

VERBANAC DANIEL J  
Form 4  
February 12, 2013

**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)  
02/09/2013

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

DE PERE, WI 54115

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	Price	
Common Stock	02/09/2013		M		236.7771	\$ 55.74	A 913.4095 D
Common Stock	02/09/2013		F		113.7512	\$ 55.74	D 799.6583 D
Common Stock	02/10/2013		M		254.3505	\$ 55.74	A 1,054.0088 D
Common Stock	02/10/2013		F		122.1735	\$ 55.74	D 931.8353 <sup>(1)</sup> D
Common Stock							6,056.0069 <sup>(2)</sup> 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
				Code V	(A) (D)	Date Exercisable Expiration Date	Co S
Phantom Stock Unit	(3)	02/09/2013		M	236.5133 (4)	(5) (5)	Co S
Phantom Stock Unit	(3)	02/10/2013		M	253.8017 (4)	(5) (5)	Co S
Restricted Stock Units 2012	(7)	02/09/2013		M	473.2904	02/09/2013 02/09/2016	Co S
Restricted Stock Units 2011	(7)	02/10/2013		M	508.1522	02/10/2012 02/10/2015	Co S
Employee Stock Option (Right to buy)	\$ 41.58					02/11/2011 <sup>(9)</sup> 02/11/2020	Co S
Employee Stock Option (Right to buy)	\$ 42.12					02/12/2010 <sup>(9)</sup> 02/12/2019	Co S
Employee Stock Option (Right to buy)	\$ 48.36					02/14/2009 <sup>(9)</sup> 02/14/2018	Co S
Employee Stock Option (Right to buy)	\$ 49.4					02/10/2012 <sup>(9)</sup> 02/10/2021	Co S

Employee Stock Option (Right to buy)	\$ 52.73	12/07/2007 <sup>(9)</sup>	12/07/2016	Co S
Employee Stock Option (Right to buy)	\$ 53.24	02/09/2013 <sup>(9)</sup>	02/09/2022	Co S
Employee Stock Option (Right to buy)	\$ 58.65	05/17/2008 <sup>(9)</sup>	05/17/2017	Co S
Performance Rights	\$ 0 <sup>(10)</sup>	01/01/2013 <sup>(10)</sup>	06/30/2013	Co S
Performance Rights	\$ 0 <sup>(10)</sup>	01/01/2014 <sup>(10)</sup>	06/30/2014	Co S
Performance Rights	\$ 0 <sup>(10)</sup>	01/01/2015 <sup>(10)</sup>	06/30/2015	Co S
Restricted Stock Units 2009	<u>(7)</u>	02/12/2010	02/12/2013	Co S
Restricted Stock Units 2010	<u>(7)</u>	02/11/2011	02/11/2014	Co S

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
VERBANAC DANIEL J 1716 LAWRENCE DRIVE DE PERE, WI 54115			Pres, Integrys Energy Services	

## Signatures

Dane E. Allen, as Power of Attorney for Mr. Verbanac 02/12/2013

\*\*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).
- (1) Balance also reflects dividend reinvestment shares purchased on September 20 and December 20, 2012.
- (2) Balance reflects shares pertaining to the September 20 and December 20, 2012 dividend in the Company's Employee Stock Ownership Plan.

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- (3) These phantom stock units convert to common stock on a one-for-one basis.
- (4) The acquired shares reflect the portion of the vested Restricted Stock Units that have been deferred into Company common stock within the Company's Deferred Compensation Plan.  
Upon retirement or termination of service, distribution of phantom stock units will commence in January of the year that is both (1) following the calendar year in which service terminates with the Company, and (2) at least six months following termination, or later if the participant selected a later date.
- (6) Balance also reflects dividends paid on phantom stock units and reinvested in additional phantom stock units, under the Company's Deferred Compensation Plan on September 20 and December 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 also reflects the dividend paid on Restricted Stock Units and reinvested in additional Restricted Stock Units, under the Company's 2010 Omnibus Incentive Plan on September 20 and December 20, 2012.
- (9) 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.
- (11) 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 September 20 and December 20, 2012.

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.