

## 5 Reasons Why Enbridge Inc Will Add Value to Your Portfolio

### Description

To avoid duplication, I don't own shares in **Enbridge Inc** ([TSX: ENB](#))([NYSE: ENB](#)) because my wife does. She sees the benefit of holding this stock for the long term and so do I.

Here are five reasons why Enbridge can add value to your family of dividend-paying stocks.

#### 1. Growth projects

Enbridge is working on growing its energy delivery networks across North America. It has \$36 billion in commercially secured growth projects on the table. These projects encompass light oil market access, access to refineries in eastern Canada, western Gulf Coast access, and regional expansions. Growth projects also include replacing all segments of Line 3 of Enbridge's mainline between Hardisty, Alberta and Superior, Wisconsin, as well as other mainline projects.

Furthermore, projects include gas pipeline and processing, and power generation and transmission initiatives. In addition, the company's Enbridge Gas Distribution is upgrading and expanding its system in the Greater Toronto Area. Over the next two years Enbridge will bring in \$19 billion of capital growth projects into service (\$10 billion in 2014).

#### 2. Liquids Pipelines segment performance

For Q2 2014, earnings from Liquids Pipelines grew by \$61 million (almost 40%) versus Q2 2013. The main contributor to this growth was the strength of the performance of the Canadian Mainline. Robust increases in volume throughput propelled Canadian Mainline earnings growth.

Enbridge President/CEO Al Monaco, said, "In Liquids Pipelines, our largest business, our strategy is driven by our customers' need for incremental pipeline capacity and new market access to accommodate the continued strong growth of North American supply... By the end of 2016, we expect to bring into service projects that will open up approximately 1.7 million barrels per day of incremental capacity."

#### 3. Pipeline systems

On average, Enbridge delivers more than 2.2 million barrels of crude oil and liquids per day to Canada and the United States. The company operates the world's longest and most complex crude oil pipeline system. Enbridge is the leading pipeline operator in the Canadian oil sands region and it is expanding capacity in this area.

The company's mainline Liquids Pipelines system is the largest channel of oil into the U.S. Enbridge transports 53% of U.S.-bound Canadian production.

#### 4. Gas distribution business

Enbridge is Canada's largest natural gas distributor. Its Enbridge Gas Distribution delivers natural gas to more than 2 million residential, commercial and industrial customers. Enbridge Gas Distribution operates more than 35,000 kilometres of gas distribution pipelines across Ontario.

The aforementioned Greater Toronto Area Project will add new gas pipelines and facilities to the existing network. This network delivers natural gas to Brampton, Mississauga, Vaughan, Richmond Hill, Markham, and Toronto.

## 5. Dividends

In late July, Enbridge's board declared a quarterly dividend of \$0.35 per common share. Enbridge pays a quarterly dividend and its current dividend yield is 2.61%. Its five-year average dividend yield is 2.90% and its annual payout is \$1.40. The company's five-year average dividend growth rate is 13.66%.

Consider Enbridge for your portfolio based on the five reasons above. In addition, consider that the company is seeking growth from global markets as well.

## CATEGORY

1. Investing

## TICKERS GLOBAL

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

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## Date

2025/08/17

## Date Created

2014/08/18

## Author

mugulini

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