

INTEGRYS ENERGY GROUP, INC.

Form 4

February 24, 2015

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 *
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)

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)

VP and Chief Human Res Ofcr

700 NORTH ADAMS STREET, P. O. BOX 19001

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	02/20/2015		M		459 ⁽¹⁾	\$ 77.18	6,629.0503 D
Common Stock	02/20/2015		D		367 ⁽²⁾	\$ 77.18	6,262.0503 D
Common Stock	02/20/2015		F		36.6934	\$ 77.18	6,225.3569 D
Common Stock							2,401.0882 I
							By Employee Stock Ownership

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 and Amount of Underlying Security (Instr. 3 and 4)	Amount Number of Shares
Phantom Stock Unit	(3)	02/20/2015		M	367	(4) (4)	Common Stock	367
Performance Rights	\$ 0 (5)					01/01/2016(5) 03/15/2016	Common Stock	2,800
Performance Rights	\$ 0 (5)					01/01/2017(5) 03/15/2017	Common Stock	3,000
Restricted Stock Units 2012	(6)					02/09/2013 02/09/2016	Common Stock	236,900
Restricted Stock Units 2013	(6)					02/14/2014 02/14/2017	Common Stock	448,700
Restricted Stock Units 2014	(6)					02/13/2015 02/13/2018	Common Stock	704,800
Restricted Stock Units 2015	(6)					02/12/2016 02/12/2019	Common Stock	3,300

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 and Chief Human Res Ofcr

Signatures

Dane E. Allen, as Power of Attorney for Mr.
Laakso

02/24/2015

__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) The final performance stock right payout is 136% of the reported target for the 2/9/2012 award of performance stock rights. On December 17, 2014, 90% of the estimated award was paid out based upon total shareholder return results calculated as of December 15, 2014. A true-up payout is reflected here.
- (2) 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.
- (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) 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.
- (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.

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.