These 3 Companies Are a Gas for Investors

Description

Whether it's gas gathering and processing; exploration, development, production, and marketing; or transportation and distribution, these three companies represent opportunity for investors.

1. Veresen

Calgary, Alberta's **Veresen** (TSX: VSN) is a diversified North American energy infrastructure company. It has three business divisions: pipelines, midstream, and power. Recently, Veresen announced that its board declared a cash dividend for May 2014 of $0.0833 per common share. Its current dividend yield is 5.9% and its annual dividend is $1.00.

Veresen is advancing its plan to construct an $8 billion liquefied natural gas terminal in Oregon. If approved, this project's complete operational capability is booked for 2019. The Oregon project at Coos Bay will use existing domestic U.S. pipeline capacity. In Q1 2014, Veresen received a conditional order from the U.S. Department of Energy to export LNG from its proposed Jordan Cove LNG terminal to nations that do not have Free Trade Agreement status with the U.S.

Furthermore, Veresen owns 50% of Alliance Pipeline. Alliance operates a 3,000 km, 1.325 Bcf/d, firm service, high-pressure natural gas pipeline. This pipeline system connects Western Canada's long-life natural gas reserves to large energy markets in the Midwestern U.S.

2. Enbridge

Enbridge (TSX: ENB)(NYSE: ENB) is Canada's largest pipeline company. Enbridge is looking at new prospects in midstream natural gas infrastructure in Western Canada, renewable energy generation, and opportunities in Australia, Colombia, and Peru. Its Enbridge Gas Distribution has more than 2 million customers. In April, Enbridge's board declared a quarterly dividend of $0.35 per common share.

Enbridge is the largest gas gatherer and transporter in the Gulf of Mexico. It is expanding its offshore pipeline infrastructure in the Gulf. Enbridge handles 40% of total offshore gas production, and 45% of total ultra-deep gas production in the Gulf.

For 2014, the company said, "… we will see a full-year contribution from our expanded Venice condensate stabilization facility, which went into service in the fourth quarter of 2013, as well as the completion of the first phase of the Walker Ridge Gas Gathering System."

Enbridge's operations also include interest in the Alliance Pipeline. Moreover, it owns interest in the Vector Pipeline. Vector connects with Alliance in Chicago, Illinois. The Vector Pipeline provides natural gas supplies for local distribution and end-user customers in Illinois, Indiana, Michigan, and Ontario.

3. EnCana

EnCana (TSX: ECA)(NYSE: ECA) is concentrating on developing its portfolio of resource plays, held directly and indirectly via its subsidiaries, producing natural gas, oil, and natural gas liquids. EnCana's Canadian division includes the exploration, development, and production of natural gas, oil, and NGLs, and other related activities in Canada.

The company ended 2013 with a strong balance sheet of $2.6 billion in cash and cash equivalents. For Q1 2014, EnCana produced cash flow of approximately $1.1 billion, or $1.48 per share. This represents an 87% increase on a per-share basis versus Q1 2013. EnCana has paid dividends since 2001. Recently, it declared a dividend of $0.07 per share.

EnCana's new strategy is to focus its capital on important liquids-rich plays. The company is looking to diversify its portfolio. In Q1 2014, EnCana announced the $3.1 billion purchase of approximately 45,500 net acres in the core of the Eagle Ford resource play. This purchase will replace the natural-gas-weighted production from the Jonah and East Texas assets sold with higher-margin oil and NGLs production.

Essential oil and gas have always, and will continue to, provide long-term return on investment. If you're looking for energy stocks to power your portfolio, consider the above three for regular income.

CATEGORY

1. Investing

TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:ENB (Enbridge Inc.)

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