

# **Guarantees of Origin and Market Power in the Spot Electricity Market**

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## **Abstract**

Consumers, governments and corporations are becoming more aware of the origin of the energy that they consume, and the guarantees of origin (GO) market is increasing in Europe and worldwide. More than 25 % of the electricity consumed in Europe is consumed by using GO markets. We work out the subgame perfect Nash equilibrium when the spot and the GO markets operate sequentially, and different market designs are implemented in the GO market. We find that the introduction of GO market has a pro-competitive effect in the spot market.