



2 Green-Energy Stocks That Are Poised Soar Over the Next +20 Years

Description

The Canadian government has been enthusiastic in its push to adopt [renewable alternatives](#) in spite of our country's reliance on the lucrative oil and gas industry. In 2017, the United States pulled out of the Paris Climate Accord, but most of the remaining signatories have vowed to adhere to its framework.

Today, we are going to look at two green-energy stocks that are well positioned to post big gains over the next few decades. Should you be bullish on renewables? Let's take a look at the potential market.

Two visions for the fossil fuel industry

Last fall, **Suncor Energy Inc.** ([TSX:SU](#))([NYSE:SU](#)) CEO Steve Williams projected that the oil sands would still be producing heavy oil in a century from now.

A new study in the *Nature Climate Change* journal predicts that clean energy technologies will wipe out trillions in investment in what it called the "carbon bubble." In the scenario it paints, the paper suggests that "a substantial fraction of the global fossil fuel industry eventually becomes stranded."

The paper continues: "Reducing fossil fuel demand generates an overall positive effect for the E.U. and China and a negative one for Canada and the United States." The paper also predicts that the changes will produce an over 1% shift in global GDP. It expects this cycle to mature by 2035.

The models project that this shift will occur even without an active push from policymakers, renewable alternatives are emerging as the more cost-effective option. Critics have dismissed the paper as alarmist and have pointed to the still-heavy global demand for oil.

Huge investments in clean energy

Merrill Lynch released a research note in June that forecast over \$70 trillion in investments for the "low-carbon transition" through 2040. This took into account the massive growth trajectory of the electric car industry, renewables, battery and storage, and other solutions.

Whatever your position is on the debate over the long-term viability of the fossil fuel industry, there is

significant capital being poured into renewable alternatives. With that in mind, here are two stocks to consider scooping up this summer and [holding for the long term](#).

Brookfield Renewable Partners LP ([TSX:BEP.UN](#))([NYSE:BEP](#))

Brookfield Renewable Partners owns a portfolio of renewable power-generating facilities across the globe. Its stock was down 8.8% in 2018 as of close on June 14. Shares are up over 37% over a five-year period, and the stock offers an attractive dividend of \$0.49 per share. This represents a 6.1% dividend yield.

TransAlta Renewables Inc. ([TSX:RNW](#))

TransAlta Renewables is a Calgary-based company that owns and operates energy generation and transmission facilities. In the first quarter, adjusted funds from operations increased \$14 million from the prior year, and cash available for distribution jumped 16%. On June 13, the company announced a \$150 million bought-deal offering of common shares, which sent the stock tumbling.

Shares were down 7.2% in 2018 as of close on June 14. The stock also offers a dividend of \$0.23 per share, representing an attractive 7.5% dividend yield. It is a solid buy-low candidate right now.

CATEGORY

1. Energy Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. NYSE:SU (Suncor Energy Inc.)
3. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
4. TSX:RNW (TransAlta Renewables)
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