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What Is PoW Ethereum (ETHW)? Your Ultimate Guide

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PoW Ethereum (ETHW) is a forked version of the [Ethereum](#) blockchain which was created by a Chinese miner after the Ethereum Merge.

Ethereum blockchain shifted from a [proof-of-work \(PoW\)](#) to a [proof-of-stake](#) (PoS) consensus mechanism on Sept. 15, 2022. Along with this move, ETHPoW, a distinct PoW blockchain (basically the old pre-Merge Ethereum) forked from Ethereum's Merge, became live. This forked version of Ethereum aims to maintain the proof-of-work mining process for ETH miners.

Any miner is permitted to add a block to the PoW network with the clear stipulation that the first valid block published is the correct one. In reality, more than one legitimate block is occasionally discovered by the network due to the latency of data propagation, creating numerous branches of the blockchain called a fork.

This article will discuss the proof-of-work Ethereum fork, the history of PoW Ethereum and the differences between ETH and [ETHW](#).

A brief glance at PoW Ethereum (ETHW)

The long-awaited "The Merge" upgrade for Ethereum reduced the requirement for miners. It replaced them with validators who stake Ether (ETH) rather than using costly and energy-intensive devices to secure the network, significantly increasing the cryptocurrency's energy efficiency. However, ahead of the Merge, a hard fork of the Ethereum network, called ETHW, which still uses the PoW consensus mechanism, was created, leading to a triumph for ETH miners.

But who is behind ETHW? Chinese miner Chandler Guo opposed the PoS consensus method and launched the PoW-based Ethereum blockchain. Although creating the PoW Ethereum chain could be a victory for miners over stakers, ETHW users suffered accessibility issues.

The chain ID that ETHPoW used is 10001, but it was already in use by a Bitcoin Cash testnet. As a result, the MetaMask cryptocurrency wallet users faced issues as the Chain ID, acting as an identifier, could not differentiate between two separate blockchains.

Chain IDs can be chosen at will because there is no central repository or registry, but pre-hard fork testing would have found the contradiction, whereas the team behind ETHW ignored the issue. Despite this, crypto exchanges like Binance and Coinbase showed support for ETHW. For instance, Binance announced its ETHW mining pool, stating that it will be subject to the same review process as other cryptocurrencies.



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How PoW Ethereum works

The initial version of the Ethereum network (i.e., Ethereum Classic) was based on the PoW consensus method. However, this version was hard forked to secure the network due to the [DAO](#) hack. EthereumFair and EthereumPOW are the other two hard forks of the original Ethereum blockchain that will continue to use proof-of-work mining.

Proof-of-work cryptocurrencies like [Bitcoin](#) (BTC) are promoted as a censorship-resistant, trustless type of digital money created after one person or a small group of people solve a mathematical puzzle and propose a new block. However, to prevent any small group of miners from enacting rules that would weaken the resistance to censorship, many non-colluding miners must be processing transactions.

Similarly, to stop anyone from abusing the system, ETHW miners will also continue to solve arbitrary mathematical challenges to validate transactions and mine new tokens. In return, they will be rewarded with ETHW, the native asset to the ETHPoW chain.

How to buy PoW Ethereum tokens?

Crypto trading platforms like Crypto.com and exchanges such as Coinbase and Binance are examples of a few places where ETHW supporters can buy proof-of-work Ethereum tokens.

For instance, Binance formally launched Binance Pool's fee-free Ethereum ETHW mining service that offers ETHW withdrawals for a limited time. However, please note that ETHW deposits are not possible. On Binance Convert, users can sell ETHW against BUSD and USDT.

The basic steps required to buy ETHW on your chosen platform include:

- Create an account on your selected platform/exchange and verify your identity.
- After the identity verification process is successful, deposit funds.
- Users can go to the trading section and buy ETHW after their account has been funded.

But why do people use PoW Ethereum? Proof-of-stake critics prefer proof-of-work because they have already invested in expensive mining equipment, and the shift to a PoS network will leave them with no revenue.



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How can I store ETHW?

Hardware or software wallets can be utilized to store ETHW. Hardware wallets offer more security than software wallets as the funds are stored offline using wallets like Ledger Nano S. Crypto owners with software wallets retain custody of their private keys as opposed to allowing them to be held by the exchange.

Users who are mostly away from their PCs may choose mobile wallets to store ETHW or any other cryptocurrency. However, the original owner may lose funds if the device is infected with malware. Alternatively, one can use paper wallets that store private and public keys and QR codes on a piece

of paper. Again, if the document containing this information is lost or falls into the hands of unauthorized users, the owner's ETHW cannot be recovered.

ETH vs ETHW: What's the difference?

After the Merge, the Ethereum network was split into two versions: ETH, which uses the PoS consensus algorithm, and ETHW, which uses the older PoW algorithm. That said, ETHW miners receive rewards in the form of Ethereum tokens by solving complicated mathematical puzzles, whereas validators will need to stake ETH for revenue purposes.

ETHW attracts miners because without a proof-of-work consensus mechanism, they may go bankrupt as new tokens will be added to the blockchain via the staking process. On the other hand, the proof-of-stake blockchain is not a replacement for the original Ethereum blockchain but rather a merge of the execution (mainnet) and consensus (Beacon chain) layers.

The differences between ETH and ETHW are stated in the table below:

ETH vs. ETHW

| | ETH | ETHW |
|----------------------------|--|---|
| Consensus mechanism | Proof-of-stake | Proof-of-work |
| Capital at stake | Validators voluntarily stake capital in the form of ETH into a smart contract. | By investing in energy, miners demonstrate that they have capital at stake. |
| Barrier(s) to entry | Elite hardware is not necessary for proposing new blocks. | Miners need to invest in expensive hardware equipment to participate in the PoW mining process. |
| Centralized risk | Low | High |



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PoW Ethereum's future

The PoW consensus scheme's incentive structure requires the network's miners to perform many hashes to obtain the first usable block hash, resulting in unsustainable energy use. Additionally, the consensus mechanism adjusts the block hash difficulty upward as the network's processing power grows, leading to a higher network-wide hash rate.

Moreover, the energy used by unsuccessful miners goes to waste, leading Ethereum to move to a proof-of-stake consensus mechanism. Although ETHW attracts miners because they have already invested in hardware mining equipment, the PoS consensus method is less energy-intensive and allows networks to scale inexpensively.

Proof-of-stake (PoS) is still in its infancy and could potentially revolutionize [blockchain](#) safety and make mining obsolete. But it remains to be seen whether the PoS consensus algorithm will lead to a complete halt to PoW mining.

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