



## 3 of the Best Canadian Dividend Stocks With Yields Over 3%

### Description

Canadian dividend stocks allow investors to build a passive-income stream as well as generate wealth via capital gains over the long term. A dividend-paying company should be able to generate stable cash flows across business cycles that will help them maintain and increase payouts over time. We'll look at three such Canadian dividend-paying stocks that have yields over 3%.

### Brookfield Renewable Power

One of the largest renewable power companies in the world is **Brookfield Renewable Power** ([TSX:BEP.UN](#))([NYSE:BEP](#)). Its renewable capacity stands at 10 gigawatts (GW) with an annualized [long-term average generation](#) of 56,300 GW hours which is enough to power around 5.3 million homes in the U.S. each year.

In the first quarter of 2021, Brookfield derived over 70% of its power from hydroelectric assets located across North America, Columbia, and Brazil. The company primarily focuses on generating hydroelectric power, but wind and solar now account for 33% of total installed capacity.

Brookfield aims to use around 30% of its funds from operations for its business and distribute the rest to shareholders. It means, the company can grow its dividends between 5% and 9% annually in the near term. Brookfield already provides investors with a yield of 3.14%.

The renewable energy giant's cash flows are backed by long-term, fixed-price PPA (power-purchase agreements). Brookfield confirmed its average remaining life of its PPA is 14 years, making it a solid bet for income and growth investors.

### Emera

An energy and services company **Emera** ([TSX:EMA](#)) is engaged in the generation, transmission, and distribution of electricity to various customers. It operates via multiple segments including Florida Electric Utility, Canadian Electric Utilities, Other Electric Utilities, Gas Utilities and Infrastructure, and

Other segments.

In Q1 of 2021, Emera [increased earnings per share](#) by \$0.17 year over year to \$0.96. This rise was driven by strength in its regulated portfolio, increased marketing and trading earnings, as well as lowered financing and corporate costs.

Emera confirmed it is on track to deploy \$2 billion in capital expenditures this year, which will help it drive rate base growth and advance the company's strategy. It also filed a petition to increase 2022 base rates at Tampa Electric by \$295 million.

Emera stock is trading at \$57.31, which means its forward yield stands at a tasty 4.5%.

## TransAlta Renewables

The final stock on the list is **TransAlta Renewables** ([TSX:RNW](#)), which develops, owns, and operates renewable power-generation facilities. At the end of Q1 of 2021, it owned 23 wind facilities, 13 hydroelectric facilities, seven natural gas generation facilities, one solar facility, one natural gas pipeline, and one battery storage consisting of an ownership interest of 2.537 megawatts of generating capacity.

In the first quarter of 2021, the company's comparable EBITDA rose by \$5 million to \$123 million — an increase of 4% year over year. Its adjusted funds from operation stood at \$93 million, which was in line with the year-ago period. Its cash available for distribution was \$90 million, or \$0.34 per share. Comparatively, TransAlta Renewables pays quarterly dividends of \$0.235 per share, indicating a payout ratio of 69% and a forward yield of 4.64%.

### CATEGORY

1. Dividend Stocks
2. Investing

### TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
3. TSX:EMA (Emera Incorporated)
4. TSX:RNW (TransAlta Renewables)

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