



Pacific Ethanol, Inc.

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**PACIFIC ETHANOL’S CEO PROVIDES STATEMENT REGARDING
SENATE VOTES ON ETHANOL POLICY**

Ethanol industry supports bi-partisan Ethanol Reform and Deficit Reduction Act to provide production and infrastructure support to the biofuels industry while reducing the national deficit

Sacramento, CA, June 17, 2011 – Pacific Ethanol, Inc. (NASDAQ: PEIXD), the leading marketer and producer of low-carbon renewable fuels in the Western United States, issued a statement from its CEO, Neil Koehler, on yesterday’s Senate votes regarding ethanol policy.

Koehler stated, “Yesterday’s Senate votes signal a positive legislative position toward renewable fuels. These actions point to the overwhelming desire – including those in the ethanol industry – to reform the current incentive to focus on infrastructure and market development. Reforming the Volumetric Ethanol Excise Tax Credit (VEETC) would have virtually no impact on Pacific Ethanol’s revenue and margins because, with today’s production economics, ethanol prices are cheaper than gasoline even without the tax credit. Furthermore, replacing it with a variable incentive indexed to oil is both good consumer and energy policy. The Senate also voted down an amendment to bar federal funds from being used for blender pumps and other ethanol infrastructure. This further signals the cooperative effort to reduce the Federal deficit while positioning the renewable fuels industry to successfully implement the existing Renewable Fuels Standard (“RFS”). The RFS requires a minimum of 36 billion gallons in renewable fuel production by 2022; over two and a half times current production.

Pacific Ethanol joins the advanced biofuels and renewable fuels industries, and America’s farmers in support of the bi-partisan Thune-Klobuchar bill, as it represents a strong step forward in establishing a more sustainable model for biofuels production, infrastructure expansion, and



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support for the commercialization of next-generation biofuels. In addition, the Thune-Klobuchar bill represents smart fiscal policy as it is expected to reduce the national deficit by billions of dollars over the next several years.”

About Pacific Ethanol, Inc.

Pacific Ethanol, Inc. (NASDAQ: PEIXD) is the leading marketer and producer of low-carbon renewable fuels in the Western United States. Pacific Ethanol also sells co-products, including wet distillers grain (WDG), a 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. Pacific Ethanol has a 20% ownership interest in New PE Holdco LLC, the owner of four ethanol production facilities. Pacific Ethanol operates and manages the four ethanol production facilities, which have a combined annual production capacity of 200 million gallons. The facilities in operation are located in Boardman, Oregon, Burley, Idaho and Stockton, California, and one idled facility is located in Madera, California. The facilities are near their respective fuel and feed customers, offering significant timing, transportation cost and logistical advantages. 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 marketer and producer of low-carbon renewable fuels in the Western United States; Pacific Ethanol’s belief that reforming the VEETC would have virtually no impact on Pacific Ethanol’s revenue and margins; and the expectation that the Thune-Klobuchar bill reduce the national deficit by billions of dollars over the next several years, 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 its most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 31, 2011 and in its most recent Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on May 13, 2011.

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