



2 Stable Renewable Energy Stocks

Description

Finding a balance of growth and [income-earning investments](#) can be challenging. Many times, an investment that is growth-focused comes at the expense of reduced income-earning potential. Additionally, investments traditionally viewed primarily as income-earning options can struggle with maintaining a growth-focused outlook.

Fortunately, there is a balance of these two available to investors in the form of stable renewable energy stocks.

Let's take a moment to talk about two options to consider adding to your portfolio.

Growth and income are standard

Algonquin Power & Utilities ([TSX:AQN](#))([NYSE:AQN](#)) is an intriguing option to consider. Not only is Algonquin a stable renewable energy stock, but the company also pays out a handsome (and growing) quarterly dividend.

There are three compelling reasons investors should consider Algonquin.

First, Algonquin operates a well-diversified business across two segments, putting Algonquin in an advantageous position over its peers. Those two segments are Liberty Power and Liberty Utilities.

Liberty Power operates a portfolio of over 35 clean energy facilities located across Canada and the U.S. The facilities include solar, hydro, thermal and wind elements — another clear advantage over Algonquin's fossil-fuel burning peers.

Liberty Utilities on the other hand provides water, gas and electric service across a growing area of the U.S. In total, Algonquin serves over 750,000 customers in a dozen U.S. states. This factor alone makes Algonquin a stable renewable energy stock pick.

Algonquin's defensive business model is the second point worth mentioning. As a utility, Algonquin

benefits adheres to regulated contracts that provide a stable and recurring revenue stream to the company.

Those contracts can span decades in duration, and over one-third of Algonquin's facilities have a contract date of 2030 or later. Again, this makes Algonquin a stable renewable energy option.

Finally, there's Algonquin's dividend, a product of the two points above. The current quarterly dividend amounts to an impressive 4.84% yield which continues to see annual upticks.

In other words, buy it, hold it, and get rich.

Stable renewable energy for your portfolio

Another renewable energy stock worth mentioning is **Innergex Renewable Energy** ([TSX:INE](#)).

Few investors may realize this, but following the COVID-19-induced market crash earlier this year, Innergex was one of just a handful of stocks that emerged from March still in the black. In fact, Innergex is trading over 11% higher year to date, while the market is still in the red by nearly the same amount.

So what exactly makes Innergex a great, stable renewable energy stock for your portfolio?

Apart from the defensive advantages of investing in a utility, Innergex's rise in 2020 can be attributed in part to Hydro-Quebec. Following a private equity placement, the government-owned utility gobbled up a 19.9% interest in Innergex.

Outside of Quebec, Innergex has a slew of new developments in play. The company has a half-dozen facilities under construction set to come online later this year. Outside Canada, Innergex completed a \$93 million deal earlier this year for a wind farm in Chile.

In short, Innergex has a bevy of growth options, but that's not all the company can offer. The company also boasts an appetizing yet stable dividend that should appeal to nearly every investor. Innergex currently provides a 3.87% yield, and the company has provided annual or better bumps to that dividend, with an increase coming earlier this year.

Final thoughts

Innergex and Algonquin are great long-term options for nearly any portfolio. Both provide avenues for income and growth-seeking investors while also catering to the need to diversify.

In other words, they are stable renewable energy stocks that [investors can count on](#) for a decade or more.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:AQN (Algonquin Power & Utilities Corp.)
2. TSX:AQN (Algonquin Power & Utilities Corp.)
3. TSX:INE (Innergex Renewable Energy Inc.)

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