

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 Jones William L | | | 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 type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) | | | |
| (Last) | (First) | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year) 05/18/2007 | | | | | | |
| 5711 N. WEST AVENUE | | | 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 | | | |
| (Street) | (City) | (State) | (Zip) | Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned | | | | | |
| FRESNO, CA 93711 | | | | | | | | | |

| 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 | Amount | (A) or (D) | | | | Price |
| Common Stock | 05/18/2007 | | S | | 200 | D | \$ 14.51 | 1,477,292 | D | |
| Common Stock | 05/18/2007 | | S | | 226 | D | \$ 14.51 | 1,477,066 | D | |
| Common Stock | 05/18/2007 | | S | | 400 | D | \$ 14.55 | 1,476,666 | D | |
| Common Stock | 05/18/2007 | | S | | 200 | D | \$ 14.54 | 1,476,466 | D | |
| Common Stock | 05/18/2007 | | S | | 100 | D | \$ 14.57 | 1,476,366 | D | |
| Common Stock | 05/18/2007 | | S | | 100 | D | \$ 14.55 | 1,476,266 | D | |
| Common Stock | 05/18/2007 | | S | | 100 | D | \$ 14.56 | 1,476,166 | D | |
| Common Stock | 05/18/2007 | | S | | 100 | D | \$ 14.55 | 1,476,066 | D | |
| Common Stock | 05/18/2007 | | S | | 100 | D | \$ 14.57 | 1,475,966 | D | |
| Common Stock | 05/18/2007 | | S | | 200 | D | \$ 14.55 | 1,475,766 | D | |
| Common Stock | 05/18/2007 | | S | | 100 | D | \$ 14.55 | 1,475,666 | D | |
| Common Stock | 05/18/2007 | | S | | 100 | D | \$ 14.55 | 1,475,566 | D | |
| Common Stock | 05/18/2007 | | S | | 200 | D | \$ 14.55 | 1,475,366 | D | |
| Common Stock | 05/18/2007 | | S | | 100 | D | \$ 14.55 | 1,475,266 | D | |
| Common Stock | 05/18/2007 | | S | | 100 | D | \$ 14.56 | 1,475,166 | D | |
| Common Stock | 05/18/2007 | | S | | 100 | D | \$ 14.57 | 1,475,066 | D | |
| Common Stock | 05/18/2007 | | S | | 500 | D | \$ 14.69 | 1,474,566 | D | |
| Common Stock | 05/18/2007 | | S | | 1,400 | D | \$ 14.7 | 1,473,166 | D | |
| Common Stock | 05/18/2007 | | S | | 1,300 | D | \$ 14.69 | 1,471,866 | D | |

| | | | | | | | | | | |
|--------------|------------|--|---|--|-----|---|----------|-----------|---|--|
| Common Stock | 05/18/2007 | | S | | 100 | D | \$ 14.68 | 1,471,766 | D | |
| Common Stock | 05/18/2007 | | S | | 100 | D | \$ 14.68 | 1,471,666 | D | |
| Common Stock | 05/18/2007 | | S | | 400 | D | \$ 14.68 | 1,471,266 | D | |
| Common Stock | 05/18/2007 | | S | | 200 | D | \$ 14.69 | 1,471,066 | 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) | | | | 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 | | | | | |
| | | | | | | | | | | | | | | |

Reporting Owners

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

Signatures

| | |
|--|---------------------|
| /s/ William L. Jones | 05/18/2007 |
| <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 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 1 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.