

INTEGRYS ENERGY GROUP, INC.

Form 4

February 11, 2014

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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)
02/09/2014

____ 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	(A) or (D)	Price
Common Stock	02/09/2014		M		248.5119	A	\$ 53.19
Common Stock	02/09/2014		F		119.389	D	\$ 53.19
Common Stock					6,584.3858	I	(2)
Common Stock					80	I	

By Employee Stock Ownership Plan
By Joint Trust

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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 of Underlying Security (Instr. 3)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Phantom Stock Unit	(3)	02/09/2014		M	248.2354	(4)	(4)	Co S
Restricted Stock Units 2012	(6)	02/09/2014		M	496.7473	02/09/2013	02/09/2016	Co S
Restricted Stock Units 2010	(6)					02/11/2011	02/11/2014	Co S
Restricted Stock Units 2011	(6)					02/10/2012	02/10/2015	Co S
Restricted Stock Units 2013	(6)					02/14/2014	02/14/2017	Co S
Performance Rights	\$ 0 (9)					01/01/2014(9)	06/30/2014	Co S
Performance Rights	\$ 0 (9)					01/01/2015(9)	06/30/2015	Co S
Performance Rights	\$ 0 (9)					01/01/2016(9)	06/30/2016	Co S
Employee Stock Option (Right to buy)	\$ 58.65					05/17/2008(10)	05/17/2017	Co S
Employee Stock Option (Right to buy)	\$ 48.36					02/14/2009(10)	02/14/2018	Co S
	\$ 42.12					02/12/2010(10)	02/12/2019	

Employee
Stock Option
(Right to
buy)

Employee
Stock Option
(Right to
buy)

\$ 41.58

02/11/2011⁽¹⁰⁾ 02/11/2020

Employee
Stock Option
(Right to
buy)

\$ 49.4

02/10/2012⁽¹⁰⁾ 02/10/2021

Employee
Stock Option
(Right to
buy)

\$ 53.24

02/09/2013⁽¹⁰⁾ 02/09/2022

Employee
Stock Option
(Right to
buy)

\$ 56

02/14/2014⁽¹⁰⁾ 02/14/2023

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 02/11/2014

 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 June 20, September 20 and December 20, 2013.
- (2) Balance reflects shares pertaining to the June 20, September 20 and December 20, 2013 dividend and shares allocated on June 30 and September 30, 2013 under the Company's Employee Stock Ownership Plan.
- (3) These phantom stock units convert to common stock on a one-for-one basis.
- (4) 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.
- (5) Balance also reflects dividends paid on phantom stock units and reinvested in additional phantom stock units, under the Company's Deferred Compensation Plan on June 20, September 20 and December 20, 2013.

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- (6) 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.
- (7) Balance also reflects the dividend paid on restricted stock units and reinvested in additional restricted stock units, under the Company's Omnibus Incentive Plans on June 20, September 20 and December 20, 2013.
- (8) Balance reflects the dividend paid on restricted stock units and reinvested in additional restricted stock units, under the Company's Omnibus Incentive Plans on June 20, September 20 and December 20, 2013.
- (9) 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 reported target award.
- (10) The option vests in four equal annual installments beginning on the exercisable date.

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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