

INTEGRYS ENERGY GROUP, INC.

Form 4

May 22, 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 *
BORGARD LAWRENCE T

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)

___ Director ___ 10% Owner
X Officer (give title below) ___ Other (specify below)
Vice Chrmn Brd & CEO-PGL,a sub

700 NORTH ADAMS STREET, P. O. BOX 19001

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

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

(Street)

GREEN BAY, WI 54307-9001

(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 | | |
| | | | Code | V | Amount | | |
| Common Stock | 05/20/2008 | | F | | 617 | D | \$ 50.97 |
| Common Stock | | | | | 2,270.784 ⁽¹⁾ | D | |
| | | | | | 2,948.8536 | I | By ESOP |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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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 Number Shares |
| Employee Stock Option (Right to buy) | \$ 34.09 <u>(2)</u> | | | | | 12/13/2002 | 12/13/2011 | Common Stock | 3, |
| Employee Stock Option (Right to buy) | \$ 37.96 <u>(3)</u> | | | | | 12/12/2003 | 12/12/2012 | Common Stock | 6, |
| Employee Stock Option (Right to buy) | \$ 44.73 <u>(4)</u> | | | | | 12/10/2004 | 12/10/2013 | Common Stock | 6, |
| Employee Stock Option (Right to buy) | \$ 48.11 <u>(5)</u> | | | | | 12/08/2005 | 12/08/2014 | Common Stock | 11, |
| Employee Stock Option (Right to buy) | \$ 48.36 <u>(6)</u> | | | | | 02/14/2009 | 02/14/2018 | Common Stock | 30, |
| Employee Stock Option (Right to buy) | \$ 52.73 <u>(7)</u> | | | | | 12/07/2007 | 12/07/2016 | Common Stock | 11, |
| Employee Stock Option (Right to buy) | \$ 54.85 <u>(8)</u> | | | | | 12/07/2006 | 12/07/2015 | Common Stock | 12, |
| Employee Stock Option (Right to buy) | \$ 58.65 <u>(9)</u> | | | | | 05/17/2008 | 05/17/2017 | Common Stock | 14, |

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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.

- (12) 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.
- (13) These phantom stock units convert to common stock on a one-for-one basis.
- (14) 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.
- (15) 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.
- (16) Each restricted stock unit represent a contingent right to receive one share of TEG common stock.
- (17) The restricted stock units vest in four equal annual installments beginning on February 14, 2009.

Remarks:

Table 1, Column 5 Reflects shares allocated by the company's ESOP program on March 31, 2008.

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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