

The Nevada State Legislature closed its 79th session this month having passed several bills that support growth and development of the state's renewable energy industry. Perhaps the most notable bill of the group was Assembly Bill 405, which revises solar net metering rates and is expected to revive the state's rooftop solar industry. In all, the new green legislation builds upon years of renewable energy development and policy in Nevada, which has made significant strides in weaning itself off coal and increasing production of renewable sources of energy, particularly solar and geothermal.

Economic Briefing

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A dozen years ago, 7.4 percent of Nevada's electricity was generated from renewable energy sources. Since then, the amount of green energy production in the state has nearly tripled, and last year renewable energy sources accounted for 21.6 percent of total production. The largest strides in clean energy production came in geothermal and solar power. Since 2006, geothermal electricity production has grown by 79 percent, and the 3.8 million megawatt-hours produced in Nevada last year was the second-most in the country. Solar energy production in the state surged from none a decade ago to 2.5 million megawatt-hours last year, the fourth-most solar energy production in the nation. Meanwhile, coal's share of energy production has fallen by more than half over the same time period, and it will shrink further with the recent closure of the Reid Gardner Generating Station outside Las Vegas. Notably, 2016 marked the first year that Nevada generated more energy from the sun than from coal. In all, Nevada produced the 17th-highest proportion of renewable power in the United

States, according to data from the U.S. Energy Information Administration.

The shift to clean energy has been driven by a combination of economic and environmental benefits. Prices for renewable energy, specifically solar, have fallen dramatically in recent years. For example, the Boulder Solar II plant that opened earlier this year produces electricity at 4.0 cents per kilowatt-hour, less than a third of the 13.3 cents per kilowatt-hour for electricity generated at the Apex Solar Power plant that came online just five years ago.

Along with the price savings realized as renewable energy becomes cheaper and more efficient, many Nevada companies are pursuing green energy initiatives and seeking to increase their portfolios of renewable power. In the past two years, NV Energy signed an agreement with Switch to provide solar electricity for 100 percent of its operations in Nevada, and the power producer also signed an agreement with Apple to expand its existing solar farm capacity by 200 megawatts to support its growing data center in Reno. Other initiatives include MGM Resorts International's

MONTHLY

Employment Indicators

Nevada Employment		Apr-17
Current Period	Prev. Period	Same Period Prev. Yr.
1,335,900	1,318,900	1,293,800
GROWTH RATE	1.3% ▲	3.3% ▲

Nevada Private Average Weekly Hours Worked		Apr-17
Current Period	Prev. Period	Same Period Prev. Yr.
34.2	33.9	33.6
GROWTH RATE	0.9% ▲	1.8% ▲

Nevada Unemployment Rate		Apr-17
Current Period	Prev. Period	Same Period Prev. Yr.
4.7%	4.8%	5.8%
GROWTH RATE	-0.1% ▼	-1.1% ▼

TRAILING 12-MONTH

Employment Indicators

Nevada Employment ⁽¹⁾		Apr-17
Current Period	Prev. Period	Same Period Prev. Yr.
1,313,467	1,309,958	1,271,742
GROWTH RATE	0.3% ▲	3.3% ▲

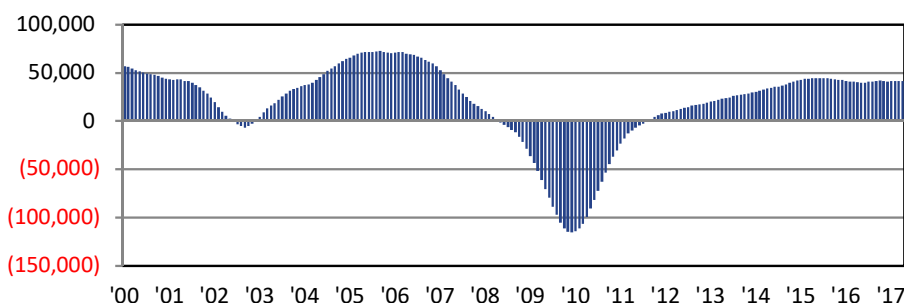
Nevada Private Average Weekly Hours Worked ⁽¹⁾		Apr-17
Current Period	Prev. Period	Same Period Prev. Yr.
34.1	34.0	33.6
GROWTH RATE	0.1% ▲	1.5% ▲

Nevada Unemployment Rate ⁽¹⁾		Apr-17
Current Period	Prev. Period	Same Period Prev. Yr.
5.5%	5.6%	6.4%
GROWTH RATE	-0.1% ▼	-0.9% ▼

Notes: (1) Trailing 12-month/4-quarter averages.
(2) Trailing 12-month/4-quarter totals.

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NEVADA EMPLOYMENT GROWTH TRAILING 12-MONTH AVERAGES



MONTHLY & QUARTERLY
Economic Indicator Series

Nevada Initial Unemployment Insurance Claims

Apr-17

Current Period	Prev. Period	Same Period Prev. Yr.
10,519	9,545	10,842
GROWTH RATE	10.2% ▲	-3.0% ▼

Nevada Residential Housing Units Permitted

Apr-17

Current Period	Prev. Period	Same Period Prev. Yr.
1,771	1,449	1,552
GROWTH RATE	22.2% ▲	14.1% ▲

Nevada Taxable Retail Sales

Mar-17

Current Period	Prev. Period	Same Period Prev. Yr.
\$5,393,860,743	\$4,220,154,700	\$4,690,516,750
GROWTH RATE	27.8% ▲	15.0% ▲

Nevada Gross Gaming Revenue

Mar-17

Current Period	Prev. Period	Same Period Prev. Yr.
\$991,023,123	\$945,266,438	\$922,329,184
GROWTH RATE	4.8% ▲	7.4% ▲

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers

Apr-17

Current Period	Prev. Period	Same Period Prev. Yr.
4,364,268	4,560,009	4,185,823
GROWTH RATE	-4.3% ▼	4.3% ▲

Clark/Washoe County Visitor Volume

Apr-17

Current Period	Prev. Period	Same Period Prev. Yr.
4,250,292	4,528,963	4,234,488
GROWTH RATE	-6.2% ▼	0.4% ▲

Nevada New Business Creation

Q3 '16

Current Period	Prev. Period	Same Period Prev. Yr.
764	389	524
GROWTH RATE	96.4% ▲	45.8% ▲

Nevada Housing Price Index

(Q1 1991 = 100)

Q4 '16

Current Period	Prev. Period	Same Period Prev. Yr.
214.8	208.3	197.6
GROWTH RATE	3.1% ▲	8.7% ▲

Las Vegas Office Market Vacancy Rate

Q1 '17

Current Period	Prev. Period	Same Period Prev. Yr.
19.8%	20.1%	21.3%
GROWTH RATE	-0.3% ▼	-1.5% ▼

Nevada Hotel/Motel Occupancy

Q3 '16

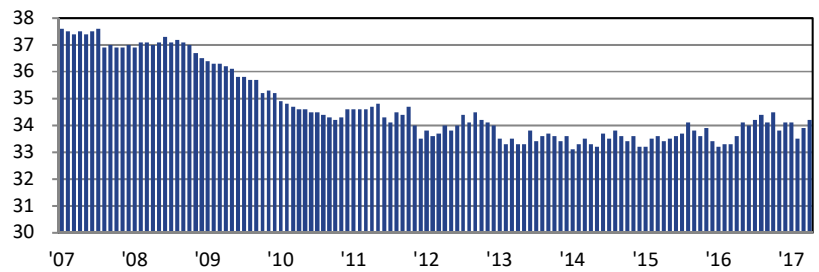
Current Period	Prev. Period	Same Period Prev. Yr.
87.0%	84.4%	85.3%
GROWTH RATE	2.6% ▲	1.7% ▲

State of Nevada Personal Income

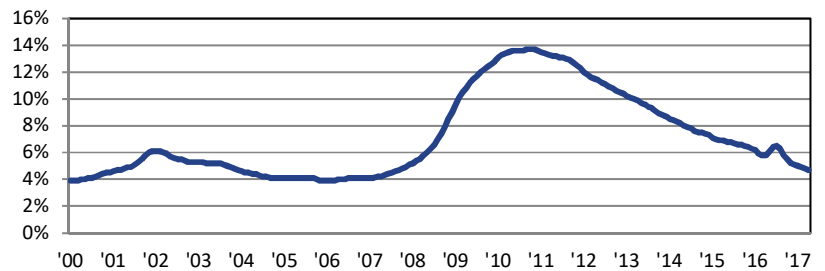
Q4 '16

Current Period	Prev. Period	Same Period Prev. Yr.
\$32,718,580,500	\$32,760,602,750	\$30,826,425,000
GROWTH RATE	-0.1% ▼	6.1% ▲

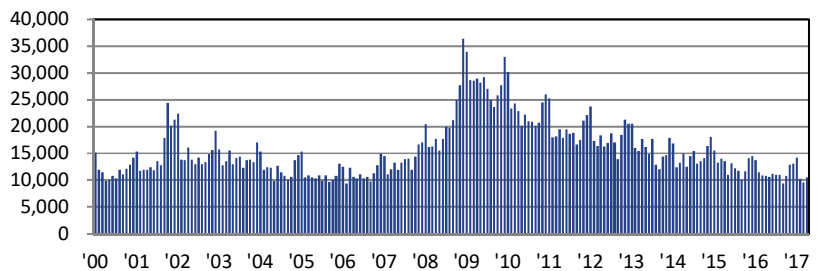
NEVADA PRIVATE AVERAGE WEEKLY HOURS WORKED
MONTHLY SERIES



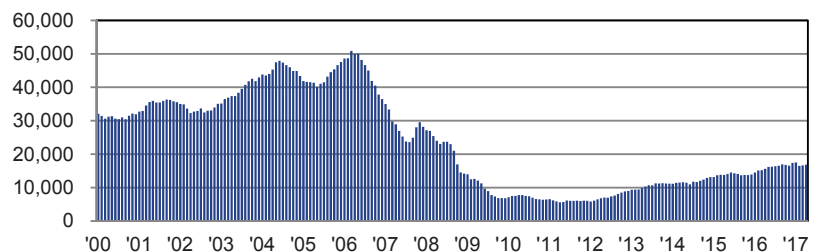
NEVADA UNEMPLOYMENT RATE
MONTHLY SERIES



NEVADA UNEMPLOYMENT INSURANCE CLAIMS
MONTHLY SERIES

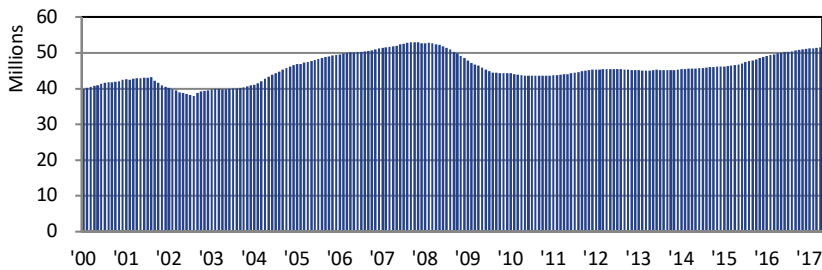


NEVADA RESIDENTIAL UNITS PERMITTED
TRAILING 12-MONTH TOTALS



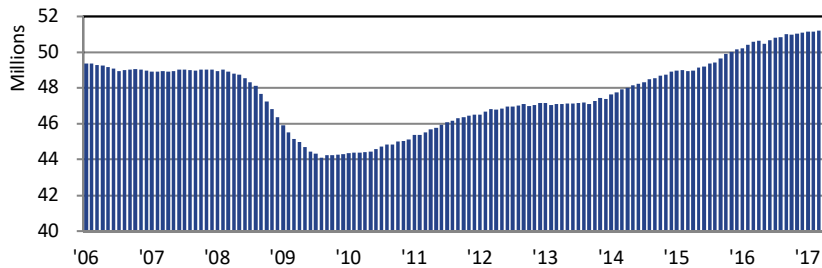
LAS VEGAS/RENO-TAHOE AIRPORT PASSENGER COUNTS

TRAILING 12-MONTH TOTALS



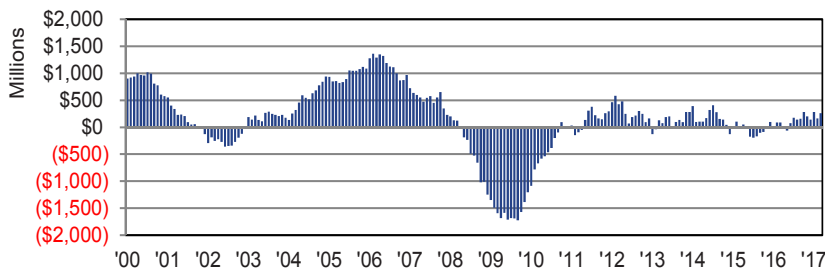
CLARK/WASHOE COUNTY VISITOR VOLUME

TRAILING 12-MONTH TOTALS



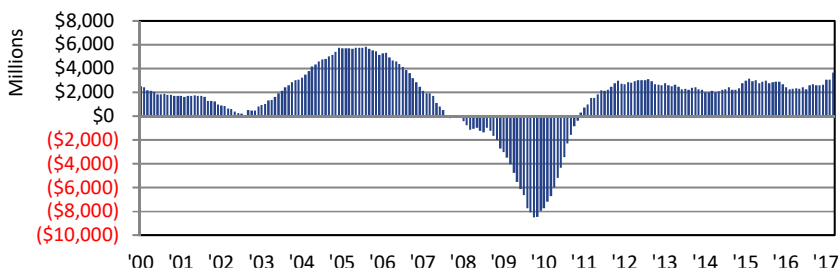
GROWTH IN NEVADA GROSS GAMING REVENUE

TRAILING 12-MONTH TOTALS



GROWTH IN NEVADA TAXABLE RETAIL SALES

TRAILING 12-MONTH TOTALS



TRAILING 12-MONTH

Economic Indicator Series

Nevada Initial Unemployment Insurance Claims ⁽²⁾

Apr-17

Current Period	Prev. Period	Same Period Prev. Yr.
134,369	134,692	145,405
GROWTH RATE	-0.2% ▼	-7.6% ▼

Nevada Residential Housing Units Permitted ⁽²⁾

Apr-17

Current Period	Prev. Period	Same Period Prev. Yr.
16,872	16,653	15,608
GROWTH RATE	1.3% ▲	6.7% ▲

Nevada Taxable Retail Sales ⁽²⁾

Mar-17

Current Period	Prev. Period	Same Period Prev. Yr.
\$55,703,252,092	\$54,999,908,099	\$52,050,763,203
GROWTH RATE	1.3% ▲	7.0% ▲

Nevada Gross Gaming Revenue ⁽²⁾

Mar-17

Current Period	Prev. Period	Same Period Prev. Yr.
\$11,392,468,294	\$11,323,774,355	\$11,132,238,588
GROWTH RATE	0.6% ▲	2.3% ▲

Las Vegas/Reno-Tahoe Enplaned and Deplaned Passengers ⁽²⁾

Apr-17

Current Period	Prev. Period	Same Period Prev. Yr.
51,592,837	51,414,392	49,781,946
GROWTH RATE	0.3% ▲	3.6% ▲

Clark/Washoe County Visitor Volume ⁽²⁾

Apr-17

Current Period	Prev. Period	Same Period Prev. Yr.
51,229,313	51,213,509	50,627,601
GROWTH RATE	0.0% ▲	1.2% ▲

Nevada New Business Creation ⁽²⁾

Q3 '16

Current Period	Prev. Period	Same Period Prev. Yr.
3,625	3,385	2,694
GROWTH RATE	7.1% ▲	34.6% ▲

Nevada Housing Price Index ⁽¹⁾

Q4 '16

Current Period	Prev. Period	Same Period Prev. Yr.
207.7	203.4	190.3
GROWTH RATE	2.1% ▲	9.1% ▲

Las Vegas Office Market Vacancy Rate ⁽¹⁾

(Q1 1991 = 100)

Q1 '17

Current Period	Prev. Period	Same Period Prev. Yr.
20.3%	20.6%	22.0%
GROWTH RATE	-0.3% ▼	-1.7% ▼

Nevada Hotel/Motel Occupancy ⁽¹⁾

Q3 '16

Current Period	Prev. Period	Same Period Prev. Yr.
82.9%	82.5%	81.6%
GROWTH RATE	0.5% ▲	1.3% ▲

State of Nevada Personal Income ⁽²⁾

Q4 '16

Current Period	Prev. Period	Same Period Prev. Yr.
\$130,874,322,000	\$131,042,411,000	\$123,305,700,000
GROWTH RATE	-0.1% ▼	6.1% ▲

Notes: (1) Trailing 12-month/4-quarter averages. (2) Trailing 12-month/4-quarter totals.

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recent installation of the largest rooftop solar project in the United States at Mandalay Bay and Tesla's plans to power its Gigafactory in northern Nevada entirely with solar energy.

While some of Nevada's largest companies implement green energy initiatives, the industry remains a key focus for the Governor's Office of Economic Development. With its wide open spaces and abundance of sun, wind and geothermal energy, Nevada is a natural fit for investment in renewable energy development. Those investments support thousands of jobs statewide. According to a recently released report by the U.S. Department of Energy, the state's solar power generation industry employs 11,200 workers, the fifth-highest total in the nation.

More solar jobs are expected to be created with the passage of Assembly Bill 405, perhaps the most notable green energy bill of the 2017 legislative session. The bill is expected to revive Nevada's rooftop solar market by reinstating net metering rates for residential solar customers. Rooftop solar system installers such as Vivint Solar, Sunrun and SolarCity have announced they will return to Nevada with passage of the bill. An estimated 2,600 jobs were lost when the companies left the state after the Nevada Public Utilities Commission changed previous net metering rates in 2015. Under net metering, rooftop solar customers receive a credit for the excess electricity produced by their systems.

In just a decade, Nevada's clean energy industry has experienced significant growth, and with continuing commitments from state civic and corporate leaders, the state is poised to build upon that success in the years to come.

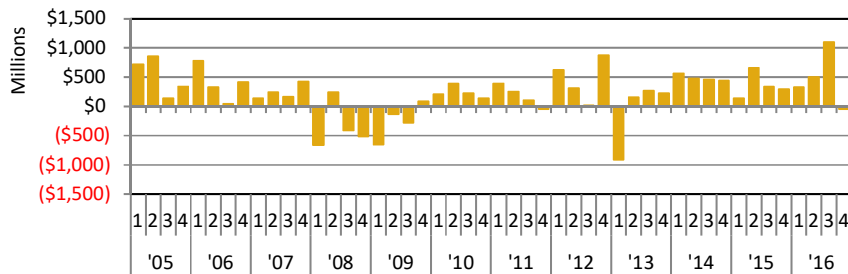
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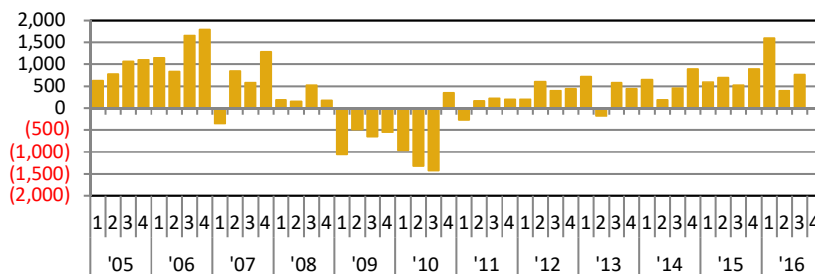
appliedanalysis.com

Methodology: Applied Analysis ("AA") was retained by Nevada State Bank to summarize and analyze a series of key economic indicators on a recurring basis. Relevant data were obtained from AA's internal databases as well as national, regional and local data providers, including, without limitation, state and local governments. While we have no reason to doubt the accuracy of any of the data reported, we have not performed an audit or assurance procedures on these data, and as such, we cannot attest to their completeness. Generally speaking, data reported are for Nevada, Clark County, Washoe County, or the metropolitan areas therein. Please note that these geographies may differ slightly between data providers.

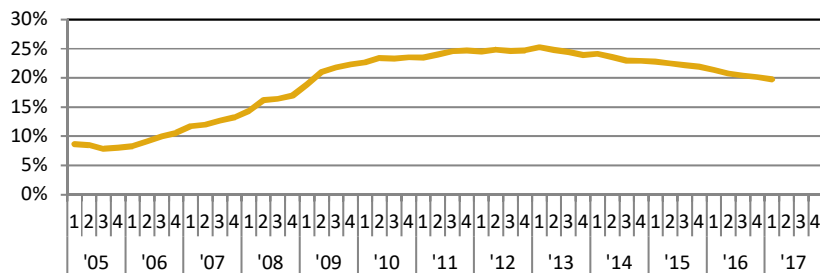
NEVADA PERSONAL INCOME GROWTH
QUARTER-OVER-QUARTER



NEVADA NEW BUSINESS CREATION
QUARTER-OVER-QUARTER



LAS VEGAS OFFICE MARKET VACANCY RATE
QUARTERLY SERIES



NEVADA HOTEL/MOTEL OCCUPANCY
QUARTERLY SERIES

