



Is Brookfield Renewable Partners (TSX:BEP.UN) the Best Green Energy Stock to Buy Today?

Description

Investors know that when they buy a **Brookfield** stock, they're getting a top-notch company with high-quality assets and sound execution. In addition, Brookfield companies are always highly disciplined as well as always having strong financial backing.

This leads to the logical question of whether **Brookfield Renewable Partners LP** ([TSX:BEP.UN](#))([NYSE:BEP](#)) is the best [green energy](#) stock to buy today.

Brookfield Renewable

Brookfield is a high-quality renewable energy producer with assets that spanning four continents around the world. The assets total over 18,000 MW capacity and the company generates its energy from wind, solar and hydro. It then has storage and distribution assets to aid in its business operations.

Brookfield plans to continue to position itself to capture the increase in renewable energy demand. It expects its costs will progressively decline as it scales its operations and better technology lowers the costs.

The future market for renewable energy continues to heat up — and only continues to grow. According to Brookfield, a number of large cities and countries are well below their 2030 targets for energy created from renewable sources.

In Europe and North America alone, roughly 45% of capacity today is still generated by coal and gas. Brookfield estimates that if this is cut in half, it would require roughly \$500 billion of investment in green energy globally.

Brookfield expects that this will lead to mass investment over the next years in order to meet those goals by the target date of 2030.

The company also believes that it's positioned well, as the move to green energy is a global movement

that plays to Brookfield's strengths.

The company is best suited to long-term value-oriented investors, as that's how Brookfield sees itself. It targets annual returns of 12%-15% for shareholders. Currently, it also pays a dividend which yields roughly 4.9%.

The competition

While Brookfield is a top stock, there are a number of other high-quality Canadian renewable energy companies. The first stock that comes to mind is **TransAlta Renewables Inc.**

TransAlta Renewables has a number of high-quality operations across Canada, as well as in parts of the U.S and Australia. It currently has roughly 2,400 MW of generating capacity.

Although it generates its power from wind, solar, hydro and gas, more than half of its generation comes from wind.

What may be most attractive about TransAlta Renewables is its high-yield dividend, which yields roughly 6.7% today.

Another renewable energy company to consider is **Northland Power Inc.** Northland is slightly larger than TransAlta Renewables, but still both are very similar.

It generates its power from wind and solar as well as its thermal facilities. Its assets are located in Ontario, Saskatchewan, Quebec in addition to the two massive wind farms it owns in the Netherlands.

It also generates more than 2,000 MW of electricity and has a number of growth projects in development. Northland, like TransAlta, also produces more than half of its generating capacity from wind.

Northland it also too pays a dividend, which yields roughly 4.6% today.

Bottom line

The technology around renewables has improved considerably over the last few years, bringing down the costs and making it much more competitive. This will allow for more future investment especially in wind and solar, which are currently the most economical.

Regardless of the stock, an investment in renewables will surely yield great results, but with a value-oriented company such as Brookfield, you know your capital is in good hands.

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