



## Beef Up Your Renewable Energy Holdings With These 2 High-Yield Dividend Stocks

### Description

[Renewable energy](#) sources will continue to experience rapid growth, as governments are pushing clean energy, and as clean energy becomes more competitive in terms of cost.

Investors would be well advised to get in on this secular trend, which is set to generate strong returns well into the future.

Let's take a look at two companies in this space that are not only generating [strong dividend yields](#), but that also have strong histories and futures.

**Northland Power Inc. (TSX:NPI)** is a well-diversified clean-energy company that offers exposure not only to solar power, but also to wind and thermal power. And this strong renewables energy provider is currently rewarding investors with a dividend yield of 5.27%.

With Northland, investors can get a piece of the fast-growing renewable energy sector, which is one that will continue to provide investors with healthy returns for the foreseeable future.

Two things are especially worth a mention here.

First, Northland's management owns approximately 35% of shares outstanding, so management's interests are aligned with shareholders. Second, 98% of the company's revenues are from long-term power contracts, so there is good stability in the company's financial results.

As for growth going forward, Northland has an offshore wind facility that is under construction and slated to be completed in the second half of 2019. Also, the company is looking to Taiwan, whose government plans to invest heavily in offshore wind fixed-term contracts.

The offshore wind sector has seen changes in fundamentals in recent times in the form of lower costs, and so it is a good space to be in within the renewables market. In 2017, offshore wind accounted for 39% of Northland's total EBITDA.

**Brookfield Renewable Partners LP** ([TSX:BEP.UN](#))([NYSE:BEP](#)) is another high-quality renewables company, but its focus is on hydroelectric-generating facilities.

Its portfolio of low-risk, high-quality projects makes this a steady, stable investment, with 80% of the portfolio contracted until 2019, and the portfolio consisting of mostly long-life, low-cost hydro facilities.

With a 17% compound annual growth rate since its inception 20 years ago, Brookfield's strategy of acquiring renewable power assets and businesses below intrinsic value, financing them on an investment-grade basis, and optimizing their value and cash flow has sure paid off.

In 2017, funds from operations per unit increased 31% to \$581 million, and management instituted a 5% distribution increase.

Currently yielding 6.33% and targeting annual distribution increases of between 5% and 9% annually, this is a good place to turn for investors that are looking to get a piece of the future — renewable energy.

## CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

## TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
3. TSX:NPI (Northland Power Inc.)

## PARTNER-FEEDS

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