



This Renewable Energy Company Could Make You Rich

Description

Innergex Renewable Energy Inc. ([TSX:INE](#)) is one of several [great renewable energy companies](#) that are worthy of a place in nearly every portfolio. But what exactly makes Innergex a unique opportunity that could make you rich?

Here are a few points that prospective and current investors should take into consideration.

The energy landscape is changing

Just a few years ago, the energy sector was synonymous with fossil fuel-burning companies that were stereotypically viewed as dirty.

While fossil fuel-burning plants are cleaner today, they still emit large amounts of harmful pollution into the environment. Following the Paris Agreement, there's an increased desire by nearly every country on the planet to replace fossil fuel-burning plants with sustainable and renewable energy sources such as wind, solar, and hydro.

This is an important factor that many investors are often dismissive of. Every power plant on the planet has an end-of-life date by which the facility has to be replaced or retrofitted to safety and efficiency standards, and that lifespan is typically two decades or more.

With an increasing desire to replace fossil fuel-burning facilities with renewable ones, each retiring fossil fuel plant provides an opportunity for a clean energy company such as Innergex to replace that old facility with a renewable one.

Innergex is expanding

Innergex has a growing network of over 60 facilities that are scattered across Canada, the U.S., France, and Iceland that contain wind, hydro, solar, and geothermal elements.

Collectively, those facilities provide upwards of 1,647 MW of power generation, and over half of those facilities have come online in the past seven years, and over 70% of Innergex's facilities have a power-

purchase agreement (PPA) that will expire at least one decade out from now, and 30% expiring two decades or later from the current date.

Additionally, last month Innergex expanded into South America with the acquisition through a partnership of two Chile-based hydro facilities that together provide 140 MW of installed capacity. While the deal is still subject to regulatory approvals, the transaction is set to be the beginning of a greater expansion in the Chilean and South American markets.

This latest acquisition follows the \$1.1 billion Alterra Power Corp. acquisition, which added an additional nine facilities to Innergex.

Strong results will lead to further growth and income prospects

Renewable energy is a growing and potentially lucrative business for investment.

In the most recent quarter, Innergex reported \$117.9 million in revenue, representing an impressive 58% increase over the same quarter last year. EBITDA saw an equally impressive increase, topping \$79.3 million for the quarter, registering an improvement of 56% over the same period last year.

In terms of a dividend, Innergex offers a very appetizing monthly dividend that currently provides a yield of 5.05%, which betters even some of Innergex's non-renewable utility competitors that are [well-known for their impressive dividends](#).

In my opinion, Innergex remains an impressive holding that should be part of every portfolio.

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