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

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Number 0287 Expires: November 30 2011

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 Name and Address of Reporting Person –
CASCADE INVESTMENT LLC Symbol Pacific Ethanol, Inc. [PEIX] (Check all applicable)
or __X__10% Owner
___oive title ____ Other (specify bel-3. Date of Earliest Transaction 2365 CARILLON POINT th/Day/Year) 05/05/2008 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Applicable Line)
___Form filed by One Reporting Person
X Form filed by More than One Reporting Person KIRKLAND, WA 98033 (City) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 7. Nature of Indirect Beneficial Ownership (Instr. 4) 2A. Deemed Execution Date, if 5. Amount of 1.Title of Security 2. Transaction Form: Direct (D) or Indirect Transaction(s) (Instr. 3 and 4) (A) Common Stock 05/05/2008 S 100 2,002,424 S D Common Stock 05/05/2008 1.126 2.001.298 3.76 S Common Stock 8,205 1,993,093 3.75 Common Stock 05/05/2008 S 3.583 D 1,989,510 3.74 S 97 05/05/2008 D 1.989.413 Common Stock S Common Stock 05/05/2008 4,903 1,984,510 3.72 Common Stock 05/05/2008 S 3,627 1,980,883 3.71 5,172 \$ 3.7 1,975,711 05/05/2008 S Common Stock S 1.405 1.974.306 Common Stock 05/05/2008 D D 3.69 S 1,463 1,972,843 05/05/2008 \$ 3.68 Common Stock Common Stock 05/05/2008 S 100 1,972,743 3.67 Common Stock 05/05/2008 S 2.032 1,970,711 D 3.66 Common Stock S 1,014 1,969,697 3.65 Common Stock 05/05/2008 S 1,417 1,968,280 S 1,770 Common Stock 05/05/2008 D 1.966.510 3.63 Common Stock 05/05/2008 S 11 \$ 3.6 1,966,499 S 05/05/2008 3,109 1.963.390 Common Stock 3.57 05/05/2008 S 4,145 1,959,245 Common Stock 05/05/2008 S 4 183 D 1 955 062 D 3 55 05/05/2008 S 542 1,954,520 Common Stock ъ 3.54 Common Stock 05/05/2008 S 156 1,954,364 S 3.667 Common Stock 05/05/2008 1.950,697 , 3 53 Common Stock 05/05/2008 3,173 \$ 3.5 1,947,524 Common Stock 05/05/2008 S 2,794 1,944,730 3.48 S 5,837 1,937,893 3.45 Common Stock 05/05/2008 S 7.526 1,930,367 3.44 S 300 Common Stock 05/05/2008 1,930,067 . 3.435 05/05/2008 S 10,755 D 6,788 D Common Stock 05/05/2008 S 1.912.524 D 3.42

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

S

Common Stock

05/05/2008

439

\$ 3.41

1,912,085

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

6. Date Exercisable and Expiration Date (Month/Day/Year) 7. Title and Amount of Underlying 1. Title of B. Transaction 8. Price of 9. Number of 10. 10. 11. Nature Ownership of Indirect 3A. Deemed Execution Date, if e Conversion or Exercise Price of Derivative Security Derivative Form of Derivative Security (Instr. 3) any Code (Month/Day/Year) (Instr. 8) Security (Instr. 5) Beneficially Securities (Instr. 3 and Securities Acquired (A) or Disposed of (D)

4, and 5)

Beneficial Ownership Owned Following Reported Transaction Direct (D) or Indirect (I) (Instr. 4) (Instr. 4)

	Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	or Number of Shares					
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Reporting Owners

Barrier Carrow Name (Addition	Relationships					
Reporting Owner Name / Address	Director	10% Owner Offices		Other		
CASCADE INVESTMENT LLC 2365 CARILLON POINT KIRKLAND, WA 98033		х				
GATES WILLIAM H III ONE MICROSOFT WAY REDMOND, WA 98052		Х				

Signatures

Cascade Investment, L.L.C. By: /s/ Michael Larson, Business Manager		05/07/2008	
"Signature of Reporting Person		Date	
William H. Gates III By: /s/ Michael Larson*, Attorney-In-Fact		05/07/2008	
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 and on behalf of William H. Gates III, filed as Exhibit 99.1 to Cascade Investment, L.L.C.'s Amendment No. 2 to Schedule 13G with respect to Arch Capital Group Ltd. on March 7, 2006, SEC File No. 005-45257, and incorporated by reference herein.

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.