

Laakso William D  
Form 4  
February 21, 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 \*  
Laakso William D

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)

3. Date of Earliest Transaction (Month/Day/Year)  
02/16/2012

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)

VP - Human Resources

700 NORTH ADAMS STREET, P.O. BOX 19001

(Street)

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

GREEN BAY, WI 54307-9001

(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 Ownership (Instr. 4)
			Code	V	Amount	Price	
Common Stock	02/16/2012		M		1,638	\$ 54.06	A 3,123.6975 D
Common Stock	02/16/2012		D		1,310 <sup>(1)</sup>	\$ 54.06	D 1,813.6975 D
Common Stock	02/16/2012		F		147.5897	\$ 54.06	D 1,666.1078 D
Common Stock							1,447.9274 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)

**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 Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Performance Rights	\$ 0 <sup>(2)</sup>	02/16/2012		M	2,213	01/01/2012 <sup>(2)</sup>	06/30/2012	Common Stock
Phantom Stock Unit	<sup>(3)</sup>	02/16/2012		M	1,310 <sup>(4)</sup>	<sup>(5)</sup>	<sup>(5)</sup>	Common Stock
Employee Stock Option (Right to buy)	\$ 41.58 <sup>(6)</sup>					02/11/2011	02/11/2020	Common Stock
Employee Stock Option (Right to buy)	\$ 42.12 <sup>(7)</sup>					02/12/2010	02/12/2019	Common Stock
Employee Stock Option (Right to buy)	\$ 49.4 <sup>(8)</sup>					02/10/2012	02/10/2021	Common Stock
Employee Stock Option (Right to buy)	\$ 53.24 <sup>(9)</sup>					02/09/2013	02/09/2022	Common Stock
Performance Rights	\$ 0 <sup>(2)</sup>					01/01/2013 <sup>(10)</sup>	06/30/2013	Common Stock
Performance Rights	\$ 0 <sup>(2)</sup>					01/01/2014 <sup>(2)</sup>	06/30/2014	Common Stock
Performance Rights	\$ 0 <sup>(2)</sup>					01/01/2015 <sup>(2)</sup>	06/30/2015	Common Stock
Restricted Stock Units 2008	<sup>(11)</sup>					<sup>(12)</sup>	<sup>(12)</sup>	Common Stock

Restricted Stock Units 2009	<u>(11)</u>		<u>(13)</u>	<u>(13)</u>	Common Stock
Restricted Stock Units 2010	<u>(11)</u>		<u>(14)</u>	<u>(14)</u>	Common Stock
Restricted Stock Units 2011	<u>(11)</u>		<u>(15)</u>	<u>(15)</u>	Common Stock
Restricted Stock Units 2012	<u>(11)</u>		<u>(16)</u>	<u>(16)</u>	Common Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Laakso William D 700 NORTH ADAMS STREET P.O. BOX 19001 GREEN BAY, WI 54307-9001			VP - Human Resources	

## Signatures

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

02/21/2012

\_\_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) A portion of the performance share payout was deferred; with 100% of the deferred portion going into Company common stock. Under the terms of the plan, payout deferrals may be deferred into Company common stock or other mutual funds within the Deferred Compensation Plan.
  - (2) 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.
  - (3) These phantom stock units convert to common stock on a one-for-one basis.
  - (4) The acquired shares reflect the portion of the performance shares that have been deferred into Company common stock within the Company's Deferred Compensation Plan.
  - (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) The option vests in four equal annual installments beginning on February 11, 2011.
  - (7) The option vests in four equal annual installments beginning on February 12, 2010.
  - (8) The option vests in four equal annual installments beginning on February 10, 2012.
  - (9) The option vests in four equal annual installments beginning on February 9, 2013.

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- (10) 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) Each restricted stock unit represent a contingent right to receive one share of Company common stock.
- (12) The restricted stock units vest in four equal annual installments beginning on February 14, 2009.
- (13) The restricted stock units vest in four equal annual installments beginning on February 12, 2010.
- (14) The restricted stock units vest in four equal annual installments beginning on February 11, 2011.
- (15) The restricted stock units vest in four equal annual installments beginning on February 10, 2012.
- (16) The restricted stock units vest in four equal annual installments beginning on February 9, 2013.

### **Remarks:**

In Table II, due to a clerical error, 356.309 shares that were previously transferred to the reporting person's phantom stock unit

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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