



# **Annual Report on the Independence of RTE and Implementation of the Code of Conduct**

**2019**



*©seignettelafontan.com / RTE / 2017*

**March 2020**

## CONTENTS

Summary.....	5
I. Introduction.....	6
A. Purpose and method of report.....	6
B. Clarifications concerning publication of the report .....	7
C. Clarifications concerning the scope of compliance for 2019 .....	8
D. A few key events in connection with the independence of RTE and the Code of Conduct .....	8
D.1. Independence of RTE.....	9
D.2. Non-discrimination – Construction of the electricity market .....	9
D.3. Non-discrimination – Construction of the European electricity market .....	9
D.4. Non-discrimination and transparency – Energy transition .....	11
D.5. Transparency and quality of client relationship .....	12
II. Independence of RTE.....	14
RTE's Commitments made at the time of certification in 2012 are maintained .....	15
A. Article L. 111-11 – Managerial independence of RTE from the VIU.....	16
A.1. Events bringing together RTE and other companies in the VIU .....	16
A.2. Human resources.....	17
B. Articles L. 111-13 and L. 111-14 - Powers of the Supervisory Board and RTE articles of association.....	20
C. Article L. 111-15 - Independence of statutory auditors .....	20
D. Article L. 111-16 – Information systems.....	21
D.1. Separation of the information systems of RTE and the VIU .....	21
D.2. IT service providers common to RTE and the VIU .....	22
E. Articles L. 111-17 and L. 111-18 - Commercial and financial agreements signed with the VIU.....	22
E.1. General aspects - Procedure for approval of agreements by the CRE .....	23
E.2. Examination of the different financial flows between RTE and the companies of the VIU .....	23
F. Article L. 111-21 – Non-confusion of image between RTE and the VIU .....	24
F.1. Company name of RTE - ( <i>"RTE Réseau de Transport d'Électricité"</i> ).....	24
F.2. Relations with stakeholders .....	24
F.3. Trademarks identifying RTE as Transmission System Operator .....	25
F.4. Communication practices .....	25
F.5. Separation of premises.....	27
G. Article L. 111-22 – RTE Code of Conduct .....	27
H. Articles L. 111-24 to L. 111-28 – Mandate of the members of the RTE Supervisory Board.....	28
I. Articles L. 111-24 and L. 111-29 to L. 111-32 – Mandate of RTE managers.....	28
J. Article L. 111-33 – Remuneration and holding of interests in the VIU .....	29
J.1. Remuneration of RTE managers and employees .....	29
J.2. Holding of interests in the VIU .....	29
K. Articles L. 111-34 and L. 111-35 – Missions and powers of the compliance officer .....	31
K.1. General aspects .....	31
K.2. Further transposition of the third package into French law in 2016 .....	32
K.3. Risk analysis, audit and internal control.....	32
K.4. Compliance officer sharing experiences with counterparts.....	33
L. Articles L. 111-36 to L. 111-38 – Appointment and independence of the compliance officer .....	33

III. Fair treatment and non-discrimination .....	34
A. Fair treatment in accessing the network and the market .....	34
A.1. Fair treatment in market tools .....	34
A.2. Fair treatment between participants .....	35
A.3. Intentional power cuts .....	35
B. Consultation in CURTE .....	35
B.1. General aspects .....	36
B.2. Grid Access Commission (GAC).....	37
B.3. Market Access Commission (MAC).....	40
B.4. Interconnector Access Operating Commission (IAOC) .....	41
B.5. System and Grid Prospects Commission (SGPC) .....	41
B.6. Improved consultation with clients .....	43
C. Client relations.....	45
C.1. Client satisfaction survey 2019.....	45
C.2. Client complaints .....	49
C.3. Service offers .....	52
C.4. A new digital product for RTE clients and energy professionals .....	52
C.5. Service commitments .....	54
IV. Transparency and openness.....	56
A. Transparency and information on the electrical power system .....	56
A.1. éCO2mix .....	56
B. Data publication platforms.....	57
B.1. ODRÉ (Open Data Réseaux Énergie) platform.....	57
B.2. ENTSO-E Transparency Platform .....	59
B.3. The Mall .....	59
C. Publications .....	60
C.1. Electricity reports .....	60
C.2. Renewable electricity panorama.....	61
D. Implementation of the REMIT regulation .....	61
V. Confidentiality .....	62
A. General provisions.....	62
B. Types of data RTE must keep confidential .....	62
C. Raising awareness of confidentiality .....	63
D. Monitoring “confidentiality” incidents.....	64
E. Employee movement .....	65
VI. Ten Year Network Development Plan for transmission grid (TYNDP).....	69
A. RTE 2019 investment programme .....	69
B. Last edition of the French TYNDP .....	69
B.1. Connection with the MYEP .....	69
B.2. Advance consultation and publication of draft 2019 French TYNDP .....	70
C. Analysis of the French TYNDPs .....	71
C.1. Analysis of the French TYNDP over three-year period .....	71
C.2. Overall analysis of the French TYNDPs .....	72
D. Monitoring French TYNDP performance .....	75

VII. Relations between RTE and the subsidiaries it controls .....	76
VIII. Maintaining RTE's commitments over time .....	79
A. Internal organisation for monitoring RTE's commitments and CRE requirements.....	79
A.1. Organisation of RTE at central level .....	79
A.2. Organisation of RTE by region .....	79
B. Compliance audits conducted in 2018 .....	80
B.1. Compliance audit in South-West region.....	80
B.2. Other checks.....	81
C. Training and information.....	81
C.1. Online training (e-learning) .....	81
C.2. Findings concerning employee information level in late 2019 .....	83
IX. General assessment for 2019, recommendations and actions 2020 .....	84
A. General assessment.....	84
B. Recommendations by the compliance officer.....	85
B.1. Previous recommendations reiterated or extended .....	85
B.2. New recommendations .....	85
C. Actions of the compliance officer in 2020.....	86
X. Appendices .....	87
A. RCBCI 2017-2018: main changes expected by the CRE and changes observed in 2019 .....	87
B. Recommendations from the 2018 annual report and changes observed in 2019.....	89
C. Acronym glossary .....	91
D. Useful internet links .....	94
D.1. Legislative and regulatory texts.....	94
D.2. Regulation.....	96
D.3. RTE .....	97
D.4. ENTSO-E and European TSOs.....	98
D.5. Other links .....	99

**General comments:** The purpose of the paragraphs highlighted by a border on the left, replicated identically or similarly from the previous reports, is to restate the background information already presented or the obligations of RTE under the French Energy Code, in terms of compliance. They can be omitted by readers who are familiar with the activity of RTE, the previous reports and the obligations of TSOs in this area.

Since 2017, the plan of the report has been similar to the structure of the RTE Code of Conduct and the French Energy Code (*sub-section "Regulations applicable to both electricity and gas transmission companies"*).

This report contains many acronyms, which are defined in Appendix X.C. Appendix X.D. also contains useful internet links (more specific links are given in footnotes).

## Summary

RTE Réseau de transport d'électricité was certified as an ITO by CRE decision of 26 January 2012. The French Energy Code contains provisions<sup>1</sup> of which the purpose is to maintain the independence of the TSO vis-à-vis the VIU over time. The RTE Code of Conduct approved by the CRE contains, firstly, the organisational measures taken to ensure such independence and, secondly, the commitments made as TSO to the users of the network concerning non-discrimination, transparency and protecting the confidentiality of sensitive information.

Since 2012 significant work has been carried out by RTE staff and management both in fulfilling the commitments made at the time of certification, the objective of which was to consolidate RTE's independence from the EDF Group, and in implementing the Code of Conduct in the day-to-day running of the company.

RTE's actions demonstrate that France's choice of the ITO model was not a hindrance to RTE applying in France the European legal or regulatory framework or preparing for changes in the electricity market or electrical power system. The organisation of the electricity sector, particularly in terms of the independence and neutrality of RTE, is now in a phase of maturity and RTE must ensure that it maintains its commitments in the long term. This report does not cover the fact that the ITO model limits RTE's ability to hold interests in other TSOs.

After EDF sold 49.9% of RTE's capital to Caisse des Dépôts and CNP Assurances in March 2017, the CRE maintained RTE's certification in decision no. 2018-005 of 11 January 2018, which in particular extended the perimeter of the VIU and approved a new version of RTE Code of Conduct.

In this new context, in 2019 RTE continued to maintain its commitments and respond to the requests made by the CRE in its certification decisions and in its successive RCBCI reports. To achieve this, the company continued to oversee all operational activity by its staff and ensured its management continued to focus on the matter.

The RTE compliance officer considered that throughout the year RTE and all its employees abided by the commitments of the Code of Conduct and fulfilled the company's obligations as TSO set forth in the French Energy Code. However, some requests made by the CRE in its RCBCI 2017-2018 report and some recommendations from the RTE compliance officer's 2018 annual report showed no progress in 2019.

The compliance officer made both general and more specific recommendations, firstly to make the existing provisions more effective, and also to draw lessons from minor discrepancies observed in the practical application of the measures for independence from the VIU, non-discrimination or protection of confidentiality.

Particular attention was to be paid to give RTE employees a clear vision of the differences in compliance obligations on the company or them, in particular in view of the recent legislative changes (e.g. "Sapin 2", "due diligence" law, GDPR).

---

<sup>1</sup> Articles L. 111-9 to L. 111-38 (sub-section "*Rules applicable to transmission system operators belonging as of 3 September 2009 to a Vertically-Integrated Undertaking*").

## I. Introduction

### A. Purpose and method of report

RTE Réseau de transport d'électricité is designated in article L. 111-40 of the French Energy Code as the system operator of the PTN in France<sup>2</sup>. In this respect, RTE must comply with all the rules and regulations applicable to transmission system operators as defined by the French Energy Code.

In particular, the articles concerning TSOs belonging to a VIU apply to RTE, given the composition of its shareholders. **The purpose of these provisions is to define and maintain the independence of the TSO** from the VIU in the long term. The CRE certified RTE in a decision of 26 January 2012 and maintained the certification in its decision no. 2018-005 of 11 January 2018: Therefore, in order to ensure that it maintains its certification, RTE must comply with the commitments made within the framework of this certification process and maintain the conditions of independence approved by the CRE.

One of the obligations imposed on RTE as an ITO is the need to bring together *"in a **code of conduct** approved by the Energy Regulatory Commission, the organisational measures taken in order to prevent the risk of discriminatory practice in connection with access to the network"*<sup>3</sup>. RTE must also have *"a person responsible for ensuring [...] the compliance of its practices with the obligations to which it is subject in terms of independence from the other companies belonging to the VIU", "to verify the application [...] of the commitments contained in the code of conduct" and to establish "an annual report [...] which it sends to the Energy Regulatory Commission"*<sup>4</sup>.

**This document constitutes the report by the RTE compliance officer on the independence of RTE and implementation of the Code of Conduct in 2019.**

It brings together and summarises the findings and the recommendations by the RTE compliance officer. The findings come from a variety of sources:

- the inspections or audits conducted by the RTE compliance officer or at his request, as well as those performed by the CRE;
- the monitoring of the implementation of the action plans decided by RTE at the time of certification or following these inspections and audits;
- observations made by the compliance officer throughout the entire year of the company's activities and its relations with its clients;
- the meetings and exchanges between the compliance officer and RTE's managers and employees, CRE departments, clients and various interlocutors in other companies of the VIU.

---

<sup>2</sup> It is specified that, pursuant to article L. 321-4 of the French Energy Code, the PTN is established in metropolitan continental France.

<sup>3</sup> Article L. 111-22 of the French Energy Code.

<sup>4</sup> Article L. 111-34 of the French Energy Code.

## B. Clarifications concerning publication of the report

The code of conduct ("*programme of commitments*" according to the terms of the French version of the European directive) and its annual report were introduced by the second European energy package which provided for publication of the report<sup>5</sup>. It was under these regulations, transposed into French law ("*An annual report concerning the application of this code shall be drawn up and made public by each operator and sent to the Energy Regulatory Commission.*"<sup>6</sup>), that RTE drew up and put online the annual reports from 2005 to 2010.

The third European package retains the concepts of code of conduct ("*programme of commitments*") and annual reports for TSOs with ISO or ITO status but limits the publication obligations to ISOs only. This obligation is not applicable for ITOs, which must have a compliance officer responsible for drawing up the annual report and submitting it to the regulatory authority. The publication obligation was also removed when transposed into French law<sup>7</sup>.

Nevertheless, in order to be transparent, the successive RTE compliance officers have always made their annual report public, putting it online on the RTE website, including a version in English. It appears that RTE is the only European electricity ITO to put its compliance officer's annual report online. It should be noted that GRTgaz puts a summary of its compliance officer's annual report online.

However, it appears that the purpose of the withdrawal of the publication obligation as decided by the European and French legislators is to allow the compliance officer, who is independent from the TSO's management, to expressly himself freely in the reports he sends to the regulatory authority.

It therefore appears to the RTE compliance officer that drawing up a report knowing that the entirety will be published could curb his independence and prevent him from sending certain facts to the CRE, either because they could contain CSI as defined by the French Energy Code, or because publishing them would infringe a law (e.g. information technology and freedoms, business secrecy), or because they could disturb certain French or foreign stakeholders.

Consequently, since the 2017 edition, the RTE compliance officer's annual report has contained elements in the appendix which are not made public.

---

<sup>5</sup> Paragraph 2 d of article 10 of the European Parliament and Council Directive 2003/54/EC of 26 June 2003 concerning common rules for the internal electricity market.

<sup>6</sup> Article 6 III of French law no. 2004-803 of 9 August 2004 on the public electricity and gas services and electricity and gas companies.

<sup>7</sup> Article L. 111-34 of the French Energy Code.

### C. Clarifications concerning the scope of compliance for 2019

The year 2019 took place entirely under the aegis of the CRE decision no. 2018-005 of 11 January 2018 on maintaining RTE's certification, published in the *Journal officiel* (Official Gazette) of 2 February 2018. Consequently:

- The perimeter of the VIU is that extended by the decision of 11 January 2018 to *"the CDC, which simultaneously controls RTE and directly or indirectly companies producing or supplying electricity"* and to *"all companies producing or supplying electricity placed under the direct or indirect control of the CDC"*.
- The obligations laid down by the French Energy Code are examined in the light of this decision, which observes that a certain number of *"are not likely to raise a risk of conflict of interests between the interests of RTE on the one hand and those of CDC in producing or supplying electricity on the other hand."*

Like the previous versions, this report is structured according to the chapters of the Code of Conduct. The chapter on RTE's independence is much longer than the others as it is consubstantial with the European third energy package, which created the ITO status and the position of compliance officer. The other themes, which date back to the first package (non-discrimination, confidentiality and transparency) are covered both in internal events organised by the RTE business lines responsible for them and also frequent and in-depth discussions with the CRE.

The version of RTE Code of Conduct to be taken into consideration is as follows:

- Until 13 April 2019, that approved by the CRE decision of 11 January 2018.
- From 14 April 2019, that tacitly approved<sup>8</sup> on this date by the CRE, which includes an addition concerning RTE's obligations under the REMIT regulation<sup>9</sup>.

These two successive versions of the Code of Conduct were put online by RTE after publication of the CRE's respective decisions. The RTE Code of Conduct has also been posted online in English.

### D. A few key events in connection with the independence of RTE and the Code of Conduct

RTE's fulfilment of its obligations in the area of best practices and compliance cannot be assessed without mentioning the changes in the context, and the expectations of its clients, the public authorities and all stakeholders regarding its activities. Similarly, the company's strategic or operational choices are likely to influence the way in which it takes its obligations into account.

As in previous years, some of RTE's key events of 2019 in relation to these obligations are worth highlighting, either because they illustrate RTE's actions and results with respect to its obligations of transparency, confidentiality and neutrality, or because they shed light on certain significant aspects of the implementation by the company of its obligations of independence, its Code of Conduct or the quality of its consultation and its relationship with its clients.

The key events presented were largely covered in internal communication within the company, which also demonstrates RTE's commitment to ensuring that the company's missions, obligations and commitments remain present in the minds of its employees.

---

<sup>8</sup> Article L. 231-1 of the French Code on Relations between the Public and the Authorities.

<sup>9</sup> See point II.G. *"Article L. 111-22 – RTE Code of Conduct"*.



### D.1. Independence of RTE

**September 2019:** RTE carried out a bond issue for a total of €1.2bn, with a tranche of €500m over a term of 8 years at the rate of 0% and a tranche of €700m over a term of 30 years at the rate of 1.125%.

**December 2019:** At the first edition of the RTE supplier awards, ten companies were recognised for their initiatives in industrial excellence, innovation in services and humanising companies.

### D.2. Non-discrimination – Construction of the electricity market

**January 2019:** RTE announced the introduction of the new capacity mechanism rules on 29 December 2018, following the publication of the ministerial ruling on 21 December and the CRE recommendation. These rules complete the process of making the mechanism compliant with the European Commission decision of 8 November 2016 concerning government aid and incorporate measures for simplifying and improving the mechanism.

**March 2019:** After the MTES approved the terms of reference, RTE launched a new demand reduction invitation to tender for a volume of 2,900 MW in 2020. This mechanism, approved by the European Commission on 7 February 2018, provides support to the demand reduction sector in France via annual invitations to tender until 2023.

**June 2019:** As decided by the MTES, RTE launched four long-term invitations to tender for new capacities. This was in response to the undertaking by the French authorities to ensure that the capacity mechanism was compliant with the European Commission decision of 8 November 2016. These invitations to tender are intended to facilitate investment by guaranteeing that the bid winners have stable capacity remuneration for seven years.

**October 2019:** RTE published the results of the 2020 demand reduction invitation to tender. The volume of demand reduction bids admitted and the number of bid winners rose compared to the previous year. For the first year since the invitation to tender was reformulated in 2018, the demand reduction bids chosen are all “green”. In fact, pursuant to the regulations, “grey” demand reduction (lower consumption offset by diesel resources) is no longer eligible.

### D.3. Non-discrimination – Construction of the European electricity market

**February 2019:** Hervé Laffaye, deputy managing director of RTE for international and European affairs, was elected president of the association ENTSO-E by the association's General Meeting for a two-year term and took up his position in June 2019. He had been its vice-president since 2017.

**March 2019:** RTE published its capacity obligation estimates for the French network for 2019 to 2023, the contribution of the French-British border to France's supply security in 2020 and the maximum installed regulated interconnector transit capacity from the United Kingdom to France for 2021, 2022 and 2023.

**April 2019:** For the 2019 delivery year, RTE implemented a simplified participation process to explicitly take into consideration the contribution made by interconnectors to French supply security. As a result, RTE will put up for sale the capacity guarantees arising from the interconnector certification according to the terms and conditions approved by the CRE.

**April 2019:** RTE responded to the CRE consultation “*Future of European Regulations in the Energy Sector*” intended to obtain stakeholders' position on the challenges posed by implementation of the “*clean energy*” package and on interconnectors and the peak designation process.

**May 2019:** RTE raised the awareness of European members of parliament about its European issues before the campaign and the new chamber, in strict compliance with the European rules on transparency in lobbying. RTE is duly registered on the EU transparency register and complies with the new rules established in January 2019 by the European Parliament.

**June 2019:** Following the publication of the European “*clean energy*” package in the OJEU, RTE worked alongside its European counterparts on introducing the methodologies laid down for implementing the texts, the first of which will be presented in early 2020.

**June 2019:** As in April 2019 for the 2019 delivery year, the CRE validated the terms and conditions for valuing the cross-border capacity guarantees for the 2020 delivery year.

**July 2019:** TSOs and NEMOs in the CWE region launched the Multiple NEMOs Arrangements as part of implementing the CACM regulation. The single daily coupling solution thus became accessible to more than one designated operator on the electricity market per bidding zone. One of the major milestones for RTE was opening power exchanges to competition.

**July 2019:** RTE responded to the European Commission consultation on revising the guidelines concerning government aid for environmental protection and energy for the 2014-2020 period.

**September 2019:** RTE responded to the “*Beyond the Bridge 2025*” consultation launched by ACER during the summer and targeted at developing “*power to gas*” and gas electricity sector coupling. RTE's response complemented ENTSO-E's to point out the essential role played by TSOs in planning grid investments.

**December 2019:** RTE and its English counterpart National Grid successfully migrated bids on the Capacity Management System (CMS) IFA 2000 interconnector towards the Regional Nomination Platform (RNP) and JAO (Joint Allocation Office) as part of implementing the CACM regulations. The purpose of this mechanism is to ensure all bids on interconnectors between the United Kingdom and Continental Europe to be handled via a single platform. The Britned (Netherlands) and Nemo Link (Belgium) interconnectors have also used this mechanism since late 2019.

**December 2019:** RTE and its Irish counterpart EirGrid signed with INEA a European subsidy agreement for 530 million euros for an electricity interconnector project between France and Ireland, “*Celtic interconnector*”, in the presence of representatives of the member states, the European Energy Commissioner and the director general of energy of the European Commission.

#### D.4. Non-discrimination and transparency – Energy transition

**January 2019:** For the first time since interruptibility was established in 2014, RTE called on all interruptible industrial companies. It asked the 22 interruptible industrial consumers to reduce their electricity consumption immediately by over 1,500 MW to ensure the security of the European electricity network.

**April 2019:** RTE published additional analyses on the electricity supply-demand balance in France over the period 2019-2023. The 2018 generation adequacy report confirmed the possibility that coal power plants and the two Fessenheim reactors could be gradually closed by 2022, without impacting supply security, under certain conditions. The government had asked RTE for additional analyses with “*certain particularly restrictive scenarios*”, going beyond the hypotheses already analysed.

**May 2019:** In connection with AVERE-France, RTE published the results of the study “*The issues of developing electromobility for the electrical power system*”. The main results of this study were that the electrical power system can absorb this development, even with limited management of recharging, and that the development has major environmental and economic benefits, whatever the hypotheses envisaged. This study was intended to clear up the public debate on the interactions between France's “energy” and “mobility” roadmaps.

**June 2019:** RTE launched a request for contributions to the 2019 generation adequacy report, covering the medium-term period 2020-2025. The aim of this request was to increase sharing and transparency about the hypotheses and methodology used in analysing the supply-demand balance in the generation adequacy report.

**June 2019:** RTE published its diagnosis of the balance between supply and demand for electricity for summer 2019, estimating that the electricity supply should be assured for this period. The development of solar and wind renewable energies, combined with the significant consumption variations in summer, require that the electricity transmission network be more flexible.

**September 2019:** RTE presented its plan for developing the electricity network by 2035 (French TYNDP 2019). This plan is an essential step in implementing the guidelines set by the government concerning the energy transition: it will be used to overhaul the network and adapt it to the guidelines of the future MYEP and the changes to the energy mixes in neighbouring countries, based as far as possible on the existing lines. Drawn up following a long consultation in order to minimise the footprint of the electricity network on the environment and optimise its cost, the French TYNDP is submitted to the MTES, the CRE and the Environmental Authority.

**September 2019:** RTE launched a consultation series about the next “*long-term generation adequacy report*”, to cover the period 2030-2050, incorporating the consequences of climate change on electricity production, consumption and transmission and including RES + nuclear and 100% RES scenarios. Nine themed working groups were created covering all aspects of modelling, opening an unprecedented process of coordination with the market participants about all modelling parameters. Before being completed in the first quarter of 2021, this work should give rise in summer 2020 to a joint interim report with the IEA on the 100% RES scenarios.

**September 2019:** RTE commissioned a new demonstrator as part of the national NAZA project. An automat was partially commissioned in the Poitiers-Niort-Limoges-Angoulême zone, where there is a high volume of intermittent renewable production development and where almost all of the RES hosting capacities are already assigned. The innovative NAZA solution can be used to develop new RES hosting possibilities, combined with one-off production demand reduction at several times of the year when the grid is saturated, avoiding the need to build network infrastructures only shown to be useful for short periods. This type of automat demonstrates the interest in turning to greater flexibility to better optimise the current network infrastructures.

**November 2019:** In the 2019 edition of the generation adequacy report, RTE published its diagnosis of electricity supply security in France between now and 2025, identifying a three-period dynamic: from 2019 to 2022, an electrical power system closely adjusted to the needs; in 2022-2023, supply security under vigilance; between 2023 and 2025, a more favourable combination of factors. On this occasion, RTE published its analysis for winter 2019-2020: supply security is set to be assured due to higher production capacities than last year and the optimisation of exchange capacities with other European countries; in the event of a cold spell, the risk of tension on the electrical power system would overall be lower than the previous winter.

#### **D.5. Transparency and quality of client relationship**

**February 2019:** RTE published the electricity reports for 2018 online in digital format, providing an opportunity to analyse the changes in the system and the electricity market during the past year. Different reading levels are proposed so that subjects can be examined in more depth and connected to each other, or the reader can refer to other analyses produced by RTE. The data from the interactive graphs can mostly be downloaded via the ODRÉ platform.

**May 2019:** RTE and the ODRÉ Platform partners launched an initial energy data masterclass to support the stakeholders in order to explain the concepts behind the data and the data itself and to familiarise them with the use of the platform data.

**June 2019:** In the context of rolling out its new digital services packaging incorporating the latest web technologies, RTE migrated new series of data from the client portal towards the services and data portals. In particular, this led to the data display being modernised, and provided access to manual downloading on the services portal and data flow services on the data portal via API.

**June 2019:** RTE organised the first “*clients and territories*” meeting in Nantes, bringing together over 80 participants and around 30 clients. Two round tables were organised, one on the contribution to the economic development of the territories, the other on innovation by combining electrical and digital.

**July 2019:** RTE published the first edition of the “*Mensuel de l’Electricité*”, taking over from the “*Aperçu mensuel de l’énergie électrique*”. Each month the *Mensuel* analyses all the electrical power system trends and in particular consumption, production, prices, exchanges and developments in the transmission system.

**October 2019:** Following the CRE approval through decision no. 2019-171 of 11 July 2019, a new option was created within the ancillary “calculation service”; from 1 October 2019 production installations with a purchase obligation contract can subscribe to this service.

**November 2019:** As in June 2019, RTE migrated new series of data from the client portal towards the services and data portals.

**November 2019:** At the “*Energy Data Access*” conference in Tallinn, RTE and seven European TSOs and DSOs committed themselves to a European alliance on access to energy data.

**December 2019:** RTE published its 2018 safety report, with the results demonstrating a satisfactory level of control over the safe operation of the French electrical power system. For the future, RTE must adapt to the new vulnerabilities caused, in particular, by a tighter electrical power system presenting lower margins than in the past. The market and contractual mechanisms are expected to accompany this evolution so that the flexibility offered by the new participants can be harnessed.

**December 2019:** The 100th data set was published on the ODRÉ Platform. Throughout the year RTE and its partners continued to add to the platform in order to contribute towards offering its stakeholders simplified and single access to electricity and gas data in France.

**December 2019:** In the context of the ongoing social unrest, and respecting employees' right to strike, RTE roundly condemned the malicious acts observed on the electricity network leading to power cuts. It will file legal action for each intentional outage and take the necessary disciplinary procedures.

These key events, which reflect only a small portion of the work carried out by RTE during the year, are nevertheless indicative of the great importance given to topics related to the Code of Conduct and compliance in RTE's daily activity: they will be put in perspective in the rest of the document.

## II. Independence of RTE

The French Energy Code defines<sup>10</sup> and governs<sup>11</sup> the independence of RTE as TSO in France. In particular, it governs the relations between the TSO and the VIU. Accordingly [RTE]:

- [must] *“act completely independently from the interests of the other parties in the VIU practising an electricity production or supply [...] activity”*;
- *“[must not] hold direct or indirect interests in a subsidiary of the VIU producing or supplying electricity [...]”*;
- *“[must] not have a share of [its] capital held directly or indirectly by another subsidiary of the VIU carrying out an [electricity] production or supply activity*;
- *“operate, maintain and develop a transmission grid of which they are independent managers in view of the interests of the production or supply activities of the VIU”*.

The conditions under which this independence is exercised in various areas are explained in several articles of the French Energy Code. The following can be specified:

- the powers and operation of its supervisory board and the certification of its accounts<sup>12</sup>;
- the obligations organising the independence of the management<sup>13</sup>;
- the obligations imposed on RTE to have independent information systems<sup>14</sup>, to have all the human, material and financial resources needed for its mission<sup>15</sup> at its disposal exclusively and to prevent any risk of confusion in terms of communication<sup>16</sup>;
- strict supervision of the commercial and financial agreements between RTE and the VIU or the companies controlled by the VIU, of the services provided by the VIU to RTE and the services provided by RTE to the VIU<sup>17</sup>;
- the powers and obligations of the compliance officer<sup>18</sup>.

Compliance with the texts on the independence of the TSO can be observed through both the certification process and through the principles, rules and operation of the general management of RTE.

Having stated that the commitments of RTE's certification are still maintained, this chapter assesses the implementation in 2019 of the French Energy Code articles governing RTE's independence (except the long-term provisions recorded by the certification decision, the provisions not to be implemented by RTE<sup>19</sup> and the provisions only concerning the CRE<sup>20</sup>).

---

<sup>10</sup> Article L. 111-11 of the French Energy Code.

<sup>11</sup> Articles L. 111-13 to L. 111-38 of the French Energy Code (sub-section *“Rules applicable to transmission system operators belonging as of 3 September 2009 to a Vertically-Integrated Undertaking”*).

<sup>12</sup> Articles L. 111-13 to L. 111-15 and L. 111-24 to L. 111-28 of the French Energy Code.

<sup>13</sup> Articles L. 111-29 to L. 111-33 of the French Energy Code.

<sup>14</sup> Article L. 111-16 of the French Energy Code.

<sup>15</sup> Articles L. 111-19 and L. 111-20 of the French Energy Code.

<sup>16</sup> Article L. 111-21 of the French Energy Code.

<sup>17</sup> Articles L. 111-17 and L. 111-18 of the French Energy Code.

<sup>18</sup> Articles L. 111-34 to L. 111-38 of the French Energy Code.

<sup>19</sup> For example, article L. 111-19-1 of the French Energy Code (at the request of the TSO the VIU provides the financial resources required to make further investments).

<sup>20</sup> For example, article L. 111-23 of the French Energy Code (overseeing of the Code of Conduct and independence).

## RTE's Commitments made at the time of certification in 2012 are maintained

Through its decision of 26 January 2012, the CRE decided to certify RTE, linking this decision to:

- compliance by RTE with the commitments accompanying its application for certification;
- implementation of the additional measures requested by the CRE.

Some of these commitments or additional measures were issued with a deadline linked to implementation constraints: many were to be fulfilled by the end of 2012, others in 2013, with the more complex after the end of 2013. Finally, RTE requested an additional period of time (end of 2015) to fulfil some of these commitments.

In general, these commitments are permanent. While some are by nature definitive, others require constant monitoring to be maintained over time.

In its decision of 11 January 2018 to maintain RTE's certification, the CRE also made requests to RTE, which are ongoing and require constant monitoring to be maintained in the long term.

Moreover, the provisions of the French Energy Code govern very precisely what is covered by the principle of the independent administration of the TSO in terms of management and governance. Throughout 2019, the compliance officer attended all the meetings of the company management and governing bodies, and so had the means to observe the implementation of the rules guaranteeing the independence of RTE both in its day-to-day acts of management and in the construction of major corporate decisions.

Nevertheless, in its RCBCI 2017-2018 report the CRE noted that RTE did not meet the deadlines it had set in the RCBCI 2015-2016 report to finalise the consultation on standard templates, for both network production strategic planning agreements and agreement processing contracts, before D-1. It also asked RTE to finalise its consultation work and update the standard templates before 1 September 2019.

After all information was provided by RTE, in October 2019 the CRE validated the new standard templates for predictive management contracts, which were then incorporated into the RTD (article 8.8.1 for PV and wind production and article 8.8.2 for non-PV and wind production, both dated 4 November 2019).

At the same time, the standard framework contract for processing agreements before D-1 for PV and wind production was amended in the margin to ensure its consistency with the strategic planning agreement (article 8.9.1 dated 4 November 2019) but was not changed in any other way. The standard framework contract for processing agreements before D-1 for non-PV and wind production was not amended (article 8.9.2 dated 10 April 2015).

The compliance officer notes that RTE has not launched a consultation on the standard framework contract for processing agreements before D-1.

As in 2019 there was also no progress on several other requests made by the CRE in its RCBCI 2017-2018 report and some recommendations from the RTE compliance officer's 2018 annual report, ***the compliance officer recommends that RTE conduct a quarterly assessment of the follow-up to these requests and recommendations.***

## A. Article L. 111-11 – Managerial independence of RTE from the VIU

Managerial independence was introduced when RTE was created within the scope of the first European energy package and is fully operational.

The compliance officer and RTE regional delegates were not aware of any inappropriate action by an RTE manager or employee concerning RTE's independence in 2019.

It is also recalled that RTE no longer has any debt with EDF since the last bond maturity was redeemed in 2016.

### A.1. Events bringing together RTE and other companies in the VIU

In its RCBCI 2015-2016 report, the CRE states that it “*very favourably*” welcomed the instructions given by the Chairman of the Management Board of RTE on his arrival: RTE no longer participates in internal events organised by the EDF Group, in December 2015 it withdrew from EDF's *Conseil académique des métiers* (Academic Council of Business Lines), and the RTE legal and human resources departments no longer have an institutional relationship with those of EDF.

Since 2018, it has been intended that this subject be expanded to all companies constituting the VIU, that is, the CDC and all companies producing or supplying electricity placed under its direct or indirect control.

Following up the CRE's request in its RCBCI 2017-2018 report:

- In 2018 RTE formalised “*guidelines enabling its agents to know whether or not they can take part in the various internal events organised by the group and in the meetings organised by the group within a sector or business line*”<sup>21</sup>.
- On 6 February 2019 RTE sent to the CRE the 2018 annual report of its participation, necessarily as an external party, in internal meetings of companies in the VIU.

The compliance officer provided clarification on the guidelines in response to queries from RTE managers.

In 2019 as in past years, RTE systematically declines any request to participate in internal EDF Group meetings and in external events alongside EDF (e.g. meeting with local media, participation in a trade fair).

However, a discrepancy was observed in one region, with the presence of Dalkia and Framatome in companies invited to a “*management fluidity committee*” leading to confusion between the EGI Branch and the VIU. ***The compliance officer recommended that RTE raise its employee's awareness of the limits of the VIU (companies comprising the VIU and companies controlled by the VIU).***

Meanwhile, the same exception as in 2018 occurred in September 2019, after information from the CRE: RTE's participation in the EDF Group Local Forum, aimed at allowing the employees of the Fessenheim nuclear plant to explore business lines that could offer them new professional retraining opportunities in Alsace and Grand Est.

---

<sup>21</sup>A description of the guidelines is given in the RTE compliance officer's 2018 annual report.



RTE's representative at this forum took part in the same conditions as in 2018:

- not to provide RTE information which would give a competitive advantage to companies of the VIU;
- to recall RTE's independence obligations towards the VIU and non-confusion of image;
- to assert where necessary RTE's decision-making power to manage its jobs.

As in 2018, the compliance officer considered that, in view of this case, extending the forum to all EGIs in the Grand Est region would have been appropriate.

The compliance officer was not meanwhile aware of any specific request by the Caisse des dépôts, which has no group synergy with RTE at national or regional level.

## A.2. Human resources

RTE is now a player in the EGI Branch independent from EDF in terms of human resources:

- In the employment field, RTE has been effectively independent since 2011:
  - o RTE was involved in the EGI Branch negotiations and fielded them independently.
  - o RTE was not involved in any "group" action or negotiations. When the legal or regulatory context so requires, RTE now conducts, or proposes to initiate, in parallel and independently of the VIU, a company-level negotiation.
- In the field of training, RTE has been completely independent since 2015:
  - o In June 2013, RTE opened a new training centre in the Jonage in the Lyon region, and has brought together all its technical training courses there.
  - o Since late 2015 RTE has not taken part in the monitoring mechanisms implemented by the EDF Group, the youth training seminars of the EDF Group or in business line sessions.

There is no longer any institutional contact between the RTE and EDF human resources departments, including at regional level with the end of RTE's participation in the "*EDF Group fluidity*" regional committees in late 2018, although in some regions EDF continues to send invitations to RTE.

However, two matters can be flagged in 2019:

### ***i) RTE employee participation in the elections for employee representatives on the EDF BoD***

Articles 7 to 9 of ruling no. 2014-948 of 20 August 2014 on governance and capital transactions of publicly-owned companies organise employee representation in boards of directors or supervisory boards of companies in which the government directly or indirectly owns over half of the capital. Pursuant to article 8, the election and status of employee representatives is subject to the same provisions as those of law no. 83-675 of 26 July 1983 concerning democratisation of the public sector.

In this context, the employees of the French subsidiaries themselves covered by article 8 of the ruling meet the conditions required to be voters. This is in particular the case for RTE employees for electing for employee representatives on the EDF Board of Directors.

With no provision to the contrary in the third European energy legislative package and the French Energy Code, these legislative provisions are applicable.

Conversely, RTE employees are not eligible to the EDF Board of Directors under article L. 111-20 of the French Energy Code, which bans them from practising activities or holding professional responsibilities in other companies forming the VIU.

These points were explained in a paragraph written by the compliance officer and included in the internal information dispatch disseminated to all RTE employees by the HRD.

It is still the case that the participation of RTE employees in this election caused surprise at all levels of RTE, from employees who had not experienced the period prior to the third European package to the president of the Management Board.

The compliance officer has no record or memory of such doubts at the previous election in 2014, even though no explanatory paragraph had been inserted by the HRD. This change shows that the ITO's independence has increasingly become a reflex within RTE.

***The RTE compliance officer only sees advantages in that a legislative change leads to RTE employees no longer meet the conditions required to be voters in the context of electing employee representatives in bodies coming under the VIU.***

It should be noted that the compliance officer questioned his European ITO counterparts: in the countries where employee representatives are called to sit on the governance bodies, the RTE case does not seem to be an isolated event.

Meanwhile, the compliance officer took careful note of the fact that the electronic voting platform was hosted by a private company, independent of the EDF IS. Following detailed examination of the voting regulations, he considered that this did not impose on RTE any further obligation with respect to the provisions of the French Employment Code and that it did respect RTE's independence as required by the French Energy Code.

## ***ii) The EDF Group Committee***

The compliance officer's attention was drawn to the collective bargaining agreement concerning the EDF France Group Committee signed on 7 May 2018 by the EDF Group with the representatives of four trade union organisations.

Article L. 2331-1 of the Employment Code requires that a group committee be set up, with no threshold for number of members, as soon as a group exists. The group is formed by a company called dominant company and by the companies it controls as defined by the French Commercial Code.

The Committee's duties are as follows<sup>22</sup>:

- It receives information about the activity, financial situation, development and annual or multi-year employment predictions and any prevention actions planned in view of these predictions, in the group and in each of the companies comprising it.
- It receives, when they exist, the consolidated financial statements and balance sheet and the corresponding auditor's report.
- In these areas, it is informed of the group's economic outlook for the year to come.

The employee representatives are appointed by the trade union organisations from among their members elected to the Works Committee for all companies in the group<sup>23</sup>.

---

<sup>22</sup> Articles L 2332-1 and 2 of the French Labour Code.

<sup>23</sup> Article L. 2333-2 of the French Labour Code.

With no provision to the contrary in the third European energy legislative package and the French Energy Code, these legislative provisions mean that RTE does fall within the scope of the agreement for the EDF Group. In practice, RTE employees were appointed to sit on the Works Council.

***The RTE compliance officer only sees advantages in that a legislative change leads to RTE no longer coming under the scope of a Group Committee for the VIU.***

Additionally, an in-depth examination of the agreement by the compliance officer showed that this agreement imposed on the companies within the scope of the agreement, and therefore on RTE, obligations incompatible with the ITO independence obligations imposed by the French Energy Code.

These provisions can be classified into three categories:

- Provisions imposed by the French Labour Code, requiring ad hoc measures aimed at ensuring compliance with the obligation of the French Energy Code and not included in the agreement: this essentially concerns the Committee being assisted by an accountant, whose right to access the same documents as the RTE statutory auditors should as required be governed by a confidentiality agreement.
- Material provisions that go beyond the statutory obligations and cannot therefore commit RTE: this concerns for example hours credited or information technology and telecoms equipment, for which RTE is the sole decision-maker under the French Energy Code. In practice, these provisions are implemented by RTE because they are similar to the provisions for the RTE employee representatives in other bodies.
- Provisions that go beyond the statutory obligations and are clearly not compliant with RTE's independence obligations: this concerns in particular the development of the group culture (in terms of RTE employee members of the Committee) and trials of labour relations bodies in the regions.

The compliance officer observed that the previous agreement concerning the EDF France Group Committee, signed on 1 September 2008, therefore in any case prior to the third European package, contained fewer provisions incompatible with RTE's independence.

In April 2019, the RTE compliance officer referred this question to the EDF Group Executive Director responsible for the HRD, noting the provisions of the agreement he considered non-compliant and making recommendations about how to follow up these non-compliances.

The response from the EDF Group Executive Director provides an explanation indicating that, in practical terms, the functioning of the Committee complies with RTE's independence obligation.

The RTE compliance officer took note, while continuing to consider that the wording of this agreement is incompatible with the French Energy Code.

To ensure compliance with RTE's independence in practical terms ***the compliance officer recommended that RTE continue, for its part, implementing its specific recommendations concerning implementation of the agreement.*** In particular, the RTE regional services will continue to decline any participation in the trials of regional EDF Group labour relations bodies.

## B. Articles L. 111-13 and L. 111-14 - Powers of the Supervisory Board and RTE articles of association

In 2019 the compliance officer took part in all RTE Supervisory Board and committee meetings (economic supervision and audit committee, salary committee)<sup>24</sup>.

The new composition of the Board in 2017 and 2018 once again did not prevent implementation of article L. 111-13 of the French Energy Code, article 14 of the RTE articles of association (*"deliberations - powers - internal regulations"*) and article 5 of the internal regulations of the Supervisory Board (*"powers of the board"*).

During the meetings of the Supervisory Board and its committees, the directors received from the members of the Management Board all explanations needed for them to gain full knowledge of the company and management of a transmission system without the debates on decisions or injunctions within the exclusive remit of the Management Board.

The RTE articles of association and the Supervisory Board's internal regulations were not amended in 2019.

## C. Article L. 111-15 - Independence of statutory auditors

In order to ensure compliance with this article, article 20 of the RTE articles of association specifies that *"before their appointment by the general meeting, then each year before the general meeting called to rule on the annual financial statements, the statutory auditors shall send a document stating whether or not they certify the financial statements of another part of the vertically-integrated undertaking"*.

In addition, in its RCBCI 2013-2014 report published in December 2014, the CRE asked RTE "to submit each year, with sufficient time, the corresponding certification issued by one of its statutory auditors" by specifying that "This certification must be accompanied by both a list of the mandates concerning other companies of the EDF VIU and held by the same statutory auditor network and also the nature of the measures implemented within this network to prevent any conflict of interest.

Since the 2018 financial year, this subject has been within the scope of the implementation of the CRE decision of 11 January 2018 on maintaining RTE's certification which states: *"Insofar as RTE is certified by two statutory auditors, the risk of conflict of interests that article L. 111-15 of the French Energy Code aims to prevent can in practice only materialise if both of RTE's statutory auditors also certify the financial statements of another company in the RTE VIU. The information provided in the file transmitted by RTE shows that no company in the RTE VIU controlled by EDF or the CDC is certified at the same time by KPMG and by Mazars, except for the Electricité de Strasbourg group."*

In fact:

- Since 30 May 2017, RTE's principal statutory auditors are KPMG and Mazars.
- EDF's principal statutory auditors are KPMG and Deloitte.
- CDC's principal statutory auditors are Mazars and PwC.
- According to the certification application transmitted by RTE to the CRE, that no company in the VIU controlled by EDF or the CDC is certified at the same time by KPMG and by Mazars, except for the Électricité de Strasbourg group (its financial statements are certified by Mazars Strasbourg while RTE's are certified by Mazars Paris).

---

<sup>24</sup> Article L. 111-35 of the French Energy Code.

Consequently, article 20 of the RTE articles of association leads to the following attestations concerning compliance with the provisions of article L. 111-15 of the French Energy Code in 2018, sent by RTE to the CRE:

- the attestation of the firm Mazars SA, received by RTE on 22 January 2019: Mazars SA does not certify the financial statements of either EDF or the companies belonging to the VIU controlled by EDF but specifies that other entities that are members of the Mazars international organisation audit certain small subsidiaries of Électricité de Strasbourg and certain subsidiaries of EDF Énergies Nouvelles in Greece,
- the attestation of the firm KPMG SA, received by RTE on 21 February 2019: KPMG SA does not certify the financial statements of the CDC or of the companies belonging to the VIU controlled by the CDC except for four small electricity production companies.

The attestations for 2019 should be sent to RTE during the first quarter of 2020.

## **D. Article L. 111-16 – Information systems**

This article contains two obligations.

### **D.1. Separation of the information systems of RTE and the VIU**

RTE's information system (IS) is now totally independent from the VIU's except for two social software programs that the CRE approved considering that they fall within the scope of the exception provided for by article L. 111-33 of the French Energy Code:

- usage rights agreement for the “Job Exchange”, signed on 19 November 2014 between RTE and EDF (CRE decision of 3 September 2015<sup>25</sup>),
- “MediSIS” agreement for management of medical files (CRE decision of 26 October 2016<sup>26</sup>).

---

<sup>25</sup> <https://www.cre.fr/Documents/Deliberations/Approbation/bourse-de-l-emploi>

<sup>26</sup> <https://www.cre.fr/Documents/Deliberations/Approbation/medisis>

## D.2. IT service providers common to RTE and the VIU

In its RCBCI 2015-2016 report, the CRE asked RTE to notify it before 31 January of each year of all the agreements signed during the last year concerning work on the automated information processing systems with companies also providing services of the same kind on behalf of companies forming part of the VIU. This request is shown in an appendix to this report<sup>27</sup>.

The internal procedure “*RTE procurement subject to approval from or notification to the CRE*” was rewritten in 2017 and now contains a paragraph concerning such notification.

RTE notified the CRE of the 2018 and 2019 eligible agreements as defined in article L. 111-16 in letters dated 18 February 2019 and 5 February 2020 respectively.

It should be noted that in 2018, for confidentiality reasons, one of the service providers refused to tell RTE if it also provided services of the same kind on behalf of companies forming part of the VIU. This refusal came in a context of difficult negotiations with this service provider, which have since fallen apart, and it was possible to disclose the information to the CRE in May 2019.

## E. Articles L. 111-17 and L. 111-18 - Commercial and financial agreements signed with the VIU

In 2019 the CRE approved all the agreements between RTE and the VIU submitted to it. In 2019 the necessary dialogue and discussions with the CRE on these subjects continued satisfactorily: the additional information requested by the CRE was generally sent quickly and with complete transparency to assist the CRE departments in investigating the matters.

In particular, in 2019 as in 2018, no agreement approval procedure was suspended following a request from the CRE for additional information.

The CRE approved 17 files in 2019 compared to 14 in 2018:

- 5 files were approved explicitly, by CRE decision, and 10 tacitly<sup>28</sup>.
- Among the 4 decisions, 1 concerned the VIU's services to RTE falling under the exceptions stipulated in the first paragraph of article L. 111-18, which must be explicitly approved by the CRE<sup>29</sup>.
- 9 files concerned the VIU (EDF SA and its electricity production or supply subsidiaries) and 7 files concerning the EDF Group DSOs. The CRE also approved the framework agreement between RTE and its subsidiary Airtelis in decision no. 2019-298 of 19 December 2019<sup>30</sup>.

A further two files were being investigated by the CRE on 31 December 2019, concerning companies belonging to the VIU. Likewise, one file concerning Enedis approved in early 2019 was referred to the CRE by RTE in late 2018 (and not two as indicated in error in the 2018 annual report).

---

<sup>27</sup> See point X.B. “RCBCI 2015-2016: main changes expected of RTE and changes observed in 2018”.

<sup>28</sup> Article L. 231-1 of the French Code on Relations between the Public and the Authorities.

<sup>29</sup> Paragraph 3 of article R. 111-7 of the French Energy Code.

<sup>30</sup> <https://www.cre.fr/Documents/Deliberations/Approbation/convention-cadre-conclue-entre-rte-et-sa-filiale-airtelis>

### E.1. General aspects - Procedure for approval of agreements by the CRE

In his 2017 annual report, the compliance officer recommended to RTE that it update the procedure on the circuit for handling CRE files concerning commercial and financial relations between RTE and the EDF Group to incorporate:

- the new scope of the VIU;
- practical provisions to be inserted into the agreement drafting process (regular reminder to external contacts of RTE and tracing of these reminders, drawing up referral files anticipating in detail the questions the CRE may ask, organising discussions or meetings in advance with the CRE services, paying more attention to regional aspects, particularly in the chapter “Role and Responsibility of the Legal Department”);
- provisions concerning subcontracting.

The procedure “*RTE procurement subject to approval from or notification to the CRE*”, specifying the means of control in the purchase process to ensure compliance with the rules arising from the French Energy Code, was updated in this respect in August 2018.

For the “*Procedure for monitoring RTE's 2012 certification as independent TSO and circuit for processing CRE files engaging commercial and financial relations between RTE and EDF SA*”, which presents the organisational structure introduced by RTE to meet its legal obligations, RTE prepared a draft update incorporating maintaining the RTE certification and the changes resulting from the earlier recommendations, which is expected to be finalised in the first quarter of 2020.

The compliance officer also noted that the CRE's approval decisions now often contain a request for RTE to submit an annual assessment of certain points for the year early in the year. This is particularly the case when the CRE approves framework agreements.

***The compliance officer will examine these reports in 2020, in order to make a general assessment and report on them in his 2020 annual report.***

### E.2. Examination of the different financial flows between RTE and the companies of the VIU

As in past years, the accounting and taxation department sent the compliance officer a spreadsheet file resulting from extracting the financial movements between RTE and the companies in the EDF Group.

With such a complex accounting file, the compliance officer initially strived to note the transactions which appeared to comply with articles L. 111-17 and L. 111-18 of the French Energy Code:

- transactions which a priori resulted from agreements approved by the CRE;
- transactions which a priori resulted from provisions not requiring the approval of the CRE (for example, payment of the dividend).

The compliance officer identified a certain number of accounting movements about which it was necessary to find out more, mainly due to a lack of precision in the file for some cases.

After discussion with the RTE departments in question and/or supply of the invoices by the accounting and taxation department as applicable, the examination did not identify non-compliance with respect to article L. 111-17 of the French Energy Code. For confidentiality reasons, these agreements were covered by business secrecy; the details are recalled in a non-public appendix to this report.

In view of the changes to the scope of the VIU since early 2018, the compliance officer also examined the extract of financial movements between RTE and the CDC. No non-compliance was observed.

***The compliance officer recommended that RTE draw the conclusions from his findings concerning the obligations applicable to RTE under the French Energy Code.***

***The compliance officer will meanwhile continue this type examination in 2020, on the basis of the 2019 accounting information.***

## **F. Article L. 111-21 – Non-confusion of image between RTE and the VIU**

### **F.1. Company name of RTE - (“RTE Réseau de Transport d’Électricité”)**

The compliance officer's 2018 annual report concluded that the situation concerning the directories of members and profiles registered on the main social media sites was now generally satisfactory (i.e. the initials “EDF” generally are no longer included in the RTE name, after being officially removed in early 2012).

Meanwhile in 2019 no discrepancy was flagged to the compliance officer concerning the signage on RTE substations.

However, the issue of road signs, within the remit of the government or local authorities, is still unresolved.

### **F.2. Relations with stakeholders**

The RTE regional teams observed that stakeholders' confusion between RTE and EDF is falling as the years pass. Each time, RTE recalls its role, duties and its independence. RTE is moreover very careful, in all external presentations (e.g. politicians, territories, higher education, and press) and in all participation in events or trade fairs, to position RTE correctly as a player in the independent and non-discriminatory electricity sector.

In general, the authorities, RTE clients and most local politicians now correctly distinguish between RTE and EDF.

However, the administration responsible for direct local taxation still sometimes confuses RTE with EDF or Enedis, which can be explained by the fact that, historically, the land belonged to the parent company. On receipt of any tax notice or other taxation document where the title shows confusion, RTE systematically sends an explanatory letter to the tax authority to correct the error.

As journalists are highly aware of the distinction between RTE and EDF, there are now few articles claiming that EDF is responsible for RTE's activities (happens essentially when incidents on the network are covered in the press). It should be noted that all RTE press releases contain a text box specifying RTE's role and missions.



The compliance officer however noted confusion reappearing in the general press between EDF and the regulated monopolies for transmitting electricity during the intentional power cuts carried out in the second half of December 2019 alongside the strikes in the EGI.

The compliance officer noted that the environmental and solidarity-based transition minister upheld this confusion, as shown by his verbatim words on France Inter on 18 December 2019: *“Thankfully it is only a very small minority, and I do not confuse with all the agents who effectively serve the public, as can be expected from a great public service like EDF.”*

### F.3. Trademarks identifying RTE as Transmission System Operator

In 2016 RTE regularised all the European Union trademarks still registered in the old name, *“RTE EDF Transport”*.

In 2016 and 2017 RTE carried out the formalities with the French National Institute of Intellectual Property (INPI) to regularise all French trademarks, except for three. In 2018 RTE decided not to renew one of them because it duplicated similar trademarks. In late 2019, the situation of the other two trademarks was as follows:

- a trademark, filed in the name of RTE by an agent, expires in March 2020: RTE decided not to renew it because it is no longer exploited or exploitable;
- the other trademark, jointly owned by RTE and EDF, expires in August 2020: in view of this, RTE will study whether this trademark is still exploited or has potential for exploitation justifying extending the rights, as it can be regularised when renewed.

The compliance officer observed that an online search in the INPI<sup>31</sup> “Trademarks” database provides many references to *“RTE EDF Transport”*. In fact, the database maintains the reference of the filers, displayed at the time of a search, and it is necessary to click on a trademark name to display its record containing the year of registration and, where applicable, a record of any change of name of the holder.

### F.4. Communication practices

#### i) Confusion of image that may come from EDF

After discrepancies observed until the mid-2010s (documents disseminated and public speeches by national or regional EDF entities, hinting that synergies or even dependencies may still exist between the activities of RTE and that of other parties in the VIU), the situation is now satisfactory.

The rare discrepancies that can be observed are relatively minor and apparently result from blunders.

This is certainly the result of the continuance of:

- the monitoring of this subject by RTE management and in particular by the Management Board and regional delegates as part of their duty to guarantee RTE's independence at regional level;
- EDF's work since 2015 to raise the awareness of its managers and regional delegates about the independence of system operators.

---

<sup>31</sup> [https://bases-marques.inpi.fr/Typo3\\_INPI\\_Marques/](https://bases-marques.inpi.fr/Typo3_INPI_Marques/)

The compliance officer was not informed of any discrepancy in 2019, except for the EDF Group Mediation website, evoked below.

EDF also asked RTE to organise control centres visits as part of its activities with its clients, especially international clients. RTE recalled the rules of independence and non-confusion of image, and did not accede to these requests.

## **ii) EDF Group Mediation**

The RTE regional teams drew the compliance officer's attention to the insistence of the EDF Group Mediation to organisation mediation on its premises between RTE and a resident living close to the transmission network who contacted it following a dispute concerning covering neglected pruning.

The compliance officer saw this as interference in managing the transmission network and confusion of image between EDF and RTE. This impression is reinforced by a phrase shown in the EDF Group Mediation website: *"In particular, they intervene in the disputes between: [...] any person at EDF and/or a subsidiary concerning their production, transmission and distribution structures."*<sup>32</sup>

The compliance officer noted a change of posture of the EDF Group Mediation insofar as, until then, mediation forwarded to RTE the requests concerning electricity transmission structures.

EDF Group Mediation meanwhile highlighted the independence of the mediator, the mediation rules, particular the confidentiality of discussions and that its work is free of charge.

The compliance officer considered that there is a legislative basis for the mediator's independence for disputes concerning consumption<sup>33</sup> but that, for other matters, particularly disputes concerning electricity transmission structures, this independence is based only on organisational measures internal to EDF, which cannot be an obstacle to the provisions of the French Energy Code.

Even though, in any case, article L. 111-11 of the French Energy Code will always be observed insofar as RTE will systematically reject any mediation under the aegis of the EDF Group Mediator<sup>34</sup>, it appears that the best way of ending this situation would consist of internalising within RTE a mediation function with the third parties concerned by electricity transmission structures. In 2020 the discussions will continue with the CRE, after the compliance officer referred the matter to it on the basis of article L. 111-34 of the French Energy Code<sup>35</sup>.

## **iii) Caisse des Dépôts**

No risk of confusion of image has appeared since CDC entered RTE's capital, whether at national or regional level.

---

<sup>32</sup> <https://mediateur.edf.fr/la-mediation-du-groupe-edf>

<sup>33</sup> Articles L. 153-1 et seq. of the French Consumer Code, instituted by ruling no. 2015-1033 of 20 August 2015 concerning the extrajudicial settlement of consumer disputes.

<sup>34</sup> Mediation can only be undertaken if the two parties and the mediator all agree to start mediation.

<sup>35</sup> See point II.K.1. *"Articles L. 111-34 and L. 11--35 – Missions and powers of the compliance officer / General aspects"*.

## F.5. Separation of premises

The last subject to be finalised concerns the separation of six electricity production transmission substations, located within a basic nuclear installation (INB) and protected by an access system managed by EDF.

Separation work was undertaken for three substations and was completed in 2014. For the three other substations, which remain enclosed within nuclear sites, RTE and EDF prepared changes to the operating agreements clarifying the conditions for RTE staff to access these sites and defining these operating methods. This was to tackle RTE's operating issues and comply with the requirements of the CRE decision of 26 January 2012 and the CRE's RCBCI 2015-2016 report, while abiding by the restrictions concerning the safety of nuclear sites.

In decision no. 2018-250 of 5 December 2018<sup>36</sup>, the CRE approved the addenda to the operating agreements ensuring that the conditions for accessing these three substations were made compliant, and the agreements concerning the operation and maintenance of the protection and surveillance systems for four of the six substations (the three sites underwent construction work in 2014 and one of the other three sites).

The agreements concerning operating and maintaining the protection and surveillance systems for the last two substations, similar to the previous four, should have been finalised, signed and submitted to the CRE for approval in 2019.

**The compliance officer found that the matter did not end in 2019**, despite iterations between RTE and EDF over the course of the year.

A boost was however given by RTE right at the start of 2020. The two agreements are currently being signed with the two nuclear sites in question and should be submitted to the CRE during the first quarter of 2020.

## G. Article L. 111-22 – RTE Code of Conduct

The version of the Code of Conduct taking into consideration the variation in RTE's capital and the feedback acquired since 2012 was approved by the CRE in its decision of 11 January 2018 on maintaining CRE's certification.

On 14 April 2019 the CRE also tacitly approved<sup>37</sup> the addition, proposed by RTE in December 2018, of elements concerning the following:

- RTE's obligations under the European Regulation on Wholesale Energy Market Integrity and Transparency (REMIT),
- RTE's role as person professionally arranging transactions.

This addition is described in detail in point IV.D. *"Implementing the REMIT regulation"*.

---

<sup>36</sup> <https://www.cre.fr/Documents/Deliberations/Approbation/Approbation-de-contrats-entre-RTE-et-EDF-en-lien-avec-les-postes-de-RTE-enclaves-dans-des-sites-EDF>

<sup>37</sup> Article L. 231-1 of the French Code on Relations between the Public and the Authorities.

## H. Articles L. 111-24 to L. 111-28 – Mandate of the members of the RTE Supervisory Board

The representative of the government as a legal entity was appointed to a new position, so resigned from the Board and was replaced by ruling of 10 December 2019<sup>38</sup>, following validation from the CRE<sup>39</sup> as the “minority” of the Supervisory Board<sup>40</sup>.

Meanwhile the government administrator resigned from the Board with effect from 1 August 2019 and had still not been replaced at the end of 2019. The appointment of her replacement, proposed by the government, must also be validated by the CRE as the “minority” on the Board.

As a reminder, the other three members of the minority are the representative of CNP Assurances and the two representatives of the CDC. The CRE decision of 11 January 2018 on maintaining RTE's certification confirmed the compliance of the case of the latter, by means of shareholder engagement, in particular:

- The CDC undertook to notify the CRE of any appointment of a member of the Board of directors of CTE appointed on proposal of the CDC: no change took place in 2019.
- EDF, the CDC and CNP Assurances undertook to authorise the presence of the RTE compliance officer at the meetings of the CTE Board of Directors: the compliance officer attended all Board meetings in 2019.

Since 1 August 2019 the RTE Supervisory Board has only comprised 11 members, with four belonging to the Board “minority”. As this “minority” is defined as “*half minus one*” pursuant to article L. 111-25, that is, 4.5, the compliance officer wonders whether it should be rounded down to 4 or up to 5; in the latter case the situation would not comply with the French Energy Code.

## I. Articles L. 111-24 and L. 111-29 to L. 111-32 – Mandate of RTE managers

The managers are the members of the Management Board and the operations, maintenance and development-engineering directors<sup>41</sup>. As the current Management Board comprises five members, RTE notified to the CRE that the “majority” of the managers is composed of the members of the Management Board.

No change took place in 2019.

---

<sup>38</sup> <https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000039631359>

<sup>39</sup> <https://www.cre.fr/Documents/Deliberations/Decision/nomination-d-un-membre-de-la-minorite-du-conseil-d-administration-de-rte>

<sup>40</sup> Defined in article L. 111-25 of the French Energy Code.

<sup>41</sup> Paragraph II of article L. 111-30 of the French Energy Code.

## J. Article L. 111-33 – Remuneration and holding of interests in the VIU

This article contains two obligations.

### J.1. Remuneration of RTE managers and employees

This provision falls within the remit of RTE management: *“Directors and employees of a transmission system operator can only be paid according to indicators, in particular performance indicators, for said company.”*

These are implemented for the long term, particularly since the certification decision of 26 January 2012, asking RTE to modify the internal regulations of its Supervisory Board to provide explicit clarifications concerning the remuneration of the members of the Management Board in order to comply with article L. 111-33. It should also be noted that the compliance officer took part in the RTE Supervisory Board remuneration committee meetings.

### J.2. Holding of interests in the VIU

This provision falls under the personal responsibility of the RTE managers and employees: *“Managers and other employees [...] cannot hold interests in the other companies comprising the electricity or gas vertically-integrated undertaking [...], or directly or indirectly receive any financial benefit from said companies.”*

An exception concerns EDF shares acquired before 1 June 2011 within the scope of the collective system constituting the PEG, which can be held by employees other than managers<sup>42</sup>. While it cannot control compliance with this obligation, the employer nevertheless has a duty to inform its employees about the obligations on them, in particular and specifically concerning the holding of shares.

#### i) Providing information to RTE employees

As indicated in the compliance officer's 2018 annual report, in May 2018 an internal communication was sent (short *“HR Memo”* sent by email to all employees, with a link towards online explanations on the RTE intranet).

Moreover, the 2018 deployment of the e-learning tool on the Code of Conduct<sup>43</sup> also helped to improve RTE employee knowledge concerning the obligations of article L. 111-33.

This online training is provided to all RTE employees, and especially newcomers. In 2020 it should be updated to take into consideration the feedback and any changes, then rolled out again to all employees.

---

<sup>42</sup> Paragraph I of article 13 of French ordinance no. 2011-504 of 9 May 2011 codifying the legislative part of the French Energy Code.

<sup>43</sup> See point VIII.C.2. *“Online training (e-learning)”*.

**ii) Offer for EDF employees in 2019 (ORS 2019)**

The compliance officer's attention was drawn to the EDF share subscription offer for employees (ORS 2019) because RTE employees were invited to subscribe in an email from EDF. The investigation showed that this involved over 300 people.

This initiative in contradiction with the obligations of the French Energy Code can be explained by an error in the recipients targeted. In fact, the persons to be targeted were former employees of the EDF Group who had joined RTE since 1 October 2016 and whose existing assets were kept in the "EDF Group schemes" compartment of their group savings scheme (PEG).

As a reminder, since this date of 1 October 2016, RTE employee PEG and PERCO savings schemes have been managed separately from the EDF Group schemes<sup>44</sup>. In particular, RTE employees' existing funds were transferred to the new compartment "EDF-RTE group schemes", the only one for which RTE employees can subscribe funds. This transfer of existing funds did not take place for EDF Group employees who joined RTE from 1 October 2016.

More problematically, although the group savings scheme website materially prevents RTE employees from subscribing EDF shares, some or all of the employees specified above had the option of subscribing to ORS 2019 electronically. Several of them did in fact subscribe.

After RTE intervened, these subscriptions were cancelled and an explanatory email was sent to the parties in question. The RTE HRD meanwhile reminded employees coming from the EGI Branch from September 2016 that they were not permitted to subscribe to the ORS 2019.

To prevent such errors from happening again, ***the compliance officer recommended that RTE ask the PEG manager for the assets of employees transferred to RTE - from 1 October 2016 and in the future - to be transferred to the new sub-fund.***

Additionally, the compliance officer observed that nowhere do the EDF documents concerning ORS 2019 (official documents, communication documents, and website<sup>45</sup>) state that RTE employees can in any circumstance be eligible for ORS 2019.

Examining the ORS 2019 documents led the compliance officer to highlight a legal difficulty linked to the conditions for unfreezing the funds early.

According to these documents, the fund should be frozen for five years, that is, until 16 July 2024. The circumstances for unfreezing early are as stipulated by article R. 3324-22 of the Labour Code: the transfer to RTE is not included because it is not considered termination of the employment contract.

Article L. 111-33 prohibits RTE employees from possessing EDF share funds and the funds subscribed in ORS 2019 are not covered by the exception stated at the beginning of this point II.J.2.

Consequently, the compliance officer considered that the combination of freezing the funds and article L. 111-33 of the French Energy Code prohibits EDF Group employees who have subscribed to ORS 2019 from joining RTE before 16 July 2024 (except in exceptional circumstances covered by the early unfreezing options).

---

<sup>44</sup> See the RTE compliance officer's 2016 annual report.

<sup>45</sup> <http://www.ors2019.edf.com/>

The compliance officer therefore referred the matter to the CRE, on the basis of article L. 111-34 of the French Energy Code<sup>46</sup>, to envisage a solution making it possible to maintain employees' ability to move within the EGI Branch while guaranteeing the legal security of RTE and the employees in question in terms of meeting their obligations under the French Energy Code.

At the same time and at RTE's request, the PEG manager referred the matter to the employment ministry, which responded on 24 January 2020. The director general of employment considers that the legislative provisions of the French Energy Code prevail over the regulatory provisions of the Labour Code and that, on this basis, *"the EDF PEE regulations [...] are de facto in contradiction with article L. 111-33"*. He added that *"it is essential to ask that EDF employees, continuing their career within RTE, arbitrate their assets invested in the employee shareholding scheme to the diversified FCPE schemes of the same PEE"*. Finally, he specified that, for the employees in question *"this request does not harm their interests [...] any more than it challenges the fiscal and employment exemptions attached to the PEE"*.

RTE will work on this subject in 2020 in liaison with the PEG manager.

## K. Articles L. 111-34 and L. 11--35 – Missions and powers of the compliance officer

### K.1. General aspects

2019 will be the eighth full financial year during which the compliance audit instituted in July 2011 was conducted. Access to all information required is fluid and there is participation in all governing bodies (e.g. supervisory board and its committees, management board, executive committee, specialised governance and working bodies) along with the proper documentation and files, identical to those available to the members of these bodies.

As in previous years and with respect to the perception RTE employees may have of the position, they continue to positively identify it, and the members of the management generally spontaneously inform the compliance officer of the compliance of events in relation to his mission. The compliance officer has not noted any lassitude among employees vis-à-vis his interventions and requests. They are not reluctant to answer the questions put to them and to document the responses, even when they are followed by additional investigations in the form of compliance audits.

In 2019, the compliance officer did not fail to continue to recall within RTE that, in addition to his compliance duties, he could be asked in advance for advice about any matter concerning the independence of RTE and implementing the Code of Conduct.

The duties of the compliance officer concerning monitoring grid investments and relations between RTE and the subsidiaries it controls are specified in chapters VI and VII respectively.

The audits conducted in 2019 by the compliance officer are described in point VIII.B.

In 2019 the compliance officer did not have the need to engage external resources beyond his day-to-day work.

---

<sup>46</sup> See point II.K.1. "Articles L. 111-34 and L. 11--35 – Missions and powers of the compliance officer / General aspects".

In 2019, the compliance officer twice made use of article L. 111-34, which states that *“He shall immediately inform the Energy Regulatory Commission [...] of any issue concerning the independence of the transmission system operator.”*

- EDF Group Mediation<sup>47</sup>;
- offer for EDF Employees in 2019 (ORS 2019)<sup>48</sup>.

## K.2. Further transposition of the third package into French law in 2016

At the time of further transposition of the third European energy package into French law in 2016<sup>49</sup>, two points were added to the duties of the compliance officer:

- Article L. 111-34: *“He shall immediately inform the Energy Regulatory Commission of any substantial failing in implementation of the commitments specified in the previous paragraph”.*

In 2019 for the first time the compliance officer informed the CRE of a failing concerning the obligations for confidentiality of commercially sensitive information as contained in the Code of Conduct. It however appears probable that in the end there was no loss of integrity affecting sensitive data. The incident is described in a non-public appendix to this report.

- Article L. 111-34: *“He shall report on his activity to the Board of directors or supervisory board and may make recommendations concerning the Code of Conduct and its implementation for their attention.”*

This provision has been implemented each year since 2017. In 2019 the compliance officer presented his activity at the RTE Supervisory Board meeting of 5 May 2019. No recommendation was made to the Board in 2019.

## K.3. Risk analysis, audit and internal control

This annual analysis follows the recommendation made in 2014 by the compliance officer following the 2014 audit he requested on compliance with the commitments linked with RTE's certification by the regulator.

During the company's major risk analysis conducted in 2018, although still considered one of RTE's major risks, the *“discrimination/non-compliance”* risk was included with the *“corruption and fraud”* risk within a new risk, *“ethical or regulatory breach”*, which also includes the new legislation in effect (*“Sapin 2”*, *“due diligence”* law, GDPR, etc.).

The analysis conducted in 2019 indicated that this risk comes under the *“surveillance zone”* (zone of critical risks perceived as under control. Control level to be confirmed regularly, mainly by internal audit).

This analysis was added to the recurrent file made available to the company's governing bodies (Management Board and Supervisory Board).

<sup>47</sup> See point II.F.4. *“Article L. 111-21 – Non-confusion of image between RTE and the VIU / Communication practices”.*

<sup>48</sup> See point II.J.2. *“Article L. 111-33 – Remuneration and holding of interests in the VIU / Holding of interests in the VIU”.*

<sup>49</sup> French Ordinance no. 2016-130 of 10 February 2016 on adaptation of books I and III of the French Energy Code to European Union law and concerning the internal electricity and gas markets.



Moreover, in 2019 the compliance officer was given access to the bodies and preparatory files dealing with this subject at RTE. On this matter, he can testify that the company has paid attention to compliance with the rules of independence, non-discrimination and confidentiality in management and oversight on a day-to-day basis. However, the audits conducted in 2019 focused on internal processes or technical subjects, meaning that these themes did not need to be included.

#### **K.4. Compliance officer sharing experiences with counterparts**

In 2019, the compliance officer continued his discussions with his counterparts: GRTgaz, Enedis and GRDF on the one hand, and European electricity ITOs on the other hand.

Of the 42 European electricity ITOs that are members of ENTSO-E, there are currently 6 ITOs other than RTE:

- 2 of the 4 German TSOs: TransnetBW GmbH (100% subsidiary of ENBW) and Amprion GmbH (RWE AG still controls 25.1%),
- the largest Austrian TSO, Austrian Power Grid AG (100% subsidiary of Verbund AG),
- the Croatian (HOPS), Hungarian (MAVIR) and Bulgarian (Electroenergien Sistemen Operator EAD – ESO EAD) TSOs.

The RTE compliance officer proposed organising a meeting with his European counterparts in the new RTE premises in the first half of 2020.

#### **L. Articles L. 111-36 to L. 111-38 – Appointment and independence of the compliance officer**

As proposed by the Chairman of the Management Board and pursuant to a CRE decision dated 29 June 2016, the RTE Supervisory Board approved the appointment of a new RTE compliance officer for a period of five years from 1 October 2016. At the time of its decision, the CRE verified that the person in question met the requirements of independence laid down by article L. 111-38 and approved the non-standard employment contract covering him in this respect.

The CRE again assessed the independence requirements within the scope of the process for re-examining RTE's certification. In its decision of 11 January 2018 on maintaining RTE's certification, in particular it observed the compliance with the provisions of article L. 111-38 of the French Energy Code in view of the new perimeter of the VIU. Moreover, this decision approved an addendum to the compliance officer's employment contract correcting a clerical error shown in the initial contract.

### III. Fair treatment and non-discrimination

This chapter initially cites certain factors for analysis in terms of ensuring fair treatment in accessing the transmission system and the electricity market.

Then, with respect to RTE's relationship with its clients, listening to their needs and taking their requests into consideration, the quality of implementation of the commitments under RTE's Code of Conduct is to a large extent assessed in two types of situations:

- consultation, dialogue with all the stakeholders prior to, on the one hand, introducing provisions linking RTE to its various client categories (e.g. rules, contracts) and, on the other hand, publication of RTE's planning documents as provided for by the law (generation adequacy report, French TYNDP);
- client relations, ongoing dialogue with every single client.

#### A. Fair treatment in accessing the network and the market

A control carried out in 2013 focused on compliance with the non-discrimination obligations in implementing the balancing mechanism.

The matter of RTE applying the rules of economic precedence in activating the chosen offers is a central issue with significant economic implications for the balancing mechanism participants. In addition to proposing prices, this selection process brings together a certain number of relatively complex technical criteria for implementing the offer (implementation start deadline, duration, location, etc.).

Since it was set up, the balancing mechanism has often led to participants making requests to RTE for explanation concerning offers not selected in order to demonstrate the absence of any discrimination in the choices made.

The compliance officer considered that the means used and the results obtained were likely to ensure compliance with transparency and non-discrimination of the BM operational implementation with a high level of confidence. In this context, the compliance officer however suggested considering, in a form and at a frequency to be decided, the use of traced information in the selection process in order to provide feedback to each player concerned and keep ahead of any requests for explanations.

To this end, RTE is currently conducting an a posteriori analysis of client requests for explanations and the follow-up given to them.

##### A.1. Fair treatment in market tools

In 2019, out of 49,800 offer activations (that is, almost 4,150 per month) under the balancing mechanism, there were no formal traced questions from RTE clients.

## A.2. Fair treatment between participants

Another factor for analysis of the fair treatment of market participants is the distribution of companies awarded service contracts following an invitation to tender.

- **Invitation to Tender “Rapid and Complementary Reserves”:** Tenders for rapid and complementary reserves for the period from 1 January to 31 December 2020 ended on 26 July 2019. The Herfindahl-Hirschman index fell to 2,776 (against 2,502 for 2019). The market share of the largest three aggregators remained stable at 67%. The amount allocated to industrial consumers accounts for approximately 25% of the market.
- **“Demand Reduction” Invitation to Tender:** This invitation to tender supporting the development of the consumption demand reduction sector is now within the framework validated by the European Commission. The invitation to tender for 2020 was launched on a schedule allowing good coordination with the other market mechanisms, and the results were made public in October 2019 leading to 27 contracts being drawn up, split over 10 different market participants. These results can be used to verify that the objective has been attained for refocusing public support for demand reduction not underpinned by diesel generators.

## A.3. Intentional power cuts

Alongside the strikes in the EGIs, intentional power cuts were carried out in the second half of December 2019. The press covered it extensively and the public authorities, alongside the Enedis and RTE management, did not fail to condemn these malicious acts.

Insofar as RTE employees carried out power cuts on RTE installations, and notwithstanding the criminal and disciplinary classification of the events and their impact on the safety of persons and property, it appears that these acts are in contradiction with the prohibition on any discrimination between network users as shown in the French Energy Code and in chapter 2.1 of the RTE Code of Conduct. However, for the follow-up to these acts vis-à-vis the clients in question, the company RTE implemented its normal procedures, based on the principle of non-discrimination.

## B. Consultation in CURTE

CURTE is the main consultancy body for the construction of the electricity market and the changing electricity transmission grid in France. It is open to the various transmission grid users (producers, distributors, industrial clients, traders, consumers, and aggregators), non-government organisations (especially those dedicated to defending the environment) and public bodies (whether institutional actors such as ADEME, ASN, or government services, particularly the DGEC). The CRE services monitor the meetings as they see fit.

CURTE comprises four working commissions<sup>50</sup>: “Grid Access”, “Market Access”, “Interconnector Access Operating” and “Grid and System Perspectives” (“Grid Perspectives” until 2016). Working groups deal with specific subjects and can be led either by RTE or by the other participants, according to the commitments and resources that the various parties are able to allocate to them.

CURTE therefore makes a very significant contribution to non-discrimination and the transparency of RTE actions in setting up and developing the market architecture.

---

<sup>50</sup> The Plenary Committee, responsible for planning changes in the commissions at a more strategic level, has not been active since 2011.

## B.1. General aspects

The compliance officer noted a sustained activity of the different working commissions throughout 2019. Once again in 2019, CURTE activities generally enabled:

- regular information from participants on the cases in progress and on changes in the context of the areas addressed by the commissions;
- transparent consultation procedures, paying particular attention to the time limits for responses from participants, as was their wish.

As since 2017, he has continued to observe a certain heterogeneity in the operation of the commission meetings, a priori consubstantial with the themes tackled.

The rest of this chapter also recalls the richness and diversity of the topics covered in consultation in 2019.

As in the past, the end of this chapter presents the actions carried out in 2019 to improve access to and dissemination of the information connected to CURTE's work and the results obtained. This follows up the compliance officer's 2015 annual report which stated that, following the satisfaction survey conducted in late 2015, CURTE's organisation could still be improved on this point.

The presentations given during these meetings are available on the space allocated by RTE to consultation.

As in 2018 the compliance officer examined the material operation of the commissions' plenary meetings in 2019 in view of the information to and participation of the participants:

- notice of meetings:
  - o GAC and IAOC meetings are set well in advance: over two months for the IAOC and even more for the GAC which runs a whole-year schedule.
  - o A significant improvement was noted for the SGPC, with over two months' notice on average and never less than three weeks. In fact, the subject of network planning offers certain visibility as to the deadlines.
  - o Conversely, the MAC notice is limited to approximately three to four weeks, due to a wish to tackle the issues concerning market mechanisms as close to the time as possible to ensure the discussions are relevant.
- Minutes: The MAC and SGPC do not draw up minutes, which could hinder correction information being given to participants, particularly those with low numbers of participants, in terms of the questions and responses during meetings. This can nevertheless be explained by the fact that, in view of the diversity of participants and opinions expressed, detailed minutes would entail a cumbersome process of adoption and brief minutes would be of little use.

In terms of providing information to participants, the compliance officer noted that there are now many persons registered for the four commissions on the RTE client consultation website and that the consultations, calls for contributions and meeting documents are indeed online.

## B.2. Grid Access Commission (GAC)

The GAC deals with various subjects related to grid connection and access for different types of clients. In particular it is used to prepare RTE's Reference Technical Documentation (RTD).

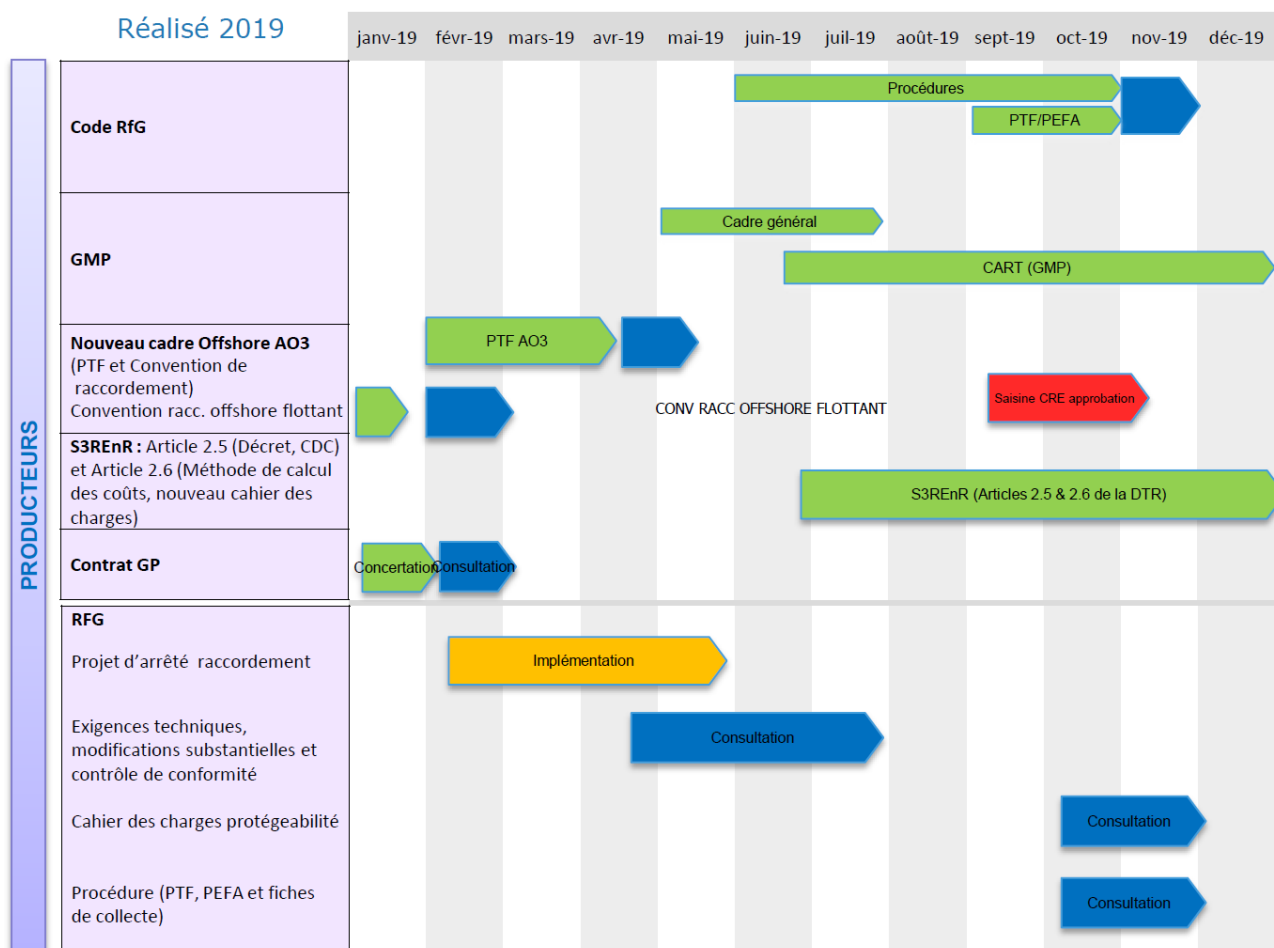
The GAC is also a space for sharing information about the work initiated outside the GAC of direct interest to its members.

Along the same lines as previous years, the following subjects were covered in specific GAC presentations in 2019:

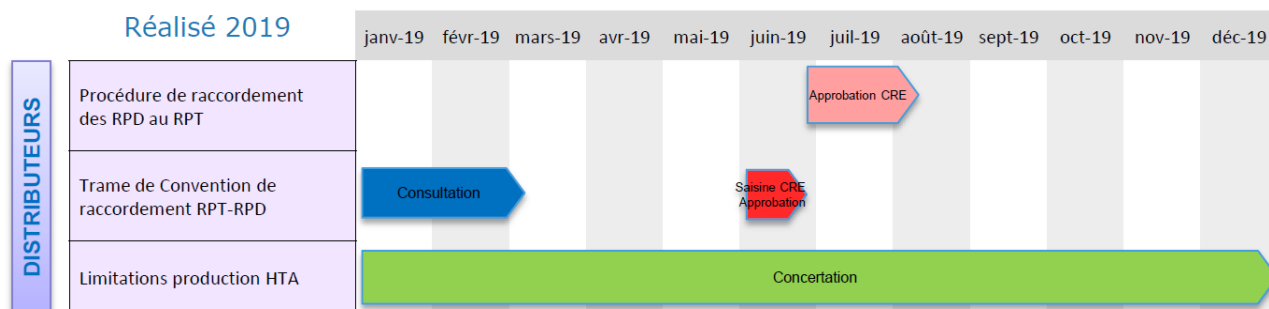
- **Monitoring French legislation and regulatory news:** In 2019 there was plenty of news:
  - publication of the draft MYEP by MTES on 25 January 2019: the goal of the new MYEP is to define the government's guidelines in the energy field for the next 10 years;
  - decree no. 2019-97 of 13 February 2019 to implement article L. 342-2 of the French Energy Code: concerns the possibility of delegated project management for producer clients and consumers to carry out the connection work; it was complemented by CRE decisions approving the mandate contract and specification templates, the connection procedures and the connection agreement templates incorporating this mechanism;
  - ordinance no. 2019-501 of 22 May 2019 concerning simplification of the procedure for drawing up and reviewing S3REnRs: the regional prefect now sets the S3REnR target taking into consideration the MYEP, SRCAE/SRADDET and RES development situation in the region. It also approves the share of the plan; an implementing decree is expected in 2020;
  - the Council of State decision no. 414426 of 7 June 2019 validating the decision of the ministers responsible for the environment and industry concerning the offshore wind farm off the coast of Saint-Nazaire (AO no. 1);
  - MTES's announcement that the tender the offshore wind farm off the coast of Dunkirk (AO no. 3) had been awarded on 14 June 2019: the TFP section for this and future invitations to tender was consulted within the GAC in 2019 and was then published in the RTE RTD;
  - CRE decision no. 2019-181 of 17 July 2019 concerning approval of the agreement template for PTN access in trial period for new exempt interconnectors: this template and the trial period operating agreement for new exempt interconnectors were published in the RTE RTD;
  - law no. 2019-1147 of 8 November 2019 concerning energy and climate: lays down the 2050 carbon neutrality objective and implements the specific provisions for achieving this; in connection with the GAC's activities, we can note in particular the objective of allocating offshore wind farm installed production capacities at 1 GW/year by 2024, and clarification of the scope of application of the S3REnR, that is, any RES connection (other than exceptions specified by the regulations);
  - CRE decision no. 2019-262 of 18 December 2019 approving a revision of the agreement template for connecting offshore production installations to the PTN: this template applies in particular to floating offshore wind farm projects chosen within the scope of a request for proposals;
  - CRE decision no. 2019-274 of 12 December 2019 containing guidelines on the approval conditions, content and drafting of the procedures for processing PTN connection requests;
  - CRE decision no. 2019-281 of 18 December 2019 amending the decision of 8 November 2018 approving the template agreement for connecting the PTN to production installations from RES sources subject to a competition procedure as specified in article L. 311 10 of the French Energy Code, where the winning bidders were designated before 1 January 2015.

- **Monitoring of the European regulatory situation and roll-out of the ENTSO-E network codes:**
  - o preparing to update the RTE RTD in connection with the arrival of the connection codes RfG, DCC and HVDC;
  - o publication of European “clean energy” package on 14 June 2019.
- **French TYNDP:** presentation of major industrial and financial aspects of the 2019 French TYNDP, making the connection with the GAC's work, including adapting the network in line with the S3REnR, connection of offshore energy, and flexible solutions such as the investment needs lever.
- **Storage:** ENTSO-E's European work, and CRE's and RTE's work were presented to the GAC, including for RTE: the Ringo experiment, the planned constraint publication internet platform and the launch of the work to define the contractual framework for connection and access to the storage unit network.

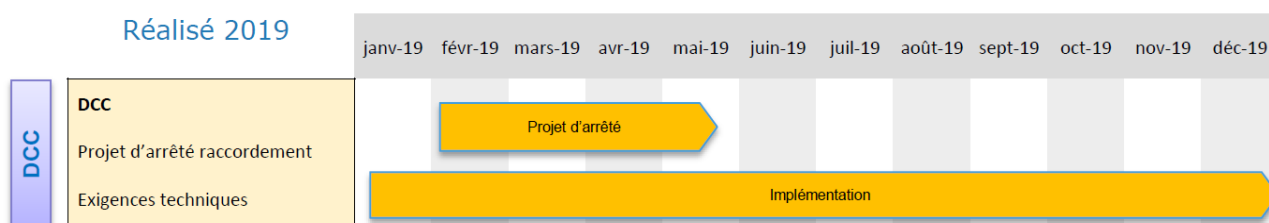
The following tables show, broken down by the main fields, the details of the work schedule for 2019 (assessment as at end of year). These schedules illustrate, for the whole year, the sequence of the three phases: the consultation itself, consultation on the draft document from the initial consultation and the referral or notification to the CRE, depending on whether or not it has to make a decision on the draft.



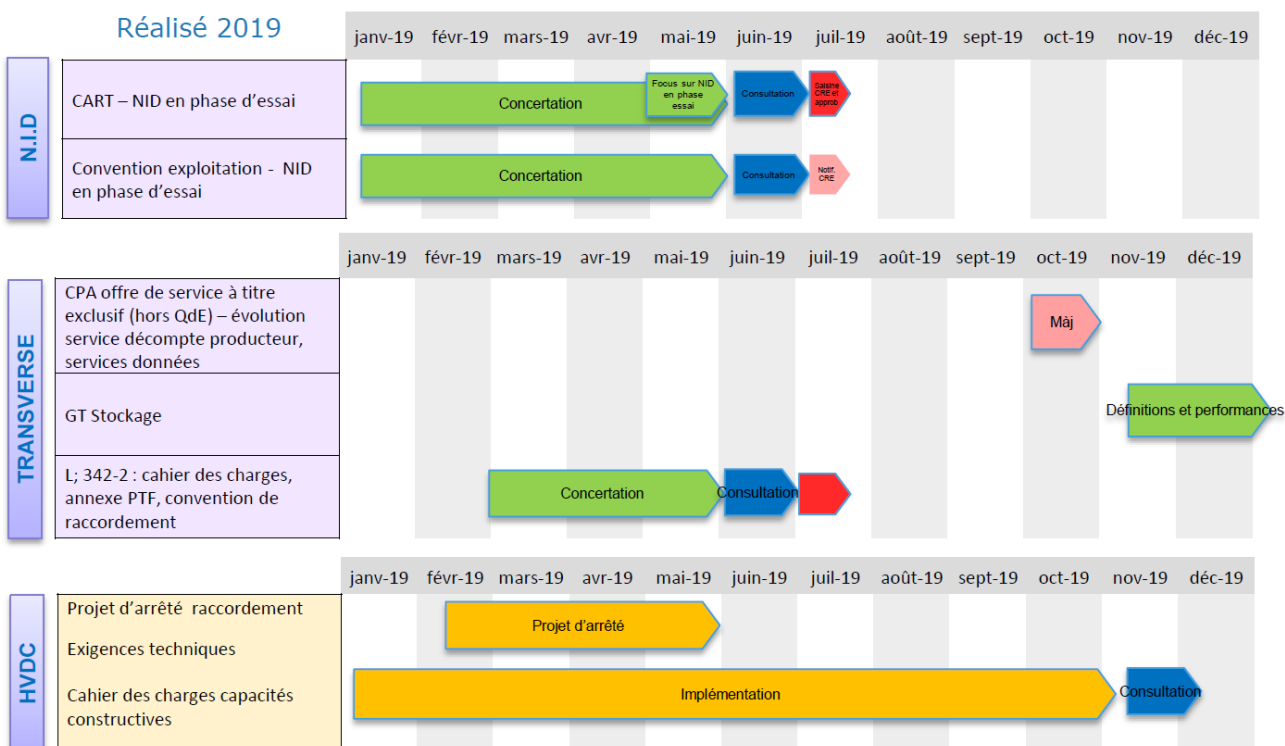
*Working groups on producers' connection and access to the grid*



Working groups on distributors' connection and access to the grid



Working groups on distributors' and consumers' connection and access to the grid



Other working groups

### B.3. Market Access Commission (MAC)

The MAC is responsible for monitoring cases concerning the following themes:

- access to the market via the balance responsible (BR) mechanism and block exchange services (BESs);
- determining and reconciling power flows;
- access to and participation in the balancing mechanism (BM);
- production and demand reduction programming;
- organisation of market, new mechanisms and interaction between the existing ones.

The MAC discusses guidelines for the different activities, determines the roadmap for the working groups and when necessary guides the implementation of the consultation results by establishing provisional rules that it proposes to the CRE or the energy minister.

In 2019, as since 2013, the activity of the MAC was largely organised around the ongoing transformation of the market mechanisms.

The MAC's most significant projects in 2019 concerned the following subjects:

- **Capacity Mechanism:** 2019 was notable for the launch of long-term invitations to tender for which RTE has set up a dedicated arranged framework. RTE also shared with the market participants both an analysis of the impacts of the European “clean energy” package on the French capacity mechanism and the issues of transposing the package for the whole of the French ecosystem. Additionally, in 2019 RTE launched the consultation on the new V3.2 rules, which was referred to the CRE in late 2019.
- **Demand Reduction:** As in 2018, the reliability of demand reduction and the associated control were one of the recurring subjects in 2019, covered in the discussions held with the participants. In 2019, the working themes were mainly the following: discarding “grey” demand reduction from the invitation to tender; reconciliation between the demand reduction invitation to tender and the capacity mechanism to validate undertakings; technical prerequisites simplified and streamlined. All of the work contributed to transversality and improving the performance of the demand reduction sector.
- **Balancing:** RTE changed the BM-BR rules so that they met the requirements of the EB guideline, mainly for implementing the first European balancing standards products platform, called TERRE.

In addition to the work of the plenary committee, it can be noted that two calls for contributions were launched on the following subjects: variation of imbalance settlement price, offsetting non-shared offerings on the European balancing platforms, managing scopes and integrating storage. A third call for contributions was launched, common to RTE and Enedis, on changing the speed of imbalance settlement to 15 minutes.

Moreover, as in the previous year, the MAC continued to show sustained activity in 2019 with around 40 very active working groups (covering the areas of BM-BR, capacity mechanism and demand reduction).



#### B.4. Interconnector Access Operating Commission (IAOC)

The IAOC monitors the rules of access to the French public transmission grid for imports and exports, specific mechanisms concerning each interconnector and European projects to standardise these mechanisms; it offers stakeholders, in the presence of the CRE, an opportunity to express themselves regarding the rules and to participate in defining the changes.

The IAOC met three times in 2018. The discussions mainly focused on the different European projects underway: schedules, constraints encountered, feedback from the consultation of stakeholders. The main topics discussed were the following:

- the capacity calculation methodologies submitted within the scope of the CACM<sup>51</sup> and FCA<sup>52</sup> regulations and the progress of their implementation;
- the additional efforts on publishing data and transparency, mainly in the CWE zone;
- preparing the scenarios for the United Kingdom leaving the European Union;
- the provisions of the European “clean energy” package and in particular application of the rule of 70% capacity at interconnectors.

Alongside monitoring these projects, the IAOC is also a space for discussion and information. This is how the publication of data on the RTE website, the monitoring of operating incidents and the analysis of specific situations were handled during 2019.

#### B.5. System and Grid Prospects Commission (SGPC)

The SGPC (GPC until 2016) began its activities at the prompting of RTE in 2011 with the ambition of being the privileged consultation body with civil society stakeholders about the medium- and long-term stakes of the electrical power system. That is the reason why the SGPC deals with, in addition to transmission system users, environmental associations (FNE; Greenpeace, FNH, Négawatt), institutional players (DGEC, CGDD, ADEME, France Stratégies, etc.), professional associations (SER, UFE, FEE, etc.), demand reduction aggregators (EnergyPool) and linear infrastructure managers (GRTgaz and GRDF).

Technical, economic and future-proofing subjects are handled within the SGPC. They are also intended to be used to consult stakeholders and inform them about the duties commissioned to RTE by the legislator (such as the generation adequacy report and the French TYNDP) as well as sharing on more general current issues connected to development of the electrical power system (such as smart grids and RES).

---

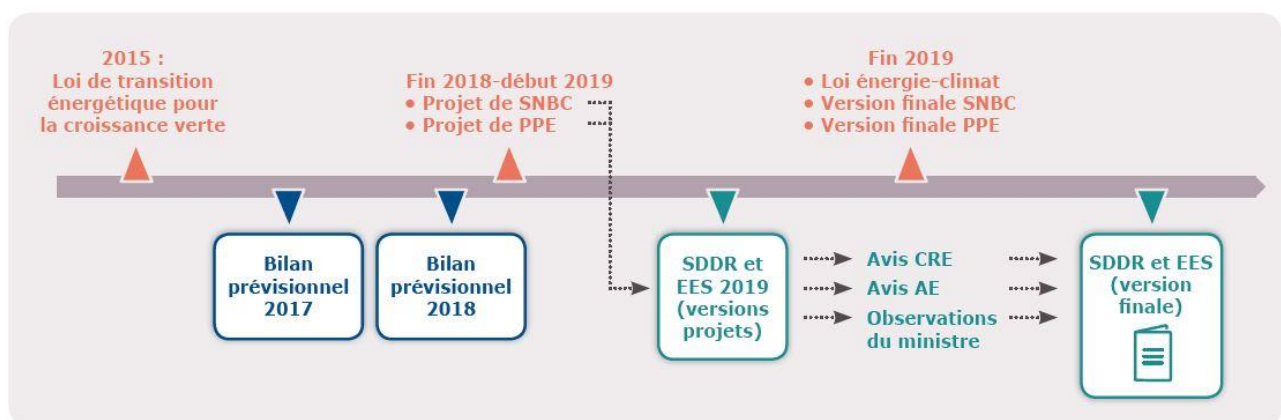
<sup>51</sup> Commission Regulation (EU) 2015/1222 dated 24 July 2015 establishing a guideline concerning capacity allocation and congestion management.

<sup>52</sup> Commission Regulation (EU) 2016/1719 dated 26 September 2016 establishing a guideline concerning future capacity allocation.

The three SGPC meetings in 2019 covered the following work:

- drawing up the 2019 generation adequacy report (by 2025):
  - in the first half of the year, feedback on the last two generation adequacy reports, in-depth examination of them and the analyses provided to MTES, and supervision of the works;  
*RTE launched a public consultation (request for contributions) in June 2019;*
  - in September 2019, feedback from the public consultation and presentation of the basic case;  
*In November 2019 RTE published the 2019 report in two sections: seasonal study of winter 2019-2020 and generation adequacy report of supply-demand balance over the 2020-2025 period;*
- on finalisation of the 2019 French TYNDP (by 2035): requirements to adapt the network according to RES trajectories, variants on the development of self-consumption, interconnector development paths and requirements for network renovation over the period 2020-2035<sup>53</sup>;  
*In September 2019 RTE published the draft French TYNDP, which will be subject to the recommendation of both the Environmental Authority and the CRE after a public consultation<sup>54</sup>;*
- preparation of future long-term scenarios (2035-2050):
  - launch of nine technical working groups (climate, consumption, guidance and planning reference documentations, electricity interface and other vectors, representation of society's expectations, environmental indicators, flexibilities, functioning of electrical system, costs);
  - preparing a public consultation on defining scenarios, methodology and hypotheses, set to be launched in spring 2020;
- feedback on the functioning of the electrical system during the heat wave of summer 2019: effects observed on production and consumption, analysis of supply-demand balance and lessons for modelling episodes of high heat in future generation adequacy reports;
- studies on the issues associated with developing electricity for certain uses: electrical mobility, electrolysis hydrogen production and thermal uses in construction.

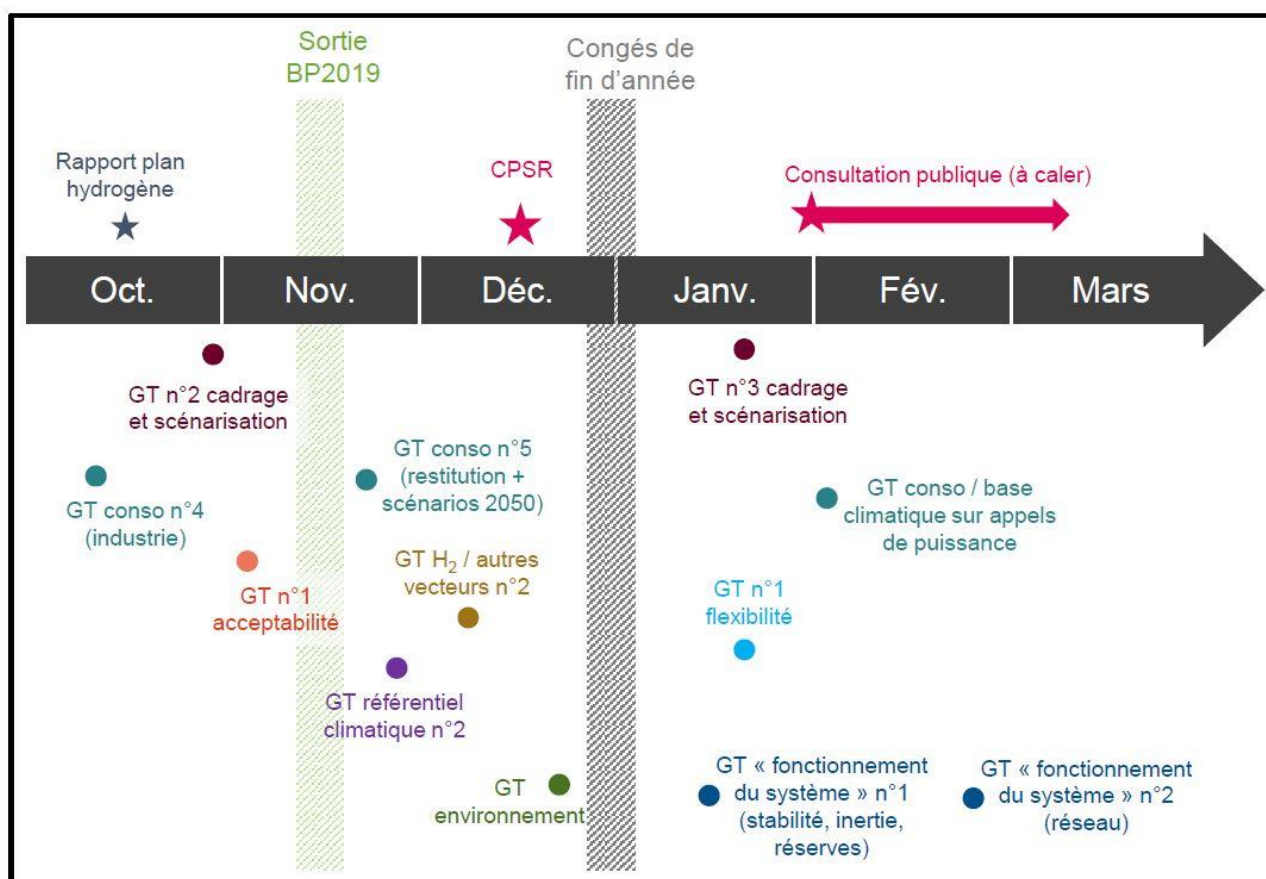
The SGPC meeting planned for February 2020 will mark a major stage in defining 2050 scenarios and will be focused entirely on guidelines for them and assessment of the working groups.



*Deadlines associated with drawing up the 2019 French TYNDP*

<sup>53</sup> See point VI.B. "Next French TYNDP".

<sup>54</sup> See point VI.B. "Next French TYNDP".



Long-term study work schedule in 2019 and 2020

## B.6. Improved consultation with clients

In his 2017 annual report, the compliance officer recommended that RTE be particularly vigilant as to the expectations of the stakeholders that are less represented or less present within CURTE, who will be able to obtain information on the future client portal.

In its RCBCI 2015-2016 report, the CRE wished for RTE to pay more attention to the consultation system and stated that RTE must “draw up and implement an action plan aimed at improving, by deadlines to be specified, the information provided to users about the existence of CURTE and the quality and accessibility of the information provided and, generally, to better meet users' expectations.”<sup>55</sup>

As stated above, the consultation mechanism is currently structured around four different commissions, which generally meet on a quarterly basis. The website about the consultation provides a consultation calendar, proposes reacting to the consultations (draft texts or calls for contributions on matters) and allows the published documents to be viewed. The calendar can be used to put attachments online for meetings and allows the consultation party to react in forum mode.

<sup>55</sup> See point X.B. “RCBCI 2015-2016: Main changes expected of RTE and changes observed in 2019”.

***i) Considering the expectations expressed by clients***

The compliance officer's 2018 annual report indicated that RTE had launched initiatives directly connected to jointly creating services combining the different stakeholders, mainly regional workshops on the expectations of RTE clients. These workshops, complementing the satisfaction surveys and consultation, helped identify and prioritise client expectations.

Following these workshops, projects were launched to meet the main expectations:

- developing an exchange platform in order to facilitate planning work with Enedis,
- developing an exchange platform in order to facilitate planning work with industrial companies,
- actions to improve RTE's communication with clients at key times (communication during works, communication about incidents, etc.)

The results of the satisfaction survey appear to confirm that RTE has taken the right direction. Therefore, in the West region where the exchange platform with Enedis is being trialled, distributors' satisfaction surrounding the planning of work rose 16%.

The digital services available on the RTE services portal<sup>56</sup> also continue to be added to, with 50 new services implemented in 2019. In 2019, RTE continued its approach of listening to clients and working with them, in order to develop its metering and data services:

- 3 workshops for designing the future mass downloading HMI,
- 1 workshop surrounding the regularisation API,
- 1 workshop surrounding the API on indices and other metering data,
- 1 workshop surrounding the changes and use of the services portal.

The services portal audience grew significantly, with 91,547 users consulting it in 2019, an increase of 87% compared to 2018.

In 2020, RTE wishes to expand its approach of listening to the client, implementing a new online consultation mode to enable the largest possible number of people to participate.

---

<sup>56</sup> See point III.C.4. *"A new digital product for RTE clients and energy professionals"*.

## ii) “Clients and territories” meeting

On 20 June 2019, RTE organised the first “clients & territories” meeting in Nantes. This event was attended by over 80 participants (institutional, politicians and economic players such as the regional Chamber of Commerce of the Pays de la Loire, the economic development agencies of Brittany and Pays de la Loire, Nantes Métropole and the Development Council of Nantes Métropole, Banque des territoires Pays de la Loire, the planning agency of Nantes Métropole, the Agglomeration Community of Saint-Nazaire, Grand Port de Nantes Saint-Nazaire, departmental energy unions and the two regional energy councillors of Pays de la Loire and Brittany) and around 30 clients.

Two round tables were organised:

- to contribute to the economic development of the territories (a range of services to support the territories and an approach to contribute to the attractiveness and performance of the territories);
- to innovate by combining electrical and digital (a digital product to support and facilitate development of the territories – combining electrical and digital networks: an opportunity to respond to challenges and new uses – how to respond to new usages and behaviours?)

## C. Client relations

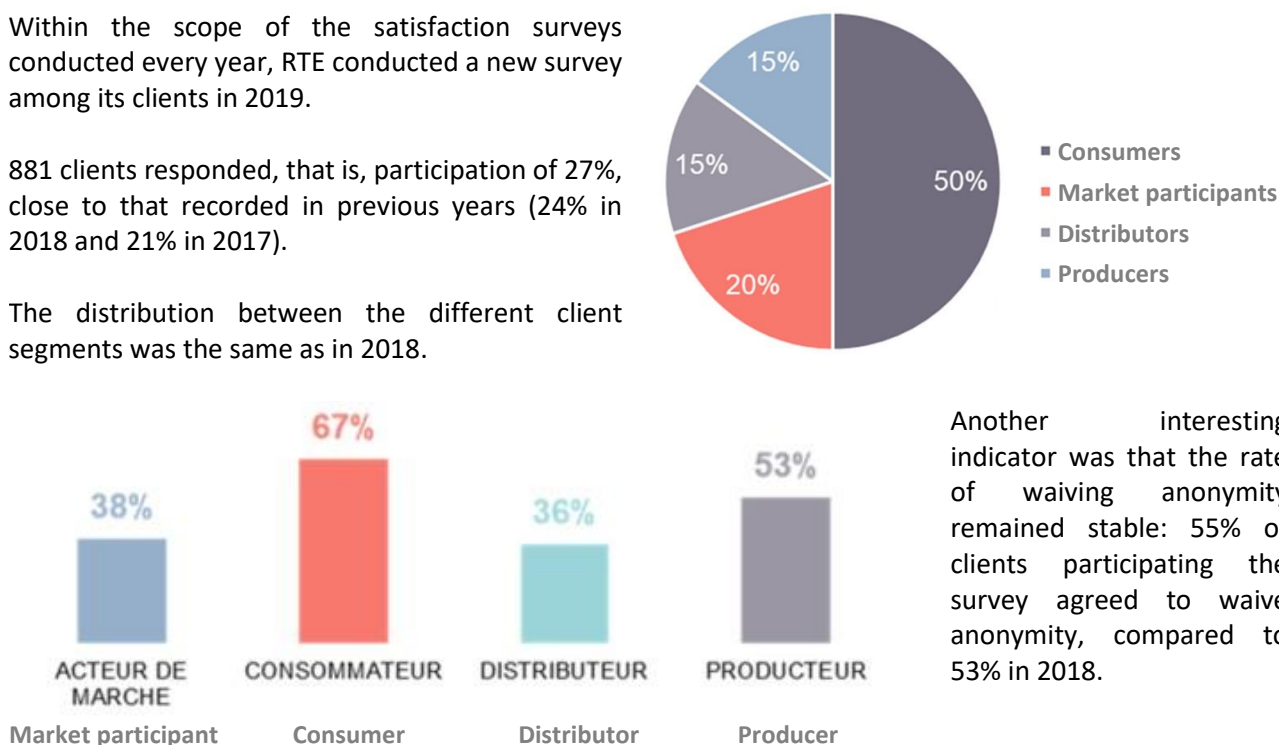
RTE is an electricity sector service company. Accordingly, it is responsible for the permanent nature and quality of the link it maintains with players in the sector who are clients of this service. To accomplish this, the focus of RTE's commitments is the attention paid to client relations.

### C.1. Client satisfaction survey 2019

Within the scope of the satisfaction surveys conducted every year, RTE conducted a new survey among its clients in 2019.

881 clients responded, that is, participation of 27%, close to that recorded in previous years (24% in 2018 and 21% in 2017).

The distribution between the different client segments was the same as in 2018.



Consumers were well above the average, producers slightly below and distributors and market participants significantly below.

The survey questionnaire remained almost identical to past years: two questionnaires were drawn up in order to be more relevant and better targeted with regard to client activities (grid and market). The questionnaires had around 15 questions to measure satisfaction for all services offered by RTE and for the client experience. This survey must therefore be used to guide improvement of RTE's products. For each question, clients give a score from 1 to 10. The satisfaction score is calculated only using scores of 7 or above.

The ambition of the RTE mission statement, *Impulsion and Vision*, to work for the performance of its clients is materialised in the objective to reach 92% satisfaction by 2020.

The survey shows that the level of satisfied respondents remained fairly stable, still below the 92% target of satisfied clients in 2020, but the total satisfaction level has continued to rise.

Year	2015	2016	2017	2018	2019
% of satisfied respondents	84%	86%	86%	88%	87%
Average score out of 10	7.5	7.6	7.7	7.7	7.8

It should be noted that almost one third of clients (32% against 25% in 2018) gave RTE a very good score (score 9 or above).

### Satisfaction by client segment

Since the 2015 survey, clients' notes and verbatim accounts have been studied by activity segment (consumers, producers, distributors and market participants). They have revealed heterogeneous satisfaction levels and expectations according to client activity at key times such as connection, electricity quality, access to information (i.e. transparency, following incidents, access to IS), services (e.g. maintenance), advice and client relations. Since 2016, targeted actions have been implemented in order to meet the main client expectations.

In positive terms, RTE still has a very good image according to the clients questioned. Clients have also expressed their general satisfaction about the quality of their relationship with their contact person.

The graph below summarises the changes in satisfaction rate for all clients, in the last five satisfaction surveys.



A heterogeneous evolution can be seen, revealing two different situations:

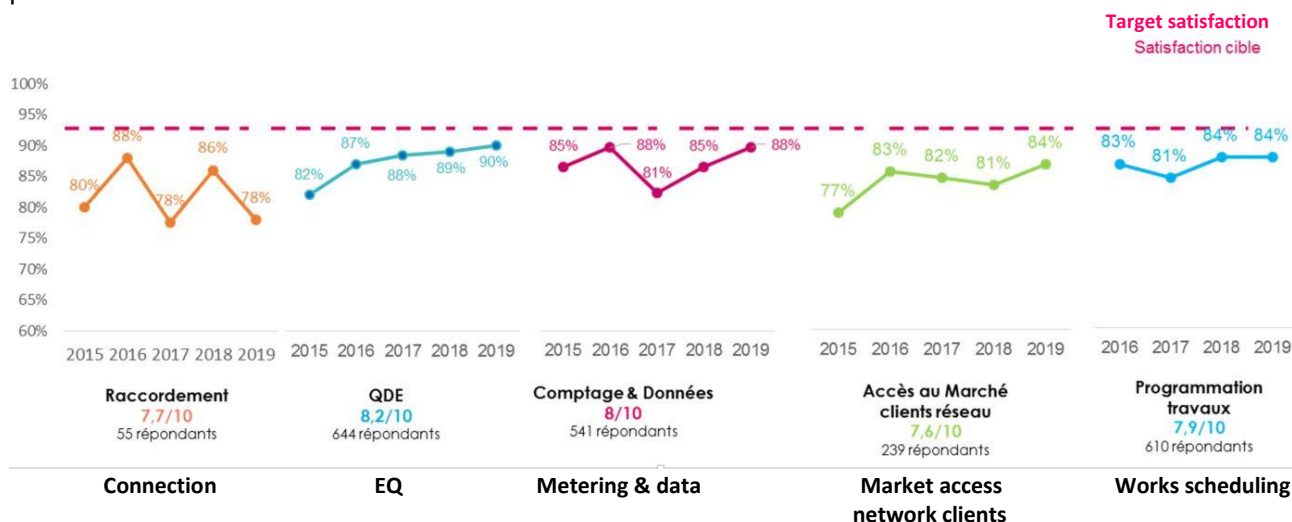
- **Consumers and producers** are particularly satisfied:
  - Consumers appreciate that RTE is reactive and reliable, and the quality of the advice provided by their contact person.
  - The two factors that contribute most to producer satisfaction are reactivity and availability: RTE's advantages are clearly in its client relations (reliable company, quality of contact's advice, transparency of contact's information, etc.).
- The satisfaction rate of **market participants and distributors** remained low:
  - Distributor satisfaction has risen slightly. The lack of reactivity and contribution to clients' performance are the factors that most lead to dissatisfaction. Conversely, for market access services, access to information on the services portal and adaptation of contracts according to requirements experienced significant growth in 2019.
  - The drop in market satisfaction for market participants observed since 2017 continues. The complexity of the market rules from the perspective of the participants and the minimal considerations for requirements and expectations in terms of mechanisms were the aspects causing greatest dissatisfaction.

As following the previous surveys, analysis is currently in progress to identify and implement actions targeted to each client segment.

### Satisfaction by product line

The questionnaire contained around 15 questions to measure satisfaction with all services offered and with the client experience.

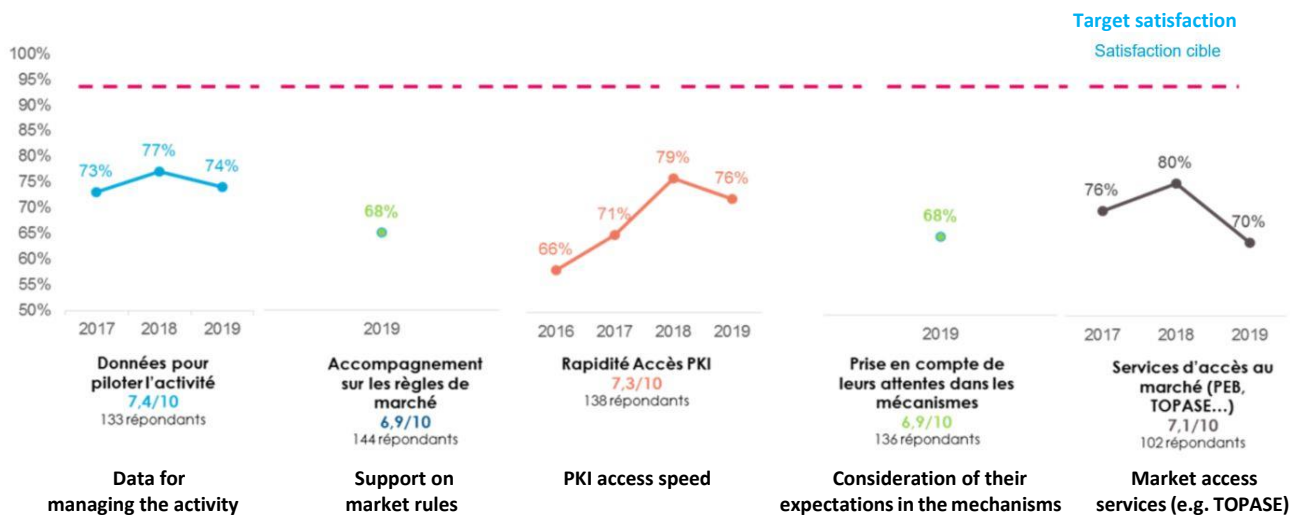
The rate of positive opinions was up overall, except concerning **connection**: despite the efforts of the RTE teams, the wait times still seem too long. The dissatisfaction came mainly from distributors, and from some producers.





## Satisfaction by service offered

This year a distinction was made between products and services explaining why, for certain services, the survey showed a slight drop.



The satisfaction level, already fairly low, fell again for all services (except those first measured in 2019):

- **Access to the IS:** It can be noted that PKI access and certificate management are still complex in certain conditions. The feedback however depends on the experience of each client.
- **Data for managing the activity:** Satisfaction concerning APIs was observed. Nevertheless, the dissatisfied stakeholders complain that the products and the conditions of provision are difficult to understand (service slow or unavailable).
- **Market access services:** The stakeholders complain that the services are difficult to understand and the support insufficient. Several of them cited the closure of offices when TOPASE was implemented and the difficulty in using certain services.
- **Expectations of the mechanisms:** The stakeholders appreciate being able to participate in consultations but have the feeling they are not always listened to.
- **Support on market rules:** The stakeholders pointed out the lack of resources and training and consider that the rules are too complicated.

Following these observations, and within the scope of its “clients and territories” action plan<sup>57</sup>, RTE adopted an action plan based on the following steps:

- November 2019: RTE sales department analyses the actions to be carried out by segment and by product;
- then presentation of the results within the sales sector and the product line managers in order to draw up action plans and supply the 2020 roadmaps;
- December 2019: 2020 roadmaps, product lines and client action plan taking into consideration the results of the survey (emphasis on market participants and distributors) presented to the other RTE business lines;
- January 2020: presentation of a detailed report on the corrective actions to RTE management; these aspects will then be presented to the MAC and GAC plenary meetings.

<sup>57</sup> Presented in the RTE compliance officer's 2018 annual report.



## C.2. Client complaints

*From the client satisfaction survey performed in 2013, the overall vision that RTE's clients had of the handling of their complaints by the company showed:*

- *Low satisfaction score, as in previous surveys:*
  - *speed of handling: 6.2;*
  - *quality of handling: 6.4, a clear improvement (5.5 in 2010).*
- *The responses from RTE clients revealed that complaint handling could be improved by:*
  - *systematically acknowledging receipt;*
  - *having regular contact between the complaint being made and RTE providing a response.*

*The rules established in the Code of Conduct concerning complaint handling are as follows:*

- *The system set up by RTE to address complaints is open to everybody and to all users, without any discrimination.*
- *A client who wishes to make a complaint sends it to their client relations contact. Within 10 days, this contact acknowledges receipt of the complaint. A final answer is sent by the client relations contact within 30 days from receipt of the complaint by RTE. When the complaint raises a problem requiring examination taking more than 30 days, a letter is sent to the client telling them why this time limit is being exceeded.*

*RTE provides market participants with a system for handling complaints on its institutional website.*

*The status of complaints comes directly from the application used since 2014 to trace complaints and their handling, in accordance with the CRE's recommendations following its complaint audit of 22 February 2013. An indicator for monitoring compliance with the time limits for handling complaints has been set up by RTE and is monitored every month.*

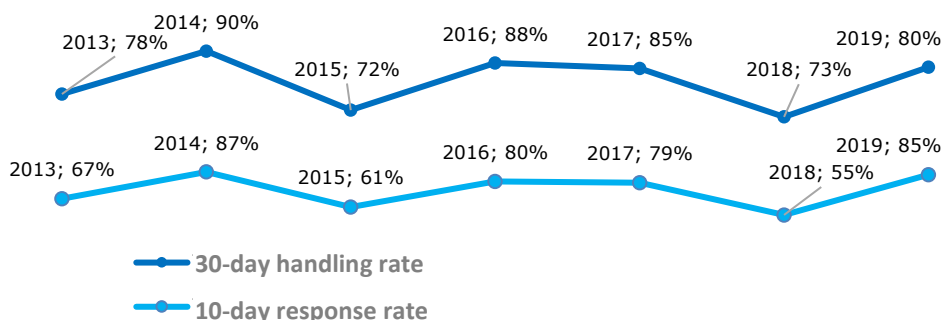
*Furthermore, the subsidiaries of RTE, in particular Cirtéus, which practise their business in the competitive sector, manage the complaints made by their clients themselves, whether or not they are RTE clients.*

### **i) Status of complaints at the end of 2019**

At the end of 2019, the number of complaints recorded was significantly up, reaching 163 compared to 67 for 2018, that is, the highest total since 2013. This significant increase can be explained by the effort made to record all complaints properly and not that the quality of service provided to clients worsened.

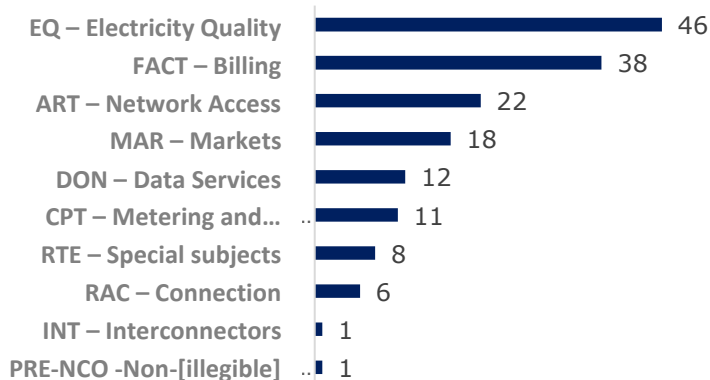
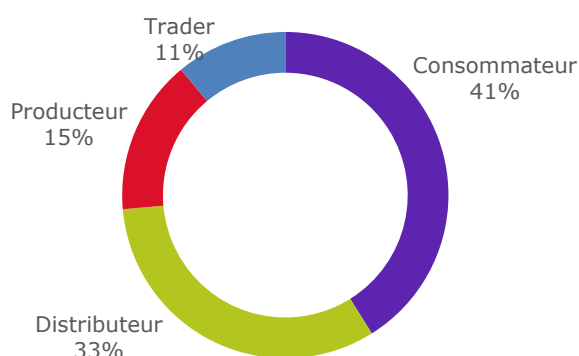
2013	2014	2015	2016	2017	2018	2019
82	122	98	89	85	67	163

Meanwhile, the rate of compliance with the response (10 days) and handling (30 days) time limits rose significantly, the result of the corrective actions implemented by RTE in early 2019 to reverse the downwards tendency observed between 2016 and 2018 (restatement of best practices, updating existing operating modes, recording in the tools).



Like every other year, the consumer segment continued to incur the most complaints (linked to the quality of electricity supply).

However, it now accounts for only 41% of the total complaints, against 63% in 2018. In fact, it rose just 60% in absolute value while the total complaints in other client categories almost quadrupled.



The increase in the number of EQ complaints was still low (at 46 against 33 in 2018).

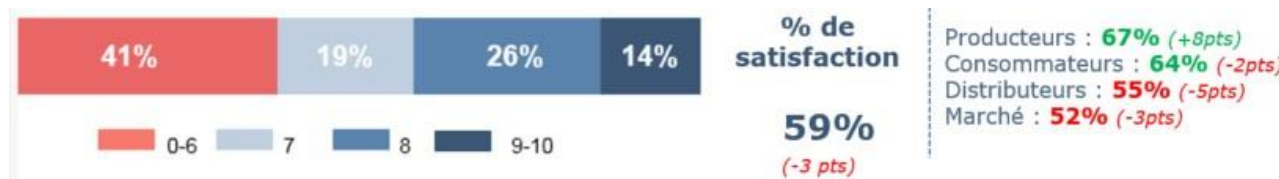
Conversely, complaints about the other aspects (except for interconnectors and non-competitive services, which remain at the level of one case each) rose significantly, doubling overall.

This increase was less due to a lower quality service provided to clients than to the sales department raising awareness with the regional sales departments to record all complaints correctly: recording a complaint is in no case the symptom of a failing by RTE but on the contrary is an essential element for improving the service provided to clients.

In fact, the measurement of service quality as perceived by RTE clients for complaint handling has only fallen slightly since 2018 and is still higher than in 2017.

Notes de satisfaction					
2013	2015	2016	2017	2018	2019
6,4	6,4	6,5	6,5	6,8	<b>6,6</b>
Satisfaction score					

Overall, the satisfaction rate of distributors and market participants concerning the complaint handling service quality remained low. It should be noted that a negative response from RTE to a complaint can sometimes be seen as poor service quality for the handling of this complaint.



*Basis: clients who have made a complaint in the last 12 months (208)*

As following the previous surveys, analysis is currently in progress to identify and implement actions targeted to client segment.

## ii) Complaint handling process

In 2018 in his RTE audit report on the billing process and sales practices then in the RCBCI 2017-2018 report the compliance officer took note of the request made by the CRE and drew up formalised guidelines for handling complaints in order to prevent any risk of discrimination.

Meanwhile, during his compliance audits in the North and West regions in 2018, the compliance officer undertook an examination of the client complaint handling situation, showing in particular that the handling process is mature but that, while RTE's regional sales departments do their utmost to respond to clients as best they can, they do not always seek evidence that clients have indeed received a response from RTE.

The compliance officer had recommended, among others, that RTE systematically ask clients to acknowledge receipt of the responses given by RTE to their complaints,

An internal RTE organisation memorandum for responding to, handling, closure and follow-up of customer complaints sent to RTE was drawn up in 2019. It completely overhauls and replaces two earlier memoranda on handling customer complaints and processing and following up client requests. In addition to the directives on the complaint handling procedure, this memo specifies the internal control and follow-up mechanisms. In particular, a "customer complaint reference contact" is designated in each sales department to follow up the complaints recorded in the tool and the responses provided.

Applicable since 1 August 2019, this memorandum provides a response to the questions raised above. It has been accompanied by provisions to ensure it is correctly implemented: sales departments informed at a meeting of managers, communication leaflet created for client relations officers, etc.

Meanwhile, during his compliance audit in the South-West region<sup>58</sup> in July 2019, the compliance officer was able to verify that the process had indeed improved.

<sup>58</sup> See point VIII.B.1. "Compliance audit in South-West region".

### C.3. Service offers

To ensure that clients have the most transparent access possible to a product offering the highest assurances in terms of fair treatment and transparency, at the time of its certification RTE made a commitment to improve the structure of the services it offers and make them easier to understand.

In this context, RTE wished firstly to comply with the legal obligations<sup>59</sup> requiring it to practise its competitive activities through the intermediary of subsidiaries and, secondly, to more closely monitor the Competition Council's recommendation to handle the competitive activities of companies holding a monopoly through subsidiaries.

The subsidiary Cirtéus provides the commercial brokerage for the services in the competitive field previously included in RTE's catalogue. RTE meanwhile continues to offer directly in this catalogue, drawn up in accordance with the obligations of the third European package, the services directly connected to its TSO activity (access to the grid, access to electricity markets, access to interconnectors).

After several significant developments in 2017, recalled in the compliance officer's 2017 annual report, there was no significant development on this subject in 2018 and 2019.

We can however note the creation, within the ancillary service “calculation service”, of a new option open for subscription by production installations with a purchase obligation contract. Following the CRE approval through decision no. 2019-171 of 11 July 2019 (JORF of 15 September<sup>60</sup>), this option was opened for subscription on 1 October 2019.

### C.4. A new digital product for RTE clients and energy professionals

For over two years, RTE has offered a new range of digital services incorporating the latest web technologies. In 2019, RTE continued its process of opening new services via its new digital platform (services and data portal).

The **RTE services portal**, the first version of which was released in July 2017, symbolises the company's wish to be open and to modernise through growing digitalisation of the services it offers in line with the mission statement “*Impulsion & Vision*”. This web portal gives RTE clients and energy professionals access to several value-added services and to a wide range of data. The objective is to contribute to the performance of RTE clients and to help companies to manage their industrial processes or activities.

For example, the services portal allows clients to subscribe to new services in connection with the roll-out of the RTE connected meter, called “ad hoc metering”, such as close to real time access to their metering data. Technically it is supported by the **data portal**, opened in 2016, aimed at IT developers for automatic recovery of data via APIs. The objective is to provide relevant data to clients or developers with the capacity to transform it into value added services for the electrical power system.

---

<sup>59</sup> Article L. 111-46 of the French Energy Code.

<sup>60</sup> <https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000039096355>

At this time the services portal displays the most frequently consulted market data: daily consumption curve, unavailability of production resources, and production by sectors, etc., the same as that accessible for IT developers. For clients, not only can they consult this data open to all, but they can also access their private data and manage the different services offered to them.

The services portal offers a modern user experience (design, ergonomics, navigation, data display) and new options for managing the services on offer. For example, clients can now directly manage the rights to access their services without going through the intermediary of RTE. It also allows all audiences to access a wide range of information, either through direct display or manual download. By creating their online account, each user has a personalised space in which they can “pin” their favourite data.

The services portal, with functionalities added each year since it was launched, is now very successful with over 6,000 user accounts split over 650 companies.

Two major series of data migration from the client portal to the services and data portals took place in 2019 and the last migration was in January 2020:

- 12 June 2019: daily consumption curve, projected annual margin, unavailability of production resources, Tempo type supply offers schedule, weekly consumption forecast, PP1/PP2 signals, daily power/price curve;
- 7 November 2019: production and installed capacity projects in EDF purchase obligation contract, adjustment energy exchanges between TSOs, interconnectors – exchange programmes and report, interconnectors export/import projected NTC (daily), NEBEF consumption demand reduction, certified capacities register;
- 30 January 2020: production and installed capacity projections in EDF purchase obligation contract, balancing capacities, losses on the PTN, history of constructions.

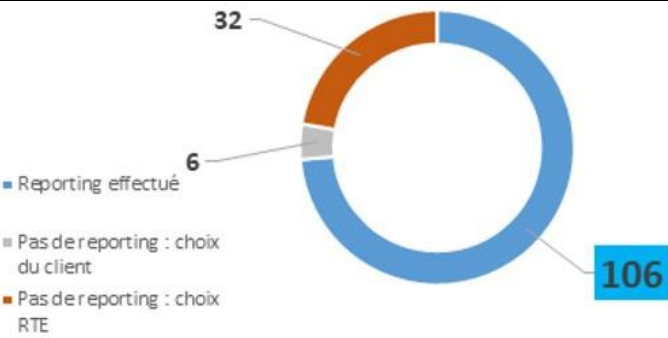
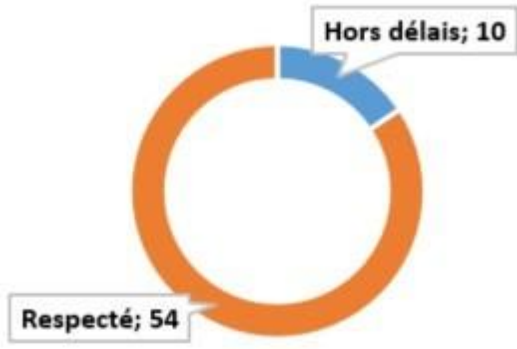
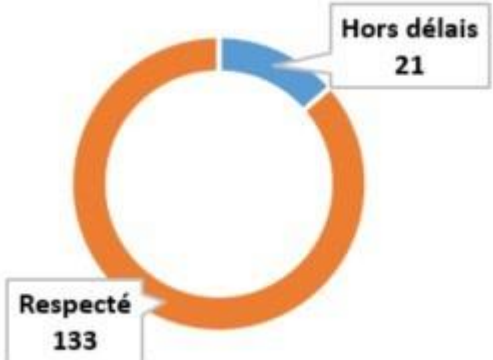
During 2020, RTE will merge the different “client” websites created over time: the client portal, the Cataliz services catalogue, Publication (historical application for RTE clients to access their metering data and market mechanism data). To streamline things, the functionalities previously offered by these sites will gradually all be accessible via the services portal. This migration will be supported vis-à-vis clients in the long term.

## C.5. Service commitments

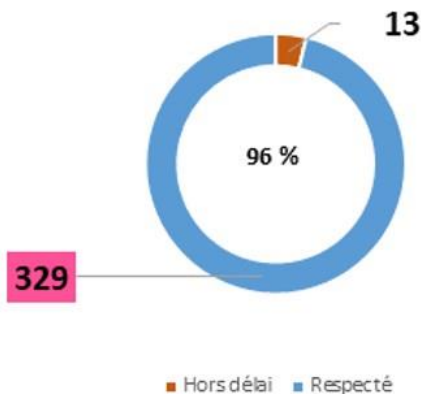
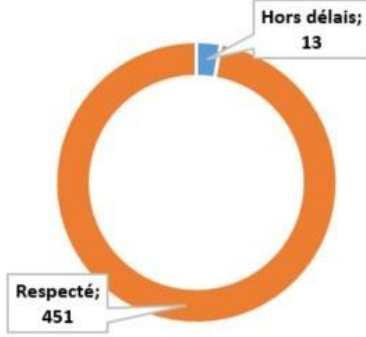
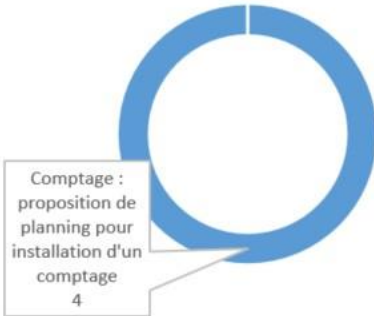
Within the scope of its mission statement, *Impulsion and Vision*, RTE intends to become the leading industrial service company in terms of client satisfaction.

As stated in the compliance officer's 2017 annual report, RTE has published a “*service commitment charter*”, through which it commits to its clients beyond its contractual obligations in three areas.

RTE wishes to listen to its clients and measure its key performance in order to develop services adapted to client needs and offer them an optimal service; it therefore undertakes to share its results with its clients every year. The 2019 service commitment assessment is presented below.

<b>Transparency - more proactive and transparent concerning information about projects or in incident situations</b>	
<p><i>Provide regular reports at the key stages of connection projects.</i></p> <p>Out of 144 connection cases, 38 were not regularly reported (either because the clients did not wish to do so, for six of them, or because the case did not so require, for example, if there are no works). The 106 remaining cases were also regularly reported.</p>	 <p>■ Reporting effectué ■ Pas de reporting : choix du client ■ Pas de reporting : choix RTE</p>
<p><i>Respond within two weeks to any request for additional information about analysis of the incident, in addition to the factual information provided following a long outage.</i></p> <p>The undertaking was fulfilled in 84% of cases (RTE's initial objective was set at 90%), against 92% in 2018.</p>	 <p>Hors délais; 10 Respecté; 54</p>
<p><i>Give notification of exceeding a threshold commitment on outages or voltage dips within two weeks, in addition to the factual information provided following an incident.</i></p> <p>The undertaking was fulfilled in 86% of cases (RTE's initial objective was set at 90%), stable compared to 2018.</p>	 <p>Hors délais 21 Respecté 133</p>

**Advice - more advice so that clients enjoy solutions appropriate to their activity and thus control their costs**

<p><i>Contact clients within two weeks to clarify their needs and priorities in preparing their connection offer, in terms of cost, time period, electricity quality:</i></p> <p>For 2019, this undertaking was fulfilled 96%.</p>	 <p>329</p> <p>96 %</p> <p>13</p> <p>Hors délai Respecté</p>
<p><i>Provide an optimisation of change of subscribed power or tariff version within four working days:</i></p> <p>A major effort was made on this undertaking, with a rate of 97%, slightly down compared to 99% in 2018.</p>	 <p>Hors délais; 13</p> <p>Respecté; 451</p>
<p><i>Support clients and participants in territories in understanding market subjects:</i></p> <p>As RTE's objective is to educate electrical power system participants about the market mechanisms, in 2018 it made a major effort to meet a maximum of clients and territories, and the number of meetings/presentations rose significantly between 2017 and 2018. These discussions, which took place throughout the territory, were organised by the sales departments.</p> <p>In 2018, they particularly involved presenting the market mechanisms to enhance flexibilities. This effort was not repeated with the same intensity in 2019, mainly because the clients were already being canvassed by the demand reduction operators. There was also an effort to group clients by forum. The number of clients met individually therefore fell to 45, from 142 in 2018.</p> <p>Meanwhile in 2020 the work will be focused on storage projects.</p>	
<p><b>Time Periods - so that clients can access their data more easily</b></p>	
<p><i>Provide a binding proposal concerning a schedule for metering installation within six weeks:</i></p> <p>RTE has recorded few cases for this service undertaking and the rate is 100%, compared to 83% in 2018.</p>	 <p>Comptage : proposition de planning pour installation d'un comptage 4</p>
<p><i>Provide access to the RTE IS within 24 hours:</i></p> <p>Out of 317 client requests considered, 100% were handled within the deadline.</p>	

## IV. Transparency and openness

RTE's approach to transparency was initially focused on providing information at a national level about the electrical power system and electricity markets. While the need for national information is not questioned, there has been a significant change in the context of the issues:

- The European “*Transparency*”<sup>61</sup> and REMIT regulations are gradually being implemented by providing increasingly complete information about the European electricity markets.
- The French debate about the energy transition has revealed the need for better information about the development of the electrical power system at the level of each French region.
- The consultations conducted about the French law for a Digital Republic demonstrated the need to expand access to public data and to guarantee its quality, in a situation where “Open Data” and the digital transformation are being developed.

These trends were reflected in 2017 by various developments on RTE's transparency tools and resources, which continued in 2018 and 2019.

### A. Transparency and information on the electrical power system

Within the scope of the French energy transition for green growth and digital republic laws, RTE continues to produce innovative tools and attractive publications to showcase data and information about the electrical power system, addressed to all stakeholders.

In 2019, local areas and regions were still the focus, in response to the expectations of local authorities. RTE has made transparency and access to electricity data a performance lever to benefit the community. RTE has committed to supporting local authorities in using and interpreting the data.

#### A.1. éCO2mix

The mobile application éCO2mix, launched in 2011, publishes data about electricity consumption and production throughout France, and has experienced growing success: it is consulted 20 million times a year and has provided direct access to 40 million figures, showing the public's interest in energy matters. The application contributes to ensuring all citizens are better informed and more aware about the challenges of the new energy policies.

With the 2019 arrival of Saint-Etienne, Tours, Orléans, Dijon, Toulon and Clermont-Ferrand, éCO2mix now has real time data from 21 metropolitan areas.

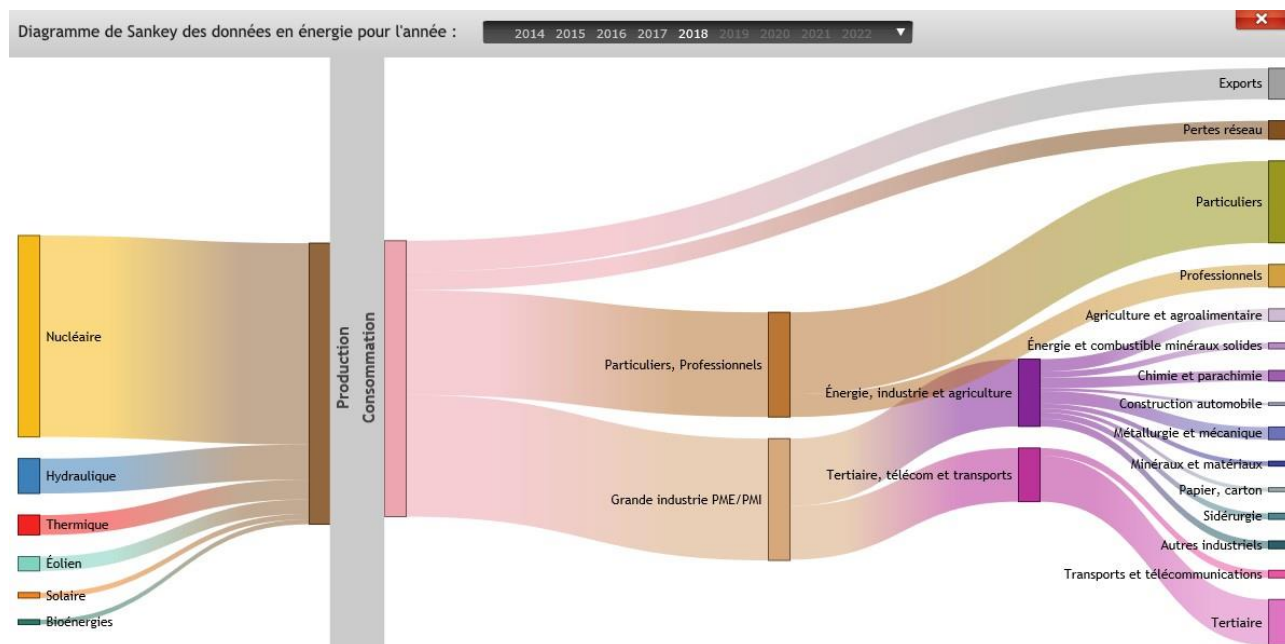
The éCO2mix smartphone application has already been downloaded 166,000 times, and over 24,000 times in 2019.



<sup>61</sup> European Parliament and Council Regulation 2015/2365 of 25 November 2015 concerning the transparency of financing transactions on securities and reuse, amending regulation 648/2012.



New functionalities were implemented in early 2019, including in particular regional and metropolitan consumption forecasts for the current day, and, for the online version<sup>62</sup>, a Sankey diagram to display an overview of the electricity usage types by year according to the production sectors implemented.



The next version, planned for 2020, will offer the possibility of comparing regions with each other, displaying exchanges between regions and showing the impact of temperature on consumption (low or high temperatures).

## B. Data publication platforms

### B.1. ODRÉ (Open Data Réseaux Énergie) platform

Based on the principle that opening up data to everyone gives citizens the opportunity to act on their consumption and become active players in the electrical power system, in 2016 RTE began an “Open Data” process, opening a specific platform for publishing extensive data concerning the electrical power system.

To contribute towards offering its stakeholders simplified and single access to electricity and gas data in France, in September 2018 RTE moved all its data sets under “Open Data” to the ODRÉ platform then closed its own “Open Data” platform, commissioned in January 2017 in collaboration with GRTgaz, then closed its own “Open Data” platform.

The ODRÉ platform currently comprises eight partners and provides to the stakeholders, including the territories and regions, sets of electricity, gas and storage data resulting from the joint expertise and know-how of the partners. The multi-energy data sets are presented homogeneously in terms of format and content.

<sup>62</sup> <https://www.rte-france.com/fr/eco2mix/donnees-en-energie>

It is intended that new multi-energy, multi-operator and multi-grid data will be added to this platform, but also that it will be expanded with new partners wishing to share an approach of transparency and educating citizens, local authorities and economic players, so contributing to preparing and assessing energy policies.

The platform is also intended to host increasingly dynamic data that is updated in real time.

The 100th data set was published in December 2019.



In late 2019 the platform offered 101 data sets, including 67 to which RTE contributed (compared to six on opening in January 2017) surrounding eight themes: production, consumption, infrastructures, territories and regions, markets, meteorology, storage and mobility.

In 2019 the eight partners also increased their educational efforts about the data provided by setting up master classes to support the stakeholders on the meaning of the energy data and familiarise them with using the data on the platform.

Through this approach, the ODRÉ partners aim to ensure the quality, continuity and completeness of the data provided.

## B.2. ENTSO-E Transparency Platform

Since 5 January 2015, ENTSO-E has operated its European “Transparency Platform” (ex-EMFIP) for publishing free access fundamental information about the European electricity market. The publications cover 93 types of information divided into seven categories: consumption, production, cross-border exchanges, balancing, unavailability of production and consumption units and of the grid, congestion management and network operation. On a daily basis RTE feeds in the French information for which it is responsible, representing over 1000 figures per day.



## B.3. The Mall

To find a response to the multiple open data platforms and data users' difficulties finding information, in January 2019 RTE and GRTgaz trialed a chatbot, intended to make a connection between the energy open data sites: locate the sites where the data sought can be found, respond as far as possible to specific questions on the data sets, and provide educational and context elements to the data, making it easier to use. The result of the trial was very satisfactory, leading to the process being continued in “test and learn” mode in order to create with the beneficiaries not only this chatbot but also a website on energy data and the associated services.

The future website will make it possible, through the “Data Hub”, “Data Academy” and “Data Services” sections, to browse in open data and energy databases, be informed about changes to the data services, and learn and understand the data by easily accessing the different publications, manipulate the data, question experts and, in short, facilitate the day-to-day of users.



## C. Publications

### C.1. Electricity reports

RTE draws up and publishes annual, national and regional electricity reports describing the characteristics of the electrical power system on a local and regional level. The annual electricity report provides an overall view of the electrical power system and electricity market over the last year.

Different reading levels are offered to make it possible to examine the subjects in more depth, connect them to each other or refer to other analyses produced by RTE. The data from the interactive graphs can mostly be downloaded via the ODRÉ platform.



Since July 2019, RTE has published online the “*Mensuel de l'Electricité*”, taking over from the “*Aperçu mensuel de l'énergie électrique*”. The *Mensuel* analyses the characteristics of the electrical power system in France and its most significant developments: consumption, production, prices, cross-border exchanges, and the developments in the transmission system.

It also offers feedback on the month's key events.



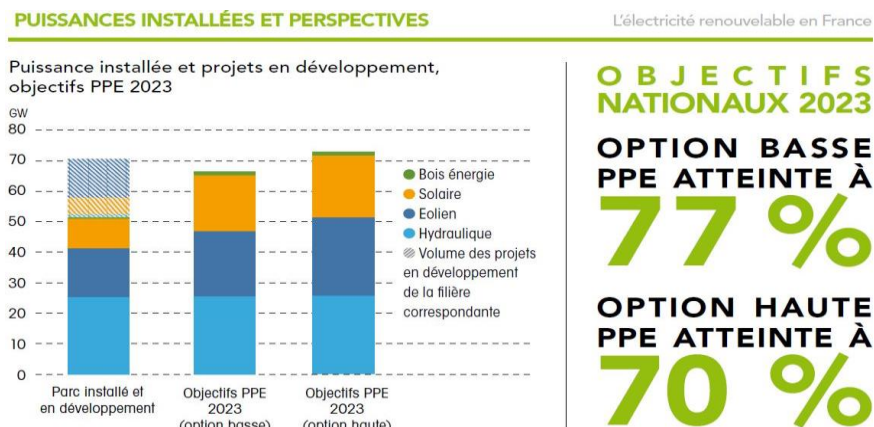


## C.2. Renewable electricity panorama

The renewable electricity panorama, published in partnership with SER, Enedis and ADEEF, and the ORE agency, has made it possible to follow the energy transition more closely.

The quarterly summary publication presents all indicators in the form of a graph for each renewable sector.

All information and analyses are compared with France's ambitions for 2018 and 2023 for each source of renewable electricity production.



## D. Implementation of the REMIT regulation

Article 15 of the European Regulation on Wholesale Energy Market Integrity and Transparency (REMIT) imposes on any person professionally arranging transactions on wholesale energy products (PPAT) the following obligations:

- immediately inform the national regulatory authority if it has reasons to suspect that a transaction could infringe articles 3 or 5 (prohibition on inside transactions and market manipulation);
- draw up and maintain effective measures and procedures for detecting the offences in articles 3 or 5.

The fourth version of the ACER guidelines on the application of REMIT classify the TSOs and capacity allocation platforms, for adjustment markets, and interconnector capacity allocation mechanisms as PPATs.

RTE wishes to include the implementation of these provisions in its Code of Conduct, by:

- specifying the concepts of inside information, inside trading transactions and market manipulation;
- explicitly stating RTE's activity as PPAT: introduction of effective provisions and procedures to detect market abuses for RTE's mechanisms.

After RTE referred the matter to it in December 2018, on 14 April 2019 the CRE tacitly approved<sup>63</sup> adding to chapter 3 of the Code of Conduct ("*Ensuring transparency in relations with the regulator, network users and other players on the electricity market*") a third paragraph: "*3.3. Publishing inside information within the scope of the REMIT regulation*".

Within the scope of these new provisions and in close collaboration with the CRE, RTE has worked on introducing tools and procedures for surveillance of the market mechanisms it operates, and in particular the intraday cross-border capacity allocation mechanisms. This report being made public enables RTE to exercise its responsibilities in complete transparency with the market participants.

<sup>63</sup> Article L. 231-1 of the French Code on Relations between the Public and the Authorities.

## V. Confidentiality

### A. General provisions

For obligations made to RTE and its employees in terms of confidentiality and compliance with such obligations, an audit conducted in 2012 at the request of the RTE compliance officer recommended that *“the entire system, from its organisation and coordination to the awareness-raising and training of the various company participants, be revised and reactivated”*.

In this context, in 2014 RTE published an internal prescriptive directive<sup>64</sup> based on the new organisation of RTE built around its business lines, now responsible for defining and monitoring operational processes such as the training system. In accordance with the action plan after the audit, a requirements review was conducted of this document, and in 2014 it was adjusted by the business departments concerned.

In terms of raising awareness among the different players in the company about their confidentiality obligations, the compliance officer observed that it continued in the internal audits carried out between mid-2013 and mid-2015 in RTE's regions. The company set up a network of “confidentiality” correspondents in the regions and in the national directorates. Since 2015, during his compliance audits in the regions and in monitoring the activity of the national directorates the compliance officer has been reassured that this network is active and takes full part in keeping staff and management attention on the obligations in this matter.

The provisions in force therefore appear to be appropriate for all officials responsible for the various aspects of relations with clients.

The compliance audits conducted by the compliance officer since 2016 have provided an overall satisfactory assessment as to the confidentiality of CSI in RTE.

RTE has organised itself to improve management of confidentiality (including data protection in the widest sense and cybersecurity): the RTE security and assets department is now responsible for managing the matter internally, in particular managerial responsibility for such matters and the use of information technology tools.

In 2019 RTE decided to make the encryption of laptops widespread, which will significantly reduce the impact in terms of confidentiality if computers are lost or stolen.

### B. Types of data RTE must keep confidential

During his compliance audits in the regions, the compliance officer noted that generally the RTE Confidentiality Directive is correctly implemented by the regional teams. The control factors are generally present and applied.

He noted however that the actions to meet the confidentiality obligations conducted by RTE concern three data types: commercially sensitive information (CSI), intellectual property protection (IPP) and personal data (PD). The RTE Confidentiality Directive covers the first two types of data and the third type is covered by other internal directives (“information technology and freedoms”, GDPR, etc.).

---

<sup>64</sup> “RTE Confidentiality Directive”, Internal Document of 19 February 2014.

Two other data types, concerning RTE, are cited less often in the regions:

- Commercially beneficial information: RTE's Code of Conduct, in its version approved by the CRE on 11 January 2018, states *"Within the scope of independence of the transmission system operator within the VIU, in addition to protecting sensitive information as described in chapter 4 hereinafter, RTE must prevent information about its own activities which may be commercially beneficial from being disclosed in a discriminatory manner within the VIU, and in particular to the representatives of the shareholders"*.
- Information covered by business secrecy: this subject has nevertheless been internalised by the RTE departments in question, starting with the procurement department teams.

The developments in 2019, particularly for raising employee awareness about the different types of confidential data, are specified in point C below.

***In 2020 the compliance officer will continue to work with the relevant RTE departments to promote a global vision of all the data types RTE must keep confidential, in particular information which if disclosed is likely to be commercially beneficial for the VIU.***

### **C. Raising awareness of confidentiality**

In 2019, the pace of raising awareness surrounding confidentiality was maintained among employees and new arrivals. The work to take over awareness-raising media standardised it and helped update the messages. Online confidentiality training (e-learning) was set up in 2019, mainly aimed at employees already working there. It was welcomed due to its form and especially its content, intended to be simple and clear. This training covers all the data to be protected. The 2020 objective is that the majority of RTE employees take this training.

In 2019 awareness of the need to comply with the GDPR and protect PD increased significantly. The work of the RTE Data Protection Officer (DPO) has helped the main stakeholders (data controllers, HRD, procurement department, IS and telecoms department, legal department) to understand the issue. The news surrounding massive data leaks and the associated sanctions also contributed to this increased awareness. In 2019 the process of reworking the reference documents, standard templates and PD processing forms began, and is to continue in 2020. It can also be noted that employees are particularly sensitive to this question because these regulations concern in several respects (in terms of RTE processing their PD, in terms of the PD they themselves are required to manipulate and through the use of digital in their personal activities).

The internal checks conducted in 2019 concerned the accessibility of restricted documents. Discrepancies were observed, linked to disregarding the classification guides and to the tools making it impossible to manage specific access rights. It was agreed that sensitive documents should be withdrawn from the applications and put in secure containers despite the need for wider sharing. These checks again brought up the question of the balance between protecting information, access to it, awareness-raising and sharing tools.

In order to increase protection of intangible assets, and particularly RTE know-how and documentation, RTE decided to make signature of a confidentiality agreement systematic before exchanging any information and documents with a partner, for example when requesting a quote for a specific service.

The compliance officer also noted that sometimes RTE internal reports contain CSI, or even other confidential information for example that covered by business secrecy, although this is not explicitly stated. If information is widely disseminated, certain recipients may not be used to identifying the information in question as confidential.

***The compliance officer recommended that RTE avoid inserting CSI into reports or, if this insertion is truly essential, to signal clearly that the information in question is confidential.***

#### D. Monitoring “confidentiality” incidents

RTE identifies all incidents and near incidents which occur.

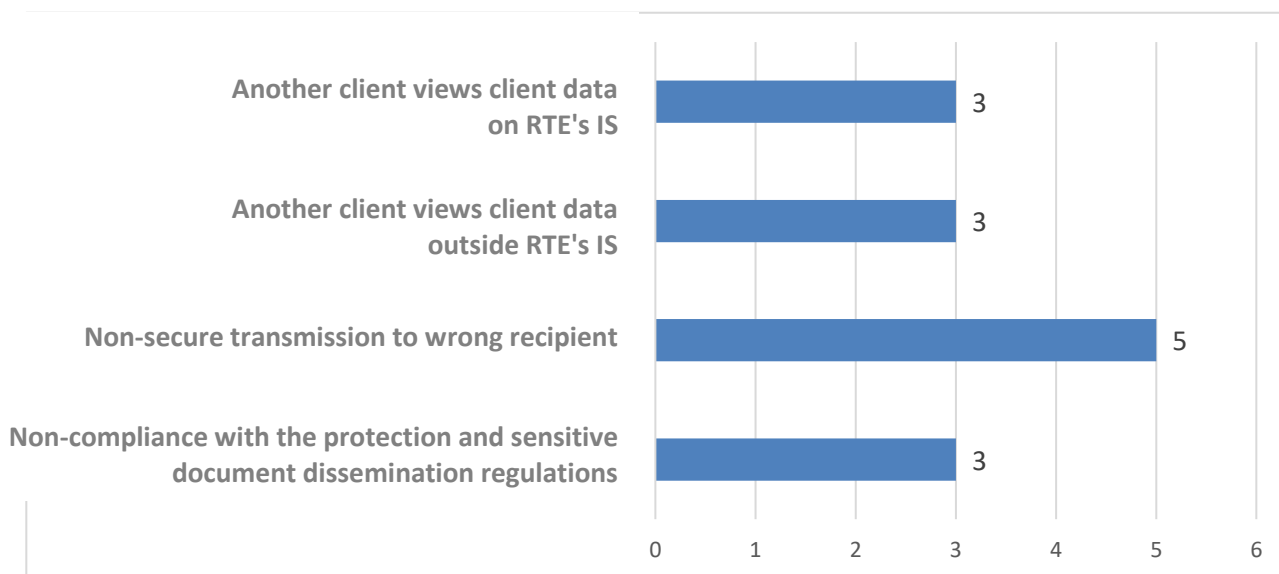
It is recalled that incidents are discrepancies which could potentially have consequences for the clients concerned, while near incidents are actions for which it is certain that they have had no consequences for clients (most often because the risk of error has been detected before the discrepancy has actually occurred).

The situation concerning the number of CSI incidents and near incidents in 2019 was as follows:

	2012	2013	2014	2015	2016	2017	2018	2019
<b>Number of incidents</b>	15	9	14	25	13	20	30	<b>14</b>
<b>Number of near incidents</b>	4	6	9	13	22	5	2	<b>2</b>

*Number of incidents and near incidents in recent years*

The number of incidents fell significantly compared to 2018. In 2018, 50% of the incidents concerning CSI were linked to another client viewing client data on the RTE IS. These errors were due to configuration errors in the client space management tool. In 2019 action was taken to reduce these errors.





The number of near incidents meanwhile remained stable. The heightened vigilance adopted in 2017 following the internal check on means of protection continued in 2019.

Corrective actions are taken immediately as soon as an error is detected, in particular awareness-raising among teams about the vigilance to be maintained and the need to increase self-control.

The procedure for handling incidents and near incidents generally is still known and correctly implemented in RTE.

## E. Employee movement

The Commission established by article L. 111-74 of the French Energy Code<sup>65</sup> is designed to govern the conditions for transferring employees who have had access to CSI to companies in the electricity sector.

It was set up so that the chairman of the RTE Management Board could refer to a recommendation before deciding whether RTE employees could move to other companies working in the energy sector when they had been exposed to CSI. This Commission proposes that certain transfers be preceded by transitional periods giving time for the information held to become obsolete.

The greatest risk, identified in 2012, remains that certain situations which so require are not submitted to the Commission. The questionnaire feedback sent by the compliance officer to the regional delegates<sup>66</sup> shows that the actions implemented help to prevent this risk:

- Awareness-raising among employees and management was maintained in 2019.
- Since 2016 a detection system has been in place, including the attention of some members of the HR department, namely the careers advisers in charge of monitoring the development of employees, as a backup to the attention expected from management.

The compliance audit in the South-West region<sup>67</sup> confirmed that the subject of article L. 111-74 is handled by careers advisers within the *Comité emploi et choix des hommes* (CECH - Employment and Recruitment Committee), bringing together all RTE mobility stakeholders; the best practice consists of inserting a tab on article L. 111-74 into the CECH monitoring table. Management is well aware of the implementation of article L. 111-74.

In his 2018 annual report, the compliance officer observed that the information on article L. 111-74 is minimal and difficult to access on the RTE intranet and he made recommendations on this matter.

---

<sup>65</sup> Initially introduced by law no. 2003-8 of 3 January 2003, amending article 13 of law no. 2000-108 of 10 February 2000.

<sup>66</sup> See point VIII.A.2 “*Organisation of RTE by region*”.

<sup>67</sup> See point VIII.B.1. “*Compliance audit in South-West region*”.

As the questionnaire sent by the compliance officer to the regional delegates<sup>68</sup> showed that this point still causes doubt for RTE employees, ***these recommendations were reiterated for 2020:***

- ***facilitate access to information about the implementation of article L. 111-74 on the RTE intranet for both managers and employees,***
- ***update internal memoranda concerning article L. 111-74, if only because the postal address of the Commission secretariat changed when RTE's registered office changed.***

It should be noted that these recommendations were included in the RTE 2018 internal confidentiality report circulated to all business line directors.

The following table summarises the Commission's activity over the last 10 years: as in 2018, in 2019 the Commission proposed a one-month transitional period for one of the cases referred to it.

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Cases submitted to Commission secretariat	25	29	28	26	22	12	11	6	10	8
Cases leading to referral to the Commission:	10	10	18	8	7	2	6	2	3	3
- Cases with information considered to be incompatible	3	7	8	4	1	0	0	0	1	1
- Cases with information considered to be compatible	6	3	10	4	6	2	5	2	2	2
<b>Decision of the Chairman of the RTE Management Board</b>	<b>Still compliant with the Commission's opinion</b>									

After falling steadily between 2013 and 2015, the number of cases submitted to the Commission secretariat is now generally stable. This variation appears to be consistent with the trend observed since 2013 in the number of departures to other companies in the EGI Branch.

Year	2013	2014	2015	2016	2017	2018	2019
<b>Departures from RTE to other companies in the EGI Branch</b>	116	108	91	71	72	74	76

Between 2013 and 2015, the average number of departures was 105 and there were 20 referrals to the secretariat. Since 2016, the average number of departures has been 73 and there have been 9 referrals to the secretariat. In other words, the level of departures dropped 30% while the number of referrals fell by over a third (-56%).

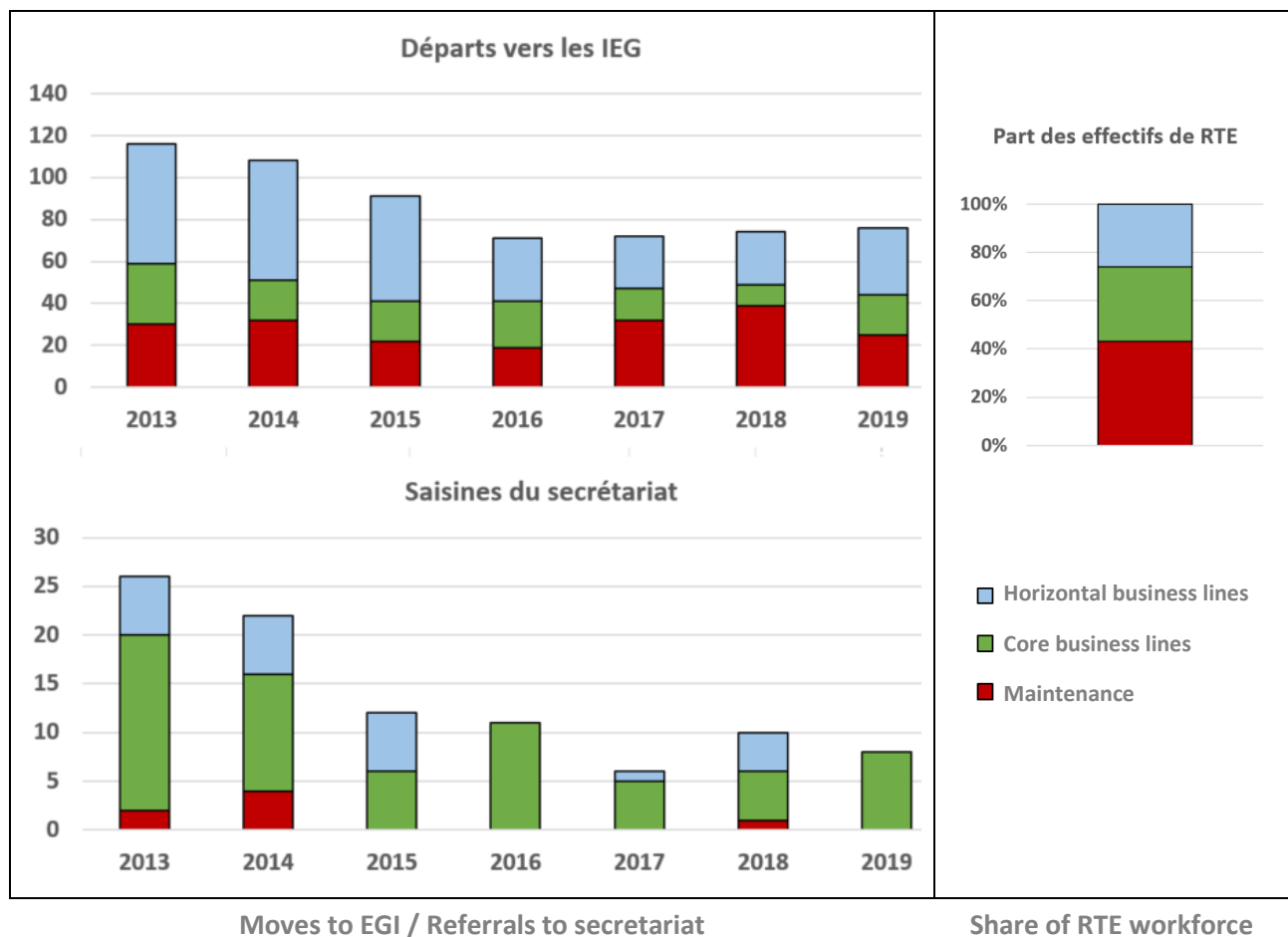
The compliance officer wished to extend to 2019 the more qualitative examination of these moves, conducted in his 2018 annual report by examining the figures by RTE "business lines".

<sup>68</sup> See point VIII.A.2 "Organisation of RTE by region".

To this end, the business lines were classified into three main categories:

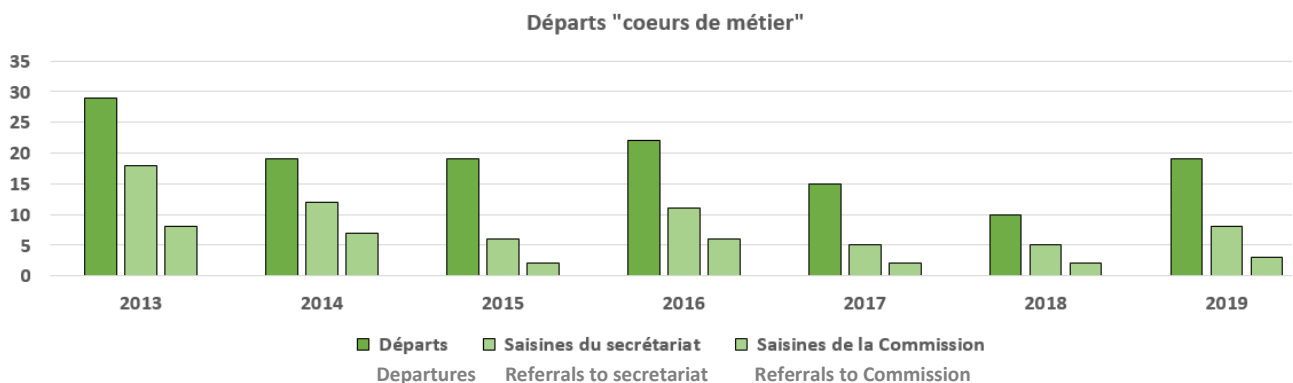
- The transmission system maintenance business lines, covering approximately 45% of the RTE workforce. In general, the employees in question are not exposed to CSI, or only occasionally. Some may move to similar business lines, particularly in electricity distribution system operators.
- The other “RTE core business lines”: exploitation, development and engineering, clients-markets, economy and canvassing, R&D, etc., covering approximately 30% of the RTE workforce. The employees in question may be exposed to CSI. Some may move to other companies in the EGI Branch.
- The “horizontal” business lines: finances, procurements, information system, human resources, legal, communication, property, covering approximately 25% of the RTE workforce. The employees in question are sometimes exposed to CSI. They may naturally move towards similar business lines in other companies in the Branch.

The variation in departures and referrals to the Commission secretariat are represented in the graph below.

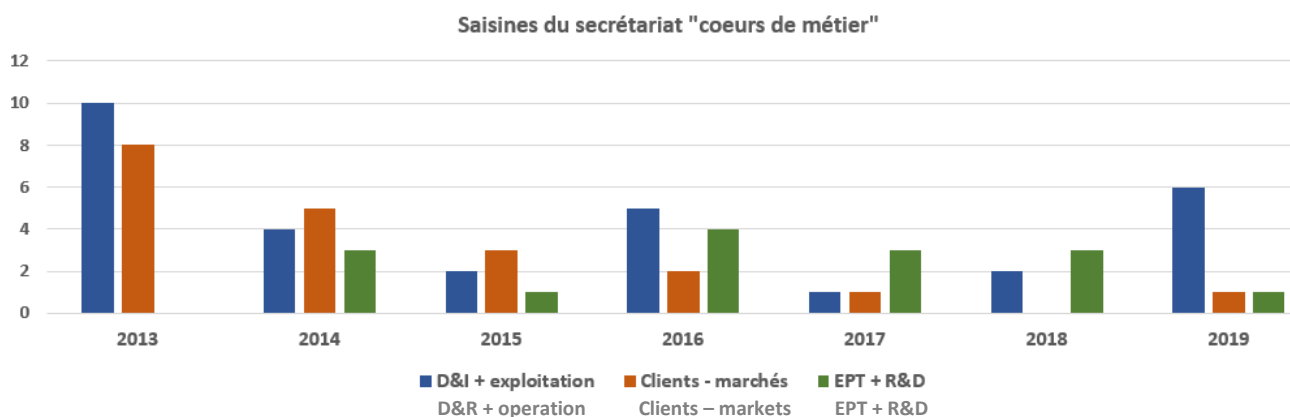


The following observations can be made:

- **Employee departures from the RTE “maintenance” business lines** have varied almost in line with the total RTE departures. The employees in question are the subject of almost no referrals to the Commission secretariat (one referral to the secretariat in 2018 and not to the Commission).
- **The departures of employees from other RTE “core business” lines** have been relatively stable since 2017 after dropping. At the same time, referrals to the Commission secretariat fell more than the departures. These business lines represent most of the referrals to the Commission secretariat and, except for one case in 2018, all the referrals to the Commission.



Meanwhile, a more detailed analysis of the different business lines shows that the operational business lines (operations and development & engineering, 3/4 of the “core” workforce outside maintenance) on average account for less than half of the referrals to the Commission. The client-markets business line (under 10% of workforce) accounts for almost a third of referrals and all economy-prospective-transparency and R&D business lines (approximately 15% of workforce) account for almost a quarter of referrals. These results follow a certain logic but vary significantly over time, demonstrating that it is not easy to determine statistical tendencies with low numbers.



- **The departures of employees from RTE “horizontal” business lines**, after falling significantly between 2013 and 2016, have been relatively stable since 2016. The share of these business lines in the referrals to the Commission secretariat has become very low since 2016 (1 case in 2017 and 4 cases in 2018 with one referral to the Commission).

## VI. Ten Year Network Development Plan for transmission grid (TYNDP)

### A. RTE 2019 investment programme

RTE's desire for sustained investments, justified by the requirements of its clients and by national or European policies, is intended to meet the following objectives:

- support for the energy transition (incorporation of RES, whether land wind energy, photovoltaic or offshore wind farms);
- supply security for territories (large urban areas, active territories or electricity peninsulas such as Brittany);
- integration of the European market, with interconnectors with border countries;
- renewal of existing grid (management of existing assets), in order to maintain service quality for RTE clients;
- development and renewal of the IS, in a context of changing needs and in connection with RTE's digital strategy.

In 2019 as in previous years, with the CRE's approval RTE maintained a constant focus enabling the company's investments to go from just over €800m in 2008 to a level to the tune of €1400-1500m from 2012.

The amount authorised by the CRE decision no. 2017-286 of 20 December 2018<sup>69</sup> was €1641.60m for the 2018 programme. This increase from the 2012-2018 level can be explained by the rise in spending connected to the development of the large-scale transmission network, constituting a quarter of RTE's investment spending in 2019: over 80% of this spending is allocated to the two main interconnector projects, IFA2 and Savoie-Piémont.

### B. Last edition of the French TYNDP

#### B.1. Connection with the MYEP

In his 2017 annual report, the compliance officer stated that RTE had not made public the 2017 TYNDP, based on a not updated set of hypotheses in a context of structural evolution of the major fundamentals<sup>70</sup>, and that in 2018 RTE needed to work on drawing up a new TYNDP in accordance with the new public guidelines.

In his 2018 annual report, he cited the presentation of the French strategy for energy and climate, based on SNBC and MYEP, 27 November 2018, in which the government set five objectives for the MYEP: reduce energy consumption, reduce the use of fossil fuels, diversify the energy mix, develop employment and boost buying power.

---

<sup>69</sup> <https://www.cre.fr/Documents/Deliberations/Approbation/Programme-d-investissements-2019-RTE>

<sup>70</sup> The four structuring development scenarios made public by RTE in late 2017 when the 2017 generation adequacy report was released; the prospect of the MYEP being published with new guidelines and decisions made by the public authorities; the new edition of the ENTSO-E TYNDP.

However, following the public debate on revising the MYEP, the French ministry of the environmental and solidarity-based transition decided that revision of the MYEP would continue and that the state would take into account the conclusions of the public debate in the draft MYEP to be put forward for consultation. RTE was therefore not able to publish the draft 2018 French TYNDP in 2018.

In January 2019, the minister of the environmental and solidarity-based transition published the draft MYEP and gave the provisional schedule: roll-out in parallel with the compulsory consultations (Environmental Authority, Boards and Committees, neighbouring states), then public consultation following the recommendation made by the Environmental Authority.

## **B.2. Advance consultation and publication of draft 2019 French TYNDP**

As the 2018 compliance officer's annual report indicates, preparation of the 2018 French TYNDP was subject to an advance consultation within the CURTE SGPC, based on the discussion with the stakeholders as set up for the generation adequacy report.

The January 2019 SGPC meeting<sup>71</sup> covered, among others, finalisation of the 2019 French TYNDP: requirements to adapt the network according to RES trajectories, variants on the development of self-consumption, interconnector development paths and requirements for network renovation over the period 2020-2035.

On the basis of the scenarios and aspects presented, the analyses have shown that:

- the public choices announced within the scope of preparation of the "MYEP do not, in themselves, lead to uncontrolled growth of network costs if the conditions stated are met;
- conversely, they do require changes to the infrastructure, which must be accepted, anticipated and facilitated: adaptations to the existing system, in particular for the acceptance of RES, new interconnectors to facilitate the energy transition on a European scale.

The analyses were complemented by display of the results for the MYEP scenario and analysis of the "marine energies" and "digitalisation" aspects to obtain complete trajectories.

In September 2019 RTE published the draft French TYNDP, which was submitted to the CRE, to the minister of environmental and solidarity-based tradition and to the Environmental Authority.

The minister responded to RTE on 13 November 2019, praising the high quality of the document, which describes the MYEP in operational terms. She stated the need for good coordination between planning the offshore network and developing offshore wind farms. She said that the balance between optimising RTE investment and the practice of peak shaving should be the responsibility of the public authorities and be covered by an appropriate regulatory framework.

The Environmental Authority issued its recommendation on 18 December 2019<sup>72</sup>. After examining the various environmental issues in the French TYNDP, she stated that *"the file, both in terms of the outline itself and its environmental assessment, is clear and educational"*. Conversely, she considered that *"the environmental assessment suffers from a significant methodological failing due to an analysis of the discrepancies from a non-credible so-called "minimal" scenario, making it impossible to assess the overall impacts of the network or the reorientations given through the outline"* and she recommended *"defining a new methodology to remedy these difficulties and properly understand the impacts of certain choices"*.

The discussions with the CRE will continue in 2020. The CRE will issue its recommendation following a public consultation.

---

<sup>71</sup> See point III.B.5. "System and Grid Prospects Committee (SGPC)".

<sup>72</sup> [http://www.cgedd.developpement-durable.gouv.fr/IMG/pdf/191218\\_sddrte\\_delibere\\_cle796677.pdf](http://www.cgedd.developpement-durable.gouv.fr/IMG/pdf/191218_sddrte_delibere_cle796677.pdf)

## C. Analysis of the French TYNDPs

### C.1. Analysis of the French TYNDP over three-year period

With respect to the commitments made in the 2011 to 2016 French TYNDPs with a three-year deadline, the compliance officer's 2017 annual report presented an assessment in late 2017.

A similar assessment was made in the 2018 annual report but, in the absence of a new edition of the French TYNDP, this assessment did not contain a new line (projects to be commissioned in 2018) but was modified to take into consideration the projects actually commissioned in 2018<sup>73</sup> and projected commissioning postponements, as updated internally in RTE.

For the 2019 annual report, with the draft 2019 French TYNDP, it was possible to complete the lines of this table (projects to be commissioned in 2018 and 2019).

Projects to be commissioned in (*)	and commissioned in 2012	and commissioned in 2013	and commissioned in 2014	and commissioned in 2015	and commissioned in 2016	and commissioned in 2017	and commissioned in 2018	and commissioned in 2019	postponed to 2020	postponed to 2021	postponed to 2022	postponed to 2023	postponed to 2024	postponed to 2025	long term or pending	Projects suspended (change in consumption, studies restarted,	Connection projects abandoned at the client's request	Total	Rate of commissioning expected year (or previously)	Rate of commissioning within 3 years
2012	43	9	3														2	57	75%	96%
2013	1	35	12	8	1	1	2										2	62	58%	90%
2014		1	29	12	11			2	1	2	1	1				2	4	66	45%	80%
2015			1	24	19	5	1	2	3	2						2		59	42%	83%
2016				2	38	10	7	6	5	4	2					2	3	79	51%	72%
2017				1	2	19	11	5	4	3						4	1	50	44%	76%
2018							13	10	6	3	1				1	5		39	33%	74%
2019							2	15	13	5	2	2	1	1		1	1	43	40%	81%
Total	44	45	45	47	71	35	36	40	32	19	6	3	1	1	1	16	13	455	51%	82%

(\*) as shown in the French TYNDPs from 2011  
and subsequent years in which the project appears for the first time

The changes to the commissioning rates remain marginal compared to the 2017 and 2018 annual report tables (1-2%). Therefore at this stage there is no change to be made to the lessons learned since 2017, the main one being that the rate of projects postponed beyond the three-year commitment period is relatively low (less than one project in five).

The 2016 French TYNDP assessment can also be updated in terms of projects expected to be commissioned within three years. Unlike the 2015 French TYNDP assessment carried out for the 2018 annual report, the projected commissioning postponements are based on information published by RTE (draft 2019 French TYNDP).

<sup>73</sup> And alongside this, projects that were to be commissioned in late 2017 but were postponed to early 2018.

Projects to be commissioned in (*)	and commissioned in 2017	and commissioned in 2018	and commissioned in 2019	postponed to 2020	postponed to 2021	postponed to 2022	postponed to 2023	4postponed to 2024	4postponed to 2025	long term or pending	Projects suspended (change in consumption, studies restarted, etc.)	Connection projects abandoned at the client's request	Total	Planned rate of commissioning expected year	Rate of commissioning within 3 years
2017	43	16	1	2	1								63	68%	95%
2018	4	33	14	6	8		1				2	2	70	53%	81%
2019		2	6	20	6	4	2	1		1	2	1	45	18%	76%
Total	47	51	21	28	15	4	3	1	0	1	4	3	178	49%	85%

(\*) as shown in the 2016 French TYNDP and not the TYNDP in which the project appears for the first time

It can be noted that the results improved significantly from the 2015 French TYNDP: the forecast commissioning rate in the past year went from 45% to 49% and the three-year commissioning rate went from 78% to 85%. It did not however return to the 2014 French TYNDP levels (62% and 90% respectively).

This is partly explained by the change in project abandonment rate, returning to the level of the 2014 French TYNDP:

- from 7% to 2% for projects abandoned due to changes in the energy context (changes in consumption, network studies restarted, etc.).
- from 3% to 2% for connection projects abandoned at the client's request.

## C.2. Overall analysis of the French TYNDPs

In his 2017 and 2018 annual reports, the compliance officer conducted an analysis of the consistency of the French TYNDPs projects, on the basis of a consolidated table of the French TYNDPs since 2011, enabling him to highlight some anomalies, all relatively minor. This consolidated table was completed on the basis of feedback from the project teams collected by RTE in late 2017 and late 2018, data not made public.

After publication of the draft new edition of the French TYNDP in September 2019, the compliance officer completed the consolidated table and conducted a new project consistency analysis, which highlighted the following points:

- Due to the steps stated in point B.1. above, RTE had not made public the list of projects commissioned in 2017, and it omitted this list from the draft 2019 French TYNDP: it will do so in the next online update of the French TYNDP.
- The 2016 French TYNDP projects covered by the S3REnRs and with triggering thresholds that have not yet been met (20 projects in total) are no longer included in the draft 2019 French TYNDP without an explanation provided: RTE suggests adding the following wording to the next online update of the French TYNDP: "the list does not include a certain number of S3REnR projects not yet in execution phase because the RES connection thresholds have not yet been reached".



- For around 15 projects, the draft 2019 French TYNDP contains minor anomalies, mainly missing information about the progress of these projects: RTE will correct these anomalies next time the French TYNDP is updated online.
- For just over 20 projects, the causes for the difference in commissioning dates between the 2016 French TYNDP and the draft 2019 French TYNDP are unclear: RTE will provide clarifications next time the French TYNDP is updated online.
- Some points concern the change between the RTE internal feedback in 2018 and the draft 2019 French TYNDP (three anomalies and around 20 imprecisions in the causes for delay): The explanations provided by RTE to the compliance officer were used to analyse the causes for the differences stated above.

The minor nature of the anomalies observed shows the quality of the work carried out by RTE to draw up the project tables in the successive editions of the French TYNDP.

As in 2018 the compliance officer also conducted an analysis of the causes of delay and abandonment of French TYNDP projects between 2011 and 2019. For the 2017 and 2018 data, this analysis is based on RTE internal feedback.

	Progression 11-12	Progression 12-13	Progression 13-14	Progression 14-15	Progression 15-16	Progression 16-17	Progression 17-18	Progression 18-19	Average
<b>Total projects</b>	<b>170</b>	<b>174</b>	<b>260</b>	<b>277</b>	<b>344</b>	<b>295</b>	<b>284</b>	<b>261</b>	<b>258</b>
<b>Expectation thresholds (1)</b>			19	41	56	39	25	20	<b>25</b>
<b>Thresholds reached (2)</b>			19	10	12	16	14	5	<b>10</b>
<b>Date unchanged (3)</b>	116	133	138	114	188	143	159	144	<b>142</b>
<b>Re-examined (4)</b>								8	<b>1</b>
<b>Delay</b>	49	37	83	99	78	89	72	79	<b>73</b>
<b>Abandonment</b>	5	4	1	13	10	8	14	5	<b>8</b>
<b>Causes of project delays and abandonments (5)</b>									
<b>Client</b>	24%	46%	46%	39%	42%	41%	51%	42%	<b>42%</b>
<b>Studies</b>	20%	12%	17%	30%	39%	39%	19%	29%	<b>27%</b>
<b>Instruction</b>	33%	22%	13%	18%	8%	7%	7%	8%	<b>14%</b>
<b>Works</b>	22%	20%	24%	13%	11%	12%	23%	21%	<b>17%</b>

- (1) *Expectation thresholds*: structural project within the scope of an S3REnR with commissioning date not yet set because the triggering thresholds are not yet reached. Based on the draft 2019 French TYNDP, these projects are no longer included in the project tables published by RTE.
- (2) *Thresholds reached*: structural project within the scope of an S3REnR with commissioning date just set because the triggering thresholds have just been reached.  
NB: In 2019, three projects launched when renovating transmission structures were incorporated.
- (3) *Date unchanged*: the commissioning date has not changed from the previous edition of the French TYNDP.  
In other words, it mainly refers to:
- projects being studied for which the studies have not shown any change in the commissioning date,
  - projects undergoing administrative or works procedures, which are taking place as planned.

It may also refer to:

- for a small percentage of cases, projects for which the commissioning date is not yet set, or is long-term, while awaiting confirmation from the studies,
- for 1 to 2% of the cases in the first editions of the French TYNDP, projects for which the commissioning year was slightly brought forward or pushed back, with no explanation provided in the French TYNDP.

(4) *Re-examined*: interconnector projects to be re-examined (see chapter 5 of the draft 2019 French TYNDP) and major projects put on hold (analysis in progress).

(5) The various causes for projects being delayed or abandoned are described below:

*Client*: connection project cancelled at client's request, or delayed (sometimes brought forward) at the request of or in liaison with the client in question, often due to their schedule. In both cases, the "client" is respectively a local authority requesting a MESIL and a TSO with which an interconnector project exists. In some circumstances, the client suffers from delayed administrative procedures, sometime with the obligation to refer the matter to the CNDP.

*Studies*: delay or abandonment connected to the studies conducted by RTE (network studies, engineering studies). May be due to:

- changes to external factors: change in hypotheses or consumption or production forecasts, change in study hypotheses leading to a delay in the project, justification for the project lost due to changes in consumption, etc.
- new factors highlighted by the RTE studies (development or extension of studies, additional studies, results of detailed studies): existence of an alternative solution, substance of project less significant than expected, technical solution simplified (commissioning year is therefore moved forward), insufficient profitability to undertake the project, etc.

*Instruction*: delay or abandonment linked to project instruction. May be due to:

- prior consultation phase: project delayed or halted following consultation, technical study restarted following consultation, acceptability difficulties, schedule adapted based on consultation, etc.
- administrative procedures: constraints linked to administrative procedures, administrative procedures simplified, schedule adapted according to investigation time, delay in approving the implementation plan, difficulty in obtaining road authorisations to carry out the work, etc.

*Works*: delay linked to work on projects. May be due to:

- external factors: difficulty in acquiring the plots necessary for extending substations, preventive archaeology diagnosis, cable supply problem, need to minimise environmental and societal impact, environmental constraints, etc.
- internal factors: updated operating method, impact of lock-outs, etc.
- technical difficulties: constraints linked to works, unexpected site problems, technical difficulty revealed during work, difficulties in obtaining lock-out of axis, line assemblers unavailable, mobilised on other projects, need for smoothing out RTE works, etc.
- causes linked to procurement: change in procurement strategy, delay in launching the invitation to tender, delay in trade negotiations, supply difficulties, etc.
- for under 1% of projects, schedule relaxed without impact: need less urgent, no risk to development of production, etc.

Due to the causes of delay not being accurately coded and the lower level of detail provided in the first editions of the French TYNDP, it may be that certain delays are not very well classified. The figures in the table below should therefore not be considered in detail, as the main idea is to outline the main trends.

The 2019 results confirmed the results of past years: not counting the S3REnR projects waiting for thresholds to be triggered or for which the thresholds have just been triggered:

- one third of the projects included in the French TYNDP were postponed,
- ten times fewer projects were abandoned.

These figures however cover different situations:

- Most of the delays and abandonments (over 40%) were linked to projects involving connecting RTE client installations for which the commissioning dates themselves are subject to unexpected delays.
- Slightly over a quarter result from RTE studies, demonstrating the interest in regularly updating the studies, as the justification for a project or its substance may change over time, particularly under the effect of external changes.
- The delays (or rare abandonments) linked to project instructions were limited (under 15%, two times lower since 2016), which may indicate, on the one hand, a certain control of the procedures by the RTE teams and, on the other hand, the fact that most of the projects are limited in scope in terms of their external impact (short connections, renovating or rebuilding substations, etc.).
- The delays linked to works are also limited (slightly over 20%), relatively in line with the three-year analysis of the French TYNDP.

#### **D. Monitoring French TYNDP performance**

In autumn 2019, RTE presented to the CRE its 2020 investment programme, including the financing of three-year French TYNDP projects. The CRE approved it in a decision of 19 December 2019<sup>74</sup>.

For the Ringo experiment (industrial-scale experimental demonstrator intended to classify on a technical basis the use of batteries to manage congestion on the 63-90 kV network), the CRE asked RTE “to comply with the new roadmap it proposed and provide a progress report no later than September 2020”.

As in past years, the changes of which the CRE was correctly informed through the various cases following up the 2018 investment programme derived from analyses carried out by RTE completely independently, based solely on the criteria mentioned above: requests by clients and the company's ability to respond to these requests.

The compliance officer takes part in the RTE Project Commitments Committee meetings; this body examines and validates cases before RTE makes decisions about grid investments.

With respect to the compliance officer verifying the correct performance of the French TYNDP<sup>75</sup>, he will be able to certify for 2019, as he did in the past, that RTE has fulfilled its commitments and that the information sent to the CRE for this purpose is transparent.

---

<sup>74</sup> <https://www.cre.fr/Documents/Deliberations/Approbation/programme-d-investissements-de-rte-pour-l-annee-2020>

<sup>75</sup> Paragraph 4 of article L. 111-34 of the French Energy Code.

## VII. Relations between RTE and the subsidiaries it controls

Within the scope of paragraph II of article L. 111-46 of the French Energy Code (*"The networks specified in I may also be subject to development through the intermediary of subsidiaries or holdings. Such development activities must remain ancillary to grid management and may not receive financial support"*) and its articles of association, RTE holds 100% interests in five companies:

- Arteria, in the telecoms field, is investing in the digital development of territories prioritising the high points of the electricity grid;
- RTE International sells engineering and consultancy services for electricity transmission system operators abroad;
- Airtelis offers aerial construction services, and training and advice services;
- RTE Immo's purpose is to carry out property transactions, acquisition, asset management, sale, maintenance or construction works and provide advisory services concerning assets owned by it or RTE;
- Cirtéus offers services, studies and advice in the competitive field in the areas of maintaining, operating and developing their high and very-high voltage facilities.

RTE has also created joint ventures with its foreign counterparts for the purpose of building interconnectors with neighbouring countries:

- INELFE with Red Eléctrica de España, Spanish transmission system operator;
- IFA2 with National Grid, English transmission system operator;
- Celtic Interconnector with EirGrid, Irish transmission system operator.

Finally, RTE holds interests in companies allowing it to carry out the duties allocated to it by law.

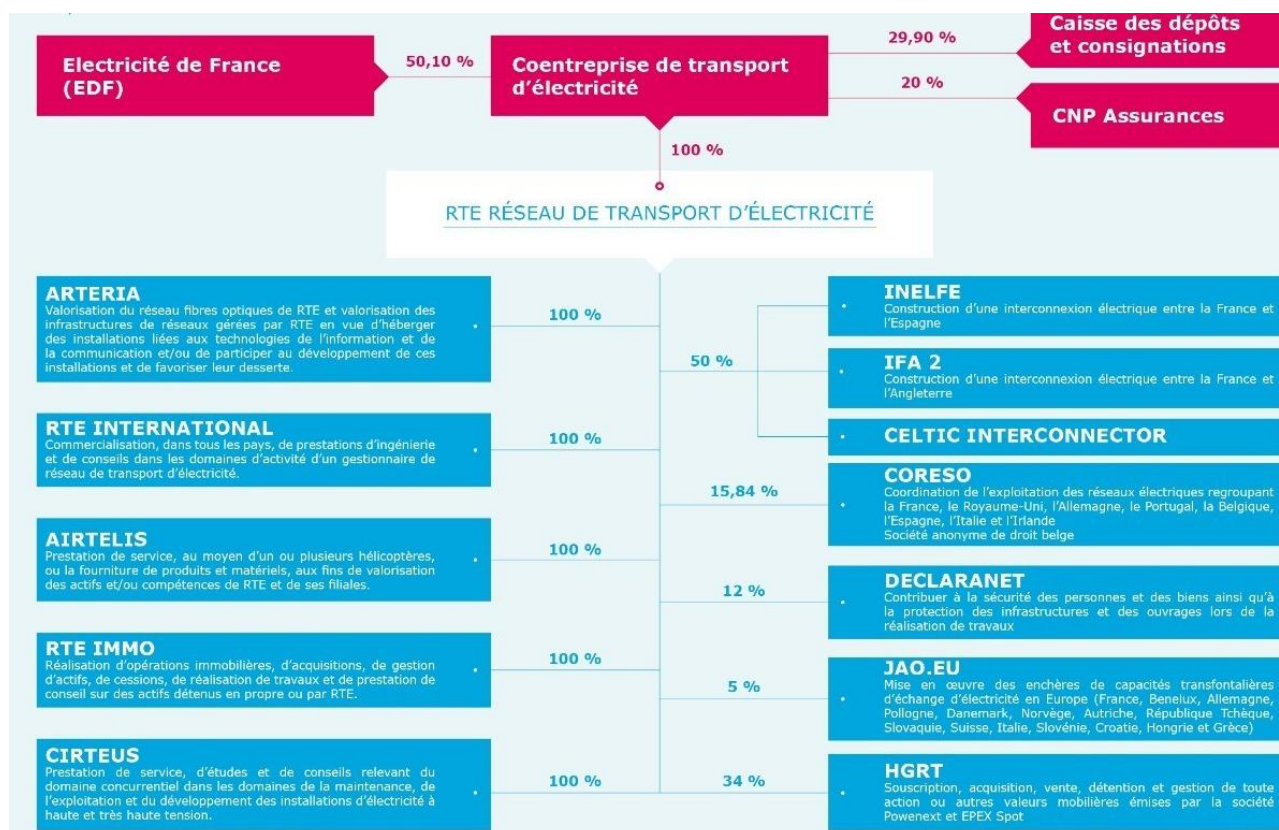
- HGRT, holding company for the European power exchange EPEX Spot, alongside the group EEX;
- Coreso coordinates the operation of electricity grids covering France, United Kingdom, Ireland, Germany, Portugal, Belgium, Spain and Italy;
- JAO operates auctions of cross-border electricity exchange capacities in Europe;
- Declaranet (Protys) contributes to the safety of persons and property and to protecting infrastructures and structures when construction or maintenance work is carried out in the public domain.

These companies are not directly covered by the obligations laid down in articles L. 111-9 et seq. of the French Energy Code. Nevertheless, the relations between RTE and its subsidiaries must comply with the obligations of the French Energy Code and the provisions of RTE's Code of Conduct, in particular the protection of CSI held by RTE. Such relations are also covered by regulatory principles covered in an exchange of correspondence between RTE and the CRE in late 2010:

It should be noted that the compliance officer's right to access the information necessary to carry out his duties extends to RTE's information *"concerning the subsidiaries included in its scope of consolidation and established in France"*<sup>76</sup>. The scope of consolidation includes the subsidiaries held 100% (fully consolidated), common companies with foreign counterparts (consolidated as joint venture), HGRT and Coreso (consolidated using the equity method). Coreso is however a company governed by Belgian law and established in Brussels.

---

<sup>76</sup> Article L. 111-35 of the French Energy Code.



In February 2017 the CRE sent an audit report to RTE on the relations between RTE and its subsidiaries. Based on this document, the RCBCI 2015-2016 report makes several requests, stated in appendices to this report with their progress status in late 2018<sup>77</sup>.

In particular, the CRE asked RTE to set up a framework agreement system for each of its subsidiaries in order to submit them to the CRE for approval within the scope of application of article L. 111-17 of the French Energy Code.

The first framework agreement, for the Arteria subsidiary, was approved by the CRE on 13 December 2018<sup>78</sup>. This template is used as the basis for the other agreements between RTE and its different subsidiaries. The second framework agreement, for the Airtelis subsidiary, was approved by the CRE on 19 December 2019<sup>79</sup>.

In accordance with the CRE decisions approving these framework agreements<sup>80</sup>, early in the year RTE sends to the CRE a report on the services provided to RTE by the subsidiary the previous year. The 2018 report concerning Arteria was sent to the CRE on 6 February 2019 and the 2019 reports concerning Arteria and Airtelis were sent to it on 5 February 2020.

<sup>77</sup> See point X.B. "RCBCI 2015-2016: Main changes expected of RTE and changes observed in 2019".

<sup>78</sup> <https://www.cre.fr/Documents/Deliberations/Approbation/Approbation-de-la-convention-cadre-conclue-entre-RTE-et-sa-filiale-Arteria>

<sup>79</sup> <https://www.cre.fr/Documents/Deliberations/Approbation/convention-cadre-conclue-entre-rte-et-sa-filiale-airtelis>

<sup>80</sup> See point II.E.1. "Articles L. 111-17 and L. 111-18 - Commercial and financial agreements signed with the VIU – General Aspects - Procedure for approval of agreements by the CRE".

Meanwhile, during his compliance audit in the South-West region<sup>81</sup> the compliance officer examined the relationship between RTE and Cirtéus in terms of the services sold by this subsidiary to RTE clients and provided by RTE employees. This audit confirmed the observations made during the previous regional audits:

- The employees apparently did understand Cirtéus's role and the connection with RTE. This point was also confirmed by the RTE regional delegates' feedback<sup>82</sup>.
- When working on clients' premises on behalf of Cirtéus, the vehicles are either RTE vehicles with the RTE logo covered by magnetic plaques bearing the Cirtéus logo, or unmarked vehicles.
- The contact with Cirtéus for these services goes through the persons authorised in the GMRs.

Generally, the feedback from RTE regional delegates shows that the sales departments often contribute to raising employees' awareness, particularly new arrivals or within entity management committees. The employees appear to have correctly understood Cirtéus's role and the connection with RTE.

***In 2020, the compliance officer will continue to examine the relations between RTE and its subsidiaries, in a form to be defined and in accordance with the powers entrusted to him<sup>83</sup>.***

---

<sup>81</sup> See point VIII.C.1. “Compliance audit in South-West region”.

<sup>82</sup> See point VIII.A.2 “Organisation of RTE by region”.

<sup>83</sup> Articles L. 111-34 and L. 111-35 of the French Energy Code.

## VIII. Maintaining RTE's commitments over time

### A. Internal organisation for monitoring RTE's commitments and CRE requirements

#### A.1. Organisation of RTE at central level

RTE has positioned the general secretariat as contact point with the CRE services about all matters concerning certification. The general secretariat creates and updates performance indicators concerning the various matters connected to certification (approval of agreements between RTE and the VIU, monitoring CRE requests, following compliance officer's recommendations, etc.).

This organisational structure has proved to be suitable. The compliance officer considers that exchanges with the CRE are now fluid and take place as required prior to applications.

The compliance officer also welcomes the continued support from the RTE legal department on the subject of RTE's independence and non-discrimination.

#### A.2. Organisation of RTE by region

RTE wished to state the role of the RTE regional delegates, reporting directly to the Chairman of the Management Board.

In terms of monitoring compliance, a letter from the RTE Chairman of the Management Board in spring 2015 asked them *"to now be the guarantors, at regional level and in every position, of RTE's independence as defined by the French Energy Code and of compliance with the Code of Conduct by all employees"*.

As part of the preparation for this report, in late 2019 the compliance officer sent the delegates a detailed questionnaire to take stock of 2019 at a regional level.

He also continued his new cycle of regional compliance audits in the South-West region<sup>84</sup>. An audit planned in the Auvergne Rhône-Alpes region in December 2019 had to be postponed until March 2020 due to the transport strikes.

---

<sup>84</sup> See point VIII.B.1. *"Compliance audit in South-West region"*.

## B. Compliance audits conducted in 2018

### B.1. Compliance audit in South-West region

In July 2019 the compliance officer conducted an audit of the compliance with the undertakings in the Code of Conduct in the South-West region, particularly focused on the independence of RTE from the VIU and also on non-discrimination and compliance with the confidentiality obligations.

The compliance officer met around 20 people from the regional delegation, three operational centres (operations, maintenance, and development-engineering), the sales department and support functions (human resources, legal, procurement, property and logistics).

The information arising from this audit is shown below and the recommendations are shown in appendix<sup>85</sup>.

#### ***i) Independence from the EDF Group and displays of this independence***

- The situation in terms of independence from the EDF Group and displaying appears to be under control in the South-West region. The RTE delegate and the RTE entity managers are paying close attention to the risks, which can therefore be identified and controlled by the actions planned by the delegation.
- The compliance officer considers that the French Energy Code obligations are now well internalised by the EDF delegates and by EDF operational management. The RTE officers in the region moreover have no particular contact with the regional Caisse des dépôts teams.
- He also considered that by rolling out the two online training modules on the Code of Conduct the people he met, and in all likelihood most employees in the South-West region, had internalised the heightened requirements for RTE to be independent from the VIU. Pathways for improvement concerning these two modules were identified and recommendations were made to the RTE HRD<sup>86</sup>.

As the region was still not meeting the targets set by the HRD, the compliance officer recommended setting a realistic but close date for attaining these targets. He also recommended that the progress on rolling out the two modules be regularly shared within the regional management committee.

#### ***ii) Non-discrimination***

- The compliance officer considered that, in view of the practices in the South-West region, the factors demonstrating control of the obligations at regional level are present and applied.

#### ***iii) Confidentiality***

- Generally, the RTE Confidentiality Directive<sup>87</sup> is correctly implemented in the South-West region. The control factors are generally present and applied.
- The compliance officer recommended that RTE study whether it was appropriate to automatically provide confidentiality screen filters with the laptops assigned to employees.

Overall, the context does not show any major risk in terms of the themes covered in the two audits. The recommendations proposed by the compliance officer are intended to improve isolated points. The main recommendations are shown in point IX.B.2. *“New Recommendations”*.

---

<sup>85</sup> See point X.A. *“General recommendations resulting from the compliance audit in the South-West region”*.

<sup>86</sup> See point VIII.C.2. *“Online training (e-learning)”*.

<sup>87</sup> *“RTE Confidentiality Directive”*, Internal Document of 19 February 2014.



## B.2. Other checks

### i) Examination of the different financial flows between RTE and the companies in the VIU

The details of this check are provided in point II.E.2. “Articles L. 111-17 and L. 111-18 - Commercial and Financial Agreements Signed with the VIU – Examination of the financial flows between RTE and the companies in the VIU”.

### ii) Examination of the French TYNDPs to assess further the situation of implementation of the investments planned

The details of the different checks concerning the French TYNDPs are provided in point V. “Ten Year Network Development Plan for Transmission Grid (French TYNDP)”.

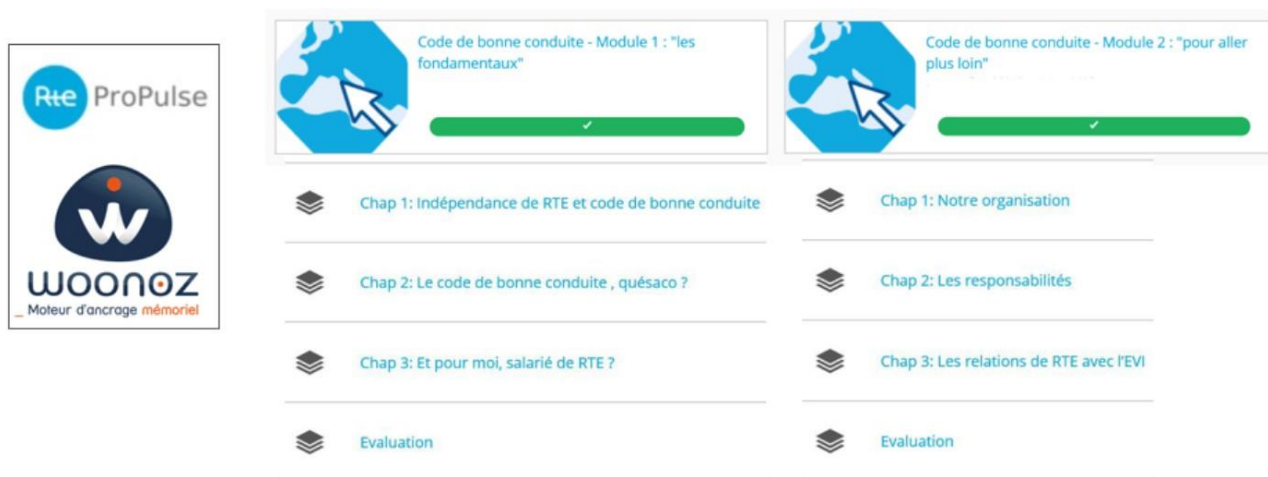
## C. Training and information

### C.1. Online training (e-learning)

An online training tool (e-learning), based on the concept of memory anchoring®, was rolled out in June 2018. This new training course contains two modules:

- the first module concerns the basics and is intended for all employees;
- the second module (“going further”) is aimed at employees whose work leads them to have direct or indirect contact with companies in the EDF and CDC groups: managers, client relations agents, legal experts, communication officers, etc.

These modules are intended to be taken at least once every 18 to 24 months. Module 1 is also intended to be taken by all new arrivals to RTE, whether new recruits or employees coming from other companies in the EGI Branch; module 2 is to be taken by new arrivals affected and by RTE employees taking a new position within this scope.



The HRD regularly monitors completion of the modules to help organise implementation according to the targets it has set. The service provider meanwhile monitors the completion and success rate of the modules on a general level. It should be noted that the target for module 2 represents approximately 18% of the RTE workforce.

However, computer problems in March-April 2019 required a modification to the modules (divided into three chapters instead of five), which caused some employees to have to restart from zero an unfinished module in order to be able to validate the training.

For module 1, the HRD follow-up in mid-December 2019 showed results below the 100% target set internally by RTE for June 2019:

- 56% of employees logged on to the module and 48% completed it.
- 48% of employees arriving since January 2017 logged on to the module and 42% completed it.

These figures however cover different situations. In particular concerning the 48% of employees who completed the module:

- The value is 45% for the maintenance business line; as a reminder, the compliance officer observed during his regional audits that online training does not appear to be adapted to the teams on the ground, who are more likely to organise team discussion meetings, and he recommended that RTE consolidate its figures by incorporating the initialled attendance sheets at these discussion meetings.
- The average value for the two other operational business lines (operations and development-engineering) is significantly higher, at 64%.
- The average value drops to 37% for the central Paris functions.
- The overall percentages are fairly variable from one region to another.

Conversely, the training situation is fairly good:

- Over 99% of employees who logged on to the module did start it and over 90% of those who started a module completed it.
- According to the service provider's monitoring of approximately 40% of employees who finished the module (period running from resolution of computer problems to end 2019), the average score obtained in the final module evaluation was 16.5/20. 83% of employees who completed the module validated the final valuation, i.e. obtained a score of at least 16/20.

The target for module 2 represents 18% of RTE employees. The results were as follows:

- 31% of target employees logged on to the module and 27% completed it (the percentages are the same, whether for all employees or employees arriving since January 2017).
- The percentage of employees who completed the module was 32% on average for the three operational business lines, accounting for 53% of the target.
- This percentage drops to 12% for the central Paris functions, accounting for 42% of the target.
- The overall percentages are fairly variable from one region to another.
- The service provider monitored all employees who took the module (some not in the target because they spontaneously took the module): the average score obtained in the final module evaluation was 16/20. 84% of employees who completed the module validated the final valuation.

***The compliance officer recommended that RTE formalise more clearly the module completion target and continue to raise managers' awareness, particularly those of the central Paris functions. He also recalled the recommendations resulting from the compliance audits conducted in 2018 in the North and West regions.***

## C.2. Findings concerning employee information level in late 2019

During his compliance audit in the South-West region<sup>88</sup>, the compliance officer found that a certain number of questions asked during the audit now have a response in the implementation of the two online training modules.

The discussions showed that the persons he met, and apparently most employees in these regions, have internalised the fact that there are heightened requirements for independence of RTE from the VIU. The memory anchoring® method had varying reactions, but notwithstanding the agitation it may have caused for some, it does seem to have reached its goals of facilitating memorisation of the key points.

In his 2017 and 2018 annual reports, the compliance officer recommended that RTE create an internal communication brochure on the independence of RTE and the Code of Conduct, following the example of the brochures created by the two German ITOs, Amprion and TransnetBW.

In the second half of 2019 the compliance officer himself put pen to paper to prepare a document that was discussed with the different people concerned within RTE, and may be finalised and put in a “communicative” form in 2020 (put online on RTE intranet and brochure).

---

<sup>88</sup> See point VIII.B.1. “*Compliance audit in South-West region*”.

## IX. General assessment for 2019, recommendations and actions 2020

### A. General assessment

The RTE compliance officer considered that RTE and all its employees abided by the commitments of the Code of Conduct throughout 2019, particularly concerning independence from the EDF Group, and fulfilled the company's obligations as TSO included in the French Energy Code. The compliance audits and examinations conducted in 2019 confirmed this assessment.

Following the compliance audits performed in various regions in recent years, the compliance officer noted that the culture and behaviour of the entire staff, and particularly management, are still very naturally and deeply impregnated with these obligations and commitments.

The CRE decision to maintain RTE's certification was an opportunity for RTE to implement measures in 2018 to provide information and training to employees and management on the subjects of the independence of RTE and the Code of Conduct. The roll-out of the online training tool (e-learning)<sup>89</sup> contributed to employees and management having a better understanding of these subjects, and in particular better knowledge of the exact terms of the obligations and commitments.

Furthermore, most of the changes expected by the CRE in its RCBCI 2017-2018 report and the compliance officer's recommendations in his 2018 annual report caused RTE to take various actions in 2019. Mentioned throughout this report, these actions are summarised in the appendix.

However, in 2019 no progress was made on some requests made by the CRE in its RCBCI 2017-2018 report. The same applies for some recommendations from the RTE compliance officer's 2018 annual report, which he reiterates for 2020 in point B.1. below. He extended other recommendations for 2020, which had some effect in 2019 but were not completed.

In view of all his audits, examinations and observations in 2019, in this report the compliance officer makes a certain number of new recommendations to RTE. These recommendations, some general and others more specific, and are shown in point B.2. below. They are intended both to make the existing provisions more effective, and to draw lessons from minor discrepancies observed in the specific application of the measures for independence from the VIU, non-discrimination or protection of confidentiality.

It is important to continue to pay special attention to giving RTE employees a clear vision of the differences in compliance obligations for the company or for them, in particular in view of the recent legislative changes (e.g. "Sapin 2", "due diligence" law, GDPR).

---

<sup>89</sup> See point VIII.C.2. "Online training (e-learning)".

## **B. Recommendations by the compliance officer**

### **B.1. Previous recommendations reiterated or extended**

#### **i) Independence of RTE**

- Clarify RTE's situation concerning CINDEX (RTE leaving the scope covered by EDF and, where applicable, joining in its own right).
- Push to open the Ile-de-France energy business lines CFA to participants in the energy sector outside the EDF Group.

#### **ii) Confidentiality**

- Promote a global vision of all the data types RTE must keep confidential, in particular information which if disclosed is likely to be commercially beneficial for the VIU.
- Facilitate access on the RTE intranet to information about implementing article L. 111-74 for both managers and employees, and update the internal memoranda concerning article L. 111-74, if only because the postal address of the secretariat of the Commission has changed.

### **B.2. New recommendations**

#### **i) General aspects**

- Conduct a quarterly assessment of the follow-up to the requests made by the CRE in its RCBCI 2017-2018 report and some recommendations from the RTE compliance officer's 2019 annual report.

#### **ii) Independence of RTE**

- Raise employee awareness of the limits of the VIU (companies comprising the VIU and companies controlled by the VIU).
- Continue to implement the special recommendations concerning implementation of the collective agreement concerning the EDF France Group Committee.
- Draw conclusions from the observations made when examining the various financial flows between RTE and the VIU companies, in view of the obligations applicable to RTE under the French Energy Code.
- Ask the PEG manager for the assets of employees transferred to RTE – since 1 October 2016 and in the future – to be transferred to the new sub-fund.

#### **iii) Confidentiality**

- Avoid inserting CSI into reports or, if this insertion is truly essential, signal clearly that the information in question is confidential.
- Study whether it is appropriate to automatically provide confidentiality screen filters with the laptops assigned to employees.

#### **iv) French TYNDP**

- Correct the anomalies highlighted during the general French TYNDP consistency analysis the next time the French TYNDP is updated online.

**v) *Maintain the commitments over time***

- Better formalise the e-learning module completion target and continue to raise managers' awareness, particularly those of the central Paris functions.
- Examine the recommendations concerning the e-learning modules resulting from the compliance audits conducted in 2018 in the North and West regions.

**C. Actions of the compliance officer in 2020**

In order to observe and oversee RTE's actions concerning independence and compliance with the Code of Conduct, the compliance officer proposed that in 2020 the following be continued:

- the audit cycle undertaken in 2015 to verify compliance with the Code of Conduct and RTE's independence obligations by the business lines most directly affected;
- the new cycle of regional compliance audits initiated in 2017, based on a preparatory document updated to incorporate the decision on maintaining RTE's certification and the information taken from the compliance audits conducted in recent years.

In particular, in 2019 the compliance officer plans to continue the following in-depth analyses and checks:

- examination of the different financial flows between RTE and the companies of the VIU, based on the 2019 accounting data retrieved;
- examination of the consolidated French TYNDP table;
- qualitative examination of employee moves to other companies in the EGI Branch, in view of the referrals to the secretariat of the Commission as in article L. 111-74;
- examination of relations between RTE and its subsidiaries.

Furthermore, the compliance officer will examine the annual reports requested by the CRE in its deliberations on whether to approve trade and financial agreements with the VIU, especially framework agreements, in order to make a general assessment and report on it in his 2020 annual report.

Meanwhile the compliance officer will continue to examine the confidentiality issues in view of the findings and past recommendations, the actions undertaken by RTE to clarify the confidentiality rules and raise employee awareness at the new RTE offices at national and regional level. In particular, in liaison with the departments in question at RTE he will seek to better specify the concept of information which if disclosed may be commercially advantageous for the VIU.

Finally, the compliance officer will continue his discussions with his French (GRTgaz, Enedis and GRDF) and foreign (European electricity ITOs) counterparts.

## X. Appendices

### A. RCBCI 2017-2018: main changes expected by the CRE and changes observed in 2019

The 2017-2018 report was made public in February 2019. Following up the request made by the CRE on this occasion, in April 2019 RTE sent it the action plan intended to respond to the CRE's requests.

Main changes expected by the CRE stated in its RCBCI 2017-2018 report	Changes observed by the compliance officer in 2019
<b>Part 1: "Thematic dossiers" / Point 2: "Billing and sales practices"</b>	
Explicitly provide for the possibility of deviating from the standard payment schedule and the conditions to be fulfilled to activate this clause at the time of the next change to the technical and financial proposal templates and connection agreement templates.	The CRE observed that, while the TFP standard frameworks and connection agreements provide for a standard billing schedule, the possibility of deviating from it in certain cases to stick more closely to the real expenses is only specified in the TFP standard frameworks applicable to producers, consumers and new exempt interconnectors, but not in the TFP standard frameworks applicable to DSOs, or in standard framework connection agreements, etc.  RTE plans to launch the consultation in 2020.
Continue to draw up the TURPE billing explanatory document providing clients with legibility and comprehension.	The brochure "TURPE 5 – Network Tariffs – Understanding the Bill" was updated and put online on the RTE client portal in November 2018.  A new update was made in July 2019 in view of the tariff changes of 1 August 2019 <sup>90</sup> and RTE communicated with all its clients.
Modify the DSO CART template in order to stipulate that the general terms and conditions of the new templates published by RTE automatically replace the general terms and conditions of the current agreement.	RTE plans to launch a consultation on this subject within the context of the standard agreements for the new TURPE 6 tariff period.
Improve the level of detail given to network users when drawing up a quote and billing for the ancillary services as quoted.	The level of detail was improved by RTE in late 2018 within the scope of the CRE audit report on the billing process and sales practices.
Draw up formalised guidelines for handling complaints.	RTE drew up an internal organisation memorandum for responding to, handling, closure and following up customer complaints, applicable as of 1 August 2019. This memorandum was accompanied by provisions making it possible to ensure it is correctly implemented.  See point III.C. "Customer complaints".

<sup>90</sup> <https://www.services-rte.com/fr/decouvrez-nos-offres-de-service/raccordez-vos-installations-consommation.html>

Part 3: “Transmission System Operators”/ Point 1: “RTE”	
Finalise the implementation of framework agreements between RTE and its subsidiaries.	<p>The first framework agreement, for Arteria, was approved by the CRE on 13 December 2018. This template is used as the basis for the other agreements between RTE and its different subsidiaries. The second framework agreement, for Airtelis, was approved by the CRE on 19 December 2019.</p> <p>See point VII. <i>“Relations between RTE and the subsidiaries it controls”</i>.</p>
Finalise the consultation and updating of standard framework agreements for strategic production and grid planning and the framework agreement for processing agreements before D-1 before 1 September 2019.	<p>After all information was provided by RTE, in October 2019 the CRE validated the new standard templates for strategic planning agreements, which were then incorporated into the RTD.</p> <p>At the same time, the standard framework contract for processing agreements before D-1 for PV and wind production was amended in the margin to ensure its consistency with the strategic planning agreement but was not changed in any other way. The standard framework contract for processing agreements before D-1 for non-PV and wind production was not amended.</p> <p>See point II. <i>“Independence of RTE”</i>.</p>
Ensure that all agreements governed by articles L. 111-17 and L. 111-18 are submitted to the CRE. Pay special attention to agreements historically signed with the VIU or subsidiaries of the VIU not referred to the CRE.	<p>The checks carried out by the compliance officer did in fact show that certain agreements and addenda had not been referred to the CRE.</p> <p>He recommended that RTE draw the conclusions from his findings concerning the obligations applicable to RTE under the French Energy Code.</p> <p>See point II.E. <i>“Articles L. 111-17 and L. 111-18 - Commercial and Financial Agreements Signed with the VIU”</i>.</p>
Open all RTE supply agreements to competition, and in particular sites benefiting from “blue” electricity sale regulated tariffs.	<p>On 26 September 2019 the CRE approved the framework agreement for supplying and transmitting electricity for the RTE sites signed by RTE and EDF.</p> <p>However, this framework agreement is based only on the list of delivery points in the Enedis distribution network.</p> <p>In late 2019, RTE undertook a project to list the delivery points in the ELD networks in order to launch a consultation for these sites.</p>



## B. Recommendations from the 2018 annual report and changes observed in 2019

Recommendations from the RTE compliance officer's 2018 annual report	Changes observed by the compliance officer in 2019
<b>Reiterating previous recommendations</b>	
Examine whether it is appropriate to prepare a document summarising the texts applicable to employees (e.g. internal regulations and appendices, in particular the code of conduct "Sapin 2" and deontology of procurement; Code of Conduct).	In the second half of 2019 the compliance officer prepared a document that was discussed with the different people concerned within RTE, in order to be finalised in 2020.
Create an internal communication brochure on the independence of RTE and the Code of Conduct.	In the second half of 2019 the compliance officer prepared a document that was discussed with the different people concerned within RTE, in order to be finalised in 2020.
Update the procedure on the circuit for handling CRE files concerning commercial and financial relations between RTE and the EDF Group in order to incorporate maintaining RTE's certification and the changes resulting from the previous recommendations.	RTE prepared a draft update, expected to be finalised in the first quarter of 2020.
Clarify RTE's situation concerning CINDE (RTE leaving the scope covered by EDF and, where applicable, joining in its own right).	No change was brought to the attention of the compliance officer. The recommendation was reiterated in 2020.
Push to open the Ile-de-France energy business lines CFA to participants in the energy sector outside the EDF Group.	No change was brought to the attention of the compliance officer. The recommendation was reiterated in 2020.
Limit the inconsistencies observed between the lists of members found on the space dedicated by RTE to consultation and the invitations to CURTE committee meetings.	In 2019 RTE overhauled the lists of invitations to CURTE committee meetings. In 2020 it will still be necessary to make the GAC and MAC lists consistent.
<b>New recommendations - Independence of RTE</b>	
Incorporate the compliance officer into the central functions immersion programme intended for new RTE delegates and advisers for internal regional affairs.	The RTE general secretariat, which organises these immersion programmes, has taken note of this. There was no need to organise an immersion programme in 2019.
Examine the situation of compensation paid to Enedis (cases for an amount below the excess threshold of the legal liability policy taken out by RTE) in view of article L. 111-17 of the French Energy Code, in particular taking into account the regulatory provisions governing RTE's compensation to the DSOs.	Examination of the different financial flows between RTE and the companies in the VIU in 2018 (see point II.E.2) did not show any new cases in 2018. The work may be continued in 2020 as part of a more general recommendation: "draw conclusions from the observations made when examining the various financial flows between RTE and the VIU companies, in view of the obligations applicable to RTE under the French Energy Code".
Contact the general secretariat of RTE before considering any partnership with Banque des Territoires.	No partnership was considered in 2019.

<b>New recommendations – non-discrimination</b>	
Ensure that all participants affected by CURTE's work could have access to the useful information.	The improvements made in terms of consultation with clients (see point III.B.6.) and the digital services available on the RTE services portal (see point III.C.4.) contribute to all interested parties having access to useful information.
Systematically ask clients to acknowledge receipt of the responses given by RTE to their complaints.	The internal organisation memorandum for the response, handling, closure and follow-up of customer complaints, applicable as of 1 August 2019, responds both to the compliance officer's recommendations and the CRE's requests (see point III.C. "Customer complaints").
<b>Other recommendations - confidentiality</b>	
Promote a global vision of all the data types RTE must keep confidential, in particular information which if disclosed is likely to be commercially beneficial for the VIU.	<p>This recommendation was included in the RTE 2018 internal confidentiality report.</p> <p>Rolling out the confidentiality e-learning, covering all the data to be protected, will raise employee awareness.</p> <p>The work will be continued in 2020.</p>
Facilitate access on the RTE intranet to information about implementing article L. 111-74 for both managers and employees, and update the internal memoranda concerning article L. 111-74, if only because the postal address of the Commission secretariat has changed.	<p>These recommendations were shown in the RTE 2018 internal confidentiality report.</p> <p>They are reiterated in 2020.</p>

## C. Acronym glossary

ACER	Agency for the Cooperation of Energy Regulators
ADEeF	Association of the Distributors of Electricity in France
ADEME	French Environment and Energy Management Agency
AFGNV	French Association of Natural Gas for Vehicles
ANODE	French National Energy Retail Operators Association
API	Application Programming Interface
ASN	Nuclear Safety Authority
BE	Balancing Entity
BES	Block Exchange Service
BM	Balancing Mechanism
CACM	Network Code: Capacity Allocation and Congestion Management guideline
CDC	Caisse des dépôts et consignations
CECH	Employment and Recruitment Committee
CEER	Council of European Energy Regulators
CFA	Apprentice training centre
CGDD	General Commission for Sustainable Development
CINDEX	Centre Inter-entreprises de l'Expatriation
CNDP	French National Public Debate Commission
CRE	French Energy Regulatory Commission
CSEA	Economic and Audit Supervisory Committee of the RTE Supervisory Board
CSI	Commercially Sensitive Information
CSR	Corporate Social Responsibility
CTE	Co-entreprise de Transport d'Electricité (holding company which holds 100% of RTE's capital)
CURTE	Electricity Transmission Grid User Client Committee
CWE	Central Western Europe (France, Germany, Austria, Netherlands, Belgium, Luxembourg)
DCC	Network code: Demand Connection Code
DGEC	French Directorate General of Energy and Climate
DPO	Data Protection Officer
DSO	Distribution System Operator
EB	Electricity Balancing guideline
EDF	Électricité de France
EEX	European Energy Exchange
EGI	Electricity and Gas Industries
EMFIP	Electricity Market Fundamental Information Platform (become Transparency Platform)
ENTSO-E	European Network of Transmission System Operators for Electricity
EQ	Electricity Quality
ESSOC	Law no. 2018-727 of 10 August 2018 for a State in the Service of Society of Trust
FCA	Forward Capacity Allocation guideline

FCPE	Company mutual fund
FEE	France énergie éolienne
FNE	France Nature Environnement
FNH	Fondation pour la nature et l’homme
GAC	Grid Access Commission (CURTE)
GDPR	Regulation (EU) 2016/679 (General Data Protection Regulation)
GMR	Network Maintenance Group
GRDF	Gaz Réseau Distribution France
HMI	Human-Machine Interface
HRD	Human Resources Department
HVDC	High Voltage Direct Current
IAOC	Interconnector Access Operating Commission (CURTE)
IEA	International Energy Agency
IFA2	France-England Interconnector 2
ITT	Invitation to Tender (for offshore wind farms)
INB	Basic Nuclear Facility
INEA	Innovation and Networks Executive Agency (of the European Commission)
INELFE	Electricity Interconnection France – Spain
INPI	French National Intellectual Property Institute
INRS	French National Research and Security Institute
IPP	Intellectual Property Protection
IS	Information System
ISO	Independent System Operator <sup>91</sup>
ITO	Independent Transmission Operator <sup>92</sup>
JAO	Joint Allocation Office
JORF	Official Gazette of the French Republic
MAC	Market Access Commission (CURTE)
MESIL	Undergrounding at local initiative
MTES	Ministry / minister of environmental and solidarity-based transition
MYEP	Multi-Year Energy Programme
NAC	Network Access Contract
NAZA	New Adaptative Zone Automat
NEMO	Nominated Electricity Market Operators
NTC	Net Transfer Capacities (at interconnectors)
ODRÉ	“Open Data Réseaux Énergies” platform

---

<sup>91</sup> Independent System Operator as defined by chapter IV of the European Parliament and Council directive 2009/72/EC of 13 July 2009 concerning common rules for the internal electricity market and repealing directive 2003/54/EC.

<sup>92</sup> Independent Transmission Operator as defined by chapter V of the European Parliament and Council directive 2009/72/EC of 13 July 2009 concerning common rules for the internal market in electricity and repealing directive 2003/54/EC.

OJEU	Official Journal of the European Union
ORS 2019	Offer for EDF employees in 2019
PD	Personal Data
PEE	Company savings scheme
PEG	Group savings scheme
PERCO	Collective pension scheme
PCI	Projects of common interest (under European “clean energy” package)
PKI	Public Key Infrastructure
PPAT	Persons Professionally Arranging Transactions (on wholesale energy products)
PTN	Public Transmission Network
PV	Photovoltaic
RCBCI	CRE Report on compliance with codes of conduct and independence of electricity and natural gas transmission system operators
RE	Balance Responsible Entity
RES	Renewable Energies Sources
REMIT	(EU) 1227/2011 Regulation on wholesale Energy Market Integrity and Transparency
REX	Return of Experience (feedback)
RfG	Network code: “Requirements for Generators”
RTD	Reference Technical Documentation
RTE	Réseau de transport d’électricité
S3REnR	Renewable Energy Network Connection Regional Plan
SDB	Supply-Demand Balance
SER	Renewable Energy Union
SGPC	System and Grid Perspectives Commission (CURTE)
SNBC	National low-carbon strategy
TFP	Technical and Financial Proposal
TSO	Transmission System Operator
TECV	French Law no. 2015-992 on the energy transition for green growth
TERRE	Trans European Replacement Reserves Exchange
TOPASE	Application Transmission of Bids and Programmes for Balancing
TRVE	Regulated Electricity Sale Tariff
TURPE	Electricity transmission tariff
TYNDP	[French / ENTSO] Ten Year Network Development Plan
UFE	French Electricity Union
VIU	Vertically-Integrated Undertaking (defined in article L. 111-10 of the French Energy Code).
XBID	Cross-Border Intraday Market

## D. Useful internet links

### D.1. Legislative and regulatory texts

#### *i) First European “energy” package*

European Parliament and Council directive 96/92/EC of 19 December 1996 concerning common rules for the internal electricity market.

<https://eur-lex.europa.eu/legal-content/FR/TXT/?uri=celex:31996L0092>

Law no. 2000-108 of 10 February 2000 concerning modernisation and development of the public electricity service

<https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000750321>

#### *ii) Second European “energy” package*

European Parliament and Council directive 2003/54/EC of 26 June 2003 concerning common rules for the internal electricity market, repealing directive 96/92/EC

<https://eur-lex.europa.eu/legal-content/fr/TXT/?uri=CELEX:32003L0054>

European Parliament and Council Regulation (EC) no. 1228/2003 of 26 June 2003 on conditions for accessing the grid for cross-border electricity exchanges

<https://eur-lex.europa.eu/legal-content/FR/TXT/HTML/?uri=CELEX:32003R1228>

French Law no. 2004-803 of 9 August 2004 on the public electricity and gas services and electricity and gas companies

<https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000787077>

#### *iii) Third European “energy” package*

European Parliament and Council directive 2009/72/EC of 13 July 2009 concerning common rules for the internal market in electricity and repealing directive 2003/54/EC.

<https://eur-lex.europa.eu/legal-content/FR/TXT/?uri=celex:32009L0072>

European Parliament and Council Regulation (EC) no. 714/2009 of 13 July 2009 on conditions for accessing the grid for cross-border electricity exchanges and repealing regulation (CE) no. 1228/2003

<https://eur-lex.europa.eu/legal-content/FR/TXT/HTML/?uri=CELEX:32009R0714>

French Ordinance no. 2011-504 of 9 May 2011 codifying the legislative part of the French Energy Code

<https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000023974937>

French Energy Code

<https://www.legifrance.gouv.fr/affichCode.do?cidTexte=LEGITEXT000023983208>

#### **iv) European “clean energy” package**

Legislative package “Clean energy for all Europeans”

<https://ec.europa.eu/energy/en/topics/energy-strategy-and-energy-union/clean-energy-all-europeans>

European Parliament and Council (EU) Directive 2019/944 of 5 June 2019 concerning the common rules for the internal electricity market, repealing directive 2012/27/EU

<https://eur-lex.europa.eu/legal-content/FR/TXT/HTML/?uri=CELEX:32019L0944>

European Parliament and Council (EU) Directive 2019/943 of 5 June 2019 on the internal electricity market

<https://eur-lex.europa.eu/legal-content/FR/TXT/HTML/?uri=CELEX:32019R0943>

#### **v) Other European legislative texts**

Framework guidelines and network codes

[https://acer.europa.eu/en/Electricity/FG\\_and\\_network\\_codes/Pages/default.aspx](https://acer.europa.eu/en/Electricity/FG_and_network_codes/Pages/default.aspx)

European Parliament and Council (EU) Regulation 1227/2011 of 25 October 2011 concerning the integrity and transparency of the energy wholesale market (REMIT)

<https://eur-lex.europa.eu/legal-content/FR/TXT/?uri=celex:32011R1227>

#### **vi) Other French legislative texts**

Law no. 2015-992 of 17 August 2015 on the energy transition for green growth (TECV)

<https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000031044385>

Law no. 2016-1321 of 7 October 2016 for a Digital Republic

<https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000033202746>

Law no. 2018-727 of 10 August 2018 for a State in the Service of Society of Trust (ESSOC)

<https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000037307624>

## D.2. Regulation

### *i) CRE*

List of decisions:

[https://www.cre.fr/recherche?search\\_form%5BcontentType%5D=/1/2/16997/120/16998/](https://www.cre.fr/recherche?search_form%5BcontentType%5D=/1/2/16997/120/16998/)

Decision of 26 January 2012 on certifying RTE

<https://www.cre.fr/Documents/Deliberations/Decision/decisions-de-certification>

Decision no. 2018-005 of 11 January 2018 to maintain RTE's certification

<https://www.cre.fr/Documents/Deliberations/Decision/certification-rte>

RCBCI 2013-2014

<https://www.cre.fr/Documents/Publications/Rapports-thematiques/Respect-des-codes-de-bonne-conduite-Rapport-2013-2014>

RCBCI 2015-2016

<https://www.cre.fr/Documents/Publications/Rapports-thematiques/Respect-des-codes-de-bonne-conduite-et-independance-2015-et-2016>

RCBCI 2017-2018

<https://www.cre.fr/Documents/Publications/Rapports-thematiques/Rapport-2017-2018-sur-le-respect-des-codes-de-bonne-conduite-et-l-independance-des-gestionnaires-de-reseaux-d-electricite-et-de-gaz-naturel>

### *ii) European bodies*

European Commission – Market legislation

<https://ec.europa.eu/energy/en/topics/markets-and-consumers/market-legislation>

Agency for the Cooperation of Energy Regulators

<https://acer.europa.eu/fr/Pages/default.aspx>

Council of European Energy Regulators

<https://www.ceer.eu/>

### *iii) Others*

Environmental Authority

<http://www.cgedd.developpement-durable.gouv.fr/l-autorite-environnementale-r145.html>

National Energy Regulatory Authorities

<https://ec.europa.eu/energy/en/national-regulatory-authorities>



### D.3. RTE

#### i) Code of Conduct and compliance officer's annual report

Original in French	<a href="https://www.services-rte.com/fr/independance-de-rte-et-code-de-bonne-conduite.html">https://www.services-rte.com/fr/independance-de-rte-et-code-de-bonne-conduite.html</a>
Translation into English	<a href="https://www.services-rte.com/en/independence-of-rte-and-code-of-conduct.html">https://www.services-rte.com/en/independence-of-rte-and-code-of-conduct.html</a>

#### ii) Non-discrimination - consultation

RTE services portal	<a href="https://www.services-rte.com/">https://www.services-rte.com/</a>
RTE data portal	<a href="https://data.rte-france.com/">https://data.rte-france.com/</a>
CURTE space - RTE client consultation website	<a href="https://concerte.fr/">https://concerte.fr/</a>
Cataliz, RTE services guide	<a href="http://www.rte-cataliz.com/fr/">http://www.rte-cataliz.com/fr/</a>
Reference Technical Documentation (RTD)	<a href="http://bit.ly/DTR_RTE">http://bit.ly/DTR_RTE</a>
Service Commitment Charter	<a href="http://bit.ly/RTE_ecoute">http://bit.ly/RTE_ecoute</a>

#### iii) Transparency - provision of data

éCO <sub>2</sub> mix	<a href="http://www.rte-france.com/fr/eco2mix/eco2mix/">http://www.rte-france.com/fr/eco2mix/eco2mix/</a>
National Electricity Reports	<a href="http://www.rte-france.com/fr/article/bilans-electriques-nationaux">http://www.rte-france.com/fr/article/bilans-electriques-nationaux</a>
Electricity Report 2018	<a href="http://bilan-electrique-2018.rte-france.com/">http://bilan-electrique-2018.rte-france.com/</a>
Electricity Report 2019	<a href="http://bilan-electrique-2019.rte-france.com/">http://bilan-electrique-2019.rte-france.com/</a>
Le Mensuel de l'électricité	<a href="https://www.rte-france.com/fr/article/le-mensuel-de-l-electricite">https://www.rte-france.com/fr/article/le-mensuel-de-l-electricite</a>
The Mall (from mid-2020)	<a href="https://www.mall-energiedata.com/">https://www.mall-energiedata.com/</a>
Annual report on EQ	<a href="https://www.rte-france.com/fr/article/la-qualite-de-l-electricite">https://www.rte-france.com/fr/article/la-qualite-de-l-electricite</a>
ODRÉ Platform	<a href="https://opendata.reseaux-energies.fr/pages/accueil/">https://opendata.reseaux-energies.fr/pages/accueil/</a>
Renewable electricity panorama	<a href="http://bit.ly/PanoramaEnR">http://bit.ly/PanoramaEnR</a>

#### iv) Generation adequacy report and French TYNDP

Generation adequacy report	<a href="https://www.rte-france.com/fr/article/bilan-previsionnel">https://www.rte-france.com/fr/article/bilan-previsionnel</a>
French TYNDP	<a href="http://bit.ly/SDDR_RTE">http://bit.ly/SDDR_RTE</a>
S3REnR	<a href="http://bit.ly/S3REnR_RTE">http://bit.ly/S3REnR_RTE</a>

#### v) RTE shareholders

Co-entreprise de Transport d'Electricité (CTE)	<a href="https://ctelectricite.com/">https://ctelectricite.com/</a>
Electricité de France (EDF)	<a href="https://www.edf.fr/">https://www.edf.fr/</a>
Caisse des dépôts et consignations (CDC)	<a href="https://www.caissedesdepots.fr/">https://www.caissedesdepots.fr/</a>
CNP Assurances	<a href="http://www.cnp.fr/">http://www.cnp.fr/</a>

**vi) RTE subsidiaries and ownership interests**

<i>100% subsidiaries</i>	
Airtelis	<a href="http://www.airtelis.com/">http://www.airtelis.com/</a>
Arteria	<a href="http://www.arteria.fr/">http://www.arteria.fr/</a>
Cirtéus	<a href="https://www.cirteus.com/">https://www.cirteus.com/</a>
RTE International	<a href="http://www.rte-international.com/">http://www.rte-international.com/</a>
<i>Joint ventures</i>	
Interconnexion électrique France-Espagne (INELFE)	<a href="http://www.inelfe.eu/">http://www.inelfe.eu/</a>
France-England Interconnector 2	<a href="http://www.ifa2interconnector.com/">http://www.ifa2interconnector.com/</a>
France-Ireland Interconnector (Celtic)	<a href="https://www.celticinterconnector.eu/">https://www.celticinterconnector.eu/</a>
<i>Ownership interests</i>	
Coreso	<a href="http://www.coreso.eu/">http://www.coreso.eu/</a>
Declaranet	<a href="http://www.protys.fr/">http://www.protys.fr/</a>
EPEX SPOT	<a href="https://www.epexspot.com/">https://www.epexspot.com/</a>
Joint Allocation Office (JAO)	<a href="http://www.jao.eu/">http://www.jao.eu/</a>

**D.4. ENTSO-E and European TSOs**

**i) ENTSO-E**

ENTSO-E	<a href="https://www.entsoe.eu/">https://www.entsoe.eu/</a>
TYNDP	<a href="http://tyndp.entsoe.eu/">http://tyndp.entsoe.eu/</a>
Transparency platform	<a href="https://transparency.entsoe.eu/">https://transparency.entsoe.eu/</a>
TERRE Project	<a href="https://www.entsoe.eu/network_codes/eb/terre/">https://www.entsoe.eu/network_codes/eb/terre/</a>

**ii) European electricity ITOs other than RTE**

Germany	Amprion GmbH	<a href="https://www.amprion.net/">https://www.amprion.net/</a>
Germany	TransnetBW GmbH	<a href="https://www.transnetbw.de/">https://www.transnetbw.de/</a>
Austria	Austrian Power Grid AG (APG)	<a href="http://www.apg.at/">http://www.apg.at/</a>
Bulgaria	Electroenergien Sistemen Operator EAD (ESO)	<a href="http://www.eso.bg/">http://www.eso.bg/</a>
Croatia	HOPS d.o.o.	<a href="http://www.hops.hr/">http://www.hops.hr/</a>
Hungary	MAVIR ZRt	<a href="http://www.mavir.hu/">http://www.mavir.hu/</a>

## D.5. Other links

### *i) System operators and their groups*

ORE Agency	<a href="https://www.agenceore.fr/">https://www.agenceore.fr/</a>
Association des Distributeurs d'Électricité en France (ADEeF)	<a href="http://www.adeef.fr/">http://www.adeef.fr/</a>
Enedis	<a href="https://www.enedis.fr/">https://www.enedis.fr/</a>
Gaz Réseau Distribution France (GRDF)	<a href="https://www.grdf.fr/">https://www.grdf.fr/</a>
GRTgaz	<a href="http://www.grtgaz.com/">http://www.grtgaz.com/</a>
Teréga (ex-TIGF)	<a href="https://www.terega.fr/">https://www.terega.fr/</a>

### *ii) Participants in CURTE Committees other than system users*

ADEME	<a href="http://www.ademe.fr/">http://www.ademe.fr/</a>
Autorité de sûreté nucléaire (ASN)	<a href="https://www.asn.fr/">https://www.asn.fr/</a>
ANODE Association	<a href="https://anode-asso.org/">https://anode-asso.org/</a>
Avere-France	<a href="http://www.avere-france.org/">http://www.avere-france.org/</a>
Fondation pour la nature et l'homme (FNH)	<a href="http://www.fondation-nature-homme.org/">http://www.fondation-nature-homme.org/</a>
France énergie éolienne (FEE)	<a href="http://fee.asso.fr/">http://fee.asso.fr/</a>
France Nature Environnement (FNE)	<a href="http://www.fne.asso.fr/">http://www.fne.asso.fr/</a>
Syndicat des Énergies Renouvelables (SER)	<a href="http://www.enr.fr/">http://www.enr.fr/</a>
Union française de l'électricité (UFE)	<a href="http://ufe-electricite.fr/">http://ufe-electricite.fr/</a>

### *iii) ODRÉ platform partners other than TSOs*

AFGNV	<a href="https://www.afgnv.info/">https://www.afgnv.info/</a>
Weathernews France	<a href="http://climipact-metnext.com/">http://climipact-metnext.com/</a>
Elengy	<a href="https://www.elengy.com/">https://www.elengy.com/</a>
Storengy	<a href="https://www.storengy.com/">https://www.storengy.com/</a>
Dunkerque LNG	<a href="https://www.newsletterdunkerquelng.com/">https://www.newsletterdunkerquelng.com/</a>

### *iv) Other participants*

International Energy Agency (IEA)	<a href="https://www.iea.org/">https://www.iea.org/</a>
Innovation and Networks Executive Agency (INEA)	<a href="https://ec.europa.eu/inea/">https://ec.europa.eu/inea/</a>
Commission nationale du débat public (CNDP)	<a href="https://www.debatpublic.fr/">https://www.debatpublic.fr/</a>
Institut National de la Propriété Industrielle (INPI)	<a href="https://www.inpi.fr/">https://www.inpi.fr/</a>
European Energy Exchange (EEX)	<a href="https://www.eex.com/en/">https://www.eex.com/en/</a>
Institut national de recherche et de sécurité (INRS)	<a href="https://www.inrs.fr/">https://www.inrs.fr/</a>
All Nominated Electricity Market Operators (NEMOs)	<a href="http://www.nemo-committee.eu/">http://www.nemo-committee.eu/</a>