Jones William L Form 4 September 22, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

OMB Number:

3235-0287

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January 31, 2005

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OMB APPROVAL

response...

if no longer subject to Section 16. Form 4 or Form 5 obligations

Check this box

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

may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(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) | | | |
|-----------------------------------------------------------|--|----------|--------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--|--|--|
| (Last) (First) (Middle) | | (Middle) | 3. Date of Earliest Transaction | (Check an applicable) | | | |
| 5711 N. WEST AVENUE | | | (Month/Day/Year) 09/21/2006 | X_ Director10% Owner Officer (give title below) Other (specify below) | | | |
| (Street) | | | 4. If Amendment, Date Original | 6. Individual or Joint/Group Filing(Check | | | |
| FRESNO,, CA 93711 | | | Filed(Month/Day/Year) | Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person | | | |

| (City) | (State) | Zip) Table | I - Non-D | erivative | Secur | ities Acqu | uired, Disposed of | , or Beneficiall | y Owned |
|--------------------------------------|-----------------------------------------|-------------------------------------------------------------|---------------------|-----------|------------------------------------------------------------|-------------|------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------|
| 1.Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | Transaction(A) or I | | ecurities Acquired or Disposed of (D) r. 3, 4 and 5) | | 5. Amount of Securities Beneficially Owned Following | 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 | Reported Transaction(s) (Instr. 3 and 4) | | |
| Common Stock | 09/21/2006 | | S | 1,212 | D | \$ 15.43 | 1,859,822 | D | |
| Common Stock | 09/21/2006 | | S | 1,100 | D | \$ 15.44 | 1,858,722 | D | |
| Common Stock | 09/21/2006 | | S | 3,022 | D | \$ 15.45 | 1,855,700 | D | |
| Common Stock | 09/21/2006 | | S | 700 | D | \$ 15.47 | 1,855,000 | D | |

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)

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

| 1. Title | of 2. | 3. Transaction Date | 3A. Deemed | 4. | 5. | 6. Date Exer | cisable and | 7. Titl | le and | 8. Price of | 9. Nu |
|-----------|---------------|---------------------|--------------------|------------|------------|--------------|-------------|---------|--------------|-------------|--------|
| Derivati | ve Conversion | (Month/Day/Year) | Execution Date, if | Transacti | orNumber | Expiration D | ate | Amou | ınt of | Derivative | Deriv |
| Security | or Exercise | | any | Code | of | (Month/Day/ | Year) | Under | rlying | Security | Secu |
| (Instr. 3 |) Price of | | (Month/Day/Year) | (Instr. 8) | Derivative | e | | Secur | ities | (Instr. 5) | Bene |
| | Derivative | | | | Securities | 3 | | (Instr. | . 3 and 4) | | Own |
| | Security | | | | Acquired | | | | | | Follo |
| | | | | | (A) or | | | | | | Repo |
| | | | | | Disposed | | | | | | Trans |
| | | | | | of (D) | | | | | | (Instr |
| | | | | | (Instr. 3, | | | | | | |
| | | | | | 4, and 5) | | | | | | |
| | | | | | | | | | Amount | | |
| | | | | | | | | | Amount | | |
| | | | | | | Date | Expiration | Title | or Number | | |
| | | | | | | Exercisable | Date | Title | of | | |
| | | | | Code V | (A) (D) | | | | Shares | | |
| | | | | Code v | (A) (D) | | | | Snares | | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | | | | | |
|--------------------------------|---------------|-----------|---------|-------|--|--|--|--|
| 1 8 | Director | 10% Owner | Officer | Other | | | | |
| Jones William L | | | | | | | | |
| 5711 N. WEST AVENUE | X | | | | | | | |
| FRESNO,, CA 93711 | | | | | | | | |

Signatures

/s/ William L.

Jones 09/21/2006

**Signature of Person

Date

Reporting Person

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.

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