

Pacific Ethanol, Inc.
Form 4
June 09, 2008

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
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 *
CASCADE INVESTMENT LLC

2. Issuer Name and Ticker or Trading Symbol
Pacific Ethanol, Inc. [PEIX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
2365 CARILLON POINT
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
06/05/2008

___ Director ___X___ 10% Owner
___ Officer (give title below) ___ Other (specify below)

KIRKLAND, WA 98033

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
___ Form filed by One Reporting Person
X Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

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	06/05/2008		C ⁽¹⁾		2,000,000	A	\$ 8
Common Stock	06/05/2008		S		25,442	D	\$ 3.26
Common Stock	06/05/2008		S		24,984	D	\$ 3.25
Common Stock	06/05/2008		S		100	D	\$ 3,245
Common Stock	06/05/2008		S		39,951	D	\$ 3.24
Common Stock	06/05/2008		S		300	D	

Edgar Filing: Pacific Ethanol, Inc. - Form 4

Common Stock					\$	3.235	
Common Stock	06/05/2008	S	27,215	D	\$ 3.23	2,457,232	D
Common Stock	06/05/2008	S	1,400	D	\$ 3.225	2,455,832	D
Common Stock	06/05/2008	S	72,449	D	\$ 3.22	2,383,383	D
Common Stock	06/05/2008	S	700	D	\$ 3.215	2,382,683	D
Common Stock	06/05/2008	S	32,998	D	\$ 3.21	2,349,685	D
Common Stock	06/05/2008	S	200	D	\$ 3.205	2,349,485	D
Common Stock	06/05/2008	S	27,691	D	\$ 3.2	2,321,794	D
Common Stock	06/05/2008	S	1,000	D	\$ 3.195	2,320,794	D
Common Stock	06/05/2008	S	42,970	D	\$ 3.19	2,277,824	D
Common Stock	06/05/2008	S	1,500	D	\$ 3.185	2,276,324	D
Common Stock	06/05/2008	S	43,894	D	\$ 3.18	2,232,430	D
Common Stock	06/05/2008	S	700	D	\$ 3.175	2,231,730	D
Common Stock	06/05/2008	S	23,335	D	\$ 3.17	2,208,395	D
Common Stock	06/05/2008	S	500	D	\$ 3.165	2,207,895	D
Common Stock	06/05/2008	S	32,671	D	\$ 3.16	2,175,224	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)

Edgar Filing: Pacific Ethanol, Inc. - Form 4

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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Series A Cumulative Redeemable Convertible Preferred Stock	\$ 8	06/05/2008		C ⁽¹⁾	1,000,000	⁽²⁾	⁽²⁾	Common Stock	2,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CASCADE INVESTMENT LLC 2365 CARILLON POINT KIRKLAND, WA 98033		X		
GATES WILLIAM H III ONE MICROSOFT WAY REDMOND, WA 98052		X		

Signatures

Cascade Investment, L.L.C. By: /s/ Michael Larson, Business Manager	06/09/2008
<i>**Signature of Reporting Person</i>	Date
William H. Gates III By: /s/ Michael Larson*, Attorney-In-Fact	06/09/2008
<i>**Signature of Reporting Person</i>	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).
- (1) Each Series A Cumulative Redeemable Convertible Preferred Stock ("Series A Preferred Stock") is convertible into two shares of Pacific Ethanol, Inc. ("Pacific Ethanol") common stock at a price per share of \$8. On June 5, 2008, Cascade Investment, L.L.C. ("Cascade") converted 1,000,000 shares of Series A Preferred Stock at a conversion price of \$8 a share, resulting in the issuance to Cascade of 2,000,000 shares of Pacific Ethanol common stock.
- (2) The Series A Preferred Stock is convertible at any time at Cascade's option and has no expiration date.

Remarks:

* Duly authorized under Special Power of Attorney appointing Michael Larson attorney-in-fact, dated February 3, 2006, by an

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.