



This 100-Year Growth Trend Has Only Just Begun

Description

Looking to put some hard-earned money to work for the next 10 years? How about for retirement, 20 or 30 years from now? How about for your grandkids?

In this article, I'm going to discuss one sector with a secular growth trend that I expect will vastly outpace the broader stock market, for the next 100 years at least.

Renewable power is ESG on steroids

Many investors may already be aware of the impact of the environmental, social, and governance (ESG) movement has had on financial markets to date. Prior to the COVID-19 pandemic, ESG investments, such as the renewable power sector, outperformed the broader stock market by a wide margin.

This has been due to mandates set by institutional investors dedicating a certain percentage of a given portfolio to companies boasting excellent environmentally friendly, sustainable, and/or good governance business models. The idea is this: what's good for planet earth and humanity also is good for investors. This is an easy concept to sell.

Renewable power companies generally meet all three ESG requirements and are thus among the top choices for investors seeking exposure to this sector.

I'm now going to discuss three excellent options for investors to consider the renewable energy space. I genuinely believe these companies make for a century long holds for those so inclined.

Northland Power

One of the purest ways to play renewable energy, **Northland Power** ([TSX:NPI](#)) has been far less impacted by this pandemic largely due to its ESG prowess. The company's focus is on offshore wind farms mainly in Europe. Northland currently has 2500 megawatts of capacity with another 1000

megawatts under development.

As a [growth play in this sector](#), few companies can match Northland Power. This is due to the company's growing Asian presence. The company is focused on expanding to Taiwan, Japan, and South Korea as key growth markets long term.

Heavy levels of pollution and decades of environmental deterioration make these markets key for those considering long-term investments in renewables.

The advantage Northland Power gives North American investors is early access to these growth markets. Investments in Asia are only going to grow exponentially. Northland really has been ahead of the curve in this regard, snapping up hard to get partnerships and opportunities at bargain prices.

Algonquin Power

A more fully diversified utilities player, **Algonquin Power and Utilities Corp.** ([TSX:AQN](#))([NYSE:AQN](#)) has a small but growing renewable power business. The company is also highly regulated. Algonquin sells its product at very stable and reliable prices with acceleration clauses, allowing for predictable long-term growth.

The company's portfolio also includes water treatment assets I've viewed as under-valued in recent years, adding another layer of growth to Algonquin's already impressive structure built for another 100 years.

Boralex

A smaller Canadian renewable play, **Boralex** ([TSX:BLX](#)) is an electricity producer with excellent long-term upside. Given its smaller size relative to other large players in renewable energy, Boralex is a company some investors may flock to for outsized growth over the long term.

The company has a skilled management team. Borax also has one of the best growth outlooks among comparable companies of its size. This factors make Boralex an enticing ESG pick.

Stay Foolish, my friends.

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