

INTEGRYS ENERGY GROUP, INC.

Form 425

May 15, 2015

Filed by Integrys Energy Group, Inc.

Pursuant to Rule 425 under the Securities Act of 1933

Subject Company: Integrys Energy Group, Inc.

Commission File No.: 1-11337

On May 15, 2015, Integrys Energy Group, Inc. posted the following May Company Update presentation to its website.

Company Update – May 2015 May 2015 COMPANY PRESENTATION Connect With Us:@TEGinvestors
on

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 425

Company Update – May 2015 Index 2 Condensed Commentary on Forward-Looking Statements Wisconsin Energy/Integrys Energy Group Transaction Overview Integrys Energy Group – A Leading Midwest Energy Company Regulated Investment Growth Opportunities Electric Transmission Investment Overview – American Transmission Company (ATC) DUKE American Transmission Co.™ 74 Consecutive Years of Dividends Key Investment Highlights Appendix Regulated Operations Map Regulated Utilities – Regulatory Rate Base and Return on Equity Regulated Utilities – Statistics Wisconsin Public Service – Michigan Retail Electric Jurisdiction – 2015 General Rate Case – Final Wisconsin Public Service – Wisconsin Retail Jurisdiction – 2016 General Rate Case – As Filed Innovative Rate Making State Regulatory Commissions in Jurisdictions Served by Integrys Energy Group Estimated Capital Expenditures Estimated Utility Depreciation and Amortization Financing Summary Integrys Long-Term Debt Maturities Integrys Credit Ratings Disclosure of Full Forward-Looking Statements Additional Information and Where to Find It

Company Update – May 2015 In this presentation, we make statements concerning our expectations, beliefs, plans, objectives, goals, strategies, and future events or performance. These statements are “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are not guarantees of future results and conditions. Although we believe that these forward-looking statements and the underlying assumptions are reasonable, we cannot provide assurance that such statements will prove correct. Forward-looking statements involve a number of risks and uncertainties. Some risks and uncertainties that could cause actual results to differ materially from those expressed or implied in forward-looking statements include those described in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2014, as may be amended or supplemented in Part II, Item 1A of our subsequently filed Quarterly Reports on Form 10-Q. Other risks and uncertainties are set forth in greater detail in the aforementioned filing with the United States Securities and Exchange Commission and in Slide 24 in the Appendix. You are encouraged to read and understand the disclaimers set forth in these filings. All forward-looking statements included in this presentation are based upon information presently available, and we, except to the extent required by the federal securities laws, undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

3 Condensed Commentary on Forward-Looking Statements

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 425

Company Update – May 2015 Definitive agreement announced June 23, 2014 Fixed exchange ratio of 1.128 WEC shares per TEG share \$18.58 cash consideration for each TEG share Approvals received: Hart-Scott-Rodino – Approval received October 24, 2014 WEC and TEG shareholders – Approval received November 21, 2014 Federal Energy Regulatory Commission (FERC) – April 7, 2015 Federal Communications Commission – April 13, 2015 Michigan Public Service Commission – April 23, 2015 Approvals required: Wisconsin (verbal approval received April 30, 2015) Illinois and Minnesota Expect to close by end of summer 2015 4 Wisconsin Energy/Integrys Energy Group Transaction Overview

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 425

Company Update – May 2015 Integrys Energy Group –A Leading Midwest Energy Company People creating a
premier and growing energy company Regulated Electric Regulated Natural Gas Electric
Transmission Investment Holding Company and Other * *Integrys Energy Group owned approximately
34% of American Transmission Company, LLC at December 31, 2014. 5

Company Update – May 2015 Regulated Investment Growth Opportunities 6 * 2013 equity earnings deferred for GAAP purposes** Integrys would be responsible for up to 34% of this amount Selected Major Project by Segment (Through 2023) 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 Regulated ElectricColumbia environmental upgrade (\$225 million) Fox Energy Center acquisition (\$440 million) *Weston 3 environmental upgrade (ReACT™ \$345 million)System Modernization and Reliability Project (SMRP \$220 million)Fox 3 – 400 MW, natural gas-fired, combined cycle plant (\$517 million)Potential expansion of SMRPRegulated Natural GasChicago pipeline infrastructure (AMRP \$2.2 billion to \$2.6 billion)Electric TransmissionAmerican Transmission Company (\$3.3 billion to \$3.9 billion)

**

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 425

Company Update – May 2015 Electric Transmission Investment Overview – American Transmission Company (ATC) Current authorized return on equity: 12.2% on 50% equity layerRate design includes:Annual true-up mechanismCurrent return on construction work in progress– Return on equity currently under challenge at FERC Integrys Energy Group is a 34% equity owner – Investment at March 31, 2015– \$541.8 million gross www.atcllc.com Integrys Energy Group, 34% Other Investor- owned Utilities, 54% Municipalities/ Cooperatives, 12% Ownership Meets electric needs of more than five million people in 72 counties in four states: Wisconsin, Michigan, Minnesota and Illinois\$3.6 billion in total assets\$3.3 to \$3.9 billion over the next 10 years per plan announced October 2014 (excludes DUKE American Transmission Co.TM projects)<http://www.atc10yearplan.com/wp-content/uploads/2014/10/TYA2014-FINAL.pdf> 7

Company Update – May 2015 DUKE American Transmission Co.TM Joint venture between Duke Energy and ATC
(DATC)Ownership is split 50/50 between Duke and ATCDATC has identified several investment
opportunitiesCalifornia’s Path 15 transmission line (purchased interest on April 30, 2013)Zephyr Power Transmission
ProjectSan Luis Transmission ProjectOther transmission projects throughout the United
States<http://www.datc11c.com> 8

Company Update – May 2015 Chart has been adjusted for stock splits on June 22, 1964 and July 15, 1987. 74
Consecutive Years of
Dividends

\$3.00\$2.50

Company Update – May 2015 Execution of our business plan for the regulated utilities remains on track as we continue to make prudent infrastructure investments for approved projectsOur 34% ownership in American Transmission Company continues to contribute to earningsProceeds from sale of Integrys Energy Services and Upper Peninsula PowerCompany will be redeployed into rate base investments at major utilitiesGiven our solid long-term business plan, our current dividend is sustainablePending merger with Wisconsin Energy will create the leading electric and natural gas utility in the Midwest offering significant benefits to customers and shareholders 10 Key Investment Highlights

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 425

Company Update – May 2015 Regulated Utilities – RegulatoryRate Base and Return on Equity Notes: The MGU rate case was settled with no stated rate base value. \$210 million corresponds to MGU's filed amount with deferred taxes included in the capital structure. Rate base would be \$177 million, and the common equity ratio would be 50.12%, with deferred taxes in rate base. Wisconsin includes working capital. (3) Service provided under FERC Tariff and Market-Based Rate Contracts, each of which is formula based.

	PGL	NSG	MERC	MGU	WPS	Natural Gas	Natural Gas	Natural Gas	Natural Gas	Natural Gas
Gas Electric Retail last authorized, IL/MN						Rate base/investment (\$ millions)	1,670	217	190	Allowed
ROE	9.05%	9.05%	9.35%			Authorized regulatory equity %	50.33%	50.48%	50.31%	Date of
decision	2/11/2015	2/11/2015	10/28/2014			Retail last authorized, MI				Rate base/investment (\$ millions)
(1) 2	50.6	Allowed ROE	10.25%	14.25%	10.20%	Authorized regulatory equity %				210
(1)	42.40%	50.48%	Date of decision	11/14/2013	6/7/1983	4/23/2015	Retail last authorized, WI			Rate
base/investment (\$ millions)		357	(2)	1,866	(2)	Allowed ROE	10.20%	10.20%	Authorized regulatory	
equity %		50.28%	50.28%	Date of decision	12/18/2014	12/18/2014	Wholesale last authorized			Rate
base/investment (\$ millions)		293	(3)	Allowed ROE		Authorized regulatory equity %			Date of	
decision										

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 425

Company Update – May 2015 Regulated Utilities – Statistics * Rate base includes working capital as the
Wisconsin Commission handles it differently. 14 As of
12-31-2014 PGL NSG MERC MGU WPS Electric Customers 450,000 Natural Gas
Customers 828,000 159,000 219,000 171,000 326,000 Generation capacity (megawatts) 2,660.0 Natural
gas storage (billion cubic feet) 40.2 3.9 Employees 1,302 171 220 158 1,333 For the period ending
12-31-2014 Annual electric volumes (million megawatt-hours) 14.1 Annual natural gas throughput
(billion cubic feet) 192.9 40.1 91.5 35.6 85.5 Retail as of 12-31-2014 (Estimated)Rate base/investment
(\$ millions) – Illinois Natural Gas Natural Gas Natural Gas Natural Gas Natural
Gas Electric 1,819 218 Rate base/investment (\$ millions) – Wisconsin 378 * 1,808 * Rate
base/investment (\$ millions) – Michigan 159 1 43 Rate base/investment (\$ millions) –
Minnesota 209 Wholesale as of 12-31-2014 (Estimated) Rate base/investment (\$ millions) 282

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 425

Company Update – May 2015 Wisconsin Public Service – Michigan Retail Electric Jurisdiction – 2015 General Rate Case – Final • New initial rates effective: April 24, 2015 15 Settlement filed with Michigan Public Service Commission on March 25, 2015 and approved on April 23, 2015. \$4.0M revenue requirement 3-step increase (\$1.3M to \$1.4M or approximately 6% each year). ROE of 10.2%, 50.48% equity layer (with deferred taxes, deferred income tax credits, and capital structure adjustments in rate base), and \$50.6M rate base. Monthly residential fixed charge increased from \$9 to \$12. Filed on October 17, 2014 with a 2015 Test Year. Electric Retail WPS Filing Rate Increase Request \$ 5.7 M 28.06% Commission Approved Rate Increase \$ 4.0 M 19.94% Rate Base Return on Equity (%) Common Equity Layer (%) \$ 50.6 M 10.60% 50.48% (With deferred taxes, deferred income tax credits, and capital structure adjustments in rate base.) Key Items Supporting Rate Increase Request: General inflation 99-megawatt Crane Creek wind project placed in service in 2009 Fox Energy Center purchased in 2013 Environmental upgrades Rate Design Issues: Current Monthly Fixed Charge Proposed Monthly Fixed Charge \$ 9.00 \$ 12.00 Other: First base rate change request since 2007; third time since 1987 • Three-step increase (\$1.3M in 2015, \$1.3M in 2016, \$1.4M in 2017) Website: http://www.wisconsinpublicservice.com/company/rate_cases/EMI_2015.aspx

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 425

Company Update – May 2015 Wisconsin Public Service – Wisconsin Retail Jurisdiction – 2016 General Rate Case –
As Filed 16 http://www.wisconsinpublicservice.com/company/rate_case2016.aspx Docket No. 6690-UR-124 - Filed
with a 2016 Test Year Electric Retail Rate Increase Request Rate Base Return on Equity (%) Common Equity Layer
(%) Fixed Retail Monthly Customer Charge (currently \$19.00) WPS Current Filing \$ 96.9 M \$ 1,841.0
M 10.20% 50.52% \$25.00 Key Items Supporting Rate Increase Request: General inflation Construction of the ReACT™
emission control technology at Weston 3 System Modernization and Reliability project Technology upgrades at the Fox
Energy Center Natural Gas Retail Rate Increase Request WPS Current Filing \$ 9.1 M Website for 2016 General
Rate Case: WPS Rate Design Filing May 15, 2015 WPS Rate Design Filing May 15, 2015 Rate Base \$ 377.0
M Return on Equity (%) 10.20% Common Equity Layer (%) 50.52% Fixed Retail Monthly Customer Charge
(currently \$17.00) \$20.00 Key Items Supporting Rate Increase Request: General inflation Expiration of a
decoupling refund in 2015 Increased operating and maintenance costs

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 425

Company Update – May 2015 Innovative Ratemaking 17 MGP = Manufactured gas plant; PGA = Purchased gas adjustment; PSCR = Power supply cost recovery Risk Reducing Measure In Place PGL NSG MERC MGU WPS Natural Gas Natural Gas Natural Gas Natural Gas Electric Natural Gas Legislative Rider for Accelerated Main Replacement Program investment IL Senate Bill 2266 approved and is now IL Public Act 98-0057; effective 2014 through 2023 with annual review Bad Debt Rider 2009 State Mandate – recovery back to 2008 Terminated after December 31, 2013 Decoupling/Fixed Charge Recovery Permanent effective in 2012 – annual recovery Full decoupling, annual recovery, with 10% surcharge/credit cap effective January 1, 2013 Weather-normalized decoupling effective January 1, 2015 5-year pilot terminated after December 31, 2013 Monthly residential fixed charge increased from \$10.40 to \$19.00 effective January 1, 2015 5-year pilot terminated after December 31, 2013 Monthly residential fixed charge increased from \$10.25 to \$17.00 effective January 1, 2015 Fuel Cost Recovery 1-for-1 PGA recovery of prudent fuel costs Fuel window – recovery/refund subject to ±2% 1-for-1 PGA recovery of prudent fuel costs Manufactured Gas Plant Site Clean-up Costs Yes – immediate recovery No MGP sites Yes – deferred recovery N/A Yes – deferred recovery Formula-Based Rates on Wholesale Electric Yes

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 425

Company Update – May 2015 State Regulatory Commissions in Jurisdictions Served by Integrys Energy Group
By Initial Date Appointed Confirmed Term Expires Illinois – 5-year terms, party split required, appointment by governor, confirmation by State Senate <http://www.icc.illinois.gov/cc/> Michigan – Staggered 6-year terms, party split required, appointment by governor, confirmation by State Senate <http://michigan.gov/mpsc/0,4639,7-159-16400-40504--,00.html> Minnesota – Staggered 6-year terms, party split required, appointment by governor, confirmation by State Senate <http://mn.gov/puc/aboutus/commissioners/index.html> Wisconsin – Staggered 6-year terms, appointment by governor, confirmation by State Senate <http://psc.wi.gov/aboutUs/organization/commissioners.htm>

Jones Heydinger, Chair Democrat Governor Dayton 07-02-2012 Yes 01-02-2017 John Tuma Republican Governor Dayton 01-28-2015 No 01-05-2021 Nancy Lange Democrat Governor Dayton 02-11-2013 Yes 01-07-2019 Dan Lipschultz Democrat Governor Dayton 01-07-2014 Yes 01-06-2020 Betsy Wergin Republican Governor Pawlenty 08-01-2008 Yes 01-04-2016 Brien Sheahan, Chair Republican Governor Rauner 01-19-2015 Yes 01-19-2020 Miguel del Valle Democrat Governor Quinn 02-13-2013 Yes 01-15-2018 Sherina Maye Independent Governor Quinn 03-19-2013 Yes 01-15-2018 Ann McCabe Republican Governor Quinn 03-16-2012 Yes 01-15-2017 John Rosales Democrat Governor Rauner 03-13-2015 No 03-13-2020 John Quackenbush, Chair Republican Governor Snyder 09-15-2011 Yes 07-02-2017 Sally Talberg Independent Governor Snyder 07-03-2013 Yes 07-02-2019 Greg White Independent Governor Granholm 12-04-2009 Yes 07-02-2015 Ellen Nowak, Chair Republican Governor Walker 07-05-2011 Yes 03-01-2019 Mike Huebsch Republican Governor Walker 02-16-2015 Yes 03-01-2021 Phil Montgomery Republican Governor Walker 04-04-2011 Yes 03-01-2017

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 425

Company Update – May 2015 Estimated Capital Expenditures 19 American Transmission Company (equity contribution) \$ 17 \$ 39 \$ 46 \$ 102 (Dollars in Millions) 2015 2016 2017 Total Wisconsin Public Service Corporation \$ 387 \$ 385 \$ 456 \$1,228 Peoples Gas 406 401 395 1,202 Minnesota Energy Resources 39 38 43 120 North Shore Gas 28 41 38 107 Michigan Gas Utilities 16 16 14 46 Subtotal for Utilities \$ 876 \$ 881 \$ 946 \$ 2,703 Integrys Business Support 39 28 36 103 Integrys Transportation Fuels (Trillium CNG) 28 29 30 87 Total Anticipated Capital Expenditures \$ 943 \$ 938 \$ 1,012 \$ 2,893

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 425

Company Update – May 2015	Estimated Utility Depreciation and Amortization	20	Depreciation and Amortization By Company (Millions)	2015	2016	2017	Total	Wisconsin Public Service	\$ 110	\$ 141	\$ 137	\$ 388	Peoples Gas	116	124	127	367	Minnesota Energy Resources	11	11	12	34	North Shore Gas	11	13	13	37	Michigan Gas Utilities	9	10	10	29	Total for Utilities	\$ 257	\$ 299	\$ 299	\$ 855
---------------------------	---	----	---	------	------	------	-------	--------------------------	--------	--------	--------	--------	-------------	-----	-----	-----	-----	----------------------------	----	----	----	----	-----------------	----	----	----	----	------------------------	---	----	----	----	---------------------	--------	--------	--------	--------

Company Update – May 2015 Provide adequate capital levels at a reasonable cost and maintain current credit ratings; see Slide 23 for credit rating details
Transactions expected in 2015
Long-term debt
Wisconsin Public Service – approximately \$250 million
Peoples Gas – approximately \$200 million, including the August remarketing of the \$50 million Series WW 2.625% debt
Equity
On a stand-alone basis, no new equity needed through at least 2015
Shares needed for stock investment, dividend reinvestment, and equity compensation plans to be purchased in open market

21 Financing Summary

Company Update – May

2015 \$0 \$100 \$200 \$300 2015 2016 2017PGL 2018WPS 2019 2020TEG 22 NSG Millio

Long-Term Debt Maturities NOTE: 2016 maturities exclude approximately \$270 million of Integrys Energy Group hybrid debt securities which convert in that year to a floating rate and are callable at par. Integrys Energy Group has the option to retire the hybrids and reissue securities of similar equity content or allow them to remain outstanding until final maturity in 2066.

Edgar Filing: INTEGRYS ENERGY GROUP, INC. - Form 425

Company Update – May 2015 Integrys Credit Ratings 23 N/A = Not Applicable Standard & Poor's Moody's Integrys Energy Group Issuer credit rating Senior unsecured debt Junior subordinated debt Commercial paper A- BBB+ BBB A-2 N/A A3Baa1 P-2 Wisconsin Public Service Issuer credit rating First mortgage bonds Senior secured debt Preferred stock Commercial paper A-N/A A BBB A-2 A1Aa2 Aa2 A3 P-1 Peoples Gas Issuer credit rating Senior secured debt Commercial paper A-N/A A-2 A2Aa3 P-1 North Shore Gas Issuer credit rating A- A2

Company Update – May 2015 In this presentation, we make statements concerning our expectations, beliefs, plans, objectives, goals, strategies, and future events or performance. These statements are "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are not guarantees of future results and conditions. Although we believe that these forward-looking statements and the underlying assumptions are reasonable, we cannot provide assurance that such statements will prove correct. Forward-looking statements involve a number of risks and uncertainties. Some risks and uncertainties that could cause actual results to differ materially from those expressed or implied in forward-looking statements include those described in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2014, as may be amended or supplemented in Part II, Item 1A of our subsequently filed Quarterly Reports on Form 10-Q, and those identified below: The timing and resolution of rate cases and related negotiations, including recovery of deferred and current costs and the ability to earn a reasonable return on investment, and other regulatory decisions impacting the regulated businesses; Federal and state legislative and regulatory changes, including deregulation and restructuring of the electric and natural gas utility industries, financial reform, health care reform, energy efficiency mandates, reliability standards, pipeline integrity and safety standards, and changes in tax and other laws and regulations to which we and our subsidiaries are subject; The possibility that the proposed merger with Wisconsin Energy Corporation does not close (including, but not limited to, due to the failure to satisfy the closing conditions), disruption from the proposed merger making it more difficult to maintain our business and operational relationships, and the risk that unexpected costs will be incurred during this process; The risk of terrorism or cyber security attacks, including the associated costs to protect our assets and respond to such events; The risk of failure to maintain the security of personally identifiable information, including the associated costs to notify affected persons and to mitigate their information security concerns; The timely completion of capital projects within estimates, as well as the recovery of those costs through established mechanisms; Unusual weather and other natural phenomena, including related economic, operational, and/or other ancillary effects of any such events; The impact of unplanned facility outages; The risks associated with changing commodity prices, particularly natural gas and electricity, and the available sources of fuel, natural gas, and purchased power, including their impact on margins, working capital, and liquidity requirements; The effects of political developments, as well as changes in economic conditions and the related impact on customer energy use, customer growth, and our ability to adequately forecast energy use for our customers; Federal and state legislative and regulatory changes relating to the environment, including climate change and other environmental regulations impacting generation facilities and renewable energy standards; Costs and effects of litigation and administrative proceedings, settlements, investigations, and claims; Changes in credit ratings and interest rates caused by volatility in the financial markets and actions of rating agencies and their impact on our and our subsidiaries' liquidity and financing efforts; The ability to retain market-based rate authority; The effects, extent, and timing of competition or additional regulation in the markets in which our subsidiaries operate; The risk of financial loss, including increases in bad debt expense, associated with the inability of our and our subsidiaries' counterparties, affiliates, and customers to meet their obligations; The ability to use tax credit, net operating loss, and/or charitable contribution carryforwards; The investment performance of employee benefit plan assets and related actuarial assumptions, which impact future funding requirements; The risk associated with the value of goodwill or other intangible assets and their possible impairment; Potential business strategies, including acquisitions or dispositions of assets or businesses, which cannot be assured to be completed timely or within budgets; Changes in technology, particularly with respect to new, developing, or alternative sources of generation; The financial performance of ATC and its corresponding contribution to our earnings; The timing and outcome of any audits, disputes, and other proceedings related to taxes; The effectiveness of risk management strategies, the use of financial and derivative instruments, and the related recovery of these costs from customers in rates; The effect of accounting pronouncements issued periodically by standard-setting bodies; and Other factors discussed elsewhere herein and in other reports we file with the SEC. Except to the extent required by the federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

24 Disclosure of Full Forward-Looking Statements

Company Update – May 2015 Additional Information and Where to Find It 25 Additional Information and Where to Find It

In connection with the proposed merger transaction between Wisconsin Energy Corporation (“Wisconsin Energy”) and Integrys Energy Group, Inc. (“Integrys”), Wisconsin Energy filed with the Securities and Exchange Commission (the “SEC”) a registration statement on Form S-4 that includes a joint proxy statement/prospectus for the shareholders of Wisconsin Energy and Integrys. The registration statement was declared effective by the SEC on October 6, 2014. Each of Wisconsin Energy and Integrys mailed the joint proxy statement/prospectus to their respective shareholders on or around October 21, 2014 and filed other documents regarding the proposed merger transaction with the SEC. Integrys urges investors and shareholders to read the joint proxy statement/prospectus, as well as other documents filed with the SEC, because they contain important information. Investors and security holders may receive the registration statement containing the joint proxy statement/prospectus and other documents free of charge at the SEC’s web site, <http://www.sec.gov>, from Wisconsin Energy at Corporate Secretary, 231 W. Michigan St. P.O. Box 1331 Milwaukee, WI 53201, or from Integrys at Integrys Energy Group, Inc., Investor Relations, 200 East Randolph Street, 23rd Floor, Chicago, IL 60601.