



## 2 Top Canadian Energy Stocks to Buy This Fall

### Description

Finding quality energy stocks to invest in over the past year and just holding steady has been an excellent investing strategy. Indeed, rising energy prices has made energy stocks among the best-performing groups on the TSX since the pandemic hit bottom.

However, the energy sector is one that always seems to be filled with uncertainty. Now is no different.

Let's dive into two top Canadian energy stocks with long-term potential (and [great dividends](#)) to buy right now.

### Top energy stocks: Enbridge

When it comes to choosing dividend stocks on the TSX, **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)) has been one of my top picks for quite some time. Indeed, few other large-cap stocks offer a [yield as high as 6.6%](#). That's a key component for long-term investors looking to own Enbridge stock to consider.

However, it's also important to consider *how* Enbridge is able to pay out this high yield.

For one, the company has pretty much always paid out a relatively high yield. That's because Enbridge has been diligent about returning value to shareholders over the years, hiking its dividend. While this is expected to continue in the years to come, Enbridge is likely to tone down its increases. The company plans on reinvesting its growing cash flows into its existing infrastructure, providing even more stable returns over time to investors.

The pipeline operator's Line 3 expansion project has been a highly contentious one. That said, it's set to be online this year, offering Enbridge capacity of 620,000 barrels per day. This is markedly higher than the previous Line 3, providing even more cash flow growth on top of the company's expected gains this year.

## Suncor

Moving upstream in the energy supply chain, **Suncor** ([TSX:SU](#))([NYSE:SU](#)) is one of the best energy stocks in Canada. An oil sands-focused company, Suncor has benefited from decades of investment in this sector from the Canadian government.

However, given the climate concerns around oil sands production as well as the impact of lower energy prices on the sector overall, Suncor stock has waned in recent years. Investors who may be enticed by the company's otherwise impressive 3.5% dividend yield may be dissuaded by Suncor's growth prospects moving forward.

That said, I think there's a lot to like about Suncor in this environment. It's one of the top energy stocks that's able to pass on higher energy prices to shareholders. Smaller midstream players can't do this. Suncor's operating leverage and ability to scale are hard to beat in this sector. Indeed, from a business standpoint, there's a lot to like about Suncor's positioning.

Sure, risks exist with Suncor stock. All energy stocks carry somewhat similar risks in this regard. However, I think Suncor's size and cash flow stability are hard to beat for those looking at energy producers right now.

### CATEGORY

1. Energy Stocks
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