

VERBANAC DANIEL J  
Form 4  
December 28, 2011

**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 \*  
VERBANAC DANIEL J

2. Issuer Name and Ticker or Trading Symbol  
INTEGRYS ENERGY GROUP, INC. [TEG]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
700 NORTH ADAMS STREET, P. O. BOX 19001  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
12/27/2011

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Pres, Integrys Engy Serv a sub

GREEN BAY, WI 54307-9001

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

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

(City) (State) (Zip)

**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)			
				(A) or (D)	Price					
			Code	V	Amount					
Common Stock	12/27/2011		M		6,726	A	\$ 44.73	7,377.362	D	
Common Stock	12/27/2011		S		6,726	D	\$ 53.9	651.362	D	
Common Stock								5,459.5476	I	By ESOP

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

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SEC 1474 (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 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 Security (Instr. 3 and 4)	Amount of Underlying Security	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount of Underlying Security
Employee Stock Option (Right to buy)	\$ 44.73	12/27/2011		M	6,726	12/10/2004	12/10/2013	Common Stock	
Employee Stock Option (Right to buy)	\$ 41.58 <sup>(1)</sup>					02/11/2011	02/11/2020	Common Stock	
Employee Stock Option (Right to buy)	\$ 42.12 <sup>(2)</sup>					02/12/2010	02/12/2019	Common Stock	
Employee Stock Option (Right to buy)	\$ 48.11 <sup>(3)</sup>					12/08/2005	12/08/2014	Common Stock	
Employee Stock Option (Right to buy)	\$ 48.36 <sup>(4)</sup>					02/14/2009	02/14/2018	Common Stock	
Employee Stock Option (Right to buy)	\$ 49.4 <sup>(5)</sup>					02/10/2012	02/10/2021	Common Stock	
Employee Stock Option (Right to buy)	\$ 52.73 <sup>(6)</sup>					12/07/2007	12/07/2016	Common Stock	
Employee Stock Option (Right to buy)	\$ 54.85 <sup>(7)</sup>					12/07/2006	12/07/2015	Common Stock	



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- (2) The option vests in four equal annual installments beginning on February 12, 2010.
  - (3) The option vests in four equal annual installments beginning on December 8, 2005.
  - (4) The option vests in four equal annual installments beginning on February 14, 2009.
  - (5) The option vests in four equal annual installments beginning on February 10, 2012.
  - (6) The option vests in four equal annual installments beginning on December 7, 2007.
  - (7) The option vests in four equal annual installments beginning on December 7, 2006.
  - (8) The option vests in four equal annual installments beginning on May 17, 2008.
- Performance stock rights represent the right to receive shares of common stock of the Company, in the event certain performance goals are satisfied. These goals are based on Company performance against an established industry benchmark, over a three year performance period. The final award of shares issued can be between 0% and 200% of the target award.
- (9)
  - (10) These phantom stock units convert to common stock on a one-for-one basis.
  - (11) Unless the participant has selected a later commencement date, distribution of stock and equivalents will commence within 60 days following the end of the calendar year in which occurs the participant's retirement or termination of service.
  - (12) Each restricted stock unit represent a contingent right to receive one share of Company common stock.
  - (13) The restricted stock units vest in four equal annual installments beginning on February 14, 2009.
  - (14) The restricted stock units vest in four equal annual installments beginning on February 12, 2010.
  - (15) The restricted stock units vest in four equal annual installments beginning on February 11, 2011.
  - (16) The restricted stock units vest in four equal annual installments beginning on February 10, 2012.

**Remarks:**

Table I, Line III reflects shares pertaining to the June 20 and September 20, 2011 dividends and shares allocated on June 30, 2011.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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