



3 of the Best Clean Energy Infrastructure Stocks Money Can Buy

Description

If you want exposure to the fastest-growing segment of the energy industry, clean energy, but also want the safe, reliable income of an infrastructure stock, then I have three stocks that you will be very interested in. Let's take a closer look at each, so you can determine which would be the best fit for your portfolio.

1. Brookfield Renewable Energy Partners LP

Brookfield Renewable Energy Partners LP ([TSX:BEP.UN](#))([NYSE:BEP](#)) is one of the largest owners, operators, and developers of renewable power generation facilities in North America, Latin America, and Europe. It currently has 258 facilities, including 215 hydroelectric generating stations spread across 81 river systems, 37 wind facilities, three biomass facilities, and three natural gas-fired plants.

Brookfield pays a quarterly dividend of US\$0.445 per share, or US\$1.78 per share annually, which gives its stock a yield of about 5.95% at today's levels.

Investors must also make two notes.

First, Brookfield has raised its annual dividend payment for five consecutive years, and its 7.2% hike in February has it on pace for 2016 to mark the sixth consecutive year with an increase.

Second, the company has a long-term distribution-payout target of approximately 70% of its funds from operations and a long-term distribution-growth target of 5-9% annually.

2. Altagas Ltd.

Altagas Ltd. ([TSX:ALA](#)) is a diversified energy infrastructure company focused on building, owning, and operating clean energy assets in North America. Its assets include natural gas pipelines, processing plants, and storage facilities, and hydro, gas-fired, biomass, and wind power generation facilities.

Altagas pays a monthly dividend of \$0.165 per share, or \$1.98 per share annually, which gives its

stock a yield of about 6.7% at today's levels.

Investors must also make two notes.

First, Altagas has raised its annual dividend payment for five consecutive years, and its two hikes since the start of 2015, including its 8.5% hike in May 2015 and its 3.1% hike in October 2015, have it on pace for 2016 to mark the sixth consecutive year with an increase.

Second, the company has a target dividend-payout range of 40-50% of its normalized funds from operations (NFFO), and it expects its NFFO to grow by approximately 15% in 2016. If it can deliver on this outlook, I think it will announce a dividend hike before the end of the year.

3. Algonquin Power & Utilities Corp.

Algonquin Power & Utilities Corp. ([TSX:AQN](#)) owns and operates a diversified portfolio of renewable electric generation and sustainable utility distribution businesses in North America. Its assets include wind, solar, hydro, and thermal power generation and distribution facilities, and water treatment and distribution facilities.

Algonquin pays a quarterly dividend of US\$0.1059 per share, or US\$0.4235 per share annually, which gives its stock a yield of about 4.8% at today's levels.

Investors must also make two notes.

First, Algonquin has raised its annual dividend payment for five consecutive years, and its two hikes since the start of 2015, including its 10% hike in May 2015 and its 10% hike earlier this week, have it on pace for 2016 to mark the sixth consecutive year with an increase.

Second, the company has a long-term dividend-growth target of 10% annually.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. TSX:ALA (AltaGas Ltd.)
3. TSX:AQN (Algonquin Power & Utilities Corp.)
4. TSX:BEP.UN (Brookfield Renewable Partners L.P.)

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