

Pacific Ethanol, Inc.  
Form 4  
May 20, 2008

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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)  
05/16/2008

\_\_\_ Director \_\_\_X\_\_\_ 10% Owner  
\_\_\_ Officer (give title below) \_\_\_ Other (specify below)

KIRKLAND, WA 98033  
(City) (State) (Zip)

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

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

**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 or Price		
Common Stock	05/16/2008		S		200 D \$ 3.205	1,317,324	D
Common Stock	05/16/2008		S		3,191 D \$ 3.2	1,314,133	D
Common Stock	05/16/2008		S		3,209 D \$ 3.19	1,310,924	D
Common Stock	05/16/2008		S		250 D \$ 3.185	1,310,674	D
Common Stock	05/16/2008		S		2,018 D \$ 3.18	1,308,656	D
Common Stock	05/16/2008		S		13,609 D \$ 3.17	1,295,047	D

Edgar Filing: Pacific Ethanol, Inc. - Form 4

Common  
Stock

Common Stock 05/16/2008 S 13,123 D \$ 3.16 1,281,924 D

Common Stock 05/16/2008 S 6,700 D \$ 3.15 1,275,224 D

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number. SEC 1474 (9-02)

**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 Owned Following Reporting Transaction (Instr. 5)
--	--	--------------------------------------	--	--------------------------------	---	--	---	--	---

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CASCADE INVESTMENT LLC 2365 CARILLON POINT KIRKLAND, WA 98033		X		
GATES WILLIAM H III ONE MICROSOFT WAY REDMOND, WA 98052		X		

## Signatures

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

05/20/2008

Signature of Reporting Person

Date

Edgar Filing: Pacific Ethanol, Inc. - Form 4

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

05/20/2008

\_\_\_\_\_\*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 an

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

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.