FORM 4

Instruction 1(b).

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

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL
OMB 3235Number: 0287
Expires: November 30, 2011
Estimated average burden hours per response... 0.5

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) 2. Issuer Name and Ticker or Trading 5. Relationship of Reporting Person(s) to 1. Name and Address of Reporting Person * Issuer Symbol Jones William L (Check all applicable) Pacific Ethanol, Inc. [PEIX] Director 10% Owner Officer (give title _____ Other (specify below) (Middle) 3. Date of Earliest Transaction 5711 N. WEST AVENUE below) (Month/Day/Year) 07/06/2006 (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) _X_ Form filed by One Reporting Person __Form filed by More than One Reporting Person FRESNO, CA 93711 (City) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of Security 2A. Deemed 2. Transaction Securities 5. Amount of (Instr. 3) Date Execution Date, if Transaction Acquired (A) or Securities Ownership of Indirect (Month/Day/Year) Code Disposed of (D) Beneficially Owned Beneficial Form: any (Month/Day/Year) (Instr. 8) (Instr. 3, 4 and 5) Following Reported Direct (D) Ownership Transaction(s) or Indirect (Instr. 4) (A) (Instr. 3 and 4) (I) or (Instr. 4) Code Amount (D) Price D Common Stock 07/06/2006 S 1,495 D 2,170,205 26.19 S D Common Stock 07/06/2006 5,736 D 2,164,469 26.2 S D Common Stock 07/06/2006 2,157 D 2,162,312 26.21 Common Stock 07/06/2006 S 960 D 2,161,352 D 26.22 Common Stock 07/06/2006 S 2,000 D 2,159,352 D 26.23 D Common Stock 07/06/2006 S 3,000 D 2,156,352 26.24 07/06/2006 Common Stock S 885 D 2,155,467 D 26.25 Common Stock S D 07/06/2006 267 D 2,155,200 26.26 Common Stock 07/06/2006 S 200 D 2,155,000 D 26.3 Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. SEC 1474 Persons who respond to the collection of information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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

| Security (Instr. 3) | e Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | Code (Instr. 8) | | Number | | and Expiration Date (Month/Day/Year) | | Amount of Underlying | | Derivative Security (Instr. 5) | Securities Beneficially Owned Following Reported Transaction(s) | Ownership Form of Derivative Security: Direct (D) or Indirect | Beneficial |
|---------------------|-----------------------------|--|---|--------------------|---|-----------|--|---|--------------------|-------------------------|--|--------------------------------------|--|--|------------|
| | | | | | | 4, and 5) | | | | | | | | | |
| | | | | Code | V | (A) | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |

Reporting Owners

| Donouting Own or Name / Adduses | Relationships | | | | | |
|--|---------------|-----------|---------|-------|--|--|
| Reporting Owner Name / Address | Director | 10% Owner | Officer | Other | | |
| Jones William L 5711 N. WEST AVENUE FRESNO, CA 93711 | X | | | | | |

Signatures

| /s/ William L. Jones | 07/06/2006 |
|-------------------------------|------------|
| 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:

This is Part 2 of 2. There are more than 30 transactions to report.

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.