



Are These 2 Undervalued Green Energy Stocks the Best to Buy Now?

Description

As most investors know, this market environment, with stocks [selling off significantly](#), is the best time to buy high-quality companies while they're [undervalued](#). But you don't want to buy just any stock. So, it's crucial to look for the best deals in stocks that you can confidently buy and hold for years.

And one of the best industries to find long-term growth stocks you can commit to for decades is green energy. Many green energy stocks have been caught up in the volatility lately and have been selling off. While this is understandable, as any [growth stock](#) that traded with a premium has been getting hit, there are several stocks that now look exceptionally cheap when you consider their long-term potential.

So, if you're looking to take advantage of the recent [volatility](#), here are two of the best green energy stocks to buy now.

One of the best long-term growth stocks to buy while it's ultra-cheap

Although the [renewable energy industry](#) is full of stocks with excellent long-term growth potential, **Northland Power** ([TSX:NPI](#)) is one of the best to buy. Not only is it trading roughly 30% off its 52-week high, but it's also been one of the best growth stocks of the past and continues to have one of the strongest growth strategies going forward.

Part of the reason Northland's performed so well has been its commitment to offshore wind. Offshore wind is one of the best ways to generate green energy, and it shows in Northland's numbers. Since 2014, offshore wind has grown from 0% of Northland's generating capacity to roughly 40% in 2020. However, its contribution to total [EBITDA](#) grew to 60%, showing how impactful its offshore wind assets have been.

And going forward, not only does Northland have an excellent five-year capital plan, but of its roughly 2.8 gigawatts of current generating capacity, Northland has another 60% (1.75 gigawatts) of capacity in development or under construction.

So, if you're looking to buy a high-quality growth stock in one of the best long-term industries, Northland is a top pick while it's this cheap.

A massive green energy stock with operations worldwide

In addition to Northland, another one of the best green energy stocks to buy while it's cheap is **Brookfield Renewable Partners** ([TSX:BEP.UN](#))([NYSE:BEP](#)). Just like Northland, Brookfield is trading roughly 30% off its 52-week high.

Plus, in addition to being on sale, it's one of the best-managed stocks you can buy in the industry. Although almost 50% of its generating capacity is in the United States, Brookfield also owns assets in Canada, Latin America, Europe, and Asia. In addition, Brookfield also owns a distributed generation business as well as an energy storage portfolio.

So, while this high-quality growth stock with one of the best management teams in the space trades cheap, it's certainly worth consideration. Brookfield aims to earn investors up to 15% growth annually over the long term while also increasing the [distribution](#) by up to 9% annually. And currently, Brookfield's distribution already yields an impressive 3.75%.

If you're looking to take advantage of the recent selloff in growth stocks, Brookfield Renewables is one of the best stocks to buy while it trades at a significant discount.

CATEGORY

1. Energy Stocks
2. Investing

TICKERS GLOBAL

1. NYSE:BEP (Brookfield Renewable Partners L.P.)
2. TSX:BEP.UN (Brookfield Renewable Partners L.P.)
3. TSX:NPI (Northland Power Inc.)

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