

# FORM 4

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

OMB APPROVAL	
OMB Number:	3235-0287
Expires:	November 30, 2011
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 <b>KOEHLER NEIL M</b>		2. Issuer Name and Ticker or Trading Symbol Pacific Ethanol, Inc. [PEIX]		5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) <b>President &amp; CEO</b>				
(Last) (First) (Middle) <b>400 CAPITOL MALL, SUITE 2060</b>		3. Date of Earliest Transaction (Month/Day/Year) <b>05/22/2008</b>						
(Street) <b>SACRAMENTO, CA 95814</b>		4. If Amendment, Date Original Filed (Month/Day/Year)		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person				
(City) (State) (Zip)		<b>Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned</b>						
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 Indirect Beneficial Ownership (Instr. 4)
			Code	V				

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 Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		(A)	(D)	Date Exercisable	Expiration Date				
Series B Cumulative Convertible Preferred Stock	(1) (2) (3)	05/22/2008		P		256,410	(1) (2) (3)	(1) (2) (3)	Common Stock	769,230	(1) (2)	256,410	D	
Common Stock Warrant (Right to Buy)	\$ 7	05/22/2008		P		384,615	11/23/2008	05/22/2018	Common Stock	384,615	(1) (2)	384,615	D	

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KOEHLER NEIL M 400 CAPITOL MALL, SUITE 2060 SACRAMENTO, CA 95814	X		President & CEO	

## Signatures

/s/ Neil Koehler	05/22/2008
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).

- On May 22, 2008, Neil M. Koehler, acquired 256,410 shares of the issuer's Series B Cumulative Convertible Preferred Stock (the "Series B Preferred Stock") and a Warrant to purchase 384,615 shares of the issuer's Common Stock for an aggregate purchase price of \$5,000,000. Each share of Series B Preferred Stock is convertible at Mr. Koehler's option into that number of shares of the issuer's Common Stock equal to: (i) \$19.50, divided by (ii) the conversion price in effect at the time of conversion. The conversion price of the Series B Preferred Stock is currently fixed at \$6.50, but is subject to certain anti-dilution adjustments as set forth in the Certificate of Designations, Powers, Preferences and Rights of the Series B Preferred Stock (the "Certificate of Designations"); provided, that the anti-dilution adjustments set forth in the Certificate of Designations are subject to certain limitations as set forth in a related Securities Purchase Agreement.
- (1) Using the current conversion price, Mr. Koehler's 256,410 shares of Series B Preferred Stock are convertible into 769,230 shares of the issuer's Common Stock. Mr. Koehler's right to convert the Series B Preferred Stock does not expire.
  - (2) The Series B Preferred Stock shall, upon the occurrence of certain events, automatically convert into Common Stock pursuant to the terms of the Certificate of Designations.
  - (3)

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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