Definitions on Repo and Reverse Repo and the Fed's uses thereof.
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As its name suggests, a repurchase agreement (repo) is a collateralized loan. The repo seller sells a security while simultaneously agreeing to buy it back for an agreed upon price at an agreed upon future date. The price differential and term pin down the repo rate (which is stated on a 360-day basis).

When a dealer (e.g., Goldman-Sachs) originates a repo it borrows from the counterparty–raising cash, delivering the security that serves as collateral, and agreeing to pay the repo rate.

When a dealer (e.g., Goldman-Sachs) originates a reverse repo it lends to the counterparty–delivering cash, receiving the security that serves as collateral, and agreeing to receive the repo rate.

We have to be careful when the Fed is involved because the Fed always characterizes the transaction from *its counterparty's perspective.* So when the Fed initiates an overnight reverse repo (such as in their overnight reverse repurchase facility–currently capped at $30 billion per counterparty), from the Fed's perspective this is a repo. The Fed is going to pay the overnight reverse repo rate to its counterparties in exchange for reserves, and the Fed delivers its securities to the counterparty to serve as collateral.

If the Fed wants to inject reserves into the banking system, then they would use a repo. This means that the Fed's counterparty (e.g., Goldman-Sachs) borrows reserves from the Fed.

So the current (crisis–induced) overnight reverse repurchase facility is a way to extend the Fed's payment of interest on reserves to non-banks. A Federal Home Loan Bank can earn the stated ONRPP rate (1% on 8/24/17) on its reserves–up to $30 billion. Of course, a commercial bank can earn the IOER, which is currently 1.25% on its reserves held at the Fed. While in ordinary times the IOER would be set a floor for the federal funds rate, since US commercial banks are awash in reserves, they are not borrowing reserves in the Federal Funds market. The federal funds market now is largely dominated by non-bank financial institutions such as Fannie Mae and the Federal Home Loan Banks, and therefore in the current context the ONRRP rate serves as the floor under the federal funds rate.

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