

BORGARD LAWRENCE T  
 Form 4  
 February 21, 2012

**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 \*  
 BORGARD LAWRENCE T

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)  
 700 NORTH ADAMS STREET, P.O. BOX 19001

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

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 Pres & COO - Utilities, subs

(Street)  
 GREEN BAY, WI 54307-9001

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 or 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		4,375	\$ 54.06	A	7,900.6763	D	
Common Stock	02/16/2012		F		1,496.2501	\$ 54.06	D	6,404.4262	D	
Common Stock								4,746.0612	I	By ESOP

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form**

SEC 1474 (9-02)

displays a currently valid OMB control number.

**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
Performance Rights	\$ 0 <sup>(1)</sup>	02/16/2012		M	5,912	01/01/2012 <sup>(1)</sup>	06/30/2012	Common Stock	
Employee Stock Option (Right to buy)	\$ 41.58 <sup>(2)</sup>					02/11/2011	02/11/2020	Common Stock	
Employee Stock Option (Right to buy)	\$ 42.12 <sup>(3)</sup>					02/12/2010	02/12/2019	Common Stock	
Employee Stock Option (Right to buy)	\$ 48.11 <sup>(4)</sup>					12/08/2005	12/08/2014	Common Stock	
Employee Stock Option (Right to buy)	\$ 48.36 <sup>(5)</sup>					02/14/2009	02/14/2018	Common Stock	
Employee Stock Option (Right to buy)	\$ 49.4 <sup>(6)</sup>					02/10/2012	02/10/2021	Common Stock	
Employee Stock Option (Right to buy)	\$ 52.73 <sup>(7)</sup>					12/07/2007	12/07/2016	Common Stock	
Employee Stock Option (Right to buy)	\$ 53.24 <sup>(8)</sup>					02/09/2013	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).
- 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.
- (1) The option vests in four equal annual installments beginning on February 11, 2011.
  - (2) The option vests in four equal annual installments beginning on February 12, 2010.
  - (3) The option vests in four equal annual installments beginning on December 8, 2005.
  - (4) The option vests in four equal annual installments beginning on February 14, 2009.
  - (5) The option vests in four equal annual installments beginning on February 10, 2012.
  - (6) The option vests in four equal annual installments beginning on December 7, 2007.
  - (7) The option vests in four equal annual installments beginning on February 9, 2013.
  - (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) These phantom stock units convert to common stock on a one-for-one basis.
  - (11) 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.
  - (12) Each restricted stock unit represent a contingent right to receive one share of Company common stock.
  - (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.

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.