



## Renewable Stocks Can Generate Retirement Income

### Description

Renewable investment options are often referred to in terms of how good they are with respect to the environment. This is particularly true when compared to traditional fossil fuel-burning facilities. But what about your portfolio? Some renewable investments are stellar options to help generate retirement income.

Here are several options to consider adding to your portfolio today.

### Strong growth, great dividends, *and* an all-renewable portfolio?

**Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)) is a unique investment that should be on the radar of all investors. The company operates an all-renewable portfolio of facilities and continues to expand aggressively. Across both current and under-construction facilities, the company boasts a capacity of four gigawatts (GW).

In terms of growth, Algonquin recently closed acquisitions or began operation on several key facilities. This includes the Maverick Creek Wind facility in Texas (492 MW), the Altavista Solar farm in Virginia (80 MW), and the Wet Raymond Wind facility in Texas (240 MW).

If that weren't enough, the company has earmarked upwards of US\$9.4 billion over the next several years towards further growth.

Turning to [dividends](#), Algonquin offers a quarterly dividend that carries an appetizing yield of 4.34%. Algonquin has also provided investors with annual bumps to that dividend for years. That factor alone makes Algonquin a great renewable investment option to generate retirement income.

In terms of results, Algonquin reported results on the second fiscal quarter earlier this month. In that quarter, Algonquin saw revenues surge 54% to US\$527.5 million over the same period last year. On an adjusted basis, Algonquin earned US\$91.7 million, reflecting an incredible 93% bump over the same period last year.

## Here's another well-diversified pick to consider

**TransAlta Renewables** ([TSX:RNW](#)) is another worthy renewable stock to consider. Like Algonquin, TransAlta's potential to generate retirement income is great. TransAlta provides investors with a monthly distribution, which works out to a respectable 4.75%.

In terms of the potential to generate retirement income, a \$30,000 investment in TransAlta will yield just shy of \$119 each month. That potential grows further when factoring in growth, dividend reinvestments, and potential future dividend hikes.

If that weren't enough, TransAlta is also a well-diversified and [defensive](#) renewable energy pick. The company boasts a portfolio of facilities across Canada, the U.S., and Australia. Those facilities are also diversified across different technologies, including wind, solar, hydro, and natural gas.

In short, TransAlta is a great renewable energy stock to generate retirement income that also has growth potential.

## Some final thoughts

There's one more key factor that applies to both TransAlta and Algonquin that is worth mentioning. Renewable energy facilities are growing in demand. In short, traditional fossil fuel-burning utilities are burdened with staggering transition costs that renewable stocks simply don't have.

Instead, renewable stocks like TransAlta and Algonquin can (and are) investing heavily into growth. This will provide prospective investors with [years of income and growth](#) potential.

In other words, buy them now and hold them forever.

### 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:RNW (TransAlta Renewables)

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dafxentiou

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