

Pacific Ethanol, Inc.
 Form 4
 May 30, 2014

FORM 4

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

OMB APPROVAL

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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

(Last) (First) (Middle)
 400 CAPITOL MALL #2060
 (Street)

SACRAMENTO, CA 95814

(City) (State) (Zip)

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

3. Date of Earliest Transaction
 (Month/Day/Year)
 05/28/2014

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

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

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 Ownership (Instr. 4)
Common Stock	05/28/2014		A	864 ⁽¹⁾ A	\$ 0 49,893	D	

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

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

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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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Transaction (Instr. 5)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Jones William L 400 CAPITOL MALL #2060 SACRAMENTO, CA 95814		X		

Signatures

/s/ William L.
Jones 05/28/2014
 **Signature of 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).

(1) On May 23, 2014, Mr. Jones and the other holders of Series B Cumulative Convertible Preferred Stock ("Preferred Stock") of Pacific Ethanol, Inc. entered into an agreement with Pacific Ethanol, Inc. to, among other things, settle an outstanding obligation through payment in shares of common stock of Pacific Ethanol, Inc. of a portion of the accrued and unpaid dividends on the Preferred Stock. The negotiated price of the common stock to be issued to Mr. Jones and the other holders of the Preferred Stock was \$12.16 per share, which was the closing price per share of Pacific Ethanol's common stock on The NASDAQ Capital Market on May 21, 2014, the day immediately preceding the commencement of the offering. On May 28, 2014, the transaction closed and Pacific Ethanol, Inc. issued, and Mr. Jones acquired, 864 shares of common stock of Pacific Ethanol, Inc. in satisfaction of \$10,500 in accrued and unpaid dividends on the Preferred Stock.

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.