BORGARD LAWRENCE T

Form 4

December 11, 2008

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Washington, D.C. 20549

Form 4 or Form 5 obligations may continue.

Check this box

if no longer

subject to

Section 16.

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 See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading **BORGARD LAWRENCE T** Issuer Symbol INTEGRYS ENERGY GROUP, (Check all applicable) INC. [TEG]

(Last) (First) (Middle) 3. Date of Earliest Transaction Director 10% Owner Other (specify X_ Officer (give title (Month/Day/Year) below)

700 NORTH ADAMS STREET, P. 12/09/2008 Vice Chrmn Brd & CEO-PGL,a sub

O. BOX 19001

(Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check

> Filed(Month/Day/Year) Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting Person

GREEN BAY, WI 54307-9001

(City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of 2. Transaction Date 2A. Deemed 3. 4. Securities Acquired 5. Amount of 6. 7. Nature of Security (Month/Day/Year) Execution Date, if Transaction(A) or Disposed of (D) Securities Ownership Indirect (Instr. 3) Code (Instr. 3, 4 and 5) Beneficially Form: Direct Beneficial (Month/Day/Year) (Instr. 8) Owned (D) or Ownership Indirect (I) **Following** (Instr. 4) Reported (Instr. 4) (A) Transaction(s) or (Instr. 3 and 4) Code V Amount (D) Price

Common F 12/09/2008 48 D 7,367.489 (1) 42.435 Stock

Common 3,025.9076 By ESOP I Stock

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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$\label{thm:convergence} \begin{tabular}{ll} Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned \\ (e.g., puts, calls, warrants, options, convertible securities) \end{tabular}$

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. Transactic Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Expiration Date (Month/Day/Year			7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amoun Numbe Shares	
Employee Stock Option (Right to buy)	\$ 34.09					12/13/2002	12/13/2011	Common Stock	3,	
Employee Stock Option (Right to buy)	\$ 37.96 (3)					12/12/2003	12/12/2012	Common Stock	6,1	
Employee Stock Option (Right to buy)	\$ 44.73 (4)					12/10/2004	12/10/2013	Common Stock	6,1	
Employee Stock Option (Right to buy)	\$ 48.11 (5)					12/08/2005	12/08/2014	Common Stock	11,	
Employee Stock Option (Right to buy)	\$ 48.36 (6)					02/14/2009	02/14/2018	Common Stock	30,	
Employee Stock Option (Right to buy)	\$ 52.73 (7)					12/07/2007	12/07/2016	Common Stock	11,	
Employee Stock Option (Right to buy)	\$ 54.85 (8)					12/07/2006	12/07/2015	Common Stock	12,	
Employee Stock Option (Right to buy)	\$ 58.65 (9)					05/17/2008	05/17/2017	Common Stock	14.	

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Performance Rights	\$ 0 <u>(10)</u>	01/01/2009(11)	06/30/2009	Common Stock	1,
Performance Rights	\$ 0 <u>(12)</u>	12/31/2009(12)	03/31/2010	Common Stock	2,
Performance Rights	\$ 0 <u>(10)</u>	01/01/2010(11)	06/30/2010	Common Stock	1,4
Performance Rights	\$ 0 <u>(10)</u>	01/01/2011(11)	06/30/2011	Common Stock	5,:
Phantom Stock Unit	<u>(13)</u>	(14)	(15)	Common Stock	20,79
Restricted Stock Units	(16)	<u>(17)</u>	(17)	Common Stock	2,053

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		
BORGARD LAWRENCE T 700 NORTH ADAMS STREET P. O. BOX 19001 GREEN BAY, WI 54307-9001			Vice Chrmn Brd & CEO-PGL,a sub			

Signatures

By: Dane E. Allen, as Power of Attorney For: Mr.

Borgard 12/11/2008

**Signature of Reporting Person Date

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).
- Reflects the sale of shares to satisfy tax payment for vested shares of Restricted Stock under the Company's 2005 Omnibus Incentive Compensation Plan. Also reflects dividends earned on Restricted Stock Awards and reinvested in additional Restricted Stock on June 20 and September 20, 2008, under the Company's 2007 Omnibus Incentive Compensation Plan.
- (2) The option vests in four equal annual installments beginning on December 13, 2002.
- (3) The option vests in four equal annual installments beginning on December 12, 2003.
- (4) The option vests in four equal annual installments beginning on December 10, 2004.
- (5) The option vests in four equal annual installments beginning on December 8, 2005.
- (6) The option vests in four equal annual installments beginning on February 14, 2009.
- (7) The option vests in four equal annual installments beginning on December 7, 2007.
- (8) The option vests in four equal annual installments beginning on December 7, 2006.
- (9) The option vests in four equal annual installments beginning on May 17, 2008.
- (10) Performance rights vest and are issued three years after the performance rights are awarded and the final number of shares issued is determined based on company performance against an established industry benchmark.

Reporting Owners 3

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- Performance rights vest and are issued three years after the performance rights are awarded and the final number of shares issued is determined based on company performance against an established industry benchmark.
- (12) The final number of shares issued will be based on company performance against an established industry benchmark for the performance period April 1, 2007, to December 31, 2009.
- (13) These phantom stock units convert to common stock on a one-for-one basis.
- 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.
- 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.
- (16) Each restricted stock unit represent a contingent right to receive one share of TEG common stock.
- (17) The restricted stock units vest in four equal annual installments beginning on February 14, 2009.

Remarks:

Table I, Line 2 Reflects shares allocated by the Company's ESOP program on June 30 and September 30, 2008. Table II reflection Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.