



## Forget About Oil Prices With This 1 Stock

### Description

Oil has become synonymous with volatility. And while many of those energy stocks are posting record profits and making money hand over fist, there are still plenty of risks. Fortunately, there's another option. There's one [energy stock](#) to make you forget about oil prices and even build a solid income stream

### One investment can be everything

That stock that prospective investors should consider is **Enbridge** ([TSX:ENB](#))([NYSE:ENB](#)). Enbridge is one of the biggest energy infrastructure companies on the planet. The company also boasts one of the largest pipeline networks anywhere.

That pipeline network, which operates much like a toll-road network, is responsible for generating the bulk of Enbridge's revenue. That pipeline network doesn't charge based on the price of the commodity. To put it another way, Enbridge generates a consistent revenue stream irrespective of which way oil prices go.

That appeal will make investors forget about oil prices, but that's not even the best part.

Enbridge's immense pipeline network transports nearly one-third of the crude oil produced in North America. The company also transports one-fifth of the natural gas consumed by the U.S. market. The company also operates one of the largest natural gas utilities on the continent.

In other words, Enbridge has a massive defensive moat. But there's still more.

In addition to generating a healthy revenue stream across multiple segments, Enbridge also boasts a growing renewable energy segment. The company has been steadily investing in renewable energy facilities for the past two decades.

Today, that investment stands at over \$8 billion, and Enbridge boasts a generating capacity of over 5.1 GW, factoring in both active and under-construction facilities.

Collectively, Enbridge's renewable portfolio encompasses multiple energy types, including wind, solar, geothermal, and hydroelectric.

Prospective investors should keep in mind that those renewable energy facilities are subject to the same lucrative business model that traditional utilities follow. In other words, they boast reliable revenue streams that are backed by long-term regulated contracts, which can span decades.

This adds yet another defensive layer to an already impressive long-term investment.

## **Enbridge offers a juicy income, too**

Another way that Enbridge can help make you forget about oil prices is with respect to income. Enbridge boasts an impressive quarterly dividend that pays out a yield of 6.42%.

To put that impressive earnings potential into context, a \$35,000 investment in Enbridge will earn a first-year income of nearly \$2,250. The reason I say first-year income is because Enbridge has established a precedent of providing generous annual increases to that dividend. The company has continued this trend for 27 years consecutively, with no signs of slowing.

Another key point to consider is whether you need to draw on that income yet. If your investment timeline is longer term, buying Enbridge now and reinvesting those dividends until needed can result in further growth.

That type of income growth will make you forget about oil prices surging right now.

## **Forget about oil prices! Some final thoughts**

Enbridge is a great investment, but like all investments, it's not without risk. The stock recently dipped sharply, but this should be seen as a discounted opportunity and not a sign of weakness.

In my opinion, Enbridge should be part of every well-diversified portfolio.

Buy it, hold it, and let those dividends grow.

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2. Investing

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