



2 Canadian Green Energy Stocks Ready for the Next 10 Years

Description

Green energy is the future. Actually, it's already the present. Over \$1 trillion was invested worldwide in renewable energy infrastructure over the last five years. Over the *next* five years, investment is expected to reach \$5 trillion.

This is simply one of the biggest markets in human history. These opportunities don't come around very often. The entire world will be weaning itself off fossil fuels in the decades to come, and those in the right place will profit immensely.

This stock can go to the moon

Brookfield Renewable ([TSX:BEP.UN](#))([NYSE:BEP](#)) has been one of my favourite stocks for years. I once called it a stock you can buy and hold forever.

"Once built, renewable energy facilities have near-zero marginal costs. They're impossible to compete with, meaning they have the market to themselves," I [explained](#). "And because Brookfield's projects will exist for decades to come, the company simply needs to sit back and collect its cash."

It doesn't get much simpler than this. For the green revolution to take place, a ton of green infrastructure must be built. Brookfield is on the leading edge of that movement.

Just don't mistake this company for a construction business. Brookfield is all about management. Think of this stock like owning a mutual fund that solely focuses on green energy infrastructure. The company buys and sells renewable energy assets every year, taking an active portfolio approach.

The best part is that this stock's growth isn't hypothetical. Shares are up 885% since 2000, crushing the overall market. If you want a front-row seat for the renewable energy revolution, this is your best bet.

Green energy can save your portfolio

Brookfield Renewable is all about growth, but don't think these stocks can't protect your downside too. **Hydro One** ([TSX:H](#)) is a perfect example.

This company is essentially an energy transmission business. Its power lines cover 98% of the Ontario province, giving it a near monopoly. In exchange, regulators dictate how much it can charge customers. That sounds bad, but in a bear market, it's a blessing.

As its name suggests, Hydro One [derives](#) most of its power from green energy like hydro, although it also has exposure to other forms including wind, solar, and nuclear. Renewable energy sources are highly predictable on an annual basis. Power demand, meanwhile, is also resilient, even during a severe recession.

The only variable left is pricing. Because regulators set terms years in advance, there's very little volatility here as well.

How to invest right now

Brookfield Renewable and Hydro One are an ideal pairing for investors looking to bet on the green energy revolution. One provides lucrative long-term upside, while the other can significantly mitigate your downside should a bear market arrive.

For many investors, the best path forward is to diversify, but depending on your situation, you may want to weight one holding more than the other.

Just remember that energy stocks aren't the only ones participating in this generational event. Many other industries will take part in building a cleaner, greener future for all.

CATEGORY

1. Dividend Stocks
2. Energy Stocks
3. Investing

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
3. TSX:H (Hydro One Limited)

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