

INTEGRYS ENERGY GROUP, INC.  
 Form 4  
 March 03, 2011

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
 GALLAGHER ROBERT C

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  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 03/02/2011

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

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) Code V Amount (D) Price                                |   |  |                                   |
| Common Stock                    |                                      |  |                                |   | 9,281   | I  | by Jt Trust                       |
| Common Stock                    |                                      |  |                                |   | 0   | I  | by Stk Invest Plan                |

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 and Amount of Underlying Securities (Instr. 3 and 4) |              |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title        | Amount of Number of Shares |
| Phantom Stock Unit                         | (1)  | 03/02/2011                           |  | I                              | 5,214.1495<br>(2)   | (3)  | (3)   | Common Stock | 5,214.1                    |
| Deferred Stock Unit                        | (4)  |                                      |  |                                |   | (3)  | (3)   | Common Stock | 15,468.0                   |

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

GALLAGHER ROBERT C  
130 EAST RANDOLPH STREET X  
CHICAGO, IL 60601

## Signatures

By: Dane E. Allen, as Power of Attorney For: Mr. Gallagher

03/03/2011

\_\_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) These phantom stock units convert to common stock on a one-for-one basis.

(2) The transaction represents an exempt intra-fund transfer from the Integrys stock account to a non-Integrys fund within the Deferred Compensation Plan.

(3) 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.

(4) These deferred stock units convert to common stock on a one-for-one basis.

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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