



## Time to Buy This Top Energy Pick

### Description

Have you invested in **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#))? The Calgary-based energy behemoth is often viewed as one of the top energy picks on the market. While there are plenty of reasons for that view (more on that in a moment), some investors might see the current state of the market as a reason to stay away from Enbridge.

That couldn't be further from the truth. Let's take a moment to dispel that myth and outline why this is *the* energy infrastructure stock your portfolio needs.

### Worried about volatility? Invest defensively

Prospective investors should note that Enbridge is one of the best energy picks for [defensive investors](#) in the market. In short, Enbridge is well diversified across multiple segments that generate revenue for the company.

The most well known of those segments is Enbridge's pipeline network. That pipeline business generates a recurring and stable revenue stream that is often compared to a toll-booth network. Part of the reason for that stability stems from the fact that Enbridge charges based on volume rather than the price of the commodity. This factor alone puts Enbridge near the top of any energy stock shopping list.

Also noteworthy here is the fact that Enbridge is not resting on its laurels. Instead, Enbridge has a multi-billion-dollar backlog of pipeline projects, many of which are under construction or shovel-ready. Collectively, those projects will expand what is already an already lucrative network (and by extension, that recurring revenue stream). By way of example, the much-hyped Line 3 replacement project will replace and upgrade over 1,600 km of the pipeline on both sides of the border.

Turning the focus towards Enbridge's natural gas utility reveals additional opportunity. The natural gas utility is currently the largest on the continent, serving 3.8 million customers in Ontario and Quebec. Enbridge's massive transmission network helps route that natural gas, which comprises one-fifth of all U.S.-consumed natural gas.

Finally, let's talk a bit about Enbridge's renewable energy business. The renewable energy segment currently consists of over 30 different facilities that include wind, solar, hydro, and thermal elements. Collectively, those facilities generate a net 1,991 MW of energy, which is enough to power 900,000 homes.

## Earn income from a top energy investment

One of the most attractive aspects of Enbridge is the company's quarterly [dividend](#). Enbridge currently pays an appetizing 7.97% yield. If that weren't reason enough to consider investing, Enbridge has provided investors with over two decades of annual dividend hikes.

Looking to future growth, Enbridge has already provided a nearly 10% bump to the dividend in 2020 and continues to forecast additional increases over the next few years. This makes Enbridge an excellent energy investment for nearly any portfolio.

In other words, prospective investors should take the current market pullback as an opportunity to buy Enbridge now and hold it for long-term gains. Buy it, hold it, and get rich.

### CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

### TICKERS GLOBAL

1. NYSE:ENB (Enbridge Inc.)
2. TSX:ENB (Enbridge Inc.)

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