INTEGRYS ENERGY GROUP, INC.
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In a joint release, it was announced early Monday, June 23, that Wisconsin Energy Corporation will acquire Integrys Energy Group in a cash, stock and assumed debt transaction valued at $9.1 billion dollars.

This acquisition is subject to approvals, and if all goes to plan, the transaction will close in the summer of 2015.

At that time, the new, combined company will be called **WEC Energy Group**.

(Pronounced W-E-C Energy Group.)

Integrys Energy is a strong, diversified energy holding company based in Chicago. It s a parent company to five electric and natural gas utilities that serve customers in Wisconsin, Illinois, Michigan and Minnesota.

You may be familiar with Wisconsin Public Service We Energies service area is adjacent to theirs. In fact, WPS employees may be our friends, neighbors and in some cases **customers and even family members** in the Fox Valley.

To put it another way, Integrys is a parent company that owns five utilities -- similar to how Wisconsin Energy is the parent company for We Energies.

Pending approvals, once the transaction is completed next year, the new org chart may look like this.

W-E-C Energy Group will be the new parent company, with seven natural gas, electric and steam utility subsidiaries.

The combination brings together Wisconsin Energy s top-performing electric and gas utility We Energies and Integrys strong electric and gas utilities Wisconsin Public Service, Peoples Gas, North Shore Gas, Minnesota Energy Resources and Michigan Gas Utilities.

There is no plan to merge utilities.

W-E-C Energy Group s service area will grow. Here s what each company s service areas look like today.

And here s what W-E-C Energy Group s service area will look like after the transaction is complete.

W-E-C Energy Group will be a larger, more diverse regulated utility company. It will have the financial strength and technical depth to meet customers future energy needs. In fact, this transaction will create the 8th largest natural gas distribution company in America.

The combined entity is projected to have a regulated rate base of $16.8 billion in 2015. It will serve more than 4.3 million total gas and electric customers across Wisconsin, Illinois, Michigan and Minnesota. It will operate nearly 71,000 miles of electric distribution lines and more than 44,000 miles of gas transmission and distribution lines.

Wisconsin Energy will maintain a strong commitment to Integrys Energy Group s service territories and local communities in which Integrys Energy Group operates. The combined entity will continue to have a strong local presence and will maintain operating headquarters in Milwaukee, Green Bay and Chicago.

For now, all utilities will continue to operate as they do today.

Once the transaction is complete, Gale Klappa will become the chairman and CEO of W-E-C Energy Group. Other senior leadership positions will be filled by current senior officers of Wisconsin Energy.

The new combined company s headquarters will be in the metro Milwaukee area and operating headquarters will be in Chicago, Milwaukee and Green Bay.

This transaction is expected to benefit customers and shareholders alike.

For customers, the transaction will create a larger, more diverse company that is better positioned to meet customer needs and support economic growth in its service area. It brings together two well-regarded utility operators to deliver even higher levels of service. Also, the combined company s strong cash flow will enable it to accelerate investment in upgrading and expanding critical energy infrastructure.

For shareholders, the combined company will add to earnings by the end of the first calendar year after closing and be positioned to deliver enhanced earnings growth over the long-term.

The companies operational philosophies are compatible.

Wisconsin Energy and Integrys are committed to reliability, customer satisfaction, safety and environmental stewardship.

Over the next several months, we ll make the appropriate regulatory filings with each required agency. They ll hold hearings and take testimony to understand how this combination is in the best interests of all parties.

The transaction is subject to approvals from the shareholders of both companies. The transaction is also subject to the notification and clearance and reporting requirements under the Hart-Scott-Rodino Act and other customary closing conditions.

For today and many months to come, most employees will see no change.

Except for certain senior leadership positions at Integrys, no layoffs are anticipated at this time.

All labor contracts will be honored.

Our primary focus will be on safe, reliable and efficient operations and service to our customers.

We are asking everyone to stay focused and continue delivering the very best for our customers and shareholders.

There s detailed information on iConnect. You ll find the official news release, a fact sheet, frequently asked questions and a video message from Gale Klappa.

For updates on the transaction, visit wisconsinenergy.com.