

September 29, 2008



Pacific Ethanol Announces Commercial Operation of Stockton, California Ethanol Production Facility and Schedules Grand Opening Ceremony

SACRAMENTO, Calif., Sept. 29 /PRNewswire-FirstCall/ -- Pacific Ethanol, Inc. (Nasdaq: PEIX), the leading West Coast-based marketer and producer of ethanol, today announced the start-up of its Stockton, California facility. The Company will hold a grand opening ceremony for its second California ethanol plant on October 10, 2008. Details of the event are listed below:

What: Grand Opening of Pacific Ethanol's Stockton Production Facility

When: Friday, October 10, 2008
10:00 AM

Where: 3028 Navy Drive
Stockton, CA 95206

"The start-up of our Stockton plant marks the achievement of our goal of 220 million gallons of annual production capacity and dramatically increases the availability of renewable fuels produced in the state of California. As the largest fuel market in the United States, California will benefit from locally produced ethanol and its feed co-products. We are excited to celebrate this milestone with the community," said Neil Koehler, Pacific Ethanol's President and CEO. "PEI's California ethanol production contributes significantly to reducing CO2 emissions as called for in Governor Arnold Schwarzenegger's Low Carbon Fuels Standard executive order," Koehler added.

The 60 million gallon per year Stockton facility is located at the Port of Stockton, with access to water, rail and road transportation. This San Joaquin Valley destination is home to over one million dairy cows, providing a ready local market for wet distiller's grains (WDG) and other ethanol co-products. The facility will process 21 million bushels of corn per year, producing both ethanol and 500,000 tons of WDG annually.

About Pacific Ethanol, Inc.

Pacific Ethanol is the largest West Coast-based marketer and producer of ethanol. Pacific Ethanol has ethanol plants in Madera and Stockton, California; Boardman, Oregon; and Burley, Idaho. Pacific Ethanol also owns a 42% interest in Front Range Energy, LLC which owns an ethanol plant in Windsor, Colorado. Central to Pacific Ethanol's growth strategy is its destination business model, whereby each respective ethanol plant achieves lower

process and transportation costs by servicing local markets for both fuel and feed. Pacific Ethanol has achieved its goal of 220 million gallons per year of ethanol production capacity in 2008 and has the goal to increase total production capacity to 420 million gallons per year in 2010. In addition, Pacific Ethanol is working to identify and develop other renewable fuel technologies, such as cellulose-based ethanol production and bio-diesel.

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 are forward-looking statements that involve a number of risks and uncertainties. The actual future results of Pacific Ethanol could differ from those statements. Factors that could cause or contribute to such differences include, but are not limited to, the ability of Pacific Ethanol to successfully and timely complete, in a cost-effective manner, construction of its remaining ethanol plant under construction; the ability of Pacific Ethanol to obtain all necessary financing to complete the construction of its other planned ethanol production facilities; the ability of Pacific Ethanol to timely complete its ethanol plant build-out program and to successfully capitalize on its internal growth initiatives; the ability of Pacific Ethanol to operate its plants at their planned production capacities; the price of ethanol relative to the price of gasoline; and the factors contained in the "Risk Factors" section of Pacific Ethanol's Form 10-K filed with the Securities and Exchange Commission on March 27, 2008.

SOURCE Pacific Ethanol, Inc.