_General Provisions.

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 will continue to produce its effects and which implies acceptance of the amendments 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 Participation Agreement in accordance with Article 7.D.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.

7.D. Contractual Terms and Conditions

The Participant must possess a Participation Agreement as a Balancing Service Provider. The conditions for obtaining this Participation Agreement are described in Chapter 2 of the Harmonised Market Rules.

7.D.1. Prerequisites

To participate in the provision of Manual Frequency Restoration Reserve and Complementary 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 (Chapter 2 of the Harmonised Market Rules).

7.D.1.1. 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.

7.D.1.2. 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 said registry. An update of this document may be requested once per year by RTE;

☒ a document stating its identity and address or, if applicable, the contact information of its temporary tax representative in France.

7.D.2. Contract conditions

Any market participant wishing to participate in the mFRR-RR Terms and Conditions must Notify RTE by sending a duly completed and signed Participation Agreement, in accordance with the template in Annex 7.AA1, as a Participant in the mFRR-RR Terms and Conditions.

This Notification must be accompanied by the elements mentioned in Article 7.D.2. The Participation Agreement shall take effect on the date set out in this Article subject to RTE's signature.

If a market participant possesses an mFRR-RR Participation Agreement that was terminated pursuant to the provisions of Articles 7.D.3.2 and 7.D.3.3, then this participant may only sign a new mFRR-RR 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 definitively.

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.

7.D.3. Termination of the mFRR-RR Participation Agreement

7.D.3.1. On the Initiative of the Participant

7.D.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.

7.D.3.1.2. If the Participant is under a Commitment

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

- under Article 7.L 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 7.L.1, not including the Additional Commitments provided for in the Article; 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 7.D, the termination of the mFRR-RR Participation Agreement must be Notified to RTE by the Participant by registered letter with recorded delivery.

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 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 7.L of these mFRR-RR Terms and Conditions until the effective date of termination of the mFRR-RR Participation Agreement.

7.D.3.2. Termination without breach

The mFRR-RR Participation Agreement may be terminated automatically and without compensation (except for any penalties payable to RTE in application of Article 7.L 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 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 the Article of these mFRR-RR Terms and Conditions, where the Participant sends justification, in writing, of a subsequent change to the financial conditions of the mFRR-RR Terms and Conditions resulting from the amendment to the RM_2_Balancing Mechanism Terms and Conditions or the mFRR-RR Terms and Conditions, making it financially impossible to abide by them, subject to acceptance by RTE of 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 the date, 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 due to RTE in application of Article 7.L until the effective date of termination of the mFRR-RR Participation Agreement.

7.D.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 the 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 the date, 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 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 these mFRR-RR Terms and Conditions.

Notwithstanding the above, the Participant shall remain liable, where relevant, for all penalties due to RTE in application of Article 7.L until the effective date of termination of the mFRR-RR Participation Agreement.

7.E. Participant Qualification

Not applicable.

7.F. Management of the Balancing Perimeter

The definitions of Balancing Perimeter and Balancing Entity are taken from RM_2_Balancing Mechanism Terms and Conditions.

7.G. Qualification of Balancing Entities

7.G.1. General case

BEs wishing to take part in the Manual Frequency Restoration and Complementary Reserves must bid on at least the specific BM. BEs wishing to bid on the SPE0 product must obtain prior approval as described in Article 7.G.2.

The qualification and pre-qualification of Balancing Entities wishing to also participate in the MARI platform are described in RM_2_Balancing Mechanism.

7.G.2. Qualified Balancing Entity

The Participant must have obtained Qualification as a BE for it to be included in the List of Commitments for the provision of a Commitment on an SPE0 product as defined in Article 7.H.1.1.

The list of Qualified BEs that may be offered by the Participant is given in Annex 7.AA1. This list may only be modified under the conditions strictly defined in Article 7.G.2.2.

7.G.2.1. Characteristics of a Qualification

The information contained in the Qualification is as follows:

- Name of the BE
- Qualified Perimeter of the BE consisting of identification of the Sites and identification of the system operator to which the Site is directly or indirectly connected
- Power declared for the Qualification, $P_{qualified}$
- Declared DMO (Mobilisation Lead Time)
- Declared DOmax
- Declared DOmin, and
- 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 7.G.2.3, a Request for Qualification is required for the removal or addition of one or more Sites.

The Qualification of a BE must take account of the exclusivity of the capacity made available as described in article 7.J.2.

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

7.G.2.2. Obtaining Qualification

The Participant may apply for Qualification of a BE in accordance with the provisions of Article 7.G.2.3. Qualification is obtained by adding the BE or modifying the BE's technical specifications in Annex 7.AA2. RTE shall Notify the Participant of the updated Annex 7.AA2. This modification shall be effective on the first of the month following the Notification of the updated Annex 7.AA2.

The modification in Annex 7.AA2 can only be made by RTE and only under the conditions of this Article.

In particular, RTE may not under any circumstances add Sites to the Qualified Perimeters of the Qualified BEs listed in Annex 7.AA2 without the Participant having requested a modification to a Qualification according to the terms of Article 7.G.2.3.3.

7.G.2.3. Qualification Procedure

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

7.G.2.3.1. Prerequisites

Compliance with all the prerequisites defined in this Article is necessary for the Request for Qualification, as defined in Article 7.G.2.3.2 of this document, to be considered admissible by RTE:

- The Qualification applicant must be the holder of an 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.

7.G.2.3.2. Request for Qualification

The Request for Qualification shall be made by Notification, at the initiative of the Participant to RTE, of Annex 7.AA2, 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 DOmax must be greater than or equal to 30 minutes.
- The declared DOmin must be less than or equal to 60 minutes.
- The declared DOmax must be greater than or equal to the DOmin value declared.
- For a BE to be Qualified for Manual Frequency Restoration Reserve (mFRR), the DMO (mobilisation lead time) 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 Complementary Reserve (RR), 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 7.AA2 or its update, in accordance with the terms described in Article 7.G.2.2, 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.

7.G.2.3.3. 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 a modification to an existing Qualification.

Any new Request for Qualification accepted on a previously Qualified BE and modifying a specification of the Qualification other than DOmin will be considered as a new Qualification, and will reset the number of tests provided for in Article 7.L.

Modification of the list of Qualified BEs is done in accordance with the terms of Article 7.G.2.2.

7.G.2.4. 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.

The Participant may choose to implement statistical Observability in accordance with the experimental procedures detailed in Article 6.1.4 of Annex 7.AA3. This choice is subject to a specific declaration at the time of participation in the periodic call for tenders or at a gate of the day-ahead call for tenders on bid submission in accordance with Article 7.H.3.3. The maximum powers of the capacities made available by the Participant and implementing statistical Observability are defined in Annex 7.AA4.

In the event of non-compliance with the obligation 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 Observability of the BEs concerned is effectively made available.

7.H. Contracting of reserves

The contracting of Manual Frequency Restoration and Complementary Reserves by RTE is done by calls for tenders:

The calls for tenders are then distinguished:

- firstly, according to the contractual period:
  - day-ahead calls for tenders, with a contractual period of one (1) day
  - periodic calls for tenders, with a contractual period of longer than one (1) day;

- and secondly, according to product type:
  - SPE0 product
  - SPE upward (SPE UP)

- SPE downward (SPE DOWN)

For 2025, part of the capacity has been contracted through the annual call for tenders. The Commitment resulting from this call for tenders is treated as a Commitment resulting from the periodic call for tenders.

7.H.1. Definitions of Products Sought

7.H.1.1. SPE0 Product

The SPE0 product corresponds to the product historically contracted by RTE to cover Manual Frequency Restoration Reserve and Complementary Reserve requirements, with the following specifications:

- For the SPE0 mFRR product:
  - The DMO must be less than or equal to thirteen (13) minutes.
  - The power contracted by RTE corresponds to daily energy equal to 4 hours or 4 activations per day.
  - The DOmin is less than or equal to sixty (60) minutes.
  - The DOmax is less than or equal to one hundred and twenty (120) minutes.
  - The DNA is less than or equal to sixty (60) minutes.
- For the Complementary Reserve:
  - The DMO must be less than or equal to thirty (30) minutes.
  - The power contracted by RTE corresponds to daily energy equal to 3 hours or 4 activations per day.
  - The DOmin is less than or equal to sixty (60) minutes.
  - The DOmax is less than or equal to ninety (90) minutes.
  - The DNA is less than or equal to sixty (60) minutes.

7.H.1.2. SPE product

For the SPE upward and downward mFRR product:

- The DMO must be less than or equal to thirteen (13) minutes.
- The DOmin is less than or equal to fifteen (15) minutes.
- The DNA is less than or equal to thirty (30) minutes.

7.H.2. Determining requirements and contracted volumes

7.H.2.1. Manual Frequency Restoration Reserve (mFRR)

7.H.2.1.1. Manual Frequency Restoration Reserve (mFRR) requirements

The methodology for determining the total Manual Frequency Restoration Reserve (mFRR) requirement is detailed in the Block Agreement. A new FRR dimensioning method will be introduced and applied to calculate the manual Frequency Restoration Reserve requirement (mFRR) from the application date RT_{19}.

7.H.2.1.2. mFRR volumes to be contracted

7.H.2.1.2.1. mFRR volumes to be contracted upward

7.H.2.1.2.1.1. Terms and conditions in force until RT_{18}.

Until RT_{18}, manual Frequency Restoration Reserve (mFRR) is contracted upwards only via the SPE0 product and on periodic and day-ahead tenders.

Any volume contracted for the periodic call for tenders that has been terminated is added to the volume to be contracted via the day-ahead call for tenders.

The volume to be contracted is equal to the requirement calculated using the dimensioning method defined in the Block Agreement. The distribution of SPE0 volumes to be contracted between these tenders is proposed by RTE, approved by CRE and communicated to the market participants.

7.H.2.1.2.1.2. Terms and conditions in force after RT_{18}.

As of RT_{18}, mFRR will be contracted upward:

- via the SPE0 product through periodic calls for tender only (end of SPE0 day-ahead call for tenders). The timetables for future Periodic Calls for Tenders and the volumes to be contracted will be published as of Month M-2. However, the final values will be those indicated when the Gate is opened.
- via the SPE UP mFRR product through specific day-ahead calls for tenders. The volume of SPE UP to be contracted is equal to the difference between the need for upward mFRR calculated according to the dimensioning method defined in the Block Agreement and the volume of SPE0 mFRR contracted under the PDO. To this volume must be added the volumes contracted at the time of the Periodic Call for Tenders that was terminated.

RTE ensures that the positive dimensioning incident as defined in Article 5 of the Block Agreement is covered at all times.

7.H.2.1.2.2. mFRR volumes to be contracted downward

As of RT_{17}, mFRR is contracted downward via the SPE DOWN product only through a day-ahead call for tenders:

- Prior to RT_{19}, the volume to be contracted in this tender is less than or equal to the requirement calculated using the dimensioning method. This volume is proposed by RTE, approved by CRE and communicated to the market participants
- As of RT_{19}, the volume to be contracted in this tender is equal to the requirement calculated according to the dimensioning method defined in the Block Agreement.

7.H.2.2. Complementary Reserve (RR)

7.H.2.2.1. Complementary Reserve (RR) Requirements

The purpose of RR reserve capacities is to supplement and restore FRR reserve capacities previously activated in the event of an incident. In its reliability model, RTE considers all contracted or free reserve capacities with a mobilisation lead time of more than 15 minutes as mFRR-RR type reserve capacities.

Contracted Complementary Reserve capacity must be able to restore the minimum volume of aFRR reserve capacity within 30 minutes. These capacities must therefore have a maximum mobilisation lead time of 30 minutes.

7.H.2.2.2. Complementary reserve (RR) volumes to be contracted.

Prior to RT_{20}, the Complementary Reserve will be contracted by RTE only upwards and via the SPE0 product on both periodic and day-ahead tenders. Any volume contracted for the periodic call for tenders that has been terminated is added to the volume to be contracted via the day-ahead call for tenders.

The distribution of volumes between these calls for tenders is proposed by RTE, approved by the CRE, and communicated to the market participants.

After RT_{20}, the Complementary Reserve will no longer be contracted.

7.H.3. Contracting of the SPE0 Product

The Candidate can only participate in a gate if it has sufficient Qualified BEs, minus, where relevant, its Commitments from the periodic Manual Frequency Restoration and Complementary Reserve call for tenders. This condition will be checked when each bid is entered by the Candidate and any subsequent changes made.

7.H.3.1. Submission of bids

For a given gate, a Candidate:

- may modify or withdraw 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 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 verified all 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.

7.H.3.2. Content of the Bids

7.H.3.2.1. Time allotment

7.H.3.2.1.1. Periodic call for tenders

The Validity Period is always equal to one calendar day.

The bids submitted are for independent whole days included in the contractual period concerned.

The Contractual Period is agreed as part of the RR-RC WG, periodically proposed by RTE, approved by CRE and communicated to market participants sufficiently in advance.

The Validity Period is always equal to one calendar day.

The bids submitted are for independent whole days included in the contractual period concerned.

For a given gate:

- The gate opens “X” calendar days before the first delivery day of the Contractual Period concerned.
- The Candidate’s bids must be submitted on the RACOON platform between the opening date and time and the gate closing date and time for the submission of bids, the dates being expressed in calendar days prior to the first day of delivery of the contractual period concerned.
- The gate closes "Y" calendar days before the first delivery day of the Contractual Period concerned.
- The results are published "Z" days before the first delivery day no later than 12:30 p.m.
- The Candidate may submit a total of no more than fifty (50) volume-price pairs for all bids combined for each delivery day included in the contractual period concerned.

The parameters (X, Y, Z) of the Periodic Call for Tender Gates are agreed as part of the RR-RC WG, periodically proposed by RTE and communicated to market participants sufficiently in advance.

7.H.3.2.1.2. Day-ahead call for tenders

The Contractual Period is equal to the Validity Period, i.e. one calendar day.

Bids submitted are for the whole day only.

For a given gate concerning delivery day D:

- The gate opens eight (8) calendar days before delivery day D.
- The Candidate's bid must be submitted between 10:00 on D-8 and 10:00 on D-1 on the RACOON platform.
- The gate closes at 10:00 on D-1.
- Results are published no later than 10:30 am on D-1.

The Candidate may submit a total of no more than fifty (50) volume-price pairs, all bids combined, for delivery day D in question.

7.H.3.2.2. Technical allotment

For each gate of a day-ahead or periodic call for tenders, SPE0 bids are submitted at 1 MW intervals, and the Candidate chooses the power ranges for which the bid price is constant (in €/MW per day).

For each SPE0 bid on a day-ahead or periodic tender, the Candidate must:

- Indicate the reserve to which the capacity can be committed: Frequency Containment Reserve or Complementary Reserve.
- Specify an initial indivisible power range that corresponds to the power below which the Respondent does not wish to maintain its bid for a given gate, should it be selected for a lower power.

  This first power range must by default be greater than or equal to ten (10) MW and less than or equal to a maximum indivisible power SPE0 defined by RTE.

  If the Candidate was selected during the periodic call for tenders for at least one bid, this initial power range may be less than ten (10) MW but must be greater than or equal to one (1) MW and less than or equal to the maximum indivisible power SPE0 defined by RTE.

  The maximum indivisible power SPE0 may be modified by RTE, after consultation with the market participants in the RR-RC working group and Notification to CRE by letter. In the absence of any objection from the CRE within 6 weeks of receipt of the letter, the new maximum power value is considered to be approved and is updated on the RTE website. If the CRE objects to the creation of this new maximum power, RTE must restart the consultation process with market participants and the Notification process with the CRE to modify the initial maximum power.

The bids proposed for a gate must meet the following conditions:

– the power offered by the Candidate can be divided to the nearest MW for all powers offered above the initial indivisible power range;

– the price (in €/MW) rises with the power (not strictly), i.e. the proposed price for a Commitment for the n^{th} MW is greater than or equal to the proposed price for the p^{th} MW when n > p;

– If the Candidate wishes to implement the experimental provisions relating to statistical Observability described in Article 6.1.4 of 7.AA3, 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 periodic call for tenders.

7.H.3.3. Assessment and Award

The bid is only analysed if the eligibility conditions stipulated in Article 7.H.3.2.2 are met.

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

7.H.3.3.1. Award criterion

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

RTE may select a technical bid with superior characteristics to meet a lower contracted volume. For example, a Manual Frequency Restoration Reserve (mFRR) bid can be selected to cover a contracted volume for a Complementary Reserve (RR).

7.H.3.3.2. Terms of award

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

- bids (mFRR) for which $Critère(RR) \leq Prix(RR)$;
- bids (RR) for which $Critère(RC) \leq Prix(RC)$;

With Criterion (mFRR or RR), the bid price, either increased or decreased according to the merit order weighting referred to above.

$Prix(RR)$ and $Prix(RC)$ are determined for the day of merit order ranking and:

- minimise the following sum: $Prix(RR) * VRR, j \; + \; Prix(RC) * VRC, j$ where:
    - VmFRR,d represents the number of MW selected for the bid type (mFRR) on the merit order ranking day;
    - VRR,d represents the number of MW selected for the bid type (RR) on the merit order ranking day;
- cover the Manual Frequency Restoration Reserve and Complementary Reserve needs for the day as specified in Article 7.H.1.

As explained in Article 7.H.3.3.1, it is possible to select more mFRR bids than the mFRR need sought and as substitution for some or all of the Complementary 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 initial indivisible power range specified by the Candidate.

Multiple Candidates may be selected for a given day.

On a given day, if the most expensive Bid is selected for the whole of its initial indivisible power range and the contracting requirement is more than covered, the withdrawal of the Bid is analysed. The solution chosen is the one that minimises $Prix(RR) * VRR, j + Prix(RC) * VRC, j$, i.e. the Bid may nevertheless be maintained and an award made for the whole of the initial indivisible power range if it proves more economical to contract more power with a lower marginal price as a result.

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 initial indivisible power range is the highest.

7.H.3.3.3. Notification of the award of the call for tenders

Merit order ranking takes place after each gate closure.

- For the periodic call for tenders, the results are communicated "Z" days before the first day of delivery no later than 12:30 p.m. (see section 7.h.3.2.1.1).
- For the daily call for tenders, the results are communicated no later than 10:30 a.m. on the day before the delivery day (see section 7.h.3.2.1.2).

The results are made available on the RACOON platform.

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

7.H.3.4. Fallback Situations

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

In the event of a fallback situation for the day-ahead call for tenders, 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 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.

7.H.3.5. 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 select 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.

7.H.3.6. RTE's right to cancel all or part of the periodic call for tenders

RTE reserves the right to cancel all or part of the contract via the periodic call for tenders at any time. In particular, RTE may proceed with the awarding of the Manual Frequency Restoration Reserve and Complementary Reserve over a shorter period than that provided for in the periodic call for tenders.

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

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

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

7.H.3.7. Modification of the Initial Commitments

7.H.3.7.1. Modification conditions

This Article shall not apply to the Initial Commitments resulting from contracting through day-ahead call for tenders. The Initial Commitments resulting from the periodic call for tenders as described in Article 7.H.3.2.1.10 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 said platform), by the Participant at least two (2) Business Days before the start of the first period concerned by the modification. The terms 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/en/home.html).

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

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

7.H.3.7.2. 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 periodic call for tenders for the Terminated Commitment;

- the difference between the marginal price of the day-ahead call for tenders and the marginal price of the periodic call for tenders for the Type of Terminated Commitment.

$$Pénalité_{i,J} = V_{résilié\ i,J} \times Max\ (10\%\ prix\ marginal_{AO\ périodique\ i,J};\ prix\ marginal_{AO\ Jour\ i,J} - prix\ marginal_{AO\ périodique\ i,J})$$

Where:

- 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
- prix marginal$_{AO\ annuel\ i,J}$ is the marginal price of the periodic call for tenders for the period in which day J is situated and calculated for 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.

7.H.4. Contracting of the SPE product

The SPE mFRR product is only contracted via a day-ahead call for tenders.

RTE will issue two independent calls for tenders for:

- mFRR SPE UP
- mFRR SPE DOWN

7.H.4.1. Submission of bids

The validity period is one hour and a bid may be submitted for one or more consecutive hours of the day. 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 given gate, a Candidate:

- may modify or withdraw any bid submitted up to the date and time limit for the submission of bids for this Gate;
- For a Commitment relating to Day D, the Candidate's bid must therefore be submitted **between 10:00 of day D-8 and 10:00 of day D-1** on the RACOON platform.
- may submit one or more bids for the same product.

The Candidate must have 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 verified all 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.

7.H.4.2. Content of the Bids

7.H.4.2.1. Time allotment

The Period of Validity is one Hour, starting at the rounded hour. For a given gate closure, bids for the delivery day D in question relate to independent hours or to blocks of several consecutive hours.

7.H.4.2.2. Technical allotment

A bid must contain the following elements:

- Delivery Day concerned
- Power offered in MW, to the nearest MW
- Bid price associated with this power, expressed in €/MW/h to two decimal places. This bid price may be positive or zero.
- Delivery Period of one or more hours beginning and ending at the rounded hour
- Reserve direction: upward or downward;
- Divisible or indivisible character of the bid:
    - a divisible bid can be split to the nearest MW.
    - an bid higher than the maximum power defined by RTE must be divisible.
    - if the bid is indivisible, the proposed power must be less than or equal to the maximum power defined by RTE and the bid must comply with the mandatory conditions detailed in the IS implementation guide. This maximum power may be modified by RTE, after consultation with the market participants in the RR-RC working group and Notification to the CRE by letter. In the absence of any objection from the CRE within 6 weeks of receipt of the letter, the new maximum power value is considered to be approved and is updated on the RTE website. If the CRE objects to the creation of this new maximum power, RTE must restart the consultation process with market participants and the Notification process with the CRE to modify the initial maximum power.

Exclusivity links can be set up between mFRR Capacity Bids in the same direction. If two Bids A and B are linked by an exclusivity link, then it is possible to select either one of the two bids or neither, but not both simultaneously. A bid can be linked by an exclusivity link to a single group of bids, all of which are mutually exclusive.

7.H.4.3. Assessment and Award

The bid is only analysed if the eligibility conditions stipulated in Article 7.H.4.2.2 are met.

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

7.H.4.3.1. Terms of award

For a given delivery day, RTE issues two independent day-ahead SPE calls for tenders, upward and downward. Bids are selected in such a way as to minimise the cost to the community CC formulated below and in accordance with the contracting cost control mechanism described in Article 7.H.4.3.2, subject to the constraint of respecting potential links between bids and indivisible volume' and meeting RTE's needs for each Hourly Interval:

$$CC = \sum_{t=1}^{T} \left(\sum_{Offre_{i,S}=1}^{Offre_{I,S}} \left(V_{Offre_{i,S}} \times Prix_{Offre_{i,S}} \right) \right)$$

Where:

- S is the product direction;
- $t \in [1\,;T]$: one of the T contracting intervals of a given Day;
- $Offre_{i,S} \in [Offre_{1,S}\,; Offre_{I,S}]$: the index designating an upward or downward $Offre_{i,S}$ selected;
- $V_{Offre_{i,S}}$: bid volume, $Offre_{i,S}$ (unit: MW);
- $Prix_{Offre_{i,S}}$: the bid price $Offre_{i,S}$, for the Hourly Interval t (unit: €/MW).

A bid is either entirely selected, entirely rejected, or partially selected. Partially selected bids are selected in increments of 1 MW.

The marginal price of each Hourly Interval (P_t^S)) is calculated by the mFRR periodic call for tender algorithm under the following constraints:

i) Each Bid i must be profitable over all the Time Steps t where it is selected or partially selected:

$$\sum_t P_t^S V_{retenu_{i,S}} \geq p_i \sum_t V_{retenu_{i,S}}$$

where:

$V_{retenu_{i,S}}$: volume selected, respectively from the $Offre_{i,S}$ (unit: MW)

ii) On each Hourly Interval, the marginal price calculated is less than or equal to the price of the most expensive bid selected:

$$P_t^S \leq {P_{max}}_t^S$$

where:

${P_{max}}_t^S$: price of the most expensive tender selected (unit: €/MW).

In the event of equivalent solutions, the solution that minimises the cost of contracting is selected.

7.H.4.3.2. Managing the contracting cost

RTE has a mechanism in place for managing the cost of contracting the mFRR SPE product.

Firstly, RTE determines and communicates the volume to be contracted in mFRR SPE before the gate opens, calculated in accordance with the provisions of Article 7.H.2.1.2.

Secondly, RTE determines a maximum contracting cost for each day and each direction.

If the cost of contracting is higher than the maximum cost of contracting determined by RTE, the volume of bids accepted is lower than the volume to be contracted via the SPE product. The volume of bids selected may vary from one time interval to another depending on the network's security requirements.

The volumes offered and selected are published by RTE in accordance with the procedures defined in Article 7.P.

The methodology of the cost management mechanism may take into account the Reference Spot Price, aFRR capacity bids, aFRR energy bids, mFRR capacity bids, mFRR energy bids, frequency quality criteria as defined in Title 2 of Part 4 of Commission Regulation (EU) 2017/1485, and the cost of contracting mFRR abroad. It shall be drawn up jointly with the CRE and communicated to the CRE within a reasonable time prior to its application. CRE shall be notified of any changes within a reasonable period of time prior to their application.

Feedback shall be provided to the CRE after the fact on the impact that the maximum cost and the volume required by RTE have had on the contracting process.

7.H.4.3.3. The contracting cost control mechanism will end as of the activation of the date RT_{21}. The target date for activating RT_{21} corresponds to when the Neutralisation Lead Time is increased to 30 minutes. In accordance with Article 8(1) of Regulation (EU) 2019/943 as amended by Regulation (EU) 2024/1747, this date is 1st January 2026. This date has been extended to 1st January 2029 as per the derogation granted to RTE by the CRE in its decision no. 2025-198. Notification of the award of the call for tenders

Merit order ranking takes place after each day-ahead gate closure. The results are announced by 10:30 at the latest and are available on the RACOON application.

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

7.H.4.4. Fallback Situations

Fallback situations can be caused, for example, 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 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.

7.H.4.5. Insufficient bids

If there are insufficient bids in the call for tenders, RTE will select the entire volume offered within the limits of the mechanism described in Article 7.H.4.3.1. In this case, the marginal price will be determined based on the merit order criterion of the highest bid price selected.

7.H.5. Reserve Exchange

7.H.5.1. 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 Reserve thus acquired 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 (i.e. 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 in accordance with the procedures specified in Article 7.H.5.2 with a Neutralisation Lead Time equal to one (1) hour.
2. The power Time Series of the NER contains only positive or zero integers.
3. The NER corresponds to 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/en/home.html
   - has BEs with technical specifications sufficient to meet (without exchanging again) all 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.H.5.2. 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 application referred to above is described in Article 7.H.5.2.

In case of unavailability of the dedicated application, the Participant must send the NER to RTE by email according to the terms described in Article 7.H.5.2.2.

7.H.5.2.1. Nominal procedure for transmission of NERs to RTE

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 type of commitment: Reserve, Direction, Product

v. the start time of the exchange

vi. the end time of the 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.H.4.1 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.H.5.2.2. Procedures for transmitting NERs to RTE in downgraded mode

The Assignor Participant Notifies the NER with the same email sent to the RTE operational contact for the Reserve Exchange Notification mentioned in Annex 7.AA2, to the operational contact of the Purchaser Participant, and to the address 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 also Notifies the exchange to the RTE real-time operational contact identified in Annex 7.AA2.

The NER takes the format described in the implementation guide for the dedicated application.

7.I. Programming

7.I.1. General

The scheduling constraints derive from Chapter 2 of the Harmonised Market Rules, relating to the Balancing Mechanism.

7.I.2. List of Commitments

7.I.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 BEs to which the Participant's Commitment relates, the triplet corresponding to the type of commitment and the strength of the commitment for each BE:

1. BE code
2. Type of reserve
3. Direction of reserve
4. Type of product
5. For the SPE0 product: the Number of Activations for which each BE is committed, -1 otherwise.
6. The committed power for each Quarter-Hourly Interval and for each BE.
7. The same BE may not make any commitment at the same time:
    - For SPE0 and SPE products
    - And for the same type of product, upward and downward

A single List of Commitments is sent to RTE per Participant and per Delivery Day.

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

7.I.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.

7.I.2.3. Redeclaration of the List of Commitments after the System Access Deadline

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

If the List of Commitments is redeclared during a Quarter-Hourly Time Interval q, only the values declared by the Participant for the Quarter-Hourly Periods from q+5 onwards 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 the RTE real-time operational correspondents indicated in Annex 7.AA2 about the redeclaration by phone. 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 execution of the current Balancing Orders for the BEs of the previously declared List of Commitments.

7.J. Putting together energy bids

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 7.L will apply, depending on the type of Failure.

7.J.1. General principles

When it has been awarded the periodic and/or day-ahead tender for a given time interval, the Candidate undertakes to submit, for all the time intervals concerned, a contractually guaranteed volume of Specific Bids for the Balancing Mechanism that comply with the technical specifications required for the type of product contracted. 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 Redeclarations of Bids must not impact the guaranteed energy, or the possibility for RTE to activate the totality of the contracted power.
- For the SPE0 product: it must be possible to activate Bids provided that the Activation Time is within the Commitment Period.
- For the SPE product: the Participant must ensure, by submitting consistent Bids and Bid Usage Conditions (CUO), that the Activation requested by RTE can in all circumstances have a duration greater than or equal to the DOmin declared, provided that the Activation Time is within the Commitment Period. In other words, the Participant will have to systematically declare bids and CUOs making it possible to ensure at least and at all times an adjustment over the range [Start of commitment period; End of commitment period + DOmin].

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

1. 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 its Bids for the whole day along with its contractual availability range via the TOPASE application.

The Participant undertakes to inform RTE as soon as possible of any unavailability or failure of the capacity made available to RTE. This information is provided in accordance with the notification procedures specified in RM_0_General Provisions Terms and Conditions.

7.J.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. If one or more Sites of a BE are part of a certified Reserve Providing Group (RPG), it is the Participant's responsibility to ensure that the minimum power that the Participant commits to make available on the Balancing Mechanism under its Commitments is feasible, including when Frequency Ancillary Services are scheduled on the RPG concerned, in accordance with the principle of exclusivity mentioned in this article.

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.

7.J.3. Submission of Bids on the Balancing Mechanism for BEs offered in the List of Commitments

7.J.3.1. On D-1 before the System Access Deadline

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

7.J.3.2. Redeclaration of Bids

The Participant may redeclare one or more Bids concerning the 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.

7.J.3.3. Submission of standard bids

A Participant with Commitments may submit mFRR Standard Bids under the following condition: for a given time range [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 range concerned, must not negatively affect the Participant's Commitments for the rest of the day.

7.J.3.4. 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 processed is described in Article 7.L.1.2.2.3.

7.J.3.4.1. SPE0 Product

7.J.3.4.1.1. Declaration linked to the Qualification of the BE

The BEs declared in the List of Commitments must be qualified and must meet the conditions stipulated in Article 7.G.2.1. BEs that do not fall within this framework are not taken into account under these mFRR-RR Terms and Conditions for the SPE0 product.

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 Qualified Power P of the BE considered as defined in Annex 7.G;

7.J.3.4.1.2. Declaration under the Commitments

7.J.3.4.1.2.1. 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 $P_{E,i}$;

– Each MW committed in mFRR or RR shall be offered for at least 4 activations in the day:

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

Where:

- $max\{P_{LE,EDA,p}\}_{p \in J}$: 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*.
- $NB_{activations,EDA}$: 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)

– the BEs shall be declared on a Number of Activation Orders (NB_ACTIVATIONS) equal to two (2) or four (4) in the List of Commitments.

7.J.3.4.1.2.2. Special cases

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 the two (2) BEs shall be identical ($P_{BE1,p} = P_{BE2,p}$);

– only the power declared in the List of Commitments for BE1 shall be taken into account for the verification of the Power Commitment specified in Article 7.J.3.4.1.2.1.

A single BE for several SPE0 Commitment Types

The same BE may participate in several Commitment Types SPE0 i provided that the exclusivity of the Reserved Capacity under the Commitments is respected.

7.J.3.4.1.3. Bids Submitted on the BM

The following conditions apply to Bids relating to 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):

- $DO_{min} \leq 60\,minutes$,
- $DO_{min} \leq DO_{max}$
- $NB_{activations} \geq NB_ACTIVATIONS$;
- $DNA \leq 60\,minutes$;
- 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.
- for each Quarter-Hourly Interval p of the day, $P_{MAX,EDA,p} \geq \sum_i P_{LE,EDA,p,i}$ MW;
- for each Quarter-Hourly Interval p of the day, $P_{min,EDA,p} \leq \sum_i P_{LE,EDA,p,i}$ MW, except where the Participant provides justification of a technical constraint on the BE which does enable compliance with this criterion;
- The maximum upward balancing energy offered on the BE (E_{max} - E_{PA}) shall be greater than or

equal to the energy available in the List of Commitments (LE) for this BE, i.e.: :

For Manual Frequency Restoration Reserve:

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

For Complementary Reserve:

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

Where:

- $P_{LE,EDA,p,i}$ corresponds to the power declared for the Quarter-Hourly Period p for the BE and for the Commitment Type i;
- NB_ACTIVATIONS: the parameter corresponding to the BE 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 without a SE.
- E_{max}, corresponding to the initial maximum Energy of the BE for the day

7.J.3.4.2. SPE Product

7.J.3.4.2.1. Declaration under the Commitments

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 PE,i;

– the DMO declared for the BEs under Commitment Type i in the List of Commitments is less than or equal to 13 minutes;

7.J.3.4.2.2. Bids Submitted on the BM

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

For each BE declared in the List of Commitments at a power greater than zero on a Quarter-Hour Period p, a Specific Bid must be submitted in the direction committed on this Quarter-Hour Period p and on the following Quarter-Hour Period p+1.

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):

- $DMO \leq 13\ minutes$, activation is based on the “short dynamic” convention described in the TAO Technical System implementation guide.
- $DO_{min} \leq 15\ minutes$,

- DO_{max} must be compatible with the duration of the Commitment on consecutive Quarter-Hourly Time Intervals of the BE
- P_{MAX} and P_{MIN} consistent with:
  - "Chapter 2.J: Constitution of Balancing Bids" of the harmonised rules relating to the Balancing Mechanism.
  - the scheduling of the List of Commitments.
- $DNA \leq 30\ minutes$;

7.K. Use of Balancing Bids by RTE

The principles governing the activation of balancing bids are described in Chapter 2 of the Harmonised Market Rules relating to the Balancing Mechanism.

7.K.1. Performance of the TAO interface system implemented by the Participant

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

7.K.1.1. Performance requirements

For each of the Order Receivers for 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 backup 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 available Web HMI).

7.K.1.2. 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 BE Order Receivers do not satisfy the requirements specified above. During these periods:

- the Participant cannot declare the 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.

7.L. Control of Commitments

7.L.1. 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 Articles 7.J, 7. K and 7.L, 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.

7.L.1.1. Provisions common to SPE and SPE0 products

7.L.1.1.1. Non-application of penalties

It is specified that under the mFRR-RR Terms and Conditions, when a failure is caused by the execution of a D-1 Upstream Framework Agreement 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 for the capacities deriving from the periodic call for tenders.

In the event of total or partial unavailability or inability of a Balancing Entity declared in a List of Commitments, no penalty under the mFRR-RR is applied when it is directly linked to a generation or consumption restriction of a Site belonging to this Balancing Entity due to a constraint on the Public Transmission System, other than a Scheduled Unavailability, for which the System Access Contract stipulates that RTE is liable for actual, direct, present and certain damage.

This clause does not apply in the event that RTE has given notice of the forthcoming unavailability before the closure of the gate for submitting Bids for the call for tenders for which the Contractual Period includes the period of unavailability.

7.L.1.1.2. Definition of 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 7.H.3.7 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 a BE that cannot be technically compensated by the Commitment of another 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 a BE that cannot be technically compensated by the Commitment of another BE within the Participant's portfolio or the Reserve Exchange between Participants;
- a strike at all or part of the Sites constituting the committed capacities and leading to unavailability of a BE which cannot be technically compensated by the Commitment of another 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;
- regular maintenance operations;
- adverse weather conditions;
- recurrent failures of a technical system 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 Correspondent with the account manager in cc, as designated in Annex 7.AA2.
- If the Incident occurs intraday, the Participant must notify in RTE's real-time Operational Correspondent with the account manager in cc, as designated in Annex 7.AA2.

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:

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

where the term Prix MarginalJ,i (€/MW/15min) is the Marginal Price **calculated at 15-minute intervals** for Commitment Type **i** calculated in accordance with Articles 7.L.1.2.1 and 7.L.1.3.1.

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

For other types of Failures, the general terms and conditions of Article 7.L.1 shall apply.

7.L.1.1.3. 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 BEs listed in Annex 7.AA1, the Participant fails to meet the performance requirements of the TAO interface system put in place by the Participant as specified in Article 7.K.1.1, 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:

$$Pénalité_J = \sum_{\substack{EDA \\ associée \\ au\ RO,i}} Puissance\ déclarée\ pour\ le\ type\ d'engagement\ n°i \times 0{,}5 \times PrixMarginal_{J,i}$$

where Prix Marginal$_{J,i}$ is the Marginal Price for Commitment Type i for day D as set out in Articles 7.L.1.2.1 and 7.L.1.3.1.

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 articles 7.L.1.2.3 and 0.

7.L.1.1.4. Failure declared on SPE and SPE0

7.L.1.1.4.1. 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).

7.L.1.1.4.2. Compliance failure concerning the List of Commitments

For the Quarter-Hourly Interval p, the following case constitutes a Compliance Failure for the List of Commitments: the last List of Commitments declared by the Participant for a Quarter-Hourly Interval p does not meet the conditions specified in Article 7.J.3.4 for this Quarter-Hourly Interval.

The power considered to have Failed is the sum of the missing powers for the List of Commitments to be compliant with the provisions specified in Article 7.J.3.4.

7.L.1.2. SPE0 Product

7.L.1.2.1. Definition of the base penalty

The base penalty (referred to in the following articles for the SPE0 product) is defined as follows for a Quarter-Hourly Interval:

$$Pénalité^{\text{SPE0}}_{de\ base\ 15\ min} = C^{SPE0} \times \max\left(Prix\ Marginal_{j,i}\ (€/\text{MW}/\mathbf{15min});\ \frac{Spot_{15min}\ (€/MWh)}{4}\right)$$

where:

- the coefficient C^{SPE0} is 1.35;
- the $\text{Spot}_{15\text{min}}$ term corresponds to the Reference Spot Price for the Quarter-Hourly Interval in which the Failure is recorded;
- the term $\text{Prix Marginal}_{J,i}$(**€/MW/15min**) 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 "Prix Marginal" term is calculated from the mean of the marginal prices associated with this Commitment, weighted by the total volumes contracted by RTE on the periodic call for tenders (after taking into account any revisions of Commitments) and day-ahead calls for tender.

7.L.1.2.2. Declared Failure

7.L.1.2.2.1. 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:

$$Pénalité_{15min} = P_{défaillante} \times 80\%\ Pénalité_{SPE0\ de\ base\ 15\ min}$$

Where $\text{P}_{\text{défaillante}}$ 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.

7.L.1.2.2.2. 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 deadlines specified in Article 7.I.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 7.J.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:

$$Pénalité_J = 15€/MW \times P_{défaillante}$$

Where $P_{défaillante}$ is the power considered to have failed under the terms of this Article.

7.L.1.2.2.3. Compliance Failures relating to the List of Commitments and/or the Submission of Bids not compliant with the List of Commitments

7.L.1.2.2.3.1. Compliance Failure relating to the List of Commitments

If the Failure is related to the absence of BE Qualification 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.

7.L.1.2.2.3.2. Special case of non-compliance with the declaration of 4 activations per MW SPE0 contracted per day

If the conditions described in Article 7.J.3.4.1.2.1. are not met, a single power failure is calculated and applied to all the Quarter-Hourly Intervals of the day using the formula:

$$P.Défaillante_{NB_{activations}} J = \frac{\sum_{i\in\{RR,RC\}}(P_{E,i}) \times 4 - \sum_{EDA\in LE}(max\left(\{P_{LE,EDA,p}\}_{p\in J}\right) \times NB_{activations,EDA}}{4}$$

Where:

- $max\{P_{LE,EDA,p}\}_{p\in J}$: 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*.
- $NB_{activations,EDA}$: 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)

7.L.1.2.2.3.3. 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 7.J.3.4.1.3;
- for the BEs referred to in Article 7.G.2.3, the Bids Submitted by the Participant do not meet the conditions specified in the above Article;
- the Participant does not submit 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 maximum upward power submitted by the Participant for the BE;

- when the Failure concerns E_{max}, it is considered a Failed power equal to:

- For Manual Frequency Restoration Reserve:

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

- For Complementary Reserve:

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

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

7.L.1.2.2.3.4. Applicable penalty formula

For all the Failed powers affecting the compliance of the List of Commitments and/or the Submission of Bids that are not compliant with the List of Commitments, the following penalty shall apply for each Quarter-Hourly Interval concerned:

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

7.L.1.2.3. Failure found

For each Quarter-Hourly Period of day D on which at least one activation of an upward Specific 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 non-zero Power Failure is identified over a Quarter-Hourly Interval from the average of the Power Failures P.Défaillante$_{u\in P}$ calculated over the 5-Minute Intervals (u) within the Control Period (P) according to the formula:

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

with:

- Only $\boldsymbol{P.Défaillantes}_{\boldsymbol{u\in P}} \geq 10\% * P.Attendue\ initiale_{u\in p}$ are taken into account.
- **.(,)**: is the power declared by the participant in the List of Commitments for the corresponding BE
- **.Attendue Initiale**: is the **initial** Expected Power requested during the first call made by RTE to the Order Receiver of the BE committed in mFRR-RR.
- **.Réalisée$_{u\in p}$**: is the average upward power produced over the 5-minute interval () by the BE. This value is calculated from the Actual Volume VR(BE,u) of the BE over the 5-minute interval (u) by:

$$\text{P. Réalisée}_{\text{u}\in\text{p}} = \frac{VR(EDA,u)}{\frac{5}{60}}$$

Control Period (P):

For a bounded deferred Order:
The control period comprises whole 5-minute Intervals between:

- [The requested activation time].
- [The requested deactivation time]

For an immediate Order:
The control period comprises whole 5-minute Intervals between:

- [The time of issue of the Order] plus the [$DMO_{E,i}$] (13 min or 30 min), truncated to the nearest minute.
- [Deactivation Time] truncated to the minute.

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 the dispute settlement procedure, 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 concerning the performance of the TAO interface system is observed in accordance with Article 7.K.1, these situations will be subject to a Penalty under Article 7.L.1.1.3. The power and the Failure duration 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:

$$Pénalité_{15min} = P_{défaillante} \times \left(Pénalité_{SPE0\ de\ base\ 15min} + \frac{\max\left(0\ ; PME_{ref}(€/MWh)\right)}{4} \right)$$

with:

- $P_{défaillante}$, failed power;
- 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 MW committed in mFRR is observed (4h)

- The first 12 Quarter-Hourly Intervals on which a Failure relating to the activation of MW committed for 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 found.

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 first $NB_{ACTIVATIONS} \times 4$ Quarter-Hourly Intervals on which a Failure relating to Activation is found may be subject to penalty under this Article.

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

7.L.1.3. SPE Product

7.L.1.3.1. Definition of the base penalty

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

$$Pénalité^{\text{SPE}}_{de\ base\ 15\ min} = C^{SPE} \times \max\left(Prix\ Marginal\ (€/\text{MW}/\textbf{15min});\ \frac{Spot_{15min}\ (€/MWh)}{4}\right)$$

where:

- the coefficient C^{SPE} is 1.35;
- the $\text{Spot}_{15\text{min}}$ term corresponds to the Reference Spot Price for the Quarter-Hourly Interval in which the Failure is recorded;
- the term $\text{Prix Marginal}_{J,i}$(€/MW/**15min**) is the Marginal Capacity Price **calculated at 15-minute intervals** of the day-ahead call for tenders for upward or downward mFRR SPE for the interval for which the Failure is detected. If the Failure occurs within the Control Period but outside the BE Commitment Period, the Marginal Capacity Price used is that of the last committed time interval.

7.L.1.3.2. Declared Failure

7.L.1.3.2.1.1. 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 7.J.3.4.2.2.

– The Participant does not submit bids in the corresponding direction for one or more of the BEs 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:

- if the Failure concerns the offered power: the Failed power is $P_{défaillante} = P_{LE,EDA,P} - P_{MA,EDA,p}$ where $P_{MA,EDA,p}$ is the maximum upward or downward power Submitted by the Participant for the BE;
- if the other Bid Usage Conditions (in particular DO_{max}, DO_{min}, DMO, $NB_{activations}$) do not comply with the conditions specified in the Article, the Failed power is the power $P_{LE,EDA,p}$ declared by the market participant in the List of Commitments for the corresponding BE.

7.L.1.3.2.1.2. Applicable penalty formula

For all the Failed powers affecting the compliance of the List of Commitments and/or the Submission of Bids that are not compliant with the List of Commitments, the following penalty shall apply for each Quarter-Hourly Interval concerned:

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

7.L.1.3.3. Failure found

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 non-zero Power Failure is identified over a Quarter-Hourly Interval from the average of the Power Failures $P.Défaillante_{u∈P}$ calculated over the 5-Minute Intervals (u) within the Control Period (P) according to the formula:

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

with:

- Only $\boldsymbol{P.Défaillantes}_{u\in p} \geq 10\% * P.Attendue\ initiale_{u\in p}$ are taken into account.
- **.(,)**: is the power declared by the participant in the List of Commitments for the corresponding BE In the case of an activation extending outside the Commitments period due to compliance with the DOmin (as formulated in 7.J.1), the power declared by the market participant at the Activation Time is taken into account.
- **.Attendue Initiale**: is the **initial** Expected Power requested during the first call made by RTE to the Order Receiver of the BE committed in mFRR-RR.
- **.Réalisée$_{u\in p}$** : is the average Power applied upward or downward over the 5 minute step () by the BE. This value is calculated from the Actual Volume VR(BE,u) of the BE over the 5-minute interval (u) by:

$$\text{P. Réalisée}_{u\in p} = \frac{VR(EDA,u)}{\frac{5}{60}}$$

Control Period (P):

For a bounded deferred Order:
The control period comprises whole 5-minute Intervals between:

- Maximum ([requested Activation Time]; [Start of BE Commitments])
- Minimum ([requested Deactivation time]; [end of BE commitment + DOmin declared on BE])

For an immediate Order:
The control period comprises whole 5-minute Intervals between:

- Maximum ([The instant at which the order is activated] plus 13, truncated to the minute; [start of BE engagement])
- Minimum ([The requested deactivation time] truncated to the minute; [end of BE commitment + DOmin declared on the BE])

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 the dispute settlement procedure 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 concerning the performance of the TAO interface system is observed in accordance with Article 7.K.1, these situations will be subject to a Penalty under Article 7.L.1.1.3. The power and the Failure duration 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:

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

with:

$P_{défaillante}$, the failed power.

7.L.2. Activation tests

RTE reserves the right to request that a test be carried out if the BE is proposed in a List of Commitments. The Participant with one or more BEs undertakes to meeting RTE's test requests.

This test shall take the form of a request for activation of a Specific Bid on the Balancing Mechanism for a BE offered in the List of Commitments, in the direction of the commitment, following the submission of a Bid in accordance with the terms of Article 7.J.

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, activation is paid for at the Marginal Balancing Price for the direction of activation, as defined in RM_0_General Provisions, and not at the Bid Price for the direction proposed by the Participant.

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 DOmax declared in real time.

On the First of January each year, the test meter for each BE, each product and each direction is set to 5. For all SPE0, SPE UP and SPE DOWN products, if during an activation carried out in a month M of the year concerned, the BE is considered by RTE to have failed on activation and this activation is still considered to have failed at the end of M+3, the test meter for each BE, each product and each direction is incremented by 1.

The compliance of a test shall be assessed against the criteria stipulated in Article 7.L.

- For the SPE0 product, if the test is declared Failed, the penalty applied is the same as that for a Failure relating to activation provided for in Article 7.L.1.2.3.

- For the SPE downward product, if the test is declared to have Failed, the penalty applied is:

$$Pénalité^{test}_{SPE\ hausse} = P_{défaillante} * \max(0; P_{offre})$$

Where:

- $P_{défaillante}$ is as defined in Article 0.
- P_{offre} is the price of the energy bid submitted on the BM activated during the test.

- For the SPE downward product, when the test is declared to have Failed, the penalty applied is :

$$Pénalité^{test}_{SPE\ baisse} = P_{défaillante} * \max(0; -P_{offre})$$

Where:

- $P_{défaillante}$ is as defined in Article 0.
- P_{offre} is the price of the energy bid submitted on the BM activated during the test.

Every year, RTE shares with the CRE the criteria used to determine which BEs need to be tested, as well as feedback on the tests carried out.

7.M. Remuneration

The commitment of availability of each Participant following the calls for tender will lead to the payment of a Fixed Premium, the amount of which is the power contracted for the corresponding call for tenders multiplied by the marginal price of the product concerned.

7.N. Invoicing and payment

7.N.1. Invoicing conditions

7.N.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 periodic 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.

7.N.1.2. Billing of penalties issued by RTE

7.N.1.2.1. Invoice in application of the Article

The penalties defined in these mFRR-RR Terms and Conditions due by the Participant for a month M are 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.

7.N.1.3. Invoice in the event of Termination

The penalty for the termination of the mFRR-RR Participation Agreement as defined in the article 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.

7.N.2. Payment terms

7.N.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.

7.N.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 Chapter 2 of the Harmonised Rules relating to the Balancing Mechanism shall be settled by the Balancing Service Provider in accordance with Chapter 2 of the Harmonised Rules relating to the Balancing Mechanism.

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 €).

7.N.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 7.N.1.1 and 7.N.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 7.N.2, a set fee of 40 euros (€40) debt recovery costs shall be added to this amount, charged to the debtor.

7.O. Financial security

Not applicable.

7.P. Indicators and publications

The indicators and information in the table below are public and accessible on the RTE website.

No.	Indicator or information	Indicator time interval	Initial publication	Final publication
Reserve capacities				
1	Volume in mFRR and RC to be contracted upward and downward	Quarter-Hourly Interval	On D-8	On D-8
2	Contractual reserve price	Quarter-Hourly Interval	On D-1	On D-1
3	Contracted reserve volume	Quarter-Hourly Interval	On D-1	On D-1

7.Q. Balance of the Electricity System

Not applicable.

7.R. Terms and conditions relating to DSO Missions

Not applicable.

7.S. Transitional provisions

Not applicable.

7.AA ANNEXES

7.AA1. ANNEX: PARTICIPATION AGREEMENT IN THE MANUAL FREQUENCY RESTORATION AND COMPLEMENTARY 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:

7.AA1.1. Foreword

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

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

7.AA1.2. 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.

7.AA1.3. 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 Complementary 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;
- IS implementation guide for the RACOON platform;
- IS implementation guide for the CRISTAL platform;
- the tender regulation of the annual call for tenders;
- the annexes concerning observability 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 Complementary Reserve under the mechanism described in the mFRR-RR Terms and Conditions.

7.AA1.4. 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

7.AA1.5. 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

7.AA1.6. 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

7.AA1.7. Entry into force, duration, and termination of the RR-RC 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:

7.AA2. ANNEX: CONTACT DETAILS

7.AA2.1. Business Contacts: Monitoring of the implementation of the mFRR-RR Participation Agreement

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

7.AA2.2. Business Contacts: Management of Qualifications

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

7.AA2.3. 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: _____ marketservices@rte-france.com
Reserve Exchange Notification	_____	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: _____ marketservices@rte-france.com

7.AA1. ANNEX: 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		$P_{Agréée}$	DMO	DOmax	DOmin	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:

7.AA2. ANNEX: 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 Complementary Reserve in accordance with Article 6.3 of the mFRR-RR Terms and Conditions.

7.AA2.1. Administrative information relating to the BE to qualify

<table>
<tr><td>Name of the Balancing Service Provider</td><td colspan="4"></td></tr>
<tr><td>Information about the Order Receiver in TAO nominal mode and when TAO is out of service</td><td colspan="4">Name of the Order Receiver:
Primary phone number when TAO is out of service:
Backup phone number when TAO is out of service:</td></tr>
<tr><td>Name of the BE
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.</td><td colspan="4"></td></tr>
<tr><td rowspan="3">Perimeter to Approve[1]
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.</td><td>Site ID</td><td>System Operator</td><td>Site not within the applicant's Balancing Perimeter on the date of the application (mark with a cross)</td><td>Site belonging to a certified RPG (give name of RPG)</td></tr>
<tr><td></td><td></td><td></td><td></td></tr>
<tr><td></td><td></td><td></td><td></td></tr>
</table>

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.

7.AA2.2. Technical specifications requiring Qualification for the BE

DMO (in minutes)	minutes

[1] The Perimeter to be Qualified must correspond to the entire perimeter of the BE

$P_{Agréée}$ (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

7.AA3. ANNEX: SPECIFICATIONS FOR CONNECTING THE CUSTOMER'S CONTROL CENTRE TO RTE'S TELECONTROL SYSTEM FOR THE VOLUNTARY PROVISION OF SERVICES TO THE NETWORK

7.AA4. ANNEX: 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 Complementary Reserves and implementing statistical observability pursuant to Article 6.1.4 of Annex 7.AA3 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 Complementary 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.