



## 3 Utility Companies to Power Your Portfolio

### Description

These companies look boring on the surface, but they're too busy making money to worry about it.

#### 1. Canadian Utilities

With assets of approximately \$16 billion, **Canadian Utilities** ([TSX: CU](#)) engages in electricity transmission and distribution, pipelines, natural gas utilities, and energy and technologies. Its annual dividend per share has increased for 42 consecutive years. For 2013, it attained record earnings. Its utilities segment was the force behind its record adjusted earnings due to increased capital spending of \$2.2 billion.

For Q1 2014, adjusted earnings in the utilities segment increased by \$13 million, or 10%, over 2013. The company said that, "The natural gas and electricity distribution companies benefited from growth in customers and higher demand."

In April, Canadian Utilities announced a Q2 2014 dividend of \$0.2675 per Class A non-voting share and Class B common share. This represents a 10% increase over the \$0.2425 cents paid in each of the four quarters of 2013.

#### 2. Fortis

Regulated utilities account for approximately 90% of **Fortis's** ([TSX: FTS](#)) total assets. The company recently announced a Q3 2014 dividend of \$0.32 per share on its common shares.

This past March, UNS Energy's common shareholders approved the acquisition of UNS Energy by Fortis. In April, the U.S. Federal Energy Regulatory Commission approved the transaction. The expectation is that this acquisition will close by the end of this year. UNS Energy is a vertically integrated utility services holding company involved in the regulated electric generation and energy delivery business, mainly in Arizona.

Fortis said, “The acquisition is consistent with the corporation’s strategy of investing in high-quality regulated utility assets in Canada and the United States....”

### 3. Capital Power

**Capital Power** ([TSX: CPX](#)) owns over 2,600 megawatts of power generation capacity at 14 facilities across North America. It also owns 371 megawatts of capacity via a power purchase agreement.

Capital Power reported that on March 24, 2014, construction of the K2 Wind Power Project began. K2 Wind is a 270 megawatt wind power project in Goderich, Ontario. This project is under joint development by Samsung Renewable Energy, **Pattern Energy Group** (TSX: PEG)(NYSE: PEGI), and Capital Power. Operations are expected to start in the second half of 2015. K2 Wind will generate clean power for approximately 100,000 Ontario homes annually.

In April, Capital Power declared a dividend of \$0.315 per share on the outstanding common shares for the quarter ending June 30, 2014.

Boring is often fine. These companies quietly go about providing essential services as well as dividends to investors looking for consistent income.

#### CATEGORY

1. Investing

#### TICKERS GLOBAL

1. TSX:CPX (Capital Power Corporation)
2. TSX:CU (Canadian Utilities Limited)
3. TSX:FTS (Fortis Inc.)

#### Category

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