

3 High-Yielding Power Stocks to Consider Buying Today

Description

As many investors have been told time and time again, dividend-paying stocks outperform non-dividend-paying stocks over the long term. It is for this reason that all long-term investors should own at least one dividend-paying stock, and in some cases, maybe even a diversified portfolio full of them. With this in mind, let's take a look at three power stocks that have yields of up to 6.65% that you should consider buying today.

1. Northland Power Inc.: 6.65% yield

Northland Power Inc. ([TSX:NPI](#)) is one of the largest independent producers of wind, solar, and thermal power in Canada. It pays a monthly dividend of \$0.09 per share, or \$1.08 per share annually, giving its stock a 6.65% yield at today's levels. It is also worth noting that Northland has paid out an annual dividend of at least \$1.08 per share since 2006, and its consistent free cash flow generation could allow it to do so for the next several years.

2. Emera Inc.: 3.9% yield

Emera Inc. ([TSX:EMA](#)) is one of the largest electric utilities companies in North America. It pays a quarterly dividend of \$0.40 per share, or \$1.60 per share annually, which gives its stock a 3.9% yield at current levels. The company has also increased its annual dividend payment for nine consecutive years, and 2015 marks the first year of its five-year plan to grow its dividend by 6% or more annually, making it one of the top dividend-growth plays in the industry today.

3. Atlantic Power Corporation: 3.05% yield

Atlantic Power Corporation ([TSX:ATP](#)) is one of the largest power producers in the United States and Canada. It pays a quarterly dividend of \$0.03 per share, or \$0.12 per share annually, giving its stock a 3.05% yield at today's levels. Investors should also note that the company reduced its annual dividend payment by 70% in September of 2014 after a "strategic review" of its business, but I think the current rate is sustainable for the long term.

Which of these power stocks should you buy?

Northland Power, Emera, and Atlantic Power are three of the best dividend-paying investment options in the utilities sector. All long-term investors should take a closer look and strongly consider establishing positions in one of them today.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing
4. Stocks for Beginners

TICKERS GLOBAL

1. TSX:EMA (Emera Incorporated)
2. TSX:NPI (Northland Power Inc.)

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