

**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person Candlewood Investment Group, LP  (Last) (First) (Middle) 555 THEODORE FREMD AVE, SUITE C-303  (Street) RYE, NY 10580  (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 07/01/2015	3. Issuer Name and Ticker or Trading Symbol Pacific Ethanol, Inc. [PEIX]	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)	5. If Amendment, Date Original Filed (Month/Day/Year) 07/13/2015
		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	

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

**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.**

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Non-Voting Common Stock (1)	(2)	(2)	Common Stock	3,539,284.4	\$ (2)	I	See footnote (3)

**Reporting Owners**

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Candlewood Investment Group, LP 555 THEODORE FREMD AVE SUITE C-303 RYE, NY 10580		X		

**Signatures**

Candlewood Investment Group, LP, By: Janet Miller, its Chief Operating Officer and General Counsel	07/15/2015
<small>**Signature of Reporting Person</small>	<small>Date</small>

**Explanation of Responses:**

\* If the form is filed by more than one reporting person, see Instruction 5(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).

(1) The Non-Voting Common Stock were omitted from the Reporting Person's original Form 3.

The Non-Voting Common Stock are convertible on a one-for-one basis into Common Stock. However, the Reporting Person cannot convert the securities if it and any of its affiliates would, after such conversion, beneficially own greater than 9.99% of the Common Stock. The Reporting Person's current beneficial ownership of the Common Stock exceeds 9.99%, and accordingly, it cannot currently convert any of the Non-Voting Common Stock. At any time when a share of Non-Voting Common Stock is not owned by the Reporting Person or another Initial Holder (as defined below) or their respective affiliates, such share of Non-Voting Common Stock shall automatically convert into one share of Common Stock. "Initial Holder" means any person who received shares of Non-Voting Common Stock at the time of the closing of the merger between Pacific Ethanol, Inc. and Aventine Renewable Energy Holdings, Inc. The right to convert Non-Voting Common Stock into Common Stock does not expire.

(2)

(3) The Non-Voting Common Stock are held by investment funds for which Candlewood Investment Group, LP serves as the investment manager. Candlewood Investment Group, LP disclaims pecuniary interest in the reported securities except to the extent of its economic interest.

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.