

INTEGRYS ENERGY GROUP, INC.

Form 4

May 21, 2008

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
Expires: January 31, 2005
Estimated average burden hours per response... 0.5

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 *
NARDI THOMAS A

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)
05/19/2008

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Pres, Integrys Bus Sup, a sub

130 E. RANDOLPH DRIVE

(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

CHICAGO, IL 60601

(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 | 05/19/2008 | | M | 1,100 A \$ 49.89 | 15,805.228 | D | |
| Common Stock | 05/19/2008 | | M | 1,779 A \$ 49.89 | 17,584.228 | D | |
| Common Stock | 05/19/2008 | | M | 400 A \$ 49.89 | 17,984.228 | D | |
| Common Stock | 05/19/2008 | | M | 84 A \$ 49.89 | 18,068.228 | D | |
| Common Stock | 05/19/2008 | | M | 3,999 A \$ 49.89 | 22,067.228 | D | |

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 4

| | | | | | | | | |
|--------------|------------|---|-------|---|------------|------------|---|------------------------|
| Common Stock | 05/19/2008 | M | 4,000 | A | \$ 49.89 | 26,067.228 | D | |
| Common Stock | 05/19/2008 | M | 300 | A | \$ 49.89 | 26,367.228 | D | |
| Common Stock | 05/19/2008 | M | 400 | A | \$ 49.89 | 26,767.228 | D | |
| Common Stock | 05/19/2008 | M | 100 | A | \$ 49.89 | 26,867.228 | D | |
| Common Stock | 05/19/2008 | M | 224 | A | \$ 49.89 | 27,091.228 | D | |
| Common Stock | 05/19/2008 | S | 1,100 | D | \$ 51.205 | 25,991.228 | D | |
| Common Stock | 05/19/2008 | S | 1,779 | D | \$ 51.21 | 24,212.228 | D | |
| Common Stock | 05/19/2008 | S | 400 | D | \$ 51.2125 | 23,812.228 | D | |
| Common Stock | 05/19/2008 | S | 84 | D | \$ 51.22 | 23,728.228 | D | |
| Common Stock | 05/19/2008 | S | 3,999 | D | \$ 51.25 | 19,729.228 | D | |
| Common Stock | 05/19/2008 | S | 4,000 | D | \$ 51.255 | 15,729.228 | D | |
| Common Stock | 05/19/2008 | S | 300 | D | \$ 51.2575 | 15,429.228 | D | |
| Common Stock | 05/19/2008 | S | 400 | D | \$ 51.26 | 15,029.228 | D | |
| Common Stock | 05/19/2008 | S | 100 | D | \$ 51.265 | 14,929.228 | D | |
| Common Stock | 05/19/2008 | S | 224 | D | \$ 51.28 | 14,705.228 | D | |
| Common Stock | 05/19/2008 | M | 2,959 | A | \$ 49.89 | 17,664.228 | D | |
| Common Stock | 05/19/2008 | S | 2,959 | D | \$ 51.2 | 14,705.228 | D | |
| Common Stock | | | | | | 1,582.0635 | I | Trustee/401(k) Plan |

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 displays a currently valid OMB control number.

SEC 1474
(9-02)

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 4

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 Number of Shares |
| Stock Option (Right to buy) | \$ 49.89 | 05/19/2008 | | M | 1,100 | 10/03/2002 10/03/2011 | Common Stock 1 |
| Stock Option (Right to buy) | \$ 49.89 | 05/19/2008 | | M | 1,779 | 10/03/2002 10/03/2011 | Common Stock 1 |
| Stock Option (Right to buy) | \$ 49.89 | 05/19/2008 | | M | 400 | 10/03/2002 10/03/2011 | Common Stock |
| Stock Option (Right to buy) | \$ 49.89 | 05/19/2008 | | M | 84 | 10/03/2002 10/03/2011 | Common Stock |
| Stock Option (Right to buy) | \$ 49.89 | 05/19/2008 | | M | 3,999 | 10/03/2002 10/03/2011 | Common Stock 3 |
| Stock Option (Right to buy) | \$ 49.89 | 05/19/2008 | | M | 4,000 | 10/03/2002 10/03/2011 | Common Stock 4 |
| Stock Option (Right to buy) | \$ 49.89 | 05/19/2008 | | M | 300 | 10/03/2002 10/03/2011 | Common Stock |
| Stock Option (Right to buy) | \$ 49.89 | 05/19/2008 | | M | 400 | 10/03/2002 10/03/2011 | Common Stock |
| Stock Option (Right to buy) | \$ 49.89 | 05/19/2008 | | M | 100 | 10/03/2002 10/03/2011 | Common Stock |
| Stock Option (Right to buy) | \$ 49.89 | 05/19/2008 | | M | 224 | 10/03/2002 10/03/2011 | Common Stock |
| Stock Option (Right to buy) | \$ 49.89 | 05/19/2008 | | M | 2,959 | 10/03/2002 10/03/2011 | Common Stock 2 |

buy)

| | | | | | |
|---|------------------------|-----------------------|------------|-----------------|-----|
| Employee Stock Option (Right to buy) | \$ 48.36 <u>(1)</u> | 02/14/2009 | 02/14/2018 | Common Stock | 3 |
| Employee Stock Option (Right to buy) | \$ 58.65 <u>(2)</u> | 05/17/2008 | 05/17/2017 | Common Stock | 2 |
| Performance Rights | \$ 0 <u>(3)</u> | 12/31/2009 <u>(3)</u> | 03/31/2010 | Common Stock | 4 |
| Performance Rights | \$ 0 <u>(4)</u> | 01/01/2011 <u>(5)</u> | 06/30/2011 | Common Stock | 6 |
| Restricted Stock Units | <u>(6)</u> | <u>(7)</u> | <u>(7)</u> | Common Stock | 2,2 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| NARDI THOMAS A 130 E. RANDOLPH DRIVE CHICAGO, IL 60601 | | | Pres, Integrys Bus Sup, a sub | |

Signatures

By: Barth J. Wolf, as Power of Attorney For: Mr.
Nardi 05/21/2008

 **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 option vests in four equal annual installments beginning on February 14, 2009.
- (2) The option vests in four equal annual installments beginning on May 17, 2008.
- (3) The final number of shares issued will be based on company performance against an established industry benchmark for the performance period April 1, 2007, to December 31, 2009.
- (4) Performance shares vest and are issued three years after the performance shares are awarded and the final number of shares issued is determined based on company performance against an established industry benchmark.
- (5) Performance shares vest and are issued three years after the performance shares are awarded and the final number of shares issued is determined based on company performance against an established industry benchmark.
- (6) Each restricted stock unit represent a contingent right to receive one share of TEG common stock.
- (7) The restricted stock units vest in four equal annual installments beginning on February 14, 2009.

Remarks:

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 4

Table 1, line 1, column 5, reflects dividends paid on Restricted Stock Awards and reinvested in additional Restricted Stock, un

Table 1, line 2, column 5 - Trustee/401(k) Plan: Acquired or disposed of on a periodic basis by the Trustee of the Company's

In Table 2, the Restricted Stock Unit balance reflects dividends paid on Restricted Stock Units and reinvested in additional Re

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.