INTEGRYS ENERGY GROUP, INC.
Form 4
February 13, 2014

# FORM 4

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

**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

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).

(Print or Type Responses)

1. Name and Address of Reporting Person *
VERBANAC DANIEL J

(Last) (First) (Middle)

1716 LAWRENCE DRIVE

(Street)

DE PERE, WI 54115

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
INTEGRYS ENERGY GROUP, INC. [TEG]

3. Date of Earliest Transaction (Month/Day/Year)
02/11/2014

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

**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 | 02/11/2014 | | M | | 321.6058 | A | $ 54.61 | 1,196.238 | D | |
| Common Stock | 02/11/2014 | | F | | 134.9368 | D | $ 54.61 | 1,061.3012 | D | |
| Common Stock | | | | | | | | 6,584.3858 | I | By Employee Stock Ownership Plan |
| Common Stock | | | | | | | | 80 | I | By Joint Trust |

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 a Underly (Instr. 3 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title |
| Restricted Stock Units 2010 | (1) | 02/11/2014 | | M | | | 644.019 | 02/11/2011 | 02/11/2014 | Comm Stoc |
| Phantom Stock Unit | (2) | 02/11/2014 | | M | | 322.413 | | (3) | (3) | Comm Stoc |
| Employee Stock Option (Right to buy) | $ 41.58 | | | | | | | 02/11/2011(4) | 02/11/2020 | Comm Stoc |
| Employee Stock Option (Right to buy) | $ 42.12 | | | | | | | 02/12/2010(4) | 02/12/2019 | Comm Stoc |
| Employee Stock Option (Right to buy) | $ 48.36 | | | | | | | 02/14/2009(4) | 02/14/2018 | Comm Stoc |
| Employee Stock Option (Right to buy) | $ 49.4 | | | | | | | 02/10/2012(4) | 02/10/2021 | Comm Stoc |
| Employee Stock Option (Right to buy) | $ 53.24 | | | | | | | 02/09/2013(4) | 02/09/2022 | Comm Stoc |
| Employee Stock Option (Right to buy) | $ 58.65 | | | | | | | 05/17/2008(4) | 05/17/2017 | Comm Stoc |
| | $ 56 | | | | | | | 02/14/2014(4) | 02/14/2023 | |

| | | | | | |
|---|---|---|---|---|---|
| Employee Stock Option (Right to buy) | | | | | Comm Stoc |
| Performance Rights | $ 0 (5) | | 01/01/2016(5) | 06/30/2016 | Comm Stoc |
| Performance Rights | $ 0 (5) | | 01/01/2014(5) | 06/30/2014 | Comm Stoc |
| Performance Rights | $ 0 (5) | | 01/01/2015(5) | 06/30/2015 | Comm Stoc |
| Restricted Stock Units 2011 | (1) | | 02/10/2012 | 02/10/2015 | Comm Stoc |
| Restricted Stock Units 2012 | (1) | | 02/09/2013 | 02/09/2016 | Comm Stoc |
| Restricted Stock Units 2013 | (1) | | 02/14/2014 | 02/14/2017 | Comm Stoc |

# Reporting Owners

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

# Signatures

| | |
|---|---|
| Dane E. Allen, as Power of Attorney for Mr. Verbanac | 02/13/2014 |
| **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)** 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.

**(2)** These phantom stock units convert to common stock on a one-for-one basis.

**(3)** 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.

**(4)** The option vests in four equal annual installments beginning on the exercisable 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.

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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