

Schott James F.  
Form 4  
February 15, 2013

**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 \*  
Schott James F.

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)  
130 EAST RANDOLPH  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
02/14/2013

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

CHICAGO, IL 60601

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 Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  |                                | (A) or (D) Price  |   |  |                                   |
| Common Stock                    |                                      |  |                                |   | 410.5463  | D  |                                   |
| Common Stock                    |                                      |  |                                |   | 2,383.3551  | I  | By Employee Stock Ownership Plan  |
| Common Stock                    |                                      |  |                                |   | 550.3857  | I  | By Spouse                         |

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)

**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  |
| Employee Stock Option (Right to buy)       | \$ 56  | 02/14/2013                           |  | A                              | 16,417  | 02/14/2014 <sup>(1)</sup> 02/14/2023                     | Common Stock  |
| Performance Rights                         | \$ 0 <sup>(2)</sup>                                    | 02/14/2013                           |  | A                              | 5,818   | 01/01/2016 <sup>(2)</sup> 06/30/2016                     | Common Stock  |
| Restricted Stock Units 2013                | <sup>(3)</sup>   | 02/14/2013                           |  | A                              | 1,658   | 02/14/2014 02/14/2017                                    | Common Stock  |
| Employee Stock Option (Right to buy)       | \$ 41.58   |                                      |  |                                |   | 02/11/2011 <sup>(1)</sup> 02/11/2020                     | Common Stock  |
| Employee Stock Option (Right to buy)       | \$ 42.12   |                                      |  |                                |   | 02/12/2010 <sup>(1)</sup> 02/12/2019                     | Common Stock  |
| Employee Stock Option (Right to buy)       | \$ 48.11   |                                      |  |                                |   | 12/08/2005 <sup>(1)</sup> 12/08/2014                     | Common Stock  |
| Employee Stock Option (Right to buy)       | \$ 48.36   |                                      |  |                                |   | 02/14/2009 <sup>(1)</sup> 02/14/2018                     | Common Stock  |
| Employee Stock Option (Right to buy)       | \$ 49.4  |                                      |  |                                |   | 02/10/2012 <sup>(1)</sup> 02/10/2021                     | Common Stock  |

|                                      |                     |                           |                |              |    |
|--------------------------------------|---------------------|---------------------------|----------------|--------------|----|
| Employee Stock Option (Right to buy) | \$ 52.73            | 12/07/2007 <sup>(1)</sup> | 12/07/2016     | Common Stock |    |
| Employee Stock Option (Right to buy) | \$ 53.24            | 02/09/2013 <sup>(1)</sup> | 02/09/2022     | Common Stock |    |
| Employee Stock Option (Right to buy) | \$ 54.85            | 12/07/2006 <sup>(1)</sup> | 12/07/2015     | Common Stock |    |
| Employee Stock Option (Right to buy) | \$ 58.65            | 05/17/2008 <sup>(1)</sup> | 05/17/2017     | Common Stock |    |
| Performance Rights                   | \$ 0 <sup>(2)</sup> | 01/01/2013 <sup>(2)</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 |    |
| Phantom Stock Unit                   | <sup>(4)</sup>      | <sup>(5)</sup>            | <sup>(5)</sup> | Common Stock | 4, |
| Restricted Stock Units 2010          | <sup>(3)</sup>      | 02/11/2011                | 02/11/2014     | Common Stock | 1  |
| Restricted Stock Units 2011          | <sup>(3)</sup>      | 02/10/2012                | 02/10/2015     | Common Stock | 4  |
| Restricted Stock Units 2012          | <sup>(3)</sup>      | 02/09/2013                | 02/09/2016     | Common Stock | 6  |

## Reporting Owners

| Reporting Owner Name / Address                            | Relationships |           |          |       |
|---|---------------|-----------|----------|-------|
|   | Director      | 10% Owner | Officer  | Other |
| Schott James F.<br>130 EAST RANDOLPH<br>CHICAGO, IL 60601 |               |           | VP & CFO |       |

## Signatures

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

02/15/2013

\_\_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 the exercisable date.  
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) 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.
  - (4) These phantom stock units convert to common stock on a one-for-one basis.  
Upon retirement or termination of service, distribution of phantom stock units will commence in January of the year that is both (1)
  - (5) 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.

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.