

VERBANAC DANIEL J
Form 4
May 03, 2012

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)
1716 LAWRENCE DRIVE
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
05/01/2012

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Pres, Integrys Energy Services

DE PERE, WI 54115

(City) (State) (Zip)

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

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	05/01/2012		M	7,657 A \$ 48.11	8,332.6946	D	
Common Stock	05/01/2012		S	7,657 D \$ 54.9	675.6946 ⁽¹⁾	D	
Common Stock					5,787.0316 ⁽²⁾	I	By Employee Stock Ownership Plan

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

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(9-02)

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)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount
Employee Stock Option (Right to buy)	\$ 48.11	05/01/2012		M	7,657	12/08/2005 ⁽³⁾ 12/08/2014	Common Stock		
Employee Stock Option (Right to buy)	\$ 41.58					02/11/2011 ⁽³⁾ 02/11/2020	Common Stock		
Employee Stock Option (Right to buy)	\$ 42.12					02/12/2010 ⁽³⁾ 02/12/2019	Common Stock		
Employee Stock Option (Right to buy)	\$ 48.36					02/14/2009 ⁽³⁾ 02/14/2018	Common Stock		
Employee Stock Option (Right to buy)	\$ 49.4					02/10/2012 ⁽³⁾ 02/10/2021	Common Stock		
Employee Stock Option (Right to buy)	\$ 52.73					12/07/2007 ⁽³⁾ 12/07/2016	Common Stock		
Employee Stock Option (Right to buy)	\$ 53.24					02/09/2013 ⁽³⁾ 02/09/2022	Common Stock		

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) Balance also reflects dividend reinvestment shares purchased on March 20, 2012.
- (2) Balance reflects shares pertaining to the March 20, 2012 dividend and shares allocated on March 30, 2012 in the Company's Employee Stock Ownership Plan.
- (3) The option vests in four equal annual installments beginning on the exercisable date.
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.
- (4) These phantom stock units convert to common stock on a one-for-one basis.
- (5) 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.
- (6) Balance reflects dividends paid on Phantom Stock Units and reinvested in additional Phantom Stock Units, under the Company's Deferred Compensation Plan on March 20, 2012.
- (7) Each restricted stock unit represent a contingent right to receive one share of Company common stock. The restricted stock units vest in four equal annual installments beginning on the exercisable date.
- (8) Balance reflects the dividend paid on Restricted Stock Units and reinvested in additional Restricted Stock Units, under the Company's 2010 Omnibus Incentive Plan on March 20, 2012.
- (9)

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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