



Pacific Ethanol, Inc.

IR Agency Contact:

Rebecca Herrick
Lippert / Heilshorn & Assoc.
415-433-3777

Investorrelations@pacificethanol.net

Company IR Contact

Pacific Ethanol, Inc.
916-403-2755
866-508-4969

Media Contact:

Paul Koehler
Pacific Ethanol, Inc.
503-235-8241

paulk@pacificethanol.net

PACIFIC ETHANOL STOCKTON FACILITY SUCCESSFULLY RESUMES OPERATIONS

Sacramento, CA, January 4, 2011 – Pacific Ethanol, Inc. (PEI, NASDAQ CM: PEIX), the leading West Coast marketer and producer of low-carbon renewable fuels has resumed production at the 60 million gallon per year ethanol production facility located in Stockton, CA. The first corn grind occurred on December 9th and the facility is now operating at close to operating capacity shipping ethanol and feed to local markets.

Neil Koehler, PEI's president and CEO, stated, "We achieved our goal of successfully restarting the Stockton ethanol facility in December 2010, which we believe increases our opportunity to benefit from the commencement of the California Low-Carbon Fuel Standard this month. The Stockton facility produces low carbon renewable fuel and high value feed to local California markets. With the recent signing of the participation agreement with the California Energy Commission, the facility is eligible for payments under the California Ethanol Producer Incentive Program."

About Pacific Ethanol, Inc.

Pacific Ethanol, Inc. (NASDAQ CM: PEIX) is the leading West Coast marketer and producer of low-carbon renewable fuels. Pacific Ethanol also sells co-products, including wet distillers grain, or WDG, which is a highly valuable nutritional animal feed. Serving integrated oil companies and gasoline marketers who blend ethanol into gasoline, Pacific Ethanol provides transportation, storage and delivery of ethanol through third-party service providers in the Western United States, primarily in California, Nevada, Arizona, Oregon, Colorado, Idaho and Washington. New PE Holdco, LLC owns four ethanol production facilities which are managed by Pacific Ethanol and located near their ethanol and by-product customers, offering significant timing,



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transportation cost and logistical advantages. Pacific Ethanol owns 20% of New PE Holdco. The four production facilities consist of three operating plants in Oregon, Idaho and California and one idled facility in California. Pacific Ethanol's subsidiary, Kinergy Marketing LLC, markets ethanol from Pacific Ethanol's managed plants and from other third-party production facilities, and another subsidiary, Pacific Ag. Products, LLC, markets WDG. For more information please visit www.pacificethanol.net.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

With the exception of historical information, the matters discussed in this press release including, without limitation: the ability of Pacific Ethanol to continue as the leading West Coast marketer and producer of low-carbon renewable fuels; the ability of Pacific Ethanol to benefit from the California Low-Carbon Fuel Standard; and the ability of the Stockton ethanol facility to receive payments under the California Ethanol Producers Incentive Program are forward-looking statements and considerations that involve a number of risks and uncertainties. The actual future results of Pacific Ethanol could differ from those statements. Pacific Ethanol refers you to the "Risk Factors" section contained in Pacific Ethanol's Registration Statement on Form S-1/A filed with the Securities and Exchange Commission on December 9, 2010.

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