

Pacific Ethanol, Inc.
Form 4
May 13, 2008

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
CASCADE INVESTMENT LLC

2. Issuer Name and Ticker or Trading Symbol
Pacific Ethanol, Inc. [PEIX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
2365 CARILLON POINT
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
05/09/2008

____ Director
____ Officer (give title below)
 10% Owner
____ Other (specify below)

KIRKLAND, WA 98033

4. If Amendment, Date Original Filed (Month/Day/Year)

6. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount		
Common Stock	05/09/2008		S		400	D	\$ 3.25 1,682,124
Common Stock	05/09/2008		S		4,800	D	\$ 3.24 1,677,324
Common Stock	05/09/2008		S		9,800	D	\$ 3.23 1,667,524
Common Stock	05/09/2008		S		3,200	D	\$ 3.22 1,664,324
Common Stock	05/09/2008		S		100	D	\$ 3.215 1,664,224
Common Stock	05/09/2008		S		5,770	D	\$ 3.21 1,658,454

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Common Stock								
Common Stock	05/09/2008	S	5,930	D	\$ 3.2	1,652,524	D	
Common Stock	05/09/2008	S	2,600	D	\$ 3.18	1,649,924	D	
Common Stock	05/09/2008	S	2,477	D	\$ 3.17	1,647,447	D	
Common Stock	05/09/2008	S	393	D	\$ 3.16	1,647,054	D	
Common Stock	05/09/2008	S	16,607	D	\$ 3.15	1,630,447	D	
Common Stock	05/09/2008	S	12,923	D	\$ 3.14	1,617,524	D	
Common Stock	05/09/2008	S	15,000	D	\$ 3.13	1,602,524	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 6)
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
				Code	V (A) (D)				

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

CASCADE INVESTMENT LLC
2365 CARILLON POINT X
KIRKLAND, WA 98033

GATES WILLIAM H III
ONE MICROSOFT WAY X
REDMOND, WA 98052

Signatures

Cascade Investment, L.L.C. By: /s/ Michael Larson, Business Manager 05/13/2008

 **Signature of Reporting Person Date

William H. Gates III By: /s/ Michael Larson*, Attorney-In-Fact 05/13/2008

 **Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Remarks:

* Duly authorized under Special Power of Attorney appointing Michael Larson attorney-in-fact, dated February 3, 2006, by and

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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