



2 Long-Term Renewable Energy Investments to Retire on

Description

Renewable energy is one of the most important themes on the stage right now that has the potential to impact the entire planet. For investors, this means finding the right renewable energy investments to retire on. This can make a huge difference to your long-term portfolio and, more importantly, let your portfolio grow on autopilot.

Fortunately, the market gives us plenty of options to consider investing in. Here are a few to consider.

A global footprint and a monthly income

TransAlta Renewables ([TSX:RNW](#)) is a great option for investors to consider. For those that are unfamiliar with the stock, TransAlta boasts a network of facilities located across the U.S., Canada, and Australia.

Not only is TransAlta geographically diversified, but the company's facilities comprise an array of different renewable energy options. Specifically, the company has solar, wind, hydro, and gas.

Keep in mind that TransAlta's generating facilities are subject to the same lucrative income model that traditional utilities follow. In other words, long-term regulated contracts span decades, meaning stable and recurring flows of revenue.

That stability also means that TransAlta can pay out a [juicy dividend](#) on a monthly cadence. That dividend currently works out to an impressive 4.92%. To put that earnings potential into context, a \$35,000 investment will provide a monthly income of just over \$140 each month.

Factor in long-term growth, increases, and reinvestments until the income is needed, and you have a stellar long-term renewable investment.

Lots of growth potential from a growing audience

Another less-obvious investment to consider is **Algonquin Power & Utilities** ([TSX:AQN](#))([NYSE:AQN](#)). Like TransAlta, Algonquin has operations in both the U.S. and Canada, with predictable cash flows.

Unlike traditional utilities, Algonquin continues to invest heavily in growth. The company has earmarked a whopping US\$12.4 billion capital expenditure fund over the next four years. This will allow Algonquin to continue growing its network of renewable facilities, which collectively boast a capacity of nearly four GW.

But what makes Algonquin one of the renewable investments to retire on? To answer that, let's look at Algonquin's dividend. The company pays out a quarterly dividend, and the yield works out to a handsome 4.28%. This means that a \$40,000 investment will earn just over \$1,712 income in just the first year.

The key point for prospective investors is long-term potential. Algonquin has an established cadence of providing a generous annual bump to that dividend. In fact, the historical CAGR of that dividend works out to a juicy 10%.

Finally, let's not forget growth. The stock has surged an impressive 8% year to date, and that's despite the massive volatility in the market. Looking back over a longer five-year period showcases impressive gains of over 50%.

In other words, Algonquin is a great buy-and-forget candidate, and one of the renewable investments to retire on.

Renewable energy investments to retire on

Both Algonquin and TransAlta are two prime examples of the renewable energy investments to retire on. They both offer superb growth and income-generating capabilities, making them great options for nearly any portfolio.

In short, buy them, hold them, and [watch them grow](#).

CATEGORY

1. Dividend Stocks
2. Investing

TICKERS GLOBAL

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2. TSX:AQN (Algonquin Power & Utilities Corp.)
3. TSX:RNW (TransAlta Renewables)

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